



# Chapter Business Plan

*What are the elements of an effective Chapter Business Plan?*

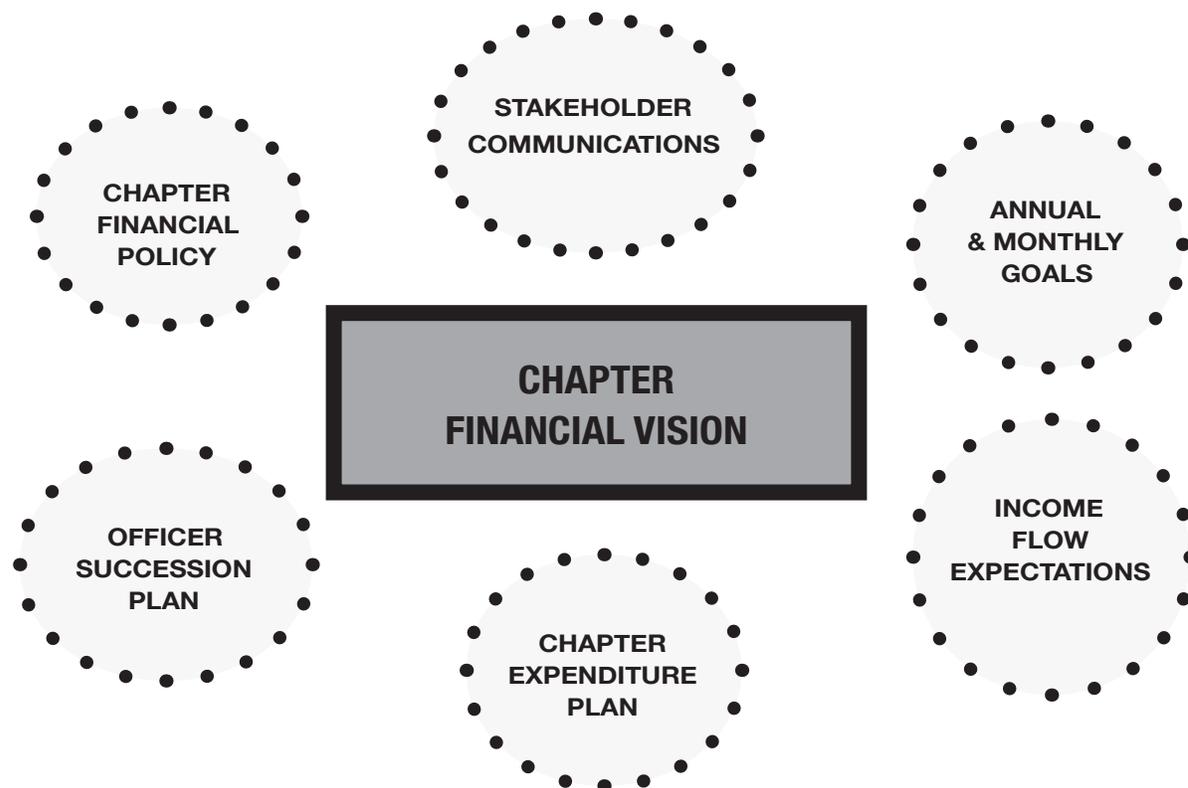
- **Financial Vision** – A compelling written statement that explains the overall direction of your chapter’s financial program and the legacy you plan to leave behind.
- **Fiscal Policy** – A set of financial guidelines developed by the Quaestor and the Executive Committee. These ensure that everybody is on the same page.
- **Stakeholder Communication Plan** – Identify all of the financial stakeholders and explain how you plan to communicate regularly with each of them.
- **Annual and Monthly Goals** – Financial and non-financial goals that address things such as cash position, successor training, program development, communication, reporting, etc.
- **Income Expectations** – A conservative week-by-week plan of estimated income including fundraising, dues, rents (if applicable), donations, refunds, etc.
- **Expenditure Plan** – Sometimes called a budget. This is a plan developed by the Quaestor with input from each officer. It estimates outflow for each chapter program.
- **Succession Plan** – Protect your legacy by enlisting brothers who can pick up where you leave off. Help them learn what you have learned and be a resource after your term is over.

## Creating a Transparent Annual Chapter Business Plan

A business plan is the most fundamental aspect of your chapter’s financial health. A baseball team would never begin a game without a batting lineup. A construction crew would never begin working on a new house without a blueprint. Yet, for some reason, many people forget to give their financial future its fair share of planning.

## Building a Shared Financial Vision

As illustrated in the diagram below, there will be seven essential components to your Annual Business Plan. Each of the six sections of the plan that are shown around the perimeter of the image are derived from your Chapter Financial Vision. Thus, you must create your vision before you can begin on the other parts of your plan.



Your Chapter Financial Vision should contain all of the characteristics of a vision that we have discussed during BLTW:

- **An inspired commitment from the heart**
- **It is extraordinary – a stretch or breakthrough, not reasonably predictable**
- **It has future-building focus rather than a focus on survival or fixing problems**
- **It's a snapshot of what can be achieved – not what has been, but what could be**
- **It is a contribution, a benefit to and for the larger community**

### Three Examples of a Chapter Financial Vision:

1. We will create our own self-sustaining chapter scholarship fund from the interest earned by saving dollars accumulated by improving our financial processes.
2. By 2010, our chapter will be able to send three additional brothers to BLTW each year from our chapter leadership budget.
3. Our fund raising program will improve brotherhood by reducing financial stress while providing more opportunities for members to spend time with each other.

# Setting Shared Goals: The Officer Planning Meeting

In the planning stage of your Quaestorship, it will be extremely important to involve your stakeholders as much as possible. The following five-step process will ensure that you receive the valuable input of each officer for your Annual Business Plan.

## Do Your Homework

- Perform diagnostics to understand what has happened in the past
- Gain an understanding of income amounts and timing of payments
- Gain an understanding of your chapter's expenditures

## Set up one-on-one meetings with each officer

- Meet with each officer to discuss his proposed programs and expenditures
- Use the Expenditures Worksheet from SigmaChiBLTW.org to list each proposed program (and its associated line-items) for each officer
- Make sure not to set too many limitations during this meeting. Program and cost trimming can wait until the Officer Planning Meeting.

## Make your income and expenditure planning calculations

- Use the Income Planning Worksheet and the Expenditures Worksheet from SigmaChiBLTW.org to subtract the total proposed expenditures from the total planned income.
- The number will almost always be negative. This is not a bad sign. It simply means that there are three possible avenues for your chapter:
  - 1) eliminate some expenditures
  - 2) trim some costs from particular programs
  - 3) raise more money to pay for everything.
- Make sure you have accurate numbers to use during your meeting.

## Hold your group Officer Planning Meeting

- Make sure that everybody has at least an hour or two for this meeting and try to eliminate all distractions.
- Begin by determining your Chapter Financial Vision. Make sure your vision is inspirational enough to drive the financial culture of your chapter.
- Use the Expenditures Worksheet and the Income Planning Worksheet to explain why there may be too many proposed expenditures. Start with expenditure elimination, and then proceed to program cost trimming. Save fundraising for last in order to create a conservative plan.

## Publish your Annual Business Plan and make it accessible to everyone

- Complete your Annual Business Plan.
- Make sure that everybody in the chapter has access to this document. The number one reason for a lack of financial discipline in a chapter is a lack of communication about common needs, goals and progress.