

# Michigan 4-H Treasurer's Record Book



MICHIGAN STATE  
UNIVERSITY  
EXTENSION  
Bringing Knowledge to Life



4-H Youth Development  
Children, Youth and  
Family Programs

# Table of Contents

## 4-H Pledge

I pledge:



**My Head to clearer thinking,**



**My Heart to greater loyalty,**



**My Hands to larger service,  
and**



**My Health to better living for  
My club, my community, my  
country and my world**

<b>Introduction</b> .....	<b>1</b>
Overview .....	1
Michigan 4-H Youth Development's Mission Statement .....	1
Philosophical Statement (Michigan 4-H Youth Development's Guiding Principles) .....	1
Acknowledgments .....	2
<b>Use of This Book</b> .....	<b>3</b>
Who Should Use It .....	3
How Should It Be Used .....	3
<b>About Being A 4-H Officer</b> .....	<b>3</b>
4-H (and Its Money) Is Publicly Owned .....	3
Being the Treasurer of a Public Group .....	4
The Treasurer's Responsibilities .....	4
<b>Financial Planning</b> .....	<b>5</b>
A Budget .....	5
Setting Up an Account .....	5
Fund-Raising .....	5
<b>Handling Money</b> .....	<b>8</b>
Receiving Funds .....	8
Disbursing Money .....	10
Sales Tax .....	14
<b>Financial Reporting</b> .....	<b>17</b>
General Information .....	17
The Monthly Treasurer's Report .....	18
Annual Summary Financial Report .....	18
Financial Record Review .....	20
County 4-H Club Inventory Record .....	20
IRS Form 990 .....	20
<b>Appendices: Blank Forms</b> .....	<b>25</b>
A. Annual Summary Financial Report .....	26
B. County 4-H Club Inventory Record .....	27
C. County 4-H Fund-Raiser Application .....	28
D. County 4-H Fund-Raising Report Form .....	29
E. Dues Form .....	30
F. Monthly Treasurer's Report .....	31
G. Payment Voucher .....	32
H. Record of Club/Group Finances .....	33
I. SS-4 .....	34
<b>Index</b> .....	<b>35</b>

.....

# Introduction

## Overview

The purposes of this publication are to:

- Detail the role and responsibilities of Michigan 4-H club and group treasurers.
- Establish a common understanding of the definitions, tools and expectations that pertain to treasurers of 4-H clubs and groups, and to county council, board and committee treasurers.
- Provide 4-H
  - Treasurers with the information they need to perform their responsibilities correctly and keep their treasuries and records in compliance with applicable financial regulations.
  - Volunteers with the information they need to guide club and group treasurers in accord with their role as supportive leaders.
  - County staff with the information necessary to keep the treasuries for which they have oversight in compliance with applicable financial regulations.

## Michigan 4-H Youth Development's Mission Statement

Our mission is to create nonformal, educational opportunities to help youth thrive in a complex and changing world.

## Philosophical Statement (Michigan 4-H Youth Development's Guiding Principles)

The purpose of the 4-H Guiding Principles is to provide direction for MSU Extension 4-H Youth Development's learning materials, program planning, implementation, evaluation and priority setting so that 4-H'ers get from their 4-H experience the skills and opportunities they need for positive growth and development. Of the seven

4-H Guiding Principles, the following five are distinctly related to this publication.

### *1. Youth develop positive relationships with adults and peers.*

When put into action, this principle means that volunteers and members are available and accessible to each other for information, guidance and support. It means that both adults and youth develop relationships that help them feel like they belong and are connected. The activities and experiences of the group are shared and they serve to build trust and foster honest and open communication.

### *3. Youth are actively engaged in their own development.*

When put into action, the goal of this principle is for youth to increase their personal competence and sense of well-being. A variety of opportunities and experiences are offered that encourage youth and the adults working with them to explore, discuss and reflect on ethical values, personal interests, strengths and accomplishments.

These opportunities have purpose and meaning; they foster a young person's positive sense of self and view of the future. They also provide opportunity to recognize youth for both their participation and their achievement.



**4. Youth are considered participants rather than recipients in the learning process.**

When put into action, this principle means that youth are provided a variety of opportunities, in different contexts, that respect the way they learn and encourage their active participation in what and how they learn. Young people share the decision-making, planning and implementation of their learning experiences. Young people and adults also work together to overcome barriers to participation such as cost, scheduling and transportation.

**5. Youth develop skills that help them succeed.**

This principle ensures that young people in 4-H have hands-on opportunities to learn and develop the skills they need to be successful as adults. Youth identify, develop, practice and are able to speak about their skills. Young people develop skills by setting challenging, yet realistic, goals that are supported by their peers, their adult and older teen volunteers, their families and their communities.

**7. Youth grow and contribute as active citizens through service and leadership.**

The outcome of this principle is for young people to feel included and involved in their clubs, their communities and our world. This acknowledges that youth have significant roles to play and important contributions to make as stewards of our future. Youth are provided with experiences that help them become competent as caring leaders and citizens and recognize their role as stewards of their communities. This means that youth are informed about local and global needs, issues and opportunities.

Youth are also provided meaningful opportunities to help make decisions that affect their communities and to also use their time, energy, and skills to benefit their communities and the people who live in them.

## Acknowledgments

This document is a revision and expansion of the *Michigan 4-H Treasurer's Record Book* (4-H 1203) last revised in October 1997. The original publication was written by Sharon K. Fritz and Bruce Smith, with help from Jim Dompier and Roger Manning.

This version was revised by Julie Chapin, 4-H Program Leader, and by Priscilla Martin, Editor, Extension 4-H Youth Development. It was designed by Marian Reiter, Graphic Artist, Extension 4-H Youth Development. We would like to express our gratitude to four great MSU students, Katie Dingerson, Nikky Pulling, Michelle Silm and Erin Stewart, for their patient assistance and expertise in getting this document into print. Thanks also to the many staff and volunteers who gave input about the content of this document, especially the following individuals who did an indepth review of this document before its final printing: Nancy Beukema, Diane Brazier, Ann Chastain, Pat Dignum, Tina Fleming, Kelley Hiemstra, Hal Hudson, Neil Kentner, Deb Laws, Sandy Risedorph, Gilda Schott, Tonya VanBuren and Ann Wright.



.....

# Use of This Book

## Who Should Use It

### The Group Treasurer

The group's treasurer must follow the steps outlined in this book when handling funds on behalf of 4-H and MSU Extension. Treasurers are encouraged to use this book or a facsimile to show cash received, where the money came from and to show payments made, including the check number, date and purpose. If the group does not have a checking account but does have a savings account, checks should be purchased from a bank or credit union. For the treasurer's protection, copies of these checks are to be recorded and maintained.

### 4-H Parents and Volunteers

You should become familiar with the information in this book to help your club or group treasurer with the required forms and financial reporting. More specific information on 4-H financial reporting requirements appears in *The 4-H Name and Emblem*. This is available from your county MSU Extension office or on the Web at <[www.national4-hheadquarters.gov/4h\\_name.pdf](http://www.national4-hheadquarters.gov/4h_name.pdf)> and from *Tax*

*Exempt Status of 4-H Organizations Authorized to Use the 4-H Name and Emblem*. This is also available on the Web at <[www.national4-hheadquarters.gov/4h\\_tax.pdf](http://www.national4-hheadquarters.gov/4h_tax.pdf)> or from your county MSU Extension office.

### County Staff

4-H county Staff should use this book as a resource to assist them in keeping the treasuries for which they have oversight, compliant with applicable financial regulations.

### How Should It Be Used

This book should be used to obtain the information needed to perform the job of your group's treasurer or to help the treasurer perform his or her job. When you need to complete a form, follow the instructions given. Then make a photocopy from the blank forms included in the Appendices and fill in the blanks. As always, if you have questions that require details not provided in this book, call your county MSU Extension office for guidance.

.....

# About Being a 4-H Officer

As treasurer, you – and all the other officers of your 4-H group – represent both your group and the 4-H program throughout the state. Your skills, abilities, standards, ideals, speech – and even your smiles – represent Michigan 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.

## 4-H (and Its Money) Is Publicly Owned

4-H clubs or groups are public groups, open to all without regard to race, color, national origin, age, disability, religion, political beliefs, gender, sexual orientation, marital status or family status. Since

4-H is a public organization, it is "owned" by the public, not by individuals the way a private company is owned.

