



HELPFUL HINTS



for Completing the Illinois 4-H Club Treasurer's Record

Congratulations on your election to the office of treasurer.

As an officer, you are expected to work with the other officers in implementing the goals of your 4-H club. As treasurer, you have the very important duty of keeping track of your club's money and financial accounts. This responsibility requires honesty, integrity and cooperation with your club's members and leaders.

The *Treasurer's Record Book* is the official record of your 4-H club's finances for the year. It contains a record of all financial transactions and is an official inventory of all 4-H club property. Carefully filled out and inserted in the historian's book, the *Treasurer's Record Book* will become part of the history of your club.



Duties of the Treasurer:

- Keep an accurate inventory of all club possessions.
- Handle all money matters of the club.
- Become acquainted with procedures of the financial institution in which your club's funds are located. Notify bank officials of the change in the club's treasurer and sign the appropriate forms to identify you as an authorized fiscal officer of the club.
- Learn to write checks and make deposits. Two signatures are required on checks – yours and an unrelated adult leader.
- Deposit all money received in a local financial institution as soon as possible.
- Pay expenses only as directed and approved by the club. Pay bills promptly. Keep all receipts.
- Prepare a summary of money received, bills paid, and current balance. Provide a report of funds available in club accounts at each meeting.
- Complete the financial summary in the *Treasurer's Record Book* at the end of the year. Review the records for accuracy and completeness.
- Arrange a fiscal review committee to review the completed *Treasurer's Record Book* and all bank records.
- Give the *Treasurer's Record Book* and fiscal review to your club leader for final review before submitting it to the local University of Illinois Extension Office.
- Deliver all treasurer supplies and records to your successor.

Making Financial Decisions:

Illinois 4-H clubs are authorized by University of Illinois Extension to use the 4-H Name and Emblem. This privilege brings a degree of accountability to the United States Department of Agriculture, the University of Illinois, and the local community served by the 4-H club/group. As a public group, care must be taken to ensure proper handling of club assets.

As club treasurer, you are responsible not only to the other officers, but also to the other members, the adult leaders and the general public. The 4-H club financial records that you keep must be accurate, complete, up to date and available for inspection upon request.

Many 4-H clubs find it necessary to secure funds to support the activities of the members and adult volunteers in their pursuit of educational and community service goals. It is required that funds raised/given in support of 4-H should be held in the manner of public trust. The money 4-H clubs receive from fund-raising activities is owned by the club, not by any one member or leader. Fund-raising activities and decisions on expenditures of funds should be central to the interest of youth and substantially involve the youth in the decision making process. Decisions regarding the use of 4-H club funds should be made through a majority vote of the members. Adult volunteers are not permitted to unilaterally make decisions about the management and expenditure of club resources.

Sample form

Statement of Financial Activity:

Soon after organizing or reorganizing, all 4-H clubs must complete a statement indicating plans for financial activity during the 4-H year. The statement must be filed with the local University of Illinois Extension Office. Clubs that hold no assets, nor plan to conduct fund-raising activities must complete a statement certifying those plans. Contact the local University of Illinois Extension office for instructions.

 Indication of Financial Activity Statement
The members and leaders of the _____ 4-H club/group <small>Name of Club/Group</small>
in the University of Illinois Extension Unit in _____ County certify that we
Check <input checked="" type="checkbox"/> if no separate income.
<input type="checkbox"/> Maintain a 4-H club/group treasury, checking account, savings account, or plan to conduct fund raising activities this year in support of our planned 4-H club/group program and/or in support of charitable activities or contributions.
<input type="checkbox"/> Have no assets or plans to conduct any fund raising activities this year in support of our planned 4-H club/group program or in support of charitable activities or contributions.
In requesting use of the 4-H Name and Emblem, we agree to conduct the business of our 4-H club/group in accordance of federal, state, and local laws and University of Illinois Extension policies.
Witnessed on this date by the following authorized club/group representatives:
Name: _____ Date: _____
Name: _____ Date: _____
Name: _____ Date: _____

Federal Employer Identification Number:

Illinois 4-H policy requires all 4-H clubs that collect money or raise funds to support club interests and activities to deposit their monies in a financial institution. 4-H clubs that raise or hold less than twenty dollars (\$20) in the treasury are not required to hold the funds in a public financial institution. However, the group is required to maintain adequate and accurate records of the funds and be accountable for those monies to the members, leaders and public.

