

Cash Stash: Tips for Effective Budgeting

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Faculty Disclosure

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This session is not eligible for continuing nursing education credits.



This is an interactive session. We want you to share and learn from each other as much as staff! You'll see this image throughout the presentation and are encouraged to join the conversation.

Responsibilities of the Board

Responsible for the wise and effective management of the chapter's financial resources.

- Set up and maintain the bank account
- Adopt a balanced budget
- Approves financial policies and procedures and reviews them at least once a year
- Monitors the income and disbursement of funds on a regular schedule
- Makes investment decisions
- Assures an annual audit/review; with an external audit commissioned at least biennially
- Disperses a written financial report to members, at least annually
- Ensures that all financial requirements of the home country/state/province are met by the chapter

Responsibilities of the Treasurer

Manages the day-to-day chapter financial affairs in accordance with the chapter's established policies and procedures.

- Prepare yearly budget for board action
- Manages the chapter's financial records and financial information systems and recommends system changes when indicated
- Recommends financial policies and procedures to the board
- Presents a written financial report to the board at every board meeting and to the membership annually
- Works closely with the external auditor and/or internal audit committee in the examination of the chapter's financial policies, procedures, records, and status
- Prepares and submits all chapter financial reports required by Head Office
- Prepares and submits all tax forms required by the chapter's home country/state/province
- Serves as an ex-officio member of the Finance Committee, if applicable

Fiduciary Responsibility

- The chapter board has the ultimate responsibility to ensure proper oversight and stewardship of chapter funds.
 - Duty of Care
 - Duty of Loyalty
 - Duty of Obedience

WHY? WHY? WHY?
WHY? WHY? WHY?
WHY? WHY? WHY?
WHY? WHY? WHY?



Why is a budget important and what can a budget do for your chapter?

Budgets

- **Why?**

- You can't spend money you don't have
- Saving all the money = low member satisfaction

- **What?**

- A guide to help your chapter plan for the future
- An assessment tool for your current financial health
- A tool to provide member benefits
- A way to maintain accountability

Getting Started

Ask Questions

- Was there a budget last year?
- What worked well? What didn't?
- Improvement opportunities?
- Strategic/business plan?
- What should be eliminated?
- Previous Audits and findings?

Budget Length

Biennial Budget, recommended

- Two fiscal years
- Continuity of chapter programs
- Allows for maximum training
- Reviewed at mid-way point

Annual Budget, at minimum

- One fiscal year

Balanced or Unbalanced

Balanced Budget

- Expenditures equal Revenue

Unbalanced Budget

- Expenditures exceed Revenue

Strategic Plan/Business Plan Alignment

- Misalignment creates mis-spending
- Budget can provide insight to feasibility
- Accountability to goals
- It is a measurable performance indicator

Revenue

Dues

- New Member
- Renewing Member

Non-dues

- Registration Fees
- Ceremony Fees
- Investments
- Fundraising

Chapter Checks

March

- Renewals and Induction dues returned to chapter
- 1 November – 28 February

September

- Renewals and Induction dues returned to chapter
- 1 March – 31 August

November

- Renewals and Induction dues returned to chapter
- 1 September – 31 October

Expenses

Recruitment

- Induction
- Publicity

Membership Engagement

- Chapter Programs (At least 2 annually)
- Member Communications
- Annual Business Meeting (1 annually)
- Grants, awards, membership subsidies

Expenses

Chapter Operations

- Board Meeting Expenses
- Chapter Services Fee
- Chapter Liability Insurance
- Optional Chapter Insurance
- Auditing and Bank Fees
- Travel and Registration costs for Biennial Convention and Leadership Connection
- Reserves or Investments

Budget Format

- Transparent
- Offers detail but not minutiae
- Consistent
- Assign revenue and expenses properly

Sample Budget

	Budget	Actual	Variance (\$)
INCOME			
Dues from Renewing Members			0.00
Dues from New Members			0.00
Program Registration Fees			0.00
Induction Ceremony Fees			0.00
Fundraising Income			0.00
Investment Income			0.00
TOTAL INCOME	\$ -	\$ -	0.00
Expenses			
	Budget	Actual	Variance (\$)
Programs/Events			0.00
Induction Ceremony			0.00
Annual Business Meeting			0.00
Board Meetings			0.00
Postage			0.00
Printing			0.00
Chapter Liability Insurance			0.00
Chapter Services Fee			0.00
Bank Fees			0.00
Travel to Sigma Biennial Convention			0.00
TOTAL EXPENSES	\$ -	\$ -	0.00

SUMMARY	
Starting Balance	\$ -
Budgeted Income	\$ -
Actual Income	\$ -
Budgeted Expenses	\$ -
Actual Expenses	\$ -
Budgeted Ending Balance	\$ -
Actual Ending Balance	\$ -

Discussing & Monitoring the Budget

- Presenting the Budget
- Question and Answers about the Budget
- Monitoring of the budget

Questions?