

Budgeting - Introduction

Treasurer Orientation

March 27-31, 2016

NPUC Executive Committee



They tell me I should start this presentation with a joke. So here are the financials."



Hating to waste money, Max Torkelsen stubbornly waits for his parking meter to expire before driving off.

Features of a Mission Based Budget

- It begins with God's word as the mandate for mission
- It Incorporates fairness in distribution
- It is transparent to composure and delivery
- It aligns sources and activities
- It drives responsibility and accountability
- It demands cultural changes and team work
- It drives efficient utilization of resources
- It embraces the stories of members and their experience
- It is in conclusion endorsed by God's word

Objectives of Budgeting

- *Provide structure*
- *Predict cash flows*
- *Allocate resources*
- *Model scenarios*
- *Measure performance*

Basic Steps to Follow when Preparing a Budget

- *Update budget assumptions*
- *Review bottlenecks*
- *Available funding*
- *Create a budget template or package*
- *Issue budget templates to Departmental Directors or those responsible for Functions.*
- *Obtain department budgets*
- *Obtain revenue forecasts*
- *Obtain capital budget requests*

Basic Steps to Follow when Preparing a Budget

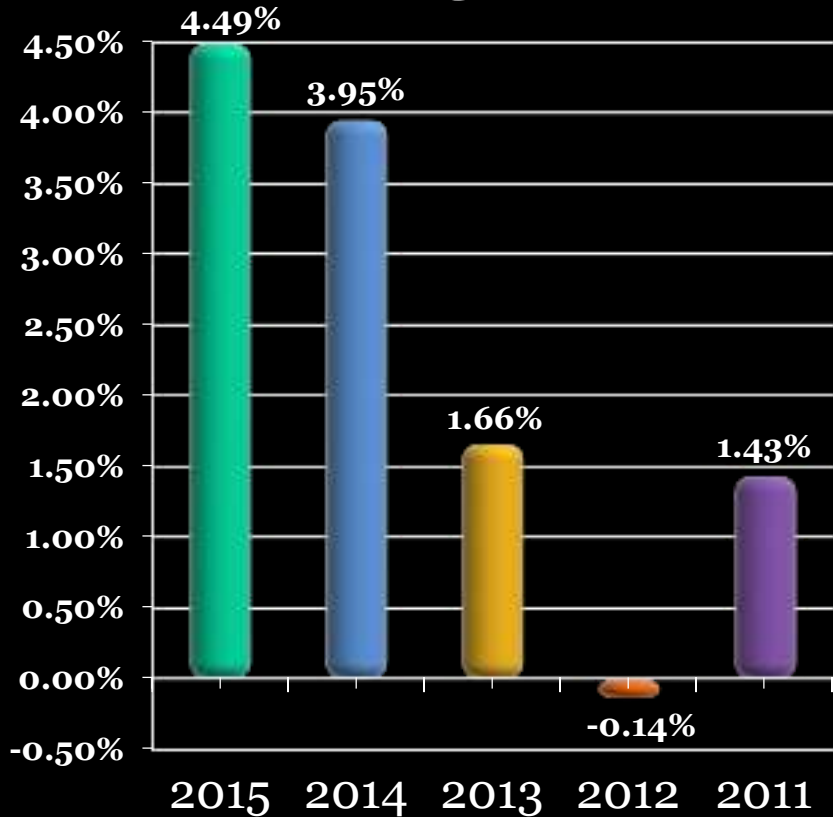
- *Prepare a Remuneration & Benefit Budget Template*
- *Forecast appropriations to entities*
- *Update the budget model (template)*
- *Review the budget*

Analyze a Financial Statement to Budget

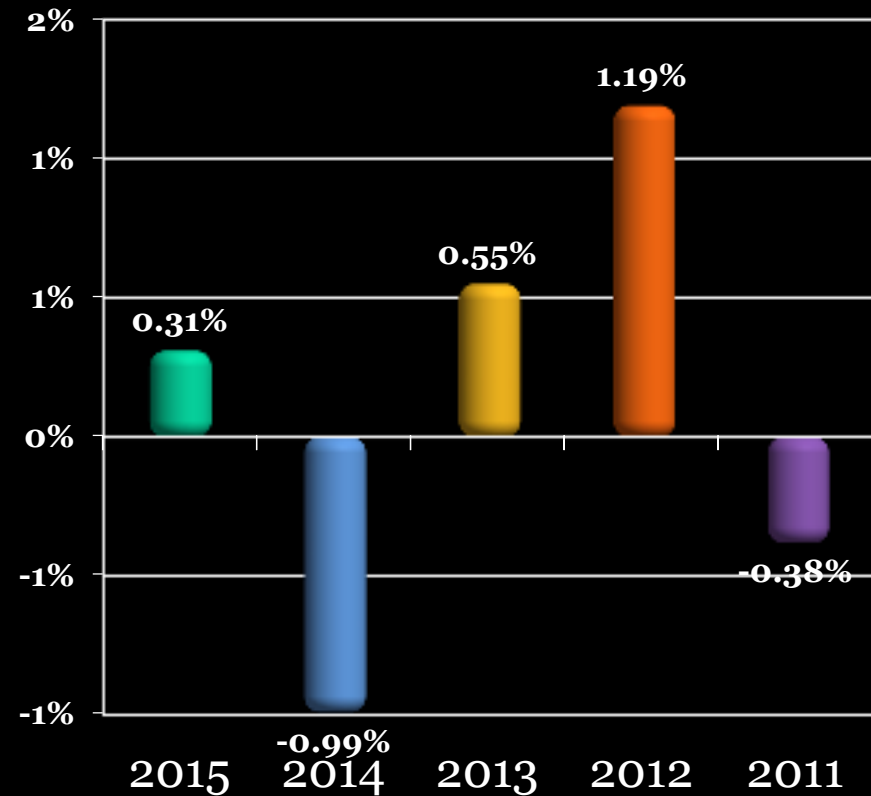
- Tithe & Revenue (Unrestricted and Restricted) to Budget
 - Received Budgeted Appropriations from Higher Organization
- Travel (Special) Expense to Budget
- Medical (HealthCare) Expense to Budget
- Changes in Net Assets of Statement Functions

Financial Indicators – December

Percent of Income to Budget



Percent of Expenses to Budget



Additional Information Material

- Template Budget File for 2016.xlsx
 - Master Budget File for 2016.xlsx
 - Final Budget Presentation for 2016.pptx
 - 2016 Budget for NPUC Operating Fund.pdf
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- The above four files are enclosed within the folder file of this presentation