



Jumpstart For Young Children
FY 2008
Budget Proposal

Nichole Schultz
PA730
Spring 2007

Budget *Analysis*
Jumpstart
FY 2008

May 17, 2007

Jumpstart Board of Directors and CEO George Askew;

I am pleased to present to you the FY2008. Jumpstart for Young Children operating budget. The budget is balanced to reflect projected revenues for FY08 with the cost of expenditures for the fiscal year that reflect current changes in program priorities.

This budget is reflective of the organizations changing priorities by providing increases to the following program areas: Curriculum development, alumni tracking, new site development and the Pearson Teacher Fellowship. These increases will help to develop a curriculum pilot which will lead to an increase the quality of Jumpstart's curriculum thus improving long term school readiness of participating children in the program. By creating a strong way to track Alumni, previous Corps members and Team leaders, Jumpstart will be able to gauge its impact on the field of ECE and create community for the college students that participated in the program. With Jumpstart's priority to get more teachers into early childhood centers more funding will be provided for the Pearson Teacher Fellowship program in order to increase the size of the class of 2008 fellows.

These changes are able to take place due to past emphasis on increasing revenues through diversification of fundraising. This has included a decrease in dependency on federal government grants and has lead to an increase in gifts from individuals and local governments. Through this diversification, Jumpstart has been able to acquire more unrestricted money which allows for the increase in these three program areas.

This budget shall be used as a plan for the organization for FY2008 and provides valuable information in planning for FY08 as well as future years by examining past patterns of revenues and expenditures from FY04-FY07. (FY07 actuals have been estimated due to FY07 not being closed out yet. These calculations are based on current spending through January 2007). The budget also serves as a guide for management to by aiding in their ability to control finances of their department. Furthermore, the budget serves as a communication to current and future funders in understanding Jumpstart's program priorities, financial management systems, and provides the funder the opportunity to see how their contribution has or will help aid in the operations of the organization.

Jumpstart Mission and Program Priorities

Jumpstart is working toward the day every child in America enters school prepared to succeed.

Through one-to-one relationships between young children and adults, Jumpstart inspires children to learn, adults to teach, families to become involved in their child's education, and communities to progress together.

The main program priorities for FY08 are:

- Curriculum Pilot
- Alumni Tracking
- Pearson Teacher Fellowship
- New site development

Curriculum Pilot

Jumpstart plans to research and develop a new curriculum with the goal of improving the outcomes for children. This project is part of the Jumpstart's FY06-FY09 Strategic Plan. It came from the desire to narrow child outcomes and improve child gains. Analysis of several years of child outcome data (checklists and some direct measures tests) highlighted concern over inconsistent results for children. This project will *ensure measurable gains in school readiness*

Alumni Tracking

As an initial component of Jumpstart's broader outreach plan, this project aims to track alumni to prove Jumpstart's outcomes, engage former Corps members as advocates/donors, and prove Jumpstart's future teacher's strategy. This project directly supports the Future Teachers Initiative by ensuring Jumpstart remains connected to Corps Member alumni. Jumpstart needs to be able to reach out to *former* (not just existing) Corps members, to encourage as many young graduates as possible to pursue ECE teaching careers and to advocate within Federal and State governments (advocating to promote fair wages and increased investment in ECE will ensure higher quality and increased capacity within the ECE work force).

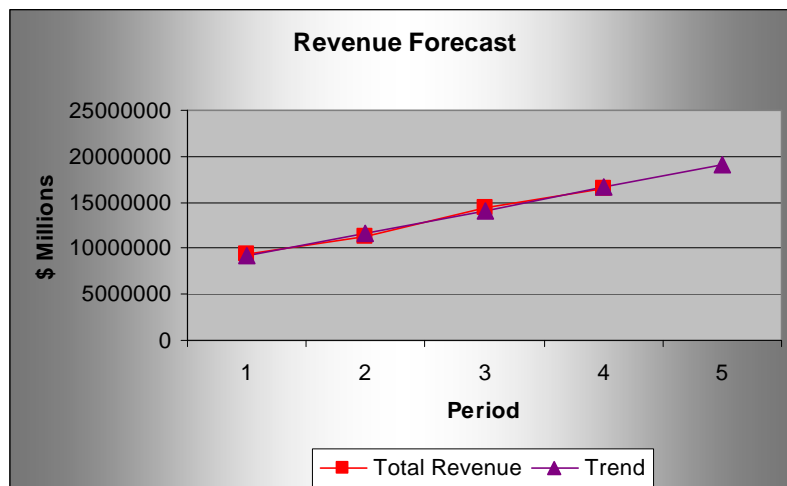
New Site Development

To limit the scope of this project the focus will primarily be on refining the sales strategy and cycle (the timing that typically yields the most success while recruiting a higher education institution). The team will analyze and recommend the most appropriate strategic approach to cultivate and develop a partnership, identify the most likely ways to breakdown barriers to entry to a higher education institution, and make recommendation for how best to present/sell Jumpstart to identified higher education stakeholders.

