

Oklahoma Cooperative Extension Service

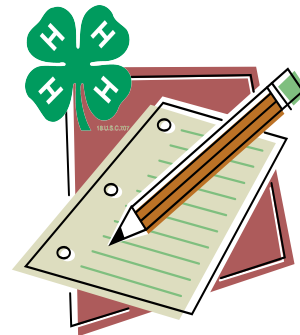
Oklahoma 4-H

# Club Financial Guide and Treasurer's Records



## About This Guide

This guide has been written primarily with the 4-H club/organization treasurer in mind. The principles and procedures are also applicable to funds handled by our adult 4-H affiliate groups. In some situations, information is presented as a guiding principle or good practices, other times it may be a policy and in some cases as a legal fact. If you do not understand some part of the guide seek the advice of your county Extension personnel. Ultimately the Extension office is responsible for all funds raised, collected or donated in the name of 4-H.



Part 1 is general information and common questions and answers. Part 2 is designed as an educational tool for teaching and learning 4-H life skills first hand.

Source-This manual was adapted from the Michigan 4-H Treasurers Record Book (9/2003) and the March 2005 revision titled Treasurer's Record Book for MSU Extension Sponsored Groups (3/2005), Michigan State University Extension.

## How to Use this Guide

For the protection of youth and adult treasurers serving a 4-H organization, follow steps outlined in this guide to adequately track and document all financial transactions. Photocopy forms in the Appendices as needed. Do not hesitate to ask questions or seek guidance.

### As a Club Officer

As the treasurer, you and your fellow officers are representatives of your 4-H club. You represent the club, Oklahoma 4-H, and the Cooperative Extension Service. Your skills, abilities, standards, ideals, speech—and even smile—represent Oklahoma 4-H'ers. Representing others is one of an officer's most important responsibilities because it exists at all times—not just while you are at a 4-H meeting.

### The Club Leaders Role

To provide a level of protection for anyone handling or responsible for club funds please thoroughly read this guide so you can in all good faith have a better understanding of rules, state and federal laws, as well as "good" book keeping practices.

The Oklahoma 4-H Youth Programs is part of Oklahoma State University and Langston University Cooperative Extension Service, a part of the Land-Grant University System. That's one reason why it's important that volunteers effectively manage public funds raised on behalf of the 4-H name and emblem – for an activity, 4-H club, Spin/project group,

council, committee, foundation, PVA, or other related organization. Another reason is that we're working with and trying to set a good example for kids.

As a volunteer our role is to mentor - help the treasurer learn management skills, as well as develop and practice appropriate financial practices as described in this guide. This leadership role could be assigned to a volunteer with training in banking/record keeping. Some duties include:

- Teach treasurer how to prepare and present a monthly report, fill out a check/payment requests, take deposits to the agency account, write receipts and keep an internal record of club funds (income and expenses).
- Advise the officers and members as needed, but keep in mind that the money belongs to the club not you or any one individual.
- Seek advice and support as needed to assure that funds are handled properly.
- Assist with Annual Account Reconciliation

**Annual Account Reconciliation** – With funds being held in agency/foundation accounts it is important that a club remain diligent in being

fiscally responsible for the funds. Keeping an internal set of records will allow the club to compare income and expenditures with the report provided by the agency. In the event there is a discrepancy it can be more quickly resolved.

At a minimum, the club leadership team shall request an annual financial accounting of funds from the county office/school activity fund/foundation. The club's leadership team shall review and present for approval to the club. A record (minutes from a meeting) of the club's approval shall be filed with the entity managing the funds and place in the club's file. (2012)

**School 4-H Club Accounts** - Funds held by a school are not exempt from the procedure described above.

A written statement of understanding should be in place with the school stating the funds belong to (name) County 4-H in the event the club dissolves or the charter is revoked.

The second half of this guide is an excellent teaching/training tool. The "good" practices develop 4-H life skills which can be used at home, work or transferred to another organization.

## County Educators Role

As the county educator you are ultimately responsible for the information contained in this guide, for providing adequate education and training to clubs and club leaders handling funds, managing financial disputes or discrepancies and praising clubs with good record keeping practices. Ultimately the Extension office is responsible for all funds raised, collected or donated in the name of 4-H so it is important to provide adequate information and training to all organizations using the name and emblem.

Thoroughly read this guide so you can in all good faith have a better understanding of rules, state and federal laws, as well as "good" book keeping practices that will provide a level of

protection for anyone handling or responsible for club funds.

In some situations, information is presented as a guiding principle, other times it may be a policy or in some cases as a legal fact. If you do not understand some part of the guide seek guidance at the district or state level.

The second half of the guide is an excellent teaching/training tool. The "good" practices develop 4-H life skills which can be used at home, work or transferred to another organization.

## Treasurers Role

A treasurer is entrusted with the responsibility for the funds of an organization. This responsibility requires honesty, integrity and cooperation with your club's members and leaders.

## A 4-H Treasurer's Responsibilities

- Learn how to prepare and present a monthly report, fill out a check/payment request, collect money, write receipts, take deposits to the agency account and keep an internal record of club funds (income and expenses).
- Advise the officers and members as needed, but keep in mind that the money belongs to the club not you or any one individual.
- Seek advice and support as needed to assure that funds are handled properly.
- Work with the club leader to file the Annual Account Reconciliation and club minutes approving the report.
- Write receipts and deposit all funds the club earns or receives in the designated account as soon as possible after receiving them.
- In a timely manner submit a check request/purchase request as budgeted or as directed by a club vote.
- Prepare and present a summary of income and expenses at each meeting, as well as the current account balance.

