This ***CASHFLOW Template*** workbook is designed to be a tool to help you understand your current and financial position in light of the environment related to the COVID-19 pandemic. It is also a tool that can help you do future “what if” analysis, regardless of the circumstances. The more you understand about your financial situation, the better you can communicate about it with your staff, board, funders, donors, government agencies, and others who may be able to help you in the months ahead.

# Definitions

**Current Unrestricted Cash.** In accounting terms this means unrestricted liquid net assets, funds you can spend that are not limited as to their use. The formula would be: *Cash + Cash Equivalents + Receivables - (Restricted cash + Restricted Receivables) = Unrestricted Liquid Net Assets.* If these terms are unfamiliar to you use the balance in your checking account plus the balance in your savings or other on-demand accounts.

**Line of Credit.** One way to respond to a short-term cash need is to apply to a lender for a line of credit on which you may draw, up to a predefined limit, to pay current expenses. You will need to account for both the interest payments and repayment schedule for the LOC in your forecast.

## Income Categories

Contributed Support This section includes several categories of income from charitable contributions you receive.

Earned Revenue Use these, or other categories you choose, to enter income from sales of tickets, admissions, service fees, or payments from government for services you provide. It is important to record the income when you actually receive the payments, not when you bill the payer.

## Expense Categories

Staff/Wages/Benefits Include all human resources costs: Salaries, hourly wages, benefits. Lease/Facility Expenses. All costs for space such as rent, utilities, maintenance.

Professional Services Payments you make to contractors whose services are required for operations, such as IT support, legal fees, etc.

Marketing/Advertising All promotional costs, including any paid media

Program 1 The costs of a program you provide that are not included elsewhere. For example, the cost of a food distribution program would not include wages, rent, and utilities that are included in Personnel and Occupancy.

Event 1 The costs associated with an event you held for which you received the income reported as Events Gross Income.

Fundraising Expenses The costs associated with obtaining the Contributed Support included in inflows. If your other income includes one or more events, the expenses associated with the events is included here. Other Administrative Non-personnel costs of administrative activities such as office equipment

Loan Payments The total cash you pay each month to service any debt that is on your balance sheet. Include cash outlay for both principal and interest.

Credit Card Payments The total cash you pay each month for staff use of credit cards to purchase goods. Include both principal and interest.

**Instructions:**

The workbook consists of five worksheets. Start with the second tab, **Last Year Actual**, and then move to **Current Year Budget, Actuals and Projections,** then **Opening Cash Balance**. The instructions for each sheet follow. Please note that sections in color are formulas and do not need to be modified. Currently there are numbers in the sheet only to show you what it will look like. When you remove the example numbers, some formulas may appear as an error. These will be corrected as you complete the spreadsheet. The **Cash Flow Projection and Summary Report** tabs will automatically populate with the numbers from the other worksheets.

# Tab 1: Summary Report

This worksheet summarizes the financials so you can provide this information for grants and loan applications. If the grant or loan application requests a cash flow projection – see tab 6. Because nonprofits have different fiscal years, the summary includes four columns: last fiscal year, this year’s budget, a fiscal year (which needs to be calculated based on your fiscal year start date), and calendar year. A calendar year lens is recommended, as it is not clear when the Covid-19 state of emergency will end and the length of the impact thereafter on revenue and expenses.

# Tab 2: Last Year Actual

This table presents your actual financial results for your previous fiscal year. It assumes your year starts in July, but if you have another starting month, please change the column headings.

1. **Total.** In the first column enter the year-end totals for each category of income and expense/cash outflow. Your categories may be different from those in the table but please do your best to assign them to the categories in the table; this will allow others to understand your condition in comparison to other organizations.
2. **Monthly Actuals.** Enter the actual income received and expense/cash outflow incurred for each category by month, using your monthly operating reports. Make sure you include both principal and interest for loan and/or credit card payments. This step is time-consuming but it is critical to projecting your cash requirements in the future.

# Tab 3: Current Year Budget

This table presents your budget plan for your current fiscal year.

1. **Current Year Budget.** In this column enter your budgeted income and expenses/cash outflows for the full current fiscal year.
2. **Monthly Budget.** Again, change the monthly column headings to correspond to your actual fiscal year. This spreadsheet assumes you do not have a monthly budget. The light grey cells contain formulas which calculate the monthly revenue and expense based on the prior year’s results. If you do budget by month, go ahead and enter the monthly budget data.

# Tab 4: Actuals and Projections for this Fiscal Year

This chart outlines your expectations for 2020. Because nonprofits have different fiscal years, we recommend you place your year-to-date actuals in the first column. Then you see the rest of the 2020 year. Enter your expectations for revenue and expenses for the rest of 2020. This information feeds into the cash flow projection on the following tab.

If you want to consider different scenarios – you can copy this worksheet to another tab and create different scenarios. Below are some questions to consider when making assumptions about the future. Or you can create one option – save the workbook. And then create a new workbook to complete a different scenario. Some questions to ask when creating a future projection:

* + How have expenses change for general operations with the Covid-19 situation and for how long will that change be in effect? Are there expenses we can defer or not incur?
  + How has revenue changed with the Covid-19 situation
    - Will the events, program fees or donations be recouped later in the year? If so at 100% or less?
    - Are there grants that were previously restricted that donors have given permission to use for general operations
    - Will there be reimbursement for expenses/services conducted during Covid-19 that will take place and when?
    - Have you taken a loan and when will the money come in and when will payments need to be made?
    - If you laid off staff, when will unemployment reimbursements be required and at what level (this is still an unknown as of 3.27.20 as the Federal and State governments have not finalized reimbursements rates)

# Tab 4: Cash Flow Projection

This table will help you to estimate how the COVID-19 pandemic will affect your financial condition over the next six months.

1. **Opening Cash Balance.** This is the amount of current unrestricted cash (that will auto-populate from the Opening Cash Balance Tab described below) you had available on March 31, 2020. The worksheet will calculate the changes in your available cash resulting from the estimates you make of future in- and outflows. If your organization received money in 2019 that was restricted for 2020 purposes, and will be “released” from restriction, enter the amount not yet spent but will be spent in 2020 to add to your cash balance.
2. **Initial Analysis.** Once you have entered in the cash balances, the cash flow projection will automatically populate, as it pulls the information from Tab 3. If you created several scenarios, then copy this cash flow report to another tab and pull from the second or third scenario you created. Or you can create new workbooks for each scenario.

# Tab 5: Opening Cash Balance

The opening cash balance includes cash available in checking, savings, money market or investment accounts that are unrestricted and can be utilized as necessary. Entering these amounts on this tab will automatically populate the opening cash balance figure on the cash flow projection.