Therefore, the money groups receive from dues and fund-raising events is owned by the group, not by any one member or leader of the group. The public calls for a higher standard of accountability and integrity for public groups. For this reason, it is extremely important that all 4-H groups show the source of any money they have raised and how it is disbursed. Under U.S. Department of Agriculture and Michigan State University guidelines, the county MSU Extension office is required to keep track of all 4-H financial transactions.

# Being the Treasurer of a Public Group

Because 4-H is a public group, a 4-H treasurer's responsibilities are quite different from those of a private company's treasurer. The treasurer of a private company is responsible to other company officers, and to the owners or stockholders for managing and controlling the assets of the company. (These assets may include cash, bank accounts, buildings, land and equipment compared to most 4-H groups whose assets are limited to cash or bank accounts.) By contrast, a 4-H group's treasurer is responsible to other officers, members, adult leaders, Michigan State University and to the public.

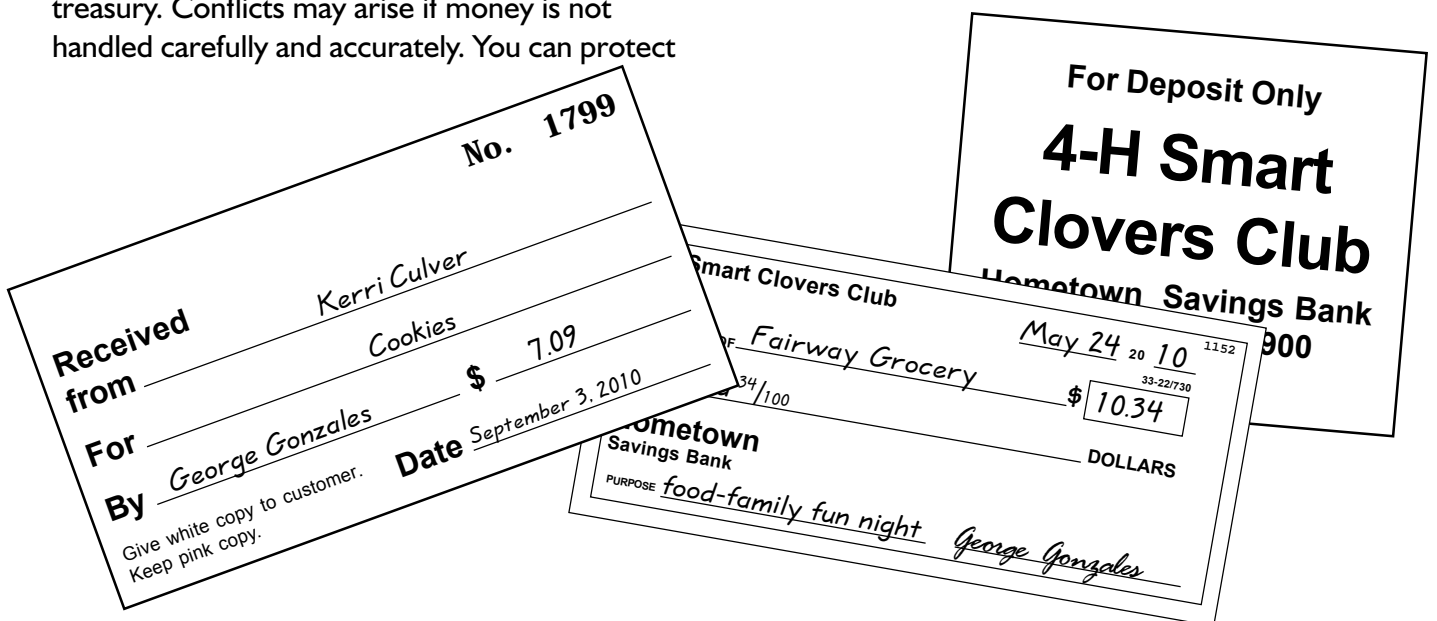
## The Treasurer's Responsibilities

As the group's treasurer, you are responsible for taking care of the club's money and bank accounts. Specifically, you're in charge of "keeping the books" (that is, your group's receipt book, check-book and check register, payment vouchers and bank statements). This responsibility requires honesty, integrity and cooperation with your group's members and leaders. You can meet the high standards required of a 4-H treasurer by studying and following the money-handling methods found in this book. These standards apply whether a group has 25 cents or \$2500 in its treasury. Conflicts may arise if money is not handled carefully and accurately. You can protect

yourself and your 4-H group from conflict by being careful, responsible and accurate when you handle your group's finances.

Check the following items to verify that you understand and accept these responsibilities:

- I will inform the bank in which my 4-H club or group's funds are deposited that I am the new treasurer, and sign the appropriate forms so I can write checks drawn on that account.
- I will report required information whenever requested by my county MSU Extension staff and follow the policies established by Michigan State University and MSU Extension.
- I will handle all money matters for my 4-H club or group.
- I will keep an accurate record in the treasurer's book of how all money is used.
- I will deposit all funds my group earns or receives in the bank as soon as possible after receiving them.
- I will pay all of the group's bills promptly as directed by the president and approved by the members.
- I will prepare and present a summary of income and expenses at each meeting. I will also report the current balance of all accounts.
- I will prepare an Annual Summary Financial Report for all accounts and submit it to my county MSU Extension office as requested.



# Financial Planning

## A Budget

Some groups prepare a budget for the year. A budget is a written plan for raising and spending money for a set period of time, usually one year. Since a budget is approved by the members of the group, it's not necessary to seek approval for payment of items already listed in the budget. If a group 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 group funds are made with the group's full approval. Second, this is a great way for the club or group members to learn how money flows into and out of an organization.

## Setting Up an Account EIN Required

Every 4-H group that has a checking or savings account is required to have an Employer Identification Number (EIN) from the Internal Revenue Service (IRS). To apply for an EIN, use Form SS-4. (A blank copy is provided on page 34 and your county MSU Extension office should also have it.)

Figure 1, on page 6, is a sample of a completed SS-4. Be sure to follow the sample format when you complete the form to receive an EIN for your group. Remember to put "4-H" as the first word of your group's name on the form and on your group bank accounts. Once you have completed the SS-4 form, you may apply for the EIN by telephone or on the Web.

### To apply for an EIN by telephone:

1. With the completed application form (SS-4) in front of you, call (800) 829-4933 between 7:30 a.m. and 5:30 p.m. Eastern Time. An IRS representative will use the information on the SS-4 to assign the EIN number.
2. Write the EIN assigned on the upper right corner of the form, sign and date the form. Keep the copy for your records.

3. If the IRS representative requests it, mail or fax the signed SS-4 **within 24 hours** to the IRS. The fax number is (859) 669-5760 and the mail address is: EIN Operation, Internal Revenue Service, Cincinnati, OH 45999.

### To apply for an EIN on the Internet:

1. Go to the following Web site: <[https://sa2.www4.irs.gov/sa\\_vign/newFormSS4.do](https://sa2.www4.irs.gov/sa_vign/newFormSS4.do)>.
2. Using the information on the SS-4 in front of you, complete the form online. (Notice that you will not need to have the form signed.)
3. Press "Next" at the bottom of the page.

Regardless of how you receive the EIN, **report it to your bank and to your county MSU Extension office.** The IRS can fine groups \$50 for failure to report an EIN.

## Account Signatories

Each 4-H group should require at least the treasurer and two adult leaders' names to be signers on the bank account. Neither adult leader may be the treasurer's parent or guardian. No 4-H staff member may sign on any account belonging to a 4-H club or group. **Note:** Some banking institutions allow only individuals aged 18 and older as signers on checking accounts. Check with your local institution about its policies.

## Fund-Raising

Clubs and groups do not pay county, state or national membership fees. Local groups may choose to raise money for their educational and recreational goals through fund-raising, dues or both. A group treasury is necessary if funds are maintained for group use.

Fund-raising should be done for the good of the total group and it should be consistent with the county's 4-H fund-raising policies. Fund-raising should not be the main focus of group activities nor should it exclude any individual from participation. Groups are expected to support the

# Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)

▶ See separate instructions for each line. ▶ Keep a copy for your records.

