



Finances (Revision date 1-12-2013)

Creating a Budget

As we embark in the area of leading a Tea Party group, whether local or with a broader reach, in many ways, it is like running your own business. There are expenses that you will incur and you need to know how you're going to pay for them.

The smartest will have a plan while others will just wing it without a lot of preparation. Some will make their plan along the way with adjustments as they are needed. Money is always a great consideration.

At the beginning, as with starting up a business, you most likely will be your group's "bank".

- 1) If you have your Tea Party group name, you will need a mailing address. You may not want to give your home address so you will need a P.O. Box that you will get from your local post office.
 - Having your home address will signal to the IRS and your City Government that you are running a business from your home.
 - Having you home address as your group address will expose you to hecklers and unwanted solicitation.
- 2) Do you want people to have your home phone number or are you going to provide a separate phone number for them to call? That takes either an additional cell phone or a phone line brought into your home or office.
 - Other options are available such as "Ring Central" for a nominal fee.
- 3) You will need to purchase some office supplies to conduct your meetings and provide material to you guests.
 - Sign-up sheet to begin gathering information for your database
 - Pens and pencils
 - Note pads
- 4) If you host your meetings, you should make a sign to put out so that people know where you are.
 - You may want to put balloons on your sign



- More than one sign is always recommended
- 5) No meeting is complete without some beverages and light snacks.
- Water at the least
 - Coffee if you have the funds (put a donation can by the coffee pot)
 - Of course, cookies will go like lightening (you can begin asking others to be in charge of a certain meeting through a sign-up sheet)

All of this costs money.

Once you have your name, open a checking account to pay for these expenses.

A Word Of Caution: Never mix your group funds into your own personal bank accounts. You will set yourself up for scrutiny from every bureau of, department of or agency of and all of your personal information will be out for all to see. To avoid unnecessary invasion of your privacy, open up a separate checking account.

You will be the one to open it with your funds (in most cases). Decide what you will put in your checking account and mark it as “start-up” costs.

Now, how do you create a budget when there is no income? Good question. The first thing you need to do is decide what you’re willing to “donate” as your start up account. That will be your guide for your first budget.

How much money do I have to start with?

How much do I need for:

- P.O. Box
- Telephone
- Office supplies
- Meeting supplies

Do I have enough?

If the answer is “no”, then you ask yourself, “What do I need to eliminate?” “Who can I get to help?”



How do I get “reimbursed” for these expenses? Another good question. If your output requires a partial reimbursement then you need to ask those at your meeting to help support their group. Remember that if you ask others to donate, you must also be willing to make a financial commitment too. Don’t ever expect for all of your expenses to be taken care of by those in your group. But it is certainly acceptable to ask for help with them.

Other ways to bring in income is to provide Tea Party merchandise that you can purchase and give to people when they make a “donation”. Other sources of income would include Tea Party lapel pins and bumper stickers.

Be sure that you DO NOT SELL any of these items or you will need a California re-sale number, a business license and you will have to charge sales tax. Then you will be responsible to pay those taxes quarterly. These must only be provided with a donation.

Record Keeping

It is imperative that from the moment you launch your group that you keep detailed records. As one of the Tea Party groups that the IRS targeted, it took us three years to get them off our back, dozens of man hours compiling the information that they requested, ink toner and reams of paper beyond expectation and postage to mail all of that to them, not once, not twice, but three times.

When it was all said and done, we won but not without oodles of determination and persistence AND copious record keeping!

Every event had its own file. Every general session meeting had income and expense records. All board meetings had minutes. Every expense was documented and all donations were also documented. Nothing was missing or out of place.

To keep our records, we have chosen Quick Books. If you are a ‘non-profit’ organization, there is a Quick Books Non-Profit version as well. These programs are user friendly and easier than keeping books by hand.

Create a filing system that works for you. Filing is not for storing information. A file is for the retrieval of information when needed so keep that in mind as you get started.

- Keep all of your receipts.
- Keep copies of all deposits to your bank account.

As your group grows and you get to know individuals, you will find talent you didn’t know you had. There will those who can help with your bookkeeping, data entry, organizing the logistics for your meetings and many other tasks you will need to delegate to others.