

## Budget line considerations

Below are the budget categories the Senate will ask you for. Fit your requests into one of the following lines. Make sure to total your budget, minus your revenue at the bottom. This number will be your budget request.

1. **Wages:** Total salary for any workers needed. This would include Sound Kollektiv and SU cleaners.

2. **Administration:** Photocopying, postage, office supplies, fees, subscriptions, etc.—everything that is used for organizing or producing an event or creating a project.

3. **Refreshments:** Any food or drink, either to be served to the public or at a special event.

4. **Entertainment:** Bands, speakers, and movies.

5. **Capital improvements:** Anything that your organization will keep and use for more than a semester.

6. **Miscellaneous:** Expenditures that do not fit into any of the above categories, such as T-shirts.

7. **Revenue:** Your estimate of how much money your organization will take in during the semester, through admission prices, fund-raisers, or whatever. This is money you are pledging to give to the Senate. If your organization ends up over budget at the end of the semester, the signator will have to pay back the money.

8. **Frozen:** These funds are reserved for your organization, but must be unfrozen for use. Frozen funds are usually used for speakers, performers, and other high-priced items that may not be definite by the time of the allocation.

## This brochure is one in a series on achieving effective campus involvement

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# guide to Budgeting

a financial how-to for your student organization at the beginning of the semester

**For more information**, please stop by the student activities office in Gray Campus Center 104, call us at 503-788-6692, or email [student-activities@reed.edu](mailto:student-activities@reed.edu)

**REED**

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If you're part of a student organization at Reed that uses any amount of money, you need to know some basics about budgeting. Below are some basics. For more in-depth ideas or assistance, stop by the Student Activities Office.

## Why should I prepare a budget?

There are several reasons you and your organization need a budget. It will help you to define your goals, encourage members to use funds efficiently, aid in decision-making and provide historical references for future planning. Also, the Senate will not give you money, nor will other sources, if you don't have a firm budget on paper.

## What do I need to think about ahead of time?

Knowing your organization's priorities, objectives, and goals will help as you prepare your budget. As you begin, ask yourself the following questions:

- What does your group want to accomplish?
- How much will it cost to achieve this?
- Where is the money coming from?

Once these questions have been answered, you are ready to draft your budget.

## Preparing your budget

1. Prepare an outline of the organization's planned future activities.
2. Estimate and record expected income (such as ticket sales) and when it will be available.
3. Define and note expected expenses (such as advertising, rentals, printing, and supplies).
4. Review, revise, and assemble income and expenses into a final budget to present to the Senate finance committee.
5. Make sure your budget is flexible in case some things were overlooked during planning.

## What exactly should be included in my budget?

An itemized budget is a list of how you plan to use the money that you are requesting. The items will be organized under the headings listed on back. Descriptions should provide details about desired purchases with a specific price listed. Here are some tips to ease the Senate budget process:

- Prioritize your items. The Senate will most likely adjust your budget. Tell them what is most important so they don't have to guess.
- Price each item. Collect specific estimates from two or three places and quote a median price. Don't just make up a price, or you may run into problems later.
- Briefly explain why you need each item. If your reason is complicated, save an extensive review for the funding circus or the finance committee—that's what it's there for.
- Don't pad your budget. The Senate will be annoyed.

## How do I manage the approved budget?

Now that you've been entrusted with student body funds, it's important to handle them responsibly. Your personal business account will suffer if you mismanage your organization's finances.

- Formulate general policies and procedures needed to achieve objectives while providing internal control (for example, allow only approved expenditures).
- Keep an accurate current written log of financial transactions (revenue and expenses) noting date, amount, and description.
- Periodically compare the budget to your actual logged expenditures to make sure you're on track.
- Never spend money that the Senate has not approved.

## The senate funding process (in a nutshell)

### 1. SIGNATOR'S TRAINING

This generally occurs within the first three to four days of classes. All potential signators are required to attend.

### 2. ACTIVITIES FAIR

The activities fair is your opportunity to showcase your organization and plans to your peers. This is also the kick-off for the funding poll.

### 3. FUNDING POLL

The funding poll is a chance for the student body to vote for organizations they believe are deserving of funding. Results of the poll are used by the Senate to determine the top 40 who will move on to funding circus.

### 4. FUNDING CIRCUS

This is your opportunity to make your case to the Senate. Following the funding circus, the Senate spends a full day determining the allocation of funds for the semester.

### 5. FINANCE COMMITTEE

If you didn't make top 40, need additional funds, or didn't take part in funding poll, you can still request funding through the finance committee. To do this, you must first submit a budget on [sin.reed.edu/finance](http://sin.reed.edu/finance) and then attend the next funding committee meeting to present your budget. You will be contacted sometime after with the results of your request.