IMPACT REPORT SUPPLEMENT

2027 Budget and Growth Plan

Fiscal Years 2027 Through 2031

The Butterfly Project for Children & Families

A Virginia Nonstock Corporation · Tax-Exempt Under Section 501(c)(3) of the Internal Revenue Code
Chesterfield, Virginia

November 2026 · Presented to the Board of Directors, Funders and Partners

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About This Document

Prepared by The Butterfly Project for Children & Families, a Virginia nonstock corporation recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code (EIN 43-2593697), Chesterfield, Virginia.
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Prepared: November 2026. Contact: info@the-butterfly-project.org · 804-685-8801 · the-butterfly-project.org

Our Mission

To support children impacted by parental incarceration and the families who care for them, standing with the whole family through crisis, homelessness and hardship, because in all things, we are stronger together.

This plan contains goals and estimates, not guarantees. Every figure for 2027 and later is a budget or projection, not money received or spent. Actual results depend on funding and are reported each year in our Impact Reports and on our Financial Transparency page. This document is not legal, tax or financial advice.

1. Overview and Goals

Children impacted by parental incarceration are at the center of our work, along with the families who care for them. Our monthly programs serve the whole household, because a parent's incarceration so often brings homelessness, food insecurity and crisis with it. Our programs run every month of the year, with no seasonal pause: we deliver new, fresh groceries to families' doors, provide hygiene kits to separate families, and stock warming and cooling kits all year, so no one goes without. We plan to grow steadily without overpromising: each year, we add 5 more families a month to both programs, 5 more warming or cooling kits a month, and 1 more Job Prep and Digital Literacy participant a month, until Job Prep reaches its cap of 10 a month in 2032.

Our 2027 Goal

Groceries for 5 families and hygiene kits for 5 more families every month (120 families in all), 5 warming or cooling kits a month, and Job Prep and Digital Literacy for 5 people a month (60 a year). Approximately 480 people reached on a $77,582 budget, led entirely by volunteers.

Our 5-Year Goal: 2031

Groceries for 25 families and hygiene kits for 25 more families every month, 25 warming or cooling kits a month, and Job Prep and Digital Literacy for 9 people a month (108 a year): approximately 2,208 people a year on a $500,000 budget, with a paid team of 10 for the first time. After 2031, we sustain this level and grow only as funding allows.

GROWTH AT A GLANCE

2027

approximately 480

people reached a year*

5 grocery families a month

5 hygiene kit families a month

5 warming or cooling kits a month
60 Job Prep and Digital Literacy participants a year

Volunteer-led; no salaries

Annual Budget
$77,582
Includes 5% Contingency and $30,000 Reserve

2029

approximately 1,344

people reached a year*

15 grocery families a month

15 hygiene kit families a month

15 warming or cooling kits a month
84 Job Prep and Digital Literacy participants a year

Volunteer-led; no salaries

Annual Budget
$120,987
Includes 5% Contingency and $30,000 Reserve

2031: 5-Year Goal

approximately 2,208

people reached a year*

25 grocery families a month

25 hygiene kit families a month

25 warming or cooling kits a month
108 Job Prep and Digital Literacy participants a year

