

TREASURER HANDBOOK



COLLEGE OF AGRICULTURE & LIFE SCIENCES
**Cooperative
Extension**





Adapted from: California 4-H Treasurer's Manual; Massachusetts 4-H Treasurer's Guide; Michigan 4-H Treasurer's Record Book; Missouri Manual for 4-H Club Officers; Texas 4-H Treasurer Manual; and Wisconsin 4-H Club Management: Supporting the Club Treasurer.

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Congratulations! You have just been elected to serve as Treasurer of your club. As the club's treasurer, you are responsible for taking care of the club's money and bank accounts. Most importantly, you're in charge of "keeping the books" (that is, your club's receipt book, checkbook and check register, payment vouchers and bank statements). This responsibility requires honesty, integrity and cooperation with your club's members and leaders. You can become a 4-H treasurer of character and meet the high standards required by this position by studying and following the money-handling methods found in this book. These standards apply whether a group has 25 cents or \$2,500 in its 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 you handle your club's finances.

DUTIES OF THE TREASURER

To understand and accept the responsibilities of Treasurer I will:

- Work cooperatively with my club leader to learn the duties of Treasurer.
- Meet with the club officers and club leader to develop a club budget for the year to submit to club members for approval.
- Inform the bank where my 4-H club's funds are deposited that I am the new treasurer, and sign the appropriate forms so I can write checks drawn on that account.
- Report required information whenever requested by my county UA Extension staff and follow the policies established by the University of Arizona, UA Extension, and the Arizona 4-H Youth Foundation.
- Handle all money matters for my 4-H club and accept adult guidance when necessary.
- Account fully for all money that is received and/or spent.
- Deposit all funds my group earns or receives in the bank as soon as possible after receiving them, usually by the next business day.
- Pay all club bills promptly as directed by the president and approved by members.
- Maintain financial records including copies of all invoices, bills and cash receipts related to the funds and property of your club. Save your receipts; they are important!
- Balance/reconcile the ledger reports with monthly bank statements. A ledger is a record of all funds earned, owned or spent. Balance refers to the money spent versus the money your club has.
- Prepare and present a Treasurer's Report for club business meetings that includes a summary of income and expenses and report on the current bank account balance(s).
- Keep an inventory list of club property and equipment.
- Prepare an Annual 4-H Club/Group Financial Report for all accounts and submit it to my county Extension office as requested.

Getting Started

After you have reviewed and accepted your responsibilities and duties, it is time to get started. If your club is new or has not established a bank account, you will need to work with your club leader to apply for an Employer Identification Number (EIN) number from the Internal Revenue Service (IRS). Once you have an EIN, you and your club leader will need to setup a bank account. Refer to (Appendix A) How to Get an Employer Identification Number (EIN) for New 4-H Clubs and (Appendix B) Setting up a 4-H Club Bank Account fact sheets.

- For clubs with existing bank accounts, you will receive the club funds and records from the previous club Treasurer. Last year's financial records should have been reviewed by the club's Finance Committee. Make sure the amount of money you receive agrees with the previous Treasurer's report. If the records are incomplete, suggest to your club leader that you meet with the previous Treasurer and leaders to straighten out the records. **Do not accept incomplete records.**
- Once elected, you, the other authorized signer (preferably an adult leader), and the club leader should update authorized signers on the account at the bank. The three persons on the signature card should not be from the same family. Make sure you sign all checks the same way you sign the signature card. Banks usually request a copy of the meeting minutes which show you were elected Treasurer, and the others are authorized signers.
- Be sure to order checks with two signature lines. This indicates to the bank two signatures are needed for a check to be deposited or money to be withdrawn.
- Ask the club President to establish a Finance Committee. Work with this committee to develop a budget for the year. The Finance Committee should present the proposed budget to the club for approval. When the budget has been approved by the club, make sure you keep a copy of it in your treasury records.
- Obtain a multi-copy, pre-numbered cash receipt book. Receipts must be written for money received throughout the year.
- A Treasurer's Report should be reflected in the club's monthly meeting minutes.

Notice of Disclosure to Parents/Guardians

Minors as Signers on Accounts: Being elected treasurer is a great learning and leadership experience. It is an opportunity to learn about finances, accounting, and club operations. The treasurer helps plan the club's budget for the year, keeps all the banking and financial records for the club, and helps make sure that the club's money is used responsibly, ethically and fairly. The treasurer is also a signer on the club's accounts. Most clubs have one checking and one savings account. The role of treasurer is important and includes a great deal of responsibility. Like any role with responsibility, there are a few things you and your parents/guardians should know to make sure you fully understand your role as a club treasurer.

- Some banks may require written approval from a parent or guardian to accept the minor as a signer (to assure full disclosure to the minor's parents/guardians).
- It is likely that the bank will perform a "know your customer" (KYC) check before accepting the minor as a signer (this is a requirement of the Patriot Act). This may require that the minor provide the bank with his/her legal name, social security number and one or more government issued picture IDs (driver's license, passport). Each bank will use its own form of background check and it is possible that a minor could be denied due to any negative results that arise from a KYC check.
- If you do not want your child to serve as a signer on the club's accounts, please notify the club leader immediately and another youth officer will fulfill this role.





