



BOY SCOUTS OF AMERICA®
ORDER OF THE ARROW

LA220 – How To: Budgeting and Finance

On-line Training

Course Overview

- Present the uniqueness of the budgeting process in the Order of the Arrow lodge
- Provide an understanding of the fiscal management process in the council as it pertains to the Lodge
- Give you an opportunity to teach our youth fiscal responsibility
- Present ideas for lodge income sources



SCOUTING'S NATIONAL HONOR SOCIETY

Purpose

- Promote fiscal responsibility, budgeting, and income generation.
- Allow for sustainable programs and quality activities.
- Fiscal reporting - expenses and income
- Journey to Excellence.



SCOUTING'S NATIONAL HONOR SOCIETY

Outline

- Key Youth Roles (Treasurer, Finance Committee, Auditor) - Sample Monthly Audit Report
- Key Adult Roles
- Fiscal Management & Responsibility
- Incomes Sources — Lodge Money-Earning Application
- Annual Budget — Sample Annual Budget Worksheet
- Event Budget — Sample Event Budget Worksheet
- Journey To Excellence
- Summary
- References



SCOUTING'S NATIONAL HONOR SOCIETY

Key Youth Role

- Treasurer:
 - Elected by fellow Arrowmen.
 - Chairs the lodge finance committee.
 - Works with the lodge financial adviser and finance committee.
 - Responsible for lodge financial record book.
 - Works with council accounting
 - Uses annual Lodge Program Support PAK
 - Prepares monthly financial statements for the lodge executive committee (LEC).



SCOUTING'S NATIONAL HONOR SOCIETY

Key Youth Role

- Finance Committee:
 - Appointed by Chief .
 - Lodge treasurer is chair; advised by Adult adviser.
 - Develops the annual lodge budget.
 - Dues collections.
 - Monthly financial report.
 - Proposes money-earning projects.



SCOUTING'S NATIONAL HONOR SOCIETY

Key Youth Role

- Auditor:
 - Member of the finance committee, but not the lodge treasurer.
 - Conducts month end audit.
 - Works with lodge treasurer and Adviser.
 - Completed audit reviewed by LEC.



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Sample Monthly Audit Report

MONTHLY AUDIT REPORT
(For lodge executive committee reports by the treasurer)
Month of _____, 20__

Balance on hand at beginning of month	_____
Total income since last report (Line 35, column 3)	_____
Total expenditures since last report (Line 35, column 4)	_____
Gain or loss since last report	_____
Balance on hand (To be carried over to line 1, next month)	_____
Unexpended petty cash	_____
Total CASH on hand	_____
Outstanding bills to be paid	_____
_____	_____
_____	_____
_____	_____
Total of all bills to be paid	_____

This report is submitted as a correct statement of the financial accounts of this lodge.

Lodge Treasurer

Lodge Financial Adviser



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Key Adult Role

- Lodge Financial Advisor –
 - Advises lodge treasurer and finance committee.
 - Meets often to maintain adequate financial records.
 - Treasurer
 - Scout Exec
 - Staff Adviser
 - Council accounting



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Fiscal Management

- Set up and maintain the lodge financial record book.
- Submit monthly financial report.
 - Income
 - Expenditures
 - Budget comparison
- Ensure all Order of the Arrow funds are accounted for in council custodial account.
- Ensure Chapter finances are separate.



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Fiscal Responsibility

- Financial Support of the Local Council –
 - FOS
 - Capital improvement
 - Endowment
 - Maury Clancy
 - OA Service Grant
- Lodge Fees and Dues –
 - Set by Lodge
 - Kept at minimum
 - Cover basic costs (Income = Expenses)
 - Re-charter fees due December 31
 - Records kept



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Income Sources

- Revenue for lodge operations:
 - Lodge dues.
 - Activity fees.
 - Trading post income.
 - Money-earning projects.
 - Money-earning application.
 - Three copies Council, District (Chapter Events), and Lodge/Chapter.



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Lodge Money-Earning Application



LODGE MONEY-EARNING APPLICATION

Date _____

Please submit this application to your council office well in advance of the proposed date of your money-earning project. Read "Ten Guides to Lodge Money-Earning Projects", on the back of this application. They will help you in answering the questions below.

Council Name: _____

Lodge Name: _____ Lodge No.: _____

Submits the following plan for its money-earning project and requests permission to carry it out.

1. What is your lodge's money-earning plan?

2. About how much money does your lodge expect to earn from this project? _____
3. What will the money be used for?

4. Has your council executive committee given full approval for this plan? [] Yes [] No
5. What are the proposed money-earning project dates?

