

FINANCING THE PACK

Connecticut Rivers Council, POW WOW, November 1999

As with any organization, Scouting costs money. The amount of money depends on the type and scope of the program offered to the boys, the resourcefulness of the leaders, and the size of the Pack. It is important to remember that the leaders of the Pack have a fiduciary responsibility to the families in the Pack and all reasonable means must be taken to honor that responsibility.

So, how do you do that? The test of our success is the Cub Scout experience that the boys have. We only get to play this game with them for a short time. We don't get to make up the time and great fun we could have had with them, but didn't, later on in life. When we signed up to join the pack with our boys we took on the responsibility to provide the very best program possible. Just what "best" means has extraordinary possibilities.

Our first job is to define what the "best" or "ideal year" would look like in the eyes of the boys.

We start with *writing down what we want to do*, proceed to *figure out what it will cost* and then *determine how we are going to pay for it*. Next, someone has to be responsible for taking care of the details.

This section deals with the first three steps providing some tools, policies and benefits to us all and explains a bit about the role of the treasurer.

WHAT DO WE WANT TO DO? "THE IDEAL YEAR OF CUB SCOUTING"

The Pack Budget Plan is a key part in the finances of the Pack. The budget plan is the responsibility of the pack committee, with help from the unit commissioner, if requested. The budget is usually planned as part of the annual program planning conference of the pack committee. The following decisions need to be made when planning the pack budget:

- What are our program plans for the coming year and what will they cost? – Special trips, Pinewood Derby, etc.
- What other items might our budget include? – uniform parts, books, registration, etc.
- What will be our source of income to support our expenses? – Fund raisers (Popcorn Sales, Candy, Scout Show – Craft Sale, etc.)

Please see Chapter 6, page 3, of the Cub Scout Leader Book, No. 33221, for a Budget Worksheet which provide a great template for determining your pack's expected income for the year and the necessary budget expenses for the year.

WHAT WILL IT COST?

EXPENSES

The following are a list of budget items that may be considered as expenses:

1. **Registrations** should include the national membership dues and may include extra to support the pack treasury.
2. **Boy's Life magazine**, available to the members at half the regular subscription rate of \$18. Every boy should have his own copy for the great reading adventure with articles related to the Pack's monthly theme.
3. **Unit accident insurance**, in addition to the national insurance provided as part of the registration fee, may be purchased for a nominal fee.
4. A **reserve fund**, which may be established through a gift to the pack, should be used to meet unexpected expenses.
5. **Other Basic Expenses**. These include expenses for insignia of membership and rank for each boy to ensure prompt recognition and literature required by unit adult and by leaders. Because service to other is fundamental in Scouting, the budget should include a goodwill project, Good Turn, or a gift to the World Friendship Fund.
6. **Program materials**, such as the American Flag, unit flag and other supplies and materials necessary to provide the program to the boys. These may include awards (even the cars) for the Pinewood Derby, advancement materials, and training materials.
7. **Activities**. The size of the budgeted amounts for activities depends on the pack program. Usually, the boy and his family over and above the dues program finance activities such as Cub Scout pinewood derbies. As a special note, refreshments at parties or parents' meetings can be homemade or met by a "cover charge" or "kitty" at the event. Regular unit funds should not be used for this purpose.

HOW WILL WE PAY FOR IT?

INCOME SOURCES

Money for the Scouting comes from four principal sources:

1. THE BOY

The boy and his family pay for the uniform, insignia, annual membership fee to the national organization, subscription to Boy's Life magazine, handbook, and weekly den dues.

Den dues are monies collected from the boys on a weekly basis by the Den Leader. The money may go into a fund for the den itself, from which Den Leaders support their program by buying craft materials, program and training aides. According to pack policy as set by the Pack Committee, a portion of the den dues may go into the pack treasury to help support the pack program. As with the pack treasury, Den Leaders must keep a careful accounting of money paid into the den and money spent on den activities. The maintenance of receipts and records is most important.

2. THE SPONSOR

The chartered organization may help establish a Pack reserve fund, in addition to its responsibilities as sponsor.

3. THE PACK

The Pack maintains itself through its budget plan and money earning projects.

Before deciding on **money-earning projects**, the pack should have a clear understanding of the policies of the Boy Scouts of America. All money-earning projects may only be conducted with the approval of the local council. The Unit Money-Earning application must be filed with the local council for approval. There is a list of 15 excellent rules to follow when your pack is planing a money-earning project which can be found in Chapter 7 on pages 22 and 23 of the Cub Scout Leader Book, No. 33221. These rules cover the safety of the boys, consideration for other fund raising activities, value for the money, the good name of the Sponsor and the Boy Scouts of America and legally binding contracts

4. THE COMMUNITY

The people in the community provide money to our local council so that it may provide guidance and service to chartered organizations and their sponsored scout Packs, Troops and Venture / Explorer programs. Funds may also be made available through special bequests, grant programs, and other contributions.

HOW TO KEEP IT IN BALANCE or WHO and WHAT DOES WHAT

Handling the Money

The pack bank account is the responsibility of the **pack treasurer**. The treasurer makes deposits, pays all bills, checks disbursements against budget allowances and approves expenditures under the direction of the pack committee. The Pack Committee Chair should countersign disbursements from the checking account. A petty cash fund may be established according to the policy set by the Pack Committee and may include a cash balance account keep on deposit at the Scout Store.

Financial Records

Financial records should be maintained by the treasurer according to standard accounting procedures. The financial section of the Pack Record Book (#3819) is designed for this purpose. The treasurer furnishes a brief report at each Pack Committee meeting on the status of the pack treasury. An annual report should be submitted to the chartered organization, including information on membership, activities and finances. An annual independent audit is also recommended. If your pack uses computer software like “Pack Master”, you may find some more helpful utilities or select Quicken or Microsoft Money to help prepare your financial statement and keep track of all the income and expenses.

Tax Deductions [OH, YES]

Scouters spend a considerable amount of money each year in carrying out their volunteer service. Certain deductions are allowable under IRS code, section 170: annual registration fees, transportation expenses, uniforms, insignia, uniform maintenance and cleaning that is required for use in the performance of volunteer services, actual unreimbursed expenses incurred by attending Scouting meetings and conferences, contributions, stationery, mailing and telephone expenses, serving refreshments a meetings, etc.

“Naturally, each deductible item must be substantiated by adequate records. More details are explained in the IRS Publication Charitable Contributions, available at the Internal Revenue Service office.”

Friends of Scouting, FOS

Each year our local council establishes a budget to provide unit service, administration, training, outdoor and camping facilities and quality program activities in the continuing effort to serve more boys.

Our council conducts the annual Friends of Scouting, or FOS, to provide opportunities for parents, Scouters, and friends of Scouting to financially support the growth of the Scouting program. By enrolling as a Friend of Scouting and supporting your local United

Way, you can be helpful in providing financial resources for our council and be helpful in interpreting to parents why the council conduct an FOS campaign.