POLICY AND PROCEDURES FOR CLUB TREASURERS

4-H club treasurers serve a very important role in handling club funds professionally and ethically. As a result, it is critical that 4-H policies and procedures be followed to ensure that we are accountable for public funds and that our management practices are transparent. Most 4-H clubs raise money to support club activities through the collection of dues or by holding specific fundraisers. Because 4-H is an educational nonprofit organization authorized through the USDA, several procedures must be followed when working with a club treasury. The key point to remember is the ability to show and prove proper accountability.

Each club/group maintaining funds (more than \$50) on hand or having material assets must have a club savings/checking account. All accounts require a minimum of two authorized signors on the account and two signatures on all checks and they must not be from the same family.

Youth participants will be permitted to handle money matters and serve as the elected Treasurer. This can be a great learning experience. They may need guidance from a volunteer, but this can be given and still permit maximum participant involvement.

Sound businesslike financial transactions of funds include:

- Use of a budget which is compared to actual figures monthly.
- Pre-numbered duplicate copy receipts must be issued for all money at the time it is received. The duplicate copy must be kept for seven years.
- Cash collections should be under the control of two people wherever possible.
- All receipts must be deposited in the bank on a timely basis.
- All disbursements (payments) should be made by check, and supporting documentation must be kept for each disbursement.
- Two signatures (not from the same family) required on all club accounts.
- Fixed asset records (long term equipment) must be maintained and an inventory taken annually.
- A finance committee of two to three persons must conduct a financial record review prior to the treasurer submitting the annual financial report to the county.

Minimal treasury balances (less than \$1,000) are preferred unless funds are being raised for an authorized major project or endowment. The maximum allowable 4-H Treasury Balance is the current year of expenses, plus one additional year of club expense dollars. Expenditures are to be authorized only by club members for club purposes. Never allow one person or clique to control the treasury, not even the 4-H club's organizational leader.

Bank Accounts and Employer Identification Number (EIN)

4-H clubs are not required to open a bank account unless they have money. However, if the club plans to handle money, conduct fund-raisers, pay bills, accept monetary donations or other financial dealings, the club must have a bank account and must also apply for an EIN number with the IRS using the online application or SS-4 form (see Appendix A). Personal social security numbers are NOT to be used to open a bank account for the club. In most cases, your club will already have a bank account at a financial institution, so you will simply need to update the signature card to include your name and others who can have access to the bank records for your club.

Separation of Duties

The person who collects funds and the person who writes the checks should NOT be the same person. These responsibilities should be shared so that there is a clear separation of duties. In the same way, every check should require 2 signatures—the 4-H club treasurer and an adult volunteer. These two people should not be from the same family.

The person who writes the checks should NOT be the one who also reconciles the bank statement. Bank statements should be delivered unopened directly to the reconciler. This person may be the 4-H club leader or an adult leader in your club.

Laws Affecting 4-H Club Funds

4-H club funds belong to the club and not to individuals in the club. These are public funds and a club treasurer's records must be open for inspection at any time by anyone. In addition, your 4-H club has tax exempt status under the tax status of the Arizona 4-H Youth Foundation. To maintain your tax-exempt status and be chartered as a 4-H club, you must annually file a year-end financial report of your club's finances with your county Extension office. (<https://extension.arizona.edu/4h/state-forms>) Your club will be listed on the Arizona 4-H Youth Foundation's annual 990 report. You do not need to file a specific report with the IRS.

Maintaining your tax-exempt status through these steps allows your club to accept donations from individuals and those individuals can then claim the donation as a charitable contribution on their income tax filing as allowed by law. Being tax exempt does NOT exempt your club from paying sales taxes, you must pay sales tax on purchases.

Fundraising/Review and Approval for Fundraising

All fund-raising activities must be reviewed and approved by your county Extension 4-H agent or county Extension director before the event. To begin the review and approval process, complete and send the "Request for 4-H Club Fund Raising Program Approval" application to your county office at least 2 weeks before the event.

This form should be submitted for approval for any fund raiser that might potentially raise more than \$100. (<https://extension.arizona.edu/4h/state-forms>) You may hold the fund-raiser only if you receive this approval. Within 10 business days after the event, you must submit a report indicating how much was raised. County approval is not required for club approved fundraisers expected to make less than \$100.

Games of Chance

As an educational youth development organization, we strongly discourage the use of drawings, raffles and various kinds of games of chance to raise money to support 4-H programs. Asking youth to sell tickets for games of chance is discouraged. We prefer that those involved in 4-H initiate fund-raising efforts in which people receive a product or service unique to 4-H. If, however, counties decide to hold games of chance, they need to follow the laws governing such games. In Arizona, raffles are regulated by the county attorney's office. Additionally, the 4-H Name and Emblem may not be used on or associated with products and services sold as part of 4-H fund raising programs where an endorsement of a commercial firm, product or service is either intended or effected.

