

# Planning and Budgeting for Success



## Planning and Budgeting for Success



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### Budget Committee

- ▶ Plans the budget
- ▶ A budget is an ESTIMATE of planned income and expenses for the year.



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### Budget Development

- ▶ Process begins after new officers are elected and prior to beginning of term
- ▶ Committee appointed by president-elect
- ▶ Chaired by treasurer-elect



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## Board-elect Actions

- ▶ Meet soon after election to plan for the coming term
- ▶ Review mission statement from California State
- ▶ Survey school needs
- ▶ Develop goals that implement PTA mission and meet school's needs



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## Mission Statement

The mission of the California State PTA is to represent our members and to empower and support them with skills in advocacy, leadership, and communication to positively impact the lives of all children.



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## Survey Staff and Parents

- ▶ Questions to ask
  - Programs liked? Disliked?
  - What needs to be done?
  - Fundraisers liked? Disliked?
- ▶ Who to ask
  - Members
  - Principal and teachers
  - School Site Council
  - Students (secondary schools)



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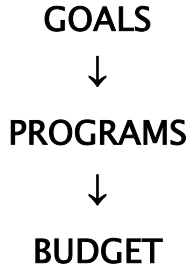
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The PTA budget is  
program-driven,  
*not*  
revenue-driven.

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### Materials Needed to Prepare a Budget

- ▶ Prior year reports
  - Budget
  - Annual Financial Report
  - Committee reports
  - Survey (membership/staff)
- ▶ Current year reports
- ▶ School calendar
- ▶ Insurance and Loss Prevention Guide

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## Develop Programs

- ▶ Review PTA's goals
- ▶ Review previous program committee's reports
- ▶ Identify programs to achieve goals



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## 3-to-1 Rule

There should be *three*  
non-fundraising programs  
geared to meet your goals  
for each *one* fundraiser



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DON'T BE AFRAID  
of CHANGE

Look for fresh ideas



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## Situation 1




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## Program Examples

- ▶ Parent Education and Outreach
- ▶ Assemblies
- ▶ Classroom Funds
- ▶ Field Trip Funds
- ▶ Technology Funds
- ▶ Playground Safety
- ▶ New Playground Equipment




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## Committee Report

### Music and Assemblies

#### Assemblies

• The Green Frog	1000.00
• Bike Safety	825.00
• The Magic Speller	1420.00

- The committee recommends discontinuing "The Green Frog" because it does not meet the needs of the students.
- Continue "Bike Safety" and "The Magic Speller"
- Ask teacher grade level representatives to recommend new assemblies.
- Volunteer hours 137




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## Develop Fundraisers

- ▶ Cover program costs
- ▶ Related to PTA's educational, charitable, and philanthropic purposes as tax-exempt organization
- ▶ In keeping with PTA's non-commercial policy
- ▶ Implemented by fundraising or ways and means committee



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## Situation 2



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## Review Fundraisers

- ▶ Use the previous committee's reports
  - Does this fundraiser still fit your school community?
  - How much can you expect to raise?
  - How many volunteer hours are involved?
  - What changes were recommended by the previous committee?



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## Sample PTA Budget

<b>BALANCE ON HAND</b> from previous year	\$	5,477.00
<b>ESTIMATED RECEIPTS</b>		
Interest Income	\$	10.00
Membership dues (unit portion only) 200 members	\$	1,200.00
Fundraising (list individually – gross proceeds)		
Book Fair	\$	4,000.00
Carnival	\$	10,000.00
Gift Wrap	\$	25,000.00
Ice Cream Social	\$	2,000.00
Variety Show	\$	1,000.00
<b>TOTAL</b>	\$	<b>48,687.00</b>



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## Sample PTA Budget

<b>RECEIPTS NOT BELONGING TO UNIT</b>		
Council, district, State and National PTA membership per capita	\$	800.00
Founders Day freewill offering	\$	100.00
<b>TOTAL</b>	\$	<b>900.00</b>
<b>TOTAL RECEIPTS \$</b>		<b>49,587.00</b>

Number of Members: 200

Unit portion:	\$	6.00
Council portion:	\$	0.25
District portion:	\$	0.75
State Portion:	\$	1.25
National Portion:	\$	1.75
Unit Dues:	\$	10.00



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## Estimated Disbursements

### Operating Expenses

Membership Envelopes (_____ \$20 per 1000)	\$	20.00
Insurance Premium	\$	200.00
Newsletter and Publicity	\$	2,000.00
Council/District Leadership Workshops	\$	200.00
Convention (State/National PTA)	\$	1,500.00
Officers'/chairmen's reimbursements	\$	500.00
Past President's Pin	\$	30.00
Honorary Service Awards	\$	300.00
<b>Operating Expenses SUBTOTAL</b>	\$	<b>4,750.00</b>



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## Sample PTA Budget

**Net Income and Expense**                      **ZERO**

----- Date -----  
Treasurer's Signature

Association Approval Date: -----



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You must not encumber  
future boards



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## Budget Approval in the Spring

- ▶ Executive board-elect reviews budget draft
- ▶ Executive board presents/ recommends budget to members
- ▶ Majority vote by general membership
- ▶ Release funds needed to start the year



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## Budget Approval in the Fall

- ▶ Budget committee makes adjustments
- ▶ Executive board reviews budget draft
- ▶ Executive board presents/recommends budget to members
- ▶ Majority vote by general membership
- ▶ Approval of budget does NOT give board permission to spend money. Each program/activity must be approved.



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## Revising the Budget

- ▶ At least quarterly, review income and expenditures and adjust activities accordingly
  - Budget deficit (expenses exceed income)?
  - Cancel activities or add fundraisers – get approval
- ▶ Recommend revised budget to membership at association meeting
- ▶ Membership approves revised budget by a 2/3 vote, or a majority vote with 30 day previous notice



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## Budget Variance Examples

Income:	YTD Total	Budget	Variance
Book Fair	\$2,500.00	\$2,600.00	(\$100.00)
Gift Wrap	\$30,000.00	\$25,000.00	\$5,000.00
Total	\$32,500.00	\$27,600.00	\$4,900.00
<b>Income is greater than budgeted amount</b>			
Expenses:	YTD Total	Budget	Variance
Book Fair	\$473.15	\$500.00	(\$26.85)
Gift Wrap	\$13,750.00	\$12,500.00	\$1,250.00
Total	\$14,223.15	\$13,000.00	\$1,223.15
<b>Expenses are greater than budgeted amount</b>			



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## Contracts

- ▶ Contracts must be approved by the membership BEFORE being signed
  - by two elected officers
  - one **must** be the president
  - Sign: ABC PTA, by president Jane Doe



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## Questions & Answers



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