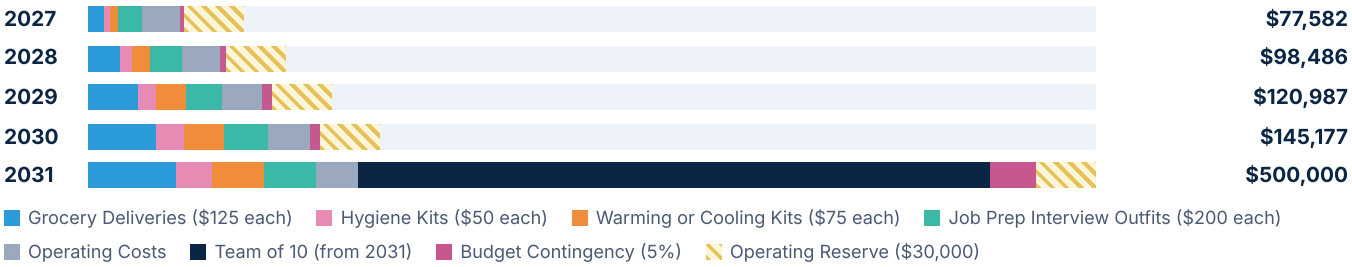
Team of 10, paid

Annual Budget
$500,000
Includes 5% Contingency and $30,000 Reserve

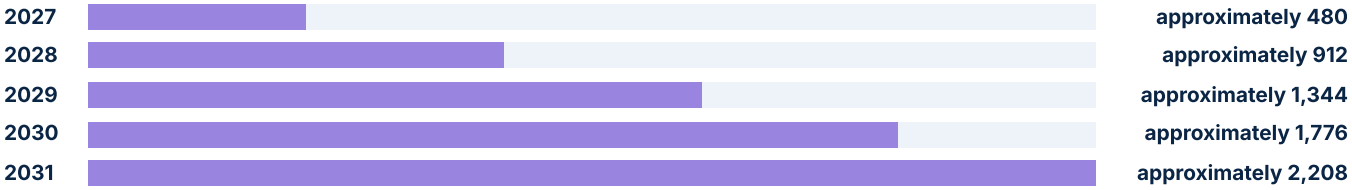
*People reached are estimates. See How We Estimate People Reached on page 4.

2. Annual Budget and People Reached

ANNUAL BUDGET (PLANNED)



PEOPLE REACHED EACH YEAR*



GROWTH PLAN, 2027 THROUGH 2031

Year	Grocery Families / Mo.	Hygiene Families / Mo.	Warming or Cooling Kits / Mo.	Job Prep / Yr.	Programs	Operating	Team of 10	Contin-gency (5%)	Reserve	Total Budget	People Reached*
2027	5	5	5	60	$27,000	$18,316	—	$2,266	$30,000	**$77,582**	approx. 480
2028	10	10	10	72	$46,176	$19,049	—	$3,261	$30,000	**$98,486**	approx. 912
2029	15	15	15	84	$66,843	$19,811	—	$4,333	$30,000	**$120,987**	approx. 1,344
2030	20	20	20	96	$89,089	$20,603	—	$5,485	$30,000	**$145,177**	approx. 1,776
2031 (5-Year Goal)	25	25	25	108	$113,008	$21,427	$313,184	$22,381	$30,000	**$500,000**	approx. 2,208

Job Prep / Yr. counts Job Prep and Digital Literacy participants. From 2028 on, every cost rises 4% a year to allow for price increases.

***How We Estimate People Reached.** We count each family we serve as 3 people, based on an average family of 3.[1] According to the U.S. Census Bureau, the average family in Virginia has 3.11 people, and the average family in the United States has 3.14 people.[1, 2] We round down to 3 so our estimates stay conservative. Grocery deliveries and hygiene kits go to separate families, so no one is counted twice. Each warming or cooling kit is counted as 1 person, and each Job Prep and Digital Literacy participant as 1 person. For example, in 2027: (5 + 5) × 12 × 3 = 360 people, plus 5 × 12 = 60 kits, plus 5 × 12 = 60 participants, for approximately 480 people. These are estimates; actual numbers depend on each family's size.

3. 2027 Budget

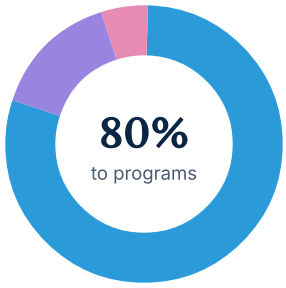
PROGRAMS

Program	Per Year	Cost Each	Annual Cost	People Reached*
Grocery Deliveries (5 families a month)	60	$125	$7,500	approximately 180
Hygiene Kits (5 families a month)	60	$50	$3,000	approximately 180
Warming or Cooling Kits (5 a month)	60	$75	$4,500	60
Job Prep and Digital Literacy, With Interview Outfits (5 a month)	60	$200	$12,000	60
Program Total			**$27,000**	**approximately 480**

Interview outfits are budgeted for every participant and are sent automatically when a participant completes the course. In 2027, that comes to $875 a month for groceries and hygiene kits and $375 a month for warming or cooling kits. Job Prep interview outfits come to $1,000 a month. We often give far more kits than this standard through partner events.

FULL 2027 BUDGET BY FUNCTION

Function	Amount	Share
Program (programs plus program-related operating costs)	$36,149	79.8%
Management and General	$6,661	14.7%
Fundraising	$2,506	5.5%
Total Expenses	**$45,316**	**100%**
Budget Contingency (5% of expenses, for cost overruns)	$2,266	
Operating Reserve (set aside for emergencies, not spent)	$30,000	
Total Budget to Raise	**$77,582**	



Program 79.8% Management and General 14.7% Fundraising 5.5%

Program, Management and General, and Fundraising are the three functional expense categories nonprofits report on IRS Form 990, Part IX.[13] Costs that serve two purposes are split evenly. Shares are of total expenses. The budget contingency is used only if costs run over, and the operating reserve is savings, not an expense.