For more information about National 4-H policies, visit: <http://nifa.usda.gov/sites/default/files/resource/Raffles%20Lotteries%20Gaming%20and%204-H%202011.pdf>



Use of Raised Funds

All money raised using the 4-H name and emblem must be used ONLY for 4-H activities. 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 to individual group members or others, but must be used to pay for educational programs, activities, workshops, trips or 4-H group supplies. Money may be transferred to fund county, state or national 4-H programs.

Disbanded Group's Treasury

Any 4-H club or group that disbands with money left in its account must distribute those funds as stated in the club's constitution and bylaws within a minimum of one (1) month after disbanding. All funds in the club/group treasury and any other property can only be given to another non-profit organization, such as the local 4-H council or the Arizona 4-H Youth Foundation, not to individuals in the club/group. All property belonging to the club must be disbursed in the same manner. Club members may request that the money be used for specific 4-H programs within the club, county or state. This request will be acted on by the county 4-H council in cooperation with the Extension agent responsible for 4-H Youth Programs at the time the club is dissolved.

All 4-H clubs are an activity under the Arizona 4-H Youth Foundation's tax-exempt status; therefore, clubs do not notify the IRS that they have disbanded. Instead when county annual reports are submitted to the foundation the club will be marked as disbanded and they will be removed from the Foundation's annual listing of clubs.

Credit/Debit Cards

4-H clubs are not to accept or use ATM, credit or debit cards issued by the bank. If such cards are received, they should be destroyed immediately.

Finance Committee and Financial Record Review

All 4-H clubs must have a finance committee review their financial records once a year (before submitting their Annual Financial Report to the county Extension office).

The Finance Committee should consist of two or three people. The reviewers who conduct the financial record review cannot be the treasurer, an account signatory, or a parent or guardian of the treasurer or of an account signatory.

The Financial Record Review does not have to be a daunting process. The reviewers do not have to be certified CPAs or accountants. The reviewers' task is to check the treasurer's records to make sure there are no inconsistencies in bank statements, cash and checks are being recorded and deposited properly, and the balances are correct.

The financial review form is found on the Arizona 4-H website (<https://extension.arizona.edu/4h/state-forms>)

The Annual Budget

The annual 4-H budget is used by the members, treasurer and other officers and 4-H volunteer leaders for planning expenses and approving bills. Appendix C is the Annual Budget form that can be used to develop your club's budget for the year.

- The 4-H fiscal year is October 1 through September 30.
- Each club/group should have an annual budget that is developed and voted on by the membership.
- It should reflect the reasonable projected expenditures and income for the 4-H Club.



- It serves to guide the decision for any fund raising that may be needed.
- Items that arise during the year that are not part of the budget, must be presented and voted on prior to using the 4-H Club funds.
- All votes must be documented in 4-H Club/Group minutes. This information is needed for the payment of the bills and the annual 4-H financial review.

A tentative annual budget should be set by the officers and volunteer leaders at the beginning of each 4-H fiscal year or as soon as a new club is organized. Using the past years' expenses and projected annual expenditures will guide the development of the annual budget. The tentative budget is presented to the 4 H Club members at the first possible meeting of the new fiscal year, discussed, revised as needed, and approved by the membership. Record the vote in the 4-H Club minutes. Make the changes that were agreed upon by the membership. This is the 4-H Club's budget for the year.

Keeping track of what you planned and what happened will help you improve your planning in the future. For instance, if your club budgeted to earn \$250 for a car wash fundraiser but "actual" income was \$140, on the budget form you would record \$140 in the column titled ACTUAL next to that estimated income. You would report that you are "under" budget. If you earned more than what you budgeted, you would say you are "over" budget.

HANDLING FUNDS

Collecting Money

Lock your money and receipts in a cash box. When you receive money from dues or a fund-raising activity, you must always write a receipt for it, preferably pre-numbered with a carbon copy (Figure 1). The receipt should include the source of the funds (such as a car wash or bake sale), the date, and if possible, the name of the person making the payment. These receipts are the backup documentation for any bank deposits made. The receipts should also become a permanent part of the club or group records. Writing a receipt takes a little time, but it helps protect your reputation. Without a receipt, there is no way to prove that your 4-H Club or group received a specific amount of money or that you handled it correctly.

If your 4-H group holds a fundraiser 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) need to write one receipt at the end of each shift or at the end of the day. Each group of workers must account for the money they receive. Two people, other than you, 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.

No. 1744	
Date _____	Amount \$ _____
Received from _____	
For _____	
By _____	
Give white copy to customer. Keep pink copy.	

← pre-numbered

← duplicate copy



If your 4-H group holds a fundraiser 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) need to write one receipt at the end of each shift or at the end of the day. Each group of workers must account for the money they receive. Two people, other than you, 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.

