

BUDGET TIPS & SAMPLES

The project budget is the basis for a funded artist's contract with Creative Capital. It is the launching pad for professional development in fundraising and a flexible document for you to use and revise as you carry out your project. **Please note** that only a final, projected number is expected with your **Letter of Inquiry**. You will not have to submit a budget with this depth of detail until the **Application** round. Some points to consider are below.

Expenses

Pay yourself! We know that this is a new concept for some artists but trust us: it's smarter to figure out what your time is worth now than to under-budget the project and wind up maxing out your credit cards. Remember to also include artist fees for each collaborator you are applying with.

Here are two ways to represent your time in your project budget:

1. *If this project is your primary source of income*, represent your time as a percentage of a reasonable, annual salary. For example, if \$35,000 is your annual salary, and you estimate that you will spend six months working full-time on this project, your artist/writer's fee—one-half of your "annual salary"—would be represented in your budget as follows:

Artist's fee for six months (\$35,000 x 50%) *\$17,500*

2. *If this project is not your primary source of income* (i.e., you're working on it concurrent with other projects or if you have a full-time job that supports you), you can represent your time as a percentage of the total project budget. Organizations typically budget 15-25% of a project's costs to cover "A&O" (administration and overhead). As an individual artist you are the organization that makes this project happen. Even if the project budget pays for your expenses in other ways—by covering travel, research costs and the like—the A&O line will compensate you for your time spent planning and fundraising for the project.

Artist fee (2) for six months (\$250,000 x 20%) *\$50,000*

***This line item assumes two collaborators receiving \$25,000 each*

Whichever way you choose to represent your artist fee in the project budget, the goal is to compensate you and any collaborators fairly.

A word about "self-financing": It's easy to forget that "self-financed" expenses are still project expenses, and need to be accounted for in your project budget. If you've been using personal credit cards to cover creative expenses, check your receipts and add them to your total expenses.

Income

A complete budget includes expenses AND income! Please include all possible income and designate as confirmed, projected or pending. If you still need to raise money for your project, but don't have an identified source, please write "to be raised," followed by the amount. **Please do not include the Creative Capital grant at this stage.**

In-kind

There are two important things to remember about in-kind goods and services:

- In-kind goes *in* as income and comes *out* as an expense at the *same* amount.
- This dollar amount should represent the *fair-market value* of the in-kind goods or service.

Because it may take time to figure out, for example, the fair-market value of a used computer donated to your project, it's helpful to separate the in-kind budget from both the income and expense budgets. Unless you have no in-kind funds, your complete budget will have three distinct sections: expenses, income, and in-kind. If you're not yet sure of the fair-market value of your in-kind line items, simply write "value to be determined," and add the dollar amount when you know it.

Miscellaneous

Budget Balance: As you'll see in the budget examples below, income should equal, or exceed, expenses. Simply designate any un-raised funds as "to be raised."

A word about depreciation: If you're using your personal computer, equipment, etc., for this project, note this in the in-kind section of your budget. While it may be impossible to figure out the dollar amount of your equipment's depreciation due to project-related wear-and-tear, your budget will, at least, reflect your "loan" to the project. If you believe that you will need to replace or upgrade your personal equipment as the direct result of heavy use during this project, it's a good idea to include an "equipment replacement" line in the expenses section of your budget, just in case.

A word about home-based offices and studios: If you work out of your home, you can figure out the value of your workspace and include it in the project budget. The formula is similar to the one for figuring out your fee: what percentage of your home are you using for what period of time? This does not mean that you can claim your entire rent as a project expense; rather, this is similar to the home-office deduction allowed by the IRS. More important from the perspective of project budgeting: Determine the extent to which you will use your home phone, home fax or internet connection for project-related communications.

Please note that the sample budgets below are quite simplified!

Sample Visual Arts Project Budget

EXPENSES

Artist Fee	
Salary for Spring Semester Leave	\$25000**
Materials:	
Production materials	\$5500
Work Space	
Studio rent	\$3000 (\$500 x 6 months)
Studio assistant	\$2400 (\$12 x 200 hours)
Internet, phone service	\$60 (\$100 x 6 months x 10%)
Research Travel	
Seattle to Kansas City plane ticket	\$500
Car rental	\$525 (\$35 x 15 days)
Lodging & Meals	\$2250 (\$150 x 15 days)
Promotion & Publicity	
Web Designer & Launch	\$1000
Documentation of work	\$400
In-Kind:	
Use of University carpentry shop	\$100 (\$50 x 2 days)
Contingency	
~5% of total budget	\$2000
Total Expenses:	\$42,735

INCOME

State Art Council grant	\$7500 confirmed
Foundation	\$10000 confirmed
Private donors	\$10000 projected
Sale of work	\$20000 projected
In-kind donation	\$100
Total Income:	\$47,600
Projected Profit	\$4,865

**this line item assumes there are no collaborators on the project

Sample Film, Video, or Moving Image Project Budget

EXPENSES

Development & Pre-production

Transportation and meals (airfares, car rental, lodging, meals, per diems)	\$3600
Materials	\$900
Personnel (director, producer, writer, researcher)	\$20000
Administration (phone, postage, copies, internet, fiscal agent fees)	\$1700

