

COMMUNITY DIRECTORS WEBINAR

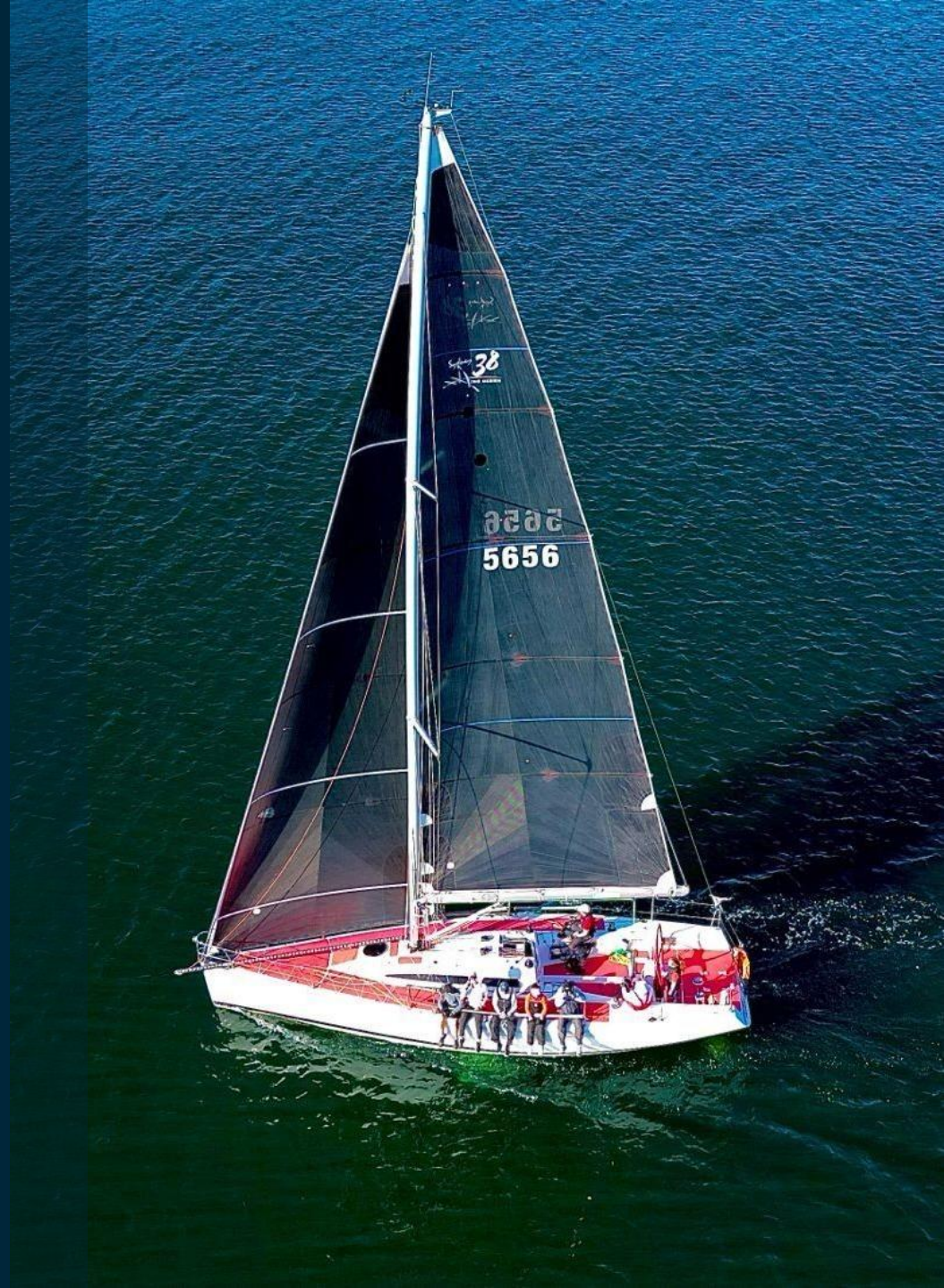
Budgets that work in the real world

How to build accountable budget ownership across your NFP

Lisa Callaghan | Budgetly | 23 September 2026

DECEMBER 2011

I had never sailed before



THE STORY CONTINUES

Six months later, I was on the board

5
years as
Treasurer

7
years as
President





Manly Yacht Club is

A small community not-for-profit that gets sailors of all abilities onto the water.

Kids

Sailability

Veterans

10 YEARS AS A CPA

Then I made a very irresponsible decision

Bought the boat first. Worked out the budget later.



Then I made another very irresponsible financial decision

I skippered my first Sydney to Hobart.



4

**Then I did it again.
And again.**

The fifth race starts on Boxing Day this year.





Every dollar is precious

What makes you and I the same is that we work at not-for-profits for the purpose. We are passionate about the cause, and contributing to that cause brings us immense fulfilment.

