

# **Stay in the Black: Budgets & Billing**

**Richard Harrington - RHED Pixel**

**[www.RHEDPixel.com](http://www.RHEDPixel.com)**



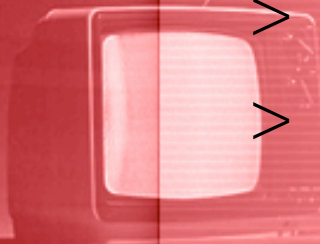
# Purpose

- **Address budgets**
- **Learn office software that will make this process easier**
- **Discuss Billing Strategies**
- **Discuss Collection Strategies**

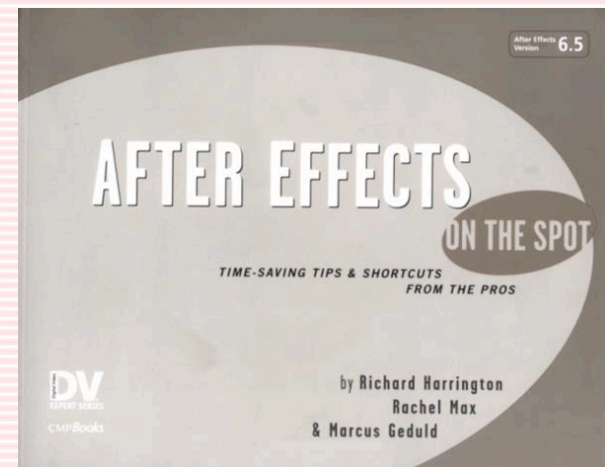
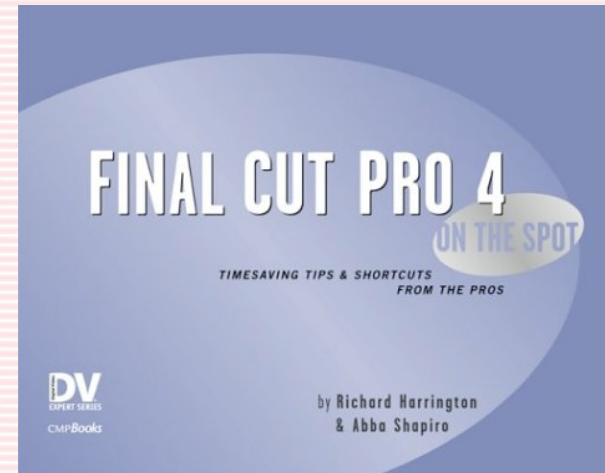
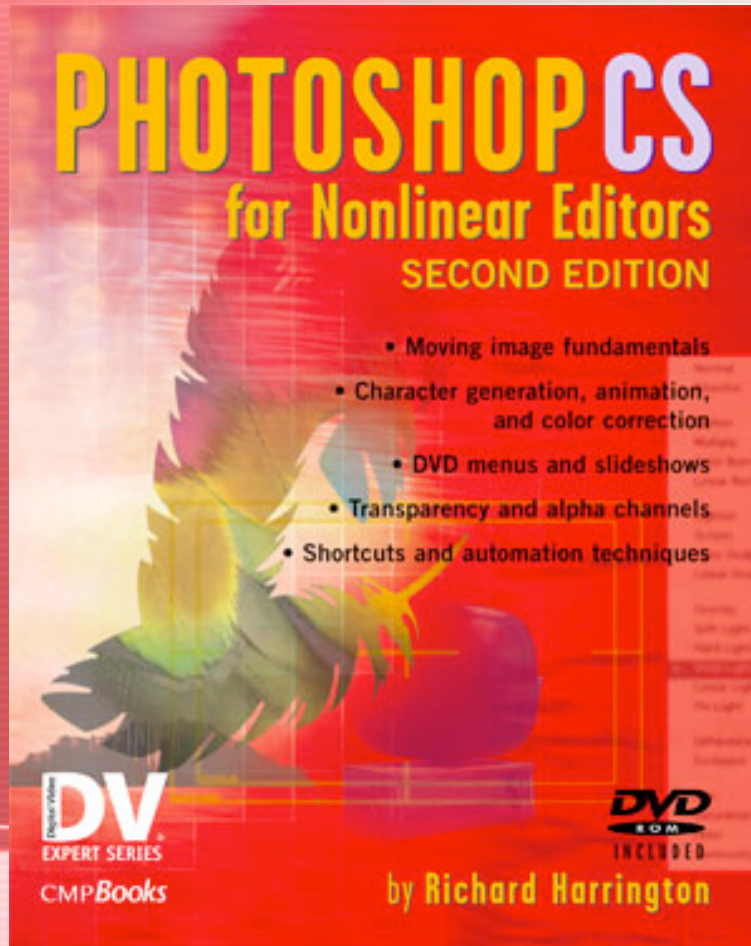


