

DELAWARE 4-H CLUB



TREASURER'S GUIDEBOOK

4-H CLUB NAME

TREASURER NAME

COUNTY

YEAR

Responsibilities of the 4-H Club Treasurer

Congratulations! Your fellow 4-H club members have shown their confidence in you by entrusting to you the money of the club. As treasurer, you will be responsible for taking care of the club's money and bank accounts. This responsibility requires honesty, integrity, and cooperation with your club members and leaders.

As treasurer, you will:

- Handle all money matters for your 4-H club.
- Keep an accurate record of all money received and how all money is used; use this "Delaware 4-H Club Treasurer's Guidebook" as a reference.
- Inform the bank in which your club's funds are deposited that you are the new treasurer; sign, with your leader, appropriate forms so you can write checks on the account.
- Deposit all funds that your club earns or receives in the bank as soon as possible, or maintain funds in another safe place if no club account is opened. All clubs with cash over \$100.00 should have bank accounts opened.
- Pay all approved bills promptly.
- Prepare and present a summary of all financial transactions at each club meeting. Include income (money received), expenses (money paid out), and a current balance (all money on hand) for all accounts – checking, savings, etc.
- Reconcile all bank statements received in a timely manner.
- Complete the Annual Financial Summary at the end of the club year. When completed, remind your president to select an audit committee to review your records.
- Submit a copy of the Annual Financial Statement to your County Extension Office by the date requested.
- Give the new treasurer complete and accurate records when he/she takes office.

HANDLING MONEY

As treasurer of your 4-H club, you're in charge of "keeping the books." This includes your club's receipt book, checkbook and check register, and bank statements. You can meet the important responsibilities required of a treasurer by studying and following these recommended procedures. These steps are important whether your group has a small or large amount of money.

Conflicts may arise if money is not handled carefully and accurately. You can protect yourself and your 4-H club from conflict by being careful, responsible, and accurate as you handle your club's finances.

RECEIPTS

You must always write a receipt when you receive money for club dues, a donation, or a fund-raising activity. Without a receipt there is no way to prove that your 4-H club received a specific amount of money or that you handled it correctly.

Your 4-H club should have a receipt book with pre numbered, two-part receipts. Receipt books are available from most office supply stores. If you make a mistake and have to void a receipt for any reason, write "VOID" on both copies, staple them together, and keep with the treasurer's records.

Sample Receipt

Number 101
Received from <u>Jane Clover</u>
For <u>Cookbook</u>
Amount <u>Ten and 00/100 dollars</u> \$ <u>10.00</u>
Cash <input checked="" type="checkbox"/> Check <input type="checkbox"/> Check Number _____
By <u>Judy Treasurer</u> Date <u>March 13, 2003</u>

Give original to customer; keep duplicate copy.

Receipts for Dues

You don't need to write a receipt for each individual person paying dues. Just fill out the "Dues Form," total the amount paid for the meeting, and write one receipt for the total amount. On the receipt, write "club members" in the "from" blank and "dues" in the "for" blank.

Sample Dues Form

AMOUNT OF DUES TO BE PAID \$.50 PER MONTH

-----Date and Dues Paid-----

Member's Name	Date Joined	1-13	2-14	3-11	4-12										
Alex	2-30-02	.50	.50	.50	.50										
Mark	3-14-02	----	1.00	.50	.50										
Elaine	1-12-03	.50	---	---	1.50										
Ben	10-15-02	.50	.50	.50	---										
Irene	10-15-02	.50	.50	.50	.50										
Beth	4-13-02	.50	.50	.50	.50										
Sue	4-12-03	---	---	---	.50										
TOTAL		2.50	3.00	2.50	4.00										

Sample Receipt

Number 102
Received from <u>Club members</u>
For <u>April 2003 dues</u>
Amount <u>Four dollars</u> \$ <u>4.00</u>
Cash <input checked="" type="checkbox"/> Check <input type="checkbox"/> Check Number _____
By <u>Judy Treasurer</u> Date <u>April 12, 2003</u>

Receipts for Money from Fund-raisers

If your club holds a fund-raiser such as a car wash or bake sale, you do not need to write a receipt for each person buying a cookie or having his/her car washed, but you (or the shift leader) need to write one at the end of each shift or at the end of the day. Each group of workers must account for the money it received.