# Important Financial Reporting Information for OK 4-H Program



**Volunteers, parents and county educators are responsible for being aware of, communicating the financial information and following the good practices contained in this guide.**

## Financial Guidelines for Oklahoma 4-H Clubs

Under U.S. Department of Agriculture and Oklahoma State University guidelines, the county Extension office is required to keep track of all transactions related to finances in 4-H clubs. It's extremely important that all 4-H clubs/groups/organizations using the name and emblem be transparent with financial records – that is show the source of any money raised and how it is disbursed.

Clubs do not pay county, state or national membership dues. Local clubs may choose to raise money for their club goals through fund-raising, fees or both. A club treasury is optional but strongly encouraged if funds are maintained for club use. Fund-raising should be done for the good of the total group and should be consistent with county/state/federal/school 4-H fund-raising policies.

Fund-raising should not be the main focus of group activities nor exclude any individual from participation. 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.

As of 2012 there is no longer a federal group exemption number for 4-H. Local clubs may qualify for tax exempt status through the University by having club funds handled through a county agency account, school account or county foundation. Counties with surplus funds (more than what is budgeted for use in a two year period) are strongly encouraged to transfer funds to a county account in the Oklahoma 4-H Foundation, Inc. 4-H organizations have the following options for managing funds:

### Option 1 - School Activity Accounts

4-H clubs that meet in the school or who are affiliated with a local school can place money in the school activity fund and receive tax exempt status from the school. The club would be responsible to follow the school's policies regarding check requests, reports, etc. In some cases this option might also allow the club to avoid paying taxes on purchases if they were made directly by the school.

Be sure there is a written statement of understanding stating the funds belongs to (name) county 4-H in the event the club dissolves or the charter is revoked.

### Option 2 - County Agency Fund (recommended by Internal Audits)

Local club accounts were closed prior to July 1, 2012 and all funds moved into sub-accounts within the County Agency Fund. Based upon the amount of activity, the county administrative assistant might need to work with club treasurers to set up some operational procedure for handling and verifying deposits, distributions, etc.

With this system the county could also transfer funds to the Oklahoma 4-H Foundation, where each county currently has an account. The Foundation would not set up sub accounts for each local club but would provide regular account balances to the county. Counties would need to keep track of the individual club funds. These funds would not be invested funds on behalf of the county and interest gained would be retained by the 4-H Foundation. However, if the county has accumulated a large amount of funds they could consider setting up endowments within the Foundation and be earning interest.

### Option 3 - Local 501c3

Local clubs or counties could apply for their own 501c3 status and set up an accounting system and report their own tax liabilities to the IRS. <https://www.irs.gov/Charities-&-Non-Profits/Application-Process> Current county 501c3 4-H foundations will need to apply for a Group Exemption Number if the local clubs wish to be subordinates of the

foundation by moving their funds into the established local foundation. In other words if the county leader's council is a 501c3 it does not cover the other clubs in the county unless they are covered by a GEN or the foundation was originally set up as part of that county foundation.

For Counties, Boards, Shows etc. that may wish to become a 501c3 the following information will be helpful. Keep in mind that groups like livestock show committees that handle premium sale money might have a hard time passing the test unless most of the money they handle is not restricted. In other words their primary purpose cannot be to receive money from a buyer and cut a check to an exhibitor. These transaction are not charitable because they are not gifts to 4-H they are income to the exhibitor and are to be reported by the exhibitor in most cases.

**Publication 1635** (Rev. 2-2014)  
[www.irs.gov/pub/irs-pdf/p1635.pdf](http://www.irs.gov/pub/irs-pdf/p1635.pdf)  
Understanding your Employer Identification Number (EIN)

**The following guidelines are in effect to help clubs fulfill their responsibilities for handling funds:**

**No Personal Accounts -**

Club/group money should never be put/co-mingled in someone's personal banking or savings account.

**Budget -** Clubs/groups are strongly encouraged to prepare and follow a budget each year. A budget is a written plan for raising and spending money for a set period of time, usually one year.

Since the members of the club approve a budget, it's not necessary to seek approval for payment of items already listed in the budget. If a club doesn't have a budget or items arise that are not part of the budget, each item needs to be presented to the members for approval before payment.

This accomplishes two things. First, all expenditures of the club funds are made with the full approval of the club. Second, this is a great way for the club members to learn how money flows into and out of an organization.

**Receipts -** All money received should be acknowledged with a written receipt (two-part or pre-numbered preferable). The receipt should include the source of the funds (such as a car wash, pizza sales, workshop fee, etc.), the date, and the name of the person turning in funds. These receipts are the back-up documentation for any bank/account deposits. The receipts become a permanent part of the club records.

Club funds should be taken within 3 days to the agency/school to be deposited.

The club treasurer then transfers information from the receipt(s) to the internal club records. See sample form on page 19.

**Cash –** Any time cash is used for start-up money in a cash drawer, cash is turned over at a shift change in a concession stand, funds are turned in for a fund raiser, silent auction, etc., two people should count the money, agree on the amount and then sign, date and record the time of the cash audit. Use the same process when cash is being transferred from the 4-H fund raiser (cash drawer/money bag/collection) to be taken for deposit to the agency/school/foundation account. Documentation of the audit should be filed with the treasurer/shift leader/designated person.

The "Cash Count Worksheet" on page 20 can be used to account for cash being taken to the agency/school/foundation for deposit.