6. Are tickets or a product to be sold? [] Tickets [] Product Please specify.

7. Will Arrowmen be in Scout uniform while carrying out this project? [] Yes [] No
8. Have you checked with other Scouting units to avoid any overlapping of territory while working on your project?
[] Yes [] No
9. Is your product or service in direct conflict with that offered by local merchants? [] Yes [] No
10. Are there any contracts to be signed? [] Yes [] No If yes, by whom? Give details:

11. Is your lodge on the budget plan? [] Yes [] No How much are lodge dues per person? \$ _____
12. How much money is in the lodge treasury? _____

Signed _____
Lodge Chief Lodge Adviser Lodge Staff Adviser

FOR COUNCIL APPROVAL

Approved by _____

ORDER OF THE ARROW

BOY SCOUTS OF AMERICA

GUIDES TO UNIT MONEY-EARNING PROJECTS

A unit's money-earning methods should reflect Scouting's basic values. Whenever your unit is planning a money-earning project, this checklist can serve as your guide. If your answer is "Yes" to all the questions that follow, it is likely the project conforms to Scouting's standards and will be approved.

1. Do you really need a fund-raising project?

There should be a real need for raising money based on your unit's program. Units should not engage in money-earning projects merely because someone has offered an attractive plan. Remember that individual youth members are expected to earn their own way. The need should be beyond normal budget items covered by dues.

2. If any contracts are to be signed, will they be signed by an individual, without reference to the Boy Scouts of America and without binding the local council, the Boy Scouts of America, or the chartered organization?

Before any person in your unit signs a contract, he/she must make sure the venture is legitimate and worthy. If a contract is signed, he/she is personally responsible. He/she may not sign on behalf of the local council or the Boy Scouts of America, nor may he/she bind the chartered organization without its written authorization. If you are not sure, check with your district executive for help.

3. Will your fund-raiser prevent promoters from trading on the name and goodwill of the Boy Scouts of America?

Because of Scouting's good reputation, customers rarely question the quality or price of a product. The nationwide network of Scouting units must not become a beehive of commercial interest.

4. Will the fund-raising activity uphold the good name of the BSA? Does it avoid games of chance, gambling, etc.?

Selling raffle tickets or other games of chance is a direct violation of the BSA Rules and Regulations, which forbid gambling. The product must not detract from the ideals and principles of the BSA.

5. If a commercial product is to be sold, will it be sold on its own merits and without reference to the needs of Scouting?

All commercial products must sell on their own merits, not the benefit received by the Boy Scouts. The principle of value received is critical in choosing what to sell.

6. If a commercial product is to be sold, will the fund-raising activity comply with BSA policy on wearing the uniform?

The official uniform is intended to be worn primarily for use in connection with Scouting activities. However, council executive boards may approve use of the uniform for any fund-raising activity. Typically, council popcorn sales or Scout show ticket sales are approved uniform fund-raisers.

7. Will the fund-raising project avoid soliciting money or gifts?

The BSA Rules and Regulations state, "Youth members shall not be permitted to serve as solicitors of money for their chartered organizations, for the local council, or in support of other organizations. Adult and youth members shall not be permitted to serve as solicitors of money in support of personal or unit participation in local, national, or international events."

For example: Boy Scouts/Cub Scouts and leaders should not identify themselves as Boy Scouts/Cub Scouts or as a troop/pack participate in The Salvation Army's Christmas Bell Ringing program. This would be raising money for another organization. At no time are units permitted to solicit contributions for unit programs.

8. Does the fund-raising activity avoid competition with other units, your chartered organization, your local council, and the United Way?

Check with your chartered organization representative and your district executive to make certain that your chartered organization and the council agree on the dates and type of fund-raiser.

The local council is responsible for upholding the Charter and By-laws and the Rules and Regulations of the BSA. To ensure compliance, all unit fund-raisers MUST OBTAIN WRITTEN APPROVAL from the local council NO LESS THAN 14 DAYS before committing to the fund-raising activity.

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Annual Budget

- Lodge and council fiscal year same.
- Plan 120 days budget lead time.
- Get expense and income estimates for the next fiscal year.
- Propose next year's budget.
 - Key 3 review
 - LEC approve
- LEC controls approved budget.
- Make budget flexible for new officers.



