

# Budgeting for Your Program

Make planning decisions easy by establishing an engagement target.



**The number one driver of budget uncertainty for a giving program is a lack of clarity on the program vision.**

## Components of Your Giving Program's Budget Impact.

1. **Matching.** Offering to match donations of employees.
  - 1.1. **The per employee \$ cap.** How much you will allot as a maximum per employee per year.
  - 1.2. **Utilization.** How many employees actually use the match.
2. **Stipends.** Putting company money in the hands of employees for them to give away. Budgeting is simply the \$ per employee x employees.
3. **Charityvest platform.** How much you will pay to leverage Charityvest as a tool to facilitate and encourage giving.
  - 3.1. **Software.** We charge a platform fee per month. It is a flat rate starting at \$99.
  - 3.2. **Employee participation.** How many employees will jump in and participate. We charge \$1.49 per employee participant, and this goes down with scale.
  - 3.3. **Transaction fees.** We don't have transaction fees.

## Employee participation is the cost driver—and that's a good thing.

The biggest cost driver for your program will be whether or not employees jump on and give, particularly if you offer a match. That's good. Why? Your costs are aligned to value, which means high ROI at any level.

## We need to estimate employee participation to budget.

The best way to simplify the budgeting process is to develop an estimate on employee participation.

Employee participation rates among Charityvest partners:

- Best: 45-60%
- Average: 25-45%
- Below average: 10-20%

The market average for charitable programs in general is 5-10%.

Your employees who participate likely will not utilize your entire charitable match, either. For the sake of simplicity, **we will assume that participating employees utilize 50% of the available match on average.** The higher your per employee match cap, the lower your utilization will be (as you're asking them to donate more \$ to use it).

Our pricing model:

Employees participating	1-200	201-500	501
Per month platform cost	\$1.49 per EE + \$99	\$0.99 per EE + \$199	\$0.49 per EE + \$449

Estimating total annual cost with matching + platform costs:

Annual cost		Number of employees participating in your program (not your total EE headcount)										
		25	50	75	100	150	200	300	500	1000	2000	10000
Match used per employee (assuming 50% utilization of matching, per participating EE)	\$0 (Campaigns only)	\$1,653	\$2,082	\$2,529	\$2,976	\$3,870	\$4,764	\$5,952	\$8,328	\$11,268	\$17,148	\$64,188
	\$100	\$2,903	\$4,582	\$6,279	\$7,976	\$11,370	\$14,764	\$20,952	\$33,328	\$61,268	\$117,148	\$564,188
	\$500	\$7,903	\$14,582	\$21,279	\$27,976	\$41,370	\$54,764	\$80,952	\$133,328	\$261,268	\$517,148	\$2,564,188
	\$1000	\$14,153	\$27,082	\$40,029	\$52,976	\$78,870	\$104,764	\$155,952	\$258,328	\$511,268	\$1,017,148	\$5,064,188

## An effective way to lower your donation program budget without sacrificing engagement.

We find that offering a lower per employee match in tandem with a charitable stipend can produce powerful engagement results. Stipends, per dollar, create about 2x more engagement than matches.

## We'd be happy to do a budgeting & strategy exercise with you.

Reach out to our team if we can help create a program strategy for you and do some scenario modeling on your specific company's situation.