EIN
OMB No. 1545-0003

Type or print clearly.	1 Legal name of entity (or individual) for whom the EIN is being requested <i>4-H Great Expectations Club</i>	
	2 Trade name of business (if different from name on line 1)	3 Executor, trustee, "care of" name <i>Vicki M. Volunteer</i>
	4a Mailing address (room, apt., suite no. and street, or P.O. box) <i>22 Pleasant View Drive</i>	5a Street address (if different) (Do not enter a P.O. box.)
	4b City, state, and ZIP code <i>Dickins, MI 40000</i>	5b City, state, and ZIP code
	6 County and state where principal business is located	
	7a Name of principal officer, general partner, grantor, owner, or trustor	7b SSN, ITIN, or EIN

8a Type of entity (check only one box)

<input type="checkbox"/> Sole proprietor (SSN) _____	<input type="checkbox"/> Estate (SSN of decedent) _____
<input type="checkbox"/> Partnership	<input type="checkbox"/> Plan administrator (SSN) _____
<input type="checkbox"/> Corporation (enter form number to be filed) ▶ _____	<input type="checkbox"/> Trust (SSN of grantor) _____
<input type="checkbox"/> Personal service corp.	<input type="checkbox"/> National Guard <input type="checkbox"/> State/local government
<input type="checkbox"/> Church or church-controlled organization	<input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government/military
<input checked="" type="checkbox"/> Other nonprofit organization (specify) ▶ <i>4-H Club (educational)</i>	<input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises
<input type="checkbox"/> Other (specify) ▶ _____	Group Exemption Number (GEN) ▶ <i>2704</i>

8b If a corporation, name the state or foreign country (if applicable) where incorporated

State	Foreign country
-------	-----------------

9 Reason for applying (check only one box)

<input type="checkbox"/> Started new business (specify type) ▶ _____	<input checked="" type="checkbox"/> Banking purpose (specify purpose) ▶ <i>savings/checking</i>
<input type="checkbox"/> Hired employees (Check the box and see line 12.)	<input type="checkbox"/> Changed type of organization (specify new type) ▶ _____
<input type="checkbox"/> Compliance with IRS withholding regulations	<input type="checkbox"/> Purchased going business
<input type="checkbox"/> Other (specify) ▶ _____	<input type="checkbox"/> Created a trust (specify type) ▶ _____
	<input type="checkbox"/> Created a pension plan (specify type) ▶ _____

10 Date business started or acquired (month, day, year)

11 Closing month of accounting year

12 First date wages or annuities were paid or will be paid (month, day, year). **Note:** If applicant is a withholding agent, enter date income will first be paid to nonresident alien. (month, day, year) . . . . . ▶

13 Highest number of employees expected in the next 12 months. **Note:** If the applicant does not expect to have any employees during the period, enter "-0-." . . . . . ▶

Agricultural	Household	Other
--------------	-----------	-------

14 Check one box that best describes the principal activity of your business.

<input type="checkbox"/> Construction	<input type="checkbox"/> Rental & leasing	<input type="checkbox"/> Transportation & warehousing	<input type="checkbox"/> Health care & social assistance	<input type="checkbox"/> Wholesale-agent/broker
<input type="checkbox"/> Real estate	<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Finance & insurance	<input type="checkbox"/> Accommodation & food service	<input type="checkbox"/> Wholesale-other
		<input type="checkbox"/> Other (specify)		<input type="checkbox"/> Retail

15 Indicate principal line of merchandise sold; specific construction work done; products produced; or services provided.

16a Has the applicant ever applied for an employer identification number for this or any other business? . . . . .  Yes  No  
**Note:** If "Yes," please complete lines 16b and 16c.

16b If you checked "Yes" on line 16a, give applicant's legal name and trade name shown on prior application if different from line 1 or 2 above.  
 Legal name ▶ \_\_\_\_\_ Trade name ▶ \_\_\_\_\_

16c Approximate date when, and city and state where, the application was filed. Enter previous employer identification number if known.

Approximate date when filed (mo., day, year)	City and state where filed	Previous EIN
--	----------------------------	--------------

Third Party Designee	Complete this section <b>only</b> if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.	
	Designee's name	Designee's telephone number (include area code) ( )
	Address and ZIP code	Designee's fax number (include area code) ( )

Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.

Name and title (type or print clearly) ▶ *Vicki M. Volunteer*

Signature ▶ *Vicki M. Volunteer* Date ▶ *8/10/2014*

Applicant's telephone number (include area code) ( 517 ) 555-5555
Applicant's fax number (include area code) ( )



financial needs of the total group and, when possible, to assist with participant costs in county, state, national and international programs.

An educational component needs to be part of **all** fund-raising activities. A group needs to be able to clearly state the educational value of the fund-raiser. It is not appropriate for clubs or groups to conduct fund-raisers solely for recreational purposes (e.g., trips to Cedar Point, etc.). However, if members participate in planning and budgeting, even a party can be educational.

## Review and Approval for Fund-Raising

All fund-raising activities must be reviewed and approved by your 4-H Youth agent or county Extension director **before** the event. The U.S. Department of Agriculture (USDA) requires such approval for all 4-H groups. To begin the review and approval process, complete and send the County 4-H Fund-Raiser Application to your county 4-H agent or county Extension director, at least two weeks prior to the event. (A blank copy of this form is on page 28). If he or she approves of the fund-raiser, you will be notified by staff. You may hold the fund-raising event **only** if you receive this approval. Within 10 business days after the end of the event, you must submit the "County 4-H Fund-Raising Report Form" (a blank copy of which is on page 29).

## Games of Chance

As an educational youth development organization serving various interests and needs, we discourage drawings, raffles and various kinds of games of chance to raise money to support our programs because youth cannot be involved in selling tickets for games of chance. We prefer that those involved in 4-H youth development programs initiate fund-raising efforts in which people receive a product or service. If, however, counties decide to hold games of chance, they need to follow the rules governing such games. The Charitable Gaming Division of the Bureau of State Lottery is the state agency responsible for regulating raffles, bingo and other games of chance. For more information, you may go to the following Web site <[www.michigan.gov/cg](http://www.michigan.gov/cg)> or you may telephone the Charitable Gaming Division at (517) 335-5780.

## Use of Funds Raised

All money raised using the 4-H name must be utilized **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 or 4-H group supplies. Money may be transferred to fund county, state or national 4-H programs.

# Handling Money

## Receiving Funds

### Receipts

You should acknowledge all money received, whether from dues or fund-raising, with a written receipt, preferably prenumbered and with a carbon copy. (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 Figure 2 below for a sample receipt.) The receipt should include the source of the funds (such as a car wash or plat book sales), the date, and if possible, the name of the person making the payment. These receipts are the back-up 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.

### Receipts for Dues

You don't need to write an individual receipt for each person paying dues. Just fill out the "Dues Form" (see a sample, Figure 4 on page 9 and a blank form on page 30), total the amount of dues paid for the meeting and write one receipt for the total amount. On the receipt, write "Club Members" in the "Received from" blank and "Dues" and the meeting date in the "For" blank.

<b>No. 1799</b>	
<b>Received from</b> _____	<i>Kerri Culver</i>
<b>For</b> _____	<i>Cookies</i>
<b>By</b> <i>George Gonzales</i>	<b>\$</b> <i>7.09</i>
<small>Give white copy to customer. Keep pink copy.</small>	<b>Date</b> <i>September 3, 2010</i>

**Figure 2. Sample of completed receipt.**

### Receipts for Money From Fund-Raisers

If your 4-H group 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) 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. (See sample below, Figure 3.)

### 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 nonconsumable donations such as equipment or animals only if your group is prepared to accept the responsibilities of ownership including care, maintenance and insurance. Before accepting donations of equipment or animals, your club leadership will need to meet with the local 4-H staff person to discuss the decision.

Written acknowledgment should be sent to the donor and a copy must be kept in the treasurer's records. To make the acknowledgment process

<b>No. 1795</b>	
<b>Received from</b> _____	<i>Mai Kwon &amp; Darriel Will</i>
<b>For</b> _____	<i>Car Wash — 8/23/10</i>
<b>By</b> <i>George Gonzales</i>	<b>\$</b> <i>210.50</i>
<small>Give white copy to customer. Keep pink copy.</small>	<b>Date</b> <i>August 23, 2010</i>

**Figure 3. Receipt for money from fund-raiser.**


<b>Dues Form</b>											
											Amount of Dues to be Paid \$ <u>0.50</u>
Member's Name	Date Joined	Date and Dues Paid									
		5/25	6/30	7/28	8/27	9/29	10/4				
George Gonzales	5/25	0.50	0.50	0.50	–	0.50	0.50				
Alexis Theodakis	5/25	0.50	0.50	0.50	0.50	0.50	0.50				
Petra Theodakis	5/25	0.50	0.50	0.50	0.50	0.50	0.50				
Darriel Will	5/25	0.50	0.50	0.50	0.50	0.50	–				
Marissa Fortier	6/27	–	0.50	0.50	0.50	–	0.50				
Forrest Rutkowski	7/25	–	–	0.50	0.50	0.50	0.50				
Mai Kwon	8/20	–	–	–	0.50	0.50	0.50				
Jim Christiansen	8/27	–	–	–	0.50	0.50	0.50				
Kerri Culver	8/27	–	–	–	0.50	0.50	0.50				
<b>Total</b>	–	2.00	2.50	3.00	4.00	4.00	4.00				

**Figure 4. Sample of completed dues form.**

simple, forms (see Figure 5, below) can be printed on carbonless, triplicate paper. The Internal Revenue Service requires that a specific set of written documents be completed by the donor and the donee if a noncash gift is valued at \$5000 or more. In such a case, consult a qualified attorney. Valuation of a noncash 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 volunteer to place a value on items donated.