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Sample Annual Budget Worksheet

LODGE BUDGET WORKSHEET

OPERATING BUDGET OF

_____ LODGE COUNCIL NO. _____ YEAR _____

Receipts

Carried forward _____
 Member dues @ \$ _____
 Sale of lodge emblems _____
 Sale of OA accessories _____
 New member fee @ \$ _____
 Income from lodge events _____
 Service weekends _____
 Fellowships _____
 Banquet _____
 Others _____

Money-earning projects (list) _____
 Other (list) _____

Total receipts \$ _____

Expenditures

Lodge charter fee _____
 Camp promotion _____
 Unit elections _____
 Ceremonial literature _____
 Ceremonial costumes _____
 Bulletin _____
 Lodge events _____
 Service weekends _____
 Fellowships _____
 Banquet _____
 Others _____

FOS contribution _____
 Gifts in kind to camp/service center _____
 Money-earning projects (list) _____
 Lodge emblems _____
 OA accessories _____
 Mailing _____
 Office supplies & stationery _____
 Lodge Chief expenses to _____
 Council of Chiefs meetings _____
 Others (list) _____
 Carry forward to 20_____

Total expenditures \$ _____



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Event Budget

- Complete 90 days before event.
- Budget approval before expenses.
- Review past event. Needs to be self supporting.
- Be conservative
 - Pessimistic on attendance
 - Include overhead fee
 - Allow for contingency
- Closed within 30 days of the event and submit final report.



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Sample Event Budget Worksheet

Sample Event Budget Form:

BUDGET PLANNING AND ACCOUNTING FORM

Name of Event _____

Date of Event _____

Type of Event _____

	Units	Unit Price	Income Source	Anticipated	Actual Income
1. Youth Fees	@	\$			
2. Adult Fees	@	\$			
3. Donations					
4. Extra Patches sold	@	\$			
5.					
TOTALS					

Expenditures	Proposed Budget	Actual Expenditures
1. Printing		
2. Postage		
3. Facility Fee		
4. Administrative Fee		
5. Labor		
6. Patches (must be approved and ordered through Council)		
7. Activity Insurance(if required)		
8. Literature		
9.		
10.		
TOTALS		

_____ **Actual Income** \$ _____ **Actual Expenditures** \$ _____
 _____ **() Surplus or () Deficit**\$ _____

Budget Prepared By: _____

Budget approved by: _____ **Date** _____



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OA Journey to Excellence (JTE)

- Two requirements in the Finance category (2016)
 - Fiscal management: Develop and successfully execute a lodge annual budget (200 points).
 - Bronze: Complete and follow an annual budget approved by the Lodge Executive Committee.
 - Silver: Close the year with a positive operating balance (i.e., operate in the black).
 - Gold: Close with an operating balance at least as great as your budget projection.
 - Contribution to council: Contribute cash, materials or both to the council (300 points).
 - Bronze: Contribute an average of \$4.50 per lodge member.
 - Silver: Contribute the equivalent of \$8.50 per lodge member.
 - Gold: Contribute the equivalent of \$24.00 per lodge member.



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Quick Tips

- Obtain starting cash position from council
- Follow local council's expenditure procedures
- Know council's cash handling procedures
- Reconcile custodial account monthly



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Summary

- The lodge must know how much money it has, where it is spent, and how it is used.
- Knowing how it performs financially helps the lodge plan for the future.
- The lodge is to be self-supporting.
- Operating within a budget requires good estimates.
- The lodge treasurer should report regularly.
- An analysis of each lodge event should be prepared.



SCOUTING'S NATIONAL HONOR SOCIETY

References

- OA Handbook – Local Council (#34996)
- Guide for Officers and Advisors (GOA) – <http://www.ou-bsa.org/uploads/publications/GOA-2012.pdf>
- Lodge Finance Manual – <http://www.ou-bsa.org/uploads/publications/LFM-2008.pdf>
- Annual Lodge Program Support PAK – Provided by National Office
- Lodge Budget and Financial Records (Running and Itemized by Month)
- Lodge Adviser Handbook – <http://www.ou-bsa.org/uploads/publications/lodgeadviserhandbook-2012.pdf>
- Local Council Accounting Manual – Local Council Office
- OA Lodge Master – <http://lodgemaster.ou-bsa.org/support/docs/doku.php>
- Chapter Operations Guide – <http://www.ou-bsa.org/uploads/publications/cog-2012.pdf>
- Field Operations Guide – <http://www.ou-bsa.org/uploads/publications/FOG-2013c.pdf>
- OA Training Website – <http://training.ou-bsa.org>



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