Two people should count the money, agree on the amount, and turn the money over to you. It's a good idea for you to verify the amount (recount the money) in the presence of the people giving you the money. Be certain to give them a receipt for the amount they gave you.

Sample receipt for money received from fund-raisers

Number 103
Received from <u>Mr. Club Leader</u>
For <u>Bake Sale</u>
Amount <u>One hundred Fifty one and 39/100 dollars</u> \$ <u>151.39</u>
Cash <input checked="" type="checkbox"/> Check <input type="checkbox"/> Check Number _____
By <u>Judy Treasurer</u> Date <u>April 13, 2003</u>

Give original to customer; keep duplicate copy.

BANK DEPOSITS

Before you deposit checks that are made payable to your 4-H club, they must be endorsed (signed) on the back. Write "For Deposit Only," sign the club name (as written on the front of the check) and then sign your name followed with a comma (,) and the word "Treasurer." If someone writes a check payable to you that is intended for your 4-H club, endorse it by writing "Pay to the order of (your club name)" and signing it. If your club receives many checks, you may want to have a rubber stamp made with the club name and account number on it.

Sample "For Deposit Only" rubber stamp

For Deposit Only Green Clover 4-H Club Home Town Bank Account 00000-000000000
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Preparing Deposits

Deposit all funds promptly. Total the receipts you have written since your last deposit and compare that amount with the amount of cash (bills and coins) and checks you intend to deposit. The two figures should agree. If they do not, repeat the process. When the two figures do agree, prepare a deposit slip. Deposit slips are usually found in the back of a checkbook or you may get a supply from the bank. When you fill out a deposit slip, list each check number and its amount separately (use the back of the deposit slip if necessary).

Sample Deposit Slip

Deposit Ticket Green Clover 4-H Club Date <u>May 16, 2003</u> _____ Sign here for cash received (if required) HOMETOWN Trust & Savings Bank 073000 2028 7334 804 0900	Cash	\$ 10.85
	Check #483	\$ 10.00
	Check #128	\$ 15.30
	Total from other side	\$ 10.00
	Subtotal	\$ 46.15
	Less Cash	---
	TOTAL DEPOSIT	\$ 46.15

APPROVING AND PAYING BILLS

Part of your monthly treasurer's report at club meetings should include asking for and receiving club member's approval to pay the club's outstanding bills. After the members approve paying the bills, ask the Club Leader to initial the bill to indicate club approval of payment, then write a check for the approved amount of each bill.

The usual way to pay bills is with a check. Holding cash back from deposits and using it to pay bills is not a good practice, because it does not leave a record or provide proof of payment. If you pay by cash, get a receipt.

CHECKS

Follow these steps when writing checks:

- Always use ink.
- Never erase a mistake. If you make a mistake, write “VOID” on the spoiled check and start a new one. Keep the voided check with the treasurer’s records, do not throw it away.
- Leave as little space as possible between the figures and words when filling in the amount lines. This helps prevent someone else from changing a \$15 check, for example, into a \$115 check.
- Begin writing the amount at the extreme left of the amount line. Be sure the written amount agrees with the numeric amount. Avoid writing checks for less than \$1, but if you have to, start the amount line by writing the word “Only” and then the amount.
- Sign the check with your “authorized” signature, the same way you signed the Signature Card at the bank when you became treasurer. (If two signatures are required, the second person listed on the account must also sign each check.)

Sample Check

Green Clover 4-H Club 1234 Your Street Green Clover, DE 19999	Date: <u>April 3, 2003</u>	609
Pay To the Order of	<u>Clover Corner Supermarket</u>	<u>\$15.69</u>
<u>Fifteen and 69/100</u>		Dollars
Home Town Trust & Savings Bank	For _____	<u>Judy Treasurer</u>
		OR
073000 2 28 7227 804 0900		<u>Judy Treasurer</u> <u>Doug Leader</u>

Maintaining the Check Register

To keep your 4-H club's check register up to date, follow these steps:

- Write the check number and date it was written in the appropriate columns.
- Write the name of the person or company the check was made out to in the "description of transaction" column.
- Enter the check amount in the "payment/debit" column. Then subtract the check amount from the remaining balance in the line above and enter the new balance.
- At the end of each month reconcile the account; this means that you will compare your records against the bank statement. Mark off the checks and deposits that have cleared the bank (this information is included on the bank statement or the checks that have been returned to you).
- Record the deposit amount(s) in the "deposit/credit" column. Then add the deposit amount to the account balance and record the new account balance in the last column.

