

ARIZONA COLLEGIATE DECA

CHAPTER RESOURCES

2020-2021 NEXT LEVEL

FINANCIAL RESOURCES

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SUMMARY

Arizona Collegiate DECA prides itself on the understanding that our organization is student driven. Our chapters work hard every day to ensure our members receive the best possible experience. Additionally, our chapters work independently to help our members in growing there own professional, personal, and social goals. Each year our leaders try to promote key events throughout the year. Events such as, LAUNCH, FLC (Fall Leadership Conference), ENGAGE, ACDC (Arizona Career Development Conference), and ICDC. Unfortunately, for many of our chapters are members sometimes do not get the best experiences due outside circumstances. Circumstances such as finances, travel, and even school events.

As chapter leaders we understand that one of the most important parts of running a chapter is managing the finances. Answering questions such as how will we afford school and DECA dues? How much will we charge our students? How do we plan for events? What does a proper budget look like? How do we raise money? And many more. This resource guide will answer those questions and supply more resources to help you take your chapter to the Next Level!

OBJECTIVES

1. Supply chapters an 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 DECA. It is important to understand that each chapter will run their finance independently and each school will have different requirements about money. This guide is simply a general foundation to help your team run 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 even 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 directly. 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. Now let us dive into the pathways:

- **Student Revenue:** Student Revenue consists of money that you receive from your students. 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 also has expenses that are associated with it. For example, dues for your chapter may be \$25 for the year, but out of that money only \$5 will really go to your chapter. The rest of the money will go directly too Arizona and International DECA in the form of memberships.

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- **School Revenue:** School revenue can be one of your most effective pathways if used correctly. This revenue comes in the form of School Reimbursement, Grants, Housing reimbursements, college discounts, and many other forms. This revenue stream is the lifeblood of some chapters. For example, at the University of Arizona, around \$7,000 (\$5,000 – Student Body, \$2,000 College Specific Payments) comes from this revenue stream. Money that you receive from this stream usually has requirements associated with it. Requirements such as your club must follow school handbooks when you go to conferences, you have to meet certain requirements to receive funding, photos and proof of receipts are associated with it, and many other items.
- **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 many 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 item 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 lots of money and in return they get lots of opportunities. If your chapter does not use this source of revenue, I 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. I wanted to share some tips and tricks for effectively creating and collecting dues. First let's actually break down what dues are.

There are two types of expenses dues cover. The first are mandatory expenses. In Arizona, this consists of \$20 (\$10 for Arizona DECA and \$10 for International DECA also known as DECA.inc)

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

Cheap Dues: Chapters using this option, will attempt to make a breakdown of dues that is the cheapest possible for members. An example of this would be as follows:

- \$10 – Arizona DECA Registration
- \$10 – DECA Inc
- \$5 – For Chapter Expenses.

The Idea behind this due structure is that we want to charge people as little as possible until they gain interest. Then we will charge more money for each conference. This is a great strategy for younger chapters or chapters with lower membership, because it makes the commitment easy and not financially straining.

Convenient Dues: Chapters using this option attempt to make a breakdown of dues so that members get the most bang for there buck. As in I pay once and I am done. An example of this would be as follows:

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\$10 – Arizona DECA Registration

\$10 – DECA Inc

\$5 – For Chapter Expenses.

\$10 – FLC registration

\$25 – ACDC Registration

The Idea behind this due structure is that we want to charge people money upfront so that they will not hesitate to go to conferences later. We will charge a slightly higher amount then get people interested by saying "Conferences are Free". If students decide not to go to conferences, then we just 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 gained 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 I 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			
DUES			
Dues Revenue First Semester			
Dues Revenue (State Officer, discounted dues)			
Dues Revenue Second Semester			
Dues Registration Expenses (\$20 person)			
Due Total			
LAUNCH (Officer's / Student Leaders)			
LAUNCH Registration Total Expense			
LAUNCH Hotel / Transportation Expense			
Launch Total			
ENGAGE			
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			
Engage Total			
FLC			
FLC Housing / Transportation Revenue			
FLC Corporate Sponsors or Event Revenue			
FLC School Revenue			
FLC Transportation cost			
FLC Registration cost			
FLC Hotel Cost			
FLC total			
ACDC (Qualifying Conference)			
ACDC Housing / Transportation Revenue			
ACDC Corporate Sponsors or Event Revenue			
ACDC School Revenue			
ACDC Transportation cost			
ACDC Registration cost			
ACDC Hotel Cost			
DECA Binders			
ACDC Total			
ICDC			
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)			
ICDC Total			
MARKETING			
Administrative Expenses (Zoom Accounts, Emails, Mailchimp)			
Printing			
Promotional Material			
T-Shirts			
Marketing Total			
SPONSERSHIPS			
Company 1			
Company 2			
Sponsorships Total			
Summary			
Total Revenue		\$ -	
Total Expenses	\$ -		
Ending Balance			

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FUNDRAISING EVENTS

Great fundraising events take two major items 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 I refer to size, I am referring to the number of individuals that will be apart of the event.