# About Me

- **Richard Harrington, PMP**
  - > **RHED Pixel ([www.rhedpixel.com](http://www.rhedpixel.com))**
  - > **Adobe Certified Expert**
  - > **Apple Certified Trainer**
  - > **Avid Certified Instructor & Master Editor**
  - > **Project Management Professional**
  - > **AVMP Top Producer List 2004**
  - > **Teach courses on digital media production and web content creation**

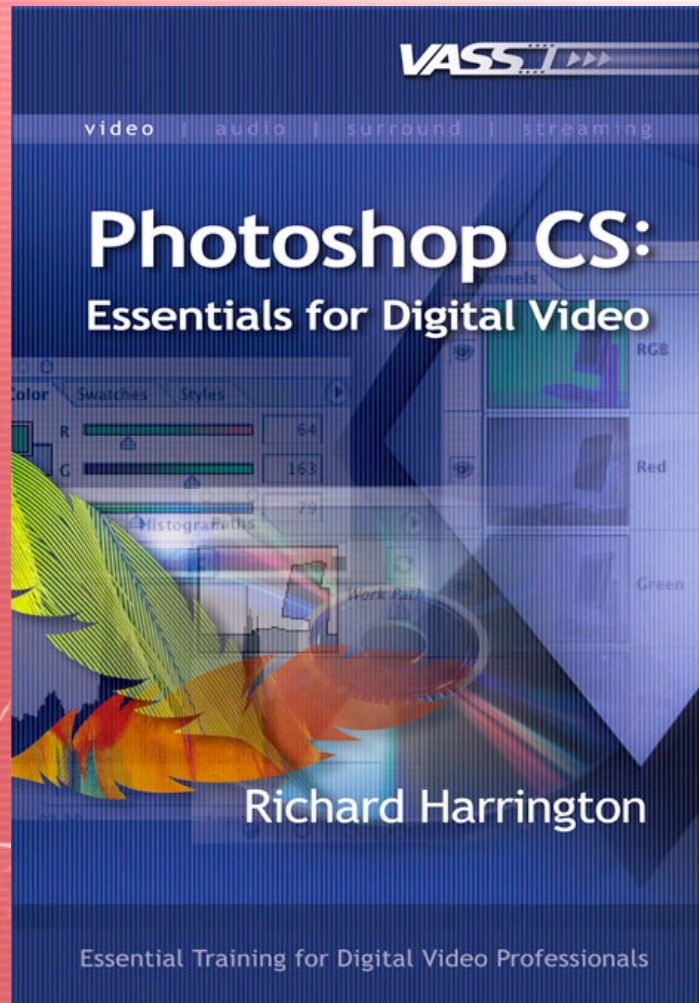


# Available from CMP Books



**30% Off at Show**  
**Order at [DV.com](http://DV.com) or [Amazon.com](http://Amazon.com)**

# Available from VASST.com



- **\$179 List**
- **\$99 with the discount code RHED**
- **2 Discs**
- **6 Hours**

RHED Pixel 703-560-0220 A visual communications company

http://www.rhedpixel.com/ Google

Address Book info@rhedpixel.com AppleSeed Apple eBay .Mac Mac Rumors Amazon News Yahoo!

RHED Pixel 703-560-0220...