Donors cannot specify the individual recipient of cash or noncash donations. Clubs or groups should

	_____ <b>County 4-H Youth Programs</b>	
	<i>Your gift is greatly appreciated and it is federally deductible.</i>	
Date _____	Donated Item _____	
Company Name _____	_____	
Company Rep _____	Designation or Event _____	
Street _____	Club or Countywide Project _____	
City _____ State _____ Zip _____	Contact Person _____	
Phone _____	Signature _____	

**Figure 5. Donor acknowledgment form.**



**Figure 6. “For Deposit Only” rubber stamp.**

not feel compelled to accept noncash gifts. 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.

## 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 Figure 6 above for a sample rubber stamp.) Keep these things in mind when making deposits:

- Endorse checks immediately when you receive them.
- Deposit all funds promptly. If your group receives more than \$10 at any time, deposit the money within three days.

## 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

DEPOSIT TICKET		DOLLARS	CENTS	*****
<b>4-H Smart Clovers Club</b>		CURRENCY	3	00
		COIN	1	56
		CHECKS	787	10 00
		*****		
		33-22730		
		If More Than 2		
		Items List on		
		Reverse Side		
		*****		
		TOTAL ITEMS		
		[ ]		
DATE	<u>May 27</u>	20	<u>10</u>	
	<u>George Gonzales</u>			
<b>Hometown Savings Bank</b>				
1073000 2 281 7334 804 0900				

**Figure 7. Sample of completed deposit ticket or slip.**

don’t, repeat the process. When the two figures do agree, prepare a deposit ticket or slip similar to Figure 7 above. If your group has a checking account, there is usually a supply of deposit slips at the end of each pad of checks. Usually, you can also pick up a blank 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 (see Figure 11 on page 12).
5. On the receipt the bank gives you, write the amount and source of the funds that make up the deposit.

## Disbursing Money

### Approving 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.

**Payment Voucher**

4-H Smart Clovers Club  
4-H club/group name

Date: May 24, 2010

Pay to: Fairway Grocery  
(Copy of bill or statement must be attached.)

Items purchased:	Project:	Amount:
<u>Food</u>	<u>Family Fun Night</u>	<u>\$10.34</u>

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

Kerri Culver \_\_\_\_\_ Date: 5/24/10  
President's signature

Petra Theodorakis \_\_\_\_\_ Date: 5/24/10  
Secretary's signature

Check number: 1152 Date: 5/24/10

By: George Gonzales

**Figure 8. Sample of completed payment voucher.**

## Paying Bills

### Check Request Forms and Payment Vouchers

Check request forms and payment vouchers are documents that record your 4-H group's approval to pay a bill. Prepare one of these forms before paying any bill. Figure 8, found above, is a sample of a completed payment voucher. Blank payment vouchers are found on page 32. The approval form must be signed by someone other than the person(s) signing the check.

### Checks vs. 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. For more information about groups that do

not have bank accounts, see "Guidelines for Groups Without Bank Accounts" found on page 13.

## 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. Write today'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. (Avoid writing checks for less than \$1, but if you have to, start the "Dollars" line by writing the word "Only" and then the amount. See Figure 9 below for a sample of a check written for under \$1.)
5. Begin writing the amount at the extreme left of the amount line. Be sure the written amount agrees with the numeric amount.
6. Leave as little space as possible between the figures and words when filling in the amount lines. This helps prevent someone else from changing a \$1 check, for example, into a \$100 or \$1000 check.
7. Sign the check with your authorized signature, the same way you signed the signature card at the bank when you became treasurer.
8. Use the memo line as a short description of

4-H Smart Clovers Club July 8 20 10<sup>1163</sup>

33-22/730

PAY TO THE ORDER OF Save A Little \$ 0.55

Only<sup>55</sup>/<sub>100</sub> \_\_\_\_\_ DOLLARS

**Hometown Savings Bank**

PURPOSE safety pins George Gonzales

**Figure 9. Sample check written for under \$1.**



- Check 1152 for \$10.34 was written on May 24 to Fairway Grocery.
- A \$14.56 deposit was made on May 27.
- A \$3 bank statement fee was charged to the account on May 30.

## Guidelines for Groups Without Bank Accounts

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

Groups without bank accounts must follow the same bill-paying system as groups with bank accounts. The primary difference is that, instead of using the group’s own checks, you will purchase money orders or cashier’s checks from a bank to pay bills. Another difference is that your monthly treasurer’s report leaves out the bank account reconciliation. Instead of a check register, you’ll use the “Record of Group Finances” (see Figure 12 below).

1. In the “date” column, write the date the transaction took place. In the “for what purpose” column, write to whom the payment was made.
2. Enter the cashier’s check, money order, bank fee or cash payment amount in the “amount” column. Then subtract the amount of the payment from the remaining balance on the line above and enter the new balance immediately below.
3. When the group receives money, record the amount in the “from what source” column. Add the amount to the balance on the line above and enter the new balance immediately below.

All other financial rules and guidelines for groups with bank accounts apply to groups without bank accounts.

## Complaints About Disbursements

The MSU Extension agent responsible for 4-H Youth programs must investigate the disbursement

Record of Club/Group Finances					
Cash Received			Cash Paid Out		Balance
Date	From What Source	Amount	For What Purpose	Amount	Balance at end of each entry
	<i>Balance carried over from previous page</i>				\$ 27.76
5/24			<i>Fairway Grocery</i>	10.34	-10.34 17.42
5/24			<i>Money Order Fees</i>	1.00	-1.00 16.42
5/27	<i>Deposit</i>	14.56			+14.56 30.98
			<i>Balance carried over to next page</i>		\$

Figure 12. Sample of completed record of group finances.

of 4-H funds by any group if a complaint is made. Issues of this nature can be avoided by following the guidelines found in this book. Concerns can be settled quickly if groups have kept their books up to date and have followed these guidelines.

## Disbanded Group's Treasury

Any 4-H Club that disbands with money left in its account must turn over those funds to the county 4-H council or county MSU Extension office. All property belonging to the group must be distributed in the same manner. Group members may request that the resources be used for a specific 4-H program within the group, county or state. This request will be acted on by the county 4-H council in concert with the Extension agent responsible for 4-H Youth programs at the time the group is dissolved.

If a club or group divides itself, creating more than one recognized and properly registered club or group, the funds from the original group must be evenly disbursed, based on membership, in each group. For example, there are 10 members in the original group (Club A), and 6 form Club B and 4 form Club C. In this example, Club B would get 60 percent of Club A's treasury while Club C would get 40 percent.

## Sales Tax

In this section, we discuss general information about sales tax. For example on the next page, there is a flow chart that answers questions such as:

- Does your group have to collect sales tax?
- If your group does have to collect sales tax, what is the process for collecting it and sending it in?
- What kind of records does your group need to keep?

Immediately following the flow chart, are some frequently asked questions (FAQS) and their answers about Michigan sales tax and how it relates to Michigan State University Extension-related organizations. If you have further questions or concerns about sales tax issues or if you need more detailed information than is provided here, contact your county MSU Extension office.

## Tax-Exempt Purchases

Clubs or groups may use the state 4-H tax exempt number for educational purchases for club or group use. If an item being purchased has a sizable amount of tax on it, contact the MSU Extension office to use this number.

## Collection of Sales Tax

Michigan tax law requires that organizations, selling tangible personal property in excess of \$5000 in one year, collect sales tax from the buyers. Therefore, 4-H groups are required to collect sales tax on items such as food, candy, crafts, tack, cookbooks, calendars or plat books; on the fair market (retail) cost of items raffled off; concession stand sales; and in most instances where some tangible item has been sold, **if the group's total sales for one year will exceed \$5000.**

## Remitting Sales Tax

### Calculating the Sales Tax Due

The first step in remitting sales tax is to calculate the sales tax due. To do so, follow these steps:

1. Complete the Annual Summary Financial Report. (See Figure 14 on page 23 for a sample of this report; a blank form may be found on page 26.)
2. If the amount on the line entitled "sales subtotal" is less than \$5000, no sales tax is due. However, if the amount on the line entitled "sales subtotal" is more than \$5000, divide that number by 17.67.

