



BUDGETING

Good budgeting is imperative to running a successful club or society. Below is some helpful information for club or society executives or students looking to start something new on campus. More detailed information can be found in MUNSU Bylaws & Policies and more specific questions can be answered by the Director of Student Life at studentlife@munsu.ca.

CREATING A BUDGET

A budget is a necessary tool for planning and controlling your financial resources. It acts as a guideline for your financial plans, defines goals, aids in decision making and helps ensure fiscal responsibility.

Before drafting your budget there are some key steps you should take. First, consider the fiscal period you're working in, per term or per year. Next, think about what you aim to accomplish within that period. Based on your goals, identify funding sources and evaluate resources remaining from previous years.

A basic budget contains:

- Revenue / Money-In (ie: membership fees, funding, income)
- Expenses / Money-Out (ie: costs, food, space bookings)
- Broken down items
- Total (Revenues – Expenses = remaining balance)

A budget should be flexible; prepare for unknown expenses. To achieve a surplus, your revenue must exceed your expenses. Clubs and societies should not be running a deficit, and should always have money remaining in their bank account.

Here is a list of helpful steps as you prepare your budget:

- Prepare an outline of goals / activities for the term/year
- Determine available funds, like carryover from a previous year
- Record expected income and when it becomes available (grants, donations, etc).
- Define and record all expenses (posters, hall rentals, etc).
- Review, revise, and then assemble budget



INCOME, FUNDRAISERS & CLUB/SOCIETY ACTIVITIES:

Upon ratification of your club or society, you are granted a set amount of funding provided by MUNSU. For most groups, this base funding makes up the majority of your income.

Some larger specialized clubs or societies may also collect membership fees as a method of increasing funding resources. Collecting membership fees requires fiscal responsibility and should guarantee your members gain a tangible benefit in exchange for a fee. This should clearly be laid out in your groups constitution. An example of a benefit of membership could be eligibility to participate in your club or society elections. At no point should a club or society be entirely exclusive to students who pay a membership fee. Visit the munsu.ca website for a sample constitution you can use as a guide to developing your own.

Some clubs host fundraisers throughout the year to raise funds for themselves or outside organizations. Should you wish to hold a fundraiser and are selling tickets you must first apply for a lottery license that is signed by a designated MUNSU staff person. More information on NL Lottery Licenses can be found [here](#).

SUBMITTING YOUR BUDGET

Your club & society must be ratified each semester. When applying for ratification your club or society budget must be submitted before the ratification deadline to:

- MUNSU Director of Student Life: studentlife@munsu.ca
- MUNSU Director of Finance and Services: finance@munsu.ca

By the beginning of the April, or at the request of MUNSU, a current and complete financial record is to be supplied to the MUNSU Executive Directors.

Note: The Students' Union reserves the right to investigate the books and activities of a club or society and revoke its ratification if violations of the by-laws or unethical practices take place.



MANAGING A BUDGET

Once the budget has been created it must be closely managed. Here are some tips to effectively managing your budget, but if you have specific questions please reach out to our Director of Finance and Services at finance@munsu.ca

- Set and maintain a minimum balance
- Set rules (ex. Only allow pre-approved expenses).
- Keep all receipts
- Keep a written log of all financial transactions

Constantly review your estimated expenses with your actual expenditures to avoid overspending. At the close of a fiscal year, review the budget and use this to establish your goals and priorities for the next budget period.

HOW TO MANAGE YOUR BANK ACCOUNT

Some clubs or societies open off-campus bank accounts to manage the finances of their group. Before setting one up please ensure you make an appointment with the MUNSU Director of Student Life and the MUNSU Director of Finance and Services.

A bank account can be opened by getting a letter from the MUNSU Director of Student Life. The letter will indicate that your group is recognized by the university; once you have this letter you can take it to the bank with the signing officers and open your account in-person. You will need a minimum of two or a maximum of three signing officers from your organization listed on your account.

The MUNSU front office has mailboxes available to clubs and societies and should be used as your central mailing address. This ensures that all banking documents are being sent to a safe and secure place year after year. You are responsible for picking up your mail.

Once you open an account the bank will require that you have at least two people who will be the official signatures for any cheque or transaction. This allows for greater security within your banking system.