**Payments/Reimbursement -** Payments should be made only in response to a formal written bill/invoice/receipt. **All receipts MUST be originals.** State law will not allow OCES to make reimbursements for gas receipts. Instead the individual must be reimbursed for mileage.

The itemized invoice/bill/receipt must clearly state what was billed/purchased with the check/credit card and the date paid. This is then attached to the Check Request found on page 17 and turned in for reimbursement.

Keep a copy of all paperwork as a permanent part of the treasurer's records. This practice is very important to protect the treasurer's credibility.

**Tax Exemption –** A Foundation/OCES/school tax-number may only be used when an educational purchases is

made directly by the agency assigned the tax-number.

Authorized purchases made by an individual may be reimbursed, the merchandise amount as well as tax by producing an original receipt and check request authorized/approved by the club.

**Financial**

**Dispute/Discrepancies -** The Extension staff responsible for 4-H Youth Programs must investigate the disbursement of funds by any club if 4-H members or parents make a complaint or an audit is called into question. Issues of this nature can be decreased or avoided by following the guidelines in this guide.

Concerns can be settled quickly if clubs have kept their books up-to-date and have followed good practices. When irregularities are discovered, the staff will report those to their appropriate supervisors and legal action will be taken as necessary.

**Charter Revoked/Club**

**Disbands –** Any 4-H group/club that disbands or the charter is revoked remits those funds to the county Parent-Volunteer Association, Foundation, 4-H council or county Extension office. All property belonging to the club must be disbursed in the same manner.

Club members may request that the money be used for a specific 4-H program within the club, county or state. This request will be acted on by the county 4-H PVA in concert with the Extension staff responsible for 4-H Youth Programs at the time the club is dissolved.

If a club divides, creating more than one charter club, the funds from the original club must be evenly disbursed, based on

membership, in each club. Because the funds are public not private they cannot simply be divided among the members. Funds could however be used to provide member support for 4-H functions/activities after a vote of the membership.

**School Accounts** - It is the county educator's responsibility to meet with school officials holding/managing 4-H club funds so there is no misunderstanding as to who the funds belong to. *If a club disbands or the charter is revoked the funds belong to 4-H, not the school.* If this is not acceptable to school policy the funds should be held in the county extension office.

**Taxes** – 4-H groups are not exempt from paying tax on purchases, they are just exempt on having to collect and remit sales tax on items being sold as part of the fundraising. Revised 8/2008

Sales Tax—Title 68, Section 1356, No. 14 of the Oklahoma Tax Code exempts from sales tax those purchases made for the purpose of raising funds for 4-H activities. Clubs that plan to do significant amounts of sales should apply for a “tax exemption permit” card with the Oklahoma Tax Commission. This card will allow you to make exempt purchases and obligates the club to make regular report of transactions to the IRS, even those that are exempt.

**Fund Raising** – All fund-raising activities should be reviewed and approved by the Extension Educator or CED before the event. All money raised using the 4-H name must be used only for 4-H activities/programming. Because these funds are publicly

accountable, they must not be used in any way to enrich individuals. This means that money may not be given out to individual club members or others, but must be used to pay for educational programs, activities, workshops or 4-H club supplies. Money may be used to fund county, state or national 4-H programs.

**Charitable Contributions** – Ask the following question of the donor, “Do you desire a charitable contribution receipt for the item(s)/money being donated?” To review the procedure go to page 21 and page 22 to see a copy of the Gift Determination Form to be completed by the county extension office.

The Internal Revenue Service has requirements and documentation for charitable contributions and non-cash gift valued at \$500 or more. In such cases, the donor is responsible for consulting a qualified attorney or accountant.

Valuation of a non-cash donation is the responsibility of the donor, in consultation with his or her tax advisor and individuals qualified to appraise items of this type. It is not appropriate for a 4-H group, staff member or volunteers to place a value on items donated.

**Non-Charitable Monetary and/or Non-Cash Gifts/Donations** – This refers to donations where the donor does not want a “receipt” for tax purposes.

Non-cash donations to clubs (for example, consumable donations of supplies or miscellaneous items) should be acknowledged in writing to the donor. A copy of

acknowledgment (thank you note) should be kept in the club treasurer's records.

A club should not feel compelled to accept consumable donations, such as equipment or animals unless the club is prepared to accept the responsibilities of ownership including care, maintenance and insurance. Written acknowledgment should be sent to the donor, a copy of the acknowledgement should be placed in the club file of the extension office stating where the items will be kept and who is assuming responsibility. Keep a copy in the club treasurer's records.

Contact the county educator whenever there is a question about the appropriate action with respect to accepting and managing any donation.

**Signatures** – *No OCES staff member's signature may appear on any 4-H account belonging to a 4-H club/group.*

**Annual Account Reconciliation and Reporting** - At a minimum, the club leadership team shall request an annual financial accounting of funds from the county office/school activity fund/foundation. The club's leadership team shall review and formally approve the accounting report. A record (minutes from a meeting) of the club's approval shall be filed with the entity managing the funds. **Report due no later than June 30 and is required to maintain a 4-H Club Charter**

4-H Club accounts managed by a school are not exempt from following the procedures noted above.



## Common questions:

Some common questions about Oklahoma sales tax and how it relates to Oklahoma State University Extension-related organizations are answered in this section.



### **I thought Extension and 4-H were exempt from sales tax.**

When a 4-H club, PVA or foundation buys something for a 4-H program(s), it doesn't pay sales tax or remit tax if you have a tax-exempt card authorized by the IRS. If your club does not have a card (number) you are responsible for paying the tax on items purchased. If the merchandise is purchased directly by an agency account, their tax exempt status will apply to the purchase.