## Paying Sales Tax

To remit the sales tax:

1. Write a check or money order in that amount payable to your county MSU Extension office.
2. Submit both the Annual Summary Financial Report and the check to your county MSU Extension office. The county Extension office will make appropriate payments for the county.

## Keeping Sales Tax Records

Keep the receipt for the check or money order you wrote to your county MSU Extension office.



# Sales Tax

## Does Your Group Have to Collect It? If So, How Do You Collect It and Send It In? What Kind of Records Does Your Group Need to Keep?

Is it **possible** that your club will sell tangible personal property – (e.g., food, candy, craft items, tack, cookbooks, calendars, plat books, bulletins; concession stand sales; and the fair market cost [retail] of items raffled off) – totaling \$5000 or more in a year?

No

Do **not** collect sales tax.

Yes

**Collect sales tax** on tangible personal property (see box above for examples).

Most items that 4-H clubs or groups sell include sales tax as part of the purchase price. When sales tax is part of the item's price, it's called inclusive tax. In Michigan, you can do this by multiplying the item's price by 1.06. (For example, a \$1 item would sell for \$1.06.) If you use the inclusive method, you must state somewhere near the price that the "price includes Michigan Sales Tax." Otherwise, the State of Michigan assumes that you're liable for sales tax on the entire amount (the \$1.06) rather than the gross amount minus the sales tax.

Do **not** collect sales tax on:

- Project animals that are auctioned off.
- Commissions received from clerking at a county fair live-stock auction.
- Proceeds from car washes, bake sales, candy sales, or sales of pizza or submarine sandwiches.

### To remit sales tax:

- Complete the Annual Summary Financial Report. Divide the line entitled "sales subtotal" by 17.67. For example if your sales subtotal equals \$5512, the amount would be \$312.
- Prepare and send a check or money order – in the amount listed above – to your county Extension office.

**Keep** the receipt the county Extension office gives you. You must keep **records** to support your group's financial activities for the last five years in case of an audit.

You must keep records to support your group's financial activities for at least five years in case of an audit.

## Michigan Sales Tax FAQs

The following are some common questions (and answers) about Michigan sales tax and how it relates to Michigan State University Extension-related organizations.

### 1. Are Extension and 4-H tax exempt?

Yes.

### 2. What does being tax exempt mean?

Being tax exempt means that groups may use the state 4-H tax exempt number for educational purchases for club or group use. If an item being purchased has a sizable amount of tax on it, contact the MSU Extension office to use this number.

However, being tax exempt does not necessarily mean that a group does not have to collect and send in sales tax. If a club sells more than \$5000 in tangible personal property in a year, it must collect and send in sales tax. For more detailed information on this process, see the flow chart on page 15.

### 3. Why is it necessary to collect sales tax?

Your group must collect sales tax – on annual sales of \$5000 or more of tangible personal property – because it's the law and we must obey the law. Future sales tax auditors will continue to look closely at the sales activities (particularly plat book sales) of MSU Extension-related groups.

### 4. Aren't farmers and agricultural producers exempt from paying state sales tax?

Yes, they are exempt from paying state sales tax for "tools" used in their operations. A plat book may be a business "tool" for such a person. In that case, the buyer needs to sign a sales tax exemption statement. These forms are available from the county MSU Extension office.

### 5. If we raffle off something or hold a drawing, is there sales tax on the prize? If so, who pays the sales tax?

If your group sells more than \$5000 in tangible personal property in a year **and** if the prize is tangible personal property (see the flow chart on page 15 for an explanation of this), there is sales tax on the fair market value of the prize. Since you probably wouldn't ask the winner to pay tax on his or her winnings, you would pay sales tax from the proceeds of the ticket sales.

### 6. How would we know how much sales tax to charge on a donated item?

You need to estimate the fair market value of the item. It could be based on local prices, mail order catalogs or the word of the donor.

### 7. If we need to collect sales tax, how can we determine whether an item we're selling is taxable?

Generally, the simplest thing is to go ahead and pay the tax. Usually, it's easier to raise the price of something enough to cover the tax than to worry about it.

### 8. May groups that already have their own Michigan sales tax license continue to use them instead of making the payments through the county Extension office?

No. All of your group's Michigan sales tax payments must be made through the county MSU Extension office to Michigan State University. For more detailed information on this process, see the flow chart on page 15.

# Financial Reporting

## General Information

### 4-H Financial Reports

The following table (Table I) provides an overview of the 4-H financial reports. They are listed by the time when they are due. All groups must complete the first four reports. Very few groups

will have to complete Form 990. Only treasurers whose group holds an approved fund-raiser will have to complete a County 4-H Fund-Raiser Report Form. Except for the fund-raising report (which was discussed on page 7), each report is detailed in the pages that follow.

**Table I. 4-H Financial Report Overview.**

Report	Who Must Complete	When Due	Where Presented
Monthly Treasurer's Report	Every group's treasurer	Each month	<ul style="list-style-type: none"> <li>• Group meeting</li> <li>• County MSU Extension office <b>if</b> group has annual activity of more than \$2500</li> </ul>
County 4-H Club Inventory Record	Every group's leader	Yearly on date determined by county	County MSU Extension office
Annual Summary Financial Report	Every group's treasurer	Yearly on date determined by county	County MSU Extension office
Financial Record Review (Audit)	Every group (must <b>not</b> be the treasurer, an account signatory, or a parent or guardian of the treasurer or of an account signatory)	Yearly on date determined by county	<ul style="list-style-type: none"> <li>• Group meeting</li> <li>• County MSU Extension office <b>if</b> group has annual activity of more than \$2500</li> </ul>
IRS Form 990	Groups whose gross annual receipts exceed \$25,000 for three years in a row	Yearly on date determined by county	<ul style="list-style-type: none"> <li>• Internal Revenue Service</li> <li>• County MSU Extension office</li> </ul>
County 4-H Fund-Raiser Report Form	Treasurer of group that holds an approved fund-raiser	Within 10 business days after the end of the fund-raiser	County MSU Extension office

## Submit Records to County MSUE Office Upon Request

All bank statements, receipts, cancelled checks, checkbooks, savings account books and this *Michigan 4-H Treasurer's Record Book (4-H 1203)* must be turned in to your county MSU Extension office when requested by MSU Extension staff. The 4-H Youth agent or county Extension director (CED) can request periodic audits and have financial reports submitted annually

## Groups with Annual Activity of Less than \$2500

All 4-H groups with annual incomes of **less than \$2500** – or with bank account balances of less than \$2500 – must provide beginning and ending bank statements when submitting the Annual Summary Financial Report to the MSU Extension office for review.

## Groups with Annual Activity of More Than \$2500

All 4-H groups with annual activity of **more than \$2500** – or with bank account balances of more than \$2500 – must:

- Have their bank statements sent directly to the county MSU Extension office. County office staff would then photocopy the statements and forward them to the groups' treasurers.
- File copies of the minutes of each meeting **and** copies of each monthly treasurer's report with the county MSU Extension office.

## The Monthly Treasurer's Report

The treasurer's report (see Figure 13 on page 19 for a sample; a blank original is on page 31) informs members of the group's financial activity for the past month. After you complete a copy of the "Monthly Treasurer's Report," circulate a copy of the report and the bank statement. Then present for the group's approval the bills to be paid in the next month.

After the group has reviewed your treasurer's report and verified that it is reconciled with the bank statement, a member moves to accept the

treasurer's report, the motion is seconded and the group votes on the motion. If the motion is approved, the secretary enters a copy of the treasurer's report into the minutes. However, the treasurer keeps the bank statement, payment vouchers, annual summary financial reports and all receipt books in the group's permanent records.

## Annual Summary Financial Report

### What Is It?

The Annual Summary Financial Report sums up your 4-H group's financial activities during the program year (September 1 to August 31).

### Why Is It Important?

Michigan 4-H Youth Development programs is part of Michigan State University Extension which, as its name suggests, is part of Michigan State University. For that reason alone, it is important that volunteers effectively manage public funds raised as part of the activities of a 4-H group. This report is important because it:

- Is a means by which MSU Extension-related organizations help the University fulfill its obligation of fiscal accountability to the residents of Michigan.
- Fulfills the audit concerns of Michigan State University.
- Creates an open, auditable, public record of whether a group is required to remit Michigan sales tax.
- Is the auditable record of the group and it verifies whether or not a group is required to file an Internal Revenue Service (IRS) Form 990.
- Completes a federal requirement for financial accounting by 4-H groups.