Every 4-H club that has a checking or savings account is required to have a Federal Employer Identification Number (FEIN). Contact the local University of Illinois Extension office for assistance and instructions. The club FEIN should be recorded in the *Treasurer's Record Book*.

Preparing a Budget:

It is important that your club members discuss the financial needs of the club/group during the time that the yearly club program is being determined. Questions that should be asked include:

How much money will be needed?

How will the money be raised?

How will we make decisions about spending the money?

Many 4-H clubs prepare a budget for the year. A budget is a listing of how much money a club plans to collect or raise and how much money it plans to spend during the 4-H year. If a budget is established, the club members must approve it. It is not necessary to seek approval for payment of individual items already listed in the budget. If a club does not 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.

Sample receipt

No. <u>6</u>	Date <u>March 15, 2008</u>
Received from <u>Chris Clover</u>	
<u>Ten and no/100</u>	
For <u>4-H Camp</u>	
<u>\$ 60.00</u>	<u>Sam Bates</u>
	Treasurer

Receiving Money:

Contributions or payments by cash or check should always be acknowledged with a numbered receipt. The receipt should include the amount, what the funds were for, and the date. Include the name of the person that made the payment. 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 at many office supply stores. Copies of all receipts should be kept with your treasurer's record. If you make a mistake, mark "VOID" on both copies of the receipt, staple them together and keep them with the treasurer's record.

If your 4-H club sponsors a fund-raiser such as a bake sale, you do not need to write a receipt to each person that buys baked goods. You, or the work shift leader, need to write one at the end of each shift or at the end of the day. Each group of workers must account for the money they received.

Two people should count the money, agree on the amount and turn the money over to you. It is a good idea for you to recount the money in front of them. A receipt should be provided to the person who provided the funds.

Charitable Activities:

Through a majority vote of the membership, 4-H clubs may provide financial donations to an organization or charity from monies generated by club efforts. 4-H clubs that raise money on behalf of another charity must inform the public of the charity's identity and indicate that the funds are not being raised for 4-H. The club may use the club's financial account to deposit the money collected. However, a separate deposit slip must be used to deposit those monies. A single check should be issued to the charitable cause/organization in the exact amount raised. 4-H clubs must receive approval from the County Extension Director or his/her designee before making a contribution of \$100 or more to any organization or charity.

Depositing Money:

Before you deposit a check, the person to whom the check was written must endorse (sign) the back of it. Checks that are payable to the club must be endorsed by signing the club 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 club, endorse it by writing “pay to the order of (your club name)” and signing it. A restrictive endorsement means you endorse the check for a specific purpose, such as a deposit only. It can only be deposited into the club account. It is especially advisable to use this endorsement when depositing by mail.

Keep these things in mind when making deposits:

- Deposit all funds promptly.
- Use deposit slips provided by the bank.

Sample endorsements

FOR DEPOSIT ONLY

Clover Clan 4-H Club

Sam Bates

DO NOT WRITE BELOW THIS LINE

PAY TO THE ORDER OF

Clover Clan 4-H Club

Sam Bates

DO NOT WRITE BELOW THIS LINE

Preparing Deposits:

Total the receipts you have written since you made the last deposit. Compare that amount with the total amount of cash, coins and checks you intend to deposit. The two figures should agree. If they do not, repeat the process. When the two figures do agree, prepare a deposit slip similar to the example. If your club has a checking account, there is usually a supply of deposit slips at the end of each pad of checks. Deposit slips may also be available at your bank.