Sample Checking Account Register

Number of Check	Date	Description of Transaction	Payment/debit (-)		Deposit/credit (+)		\$
							316.78
609	4-6-03	Clover Corner Supermarket	\$15	69			\$ 301.09
	4-15-03	Dues			\$4	00	\$ 305.09
610	4-22-03	Heather Member	\$21	84			\$ 283.25
	4-23-03	Bank Fee	\$ 1	25			\$ 282.00

THE TREASURER'S REPORT

The treasurer's report informs members of the club's financial activity for the past month. You should present a "Monthly Treasurer's Report" at each club meeting and present, for the club's approval, the bills to be paid in the next month.

After the club has reviewed your treasurer's report, a member moves to accept the treasurer's report. The motion is seconded and the club votes on the motion. If the motion is approved, the secretary enters the treasurer's report into the minutes. All bank statements, bills, monthly treasurer's reports, annual summary financial reports, and receipt books become part of the club's permanent records.

Green Clover 4-H Club 4-H CLUB/AUTHORIZED GROUP

SAMPLE MONTHLY TREASURER'S REPORT

1. State the beginning balance:

Date: April 1, 2003 Beginning Balance: \$200.00

RECEIPTS

EXPENSES

Date	From What Source	Amount		Date	For What Purpose	Amount	
4-13	Bake Sale	151	39	4-16	Clover Corner Supermarket/ Achievement Dinner	15	69
4-15	Dues	4	00	4-22	Heather Member/Puppets for Children's Hospital, cups, napkins for Achievement Banquet	21	84
	Total Received	155	39		Total Expenses	37	53

2. Indicate closing balance:

Date: April 30, 2003

Closing Balance: \$317.86

Prepared by: Judy Treasurer

Judy Treasurer

Club Treasurer's Signature

Accepted by: Green Clover 4-H Club

Wayne President

Club President's Signature

Date: May 5, 2003

Date: May 5, 2003

BANK STATEMENT RECONCILIATION

As Treasurer, you are responsible for reconciling all bank statements received on a timely basis. Instructions to complete this reconciliation are normally found with your bank statement. This process involves taking the bank statement balance, adding all deposits listed in your checkbook that are not yet reflected on your bank statement, and subtracting all checks listed in your checkbook that have not yet been paid and reflected on your bank statement. The resulting adjusted bank statement balance should agree to the balance listed in your checkbook. If you are unable to get these two balances to agree, first contact your leader for assistance. If you are still unable to balance, contact your local bank for assistance. All bank statements and reconciliations become part of the club's permanent records.

SAMPLE BANK STATEMENT RECONCILIATION

Bank Statement Balance: <u>May 31, 2003</u>			\$ <u>502.10</u>
List Outstanding Deposits	\$ <u>150.00</u>		
(Shown in your checkbook, but not reflected on your bank statement)	_____	+	\$ <u>150.00</u>
Subtotal			\$ <u>652.10</u>
List Outstanding Checks	<u>ck# 109 \$10.00</u>		
(Shown in your checkbook, but not paid on your bank statement)	<u>ck# 112 \$20.00</u>		
	<u>ck# 117 \$25.00</u>		
	_____	--	\$ <u>55.00</u>
Adjusted Bank Balance: <u>May 31, 2003</u>			\$ <u>597.10</u>
Check Book Balance: <u>May 31, 2003</u>			\$ <u>597.10</u>

GUIDELINES FOR CLUBS WITHOUT CHECKING OR SAVINGS ACCOUNTS

Some clubs operate without checking or savings accounts. Even without a bank account, clubs must follow certain guidelines.