### Who Must Complete It?

All 4-H groups must complete and file a copy of this report whether or not they handle any money during the year.

### Other Uses For It

This report can also be adapted for use as a monthly treasurer's report if your group wishes.

## 4-H Smart Clovers Club

Club/Group name

### Monthly Treasurer's Report

1. State the beginning balance:

Date: 5/01/10

Balance: \$27.76

2. Indicate money received:

amount \$ 7.09 for what purpose Cookies

amount \$ \_\_\_\_\_ for what purpose \_\_\_\_\_

amount \$ \_\_\_\_\_ for what purpose \_\_\_\_\_

Total received: \$ 7.09

3. State the expenses:

\$ 10.34 Fairway Grocery

for what purpose food-family fun night

\$ 3.00 to Howntown Savings

for what purpose statement fee

\$ \_\_\_\_\_ to \_\_\_\_\_

for what purpose \_\_\_\_\_

Total expenses: \$ 13.34

4. Indicate closing balance:

Date: 5/31/10 Closing balance: \$ 21.51

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** 0

Subtract deposits not showing up on bank statement **minus** 0

Adjusted balance should agree with bank statement **equals** 21.51

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

Prepared by: George Gonzales  
Treasurer's signature

Accepted by: Kerri Culver  
President's signature

Date: 6/30/10

Date: 6/30/10

Figure 13. Sample of completed monthly treasurer's report.

## How to Complete It

Use the instructions on Table 2 on page 21 to help you complete and send in the Annual Summary Financial Report. **Send this report** (and a check for the sales tax, if your group owes any) **to your county MSU Extension office by the date determined by your county.** See the sample report on page 23. A blank original is on page 26.

**Note: If your group does not handle any money** during the year:

- Mark zeroes in the blanks.
- Sign and date it.
- Send it to your county MSU Extension office by the date determined by your county.

## Financial Record Review

All 4-H groups must review their financial records once a year (before submitting their Annual Summary Financial Report to the county MSU Extension office). The person who conducts the financial record review cannot be the treasurer, an account signatory, or a parent or guardian of the treasurer or of an account signatory.

Following are the steps for a simple club financial review.

1. Add up the receipts from the receipt book to see if that amount matches the bank deposits. Determine reasons for differences, if any.
2. Were there events that took in cash? If so, is there evidence of a “witnessed cash count” by individuals other than the person making the deposit? Does the witnessed cash count equal the amount of the deposit and does the deposit show up on the bank statement?
3. Compare the bank deposit amounts to the amounts that show up on the bank statement for each month. Determine reasons for differences, if any.
4. Was the bank account reconciled each month? This is usually found on the reverse side of the monthly statement. Can you compare the reconciled bank account balance to a figure in the check register? It should be apparent that the two are the same amount.

5. Were there any cash withdrawals from the bank account? If so, is there documentation that they were legitimate? Are there any other transactions in the bank account that need further explanation?
6. Review the expenditures and how they were approved. Are there expenditures that seem out of place? If cancelled checks are returned, review both sides of checks to make sure the people you have determined to be legitimate recipients of the checks, are the people who deposited the checks.
7. Review the Annual Summary Financial Report. Was Michigan sales tax paid if the group sold over \$5000 worth of tangible personal property? Does the financial report reflect all of the fund-raising activities that happened during the year? Does it reflect all of the expenditures for the year? Does it reconcile easily to the closing balance of the last bank statement for the year?
8. Reviewer(s) should sign the report and provide a contact telephone number.

## County 4-H Club Inventory Record

This annual report must be completed, regardless of whether your group has purchased or discarded any equipment in the program year, and sent in to your county MSU Extension office by the date determined by the county. This is meant to be a running inventory of your group’s inventory. A sample of a completed report (Figure 15) is on page 24 and a blank original is on page 27. If you need more detailed information about completing this form, call your county MSU Extension office.

## IRS Form 990

If your group’s gross annual receipts (total revenue from all sources without subtracting any expenses) exceed \$25,000 for each of three years in a row, the third year, your group must complete and file with the Internal Revenue Service (IRS) and your county MSU Extension office an IRS Form 990. Once your group has filed Form 990, it must file the form every year after that, no matter what its gross annual receipts are.

**Table 2. Instructions for Completing the Annual Summary Financial Report.**

Report Line	Line Instructions
<b>First two lines</b>	Fill in the dates covered by the report, your group's name and EIN.
<b>Account balance at beginning of year</b>	Next to (A), enter the balance your group had on hand in a bank, credit union, or savings and loan (or in a safe place at home if your group does not have an account). If your group does have an account, this balance would be the ending balance on the August statement.
<b>Taxable sales revenue</b>	On lines 1 and 2, list the income your group gained in one year from selling <b>only</b> tangible personal property (such as food, candy, crafts, tack, cookbooks, calendars or plat books; on the fair market [retail] cost of items raffled off; concession stand sales). List the event or activity, the date and the total amount raised. If you have more than two lines of income, enter it on the reverse side of the sheet and enter the total on line 3.
<b>Sales subtotal</b>	Enter the total of the amounts from lines 1-3 next to (B).
<b>Grants and other nontaxable activities</b>	On lines 1 and 2, report income from activities such as car washes, bake sales, candy sales, or sales of pizza or submarine sandwiches, from club dues or grants your group may have received. List the event or activity, the date and the total amount raised. If you have more than two lines of income, enter it on the reverse side of the sheet and enter the total on line 3.
<b>Nontaxable sales subtotal</b>	Enter the total of the amounts from lines 1-3 next to (C).
<b>Total revenues for year</b>	Add together the two subtotals (B and C) next to (D).
<b>Expenditures</b>	Use lines 1-4 to summarize your expenses for each event or activity. List the event, the date and the amount spent on each event. (For example, the pizza party might include pop, pizza, plates, cups, napkins and cookies.) If you have more than four lines of expenditures, enter them on the reverse side of the sheet and enter the total on line 5.
<b>Sales tax</b>	<p>What you enter here <b>depends</b> on the amount of money shown on line <b>(B) Sales subtotal</b> above.</p> <ul style="list-style-type: none"> <li>• If the amount on line (B) Sales subtotal is \$0 through \$4999.99, you will enter "0" here.</li> <li>• If the amount on line (B) Sales subtotal is \$5000 or more, you will divide that number by 17.67 and enter your answer on <b>6. Sales Tax</b>. (This is the amount of sales tax you must send to your county MSU Extension office with this form.)</li> </ul>
<b>Total expenses for year</b>	Total the expenses on lines 1-6 above and enter them next to (E).

**Table 2, continued. Instructions for Completing the Annual Summary Financial Report.**

Report Line	Line Instructions
<p><b>Account balance at end of year</b></p>	<ul style="list-style-type: none"> <li>• Add together (A) Account balance at beginning of year and (D) Total revenues for year.</li> <li>• Subtract from that total (E) Total expenses for year.</li> <li>• Enter this amount next to (F).</li> </ul>
<p><b>Adjusted balance</b></p>	<p>Does the amount in (F) Account balance at end of year agree with the ending bank statement balance on August 31?</p> <ul style="list-style-type: none"> <li>• If <b>yes</b>, enter “0” next (G) and (H). Enter this amount next to (I).</li> <li>• If <b>no</b>: <ul style="list-style-type: none"> <li>- Total the checks that you have written but that haven’t shown up on the bank statement and enter this total next to (G).</li> <li>- Total the deposits that you have made but that haven’t shown up on the bank statement. Enter this amount next to (H).</li> <li>- Add (G) to (F).</li> <li>- Subtract (H) from (G) + (F).</li> <li>- Enter this amount next to (I).</li> </ul> </li> </ul> <p><b>Note:</b> If (F) still does not agree with the ending bank statement balance of August 31, go back and check that you have included all of the year’s revenue and expenditures. This activity is essentially the same as reconciling a checkbook, except this report summarizes all financial activities.</p>



