Shriners International bylaws, Section 334.4, requires the chief rabban, in conjunction with the board of directors, to prepare and complete the proposed annual operating budget of the temple for the ensuing year in time for submission at the temple meeting at which the budget is to be approved. Restricted funds and temple holding company budget items are to be excluded from this budget.

Every temple is required to adopt an annual budget which must be prepared in accordance with the Uniform Chart of Accounts prescribed by Shriners International (see below).

<table>
<thead>
<tr>
<th>Account Number</th>
<th>REVENUES</th>
</tr>
</thead>
<tbody>
<tr>
<td>4000</td>
<td>Initiation Fees – Include fees collected for creations.</td>
</tr>
<tr>
<td>4010</td>
<td>Membership Dues – Include temple portion of dues billed for the temple’s operations and Shriners International $30.00 per capita tax. Shriners International hospital assessments collected are to be excluded from operating revenues and recorded as a liability under “Accounts Payable”.</td>
</tr>
<tr>
<td>4020</td>
<td>Life membership dues (Account 4020) are restricted fund monies and are to be excluded from this budget. However, the interest earned on life membership reserve should be included with dues revenues.</td>
</tr>
<tr>
<td>4030</td>
<td>Rental Income – Include income received from the rent of temple property.</td>
</tr>
<tr>
<td>4040 &amp; 4050</td>
<td>Investment Income – Include dividends received and interest earned on investments and cash balances. Portion of interest income on restricted or designated funds must be credited to the appropriate fund and not to the general fund’s investment or interest income.</td>
</tr>
<tr>
<td>4060 &amp; 4080</td>
<td>Miscellaneous Income – Account 4060 - Include all revenue which cannot be classified in one of the other revenue accounts. Account 4080 - Include gains / (losses) from other assets such as property and equipment.</td>
</tr>
<tr>
<td>4070</td>
<td>Gain/(loss) on Investments – Include gain/(loss) realized from the sale of investments. Should this result in a loss be sure to enter a minus sign before the amount.</td>
</tr>
<tr>
<td>4090</td>
<td>Donations – Fraternal – Include donations, contributions, and fraternal gifts for the benefit of the temple.</td>
</tr>
<tr>
<td>4100</td>
<td>Remission of Dues – Include when the temple elects to remit dues for a member because of a hardship.</td>
</tr>
<tr>
<td>4110</td>
<td>Suspended Members – Include uncollectible dues as a result of suspending members.</td>
</tr>
</tbody>
</table>
OPERATING BUDGET (CONTINUED)

4400 – 4599 Charitable Fundraising - Include all receipts from charitable fundraising events minus direct (Account 6460-6499) and indirect (Account 7480) expenses. Record the net amount on this line of the budget. Distribution of the total net proceeds must be to Shriners Hospitals for Children (Account 7970) and/or retained for the temple’s Shrine Hospital Patient Transportation Fund (Account 7980).

4600 - 4799 Fraternal Fundraising – Include all receipts from fraternal fundraising events. **NOTE:** Should the net proceeds from any of the current year’s fundraisers be designated by the chief rabban for the following year’s budget, the net proceeds should be included on the following year’s budget. Any prior year’s deferred net proceeds should be included in the current year’s budget.

4800 - 4999 Other Revenues – Include all revenue and expenses from the sale of fezzes, other merchandise items, tours and cruises, and advertising activities and publications. In each of these cases there is a revenue account and a contra (expense) account to arrive at a “net” result. Should the temple operate a club, restaurant, or golf course, the net results should be included in the operating budget.

**EXPENSES**

6000 - 6099 Shriners International – Include the $30.00 per capita tax and $2.50 initiation fees paid to Shriners International. The $5.00 hospital assessment is **not** a temple expense, but is a credit to Accounts Payable – Shriners International Hospital Assessment (Account 2100).

6100 - 6399 Administrative – Include all the administrative temple expenses, including depreciation of office furniture, equipment and vehicles. The temple depreciation (Account 6580) is included under Building Operations. The Hospital Patient Transportation Vans depreciation (Account 6350) are to be excluded from the operating budget as it is a restricted fund expense.

6400 - 6459 Direct Fundraising – Include direct fraternal fundraising expenses. Direct expenses are actual cost of products or services rendered (examples: materials, labor, freight, etc.)

