Session Three
Finances

Time Allowed

15 minutes

Teaching Objectives

As a result of this session, participants will understand that:

- A troop needs to determine the budget they will need for the upcoming year, then must figure out ways to earn that money as quickly as possible.
- Money-earning activities of a Scout troop must conform to standards set by the National Council.

Materials Needed

- Funding Your Scouting Program video, No. 35-557
- The Scoutmaster Handbook, No. 33009C
- PowerPoint® slides or overheads from CD, if desired
- Flip chart or other means of writing discussion notes
- Posters

Recommended Facility Layout

Session meeting area. Each participant should have a comfortable place to sit, take notes, and organize written materials. That setting most often consists of tables, each accommodating six to eight participants forming a patrol, and enough chairs for all participants.

Delivery Method

- Instructor-led discussion
Presentation Procedure

A Scout troop must have a budget and a treasury. The money to operate the troop comes from a variety of sources, including the Scouts and their families. Self-reliance is a part of the character development spelled out in the aims of Scouting; it is a goal that can be advanced by encouraging each Scout to pay his own way for dues, uniforms, and personal equipment, and to take part in money-earning projects to meet the troop's needs.

What Are a Troop's Expenses?

The budgetary needs of troops will vary depending upon the nature of their activities and the needs of their memberships. Expenses that every troop can expect to incur include:

- **Troop Charter Fee.** The annual charter fee that must accompany a troop's charter application helps defray the cost of general liability insurance carried by the Boy Scouts of America.

- **Registration.** Each boy in a troop pays an annual registration fee. Depending on the point in the charter year that a boy joins, the amount may be prorated.

- **Program Material.** Expenses include membership and rank insignia, troop flags, equipment, group camping gear, and supplies.

- **Activities.** Hikes, campouts, summer camp attendance, high-adventure opportunities, and other troop activities are usually financed by the boys and their families over and above the dues program.

- **Boys' Life.** Boys' Life magazine is an official publication of the Boy Scouts of America, providing quality reading and program support every month. Troops should have every boy subscribe to Boys' Life as part of their weekly dues.

- **Accident Insurance.** Each troop should be covered by accident insurance to help meet the costs of medical treatment should an accident occur. Insurance fees generally run only a few dollars a year per person. Application forms may be available at your council service center and may be included in the charter renewal kit. Follow the instructions in the forms to send applications and premiums directly to the appropriate insurance company.

- **Reserve Fund.** Establish a reserve fund to meet the troop's unexpected expenses.
The Troop Budget

Once a troop determines how much money it needs to operate, members need to figure out ways to earn that money as quickly as possible so that money-earning does not consume time that could otherwise be devoted to other Scouting activities.

Building a responsible budget for a troop is a four-stage process:

1. The troop treasurer, Scoutmaster, and scribe consider the troop’s expenses and prepare a rough draft of a budget to cover them.
2. The patrol leaders’ council reviews the draft budget and puts it into final form.
3. The troop committee approves the budget.
4. The budget is presented to the Scouts and their parents.

How the Troop Earns Money

• Dues and donations from family and supporters
• Product Sales—show new fund-raising video

All fund-raising projects must be approved in advance by the chartered organization and the BSA local council. Any unit planning such an activity must submit a Unit Money Earning Application, No. 34427, at least 30 days before the activity.

Instructors’ Note

For suggestions of projects and for a money-earning checklist, direct participants to Chapter 17, “Troop Finances,” of The Scoutmaster Handbook.

Incentives for Scouts

A key to successful money-earning is to make the effort satisfying and rewarding for the boys involved in it. The activity itself may be fun and a good learning experience. The boys should also have a clear understanding of the ways in which the money will be used. Some troops help Scouts earn their way to summer camp or save for personal camping gear by crediting dollars or points to each boy based on his participation in the money-raising project.
Summary

- A Scout is thrifty. The financial necessities of Scouting present Scouts and leaders with opportunities to make ethical decisions.
- The money matters of a Scout troop tie back to the program and program planning. A troop that is serious about program planning will then be able to determine its financial needs without great difficulty.
- As with troop paperwork, Scoutmasters can rely upon members of the troop committee to help manage the financial issues of the unit.
- Scouts cannot directly solicit for contributions. They must provide a product or service of value.
- A BSA district also has specific methods by which it can fulfill its financial needs. Session instructors can give a brief overview of ways in which a district raises money so that it can then help a troop.

Instructors’ Note

It is appropriate here to discuss some of the money-earning activities conducted by BSA councils and districts. The intent of the discussion should be to help participants better understand that the money-earning efforts of a district and of the troops within that district have the same goal: providing better programs for Scouts.

- A troop may use the BSA’s Money Earning Application form as a way of exploring the options for appropriate money earning.