

Follow Up to:

Financial Basics: Budgeting, Cash Flow, and Capitalization

To access the referenced materials, log into your Dashboard on the PracticeUP! website, then link to the course.

Definitions and Concepts

- ♦ **Start-Up Budget:** all those things you'll need to have in place before you do any business (see Lesson 2 for worksheet download)
- ♦ **Year One Budget:** all those things you'll need to pay for throughout your first year (see Lesson 3 for worksheet download)
- ♦ **Subsequent Annual Budgets:** begin working on them 8-9 months into each annual budget to prepare for the next year
- ♦ **Cash Flow:** how your money comes in and when it goes out, with an emphasis on making it positive—meaning, you will have earned the amount needed to pay all your bills before they need to be paid (negative cash flow means you owe more than you have been paid and you are in the hole.)
- ♦ **Capitalization:** figuring out how much money you will need to get started, which includes the amount available to help you pay your bills before you have positive cash flow from your advocacy work. When your capitalization is figured out correctly, then you have a better chance of building a successful practice.

Additional Resources

- ♦ To find help with your financial planning, do a search online for any of the following, and tap into the experts available in your area (usually free):
 - ♦ SCORE representatives (federal govt—Service Corps of Retired Executives)
 - ♦ SBA representatives (federal govt — Small Business Administration)
 - ♦ SBDC representatives (state govt—Small Business Development Centers)

Book Available

The Start and Grow Your Own Practice Handbook—purchase at a discount from the bookstore at PracticeUP! online, linkable from Lesson 6.

Funding Assistance:

USA Today: <https://bit.ly/2Bm6KSy>

SBA: Women's Business Loans <https://bit.ly/2lbp7il>

NerdWallet: <https://bit.ly/1U4OMUU>

Forbes: <https://bit.ly/2X3RMtt>