Title 68, Section 1356, No. 14 of the Oklahoma Tax Code exempts from sales tax those purchases made for the purpose of raising funds for 4-H activities. Clubs that plan to do significant amounts of sales should apply for a "tax exemption permit" card with the Oklahoma Tax Commission.

Generally, there is a break-even amount that needs to be considered when applying for exemption. If you do not plan to purchase at least \$300 annually for re-sale it is not cost effective to apply for the card and do the required reporting.

4-H groups do not have to collect and report sales tax on items sold as fund raisers. For your protection keep adequate record of income and expenses associated with the fund raiser. (Revised 10/20/05)

### **Do kids have to pay sales tax when their project animals are auctioned off?**

Yes, the seller is currently obligated to pay tax on the sale or premium collected over \$600. The 4-H member can claim the expenses involved in raising the animal using a Schedule F. The entity that conducts the premium sale is responsible for providing a 1099. The buyer can only count, as a contribution the amount above fair market value if they take possession of the animal. The complete amount can be claimed if possession is not taken. (Revised 10/20/05)

### **If our club holds a bake sale, a candy sale, a craft sale or a car wash to raise money, do we have to collect and pay sales tax on the proceeds?**

No.

### **Is there sales tax if we raffle off something or hold a drawing?**

No, however if the prize is worth \$600 or more a [1099](#) must be provided to the winner and reported to the [IRS](#). (revised 10/20/05)

Games of Chance are allowed by state law and under certain circumstances can be used to raise operating funds for groups and organizations. Be sure to reference the national 4-H fact sheet before proceeding with the fundraiser - Raffles, Lotteries, Gaming and 4-H 2011.

### **If we're not sure whether something our club is doing is taxable, what should we do?**

Generally, the very simplest thing to do is to go ahead and pay the tax. Check with your county Extension office, but keep in mind that 4-H is supported in part by tax dollars so you are indirectly supporting the program if you're paying sales tax and generally it will not make a significant difference in your margin of profits. Usually it's easier to raise the price of something enough to cover the tax than to worry about it.

If you have any questions or concerns about sales tax issues, contact the county, district or state 4-H office.

**Firearms** – Per, OCES communication 4/20/16, Extension Director, "The raffling of firearms is not approved by DASNR/OCES Administration. As such, the use of the 4-H Name and Emblem will not be authorized for use related to the raffling of firearms." Similarly stated in the 2017 [4-H Name and Emblem 4-H Professional's Handbook](#), page 9, "The 4-H Name and Emblem may not be used on or in association with the following types of products or services....Weapons." (added 11/2018)

For more information go to [4-H National Headquarters Fact Sheets](#) (2018) at <https://nifa.usda.gov/program/4-h-positive-youth-development>.

Part 2

# Treasurer's Record Keeping

Good Practices when handling Club Money

*Teaching and Learning 4-H Life Skills First Hand*





No matter which option (noted in part 1) chosen to manage club funds the following are good practices that can be taught and applied to the club, family, home, work or other organization. The skills and practices are developing 4-H Life Skills. Some of the practices, such as check writing, will not apply to the procedures currently in place regarding 4-H club accounts. The information is good to know for future practices.

## Handling Money

4-H clubs are public groups, open to all, without regard to race, color, national origin, gender, disability, religion or age. The money clubs receive from fees, bake sales and other fund-raising events is owned by the club, not by any one member or leader in the club.

A treasurer of a privately owned company is responsible to the other officers of the company and to the owners or stockholders for managing and controlling the assets of the company. These assets include cash, bank accounts, buildings, land and equipment.

The treasurer of a 4-H club is responsible to the other members, adult volunteers and the public. As of 2012 4-H club accounts will be managed through an agency account (Extension Office, School, 4-H Foundation). Some clubs will have non-cash assets such as equipment, but most do not have land or buildings to manage.

In most everyday organizations the treasurer is in charge of “keeping the books,” that is, writing receipts, maintaining a checkbook and check register, completing payment vouchers and balancing bank statements. You can meet the high standards as a 4-H club treasurer by studying and following good money handling practices found in this guide. These standards apply whether a group has 25 cents or \$2500 in the treasury.

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 when handling the club’s finances.

## Receipts

When you receive money from club fees or a fund-raising activity, always write a receipt for money received. Writing a receipt takes a little time, but it helps protect your credibility. 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. They are available from many office supply stores. If you make a mistake and have to void a receipt for any reason, mark both copies “VOID,” staple them together and keep them with the treasurer’s records. (See fig. 1 for a sample receipt.)

No. 1799	
Received	
From	<u>Mary White</u>
For	<u>Candy Sales</u>
By	<u>Tom Jones</u> \$25.00
Give white copy to customer	
Keep pink copy.	Date <u>3/3/2020</u>

Figure 1. Sample receipt.

