

Deeper Dive: Budget Planning

Last Modified on 08/28/2024 2:20 pm EDT

High-level details for 2025 and key dates

- Budget templates and guidance to be distributed to regions by early August
- Final edits to budget due back to HBA finance by end August

Who does what?

The Regional Treasurer drives and oversees the process with support from the rest of the Regional EC and works with Regional Council leaders to ensure their areas are accurately accounted for. Affinity Group global leadership will have the opportunity to review and comment on developed budgets.

HBA Financial And Budgeting Guidance

Every volunteer must understand how the HBA operates, as our volunteers are key to the success of the organization and the furthering of our mission. The HBA is registered as a 501(c)6 organization in the United States, which means that no part of our net earnings go to the benefit of any private shareholder or individual. Some refer to 501c6 organizations as 'not-for-profits' or nonprofit membership/professional organizations, though we are not a charity. We are a professional membership organization, an association of people with a common business interest that enhances the conditions of the business and not its profits.

That said, the HBA is still an organization – an organization that needs to make revenue to fund its infrastructure and plan for future growth to further our mission. The key however as a 501(c)6 it is that any profit made is used to fund activities and initiatives to advance the HBA mission and serve our members.

As a volunteer leader for the HBA, we need you to bring your business acumen to your role. When making decisions about programs, engagement, or membership value, we ask that you question yourself or your team to see if you would make that decision if this were your personal organization or if you worked for a larger organization.

This especially comes into play each year with the annual budgeting process. Our components (i.e. Chapters, Regions and affinity Groups) play a large part in the HBA's finances and, therefore, the organization's overall financial wellness. Each year, HBA Central Finance will develop budget templates, and volunteers with fiduciary responsibilities (i.e., regional treasurers, etc) will be asked to review and adjust according to their plans. The budget will need to include all planned revenue and expenses for the year. These numbers will then be revised/approved by the HBA's Finance and Audit Committee and reforecasted mid-year as necessary.

Budget Assumptions and Process

The budget supports the ongoing operation of the association's strategic plan, and achieving the financial plan is critical for the association to continue its reach and impact in delivering the mission. Financial key performance indicators may vary each year following updates to the association's strategic plan.

General budget assumptions are:

- Membership – HBA Central assigns count targets;
- Event revenue and expenses should be calculated in the Global Planning Calendar;
- \$3,000 minimum sponsorship target for newly transitioned branches to chapter status.

The business planning and budgeting process begins with the mid-year leadership retreat.

Budget overview



Budget Development Assumptions:

- All budgets should be net profitable, ideally aiming for 30% net profitability
 - All volunteers should be mindful of spending and aim to hold net profitable events to ensure the organization's fiduciary health.
 - Please be sure to refer to [HBA's Financial Policies](#) for acceptable/unacceptable use of HBA funds
 - Whenever possible, please work with your CR team to secure sponsorship from companies (cash or in-kind)
 - For HBA location and regional expenses, please contact your regional treasurer to pay with the regional credit card. This will prevent administrative burdens related to personal expense reporting and delays related to financial processing.
-