Acknowledging Noncash Donations

You should acknowledge noncash donations (for example, consumable donations of supplies or miscellaneous items) in writing to the donor. Keep a copy of the acknowledgment with your treasurer's records. Accept non-consumable donations such as equipment only if your group is prepared to accept the responsibilities of ownership including care, maintenance and insurance. Before accepting donations of equipment or other noncash gifts greater than \$1,000, your club leadership will need to meet with the local 4-H Agent to discuss the decision. The Extension Agent responsible for 4-H Youth programs should be contacted whenever the group has questions about the appropriate action with respect to accepting and managing any donation.

_____ 4-H Club/Council, _____ County
Date: _____
Donor Name: _____
Donor Address: _____

Received by: _____
Arizona 4-H clubs and councils are a subsidiary of the Arizona 4-H Youth Foundation - Federal Tax ID# 23-7083384. This receipt confirms that you have not been provided any goods or services in return for this contribution that would limit deductibility. The donor will determine the fair market value of the items donated. County office contact information is available at https://extension.arizona.edu/people-search .

Figure 2. Sample non-cash receipt

Making Bank Deposits

Before you deposit a check, the person to whom it is payable must endorse (sign) the back of it. Checks that are made payable to the group must be endorsed by signing the group's name (as written on the check) and the treasurer's name. If someone writes a check payable to you that is intended for your 4-H group, endorse it by writing "Pay to the order of (your group's name)" and signing it. You may want to have a rubber stamp made with the group name and account number on it to save you time (and wear and tear on your writing hand). (See Fig. 3 for a sample rubber stamp.)

Keep these things in mind when making deposits:

- Endorse checks immediately when you receive them. Make sure to endorse them with the phrase "For Deposit Only" if you are not going to the bank immediately so that if the check is lost or stolen it can't be cashed.
- Deposit all funds promptly. If your group receives more than \$10 at any time, deposit the money within three days. The best practice is to deposit daily or the next day the bank is open.



Preparing Deposits

Total the receipts you have written since you made 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 they don't, repeat the process. When the two figures do agree, prepare a deposit ticket or slip. (Figure 4) If your group has a checking account, there is usually a supply of deposit slips at the end of each pad of checks or you can also pick up a blank deposit slip in the bank lobby.

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

1. Date the deposit slip.
2. Fill in the amount of currency (bills) and coins you are depositing.
3. List each check number and its amount separately (use the back of the deposit slip, if necessary)
4. Record the deposit in the checking account register.
5. On the receipt the bank gives you, write the amount and source of the funds that make up the deposit.

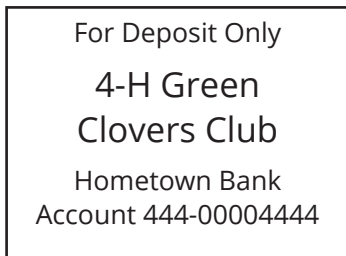


Figure 3. Sample rubber

DEPOSIT TICKET	
4-H Green Clovers Club	
Date	<u>July 24</u> 20 <u>17</u>
Hometown Bank	
CURRENCY	3 00
COIN	1 66
CHECKS	253 10 00
TOTAL FROM OTHER SIDE	0
SUB-TOTAL	14 66
LESS CASH RECEIVED	0
TOTAL	14 66
TOTAL ITEMS	1

Figure 4. Sample deposit slip

Approving and Paying Bills

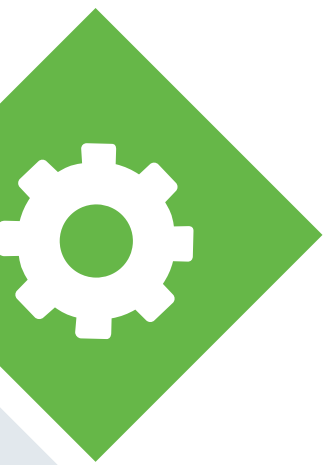
One of your responsibilities as treasurer, and reflected in your treasurer's report, is asking for and receiving the club or group members' approval to pay the outstanding bills. Payments should be made only in response to a formal written bill or invoice.

Make sure that the bills you receive and pay are legitimate expenses that your club has incurred as a part of your 4 H club's work. Your club should have an annual projected budget that shows what the club intends to spend money on that year as well as showing expected income.

If the bill does not fit into what appears in the budget or is for a large sum of money, make sure to check with the club leader before paying the bill. The club should vote to approve expenses not included in the Annual Projected Budget. If the expense was included in the budget, you are authorized to pay what was planned or less. If the expense is not in the budget at all or more than what you budgeted for, you will have to receive approval from the youth members of your 4-H club at the next meeting, before you can pay the expense.

A simple rule to remember whenever you are paying for anything is to know the "5 W's":

- Who did I pay?
- What is the amount?
- When did I pay it?
- Why did I pay for it?
- Where did the money come from? (Which account?)