Fees Form											
Activity/Project <u>Food Science Project Group</u>						Amount of Fees to be Paid <u>\$3.00</u>					
Members Name	Date and Fees Paid										
	9/25	10/2	10/8	10/15	10/22	10/29	11/5				
Mike Brown	3.00	3.00		3.00	3.00		3.00				
Martha White		3.00	3.00	3.00		3.00	3.00				
Randy Wright	3.00	3.00	3.00	3.00	3.00	3.00	3.00				
Terry Thomas	3.00	3.00	3.00	3.00	3.00		3.00				
Linda Long	3.00		3.00	3.00	3.00	3.00	3.00				
<b>Total</b>	12.00	12.00	12.00	15.00	12.00	9.00	15.00				

Figure 2. Sample fees form

## Receipts for Fees

There are no “Membership Dues” in the Oklahoma 4-H program; however, clubs may elect to assess fees for certain events or club functions. For example: your club may choose to ask each member to pay for the cost of insurance for the entire year or to underwrite the cost of a field trip, awards, project supplies, or other club functions. You don’t need to write an individual receipt for each person paying dues or fees. Just fill out the “Fees Form” (on page 18), total the amount of fees paid for the meeting and write one receipt for the total amount. On the receipt, write “club members” on the “Received” line and “Fees Received and the meeting date” on the “For” line (see figs. 2

and 3).

## Receipts for Money from Fundraisers

If your 4-H club holds a fund-raiser such as a bake sale or car wash, you don’t need to write a receipt for each person buying a cookie or having his or her car washed, but you (or the shift leader) do need to have two people count and receipt funds at the end of each shift or at the end of the day. See page 5 for more detail. Each group of workers must account for the money they have received.

Startup money in the cash drawer/money bag must be counted in the presence of at least two people. Write a receipt to record the amount

No. 1800	
Received	
From <u>Food Science Members</u>	
For <u>Project Club Supplies</u>	
By <u>Tom Jones</u>	<u>\$12.00</u>
Give white copy to customer	
Keep pink copy.	Date <u>9/25/09</u>

Figure 3. Receipt for fees.

No. 1801	
Received	
From <u>Martha White and Linda Long</u>	
For <u>Car Wash - July 17, 2009</u>	
	<u>2<sup>nd</sup> Shift</u>
By <u>Tom Jones</u>	<u>\$ 22.50</u>
Give white copy to customer	
Keep pink copy.	Date <u>9/17/09</u>

Figure 4. Receipt for money received from a fundraiser

and where the funds came from.

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. Then give them a receipt for the amount they gave you (see fig. 4)

### Non-cash Donations

A club should acknowledge noncash donations (consumable donations of supplies or miscellaneous items) in writing to the donor. Keep a copy of the acknowledgement with the treasurer's records and file a copy in the extension office as part of the club file.

Do not accept non-consumable donations such as equipment if the club is not prepared to accept the responsibility of ownership, maintenance and insurance. The Internal Revenue Service has requirements and documentation for charitable contributions and non-cash gifts valued at \$500 or more. Refer back to page 6 for more detail. A record of the donation, who has accepted responsibility and where it is stored should be filed with the extension office and placed in the club file.

### Bank/Agency Deposits

In most organizations checks that are made payable to the group must be endorsed by signing the group name (as written on the check). Figure 5 is a typical example. But Oklahoma 4-H clubs who receive a check written to the club or to an individual rather than the agency/school/foundation should follow this procedure:



Figure 5. "For Deposit Only" with a stamp.

Endorse the check over to the agency/school/foundation by writing "Pay to the Order of" the appropriate agency/school/foundation and sign it. See figure 11. DO NOT deposit the check into a personal account.

Organizations that handle a large numbers of

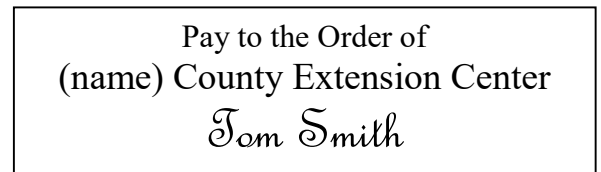


Figure 11. Endorsing a Check over to someone else

check, usually have a rubber stamp (see fig. 5) made with the organizations name and account number.

Keep these things in mind when making deposits:

- Endorse checks.
- Deposit all funds promptly. If your club receives more than \$10 at any time, take the money to the agency/school/foundation/bank within three days for deposit.

### Preparing Deposits

Total the receipts you have written since the last deposit and compare that amount with the amount of cash, coins and checks you intend to deposit. The two figures should agree.

If the figures don't agree, repeat the process. When the two figures do agree, prepare a deposit ticket or similar slip (figure 6) and "Cash Count Worksheet" before taking the fund

Deposit Ticket		
4-H Clover Club		
Date	9/26/2020	
	Tom Jones	
Sign here for cash received.		
Home Town	107300020	000555585

Currency	22	00
Coin		50
Checks	12	00
Total from other side		00
Sub-Total	34	50
Less Cash Received		00
<b>Total Deposit</b>	<b>34</b>	<b>50</b>

Figure 6. Sample check deposit slip.

to the extension office/school/foundation.

FYI - Deposit slips are usually supplied at the end of each pad of checks. Deposit slips are also available at the bank.

Follow these steps when filling out a deposit ticket or slip.

1. Date the deposit slip, page 17.
2. Use the "Cash Count Worksheet" for all currency (bills) and coins being deposited in the agency account.
3. On the deposit slip list each check number, the name on the check and its amount separately (Located on the back of an actual deposit slip).
4. Record the total deposit in the Internal Record of Club Finances (or checking account register) (see figure 9 and 10).
5. Keep a copy of the deposit slip, cash count worksheet with the receipt provided by the agency account/bank.

