

# EXPERIENCE *the* DIFFERENCE

ARIZONA COLLEGIATE DECA

## CHAPTER RESOURCES

2023-2024 Experience The Difference

FINANCIAL RESOURCES

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## SUMMARY

Arizona Collegiate DECA prides itself on the fact that our organization is student driven. Our chapters work hard to ensure our members receive the best possible experience. Additionally, our chapters work independently to help our members in growing their own professional, personal, and social goals. Each year, our leaders try to promote key events throughout the year such as LAUNCH, FLC (Fall Leadership Conference), ENGAGE, ACDC (Arizona Career Development Conference), and the International Career Development Conference (ICDC). Unfortunately, many of our members sometimes do not get the best experiences due to outside circumstances that stem from finances, such as travel and school expenses. As chapter leaders, we understand that one of the most important aspects of running a chapter is managing the finances. This guide will help answer the following questions relating to how to afford both school and D`ECA dues, how much to charge for membership, how the association plans and pays for events, what a proper budget look like, ways we can go about fundraising. Properly managing finances is an important way to help your members "Experience the Difference" because it can open the door for offering new types of events.

## Provided

1. Example outline of an effective budget
2. Do's and don'ts on dues
3. How to plan for a fundraising event
4. How to raise money for your chapter

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## DISCLAIMER

All chapters are independent but roll up to the same non-profit EIN number for Arizona Collegiate DECA. The EIN number, also known as the Federal Employer Identification Number, is a unique nine digit code assigned by the IRS to all business entities. It is important to understand that each chapter will run their finance independently and each school will have different financial requirements. This guide is simply a general foundation to help your team manage finances; it is not an end all be all for running your chapter.

## THE FOUR REVENUE STREAMS

Before we can talk about financial items, budgeting, or how to manage dues, we need to first understand how your chapter makes money. There are four major pathways to earn revenue for your chapter. To be most successful in your financial role, it is important to understand and analyze which pathways your chapter receives the most and least money from. Your goal is to protect your pathways where you receive the most and improve the pathways that you make the least.

- **Student Revenue:** Student Revenue consists of money that you receive from your student members. This revenue comes in the form of dues, event and conference registration, shirts, and other items your chapter sells to students. Revenue that comes from this stream, usually has expenses associated with it. For example, dues for your chapter may be \$25 for the year, but only \$5 will really go to your chapter. The rest of the money will go directly to Arizona and DECA Inc. for annual membership fees.

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- **School Revenue:** School revenue can be one of your most effective pathways if available at your institution. This revenue comes in the form of reimbursement, grants, housing reimbursements, college discounts, and many other forms. This revenue stream is the lifeblood of some chapters. Money you receive from this stream usually has requirements associated with it. These requirements might be that your club must follow school handbooks when you go to conferences, you have to specific goals/tasks to receive funding, or photos and proof of receipts may be required.
- **Event Revenue:** Event revenue is money that your chapter gets from hosting different types of events. Some chapters do bake sales, car washes, career fairs (and charge companies to attend), dinners, or other activities. This can be a great tool for a young chapter to get started. Many companies and restaurants love hosting percentage nights for local non-profits. Additionally, maybe your chapter can make some product that you can sell on campus .
- **Outside Revenue:** The last major source of revenue is outside revenue. This mostly consists of business sponsorships. This can be a very useful and effective tool to gain extra income fast. With sponsorships, chapters can raise a lot of money and in return they may receive opportunities for members to connect with the sponsoring organization. If your chapter does not use this source of revenue, we highly recommend considering it.

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## CREATING A DUE STRUCTURE

For many chapters, the officer team gets to decide how much or how little to charge for dues. We wanted to share some tips and tricks for effectively creating and collecting dues. Lets go over what dues include.

There are two types of expenses dues cover. The first are mandatory items, which in Arizona, consist of \$20 (\$10 for Arizona CDECA and \$10 for DECA, Inc.).

We also have two strategies for dues: affordable or convenient. The best way to understand this is to look at an example of each.

**Affordable Dues:** Chapters using this option, will breakdown dues so that is the most affordable for members. An example of this would be as follows:

- \$10 – Arizona CDECA
- \$10 – DECA, Inc.
- \$5 – For Chapter

The idea behind this due structure is to charge people as little as possible until they gain interest. Then charge more money for each conference. This is a great strategy for younger chapters or chapters with lower membership, because it makes the commitment easier and not a financial stain on members.

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**Convenient Dues:** Chapters using this option breakdown dues so that members get the most bang for their buck. An example would be pay once and done.

- \$10 – Arizona DECA
- \$10 – DECA, Inc.
- \$5 – For Chapter
- \$30 – FLC registration
- \$30 – ACDC registration

The Idea behind this due structure is to charge members upfront so that they will commit to conferences that will be held later. Some institutions charge a slightly higher amount then get people interested by saying “conferences are covered”. If students decide not to go to conferences, then pocket the excess. This is great for more established chapters or chapters where students are not worried about finances.

