

Quick Tips

One task groups face is the development of a plan to be fiscally responsible with funds. A budget can be a helpful method for keeping track of group funds.

A BUDGET is:

- A tool for planning and controlling organizational funds
- A formal written guideline describing your organization's future goals expressed in financial terms within a set period of time
- A detailed statement of estimated income and expenses
- A historical record of the organization's activities during a given period

A BUDGET can:

- Help refine goals that reflect the realistic resource environment
- Compel organization members to use funds efficiently and appropriately
- Provide accurate information to adjust, analyze and evaluate programs and activities
- Aid in decision making
- Provide a historical reference to be used for future planning

Adapted from a University of Michigan Student Organization Development Center handout.

Leader Hints:

are available on the following topics

- Agendas
- Advising Groups
- Budgeting
- Co-Sponsorship
- Community Service
- Conflict Resolution
- Constitution and Bylaws
- Delegation
- Difficult Members
- Elections
- Event and Program Planning
- Fundraising
- Goal Setting
- Group Performance Evaluation
- Icebreakers
- Individual Evaluation
- Meetings and Minutes
- Motivation
- Newsletters
- Officer Transition
- Parliamentary Procedure
- Publicizing Events
- Recruiting New Members
- Retreats
- Starting a New Organization
- Stress Management
- Team Building
- Time Management

Leader Hints is a publication of the University of New Mexico Student Activities Center. Copies are available at the Student Activities Center, SUB Room 1018. For more information, call 277-4706.

Some of the information in this brochure was compiled from leadership materials from the University of Texas at San Antonio and the University of Kansas.

Leader Hints

Leadership Development Tips
for Student Organizations

Budgeting



DEVELOPING A BUDGET

Begin preparations a month or more before the close of the current year

Prepare an outline of the organization's planned activities for the coming year

Do careful studies, investigations and research of funding, cost, resources

Determine available funds (carry over balance from previous year, cash on hand, funds in the bank, interest, etc.)

Estimate expected income and when it is expected to be available (dues, sales, etc.)

Define needed expenses (advertising, rentals, printing, supplies, etc.)

Get price quotations on big expenditures, delegate responsibilities to members

Rank order by their relative importance, which activities/programs are the wisest expenditures of funds

Choose programs to initiate; ask yourselves how much is available to allocate

Negotiate as necessary; eliminate or limit less essential expenditures

Revise, review, coordinate, cross-reference and then assemble into a final budget; the budget must be flexible to anticipate conditions which might have been overlooked during planning

Vote to approve budget

MANAGING THE BUDGET

Once approved, adopted and prepared, it should be monitored closely

Set and maintain a minimum cash balance

Formulate procedures and policies needed to achieve objectives

Keep an accurate log of financial transactions (income/expenses); maintain in a record book (check and balance records regularly)

Set up internal controls designed for safeguards and accurate accounting data

Control cost - allow only approved expenditures

ASSESS BUDGET REGULARLY

After the budget period has elapsed, determine the outcome of each expense and revenue. Make suggestions for next year.

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Sample Annual Organization Budget

(Expressed in financial terms)

| <u>INCOME</u> | <u>ANTICIPATED</u> |
|---------------------------------------|--------------------|
| Membership Dues (100 members at \$15) | \$ 1500.00 |
| Fundraisers | |
| Bake sale | \$ 500.00 |
| Craft sale | \$ 700.00 |
| T-shirt sales | \$ 200.00 |
| Ticket sales | |
| Fall event | \$ 1000.00 |
| Spring event | \$ 1250.00 |
| Corporate Sponsorship | |
| Fall Event | \$ 500.00 |
| Spring Event | \$ 500.00 |
| Student Senate Funding | \$ 1000.00 |
| TOTAL INCOME | \$ 7150.00 |
| <u>EXPENDITURES</u> | <u>ANTICIPATED</u> |
| Advertising - Newspaper Ads | |
| Membership Drive | \$ 500.00 |
| Fall Event | \$ 300.00 |
| Spring Event | \$ 300.00 |
| Advertising - Flyers/Posters | |
| Membership Drive | \$ 200.00 |
| Fall Event | \$ 250.00 |
| Spring Event | \$ 250.00 |
| Equipment/Room Rental | \$ 1000.00 |
| Printing | \$ 1400.00 |
| Refreshments | |
| Meetings | \$ 200.00 |
| Fall Event | \$ 500.00 |
| Spring Event | \$ 500.00 |
| Supplies | \$ 1000.00 |
| Telephone - Long Distance | \$ 250.00 |
| Miscellaneous | \$ 500.00 |
| TOTAL EXPENDITURES | \$ 7150.00 |

ACTUAL
Complete this section after the budget period has elapsed

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Complete this section after the budget period has elapsed

Sample Program/Event Budget

(Expressed in financial terms)

| <u>INCOME</u> | <u>ANTICIPATED</u> |
|------------------------------------|--------------------|
| Ticket sales - Fall event | \$ 1000.00 |
| Corporate Sponsorship - Fall Event | \$ 500.00 |
| Student Senate Funding | \$ 500.00 |
| TOTAL INCOME | \$ 2000.00 |
| <u>EXPENDITURES</u> | <u>ANTICIPATED</u> |
| Advertising | |
| Newspaper Ads | \$ 300.00 |
| Flyers/Posters | \$ 250.00 |
| Equipment/Room Rental | \$ 300.00 |
| Printing | \$ 300.00 |
| Refreshments | \$ 500.00 |
| Supplies | \$ 250.00 |
| Miscellaneous | \$ 100.00 |
| TOTAL EXPENDITURES | \$ 2000.00 |

ACTUAL
Complete this section after the budget period has elapsed

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Complete this section after the budget period has elapsed