Production

Transportation and meals (airfares, car rental, lodging, meals, per diems)	\$15000
Materials	\$3200
Personnel (director, producer, production crew)	\$42000
Actors	\$50000
Administration (phone, postage, copies, internet, fiscal agent fees)	\$2000
Production equipment and facilities rental	\$9500

Post-production

Transportation and meals (airfares, car rental, lodging, meals, per diems)	\$6000
Materials	\$2640
Personnel (director, producer, editor, sound engineers, etc)	\$42000
Administration (phone, postage, copies, internet, fiscal agent fees)	\$4600
Lab fees and post-production facilities (dubs, editing, subtitles, mix)	\$16000

Distribution Launch

Transportation and meals (airfares, car rental, lodging, meals, per diems)	\$8000
Personnel (director, producer, production crew, publicist)	\$5000
Mastering & production	\$5000
Administration (phone, postage, copies, internet, fiscal agent fees)	\$1000

Contingency

~5% of total budget	\$12000
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Total Expenses: ***\$250,140***

INCOME

Confirmed

Foundation	\$10000
State Art Commission	\$8000
Kickstarter Campaign	\$10140

Pending

Paul Robeson Foundation	\$10000
Private Donors	\$60000

Projected

Direct online sales (\$20 x 1000 units)	\$20000
Cable TV rights	\$50000
Foreign rights	\$20000

To Be Raised

\$5200

Total Income ***\$250,140***

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Example of an Interdisciplinary Project Budget

EXPENSES

Artist's Fee

Salary for Spring Semester Leave \$29000

Materials:

Production materials \$5500

Equipment \$8700

Software \$3300

Fabrication \$10000

Sub-total: \$27500

Work Space

Studio rent & utilities \$4000 (\$500 x 8 months)

Studio assistant \$2250 (\$15 x 150 hours)

Sub-total: \$6250

Research Travel

2 plane tickets: Minneapolis to New Orleans \$800

Car rental \$525 (\$35 x 15 days)

Lodging & Meals \$2250 (\$150 x 15 days)

Sub-total: \$3575

Promotion & Publicity

Web Designer \$1400

Marketing consultant \$500

Documentation of work \$500

Sub-total: \$2400

In-Kind:

Use of University Lab \$1500 (\$50 x 30 days)

Total Expenses: **\$70,225**

INCOME

Faculty grant \$2500

Foundation Grant \$10000

Sale of work (estimate) \$8000

In-kind donation \$1500

To be raised \$48225

Total Income: **\$70,225**

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Example of a Literary Project Budget

EXPENSES

Writer's Fee & Advance

Writer's Fee	\$30000
Publisher's Advance	<u>\$5000</u>
<i>Sub-total</i>	<i>\$35000</i>

Materials:

New Laptop computer	\$2000
Ink cartridges	\$500
Office supplies	<u>\$200</u>
<i>Sub-total</i>	<i>\$2700</i>

Work Space

Writer's Room	\$4500 (\$250 x 18 months)
Intern	\$1200 (\$12 x 100 hours)
Telephone, fax, internet	<u>\$450</u> (\$100 x 18 months x 25%)
<i>Sub-total</i>	<i>\$6150</i>

Research & Travel

Travel to Artist Residency	\$750
Lodging & Meals	<u>\$1500</u>
<i>Sub-total</i>	<i>\$2250</i>

Book Production

Reproduction & Permission fees	\$750
Photographer for Author photo	<u>\$350</u>
<i>Sub-total</i>	<i>\$1100</i>

Promotion & Publicity

Agent's fee (15% of advance and rights income)	\$1800
Freelance Publicist	\$1200
Northeast mini-book tour	<u>\$2100</u>
<i>Sub-total</i>	<i>\$5100</i>

Total Expenses ***\$52,300***

INCOME

Foundation grant	\$5000
Grant (pending)	\$7500
First serial excerpts	\$750
Royalties (2,500 copies x \$2.50)	\$6250
Foreign publication rights	\$5000
To be raised	<u>\$27,800</u>

Total Income ***\$52,300***

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Creative Capital

Example of a Performing Arts Project Budget

EXPENSES

Artists' Fees:

Artistic Director	\$35000
Performers	\$39000
Costume Designer	\$2500
Composer	\$6000
Videographer	<u>\$2000</u>
<i>Sub-total:</i>	<i>\$84500</i>

Production Costs:

Rehearsal Space	\$5000
Costumes	\$1500
Set Design	\$1200
Lighting & Sound	\$3000
Equipment Rental	<u>\$1800</u>
<i>Sub-total:</i>	<i>\$12500</i>

Research & Travel:

Travel to Tallahassee, FL	\$1000
Car rental	\$500
Food & Lodging	<u>\$1500</u>
<i>Sub-total:</i>	<i>\$3000</i>

Marketing & Promotion:

Blu-ray/ DVD production & duplication	\$1000
Photography	\$1000
Printing materials	\$750
Press Kit assembly & postage	\$1500
Website design	<u>\$1500</u>
<i>Sub-total:</i>	<i>\$5750</i>

Administrative Costs:

Office materials	\$250
Utilities	\$1000
Assistant	<u>\$3000</u>
<i>Sub-total:</i>	<i>\$4250</i>

Total Expenses: ***\$110,000***

INCOME

Commissioning Fee	\$15000
State Arts Council	\$10000
To be raised	\$85000

Total Income: ***\$110,000***

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