Summary of the FY 2008 Budget

	FY04	FY05	FY06	FY07 (estimated)	FY08 (projected)
Revenues					
Grants					
<i>Foundations</i>	\$ 3,276,853	\$ 2,051,173	\$ 2,205,647	\$ 2,764,342	\$ 3,228,739
<i>Government</i>	5,550,567	4,325,841	5,315,472	4,568,212	4,650,665
Corporations	1,212,108	2,205,791	3,245,604	3,934,321	4,011,069
Individuals	997,508	1,547,126	2,520,551	4,000,231	4,682,375
In-kind goods/services	1,045,660	1,116,058	1,131,376	1,230,321	1,273,179
Other Revenue	17,145	7,281	30,974	24,593	31,508
Total Revenues	\$ 12,099,841	\$ 11,253,270	\$ 14,449,624	\$ 16,522,020	\$ 17,877,534
Expenditures					
Regional Site Managers & Program Staff	\$ 4,236,983	\$ 4,901,506	\$ 5,609,337	\$ 6,935,397	\$ 7,494,121
Curriculum Development, Training, & Support	4,124,987	4,294,612	4,600,104	4,633,745	4,935,956
Development	1,349,209	1,511,457	1,631,553	1,332,286	1,417,000
Administration	1,337,740	1,206,204	1,190,823	1,262,210	1,278,000
Pearson	1,045,321	999,843	814,001	1,010,045	1,200,000
Total Expenditures	\$ 12,094,240	\$ 12,913,622	\$ 13,845,818	\$ 15,173,683	\$ 16,325,077
Net Revenues Over Expenditures	1.0	0.87	1.04	1.09	1.10