That is also what makes it hard. The stakes are real, and every dollar spent in one place is someone else missing out.



THE NEXT 45 MINUTES

Three topics, then your questions

1

Who owns the budget today

The Treasurer builds it. Volunteers spend it. Nobody owns it in between.

2

Why that breaks around September

Volunteers, change, and the ninety day problem.

3

How to build real budget ownership

Five shifts and three controls, starting with who owns the number.

Nothing is for sale in this session. Put questions in the chat as they occur to you.

01

**The way almost
everyone does it**

STEP ONE

The Treasurer builds a budget



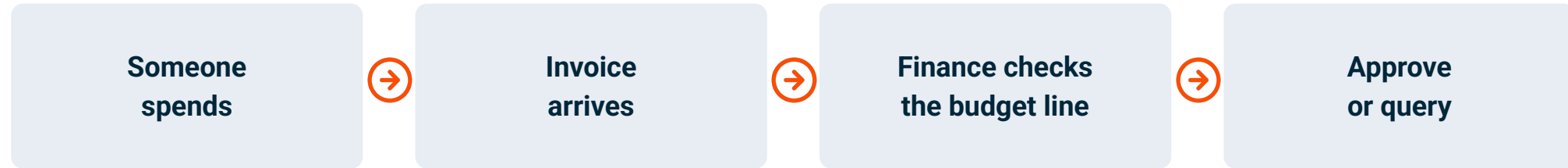
- Usually May or June.
- Last year's actuals, plus a percentage.
- A board or committee workshop.
- A spreadsheet with a version number in the filename.
- Approved, printed, filed.

This process is not stupid.

It was designed for a world that changed more slowly.

STEP TWO

Money is spent against it



The check happens after the money is committed

The invoice is evidence of a decision someone already made. At this point, finance is doing reconciliation dressed up as control.

STEP THREE

The board receives the pack



- Monthly financials.
- Controls and compliance.
- Unders and overs against budget.
- A variance column, discussed line by line.

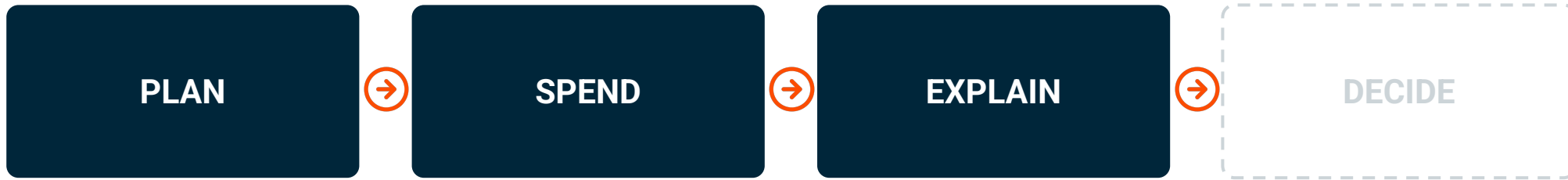
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days after the period
already finished

Nobody in the room can change line 34. It has already happened.

THE CYCLE

Plan. Spend. Explain.



↻ the missing step loops back into next year's plan

Notice what is missing.

02

**Three reasons this
fails, and none of
them are your fault**

REASON ONE

We run on volunteers

The people spending the money did not write the budget and cannot see it.



The Saturday problem

The volunteer buys the thing, because the event is Saturday and the answer has to be now.



The unwritten threshold

A committee member has never been told there is an approval limit, let alone what it is.



The inbox handover

The outgoing treasurer's knowledge lives in their own head and their own email account.

We ask volunteers to comply with a document they have never been shown, then act surprised when they do not.

REASON TWO

Things happen



Regulation

AI launches

Staff turnover

Opportunities

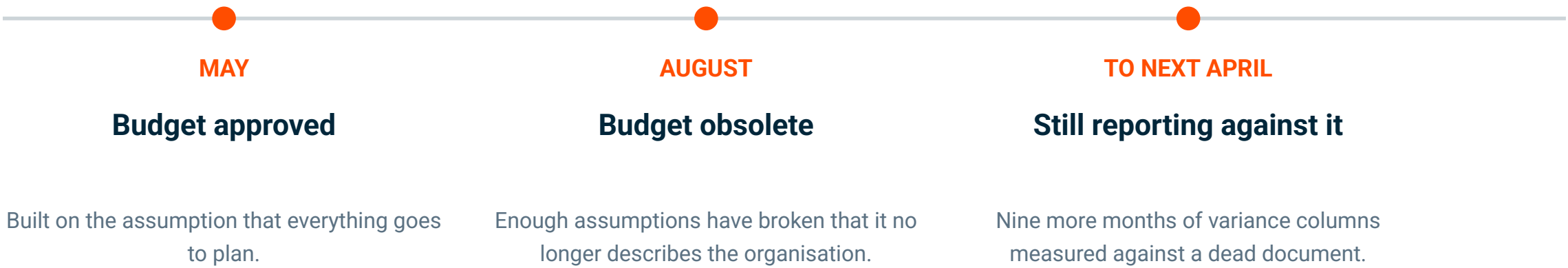
Setbacks

Every one of these is a reason to change the plan.