# RHED PIXEL

A Visual Communications Company

enter here for:  
**corporate**site

enter here to:  
**see**the**difference!**

### fast links

- ✓ go directly to...
- Recent Events
- Portfolio
- Order Books
- Conference Handouts**
- Contact Us



# About You

- **Primary Job**
  - > **Video Production/Post**
  - > **Motion Graphics**
  - > **Web/Multimedia**
  - > **Management**
- **Work in Project Management**
  - > **1 year or less?**
  - > **2-3 years**
  - > **3-5 years**
  - > **5 or more years**

# The Essentials

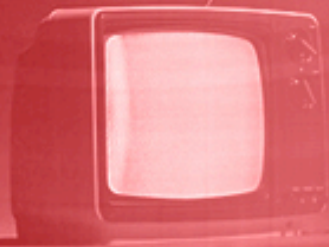


# The Essentials

- **Budgets**
- **Management**
- **Billing**
- **Collections**



# Creating Budgets



# Creating Budgets

- **Rates for Services**
- **Time Estimates**
- **Material Costs**
- **Overhead**
- **Collective Knowledge**



# Rates for Services

- **Competitive Analysis**
- **Financial Need**
  - > **40-60% Billable Time**
- **Three Components**
  - > **People/Gear/Facility**
- **Charge for the Assumptions**

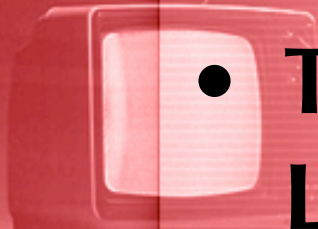


# Time Estimates

- **Historical Data**
- **$(1O+4M+1P)\div 6$**
- **Peer Review**
- **External Review**



# Material Costs

- **Constantly Change**
  - **Look for Savings**
  - **Think Bulk/Group Leverage**
    - > DVPA
    - > User Groups
  - **Build Costs In**
  - **Track Usage at Employee Level**
- 

# Overhead

- **Rent**
- **Leases**
- **Utilities (Especially Communications)**
- **Marketing**
- **Employee Benefits/ Recruitment**

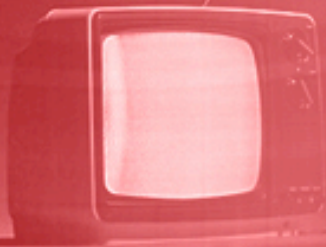


# Collective Knowledge

- Time Estimation
- Incremental Improvement
- Vendor Selection
- Risk Management



# Management



# Management

- **Project Based Billing**
- **Time Tracking**
- **Expendable Tracking**
- **Shipping and Outside Costs**



# Billing



# Billing

- **Bid**
- **Budget**
- **Change Orders**
- **Final Bill**



# Delivering the Bill

- **PDF**
- **Hard Copy**
- **Fax**
- **With Deliverables**
- **Face-to-Face**



# Accepting the Bill

- **Review Changes**
- **Use Discounts**
- **Use Deadlines**



# Fixed Price Contracts



# Fixed Price Contracts

- **Growing in Popularity**
- **Protect both parties if written properly**
- **Frequently favor the client, not vendor**
- **Important to CLEARLY define the product and service to be delivered**



# Fixed Price Contracts

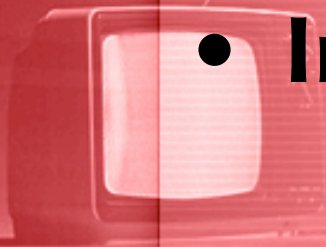
- **Need to provide protection to you if the scope of the project changes**
- **Keep accurate time records**
- **Bottom Line:**
  - > **Say what you are going to do**
  - > **Do what you say**
  - > **Update along the way**
  - > **Track changes and get approval for each as they arise**

# Collections



# Collections

- **Run Accounts Receivable Reports**
- **Call Accounts Payable**
- **Be Polite**
- **Call in Advance**
- **Place into Contracts**
- **Incremental Billing/Deposits**