4. 2027 Operating Costs

Cost	What It Covers	Category	Per Year
Storage, Delivery and Transportation	Temperature-controlled storage for kits and supplies, grocery delivery memberships and local transportation	Program	$5,195
Phones and Data	Team phones and data for coordinating requests and deliveries	Program 50%, Management 50%	$4,800
Printing	Program materials, flyers and outreach printing	Program 50%, Fundraising 50%	$1,200
Website, Email and Design Tools	Website hosting and domains, newsletter and email marketing, and design software	Program, Fundraising and Management	$2,826
Administrative Software and Tools	Organization email and administrative software	Management	$1,410
Insurance and Administrative Costs	Business insurance and a mailing address	Management	$2,160
Legal and Compliance Services	Registered agent and compliance filings	Management	$600
Virginia SCC Annual Registration Fee	$25 a year for nonstock corporations	Management	$25
Virginia Charitable Solicitation Registration (VDACS)	Initial registration $100; renewal $30 to $325	Fundraising	$100
Online Giving Platform	No platform fee to us; donors may add an optional tip	Fundraising	$0
Operating Total			**$18,316**

Costs are grouped into general categories. Totals match our detailed internal records.

5. What's Behind Each Cost

We value every item at fair market value: what it costs new at a major retailer today. Our budget for each item is set at or above its fair market value, so every family receives full-size, quality items.

Grocery Delivery, $125. Every delivery is new, fresh groceries bought for that family, never secondhand, expired or taken from anyone's pantry or fridge. Our standard list of 32 groceries (from eggs, milk, bread and a rotisserie chicken to rice, beans, produce and water) comes to approximately $92 at Walmart shelf prices. Store delivery services can mark prices up 10% to 15%, and we tip every driver, which brings each delivery to approximately $125. For comparison, the USDA Thrifty Food Plan, which sets SNAP benefits, puts one week of food for a family of four at $236.10 (June 2026).[5]

Hygiene Kit, $50. A toothbrush, toothpaste, floss, deodorant, lotion, mouthwash, shampoo and conditioner, along with hair-care and personal care items, in full sizes and quality brands. We budget $50 per kit.

Warming or Cooling Kit, $75. We stock warming kits in the colder months and cooling kits in the warmer months, and budget both at $75. A warming kit holds a new winter coat, hat, gloves, scarf, 2 pairs of socks and hand warmers; a quality coat alone can cost much of the budget.[6] A cooling kit holds a quality reusable water bottle that is easy to clean, electrolyte packets, a cooling towel, a handheld fan with batteries, SPF 30 sunscreen, SPF lip balm and a wide-brim hat.

Job Prep Interview Outfit, $200. Every participant who completes our Job Prep and Digital Literacy course is sent a complete, new business professional outfit as a congratulations, black with an accent color (likely blue), sized from the sizes they give at sign-up and theirs to keep for future interviews. We budget $200 per outfit for 5 participants a month in 2027, growing by 1 participant a month each year until we reach our cap of 10 a month. Coaching and Digital Literacy are taught by volunteers who donate their time and expertise, so they carry no cash cost in this budget.

Food Safety: Why We Buy From Trusted Stores

We do not accept homemade food or donations from personal kitchens. Every meal and grocery item we share comes from safe, certified, professional kitchens and retailers that handle food hygienically and list ingredients clearly. This protects the people we serve and our organization, and it means families receive only high-quality food. We never give anyone food when we are unsure of the cooking environment or what is in it. For outreach events, we predominantly use Publix. For grocery deliveries, we predominantly use Kroger, Walmart, Target, Aldi, Costco and Food Lion.

6. Who We Serve and How

Who We Serve. Every boy, girl, man and woman impacted by incarceration, with children of incarcerated parents and the families who care for them at the center of our work. Homelessness, poverty, crisis and even thoughts of suicide so often come with a parent's incarceration that we serve families facing those hardships too. We never ask anyone to prove their circumstances.

Who Qualifies. Anyone in need. There is no income test, no paperwork to prove need and no strings attached.

Where We Serve. The greater Richmond area: the City of Richmond, Petersburg, Hopewell and Colonial Heights, and Chesterfield, Henrico, Hanover (including Ashland), Goochland, Powhatan and Prince George counties.

