



UNIVERSITY OF MISSOURI  
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To: 4-H Youth Development Specialists, Educators, Associates and Assistants,  
Treasurers of 4-H Clubs, 4-H Councils and other 4-H groups

From: Alison Copeland, Ph.D., Interim Director, University of Missouri 4-H Center for Youth Development

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Subject: **Policies for Treasurers of all 4-H Organizations**

Did you know that our 4-H Clover has the same prestige and protection as the Presidential Seal or the Olympic Symbol? We care about 4-H programs and young people and as “keepers of the clover,” we are responsible for ensuring that all aspects of the 4-H program are of the highest quality and in accordance with approved 4-H policies. You can learn more about 4-H name and emblem policies on-line at <https://nifa.usda.gov/4-h-name-and-emblem>.

Good financial management is an important aspect of our responsibility to 4-H. Since 1998, the required financial policies for **any** Missouri 4-H organization (clubs, county councils, committees and other groups that use the 4-H name) have been laid out in the publication *Missouri 4-H Treasurer's Record Book Y672*.

**All entities (clubs, councils, committees) that use the 4-H name must use this record book and meet or exceed the policies outlined in this publication.** Let me highlight some of the key policies that 4-H groups should follow. You can find additional explanations in *Missouri 4-H Treasurer's Record Book Y672*.

- ✓ Any 4-H group (clubs, councils, committees) that has annual receipts or expenditures over \$50 must **establish** a checking or savings account in the 4-H group's name at a public financial institution.
- ✓ To establish a checking account, the 4-H group must have an Employee Identification Number (EIN) from the IRS. Check with your county 4-H staff member for details.
- ✓ This account **must be set up** so that all checks require the signatures of two non-related individuals. Whenever the treasurer is younger than age 21, the co-signer **must be a non-related adult**.
- ✓ All bills paid by the club **must be approved** by the 4-H Club membership in advance or approved for payment after the fact, before a check can be written to pay the expense. This approval **must be** documented in the 4-H Club minutes in the form of a passed motion.
- ✓ Before writing checks to pay bills or make purchases, the treasurer **must have** a written bill or invoice.
- ✓ Expenses approved in advance are to be included in the monthly Treasurer's report as having been either paid or as yet un-paid; thus the Treasurer's report should reflect more than balances. All income and expenses (paid and pending) since the last meeting are to be reported. The Treasurer's report is to be reflected in the minutes. A written report is easier for the secretary to record in the minutes.
- ✓ A receipt for any money received by the club or on behalf of the club is to be written. A copy of the receipt is to remain with the Club Treasurer's documentation. The dated receipt should show a) the amount received, b) who it is received from and c) the reason the money was paid to the club.
- ✓ Deposit of all funds received by or on behalf of the 4-H Club are to be made within three days. The processed deposit slip must be turned over to the 4-H Club Treasurer in advance of the

upcoming 4-H Club meeting. The deposit slip should clearly show a) reason money was received, and b) who paid money to the club.

- ✓ 4-H groups planning a fund-raising activity should inform and receive approval prior to any fundraising activity from the 4-H Youth Specialist assigned to the county prior to beginning the project. This is to protect the 4-H name and emblem and to insure that the name of 4-H is used only to benefit 4-H.
- ✓ 4-H Clubs, Councils and Committees derive their charitable tax exemption status from their local MU Extension County Extension Council. 4-H Clubs, Councils and Committees are organized programmatically as part of the local MU Extension Council. The Extension Councils were established as a part of the University of Missouri through Missouri Statute, Section 262.561 in 1959. As a department of a political subdivision of the State of Missouri, the Extension Councils and the 4-H Clubs are not subject to Federal income tax. **Thus, 4-H Clubs DO NOT NEED to file 990 N** as we did previously using the national group exemption number.
- ✓ Contributions made to the Extension councils or to 4-H Clubs for exclusively public purposes are deductible by the donors for Federal income tax purposes in the manner and to the extent provided in section 170 of the Internal Revenue Code.
- ✓ For evidence of the groups tax status, request a copy of the IRS May 1972 letter stating the above. This letter is located on the MU Extension Website at <http://extension.missouri.edu/staff/fiscal/documents/tax-exemption/Tax-Exempt-Documents-and-Cover-Letter.pdf>.
- ✓ The treasurer of any 4-H group (club, council, and committee) **must use** the record book, *Missouri 4-H Treasurer's Record Book Y672*, as its standard. It is acceptable for the club to use commercial software or other means to keep 4-H financial records as long as the information required in the *Missouri 4-H Treasurer's Record Book Y672* is maintained and policies outlined are followed.
- ✓ With the availability of online access to checking accounts consider setting up access with your club's bank so that club leaders can monitor whether the club treasurer has made deposits and paid bills in a timely manner. Online payments for 4-H club expenses are **not** recommended. That feature should not be activated.
- ✓ A 4-H group that handles funds **must conduct an annual audit** by an auditing committee. Include the following financial records in the audit: a). all receipts for money received, b). all bills/invoices for club expenditures, c). all monthly bank statements, d). all deposit slips for deposits made during the year, and e). all cancelled checks. Many banks no longer return cancelled checks but print them on the monthly statement. If not provided automatically, images of the cancelled checks are available upon request from the bank.
- ✓ 4-H groups **must prepare** an annual financial report of their treasury and submit it to their local University of Missouri Extension Center by December 1 on the local due date. The local 4-H Youth Specialist will compile the reports into one financial statement and share with the MU Extension Council each year. The local University of Missouri Extension Council has over-all responsibility for the 4-H program in the county, and Council members will review these annual financial reports as needed. Audit forms are in the *Missouri 4-H Treasurer's Record Book Y672*.
- ✓ If a 4-H club or group disbands, the treasury balance must be turned over to the county 4-H council or the MU Extension County Council for that county. Funds raised under the 4-H Name and Emblem **cannot** be disbursed to individuals.

Your help in insuring all 4-H treasurers receive and use the *Missouri 4-H Treasurer's Record Book Y672* will strengthen the 4-H program. It is a useful tool to manage 4-H funds and to protect the good name of 4-H.

**Cc: Regional Directors, County Program Directors, Callie Glascock, Rachel Augustine, Marshall Stewart**