

Basic Recreation Finances

BF101 – Part 1



Handle Basic Recreation Finances

This learning event will help you develop a basic understanding of how to responsibly handle recreation finances.

You will be more accountable to your organization, funders and community when you use a system to track, control and report on money coming in and money being spent on projects, programs and events.



Learning Objectives

- Understand how budgets for recreation initiatives are developed.
- Explain the importance of policies and procedures to financial management (e.g. petty cash, signing authority).
- Develop a budget for a small project, program or event.
- Track projected and actual revenue, in-kind contributions, and expenses.

About Your Trainer:

Add description



Required Learning Activities

- 1. A number of feedback questions are included in this presentation. If you are not able to participate in the call and share your answers, you will need to answer them in the forums in the Learning Space (Moodle).**
- 2. Using the template provided (available as a Word or Excel file), develop and upload a budget for one of your existing or proposed projects, programs or events.**

Agenda

- 1. Introductions**
- 2. Clarify the Required Learning Activity for BF101 (RLA)**
- 3. Importance of Handling Finances**
- 4. Explore Common Financial Terminology**
- 5. Introduce a Budget Template**



Introductions

- **Your Name**
- **Your Community**
- **One Word To Describe How You Feel About Finances**



Handling Recreation Finances Means Having:

- a system with controls and guidelines that will help track and report on how money coming in gets spent

Handling Recreation Finances Means Knowing:

- where the money comes from for your program, event or organization;
- what the money has been spent on and when;
- how much money is left;
- what items of worth the group has; and,
- what debts still need to be paid.

Common Mistakes

- *What do you see as some common mistakes when managing finances?*

Common Mistakes

- **not having financial systems in place**
- **trying to set up a financial system or budgets without getting help from a bookkeeper or accountant**
- **not keeping or losing receipts**
- **not taking care of finances each week or month**
- **being too “sloppy” or “casual” about financial matters**
- **not reviewing annual finances according to Territorial rules for your organization**
(sometimes an audit may be required)

Common Mistakes (cont'd)

- **not having financial policies in place e.g., roles and responsibilities, who has signing authority, spending limits, petty cash etc.**
- **rounding off numbers to make it easier**
- **cheating (even a little bit) including internal borrowing or lending without records**
- **not using funds for the things for which they were intended**

Source: Community Recreation Handbook for Northern Saskatchewan



Important Terminology

1. **bookkeeping**
2. **financial management software**
3. **revenue**
4. **in-kind contributions**
5. **expenses**
6. **fiscal year end**
7. **budget**



1. What is Bookkeeping?

- tracking the day to day financial activities
 - e.g. revenue, paying bills, petty cash, payroll, being aware of the balance available
- some groups have a senior staff, administrator or bookkeeper
- generally a recreation coordinator or director is responsible for their own program finances

Feedback: How is recreation bookkeeping handled in your community?

2. Financial Management Software

- software can make financial management simpler
- a simple option is to use Excel or Google spreadsheets
- more advanced options for non profits include:
 - Quickbooks, Sage 50 or Fund E-Z
- more information about these options and significant discounts can be found at www.techsoupcanada.ca

Feedback: What financial management software is used in your community?

3. Revenue

- **money and other resources that come in to support recreation programming, staffing, administration, facility operations etc.**
- **sources can include government grants, grants from non-profit organizations, municipal taxes, membership and program fees, cash donations, money earned through fundraising events, etc.**

Feedback: What sources fund your recreation programs?

4. In-kind Contributions

- non-monetary resources
- important to account for especially for grant applications and funding proposals
- donors recognize that not all organizations can raise cash contributions so they often accept in-kind contributions
- can include donations of food, equipment and materials, free use of facility space, volunteer time, and staff time (when the cost of those staff is covered by another organization)

Feedback: Provide an example of an in-kind contribution you have received?

5. Expenses

- money being spent
- will vary depending on the extent of the program or operation
- usually costs such as:
 - administration (e.g. staff, office supplies, bank charges, freight, etc.)
 - programming (e.g. instructor fees, materials, promotion, etc.)
 - facilities (e.g. insurance, custodians, repairs, etc.)
 - equipment (e.g. repairs, purchases, etc.)

6. Fiscal Year End

- the twelve-month period that an organization uses for budgeting, forecasting and reporting
- many organizations follow the calendar year, but a fiscal year can start at any point in the year and end 12 months later
- March 31st is a common fiscal year end for many levels of government

7. What's a Budget?

- **helps you keep control and coordinate your finances**
- **a budget can be done for one program e.g. after school program or for an entire organization**
- **a written plan that forecasts income (revenue) and expenses (disbursements) for a specified time period (usually the duration of the program or event or one year)**
- **based on the goals of the program or organization**

Budget Template

PROGRAM NAME:			
Revenue:	Cash	In-Kind	Totals
Participant Fees			
Grants			
Fundraising			
Business Sponsors			
Donations			
Product Sales			
Other			
Total Revenue:			
Expenses			
Staff/Personnel ¹			
Facility ²			
Insurance Coverage			
Supplies			
Equipment			
Food			
Prizes			
Promotion			
Office supplies			
Phone			
Transportation			
Miscellaneous			
Other			
Total Expenses:			
BALANCE:			
(surplus or deficit)			

¹ Consider instructor, maintenance, coordinators, volunteer honorariums

² Consider rental, damage deposit, utilities

Required Learning Activity

- Using the template provided (available as a [Word](#), [PDF](#) or [Excel](#) document), develop a budget for one of your existing or proposed projects, programs or events.
- Budget is due on or before the second conference call.

Questions?

Trainer's Contact Information:



With support from:

