

# Investigating the CM Club Financials at Cal Poly

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With our growing Construction Management department and continuous flow of new students at Cal Poly, clubs at Cal Poly are constantly electing new officers to run them. These officers must know what sort of budget they are working with. This project shows these officers what previous years have done and what they can work with. The financial sheets are about revenue and expenses. It is an Operating Budget vs Actual financial sheet for year 2017-2018. The officers are encouraged to continue this financial analysis to put in their books for future officers.

**Key Words:** Cal Poly Clubs, financial sheets, Operating Budget vs Actual, new officer guide, ASCM

## Introduction

In 2015, the CM department teamed up with the Cal Poly Construction Management clubs to make the Associated Students of Construction Management (ASCM) club a true umbrella club that connects the other clubs. ASCM would give money to clubs for their club activities if the clubs requested it. There was skepticism among some of the officers if ASCM could function with this burden of payment to other clubs. This was where the idea of this project came from. I wanted to make sure the Associated Students of Construction Management would still be able to function even with this increased expense.

This is the first financial sheet made for all the Cal Poly CM clubs. This has the potential to help new student officers understand the budget and the club more. It is often easy to overlook the importance of financial sheets, but in reality, they are essential tools that provide guidance for nearly every company in the world. If utilized and continued, construction management clubs will not be in the dark for the money brought in and expended. In the past, there have been times where the CM department had to bail out clubs and this project could assist in not having that happen again.

There are construction management clubs that take a lot of money in and some that do not. The Construction Management Department at Cal Poly has a lot of connections in industry, so the support is there for some clubs. For example, the Mechanical Contractors Association of America (MCAA) club has huge support from their national chapter. Other clubs like the Building Information Modeling (BIM) club does not receive much support from industry. This is unfortunate because BIM is the future of construction so they need to be bigger.

## **Methodology**

The objectives of this project are as follows:

- To assist new club officers in knowing what is financially viable.
- To benefit all student members of construction management clubs.
- To ensure that all of the CM student clubs are doing all that they can with the funds they possess.
- To educate student officers in budgeting.
- To ensure that the ASCM umbrella club system can work with assisting other clubs financially.

The methodology for this paper is a project-based financial analysis. The information gathered for the project was from three main resources: 1) current student club officers, 2) construction management administration, 3) my own knowledge of being a part of ASCM. I reached out to all of the construction management clubs at Cal Poly to receive their financial information which they were very supportive of. I talked to faculty and administration to find the best type of financial analysis that would benefit the clubs as a whole. Lastly, I have been in the umbrella club of ASCM for a full five years now so I am familiar with what gets spent where within our club and what we could spend the money on. The timing for this project works well the end of the year. New students will be joining clubs and becoming officers in the start of the fall for the 2018-2019 school year. These financials will be available for them to use and continue for their books.

### *Background Knowledge*

For this project guide to exist and continue to be used, officers must continue to track and book their financials. It is very important to keep that up to ensure that the clubs will continue to have money. There must also be students who join the construction management clubs at Cal Poly. There would not be a point to the financials if the clubs did not have members to be a part of them.

Student clubs use their main amount of money on things like trips to chapter conferences and competitions. These are very expensive but they get sponsored to go by the chapters and Construction Management Department at Cal Poly. The CM Department is very supportive of student involvement in competing and attending conferences.

### **New Knowledge**

With the Cal Poly clubs using so much money to the betterment of their members, this money must be kept track of to ensure they stay afloat. The new knowledge added through these financials is for the club officers that are just coming up through the ranks. They will gain the knowledge of knowing where they stand financially. With the ability to reference such financials, student officers will have a great confidence when running their clubs and a greater grasp on knowing what their club is capable of.

## *Creation of the Financials*

The greatest value added to this added by these financials is that it covers all clubs that deal with funds in a Cal Poly bank account. Every year, officers in clubs get worried about not having enough funds. With all the spending, especially towards the end of the year, officers are always double-checking to make sure that what they want to do will work.

One of the most crucial aspects of the financial sheet is this Figure 1 budget below of the Associated Students of Construction Management club. This budget is the one that matters about other club funding. ASCM funds other clubs for their activities if requested so ASCM must have money for them. ASCM also spends the most amount of money compared to other clubs so they are a good example.

	Ordinary Revenue	Actual June 1, 2018	Budgeted June 1, 2018	Ordinary Expenses	Actual Expenses	Budgeted Expenses
	Membership dues	\$7500.00	\$6000.00	ASCM Meeting Food	\$500.00	\$700.00
	Club Sweatshirts	\$650.00	\$700.00	Club BBQ's	\$976.00	\$1000.00
	Club Stickers	\$30.00	\$50.00	ASCM Board Meeting Food	\$1500.00	\$1600.00
	Company BBQ's	\$600.00	\$600.00	Paintball	\$850.00	\$500.00
	Club T-Shirts	\$3500.00	\$3500.00	Club T-Shirts	\$3500.00	\$3500.00

Figure 1: Sample ASCM Budget Analysis

## *Finalization*

After gathering feedback and creating the financials, the next step is making this available for clubs this next year. I have sent the financials to their respective clubs for them to give to their incoming presidents and officers. I have been told that the new presidents have acquired them and are keeping them for next year and hopefully the years to come. The financials are also available in the library commons for whomever wishes to find it.

## *Results*

With the financials released this year, its impact is yet to be determined on an actual use standpoint. That being said, feedback from clubs have been very positive. They say it is easy to understand and they hope it will benefit their younger board members. I had one club president have a meeting with their successor to go through the financial sheet in depth to teach them what they need to know and I was told it was very beneficial to have as a resource.

Another major impact of these financials is that it will help whomever uses the sheets to understand finance that much more. I have learned a lot of budgeting through this project and I believe that is very valuable knowledge to obtain.

## *Lessons Learned*

The main takeaways from pursuing this project were: 1) a deep understanding of budgeting and financials that will benefit me for my career and 2) the importance of knowing what amount of money you can spend as a club officer. I wish I had a sheet like this to tell me what is normal to spend money on and how much.

## **Conclusion**

Being a part of the student clubs is one of the best decisions I have made at Cal Poly. We cannot have a perfect budget because things happen that you cannot control, but this budget can help lock in the budget that much closer. The stress of running a club while doing your normal school load can be very draining and hard. The connections and people I have met has made the stress all worth it. You always want to be the best for the club and have a lasting impact. I am hoping this will help take part of the load off of these officers for years to come. As advice to those going into college, it is so important to join clubs make those connections. These are the people you see when you graduate so knowing them even a small amount can make a huge difference.