Check Request Forms (Appendix D) and Payment Voucher Forms (Appendix E) are documents that record your 4 H group's approval to pay a bill. A check request is used by others to submit to the treasurer to request payment. A payment voucher is an internal document used by the treasurer to organize the necessary documentation and approvals before paying. It acts as a cover page to attach the documentation.

Prepare one of these forms before paying any bill. The approval form must be signed by someone other than the person(s) signing the check. After the members approve paying a bill, write a check for the approved amount of the bill.

Documentation of what you paid

On the receipt or bill, you are paying, make sure the attached Check Request or Voucher Request form shows the following information:

- The check number
- The reason you paid the bill
- Who you paid
- How much you paid
- The date you paid - This is where you could use your date stamp
- Finally, write or stamp "PAID" on the receipt or bill

Keep the receipts and bills you pay separated by month. You will need them when you reconcile your accounts at the end of the month.

Checks versus Cash

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 a good practice because it doesn't leave a record or provide proof of payment. A proper invoice protects your reputation as treasurer.

Writing Checks

After the members approve paying a bill, write a check for the approved amount of the bill. 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. Make sure to put the date on the check when you write it.
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. Checks should never be made payable to "cash." (Avoid writing checks for less than \$1, but if you must, start the "Dollars" line by writing the word "Only" and then the amount. See Figure 6 for a sample of a check written for less than \$1.)
5. The amount of the check should be written twice – numerically and spelled out. Write the numbers close to the "\$" sign. Write the words starting at the extreme left side. Begin writing the amount at the extreme left of the amount line. Be sure the written amount agrees with the numeric amount. Leave as little space as possible between the figures and words when filling in the amount lines. Do not leave a space between dollars and cents. Correct 15^{38/100} Incorrect 15^{38/100}. This helps prevent someone else from changing a \$1 check, for example, into a \$100 or \$1000 check. Figure 7 is a sample of a check written to Hometown Groceries for \$15.38 to pay for food for the 4-H Green Clovers Club's family fun night.
6. Sign the check with your authorized signature, which is the way you signed the signature card at the bank when you became treasurer. The second signer on the check, should sign below your signature. Two signatures should always be required on each check.

7. It is a poor business practice to sign an incomplete or blank check. Do not sign checks in advance for the sake of convenience. If a signed check is lost, someone could use it for an unauthorized payment.
8. Use the memo line as a short description of the purpose of the check.
9. If a check written on the group's account is lost, notify the customer service department of the bank at once.

4-H Green Clovers Club	4440
	Date <u>November 10, 2017</u>
Pay to the order of <u>Hometown Groceries</u>	\$ 0.55
<u>Only 55/100</u>	Dollars
Hometown Bank	<u>Cindy Sharp</u>
	<u>George Gonzales</u>
Memo <u>safety pins</u>	

Figure 6. Check sample less than \$1.

4-H Green Clovers Club	4440
	Date <u>November 10, 2017</u>
Pay to the order of <u>Hometown Groceries</u>	\$ 15.38
<u>Fifteen and 38/100</u>	Dollars
Hometown Bank	<u>Cindy Sharp</u>
	<u>George Gonzales</u>
Memo <u>food - family fun night</u>	

Figure 7. Check sample \$1.00 and over



Checking Account Register									
RECORD ALL CHARGES OR CREDITS THAT APPEAR ON YOUR ACCOUNT									
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT DEBIT (-)		✓ T	DEPOSIT CREDIT (+)		BALANCE	
								375	56
								+126	00
----	11/5	Deposit - bake sale				126	00	501	56
4441	11/10	Food - family fun night	15	38					
---	11/30	Statement fee	3	00					

Figure 8. Check Register.

FINANCIAL REPORTS

Maintaining the Check Register

Today, personal finance software or a spreadsheet can help make your bookkeeping easier. However, if you work without computer assistance, follow these steps to keep your 4-H group's check register up to date.

1. Write the check number and the date it was written in the appropriate columns.
2. In the "description of transaction" column, write to whom the check was made payable.
3. Enter the check amount in the "payment/debit" column and in the balance column. Then subtract the check amount from the remaining balance on the line above and enter the new balance immediately below.
4. 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 that have cleared the bank (this information comes from the bank statement or the checks that have been returned to you).
5. The "Fee, if any" column is the place to list fees the bank has charged your group for cashing or purchasing checks or for preparing an account statement. Any fees will appear on the account statement. Enter the fee amount and subtract it from the account balance.
6. 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.

Completing the Ledger

Whenever you pay for something ("expense") or receive money ("income"), you will need to record it in the club ledger (Appendix F) or on a computer using finance software or a spreadsheet. It gives you a place to keep a record of what you have spent and what you have received.

To complete the ledger, you should:

- Enter all expenses and income
- Add bank fees and any interest earned from bank statement onto the ledger
- Total the expenses and income
- Complete separate Project Ledgers if applicable
- Compare the 4-H Club Ledger with the check register and the receipts and bills to make sure you have all your records.