How Families Reach Us. Families request help through the Request Our Help form on our website. We serve new families every month.

No Waitlist. The form opens on the 1st of each month and closes when that month's spots are filled. Families who miss a month can apply when it reopens, and we point everyone to SNAP, WIC, TANF and our food resources in the meantime.

The 6-Month Hold. Once a household receives help, it can request again after 6 months. This spreads help to as many families as possible.

Duplicates and Misuse. Our team reviews every request personally. We check each one against past requests by name, address and unit, phone number and email. When two of these match a request from the last 6 months, the new request waits until the 6 months pass, even if a new email or phone number is used. Requests with false information are declined. Anyone we cannot approve gets a kind email explaining why.

Job Prep and Digital Literacy. Our course is online and self-paced all year, for 5 participants a month in 2027, growing by 1 a month each year to a cap of 10 a month. The videos track when each lesson is watched to completion. When a participant finishes, they receive a certificate, we are notified automatically, and we send their interview outfit to their home as a congratulations. In the summer, we hold two in-person days, on June 1 and July 1, when a partner photographer takes professional headshots for participants' LinkedIn profiles. Holding these days in the summer means parents do not have to work around the school year.

How Help Arrives. Groceries are delivered straight to the door by the store's own delivery service. We never use DoorDash or Uber Eats. Kits are delivered on the third Wednesday of each month.

7. How We Fund and Protect This Work

How We Started. Our founder, Chyna Nyarku, gave approximately $1,500 to cover our startup costs in November 2026, and Goodera, WeHero, IAMWMW and individual supporters donated goods valued at approximately $1,000. Our actual figures are published on our Financial Transparency page.

Where 2027 Funding Comes From. Our team gives first. We add giving campaigns throughout the year, such as DAF Day and Giving Tuesday, along with individual gifts and in-kind donations of new items, until grant and investor funding comes in.

RoundUp.org: Our Key Monthly Giving Partner. Supporters link a debit or credit card at RoundUp.org, every purchase rounds up to the next dollar, and the spare change is given once a month.[7] Nonprofits pay nothing to use it. RoundUp.org keeps $2 from each monthly donation, and nonprofits typically receive about 85%. At RoundUp.org's reported average gift of $32 a month, about 240 supporters would cover our full 2027 budget.

How We Plan for the Unexpected. Our budget follows three common nonprofit planning practices. First, a price-increase allowance: from 2028 on, every cost in this plan rises 4% a year. Consumer prices rose 3.7% in the 12 months ending September 2026, and we round up.[19] Second, a budget contingency line of 5% of expenses each year ($2,266 in 2027) for cost overruns within the year; nonprofit budgeting guides recommend a contingency line, commonly 5% to 10%.[20] Third, an operating reserve: we set aside $30,000 for emergencies we cannot plan for, such as sudden price surges, a public health emergency, a death, or a disaster such as an explosion, fire or flood. $30,000 is about 8 months of our 2027 expenses, above the 3 to 6 months most nonprofit guidance recommends, so we are ready as we grow.[18] As expenses grow, the Board will review whether the reserve should grow with them.

If Funding Falls Short. We protect our programs in this order: groceries first, then hygiene kits, then warming and cooling kits. We hold at our current level rather than grow until funding is in place, so we never promise families help we cannot deliver. Paid staff begin only when the full 2031 budget is funded.

Why Our Model Works. We buy new, fresh groceries from stores near each family and the store delivers them to the door, so families need no car, bus fare or time off work to get help, and we need no warehouse, truck or kitchen. Before paid staff begin in 2031, our planned cost per person reached falls from approximately $94 in 2027 to approximately $62 in 2030. About 80% of our planned 2027 expenses go to programs; the BBB Wise Giving Alliance asks charities to spend at least 65% on programs.[10]

For Impact Investors, Major Donors and Grant Funders. Your gift funds a model with a clear cost per family, published every year, that grows in planned steps and never promises more than it can deliver. Gifts and grants can be directed to a single program or a specific need and are used only for that purpose. Restricted funds are tracked separately and spent only as the gift or grant allows, and we report back on every dollar.

8. Our Team and the 5-Year Goal

Volunteer-Led Through 2030. We are a predominantly volunteer-led organization, down to our Board of Directors. From 2027 through 2030, no one is paid by The Butterfly Project: our team and board serve without pay while working other jobs, which keeps every dollar focused on families. These budgets include no salaries.