In fundraising it is very difficult to make a large profit margin on a single event. In order to compensate the difference of low profit margins a high turn over is required. When considering a fundraising event, the number of individuals you are expecting will determine the amount of money you should spend and expect.

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

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

CORPORATE SPONSORSHIPS

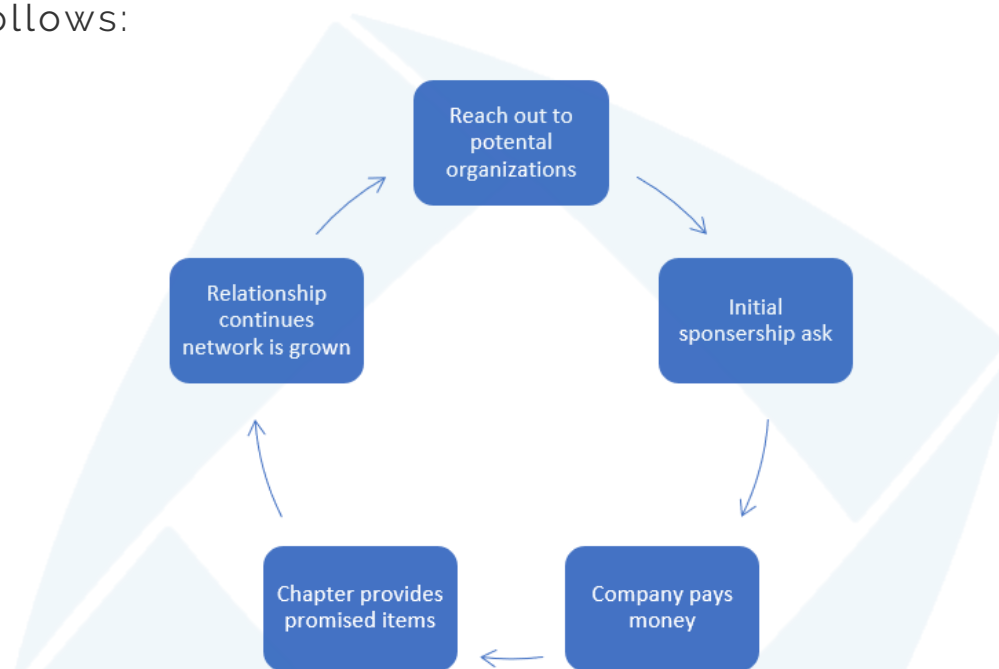
Corporate sponsorship Introduction:

One of the most critical tools a chapter can utilize is business partners and sponsorships. Unfortunately, for many chapters across the state the utilization of the partners is very low or non-existent.

The University of Arizona raised over \$2,500 over the course of two years solely based on sponsorships. This revenue stream can become a consistent source of money for your chapter moving forward.

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



What to provide companies for sponsorship:

When deciding what to actually provide a potential sponsor it is important to organize your thoughts based off of 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 say something 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 how to split sponsor classes, look at the following structure from the University of Arizona.

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Levels of Support for Sponsorship		
	Sponsorship Benefits	Chapter Benefit Examples
Blue Level \$100-\$499	<ul style="list-style-type: none"> • Tax-free donation • Monthly chapter updates • Company representation on documentation • One guaranteed meeting opportunity 	<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>
Gold Level \$500-\$799	<ul style="list-style-type: none"> • Tax-free donation • Monthly chapter updates • Company representation on documentation • Two guaranteed meeting opportunities • Dinner social with the chapter 	<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>
Diamond Level \$800-\$1,000	<ul style="list-style-type: none"> • Tax-free donation • Monthly chapter updates • Company representation on documentation • Two meeting guaranteed opportunities • Dinner social with the chapter • Community service partnership • Company logo on t-shirt (if pledged by September 2019) 	<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. As the finance officer it is essential you understand how your chapter operates so you can provide the best experiences to your members. This guide can provide you a basic foundation, but in order for your chapter to be truly successful you need to take these items to the Next Level!

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AUTHORS NOTE

Hello Everyone, my name is Caleb Nochumson. I am one of your 2020-2021 International Executive Vice Presidents. If you are reading this guide you are probably a chapter or association leader. I congratulate you on taking this step in developing yourself. I developed myself in DECA thru what I call the finance pathway. I have held the role of chapter Co-chair of finance, Executive Vice President of Finance at UofA, Vice-President of UofA, and even an Association VP. In each of these roles, I focused on the finance and administration tasks. I created this resource guide to help your chapter get some tips and tricks to be successful in finance. If you have questions, please reach out to me at calebnochumson@gmail.com.