Clubs without bank accounts must follow the same bill paying system as clubs with bank accounts. The main difference is that you will purchase money orders or cashier's checks from a bank to pay bills instead of using the club's own checks. Do not use a leader or adult's personal checks to pay bills for your club. All other financial rules and guidelines for clubs with bank accounts apply to clubs without bank accounts.

ANNUAL FINANCIAL SUMMARY

The "Annual Financial Summary" is due in your county Extension Office by October 15th of each year. This report summarizes your club's financial activity for the period of September 1st through August 31st of the current 4-H year. The report should be completed by an audit committee selected by the club. Members of the committee must include 2 adults and 2 members, all who are not related to the club Treasurer. An audit questionnaire has been developed to assist you in performing your club's annual review. Please complete this questionnaire and forward a copy of the document to the county Office with your annual financial summary.

____Green Clover 4-H Club_____ 4-H CLUB/AUTHORIZED GROUP

SAMPLE ANNUAL FINANCIAL SUMMARY REPORT

Period Covered: September 1, 2003 to August 31, 2004

Balance: September 1 \$ 300.30

Savings \$ _____
Checking \$ 300.30
CD(s) \$ _____
Other \$ _____

Income (Add income of 12 monthly reports) \$ 400.50

Indicate Major Sources of Income (list all items more than 25% of total income)

____Bake Sale____ \$ 151.39

Expenses (Add expenses of 12 monthly reports) \$ 200.20

Indicate Major Sources of Expenses (list all items more than 25% of total expenses)

Achievement Dinner \$ 130.00

Balance: August 31 \$ 500.60

Savings \$ 200.00
Checking \$ 300.60
CD(s) \$ _____
Other \$ _____

Audited by:

4-H Members (2 Signatures Required)

Sue White
Billy Greene

Adults (2 Signatures Required)

Anne Black
John Brown

Date: September 15, 2004

September 15, 2004

Note: Audit committee-two adults and two 4-H members, not related to each other or treasurer.

Due to:

Received by (Signatures):

Date:

County 4-H office-October 15
2004

Joy Educator

September 25,

State 4-H office-November 15

MONTHLY TREASURER'S REPORT

1. State the beginning balance:

Date: _____ Beginning Balance: _____

RECEIPTS

EXPENSES

Date	From What Source	Amount		Date	For What Purpose	Amount	
Total Received				Total Expenses			

2. Indicate closing balance:

Date: _____ Closing Balance: _____

Prepared by: _____

Accepted by: _____

Club Treasurer's Signature

Club President's Signature

Date: _____

Date: _____

4-H CLUB AUDIT QUESTIONNAIRE

1. Does club have opened bank accounts? (Note: all clubs with \$100 or more in cash should have opened bank accounts) Is so, please list.

Type (Checking or Savings)	Account Number
_____	_____
_____	_____

2. Does club have an Employer Identification Number? _____
3. Do all accounts have 2 account signatories on them (volunteer leader and youth treasurer)? _____
4. Did the Treasurer complete monthly Treasurer Reports? _____
5. Does the club have an approved budget? _____
6. Was all income received acknowledged with a written receipt? _____
7. Does the receipt book being used have pre-numbered, two part receipts in it?

8. If the club collects dues, did the Treasurer maintain a written report to detail all dues collected? _____
9. Were all deposits made in a prompt manner? _____
10. Were receipts available to support all checks written? Did all receipts indicate leader approval to be paid? _____
11. Were all monies received used for 4-H related activities? _____
12. Were cash donations received acknowledged in writing to the donor? _____
13. Did the Treasurer reconcile all bank statements in a timely basis? _____
14. Was club audit completed by two adults and two youth, all who are not related to the club Treasurer? _____
15. Was the Annual Financial Summary Report for your club submitted to the County Extension Office by October 15th? _____

ANNUAL FINANCIAL SUMMARY REPORT

Period Covered: September 1, 20__ to August 31, 20__

Balance: September 1 \$ _____
Savings \$ _____
Checking \$ _____
CD(s) \$ _____
Other \$ _____