Keeping Tabs on Your Bank and Yourself

Bank statements are a form of communication from your bank to you about what your club's financial activity was between a certain period.

1. The statement will show all the checks and deposits that have “cleared” for the month. A check is cleared once the bank has received, recorded and charged your account for it. If you write checks all month, it is possible you will not see all your issued checks on this statement. As part of the reconciliation, you will need to make a record of these “outstanding” checks, that is, checks that have not yet cleared.

Compare each item in the bank statement to your check register. Make sure that the amount of your check matches what the bank charged. Make a check mark in the register in the space marked to show that you have verified that the two amounts match. 4-H clubs must keep a copy of both the check and the receipt when writing a check to a business that uses electronic check processing.

It is strongly recommended that your 4-H club order checkbooks with carbon copies to provide backup proof of all checks written, as the bank statement will not include a printed check image for checks processed electronically.

2. Compare each deposit and make sure your register and the bank statement match.
3. Look at your check register. You should now have all the checks and deposits you checked off and, perhaps, some you did not because they have not cleared the bank.
4. Make sure you have added any interest earned and any bank fees charged onto the check register and club ledger.
5. Use the bank account reconciliation form in Appendix G to help you reconcile your bank account each month.
 - At the beginning of your bank statement you should find an amount that shows your ending balance in the bank. Write that down. The ending balance amount will include any interest earned and bank fees charged.
 - Add any deposits that have not cleared to the balance.
 - Subtract any remaining checks that have not cleared from the total above.
 - Calculate the new balance.

The difference should match your bank register balance. If the balance is different you need to first go back and check your math. If you still have a difference that you cannot figure out, talk to your community club leader or officer advisor or another 4-H adult volunteer for assistance. If you still cannot figure it out, call your bank and ask them for help. When you have completed the reconciliation, have your treasurer or officer advisor or another 4-H adult volunteer check your work for accuracy.



Share and Show

Just like a news reporter shares information with their audience you as the treasurer have a similar role with your club. Every time your 4-H club has a community club meeting, the treasurer's job is to inform the rest of the club membership of the current financial standing of the club. Your report will allow your 4-H club to make future financial decisions during the rest of the meeting. The form in Appendix H will assist you in drafting up a Monthly Treasurer's Report.

Some key topics to cover in a Treasurer's report are:

- Current ledger reports
- All expenses and income received since the last meeting
- Sub account balance
- Club balancee
- Ask if there are any bills to be presented by members or adult volunteers to you for payment
- Ask the club to act on all bills that require a motion to pay – that is, any expenses were not included on the approved club budget.

Tip: It is a courtesy to provide your club secretary a copy of your treasurer's report so they can accurately add the report to the meeting minutes.

Annual Financial Report

At the end of the club year (September) you and your club organizational leader will need to fill out a yearend financial report that your county 4-H office will provide and is available online at <https://extension.arizona.edu/4h/state-forms>.

4-H Club Inventory Report

A club inventory report will need to be created/updated annually. Your county 4-H office will provide this form and is available online at <https://extension.arizona.edu/4h/state-forms>. "4-H club property" is defined as all items purchased with 4-H club funds as well as all items donated to the 4-H club. You will list consumable items (food, tape or paper plates) only if the items will last more than a year. If the club/group disbands, all non-consumable (not eaten or worn) property must be returned to the UA County Extension office within 10 business days of the club/group's final date of operation. If property is disposed of during the current 4-H year, please include it in the inventory list with an explanation of why.

APPENDIX A: How to Get an Employer Identification Number (EIN) for New 4-H Clubs

Organizations that are authorized by the University of Arizona Cooperative Extension to use the 4 H name and clover emblem are exempt from federal income tax. If a 4-H group plans to manage funds, open a bank account, accept donations or apply for grants in the name of 4-H, the group must have an EIN (Employer Identification Number) from the Internal Revenue Service (IRS). Never use a Social Security Number.

An EIN is a nine-digit number (for example, 12-3456789) assigned to sole proprietors, corporations, partnerships, estates, trusts, and other entities for tax filing and reporting purposes. New 4-H clubs, committees, or councils will need to file an application, Form SS-4, with the IRS to establish an EIN. The information you provide on the SS-4 form will establish your business tax account.

The SS-4 Form may be obtained from the University of Arizona 4-H website (partially completed) (<http://extension.arizona.edu/4h/state-forms>), any Social Security Administration or IRS office, or from the IRS website (<http://www.irs.gov/businesses>) and click on Employer ID Numbers. Your county Extension 4-H staff can help if you have trouble locating the form.

Instructions for filling out the SS-4 form:

Question 1: Fill in the 4-H club name

Question 2: Leave blank

Question 3: Enter "Care of" and then club organizational leader's first name, middle initial, and last name.

