

LDS Budget Allocation (Official Policy Letter)

PLEASE NOTE: This memo clarifies several areas that are mostly misunderstood by us as scouts and even our wards' leadership. Specifically:

1. There is no specified limit on the numbers of fund raisers a unit may have unless the ward's bishop (or branch president) establishes a limit himself. Bishops must approve all fund raisers; QED - if he fails to approve a fund raiser - he limits the number.
2. Fund raising is only permitted to offset the cost of annual Scout camp/major alternative activity and unit equipment requirements.
3. Scout and Scouter registration DOES NOT come out of the ward budget. It is paid for out of the stake general checking account AND is reimbursed 100% if proper procedures are followed. No distinction is made between members and non-member youth and adults registration.

DOCUMENT BEGINS ----- December 12, 1994

To: General Authorities, General Auxiliary Presidencies, and the following priesthood leader in the United States and Canada: Regional Representatives; Stake, District, and Mission Presidents; Bishops and Branch Presidents.

Dear Brethren and Sisters:

Local Unit Budget Allowance and Guidelines

The Budget Allowance Program, announced in November 1989, is designed to help reduce the financial and time commitments required of Church members. We express appreciation to priesthood and auxiliary leaders who have carefully applied the principles of this program.

1995 Local Unit Budget Allowance Amount

The budget allowance amount for 1995 will be increased to US\$42.00. The budget allowance amount for single student stakes will remain at US\$25.00.

Updated Local Unit Budget Allowance Guidelines

The attached "Budget Allowance Guidelines" have been updated to reflect changes which have been made to the Budget Allowance Program. These guidelines should be carefully reviewed and followed by all priesthood and auxiliary leaders.

We continue to receive reports that assessments of fund-raising activities are used to finance youth activities and excursions. In view of the adjustment made to the budget allowance amount, we ask priesthood and auxiliary leaders to make a concerted effort to keep expenses within the budget allowance and to limit fund-raising only to those situations authorized in the "Budget Allowance Guidelines."

Most questions about the Budget Allowance Program can be answered by following the basic principles:

1. The Budget Allowance Program was created to reduce the financial and time burdens on members.

2. Members should not pay fees or be assessed to participate in Church programs (see guidelines on pages 8-11). **
3. Priesthood and auxiliary leaders should reduce and simplify activities wherever possible. This may require a reduction in some activities stakes and ward are accustomed to having.
4. Activities should be planned at little or no cost, should build testimonies, and should provide meaningful service to others.

In addition, we note that leaders and teachers are sometimes asked or made to feel obligated to provide materials, supplies, transportation, etc., because of their callings. These items should be provided from the budget allowance.

We also remind leaders to conserve utilities and to make sure lights, heat, air conditioning, and water are turned off when buildings are not being used. Leaders also have a responsibility to protect Church property and furnishings, such as chairs and tables, and to ensure that they are not removed from buildings. Members should be taught that they have a significant responsibility to show respect for buildings and furnishings and to assist in maintaining the cleanliness and orderliness of Church property.

Please remember that the budget allowance funds are provided through the tithing of faithful members and we therefore have an obligation to use the funds wisely.

Stake presidents are asked to carefully review the budget needs of the stake and wards for the coming year and to return surplus budget allowance funds to Church headquarters for use in other important work of the Church.

We are confident that leaders and members of the Church will be blessed as they follow these principles.

Sincerely yours,

Howard W. Hunter
Gordan B. Hinkley
Thomas S. Monson
The First Presidency

** - Pages 8-11 is the Youth Activity Guidelines (Including Scouting) which will be extracted below:

(Cover Page)

BUDGET ALLOWANCE GUIDELINES - NOVEMBER 1994
(For Stake and Ward Leaders in the United States and Canada)

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These guidelines replace previous guidelines and instructions dated January 1991.

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PRIESTHOOD LEADER SUMMARY

Four Principles That Govern Budget Allowance

Budget allowance is an amount Church headquarters gives to the stake each quarter. This money comes from tithing funds and is used by the stake and its wards to pay for programs and activities. This document explains budget allowance and gives guidelines concerning activities and expenses. It also clarifies issues about which priesthood leaders have had questions in the past.