Most chapters do a mix between these different strategies. Some chapters do a semester mix between them. An example of this would be \$50 per semester / \$75 for the year.

**HOW TO CREATE A BUDGET**

For many chapters, understanding the actual expenses incurred during a year can be difficult. To effectively manage finances, it is important to have a yearly budget. Below is an example of an effective budget.

To help you the most, we highlighted certain cells to show where you should enter your chapter information.

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| Sample DECA Budget  |         |         |                    |
|---|---------|---------|--------------------|
| ITEM  | Revenue | Expense | Total Gain or Loss |
| Previous Year Starting Balance  |         |         |                    |
| <b>DUES</b>   |         |         |                    |
| Dues Revenue First Semester   |         |         |                    |
| Dues Revenue (State Officer, discounted dues)                           |         |         |                    |
| Dues Revenue Second Semester  |         |         |                    |
| Dues Registration Expenses (\$20 person)                                |         |         |                    |
| <b>Due Total</b>  |         |         |                    |
| <b>LAUNCH (Officer's / Student Leaders)</b>                             |         |         |                    |
| LAUNCH Registration Total Expense                                       |         |         |                    |
| LAUNCH Hotel / Transportation Expense                                   |         |         |                    |
| <b>Launch Total</b>   |         |         |                    |
| <b>ENGAGE</b>   |         |         |                    |
| ENGAGE Payment Revenue  |         |         |                    |
| ENGAGE Housing Revenue (Paid if another chapter wants to use your room) |         |         |                    |
| ENGAGE Housing Expenses   |         |         |                    |
| ENGAGE Registration Expenses  |         |         |                    |
| ENGAGE Transportation Expenses  |         |         |                    |
| ENGAGE Flights Expenses   |         |         |                    |
| ENGAGE Reimbursements (If your chapter supplies them)                   |         |         |                    |
| ENGAGE School Funding   |         |         |                    |
| ENGAGE corporate Sponsors or Event Revenue                              |         |         |                    |
| <b>Engage Total</b>   |         |         |                    |
| <b>FLC</b>  |         |         |                    |
| FLC Housing / Transportation Revenue                                    |         |         |                    |
| FLC Corporate Sponsors or Event Revenue                                 |         |         |                    |
| FLC School Revenue  |         |         |                    |
| FLC Transportation cost   |         |         |                    |
| FLC Registration cost   |         |         |                    |
| FLC Hotel Cost  |         |         |                    |
| <b>FLC total</b>  |         |         |                    |
| <b>ACDC (Qualifying Conference)</b>                                     |         |         |                    |
| ACDC Housing / Transportation Revenue                                   |         |         |                    |
| ACDC Corporate Sponsors or Event Revenue                                |         |         |                    |
| ACDC School Revenue   |         |         |                    |
| ACDC Transportation cost  |         |         |                    |
| ACDC Registration cost  |         |         |                    |
| ACDC Hotel Cost   |         |         |                    |
| DECA Binders  |         |         |                    |
| <b>ACDC Total</b>   |         |         |                    |
| <b>ICDC</b>   |         |         |                    |
| ICDC Student Revenue  |         |         |                    |
| ICDC School Sponsorship Revenue   |         |         |                    |
| ICDC Event Revenue  |         |         |                    |
| ICDC Corporate sponsorship revenue                                      |         |         |                    |
| ICDC Registration Expense   |         |         |                    |
| ICDC Housing Expense  |         |         |                    |
| ICDC Flight Expense   |         |         |                    |
| ICDC Transportation Expense   |         |         |                    |
| ICDC Meal Expense (Banquet for members attending)                       |         |         |                    |
| ICDC Reimbursement (If your chapter supplies them)                      |         |         |                    |
| <b>ICDC Total</b>   |         |         |                    |
| <b>MARKETING</b>  |         |         |                    |
| Administrative Expenses (Zoom Accounts, Emails, Mailchimp)              |         |         |                    |
| Printing  |         |         |                    |
| Promotional Material  |         |         |                    |
| T-Shirts  |         |         |                    |
| <b>Marketing Total</b>  |         |         |                    |
| <b>SPONSERSHIPS</b>   |         |         |                    |
| Company 1   |         |         |                    |
| Company 2   |         |         |                    |
| <b>Sponsorships Total</b>   |         |         |                    |
| <b>Summary</b>  |         |         |                    |
| Total Revenue   |         | \$ -    |                    |
| Total Expenses  | \$ -    |         |                    |
| <b>Endine Balance</b>   |         |         |                    |

## FUNDRAISING EVENTS

Great fundraising events take two factors into consideration: size and profit margin. When creating your event, you want to understand the impact of each of these concepts. The first concept is the size of the event. When we refer to size, we are referring to the number of individuals that will be present at the event.