Check Request		
<u>4-H Clover Club</u>		
4-H club name		
Date: <u>9/24/2020</u>		
Pay to: <u>Homeland Grocery</u>		
(Copy of bill or statement must be attached.)		
Items Purchased:	Project:	Amount:
Food	Club Picnic	\$25.00
<u>Mike Brown</u> Club president's signature		Date: <u>9/24/2020</u>
<u>Martha White</u> Club secretary's signature		Date: <u>9/24/2020</u>
By: <u>Tom Jones</u> , Club Treasurer		

**Figure 7. Sample check request**

## Approving and Paying Bills

Part of your treasurer's report is asking for and receiving the club members' approval to pay the club's outstanding bills. After the members approve paying the bills, a check for the approved amount for each bill would be written.

The usual way to pay bills is with a check. Holding cash back from deposits and then using the cash to pay bills is **not** good practice, because it doesn't leave a record or provide proof of payment. A proper receipt protects your creditability as treasurer.

Because Oklahoma 4-H clubs do not have personal checking accounts and funds are managed through an agency account bills will be paid using a check request.

## Check Request

A check request is a form that records your 4-H club's approval to pay a bill. Prepare the check request and submit it along with the bill/invoice/original receipt to the agency (see fig. 7). This provides documentation that the club approved the funds being spent. Blank check requests are found on page 17.

## Checks

Someday you may be a treasurer of an organization which has a checking account. Follow these steps when writing checks.

1. Use ink.
2. Never erase a mistake. If you make a mistake, write "VOID" on the spoiled check and start a new one. Keep the voided check, don't destroy it.
3. Write the day's date on the check.
4. Start writing the name of the person or business to whom the check is payable as close to the "pay to the order of" as possible.

Internal Record of Club Finances						
Cash/Checks Received (Income +)			Bills Paid Out (Expense -)		Balance	
Date	From What Source	Deposit (Debit) Income Amount (+)	To whom and for what purpose	Expense (Credit) Amount Paid Out (-)	Starting Balance. Balance at the end of each entry.	
					50	.75
9/24			Homeland Grocery	25.50	25	.25
9/26	Deposit - workshop fees	34.50			59	.75

Figure 9. Sample Internal Record of Club Finances

- Leave as little space as possible between the figures and words when filling in the amount lines. This helps prevent someone from changing a \$1 check into a \$100 or \$1000 check.

4-H Clover Club		9/24	2020	1152
PAY TO				33-22/730
THE ORDER OF	Homeland Grocery			\$25.00
	Twenty five & 50/100			DOLLARS
Home Town				
Trust & Savings Bank				
PURPOSE	Picnic		Tom Jones	

Figure 8. Sample 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. One of the two adults listed on the account must also sign each check.
- Use the memo line and write a short description of the purpose of the check.
- If a blank check or one written on the club's account is lost, notify the customer service department of the bank at once.

## Maintaining the Check Register

Today there are computer software programs (such as Quicken and Quick Books) to help make bookkeeping easier. The reports printed

by these accounting methods are acceptable for monthly and annual reports and assist with bank reconciliation statements. However, if you must work without computer assistance, follow these steps in keeping a checking account register. Note this process is similar to the Internal Record of Club Finances referred to earlier. Oklahoma 4-H clubs should not have a checking account.

- Write the check number and the date it was written in the appropriate columns.
- In the "description of transaction" column, write to whom the check was made payable.
- Enter the check amount in the "payment/debit" column and in the balance column. Then subtract the check amount from the account balance on the line above and enter the new balance.
- You can use the "T" column at the end of each month when you reconcile the account against the bank statement. Use this space to check off the checks and deposits that have cleared the bank (this information comes from the bank statement or the checks that have been returned to you).

When the club account is managed by another agency your club records will be used to reconcile against the agencies records.

- The "Fee, if any" column is the place to list any fees the bank has charged your club for cashing or purchasing checks or for preparing an account statement. Fees (service charge) will appear on the bank statement. Enter the fee amount and

Checking Account Register									
Record All Charges That Appear On Your Statement									
Number	Date	Description	Payment/Debit (-)	T	Fee (If any) (-)	Deposit/credit (+)	Balance		
							50	.75	
1152	9/24	Homeland Grocery	25.50				25	.25	
---	9/26	Deposit				34.50	59	.75	
---	9/26	Statement Fee			3.00		56	.75	

Figure 10. Sample Check Register

subtract it from the account balance and record the new balance.

- Record the amount of any deposits in the “deposit/credit” column. Then add the deposit amount to the account balance on the line above and record the new account balance straight across.

### The Treasurer’s Report

A treasurer’s report informs members of the club’s financial activity since the last meeting. Circulate a copy of the report (Internal Record of Club Finances) and a copy of the agency ledger account, if available. Then present for club approval any bill(s) to be paid.

After the club has reviewed your treasurer’s report and verified that it is reconciled with the agency account activity, 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 a copy of the treasurer’s report into the minutes.

The treasurer keeps a copy of all documentation - the agency account ledger, treasurers report, Internal Record of copies of check requests approved, receipt books etc. in the club’s permanent records

### 4-H Funds in School Activity/Agency Accounts

In some communities, where 4-H is closely affiliated with the public school, funds may be handled through a school activity account. While this does provide a good accounting system there are often more steps needed to deposit and spend funds, as the school’s accounting guidelines and policies of the school district must also be followed.

In some cases, there may be guideline conflicts with how funds are spent, especially if the club is dissolved, the charter revoked or fundraising done through the school. Before placing club funds in a school activity account, be sure to consider the pros and cons of this arrangement. Talk with school administration; know their rules and restrictions, as well as making them aware that funds belonging any organization using the name and emblem belong to the Cooperative Extension Service 4-H Youth Development Program.