A Paid Team of 10 in 2031. Our 5-year goal is a $500,000 budget in 2031 that funds our programs, operating costs and reserve, and for the first time pays a team of up to 10 people. We intend to keep our team small and cap it at 10.

In 2031, our budget includes $313,184 for a team of up to 10, covering salaries, employer payroll taxes and required insurance. We report personnel costs in total, not by individual.

How Pay Will Be Set. Each role's pay will be set in advance by its duties and hours, at a reasonable amount based on what comparable nonprofits pay for similar work, and approved by directors who have no conflict of interest, as our Conflict of Interest Policy requires.[4, 14] No one is paid a share of money left over at the end of a year. Board members are not paid for board service; any pay is for staff work. Salaried team members will be paid monthly, as Virginia law allows for salaried employees, and we will carry workers' compensation insurance as required once we have more than two employees.[21, 22]

Keeping Programs First. Team members' pay is counted as program spending only for time spent directly on programs. We will plan roles so that most of our spending continues to go to programs.

9. Legal and Accountability

- The Butterfly Project for Children & Families is a Virginia nonstock corporation recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code (EIN 43-2593697). Gifts are tax-deductible to the extent allowed by law.
- Every gift, including a gift from an impact investor or from a member of our team, is a charitable contribution. It does not buy ownership, equity, interest or any financial return, and no part of our net earnings benefits any private shareholder or individual.[14] Our founder's startup gift was a contribution, not a loan, and will not be repaid.
- No salaries are budgeted before 2031. Any compensation will be reasonable, set in advance and approved as described in section 8.
- We send a written acknowledgment for every gift, as the IRS requires for gifts of $250 or more.[12] For donated items, we describe what we received but do not place a dollar value on the receipt; the donor determines the value for tax purposes.[12] The fair market values we report for donated items are our own good-faith estimates for our records and reports.
- Gifts made for a specific purpose are used only for that purpose.
- The $30,000 operating reserve is a board-designated reserve. It is held in a separate account, drawn on only by a vote of the Board of Directors for a true emergency, and replenished afterward. The 5% budget contingency is spent only on cost overruns approved by the Treasurer and reported to the Board; any amount unused at year end moves to the operating reserve by Board vote. It is reported as unrestricted net assets designated by the Board, not as an expense, and never includes gifts a donor restricted to another purpose.[17]
- The Board of Directors maintains governance policies, including a conflict of interest policy, as reported on IRS Form 990, Part VI.[15]
- Virginia's Solicitation of Contributions Law requires charities to register with the Virginia Department of Agriculture and Consumer Services before soliciting contributions, unless exempt; the registration fee is included in this budget.[16]
- We use what families share only to review and deliver their requests.
- This plan contains goals and estimates, not guarantees. Budgets and projections are not financial statements and are not a record of money received or spent.
- This plan covers our monthly programs and Job Prep and Digital Literacy. Outreach events are planned and funded separately.

10. Sources

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6. Walmart.com shelf prices, November 2026 (for example, a women's quilted puffer coat, $29.97; a 10-pair pack of hand warmers, $7.48). walmart.com
7. RoundUp.org, For Nonprofits and FAQs. roundup.org
8. Prices for memberships, software and registration fees were checked in November 2026 on providers' and agencies' own pages. Other figures are our own account amounts.
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13. IRS, Instructions for Form 990, Part IX, Statement of Functional Expenses. irs.gov
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18. Nonprofit Operating Reserves Initiative (NORI) Workgroup, Maintaining Nonprofit Operating Reserves; National Council of Nonprofits (3 to 6 months). nonprofitaccountingbasics.org/reserves
19. U.S. Bureau of Labor Statistics, Consumer Price Index, September 2026 (all items index rose 3.7% over the 12 months ending September), Oct. 14, 2026. bls.gov/cpi
20. Blue Avocado, 5 Best Practices for Building a Nonprofit Annual Operating Budget. blueavocado.org
21. Va. Code Ann. § 40.1-29 (salaried employees paid at least once each month; hourly employees at least every two weeks or twice a month). law.lis.virginia.gov/vacode/40.1-29
22. Virginia Workers' Compensation Commission, Employer FAQ (coverage required with more than two employees; executive officers count as employees). workcomp.virginia.gov

The Maryland Department of Planning and Neilsberg pages reproduce U.S. Census Bureau data. Prices were checked in November 2026 and may change.