Income (Add income of 12 monthly reports) \$ _____

Indicate Major Sources of Income (list all items more than 25% of total income)

_____ \$ _____
_____ \$ _____
_____ \$ _____

Expenses (Add expenses of 12 monthly reports) \$ _____

Indicate Major Sources of Expenses (list all items more than 25% of total expenses)

_____ \$ _____
_____ \$ _____
_____ \$ _____

Balance: August 31 \$ _____

Savings \$ _____
Checking \$ _____
CD(s) \$ _____
Other \$ _____

Audited by:

4-H Members (2 Signatures Required)

Adults (2 Signatures Required)

Date: _____

(Note: Audit committee-two adults and two 4-H members, not related to each other or treasurer.)

Due to:

Received by (Signatures):

Date:

County 4-H office-October 15

State 4-H office-November 15

Delaware 4-H Club Financial Guidelines

For Chartered 4-H Clubs and Other Groups Authorized To Use The 4-H Name and Emblem in Delaware

The Delaware 4-H Youth Development program is part of the Delaware Cooperative Extension, which is part of the University of Delaware. Because of this relationship, all financial transactions of local 4-H clubs, county councils, committees, boards, and other related organizations (county leaders' council/association, camp board, livestock sale committee, etc.) must be managed according to the guidelines outlined in this paper.

Under U.S. Department of Agriculture and University of Delaware guidelines, each County Cooperative Extension Office is required to keep track of all financial transactions made by clubs and groups authorized to use the 4-H name and emblem. Each authorized club/group must complete an annual report showing the source of all income and how it is disbursed. The required annual report:

- Creates an open, public record for each nonprofit group.
- Fulfills the audit concerns of the University of Delaware.
- Shows how Delaware Extension-related organizations help the University fulfill its obligation of accountability to the residents of Delaware.

The following guidelines will help your 4-H club/group fulfill its responsibilities for handling funds:

1. Bank Account

All monies should be placed in a bank account in the name of the club/group. As nonprofit organizations, 4-H clubs/groups are normally not charged a service fee. There may be, however, a charge for printing the club/group name on checks. It is highly recommended that bank statements be sent from the bank directly to the leader to allow for necessary oversight.

2. Employer Identification Number (EIN)

Every 4-H club/group must have an Employer Identification Number (EIN) to open a checking or savings account. To apply for an EIN from the Internal Revenue Service (IRS), use form SS-4.

3. Signatures

Each club/group is required to have two (2) names on all checking and savings accounts. Chartered 4-H clubs will have the youth treasurer and a Delaware Cooperative Extension (DCE) volunteer on accounts. The DCE volunteer should not be the parent, or relative of the treasurer. If the parent of the Treasurer is the Organizational Leader, an additional adult leader's name must be added to the account during the time period this situation exists. The club can require both signatures on all checks or may elect to only require one

signature. No University of Delaware faculty or staff member's signature may appear on any account belonging to a 4-H club/group authorized to use the 4-H name and emblem.

4. Delaware 4-H Club Treasurer's Record Book

The club/group treasurer must use the Delaware 4-H Club Treasurer's Guidebook to show sources and amounts of money received and payments made to whom and for what purpose. Treasurer's records become a permanent part of the club records.

5. Annual Budget

Clubs/groups are encouraged to prepare an annual budget. This is a written plan to raising and spending money for 1 year. Since the members of the club/group approve the budget, it will not be necessary to seek approval for payment of items included in the budget. If the club/group does not have a budget, or items arise that are not a part of the budget, each item must be presented to members for approval before payment is made. An annual budget accomplishes two things. First, all expenditures of club funds are made with full approval of the club/group. Second, it is a great way for members to learn how money flows in and out of an organization.

6. Receipts

All income should be acknowledged with a written receipt, preferably pre-numbered. The receipt should include the source of the funds (such as carwash or plant sale), the date, and if possible, the name of the person making the payment. These receipts are the back-up documentation for bank deposits. The receipts become a permanent part of the club/group records.

7. Payments

Payments should be made only in response to a written bill or sales receipt. The itemized receipts clearly stating what was billed, with the check number and the date of the check on it, will also become a permanent part of the treasurer's records.