It should be noted that any group or individual that collects funds under the name of 4-H must follow the federal “name and emblem” use guidelines which are available online at: <http://nifa.usda.gov/resource/4-h-name-and-emblem>.





**Please photocopy as needed**

**Check Request**

---

4-H club name

Date: \_\_\_\_\_

Pay to: \_\_\_\_\_  
(Copy of bill, invoice, or original receipt must be attached.)

Full Mailing address: \_\_\_\_\_

Items purchased:	Project:	Amount:

Date Approved: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_

Club president's signature

\_\_\_\_\_ Date: \_\_\_\_\_

Club secretary's signature

By: \_\_\_\_\_ Treasurer

**Deposit Slip**

---

4-H club name

Date: \_\_\_\_\_

Complete and attach **Cash Count Worksheet** for all coins and currency.

List all checks below:

Check #	Name on Check	Amount:

Total checks \_\_\_\_\_

Total Cash from Cash Count Worksheet \_\_\_\_\_

**Total Deposit** \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_

Club president's signature

\_\_\_\_\_ Date: \_\_\_\_\_

Club secretary's signature

By: \_\_\_\_\_ Treasurer

## Fees Form

Activity/Project: \_\_\_\_\_ Amount of Dues to Be Paid \_\_\_\_\_

Member's Name	Date and Fees Paid											
<b>Total</b>												

Date \_\_\_\_\_ Treasurer Signature \_\_\_\_\_

**Please photocopy as needed**

### Internal Record of Club Finances

Cash/Checks Received (Income +)			Bills Paid Out (Expenses - )		Balance
Date	From What Source	Deposit (Debit) Income Amount (+)	To whom and for what purpose	Expense (Credit) Amount Paid Our (-)	Starting Balance <small>Balance at end of each entry</small>
<b>Total</b>					

Date \_\_\_\_\_ Treasurer Signature \_\_\_\_\_

**Please photocopy as needed**

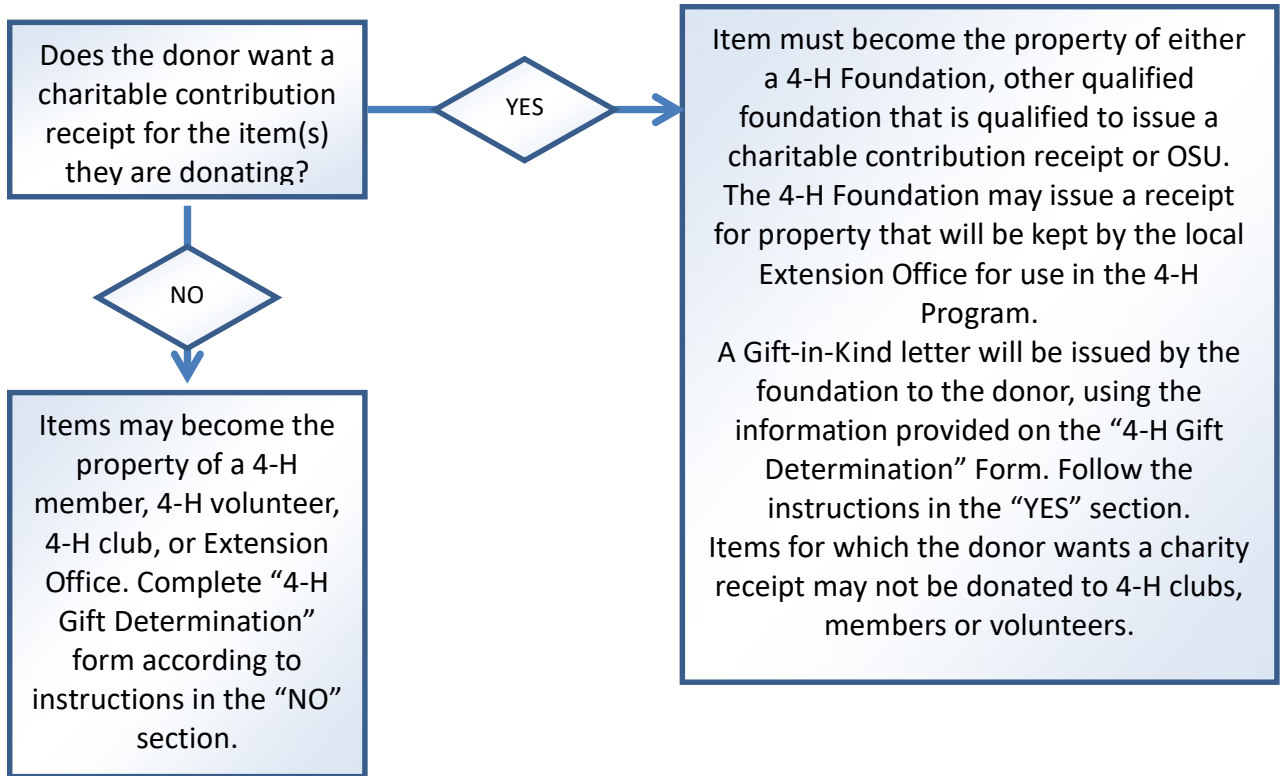
# Cash Count Worksheet

For Events/Fundraisers Receiving Cash  
To Be Completed by Two Individuals at End of Event