6500 - 6699 Building Operation and Maintenance – Include all expenses in operating and maintaining buildings including insurance coverage and depreciation of the temple. If you rent your temple, include all payments to lease building and building equipment in Account 6590.

6700 - 6999 Business Sessions and Ceremonials – Include revenue and expenses related to business sessions, meetings and ceremonial activities.

7000 - 7199 Entertainment and Social Activities – Include revenue and expenses related to temple entertainment and social events.
OPERATING BUDGET (CONTINUED)

7200 - 7399  Visitations and Pilgrimages – Include revenue and expenses related to participation in Imperial Sessions, Shrine Association Meetings, Imperial sponsored seminars, Shrine Club visits, Parades, etc.

7400 - 7599  Promotion and Publicity – Include cost of promoting temple activities, public relations expenditures, notices to newspapers, etc. **NOTE:** Costs related to temple’s magazine should be charged to accounts 4910 (Direct Advertising Costs) and/or Account 4930 (Readership Costs).

7600 - 7899  Unit and Club Expenses – Include revenue and expenses related to temple’s involvement with its units and shrine clubs.

7900 - 7949  Donations to Fraternal Organizations – Include donations to other Masonic organizations, such as, DeMolay, Rainbow and Jobs Daughters.

7950 - 7969  Members’ Relations – Include donations authorized by the welfare committee such as gifts and flowers to Nobles.

7990 - 7999  Donations to Charities – Include donations of unrestricted fraternal money authorized by the temple for the benefit of other charitable institutions, such as community fund drives.

**Net Surplus / (Deficit)** represents the net change in the temple’s annual operating budget for the year before any transfers to or from the operating fund.

3750  Transfer To/From Designated Funds – Include fraternal monies (Transfer Out) from the current year’s budget to other equity fund accounts.

3760  Transfer To/From Designated Funds – Include fraternal monies provided to supplement current year’s operating budget (Transfer In); such as Plant Fund, Trustee Fund, and Building Improvement Fund to pay for major repairs/maintenance.

**Operating Surplus / (Deficit)** represents the net results from operating the temple on an accrual basis before reporting net unrealized gain/(loss) from investments.

4079  Unrealized Gain/(Loss) from Investments - Estimate unrealized gain/(loss) from investments based on fair market value at year end.

**Change in equity** represents the combined operating surplus/(deficit) and net unrealized gain/(loss) from investments.
OPERATING BUDGET (CONTINUED)

CAPITAL BUDGET

1500 - 1639 Fixed Asset Additions – Include the cost of property and equipment acquired with fraternal funds having a useful life of more than one year.

The approved annual budget comparison report is to be signed by all members of the temple’s Board of Directors and mailed directly to the Director of Temple Accounting by March 1. Subsequent budget revisions are to be properly signed and mailed to Tampa within 30 days after their adoption.
Shriners International Bylaws Regarding the Budget Process

Section 327.8(e) and related Sections of the Shriners International Bylaws created a uniform, comprehensive and all inclusive system to manage all of the assets, liabilities and net assets of Temples through the budget process. The Chief Rabban, in conjunction with the board of directors (Section 327.2(a) and 327.8(e) of the Shriners International Bylaws), is charged with the responsibility of preparing for presentation to the Nobility for their consideration an operating budget and other budgets which disclose all income of the Temple from whatever source and all expenses of the Temple for whatever purpose.

The recommended budget report to the Nobility is the Operating Budget and Comparison Report (See page 6 of this section). Shriners International Bylaw Section 334.7(a)(2) states: “A statement of activities for the previous year showing in parallel columns the budget items and the actual expenditures related thereto”.

Once the budgets have been approved by the membership, any changes must be presented to and approved by the membership at a regular meeting or special meeting called for the purpose of amending the budgets. When amended budgets have been approved, a copy signed by all members of the board of directors shall be mailed to the Director of Temple Accounting in Tampa within 30 days of its adoption.

Other financial officers as provided for in Section 327.5 of the Shriners International Bylaws may be utilized by a Temple. However, with the adoption of Section 327.8(e) of the Shriners International Bylaws, the duties and responsibilities of such financial officers are limited to nothing more than advising the board of directors.