

Your KUCSC Budgeting Guide

Table of Contents

Who is responsible for submitting a budget?.....	1
What is a budget?	1
Why make a budget?.....	2
Where can I find past budgets?.....	2
Where can I find the Budget Template?.....	2
How do I make a budget?.....	2-4
Instructions	
When are budgets due?.....	4
When is Budget Weekend?.....	4
Problem? Questions? Need help?.....	4
Contact	

Who is responsible for submitting a budget?

- Any person or team in a position requiring them to organize activities with a common purpose related to the KUCSC that will generate and/or cost money:
 - Executives
 - Representatives
 - Commissioners
 - Club Executives

What is a budget?

A budget is a financial document created to reflect the estimated income and expenses related to an action plan for a specific period of time. The budget equation is:

$$\begin{array}{r} \text{Income} \\ - \text{Expenses} \\ \hline \text{Net Revenue (Loss)} \end{array}$$

The KUCSC's master budget consolidates each budget submitted by councilors and clubs executive.

The budget to be submitted by councilors at the beginning of the term is an Excel file that shows the expected dollars to be collected and paid over the term in relation to the planned activities. The dollar amounts recorded in the budget are based on estimates and assumptions made by the councilor.

Two people making a budget for the same activity would probably enter different numbers, but they should be close or balance out to result in close net revenue (loss).

Why make a budget?

1. Council must approve all expenses before they are incurred. The VP Finance consolidates the submitted budgets to create the KUCSC Master Budget. The VP Finance drafts the Master Budget with the proposed changes and presents it to council. Then it must be finalized by 2/3 votes. This process ensures that funds are allocated fairly and optimally. Once, the budget is approved, participants are authorized to spend money on initiatives that are included in the final Master Budget.
2. It is important to spend cautiously because unreasonable purchases would adversely affect the Master Budget. Under normal conditions, expenditures should not be significantly different from the budgeted amounts.
3. Budgets make it easy to delegate shopping and bookings to others. Anyone can make purchases for the KUCSC if they are given an amount to base their decisions on.

Where can I find past budgets?

The outgoing councilor should have the budget for your position. Look it over with them before the end of exams, so that you can ask any questions. Past budgets should also be included in the turnover manuals. You can also find it in the master budget, which can be downloaded from the KUCSC website, under the Documents tab. <http://www.kucsc.ca/documents/>. As a last resort, e-mail finance@kucsc.com and request the file.

Where can I find the Budget Template?

You can download the excel file "Budget Template" from the KUCSC website under the Documents tab on the Operational Forms page <http://www.kucsc.ca/documents/forms/>. Enter your information into it and save it as your title. E-mail the final version of your budget to finance@kucsc.com.

How do I make a budget?

Before you begin your budget, you need to have an idea of what events you are going to organize. Be sure to consider all the costs involved. All foreseeable costs are included in a budget.

Step 1- Set a goal for Net Revenue (Loss) and if applicable ticket prices. Consider past budgets and the purpose of the club or event in deciding what is a reasonable amount.

For Example: King's Ball is an important event in student life. It is a tradition for most constituencies to have an annual formal. Last year the budgeted net loss was \$(5800) but, the KUCSC has budgeted up to \$(9130). Ticket prices should not be

more than \$40 because this event needs to be affordable for students. Anywhere from 250-350 people will attend this event.

Step 2- Enter your expenses and total the amounts into the Budget Template. On the budget the expenses go under the income, but calculate your expenses first. Make a list of expenses associated with your activities. Make phone calls to get quotes, surf the Internet or visit stores so that you can estimate the cost of everything on your list. Make projections for the best and worst case scenarios. *Be realistic.*

Here's an Example of a Budget for an Event:

Expenses	Description	Low	High
Venue	Convention Center	\$6,000.00	\$6,000.00
Buses	About Town	\$700.00	\$700.00
Dinner	1000+\$25 per plate	\$7,250.00	\$8,500.00
Security		\$1,200.00	\$1,200.00
DJ		\$300.00	\$300.00
Event Staff		\$400.00	\$400.00
Equipment		\$100.00	\$100.00
Decorations		\$400.00	\$400.00
Total Expenses		\$16,350.00	\$17,600.00

The Aramark Prices are under the Operations tab on the Clubs page of the KUCSC Website. <http://www.kucsc.ca/operations/clubs/>

Step 3- Enter the income sources and total the amounts. Make low and high projections of revenue. Be conservative. This means the high amount of revenue should reflect the most likely outcome and the low amount should reflect a bad case scenario. Keep the dollar amount per person constant and change the number of tickets you will sell or members you will get to calculate your low and high dollar amounts.

Example: Ticket price is \$40 and you expect to sell at least 250 tickets but will probably sell closer to 300.

Number of People		250	300
Income	Assumption	Low	High
Tickets Sales	Price is \$40	\$10,000.00	\$12,000.00
Total Income		\$10,000.00	\$12,000.00

Note: *Other possible sources of income are faculty, sponsorship and fundraisers.*

Step 4- Now that you have your total income and total expenses; calculate your net revenue (loss). Recall the formula

$$\text{Income} - \text{Expenses} = \text{Net Revenue (Loss)}$$

The Excel Template will calculate this for you. In our example we get:

Net Revenue	(\$6,350.00)	(\$5,600.00)
--------------------	--------------	--------------

Step 5- Analyze net revenue (loss). Compare the resulting bottom line to your original goal set in Step 1. If there is a significant difference between them, the first thing you should do is review and cut out any unnecessary expenses. **Do not** adjust your income predictions upwards to compensate for losses. You may decide to charge an entrance fee for an event that would otherwise have been free. Keep in mind that increasing prices or membership fees above a certain amount will decrease the number of students who are willing to pay.

From our example you can see that this budget is close to the initial goal set in *Step 1* of a loss between \$(5800) and \$(9130).

When are budgets due?

Friday May 18 2012 at 4pm

When is Budget Weekend?

The date for budget weekend will be determined in mid May, when more people will know the nature of their summer schedules. Budget weekend falls on any Saturday and Sunday in June or July. A scheduling tool called Doodle, will be used to determine the weekend that the most representatives are available.

Executives and Orientation Coordinators must make some necessary purchases after the official turnover date, April 30 and before budget weekend. The earlier the budget is approved the more amenable our organization.

Please check your council e-mail at least three times a week. You can set up your account so that all e-mails will automatically be forwarded to your primary address.

Problem? Questions? Need help?

Don't Worry. Budgeting is a skill that takes practice. If you aren't familiar with excel formatting of the Budget Template or if your not sure what estimations to make, you can e-mail finance@kucsc.com to arrange meeting with someone who can help you complete your budget.