Although these instructions contain many specific guidelines, most questions about budget allowance may be answered by examining the four basic principles that govern budget allowance.

1. The Budget Allowance Program was created to reduce the financial and time burdens on members.
2. Members should not pay fees or be assessed to participate in Church programs.
3. Priesthood and auxiliary leaders should reduce and simplify activities wherever possible. This may require a reduction in some activities stakes and ward are accustomed to having.
4. Activities should be planned at little or no cost, should build testimonies, and should provide meaningful service to others.

Priesthood leaders should carefully consider these four governing principles when they have a question. If the principles do not adequately their questions, they should find the subject in these guidelines. If there is still doubt, bishops should contact their stake president. If the stake president has questions, he should contact Local Unit Financial Assistance at 1-800-537-5932, ext. 3496.

Youth Activity Funding Guidelines

1. Fund all youth activities, including Cub Scout, Boy Scout, and Primary activities, from the budget allowance.
2. If budget allowance funds are insufficient, young men and young women may participate in the cost of one annual camp or major alternate activity by individually earning their own money.

3. If budget allowance funds are insufficient and young men and young women are unable to individually raise enough for the one annual camp or major alternate activity, they may hold group fund-raising activities (see page 9 for guidelines).**
4. Do not charge young men and young women (including Cub Scouts and Primary children) fees or dues for weekly or monthly activities.

(Page 2 follows)

Stake President Responsibilities

The stake president administers the budget allowance in his stake. He should teach bishops the principles of budget allowance and make sure they follow them in their individual wards. Bishops should teach these principles to ward leaders and members.

The stake president should --

Teach the principles of tithes and offerings and encourage stake members to live these principles.

Make sure the stake completes the Member Progress Report -- Stake/District correctly and sends it to Church headquarters on time.

Make sure members are not asked to donate additional budget funds or support unapproved fund-raising activities. Members should not be charged fees or assessed for participating in Church programs and activities.

Make sure stake and its ward leaders spend their budget allowance wisely.

Return any unneeded or unused budget allowance to the Church Finance and Records Department.

Make sure the stake and its wards keep expenditures within the budget allowance. This includes the following:

- The stake and its ward keep activity costs low, even if activities cannot be as frequent or elaborate as members may have had in the past.
- Leaders do not expect members to supply materials, supplies, transportation, and similar costs because of the callings in which they serve.
- Even if members want to contribute budget funds, they should not. Urge them to contribute these funds to the fast-offering or missionary categories.

Teach local leaders to focus activities and programs to accomplish the three-fold mission of the Church.

Give each ward fair and adequate funds from the budget allowance. Activities should be at the ward level when possible.

Regularly monitor the Stake Financial Summary to make sure the budget allowance is not overspent.

Make sure the ward's Annual Tithing Status Report for the prior year is reconciled to deposits made by the ward and sent to the Church headquarters by March 1 each year.

Make sure wards understand stake procedures concerning --

- Expenditures made at year end do not clear the bank until the following year (these will affect the next year's budget allowance).
- Ward surpluses or deficits for the upcoming year.

(Pages 3-7 follow)

GENERAL GUIDELINES

Skipped as this deals with the following administrative areas:

Budget Allowance Calculations
How the Stake Budget Is Calculated
How to Calculate Ward Budget Allowances
Determining the Annual Budget Amount
Budget Allowance and the Church Unit Checking Account
Monitoring Budget Expenditures
Paying for Expenses
Depositing to the Budget Category
Checking Account Interest
Surplus or Overspent Budget Allowance
Surplus Budget Allowance
Overspent Budget Allowance
Paying for Church Reimbursable Items
Purchasing from the Church Distribution Center and Church Departments

(Page 8 follows)

YOUTH ACTIVITY GUIDELINES (INCLUDING SCOUTING)

The "Youth Activity Guidelines" section contains the following:

Funding Youth Activities
Annual Camps and Equipment
Scouting Activities
Young Women Activities
Other Youth Activities
Awards

Most wards will spend a large portion of their budget allowance on activities

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