# Resources



# Resources

- [www.pmi.org](http://www.pmi.org)
- [www.intuit.com](http://www.intuit.com)
- [www.creativecow.net](http://www.creativecow.net)
- [www.dv.com](http://www.dv.com)
- [www.rhedpixel.com](http://www.rhedpixel.com)

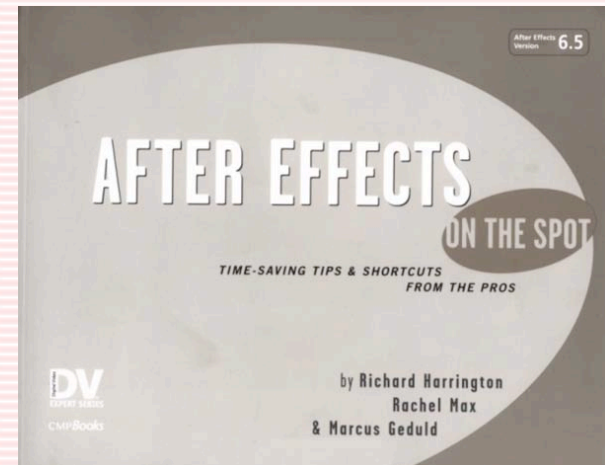
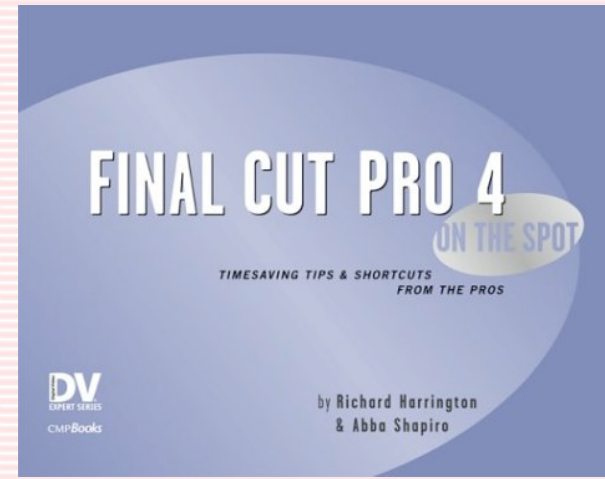
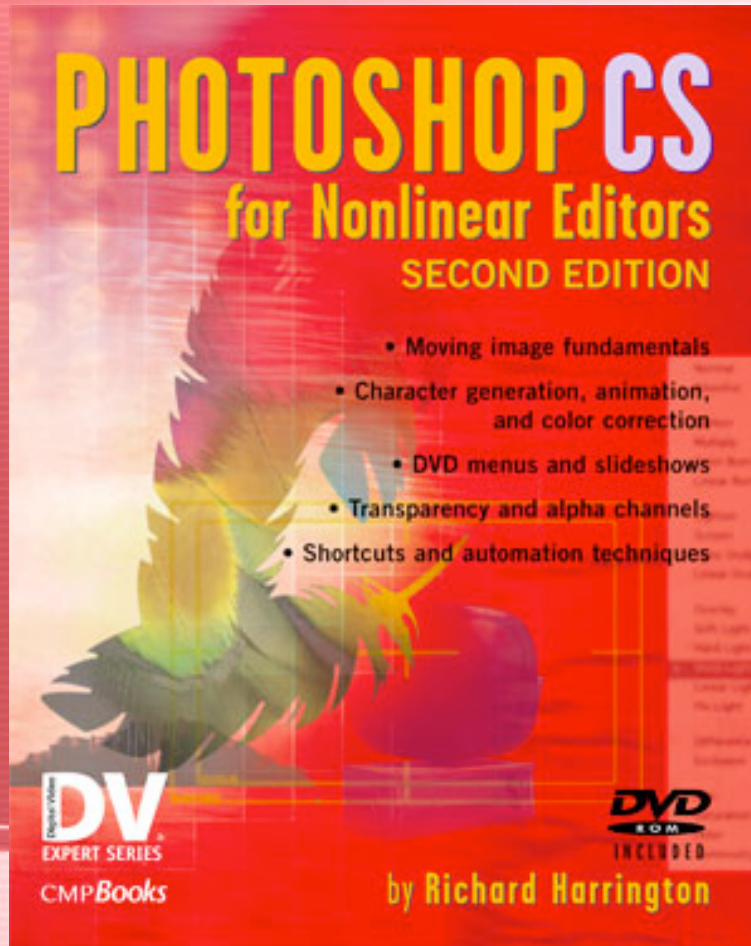