8. Fund Raising

4-H members do not pay state or national membership dues. Local and county clubs/groups may raise money for their goals through fund-raising or dues or both. Fund-raising must be done for the good of the total group and be consistent with the county/state fund-raising policies.

All monies raised using the 4-H name must be used only for 4-H activities. Because these funds are publicly accountable, they may not be given to individual club members or others, but must be used to pay for educational programs, activities, workshops, or supplies. Fund-raising should not be the main focus of group activities nor exclude any individual from participating. Clubs are expected to support the financial needs of the total group and, when

possible, assist with participant costs in county, state, national, and international programs.

Recommended fund-raisers for youth groups include car washes; bake, cookie, citrus fruit, plant, candy, and yard sales; pancake suppers; spaghetti dinners; auctions; and flea markets.

9. Cash Donations

Cash donations must be acknowledged in writing to the donor and must include the amount of the contribution. A copy of the acknowledgment must be kept with the treasurer's records.

10. Non-Cash Donations

Non-cash donations (consumable donations of supplies or miscellaneous items) should also be acknowledged in writing to the donor. A description of the item(s) must be included in the acknowledgment. Valuation of non-cash donations is the responsibility of the donor, in consultation with his/her tax advisor and individuals qualified to appraise an item of this type. It is not appropriate for a 4-H club/group, faculty/staff member, or Delaware Cooperative Extension volunteer to place a value on items donated. Donors cannot specify the individual recipient of cash or non-cash donations. A copy of the acknowledgment must be kept with the treasurer's records.

Nonconsumable donations such as equipment or animals should be accepted only if the club/group is prepared to accept the responsibilities of ownership including care, maintenance, and insurance. Clubs should not feel compelled to accept non-cash gifts. Contact the 4-H faculty/staff member whenever there are questions about accepting and/or managing donations.

11. Quid Pro Quo Contributions

Quid pro quo contributions, "payment made partly as a contribution and partly for goods or services provided to the donor by the charity," should also be acknowledged in writing. An example of a quid pro quo contribution is where the donor gives \$100 for a cake valued at \$12. The disclosure statement must inform the donor that the "amount of the contribution that is deductible for federal income tax purposes is limited to the excess of any money (and the value of any property other than money) contributed by the donor over the value of goods or services provided by the charity," and provide the donor with a good faith estimate of the value of goods or services that the donor received.

12. Bank Statements

All bank statements received from the bank must be reconciled by the Treasurer on a timely basis. All bank statements and bank reconciliations become part of the club's permanent records.

13. County Review

A financial report for each 4-H club/group authorized to use the 4-H name and emblem must be turned in to the county Extension office by October 15th each year for review. The financial report will represent information for the 4-H

year of September 1st through August 31st . The county 4-H Youth Development educator, the County Extension Director or other identified individual(s) not affiliated with the club will conduct the financial review. The form required for the review is the Annual Financial Summary Record. These reports become a permanent part of the county record maintained for each club/group and will remain on file for five (5) years.

Additional information, including all bank statements, receipts, canceled checks, checkbooks, savings account books, and the Delaware 4-H Club Treasurer's Guidebook may also be requested for review. These items will be returned following the review and should remain with the permanent club/group records.

14. Club/Group Disbandment

Monies left in account(s) when a club/group disbands, ceases operation, or loses its charter must be turned over to the Delaware Cooperative Extension Office. These monies may be used for county 4-H programs and activities. All property belonging to the club/group must be turned in to the Delaware Cooperative Extension Office. If a club divides, creating more than one properly chartered club or authorized group, the funds from the original club/group must be divided based on membership in each club/group.

15. Complaints

The Delaware Cooperative Extension 4-H Youth Development faculty/staff member and/or County Extension Director will investigate all complaints regarding use of funds. Concerns can be avoided and/or settled quickly if all financial records are kept up-to-date and the guidelines outlined here have been followed.

16. Clubs/Groups Not Handling Money

Clubs/Groups that don't have treasuries and don't handle any money need to mark 0's on the Annual Financial Summary Report, sign and date the form, and return it to the county Extension Office by October 15th each year.

11-07-03

jlk