Sample deposit slip

Deposit Slip Date March 17, 2008

Name Clover Clan 4-H Club Account # 12345

To: Sub#:

Savings _____

Checking _____

Currency	2	00
Coin	1	31
<i>1103</i>	1	25
<i>787</i>	10	00
		-0-
Sub-total	14	56
Cash Back		-0-
Total Deposit	14	56

Deposits may not be available for immediate withdrawal. Checks and other items received for deposit are subject to the provisions of the Uniform Commercial Code and any applicable collection agreement.

X **SIGN HERE FOR CASH RECEIVED FROM DEPOSIT** ←

02/02

Follow these steps when completing a deposit slip:

- Date the deposit slip.
- When depositing cash only, fill in the amount of paper currency and coins and enter the total.
- When depositing only checks, draw a line through the currency and coin rows. Then list each check amount in the proper space and record the total of all the checks.
- When depositing both cash and checks, list both on the deposit slip.
- When you wish to receive cash for part of the deposit, enter the amount you wish to keep in the “cash back” space below the “total deposit” space, and put the remaining balance in the “total” space at the bottom.
- All deposits need to be recorded in the checking account register.
- Keep a duplicate of the deposit slip. Save the duplicate with the bank receipt.

Approving and Paying Bills:

As treasurer, you are responsible for paying all 4-H club bills. You will need approval from the club members before writing any checks. Pay all bills by using checks. Do not use cash, because it does not leave a paper record or provide proof of payment.

Prior to the club meeting, you will want to prepare a list of bills and expenses to submit to the membership. This form records the members' approval to pay a bill. After the bill is approved, prepare a check to pay it.

Writing Checks:

Be sure that sufficient funds are in the club checking account to cover the check you plan to write. It is important to keep a running total so you are sure you have enough money in the account. If you write a check without having enough money, the bank will charge extra fees and the store may refuse to do business with the 4-H club. Follow these steps when writing checks:

Sample check

Clover Clan 4-H Club		date <u>March 17, 2008</u>	1152
PAY TO	<u>Fairway Grocery</u>	\$	<u>9.34</u>
THE ORDER OF	<u>Nine and 34 / 100</u>		DOLLARS
HOME TOWN			
Trust & Savings Bank		<u>Sam Bates</u>	<u>Jane Johnson</u>
memo	<u>Food-Family Fun Night</u>		
: 007534560 :		12 765 0 1234	00000000234

- Be sure you have a bill or receipt before writing a check for approved expenses.
- Always use ink to write checks.
- Never erase a mistake. If you make a mistake, write “VOID” on the ruined check and start a new one. Keep the voided check. Do not destroy it.
- Be sure to date the check when it is written.
- Enter the name of the person or business to whom the check is written as close to the “pay to the order of” as possible.
- Leave as little space as possible when filling in any lines or blank spaces on the check. This prevents someone from changing the amount.
- Begin to the extreme left of the “dollar line” when writing the amount. Be sure the written amount agrees with the numeric amount. If the check is for less than one dollar, write the word “only” and then the amount.
- Sign the check with your authorized signature – the same way that you signed the signature card at the bank when you became treasurer. An authorized adult leader must also sign each check.
- Record the date of payment and the check number on the bill. Keep a copy of each paid bill with the treasurer’s record.
- Never sign an incomplete or blank check.
- Safeguard blank checks and notify your club leader and the bank to stop payment immediately if any are lost or stolen.

Arranging a Fiscal Review:

Each 4-H club that maintains a treasury or holds financial assets must present annually to the local Extension office a statement of accounting, which consists of a *Treasurer's Record Book* and fiscal review for the year being reviewed. This report serves as the official fiscal record of the 4-H club.

Three persons — including a parent, leader, and member — must complete a fiscal review for the club funds. The fiscal review committee's signatures must be recorded in the record book. The fiscal review committee may not be signatories on the bank account, nor shall they be related to those with signatory authority. If there are not three individuals that fit this criteria the club should contact the local Extension office to have the club's financial records reviewed.