# Contact Me

- **CMP Books -**  
**[www.cmpbooks.com/photoshopnle](http://www.cmpbooks.com/photoshopnle)**
- **RHED Pixel - [www.rhedpixel.com](http://www.rhedpixel.com)**
- **Creative Cow Photoshop Forum-**  
**[www.creativecow.net](http://www.creativecow.net)**
- **Future Media Concepts -**  
**[www.fmctraining.com](http://www.fmctraining.com)**

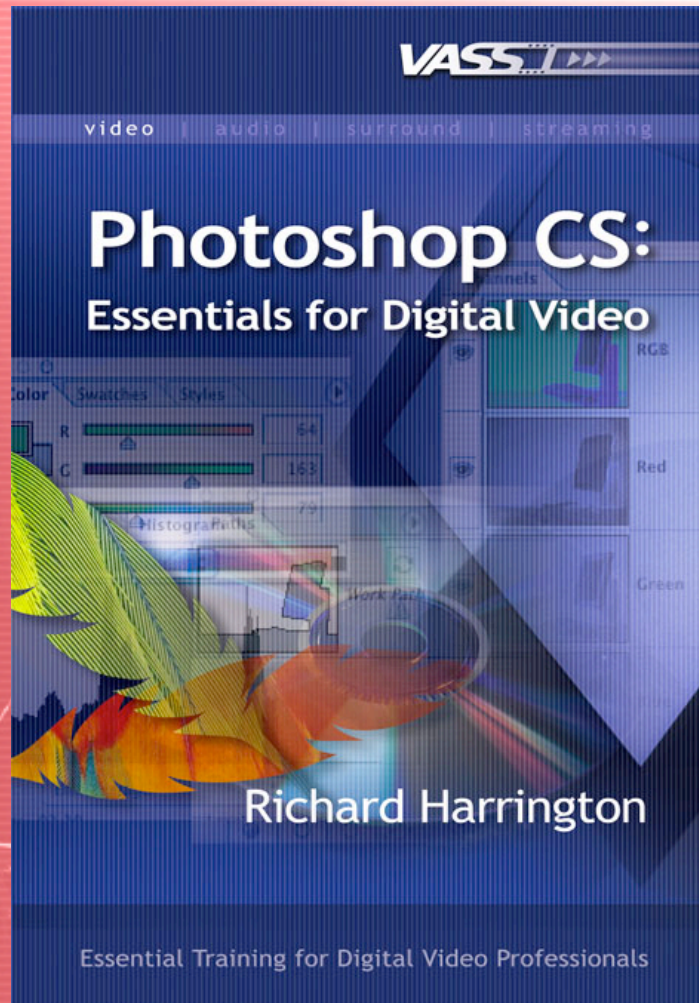


# Available from CMP Books



**20% Off at Show**  
**Order at [DV.com](http://DV.com) or [Amazon.com](http://Amazon.com)**

# Available from VASST.com



- **\$179 List**
- **\$99 with the discount code RHED**
- **2 Discs**
- **6 Hours**

# RHED PIXEL

A Visual Communications Company

enter here for:  
**corporate**site

enter here to:  
**see**the**difference!**

### fast links

- ✓ go directly to...
- Recent Events
- Portfolio
- Order Books
- Conference Handouts**
- Contact Us



# Questions & Answers



# **Stay on Target: Project Management for the Video Industry**

**Richard Harrington - RHED Pixel**

**[www.RHEDPixel.com](http://www.RHEDPixel.com)**