## Annual Summary Financial Report

For the Period September 1, 2014 to August 31, 2015

Club or council name: 4-H St. Luce Hearts and Hands Club

EIN: 00-0000000

<b>Account balance at beginning of year:</b>		plus	A	<b>\$1636.73</b>
<b>Taxable sales revenue</b> (list each separately):				
1. <i>Quilt Sale (9/9/14)</i>	\$400.00			
2. <i>Holiday Card Sale (11/5/14)</i>	56.00			
3. <i>Total from back</i>	167.00			
<b>Sales subtotal</b> (add items 1-3 above)	B 623.00			
<b>Grant and other nontaxable activities</b> revenue (list each separately):				
1. <i>Quilt Project Grant (8/15)</i>	\$250.00			
2. <i>Bake Sale (6/21/15)</i>	119.00			
3. <i>Total from back</i>	15.00			
<b>Nontaxable sales subtotal</b>	C 384.00			
<b>Total revenues for year</b> (add sales and nonsales subtotals)		plus	D	<b>\$1007.00</b>
<b>Expenditures</b>				
1. <i>Computer Supplies</i>	\$225.63			
2. <i>Project Sewing Supplies</i>	66.57			
3. <i>Meeting Refreshments (10/10/14)</i>	4.59			
4. <i>MSU Extension—4-H Exploration Days</i>	900.00			
5. <i>Total from back</i>	33.16			
6. <b>Sales tax*</b>	-0-			
<b>Total expenses for year</b> (add lines 1-6 above)		minus	E	<b>\$1229.95</b>
<b>Account balance at end of year</b>		equals	F	<b>\$1413.78</b>
Add back checks that haven't shown up on bank statement		plus	G	-0-
Subtract deposits that haven't shown up on bank statement		minus	H	-0-
<b>Adjusted balance</b> (should agree with bank statement; include a clear copy of bank statement that agrees with this total adjusted balance)		equals	I	<b>\$1413.78</b>

Prepared by: Charisse James

Date: September 5, 2015

Reviewed and approved by: Mitchell Ellsworth

Date: September 8, 2015

Approved by MSU Extension: Margrit Morgan

Date: October 5, 2015

\*If the **Sales Subtotal (B)** is less than \$5000, you don't have to figure sales tax because your 4-H club or group owes no sales tax. If the **Sales Subtotal (B)** is \$5000 or more, divide the **Sales Subtotal (B)** by 17.67 to get the amount of sales tax your group must remit.

**Figure 14. Sample of Completed Annual Summary Financial Report.**



# Appendices: Blank Forms

The following pages contain blank copies of the forms mentioned in the preceding pages. Please make photocopies of these forms as you need them, and then complete them.

The blank forms found here are:

- Appendix A: Annual Summary Financial Report
- Appendix B: County 4-H Club Inventory Record
- Appendix C: County 4-H Fund-Raiser Application
- Appendix D: County 4-H Fund-Raising Report Form
- Appendix E: Dues Form
- Appendix F: Monthly Treasurer's Report
- Appendix G: Payment Voucher
- Appendix H: Record of Club/Group Finances
- Appendix I: SS-4



# Annual Summary Financial Report

For the Period September 1, \_\_\_\_\_ to August 31, \_\_\_\_\_

Club or council name: \_\_\_\_\_

EIN: \_\_\_\_\_

<b>Account balance at beginning of year:</b>		plus	A
<b>Taxable sales revenue</b> (list each separately):			
1.			
2.			
3.			
<b>Sales subtotal</b> (add items 1-3 above)	B		
<b>Grant and other nontaxable activities</b> revenue (list each separately):			
1.			
2.			
3.			
<b>Nontaxable sales subtotal</b>	C		
<b>Total revenues for year</b> (add sales and nonsales subtotals)		plus	D
<b>Expenditures</b>			
1.			
2.			
3.			
4.			
5.			
6. <b>Sales tax*</b>			
<b>Total expenses for year</b> (add lines 1-6 above)		minus	E
<b>Account balance at end of year</b>		equals	F
Add back checks that haven't shown up on bank statement		plus	G
Subtract deposits that haven't shown up on bank statement		minus	H
<b>Adjusted balance</b> (should agree with bank statement; include a clear copy of bank statement that agrees with this total adjusted balance)		equals	I

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_

Reviewed and approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by MSU Extension: \_\_\_\_\_ Date: \_\_\_\_\_

\*If the **Sales Subtotal (B)** is less than \$5000, you don't have to figure sales tax because your 4-H club or group owes no sales tax. If the **Sales Subtotal (B)** is \$5000 or more, divide the **Sales Subtotal (B)** by 17.67 to get the amount of sales tax your group must remit.



# County 4-H Fund-Raiser Application

This form needs to be completed and returned to:

Staff Name: \_\_\_\_\_

Address: \_\_\_\_\_

At the \_\_\_\_\_ County 4-H Office for approval **before** any fund-raising activities can be held.

What is the proposed fund-raising activity? \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

When is the proposed fund-raising activity to take place? \_\_\_\_\_

\_\_\_\_\_

Where is the proposed fund-raising activity to be held? \_\_\_\_\_

\_\_\_\_\_

What is the fund-raiser's educational value to the members? \_\_\_\_\_

\_\_\_\_\_

Proposed starting date of the activity: \_\_\_\_\_ Time: \_\_\_\_\_

Expected ending date of the activity: \_\_\_\_\_

Club Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Person making request: \_\_\_\_\_ Phone: \_\_\_\_\_

---

## For Office Use Only:

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

Staff Signature

# County 4-H Fund-Raising Report Form

This form needs to be completed and returned to the \_\_\_\_\_ County 4-H Office  
10 business days after the approved fund-raising activity is held.

What was the approved fund-raising activity? \_\_\_\_\_

Where and when did the approved fund-raising activity take place?

Income from approved fund-raising activity \$ \_\_\_\_\_

Expenses from approved fund-raising activity \$ \_\_\_\_\_  
(please list general expenses)

Profits from approved fund-raising activity \$ \_\_\_\_\_

Club Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

---

**Return to:**

Staff Name: \_\_\_\_\_

Address: \_\_\_\_\_





Club/Group name \_\_\_\_\_

## Monthly Treasurer's Report

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 statement **minus** \_\_\_\_\_

Adjusted balance should agree with bank statement **equals** \_\_\_\_\_

Include clear 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: \_\_\_\_\_

Please photocopy as needed

### Payment Voucher

\_\_\_\_\_ 4-H club/group name

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

Pay to: \_\_\_\_\_  
(Copy of bill or statement must be attached.)

Items purchased: \_\_\_\_\_ Project: \_\_\_\_\_ Amount: \_\_\_\_\_

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

President's signature \_\_\_\_\_ Date: \_\_\_\_\_

Secretary's signature \_\_\_\_\_ Date: \_\_\_\_\_

Check number: \_\_\_\_\_ Date: \_\_\_\_\_

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

### Payment Voucher

\_\_\_\_\_ 4-H club/group name

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

Pay to: \_\_\_\_\_  
(Copy of bill or statement must be attached.)

Items purchased: \_\_\_\_\_ Project: \_\_\_\_\_ Amount: \_\_\_\_\_

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

President's signature \_\_\_\_\_ Date: \_\_\_\_\_

Secretary's signature \_\_\_\_\_ Date: \_\_\_\_\_

Check number: \_\_\_\_\_ Date: \_\_\_\_\_

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

## Record of Club/Group Finances

Cash Received			Cash Paid Out		Balance
Date	From What Source	Amount	For What Purpose	Amount	Balance at end of each entry
	<i>Balance carried over from previous page</i>	-----		-----	\$ _____
			<i>Balance carried over to next page</i>	-----	\$ _____

# Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)

▶ See separate instructions for each line. ▶ Keep a copy for your records.