The fiscal review committee examines and verifies the 4-H club account at the end of the year or when a new treasurer takes office. When the facts have been verified, the members of the fiscal review committee should sign the financial statement in the treasurer's book. A fiscal review protects the integrity of the outgoing and incoming club treasurers.

In performing the fiscal review, the following information should be examined—bank statements, cancelled checks, copies of bills paid, deposit slips, receipts for cash received by the club. The following steps should be followed:

- Ensure new signature cards are completed annually. The club minutes should reflect who has authority to sign checks.
- Ensure all income is deposited into the account.
- Ensure all expenses are paid by check.
- Ensure the vendor and the amount of the check match the invoice.
- Ensure all expenses are reviewed and approved by the appropriate authorizing person (noted in club minutes and approved by the leader).
- Ensure checks have proper signatures. Two signatures are required on all checks. Be sure that checks have not been pre-signed.
- Ensure that all bank statements have been reconciled. They should be initialed and dated by the person who reconciled the bank statement.
- Ensure the end of month book balances agree with the reconciled balances on the bank statements.
- Review the financial statement.
- Ensure the figures on the record of club finances agree with the financial statement.

Receipt of the *Treasurer's Record Book* and confirmation of the fiscal review are required for re-authorization of the club's use of the 4-H name and emblem for the following year. Clubs will not be re-enrolled until this requirement is met.

Liquidation of 4-H Club Assets:

When a 4-H club votes to disband or wants to change its charter to cease operations under the 4-H Name and Emblem, the club needs to provide for the liquidation of club assets. This provision may be made through a dissolution statement.

All funds raised under the 4-H Name and Emblem belong to 4-H. These funds may not be distributed nor retained by the defunct organization or a successor organization that is independent of University of Illinois Extension. Any 4-H club that disbands with money left in the treasury or other assets must turn over those assets to the local University of Illinois Extension office. Club members may request that the money be used for a specific 4-H program within the county or state. Local Extension staff will act on this request. If members choose to divide the club — creating more than one properly registered club — the funds from the original club may be evenly disbursed based on memberships in each group.



4-H Club Dissolution Clause

Upon consideration of dissolution, the members of _____
4-H Club agree to the following procedure:

The _____ 4-H Club shall be terminated and dissolved by a majority vote of the membership in favor of dissolution and termination of the 4-H Club. The members shall also vote on how to disburse club resources for a project or activity or contribution to the betterment of the county or state 4-H program. When a 4-H Club dissolves or fails to reorganize without vote of the members, the resources become the property of the local Extension Unit, County Extension office, County 4-H/Extension Foundation, or another recognized 4-H club after a waiting period of one (1) year. During the one-year waiting period, the account will be maintained by a representative of the county 4-H program.

Upon dissolution and termination of the 4-H Club for any reason, the officers shall take full account of the _____ 4-H Club assets and liabilities, and shall liquidate the assets and shall apply and distribute the proceeds there from the following order:

- a) To the payment of the debts and liabilities of the _____ 4-H Club.
- b) To the establishment of any reserves that the officers may deem reasonable or necessary for the purpose of paying any unforeseen liabilities or obligations of the _____ 4-H Club
- c) In the event that the local Extension Office or county or Unit 4-H/Extension Foundation does not qualify for funds or does not exist at the time of dissolution and termination of the _____ 4-H Club, the remaining balance shall be disposed of exclusively for such purposes or to such 501(c)(3) organizations or government agencies as may be determined by court order.
- d) The balance remaining shall be distributed to _____ (i.e., local Extension office, or county or Unit 4-H/Extension Foundation) for the purpose of program development directly related to the enrichment of the 4-H youth program. This can be given to any one organization and/or a percentage of all.

Each of the members shall be furnished with a statement prepared by the _____ 4-H Club setting forth the assets, liabilities, and the distribution upon complete liquidation. Upon compliance with the foregoing terms and manner of distribution, the _____ 4-H Club shall cease.