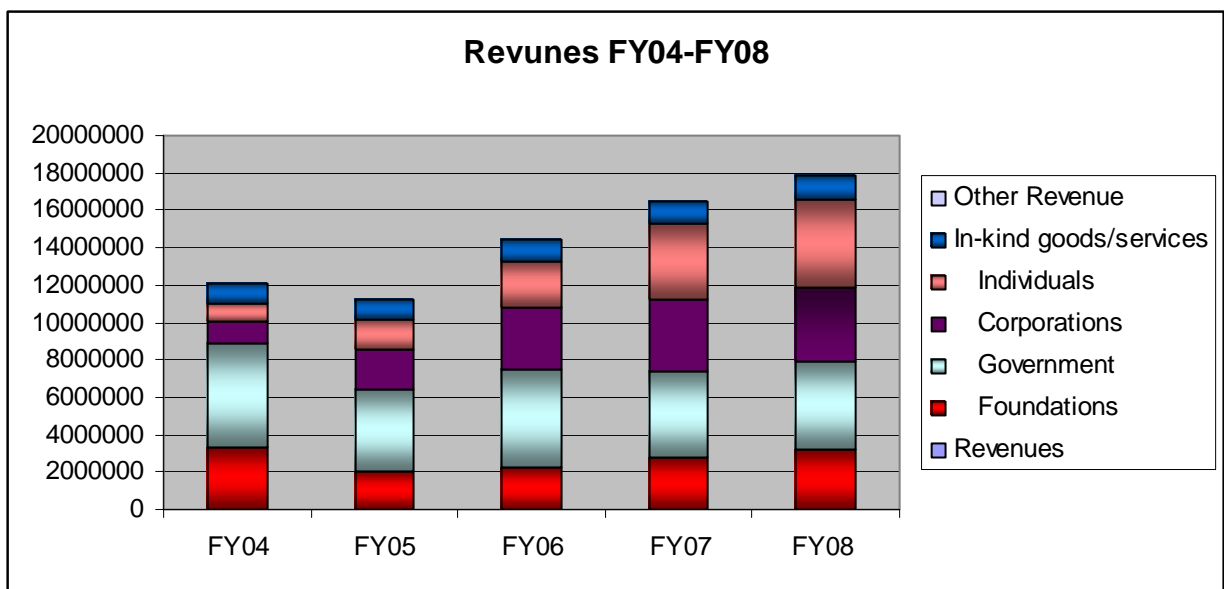
Revenue Projections



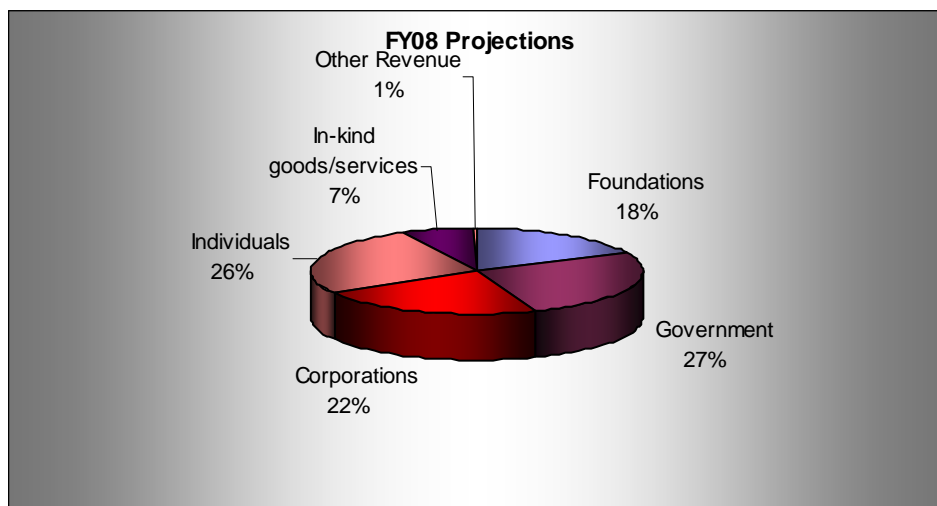
Jumpstart receives revenues from a variety of sources each fiscal year. For the past two years, Jumpstart has attempted to diversify their funding streams primarily by increasing their individual donations and decreasing their dependency on federal government support, mainly AmeriCorps dollars. Jumpstart has developed a strong

development team over the past three years and has become more sophisticated in their fundraising by focusing on fund development on a regional level which has lead to an increase in the foundation and local government dollars available to the organization.

Significant changes over the past five years find that Jumpstart's individual donations have gone from \$997,508 in FY04 to a projected \$4,682,375 or an increase of about 3.68 million dollars. There has also been growth in corporate giving which as seen an increase of roughly 4 times the amount from FY04 to FY08. Overall, Jumpstart continues to increase their revenues yearly. These increases are necessary for the organization's continued growth and desire to serve more children and communities throughout the country.



FY2008 projections predict that there will be an increase of \$1,335,892 in revenue from FY07 to FY08. This projection is based on increase in individual and foundation giving. Government funding represents 27% of revenue, Individuals represent 26% of revenue, corporations represent 22% of revenue, foundations represent 18%, in-kind goods and services 7% and other revenue represents 1% of revenue. From FY07-FY08 we see an overall increase of 8% of total revenue.

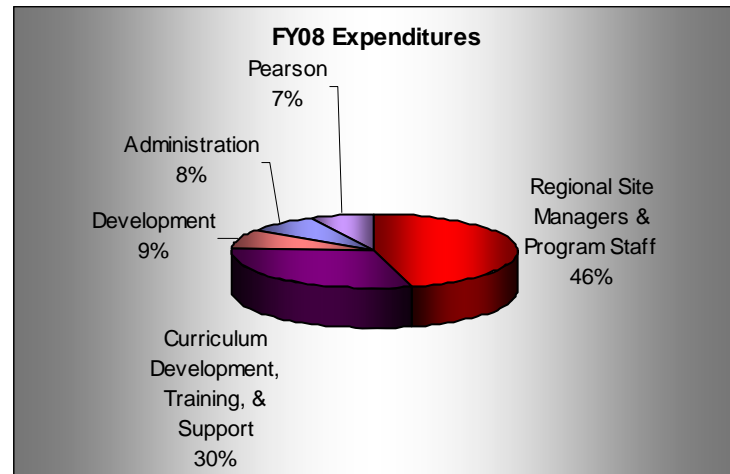


Expenditure Projections

Jumpstart's overall operating budget for FY08 is \$16,325,077 which is about \$1,151,394 more than FY07. This increase in expenditure costs is due to Jumpstart's continued growth as an organization, changes in program priorities, and an increase in receivable revenue.