EIN
OMB No. 1545-0003

<b>Type or print clearly.</b>	<b>1</b> Legal name of entity (or individual) for whom the EIN is being requested	
	<b>2</b> Trade name of business (if different from name on line 1)	<b>3</b> Executor, trustee, "care of" name
	<b>4a</b> Mailing address (room, apt., suite no. and street, or P.O. box)	<b>5a</b> Street address (if different) (Do not enter a P.O. box.)
	<b>4b</b> City, state, and ZIP code	<b>5b</b> City, state, and ZIP code
	<b>6</b> County and state where principal business is located	
	<b>7a</b> Name of principal officer, general partner, grantor, owner, or trustor	<b>7b</b> SSN, ITIN, or EIN

**8a Type of entity** (check only one box)

<input type="checkbox"/> Sole proprietor (SSN) _____	<input type="checkbox"/> Estate (SSN of decedent) _____
<input type="checkbox"/> Partnership	<input type="checkbox"/> Plan administrator (SSN) _____
<input type="checkbox"/> Corporation (enter form number to be filed) ▶ _____	<input type="checkbox"/> Trust (SSN of grantor) _____
<input type="checkbox"/> Personal service corp.	<input type="checkbox"/> National Guard <input type="checkbox"/> State/local government
<input type="checkbox"/> Church or church-controlled organization	<input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government/military
<input checked="" type="checkbox"/> Other nonprofit organization (specify) ▶ <u>4-H Club (educational)</u>	<input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises
<input type="checkbox"/> Other (specify) ▶ _____	Group Exemption Number (GEN) ▶ <u>2704</u>

**8b** If a corporation, name the state or foreign country (if applicable) where incorporated

State	Foreign country
-------	-----------------

**9 Reason for applying** (check only one box)

<input type="checkbox"/> Started new business (specify type) ▶ _____	<input checked="" type="checkbox"/> Banking purpose (specify purpose) ▶ <u>savings/checking</u>
<input type="checkbox"/> Hired employees (Check the box and see line 12.)	<input type="checkbox"/> Changed type of organization (specify new type) ▶ _____
<input type="checkbox"/> Compliance with IRS withholding regulations	<input type="checkbox"/> Purchased going business
<input type="checkbox"/> Other (specify) ▶ _____	<input type="checkbox"/> Created a trust (specify type) ▶ _____
	<input type="checkbox"/> Created a pension plan (specify type) ▶ _____

**10** Date business started or acquired (month, day, year) \_\_\_\_\_ **11** Closing month of accounting year \_\_\_\_\_

**12** First date wages or annuities were paid or will be paid (month, day, year). **Note:** If applicant is a withholding agent, enter date income will first be paid to nonresident alien. (month, day, year) . . . . . ▶ \_\_\_\_\_

**13** Highest number of employees expected in the next 12 months. **Note:** If the applicant does not expect to have any employees during the period, enter "-0-." . . . . . ▶ \_\_\_\_\_

Agricultural	Household	Other
--------------	-----------	-------

**14** Check **one** box that best describes the principal activity of your business.

<input type="checkbox"/> Construction	<input type="checkbox"/> Rental & leasing	<input type="checkbox"/> Transportation & warehousing	<input type="checkbox"/> Accommodation & food service	<input type="checkbox"/> Wholesale-agent/broker	<input type="checkbox"/> Wholesale-other	<input type="checkbox"/> Retail
<input type="checkbox"/> Real estate	<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Finance & insurance	<input type="checkbox"/> Other (specify)			

**15** Indicate principal line of merchandise sold; specific construction work done; products produced; or services provided.

**16a** Has the applicant ever applied for an employer identification number for this or any other business? . . . . .  Yes  No  
**Note:** If "Yes," please complete lines 16b and 16c.

**16b** If you checked "Yes" on line 16a, give applicant's legal name and trade name shown on prior application if different from line 1 or 2 above.  
 Legal name ▶ \_\_\_\_\_ Trade name ▶ \_\_\_\_\_

**16c** Approximate date when, and city and state where, the application was filed. Enter previous employer identification number if known.

Approximate date when filed (mo., day, year)	City and state where filed	Previous EIN
--	----------------------------	--------------

<b>Third Party Designee</b>	Complete this section <b>only</b> if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.	
	Designee's name	Designee's telephone number (include area code) ( )
	Address and ZIP code	Designee's fax number (include area code) ( )

Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.

Name and title (type or print clearly) ▶	Applicant's telephone number (include area code) ( )
Signature ▶	Date ▶
	Applicant's fax number (include area code) ( )

# Index

Acknowledgments .....	2	Dues Form .....	9
Account (bank) .....	5	EIN (Employer Identification Number) .....	5
EIN required .....	5	How to apply .....	5
Groups without .....	13	Needed to set up a bank account .....	5
Setting up .....	5	Financial Planning .....	5
Signatories .....	5	Budget .....	5
Annual Summary Financial Report .....	18	Financial Record Review .....	20
How to complete it .....	20	Financial Reporting .....	17
Other uses .....	18	Annual Summary Financial Report .....	18
What is it .....	18	County 4-H Club Inventory Record .....	20
Who must complete .....	18	Financial record review .....	20
Why is it important .....	18	General information .....	17
Appendices .....	25	IRS Form 990 .....	20
Annual Summary Financial Report .....	26	Monthly treasurer's report .....	18
County 4-H Club Inventory Form .....	27	On annual activity of less than \$2500 .....	18
County 4-H Fund-Raiser		On annual activity of more than \$2500 .....	18
Application Form .....	28	Submit to county upon request .....	18
County 4-H Fund-Raising Report Form .....	29	Table of reports .....	17
Dues Form .....	30	Forms .....	25
Monthly Treasurer's Report .....	31	Annual Summary Financial Report .....	26
Payment Voucher .....	32	County 4-H Club Inventory Form .....	27
Record of Club/Group Finances .....	33	County 4-H Fund-Raiser	
SS-4 .....	34	Application Form .....	28
Approving Bills .....	10	County 4-H Fund-Raising	
Audit .....	15	Report Form .....	29
Bills .....	10	Dues Form .....	30
Approving .....	10	Monthly Treasurer's Report .....	31
Paying .....	11	Payment Voucher .....	32
Check Register .....	12	Record of Club/Group Finances .....	33
Checks .....	11	SS-4 .....	34
How to write .....	11	Fund-Raising .....	5
vs. Cash .....	11	Games of chance .....	7
County 4-H Club Inventory Record .....	20	Review and approval of .....	7
County 4-H Fund-Raiser Application .....	28	Use of funds raised .....	7
County 4-H Fund-Raising Report Form .....	29	Guiding Principles (Michigan 4-H Youth	
Deposits .....	10	Development's) .....	1
Preparing .....	10	Handling Money .....	8
Disbanded Group's Treasury .....	14	Introduction .....	1
Disbursing Money .....	10	Acknowledgments .....	2
Approving bills .....	10	Michigan 4-H Youth Development's	
Complaints about .....	13	Guiding Principles .....	1
Disbanded group's treasury .....	14	Michigan 4-H Youth Development's	
Keeping records .....	12	Mission Statement .....	1
Paying bills .....	11		

Michigan 4-H Youth Development's Philosophical Statement .....	1	SS-4 .....	34
IRS Form 990 .....	20	Treasurer .....	4
Michigan 4-H Youth Development's Guiding Principles .....	1	About being .....	4
Michigan 4-H Youth Development's Mission Statement .....	1	Responsibilities .....	4
Mission Statement (Michigan 4-H Youth Development's) .....	1	Use (of this book) .....	3
Monthly Treasurer's Report .....	18	County staff .....	3
Monthly Treasurer's Report Form .....	31	How should it be used .....	3
Noncash donations .....	8	Parents .....	3
How to acknowledge .....	8	Treasurer .....	3
Officer (about being) .....	3	Volunteer leaders .....	3
Overview .....	1	Who should use it .....	3
Paying Bills .....	11		
Checks vs. cash .....	11		
Payment vouchers .....	11		
Writing checks .....	11		
Payment Voucher .....	32		
Receipts .....	8		
For dues .....	8		
For fund-raisers .....	8		
Receiving Funds .....	8		
Acknowledging noncash donations .....	8		
Bank deposits .....	10		
Receipts .....	8		
Record Keeping .....	12		
For disbursements .....	12		
For groups without bank accounts .....	13		
Maintaining the check register .....	12		
Record of Club/Group Finances .....	13		
Record of Club/Group Finances .....	33		
Reports .....	17		
Annual Summary Financial Report .....	18		
County 4-H Club Inventory Record .....	20		
Financial record review .....	20		
General information .....	17		
IRS Form 990 .....	20		
Monthly treasurer's report .....	18		
On annual activity of less than \$2500 .....	18		
On annual activity of more than \$2500 .....	18		
Submit to county upon request .....	18		
Sales Tax .....	14		
FAQs .....	16		
How to determine need to pay .....	15		
Making purchases without paying .....	14		



**MICHIGAN STATE  
UNIVERSITY  
EXTENSION**

MSU is an affirmative action/equal opportunity institution. Michigan State University Extension educational programs and materials are available to all without regard to race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, marital status or family status.

Issued in furtherance of MSU Extension work, acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Margaret A. Bethel, Director, MSU Extension, Michigan State University, East Lansing, MI 48824.

This information is for educational purposes only. Reference to commercial products or trade names does not imply endorsement by MSU Extension or bias against those not mentioned. This bulletin becomes public property upon publication and may be reprinted verbatim as a separate or within another publication with credit to MSU. Reprinting cannot be used to endorse or advertise a commercial product or company.

6R-PJM Web January 2004