

Sample Chapter Budget Policy

The fiscal year of the chapter is January 1 through December 31. The chapter will prepare and follow an operating budget as required by the Association of Fundraising Professionals Chapter Accord requirements. The chapter will budget on a *(cash/accrual)* basis.

Two months prior to the end of the fiscal year, Treasurer and President-elect shall compile information to prepare the annual budget including but not limited to the current year's budget, prior year's budget and results, year-to-date budget results, projected/anticipated income and expenses for the remainder of the fiscal year. This information shall be presented to the board. Each committee chair and board member who has primary responsibility for a function, program, committee or event that incurs expenses or generates income shall submit a proposed budget to the *(Treasurer/finance committee)*.

The Treasurer and President-elect shall prepare a draft budget for consideration by the *(finance committee or board)* at the monthly meeting in the month immediately preceding the end of the chapter's fiscal year. The *(Treasurer/finance committee)* shall adjust the budget based upon comments and recommendations. A final proposed budget shall be presented for approval at the first full board meeting in the new fiscal year. A majority vote of the full board must be received to approve the budget.

The Treasurer and President-elect will forward a copy of the approved budget to the Association of Fundraising Professionals headquarters prior to January 15 to ensure the chapter remains in accord.

Important information to consider when formulating your chapter policy on sponsorship:

- Chapters should not opt to work on an accrual basis unless they have a paid position familiar with accrual based accounting methods.