Jumpstart's budget prioritizes expenditure spending as follows:

Expenditures	
Regional Site Managers & Program Staff	7,494,121
Curriculum Development, Training, & Support	4,935,956
Development	1,417,000
Administration	1,278,000
Pearson	1,200,000
Total Expenditures	\$16,325,077



Justification of Expenditures:

- Regional Site Managers & Program Staff include all site and program staff salaries and benefits and Corps member salaries and benefits. FY08 budgets \$7,294,121 or 46% of the total budget to these areas. Historically, Jumpstart actual costs for this expenditure do not reflect what originally is budgeted. For example FY05 spent 1,149,927 or 30.7% more than budgeted for salaries and benefits. For FY06 8.5% more was spent. With Jumpstart's growth in mind staff salaries and benefits as well as Corps member benefits had to be increased in order to bring on new program sites throughout the country. There is also a growing need of CM salaries due to Federal Work-study budget reductions throughout universities. This has caused many Jumpstart programs to have to limit or even decrease the number of Corps members. By increasing funding for these positions Jumpstart is able to increase the number of children being served.
- Curriculum Development, Training & Support includes *curriculum development*, family resources, project & strategic planning, rent, educational services, training materials, assessment & program evaluation, recruitment materials, *new site start up costs*, distance learning, office supplies, background checks/tb tests, program supplies, telephone, leadership institutes, Vista program support and printing. Rent and facility management tends to be the expenditure with the largest percentage of the

overall budget averaging from FY04-FY07 of about 5.1%. This is followed by educational services, program supplies, and family resources. Curriculum development has seen a decrease over the past three years though FY08 brings a large increase to this program area. Project & strategic planning and Vista program support had the largest percent decreases for FY08 as the organization has developed a strong strategic plan through FY11. The VISTA Program has also been decreasing in size. Overall, many of the other expenditures for this category remain close to FY07 budgeted amounts in most instances increase by a few thousand dollars to help support growth of the network.

- Development includes public relations, development group, event management, and *alumni network*. Public relations has had a decrease in funding due to changes in the way in which the program is being supported. Site staff and development efforts have provided more of these services. Because of Jumpstart's organizational priority and mission development has remained as one of the larger expenditures of the entire budget. Though there was a decrease from FY06-FY07 (8.7% total budget to 6.1% total budget) this is due to Jumpstart's ability to increase their fundraising efforts by creating more advanced ways to raise money. The alumni network program was created in FY06 to begin to support how Jumpstart could create and track a program for previous Corps members.
- Administration includes human resources management, grant management & compliance, contracting, IT/Internet support, insurance, and postage. Administration costs have decreased from FY04 (1,337,740) to FY08 (1,278,000). These costs have been due to decreases in funding to grant management and compliance and contracting and accounting. As Jumpstart has become more established as an organization it has been able to create systems that allow less time and effort to be spent on these projects. Administrative needs such as insurance and postage have remained stable across the fiscal years because these costs incrementally increase.
- Pearson includes the *Pearson Teacher Fellowship*. The Pearson Teacher Fellowship program recruits previous corps members into teaching positions for 2 years. Through this program teachers receive extensive training and mentoring. As Jumpstart attempts to increase their role in bringing more qualified teachers into the field of ECE they have created this fellowship program to reach this goal. The Pearson teacher fellowship was a priority for FY04 and FY05 but FY06 & FY07 saw decreases in the funding for the program due to Jumpstart efforts to focus first on site growth and assessment of program. This program has been identified again as an important program for the organization.

Program Priorities

Overall for FY2008 budget there were significant increases in the following program areas from FY07 to FY08 due to these programs or activities becoming more of a priority in the organization for FY08.

	FY07 Budgeted	FY07 Actual	FY08 Budgeted
Curriculum development	411,053	405,562	525,456
New site start up costs	142,354	141,032	200,000
Alumni Network	175,234	159,876	215,000
Pearson Fellowship Program	1,036,239	1,010,045	1,200,000

Curriculum development increased in budgeted amounts by 28%, new site start up costs increased by 28%, alumni network spending increased by 23% and Pearson Teacher Fellowship program increased by 16%. These increases occurred through minimal decreases in other expenditures due to the increase in projected revenue for FY08.