In fundraising, it is very difficult to make a large profit margin on a single event. When considering a fundraising event, the number of individuals you are expecting will determine the amount of money you should spend and expect to generate.

**To get some fundraising ideas, look at these online options:**

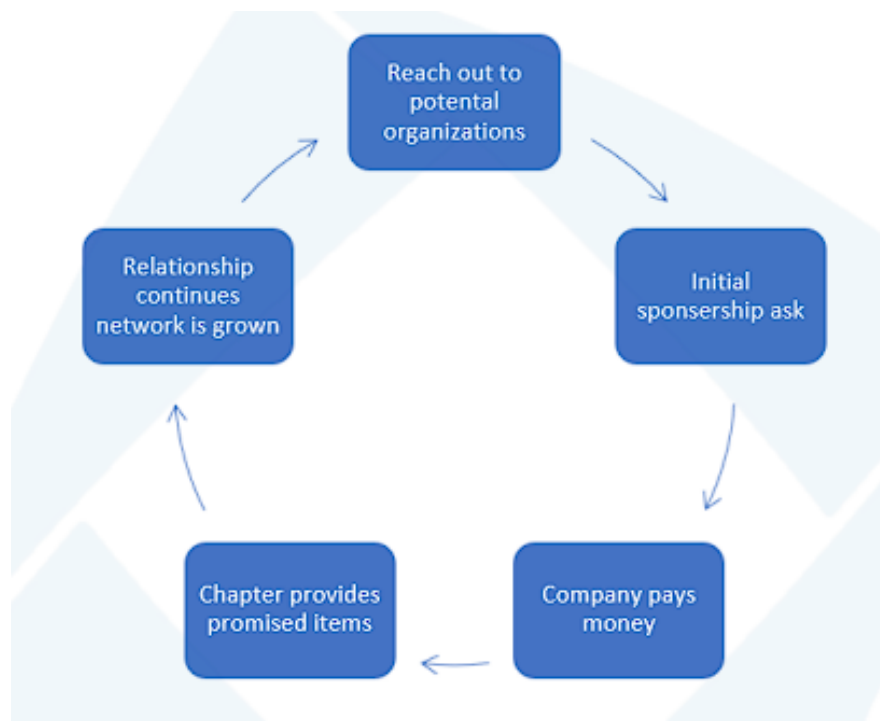
<https://www.wildapricot.com/blogs/newsblog/2020/04/21/online-fundraising>

## CORPORATE SPONSORSHIPS

One of the most critical tools a chapter can utilize are business partners and sponsorships. Unfortunately, for many chapters across the state, the utilization of the partners is very low or non-existent. This revenue stream can become a consistent source of money for your chapter moving forward. Sponsors want a benefit for their money, such as access to students or student resumes. Consider creating an opt-out qualifier for members so you can share the greatest number of resumes with sponsors.



Let us dive deeper into how to obtain a sponsorship. The steps go as follows:



When deciding what to offer a potential sponsor, it is important to consider two questions. How much money do you need? And how much time are you willing to spend? Remember, when dealing with companies it is critical that if you commit to a task or deliverable you complete it. This means that if you promise a meeting once a week, you must provide that company a meeting once a week.

To give you some basic ideas on sponsorship levels, we have included the states sponsorship packages on the next page as an example.

### Levels of Support for Sponsorship

|                                       | Sponsorship Benefits   | Chapter Benefit Examples   |
|---------------------------------------|--|--|
| <b>Blue Level</b><br>\$100-\$499      | <ul style="list-style-type: none"><li>• Tax-free donation</li><li>• Monthly chapter updates</li><li>• Company representation on documentation</li><li>• One guaranteed meeting opportunity</li></ul>   | <i>Regional level conference funding for up to 9 students, or state level conference funding for up to 8 students, or national level conference funding for 1 student</i>    |
| <b>Gold Level</b><br>\$500-\$799      | <ul style="list-style-type: none"><li>• Tax-free donation</li><li>• Monthly chapter updates</li><li>• Company representation on documentation</li><li>• Two guaranteed meeting opportunities</li><li>• Dinner social with the chapter</li></ul>  | <i>Regional level conference funding for up to 16 students, or state level conference funding for up to 12 students, or national level conference funding for 2 students</i> |
| <b>Diamond Level</b><br>\$800-\$1,000 | <ul style="list-style-type: none"><li>• Tax-free donation</li><li>• Monthly chapter updates</li><li>• Company representation on documentation</li><li>• Two meeting guaranteed opportunities</li><li>• Dinner social with the chapter</li><li>• Community service partnership</li><li>• Company logo on t-shirt (if pledged by September 2019)</li></ul> | <i>Regional level conference funding for up to 20 students, or state level conference funding for up to 16 students, or national level conference funding for 3 students</i> |



## CONCLUSION

As an organization, it is critical we manage finances effectively, accurately, and to the best of our ability. It is also critical that we understand the requirements needed from different revenue streams and adapt those to how your chapter operates.