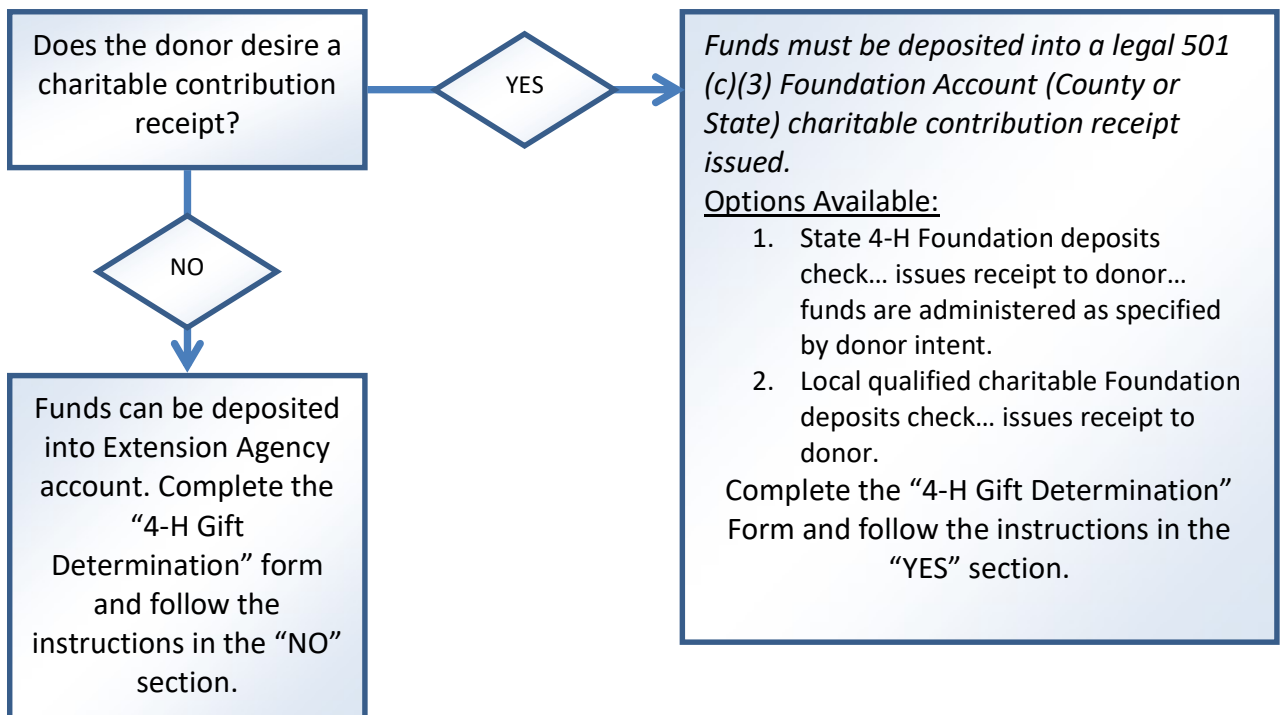
Event/Source of Funds:						
Date:						
Coins						
Pennies		@ \$0.01=	\$	-	Total Coin: \$	
Nickels		@ \$0.05=	\$	-		
Dimes		@ \$0.10=	\$	-		
Quarters		@ \$0.25=	\$	-		
\$.50 Piece		@ \$0.50=	\$	-		
\$1.00 Piece		@ \$1.00=	\$	-		
Currency (Bills)						
Ones		@ \$1.00=	\$	-	Total Currency: \$	
Twos		@ \$2.00=	\$	-		
Fives		@ \$5.00=	\$	-		
Tens		@ \$10.00=	\$	-		
Twenties		@ \$20.00=	\$	-		
Fifties		@ \$50.00=	\$	-		
Hundreds		@ \$100.00=	\$	-		
						-
Total Cash:					\$	-
Counter #1			Counter #2			
	Print Name			Print Name		
	Signature			Signature		

12/2014

## Donation of Item(s):



## Monetary Gift:





# 4-H GIFT DETERMINATION FORM

Date of Check \_\_\_\_\_

Amount of Check \$ \_\_\_\_\_

-or- Description of Item Given \_\_\_\_\_  
& fair market value of item as determined by giver \$ \_\_\_\_\_

Received By \_\_\_\_\_  
(4-H Club Officer or Extension Personnel)

**GIFT DETERMINATION: Does the person expect the gift to be tax deductible?**

**If "Yes":**

1. Describe the intended use of the gift, unless the intent is clearly noted on the memo line of the check.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. The check should be made payable directly to the 4-H Foundation. A county 4-H Foundation must be on the IRS list of approved 501(c)3 charities.
3. Do NOT deposit the check in the Extension Agency Account. The Extension office shall retain a copy of both the check & this completed form.
4. If the check is going to a county foundation, make sure it goes to a qualified officer for deposit and receipting. If the check is going to the Oklahoma 4-H Foundation, please mail it to the following address: Mail check together with this original form directly to:

Oklahoma 4-H Foundation  
205 4-H Youth Development Building, OSU  
Stillwater, OK 74078

**If "No":**

1. The check should be made payable to the Extension office.
2. The Extension office shall issue an OCES receipt to the giver and deposit the check into its Agency Account, assigning the transaction to the appropriate 4-H club category in Quicken. The funds will be used for that particular 4-H club's programming or event sponsorships.
3. If the Amount is over \$500, the Extension office will complete a Routing Questionnaire and send to the District Office for approval to administer within Agency Account.
4. The Extension office will retain this form with the related Deposit Register.

As of 2/3/2015



**OKLAHOMA COOPERATIVE  
EXTENSION SERVICE**

# 4-H Youth Development

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