None of them is a reason the plan was wrong.

REASON THREE

Ninety days



Roughly one quarter in, the document stops describing the organisation. It governs decisions for another nine months anyway.

THE BILL

What that actually costs you

\$

Decisions delayed

Waiting for month end to know whether you can act.

\$

Decisions avoided

No is the safe answer when nobody knows where you stand.

\$

Spend that should not have happened

Caught three weeks after the money left.

\$

Opportunities missed

A grant opens, a boat comes up, a coach becomes available. It is not in the budget.

The fourth one is the expensive one

and it never appears in a variance report.

“

Come Boxing Day, the objective never changes but the plan does, many times. It is those yachts that adapt and take advantage of the prevailing conditions who win.

We have a navigator, a 3 hour watch system, a decision making framework, and a rule about when to wake me.

03

Ownership first. Then four more shifts.

Five shifts, three controls, and a one page summary at the end. Stop taking notes and listen.

SHIFT 1 OF 5



Program leads own their numbers

- Finance sets the shape and the guardrails.
- The people accountable for the work build and own the numbers underneath it.
- Ownership without real time visibility just produces resentment.

Biggest cultural shift.

The one that fails first. Give people the allocation and the live view, or give them neither.

SHIFT 2 OF 5



Move the control to the moment of decision

- 1 Budget owners hold their own allocation. Not a number in someone else's spreadsheet.
- 2 Approvals happen before money leaves. Not after the invoice turns up.
- 3 Finance reviews exceptions. Instead of policing every receipt.

This is what makes shift 1 real.

Ownership is a word until the volunteer can see their number at the moment they are standing in the shop.

SHIFT 3 OF 5



Reforecast, do not defend

- A fixed twelve month budget set in June is stale by September.
- Organisations that budget well now run a rolling twelve month forecast and reforecast quarterly.
- The original budget stops being a target to defend. It becomes a baseline to explain variance against.

The mental move.

Realistic for most volunteer boards: quarterly. Monthly is for organisations with paid finance staff.

SHIFT 4 OF 5



Model what actually moves the number

- Programs: \$80,000 → Members × cost to serve
- Events × cost per event
- Participants × subsidy per head
- Grant funded vs self funded
- Volunteer hours and what they would cost to buy

Lose a major grant or drop 8% of members,

and you answer “what does that do to us” in ten minutes instead of rebuilding the spreadsheet.

SHIFT 5 OF 5



The cash view beats a precise expense budget

- Payment timing
- Receivables ageing
- When grant tranches actually land
- BAS and superannuation obligations
- A rolling short term cash view

A precise expense budget with no cash view

is a well dressed way of being surprised.

AND THREE CONTROLS

What good governance actually needs

1



Control before money is spent

Limits and approvals set in advance, at the point of decision, not the point of invoice.

2



Fraud and risk protection

External: invoice redirection and false suppliers, which target not-for-profits hard. Internal: small teams, trusted long servers, one person holding both the card and the reconciliation.

3



A finance decision log

Every money decision: what was decided, when, on what information, by whom. It is how a volunteer board survives turnover.

Controls exist to protect good people from suspicion as much as to catch bad ones.

BEFORE THE END OF THE YEAR

Pick one. Not three.



Name an owner for every line

Every budget line gets one person's name against it. No line without an owner, no owner without a number.



Show people their own number

Give every owner visibility of their allocation, however crude the first version is.



Open the finance decision log

Start it at the next board meeting with a blank page and one line.

All three is a project. One is a decision you can make this week.

FOR YOUR TOOLKIT

Making shifts one and two practical



Spend management tooling exists to put a live budget in the hands of the person spending, and to move approvals in front of the money. That is the whole category.

Worth a look if ownership is the shift you picked.

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DAYS

The objective will not change.
The plan will change many times.

Build one that can.

**Every dollar you free up early
is someone who does not miss out.**



QUESTIONS

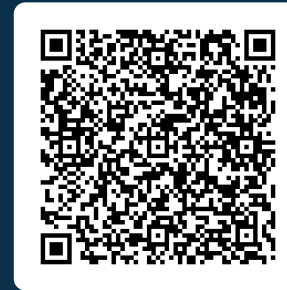
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One page summary: five shifts, three controls, and the three things to do before the end of the year.



The NFP's guide to automating spend management



Spend control, bill approvals and AI bookkeeping in one workflow. Built in Australia, for Not for Profits and Charities.

budgetly.com.au/resources/the-not-for-profits-guide-to-automating-expense-management/