Questions 4a-5b: Enter the club organizational leader's address.

Note: Must update the name of the responsible party when changing organizational leader

When there is a change in the club organization leader, the EIN number must be transferred to the new contact by completing form 8822-B (Change of Address or Responsible Party) and sending it to the IRS in Ogden, Utah. The IRS will send a letter confirming their receipt of the updated information.

If you have not received the confirmation letter within 60 days, you should mail a copy of the original Form 8822-B, annotated "Second Request."

Question 6: Enter county and state.

Questions 7a-b: Fill in leader's name and SSN. Please note: this SSN is not tied to the EIN, and is used only for confirmation of the name given in 7a.

Question 8a: check 'no'

Question 9a: select 'Other (specify)' and write in "Arizona 4-H Youth Foundation"

Question 9b: leave blank

Question 10: select 'Other (specify)' and write in "Starting 4-H Club"

Questions 11-12: leave blank

Question 13: enter '0' for all three sections

Question 14: leave blank

Question 15: leave blank

Question 16: select 'Other (specify)' and write in "Education"

Question 17: write in "Youth Development and Education"

Question 18: Check 'No'. The form is complete once it is signed and dated.

Once the form has been completed you can apply by mail, or fax. Refer to the following instructions. Please note: The online version does not follow the format of the SS-4 form, so is not suited for use by 4-H clubs and affiliates.



How to File a Completed SS-4

Fax to: (855) 641-6935

Mail to: Internal Revenue Service Center, Attn: EIN Operation, Cincinnati, OH 45999

Please note: it may take four business days for a faxed application, or four weeks for a mailed application, before an EIN confirmation is received.

Because 4-H is exempt from Federal Income Tax, many donations to 4-H and out-of-pocket expenses of 4-H volunteers are deductible on a volunteers' personal income tax forms. For other Federal Tax Forms or information, visit <http://www.irs.gov/> or call the IRS at 1-800-829-1040.

When you receive the EIN, report it to your bank and to your county UA Extension Office. The IRS may fine groups for failure to report an EIN.

4-H Club Certification

After your club has an EIN, your club needs to fill out the Arizona 4-H Charter Application form <http://extension.arizona.edu/4h/state-office-forms> and send it in to your county's UA Cooperative Extension office. When the requirements for the charter are met, you can officially start conducting business!



APPENDIX B: Setting Up a 4-H Club Bank Account

Each chartered 4-H club may establish one business checking account and one savings account upon approval of the county Extension personnel or designee. The county Extension personnel or designee must approve any additional bank accounts.

A 4-H club checking account must have a minimum of two unrelated individuals to sign checks; three preferred. Account signers should be the youth treasurer and an appointed 4-H adult volunteer. If the bank does not allow 4-H members to sign checks, there must be two unrelated appointed 4-H adult volunteers who sign. A signature card will be kept on file at the bank.

If you are taking over from a previous treasurer, you will need to:

- 1 Change the signature cards at the bank
- 2 Review the last year's club treasurer's records
- 3 Meet with the former treasurer to collect records and review procedures

Whenever you change, add or delete a signer on the 4-H club's bank account, you will be asked to provide additional documents. Most banks require a letter from the club president and an appointed 4-H adult volunteer, along with a copy of the meeting minutes stating who is authorized to sign.

Make sure each of the following are in place for your bank account:

- 1 Report your bank account(s) and signers to the 4-H county extension personnel.
- 2 No ATM or debit cards can be used to conduct 4-H club business



APPENDIX C: Annual 4-H Club Budget Form

Club or Council Name: _____

October 1, _____(year) to September 30, _____(year) Approved by the 4-H Club/Council Members:_____

Total Opening Balance: October 1, _____ (year): \$_____		
INCOME: Source, Use, Purpose	Budgeted	Actual
Donations/Gifts/Scholarships – Individuals*		
Donations/Gifts/Scholarships – Companies*		
Fundraising/Event(s)		
Gaming/Raffles		
All Other Income (Categorize below)		
TOTAL INCOME		

EXPENSES: Describe	Budgeted	Actual
Cost of fundraising (includes donor recognition)		
Gifts/Scholarships		
Fundraising/Event(s) (BBQ, product sales, etc.)		
All Other Expenses (Categorize below)		
TOTAL EXPENSES		

Beginning Balance + Total Income – Total Expenses = Total Closing Balance Projected & Actual Surplus or Shortfall		
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* If any single donor gave \$5,000 or more, their name, address, and amount will be provided on financial report.

We certify that this budget was approved by the club members on (date): _____

President's Signature & Date: _____

Treasurer's Signature & Date: _____

Club Leader's Signature & Date: _____

APPENDIX D: Check Request Form

Payee:			For Treasurer Use Check No Date of Issue: Amount of Check:
Address:			
Date Requested:			
Requested Amount:			
Budgeted Categories:			
Date	Description		Amount
TOTAL			

Please attach ORIGINAL receipts for all expenses (No reimbursement without a receipt or justification of missing receipt.

