



Why is Budgeting Important?

Creating an annual budget is an important first step in securing your Chapter's financial future. Budgeting allows the Chapter to see where gaps exist between the funds that will be spent on Chapter activities in the coming year and the amount that will be brought in through dues and non-dues sources. Having a budget will help the Chapter make the most of available funds.

8 Reasons Why Creating a Budget is Good for Your Chapter

- 1** Provides a "real picture" of the Chapter's financial standing by showing anticipated expenses and potential sources of income.
- 2** Allows you to plan ahead to determine what you will be able to accomplish in a given year.
- 3** Equips decision-makers with valuable information that may inform policy changes or shifting priorities to benefit the Chapter.
- 4** Holds Chapter leaders accountable to financial commitments to Members while allowing them to maintain fiscal control.
- 5** Sharpens the Chapter's understanding of its long-term goals and promotes strategic financial planning.
- 6** Engages the entire Chapter in open discussion of the financial realities of the organization.
- 7** Motivates creativity in identifying solutions to financial challenges.
- 8** Fulfills the need for required information for reports to the National Office.

Things to Consider When Creating a Budget Document

- **Select a format that will work best for those who will be updating the budget throughout the year. Spreadsheets are commonly used for this purpose.**
- **Determine a method for sharing budget-related information with the Exec Board or the Chapter as a whole on a periodic basis. Google Drive provides options for document sharing where "View Only" access can be provided.**
- **Provide for the use of formulas to make comparing anticipated and actual amounts simple when tracking income and expenses throughout the year. Excel and GoogleSheets both offer this feature.**