Submitted by: _____
(print name) Signature Date

Approved by:

Treasurer (print name) Signature Date

Club Organizational Leader or Designee (print name) Signature Date

APPENDIX E: Payment Voucher Form

PAYMENT VOUCHER		
Club name:		
Pay to:		
Items Purchased	Budget Category/Project	Amount

Approved by:

-----	-----	-----
Treasurer (print name)	Signature	Date
-----	-----	-----
Club Organizational Leader or Designee (print name)	Signature	Date

APPENDIX F: Club Ledger

4-H CLUB LEDGER

Club Name:

Location:

Month:

Year:

INCOME

Opening Account Balance \$

DATE	RECEIPT	FROM	PURPOSE	SUB-ACCOUNT TO:	AMOUNT	
Total Income for Month \$						

EXPENSES

DATE	CHECK	TO	PURPOSE	SUB-ACCOUNT	AMOUNT	
Total Income for Month \$						

NOTE

Keep the following with this report:

- Bank Statements
- Receipts for income
- Canceled and voided checks
- Expenses for each month
- Statement of cash collections

Income	+	<input type="text"/>
Expense	-	<input type="text"/>
Total Closing Balance	\$	<input type="text"/>

4-H CLUB LEDGER (SUB-ACCOUNTS)

Club Name:

Location:

Month:

Year:

Project Name (Sub Account):		<input type="text"/>	Beginning Balance \$		<input type="text"/>
DATE	RECEIPT #	INCOME FROM	AMOUNT	BALANCE	
DATE	CHECK #	EXPENSE DESCRIPTION	AMOUNT	BALANCE	
Ending Balance \$					

Project Name (Sub Account):		<input type="text"/>	Beginning Balance \$		<input type="text"/>
DATE	RECEIPT #	INCOME FROM	AMOUNT	BALANCE	
DATE	CHECK #	EXPENSE DESCRIPTION	AMOUNT	BALANCE	
Ending Balance \$					

Project Name (Sub Account):		<input type="text"/>	Beginning Balance \$		<input type="text"/>
DATE	RECEIPT #	INCOME FROM	AMOUNT	BALANCE	
DATE	CHECK #	EXPENSE DESCRIPTION	AMOUNT	BALANCE	
Ending Balance \$					

APPENDIX G: Bank Account Reconciliation

Arizona 4-H clubs and affiliated groups authorized to use the 4-H name and emblem are subsidiaries of the Arizona 4-H Youth Foundation, which is a 501(c)(3) charitable foundation recognized by the Internal Revenue Service. As such it is important that all clubs/units fulfill their obligation of fiscal accountability to the Foundation. All clubs/units should maintain an open, auditable, public record of all financial transactions.

This reconciliation form is used to compare your bank statement ending balance and your checkbook register to make sure they are balanced (equal). This reconciliation is important to make sure that the financial information is accurate and complete. (Note: if you use a financial software package, you can print your reconciliation report.)

- Step 1. Using your bank statement, update your check register with any transactions that you did not previously record, including interest earned, services charges, etc.
- Step 2. In your check register, mark with a check all checks paid, and deposits credited. Then using the table below, list all outstanding checks (no check mark, have not yet been charged to your account).
- Step 3. Using the second table below, list all deposits or other credits recorded in your register, those that are not shown on your statement:

2. OUTSTANDING DEPOSITS	
Date	Amount
TOTAL DEPOSITS OUTSTANDING	

3. OUTSTANDING CHECKS (not included in your statement)		
Check #	Written to:	Amount
TOTAL CHECKS OUTSTANDING		

	Amount
4. Enter ending balance from your bank statement	
5. ADD total of outstanding deposits (2)	
6. SUBTRACT total of outstanding checks (3)	
7. NEW BALANCE (should match the ending balance in your check register).	

APPENDIX H: Treasurer Report Form

Name of Club or Council _____

Period this report covers _____ 20____ to _____ 20____

Monthly Treasurer's Report for Clubs

1. State the beginning balance:

Date: _____ Balance: \$ _____

2. Indicate money received:

Amount \$ _____ for what purpose _____

Amount \$ _____ for what purpose _____

Amount \$ _____ for what purpose _____

Total Received: \$ _____

3. State the expenses:

\$ _____ to _____

For what purpose _____

\$ _____ to _____

For what purpose _____

\$ _____ to _____

For what purpose _____

Total Expenses: \$ _____

4. Indicate closing balance:

Date: _____ Closing Balance: \$ _____

If the Club or group has a checking account, do the following.

Add back checks that haven't shown up on the bank statement Plus \$ _____

Subtract deposits not showing up on bank statements Minus \$ _____

Adjusted balance should agree with bank statement Equals \$ _____

Include copy of bank statement that agrees with the total adjusted balance directly above.

Prepared by: _____ Accepted by: _____

Treasurer's signature

President's signature

Date: _____ Date: _____

