

Treasurer's Manual



4H1035



TABLE OF CONTENTS

Introduction 3

Sections

Section 1: Framework 4
Section 2: Getting Started 9
Section 3: Income & Fundraising 12
Section 4: Spending Money 15
Section 5: Reporting to Your Club 16
Section 6: Finishing for the Year 18
Section 7: Treasurer's Checklist 24
Section 8: More Financial Forms 26

Examples

Example 1.1 4-H YDP Club Ledger 5
Example 1.2 4-H YDP Project Ledger 6
Example 1.3 Sample Check 7
Example 1.4 Checking Account Register 7
Example 2.1 4-H YDP Club Budget 11
Example 3.1 Deposit Record 13
Example 3.2 Cash Receipt 14
Example 5.1 Checkbook Balancing 17

Forms

Form 6.1 4-H YDP Monthly Report 19
Form 6.2 Annual Inventory Report 22
Form 6.3 Annual Financial Report 23
Form 8.1 4-H YDP Club Ledger 26
Form 8.2 4-H YDP Project Ledger 27
Form 8.3 4-H YDP Club Budget 28
Form 8.4 Checkbook Balancing 29
Form 8.5 Fundraising Approval 30
Form 8.6 Peer Review Checklist 31
Form 8.7 4-H Treasurer Checklist 32

Forms also available online at
<http://www.ca4h.org/4hresource/forms/>

Glossary 33
Acknowledgements 35

Mission:

The University of California 4-H Youth Development Program engages youth in reaching their fullest potential while advancing the field of youth development.



4H1035 - Published June 2003 by the
California 4-H Youth Development Office
<http://www.ca4h.org/>

*The University of California
4-H Youth Development Program*

Treasurer's Manual

To the 4-H Treasurer:

Your club has given you an important job — handling the club's money. You'll be expected to:

- Work with your club to make a prediction of how much money your club will bring in this year.
- Receive all money for the club.
- Keep a record of all money received in your treasurer's book.
- Deposit the money to the club account in the local bank as soon as possible.
- Pay for things the club has approved.
- Report at the monthly club meeting about the money it has made and spent.
- Provide reporting to your club, council and the county 4-H Youth Development Office on the annual peer review and other accounting on your club.
- Attend county training sessions.
- Complete all tasks outlined on the 4-H Treasurer's Checklist (Form 8.7) on page 32.

The purpose of this manual is to show you how to do your job. Whether you are the first treasurer for your club or taking over from

someone else, these instructions will help you be successful in your new job.

To do your job, you will need to know how to:

- Write up a budget.
- Receive money.
- Write a check.
- Balance a bank statement.
- Make up reports.
- Prepare for the annual peer review.

You will need to have a set way of recording and paying for things so anyone in your club will be able to understand what you are doing and be confident with your work.

Section 1 will prepare you for the year and longer. Here you will put together a recording system, set up your bank account and, if necessary, obtain an IRS number.

In Section 2, you will prepare a budget.

Section 3 shows you how to take money and Section 4 shows you how to spend it.

Section 5 teaches you the reporting you will need to do, monthly and once a year.

Section 6 will have you close your records for the year and prepare for a peer review.

The skills you will learn as a treasurer will help you throughout your life, both at home and at work. If you enjoy your experience, you may want to consider a career in business. Additional careers include accounting, finance, and investing.

SECTION 1: FRAMEWORK

Section 1: Framework

When you begin, you may be the first treasurer of your club or one of many before you. If you are the first, your club will need to get a bank account and an IRS Employer Identification Number (EIN).

If you are taking over for a previous treasurer, you will need to change the signature cards at the bank and review the last year's club treasurer records. Meet with the former treasurer. If there is not one, meet a treasurer from another club in your county, and find out how their bookkeeping records were kept.

Preparing Your Recording System

You can use any sort of system that works best for you: paper, Excel, Word, Quicken, etc. Be consistent and use the same system all year. No matter what system you use, consider using paper first so you can organize everything you will be using during the year.

The records should include at least the following:

- **Chart of accounts**
The chart of accounts is a list of the different types of expenses and revenues. For instance, you might have an account for incentives and recognition (pins, certificates, etc.), another for program fees, another for fundraising income and expense, etc. If you always use the same account name each time, it will make your end of the month work much easier.
- **Club ledger**
The club ledger is where you record what money is paid to the club and

What you will do in this section:

- **Prepare your recording system**
- **Set up bank accounts and signature cards**
- **Learn how to obtain an IRS Employer Identification Number (EIN)**

any expenses you have paid. The ledger should include an entry for anything recorded in the checkbook each month, including payments, deposits, and fees. (See Example 1.1 "4-H YDP Club Ledger" on page 5 and Form 8.1 "4-H YDP Club Ledger" on page 26.)

The information should include:

- The date
 - Receipt number, when used
 - Who was paid or who paid the money
 - Purpose
 - Account
 - Amount
- **Project ledgers**
Project ledgers are separate ledgers for large projects and fundraising events. The purpose is to help you keep track of larger, less routine projects or fundraising activities. For instance, a separate ledger will allow you to see if a fundraiser was successful or not. (See Example 1.2 "4-H YDP Project Ledger" on page 6 and Form 8.2 "4-H YDP Project Ledger" on page 27.)

Example 1.1 4-H YDP Club Ledger

4-H YDP CLUB LEDGER

Club Name: <u>4-H YDP Clover Club</u>	Opening Account Balance \$ <u>875.00</u>
Location: <u>DAVIS, CA</u>	Plus Cash on Hand + <u> </u>
Month: <u>March</u> Year: <u>2003</u>	Total Opening Balance = <u>875.00</u>

INCOME

DATE	RECEIPT	FROM	PURPOSE	SUB-ACCOUNT TO:	AMOUNT	
3/05	1799	Jill Smith	Fees		6	00
3/05	1800	Jane White	Fees		6	00
3/25	1801	Ron Vick	Car wash		23	50
3/25	1802	Paul Jones	Car wash		46	50
3/27	Letter	Valley Feed	Gift	To: Horse	100	00
3/27	1803	Grace Lee	Petting Zoo	To: Farm	625	00
TOTAL INCOME FOR MONTH:					807	00

EXPENSES

DATE	CHECK	TO	PURPOSE	SUB-ACCOUNT TO:	AMOUNT	
3/20	103	Travel Co.	Exchange Program		16	00
3/20	104	Valley Feed	Equipment Trunk	From: Horse	68	50
3/26	105	Travel Co.	Exchange Program		16	00
3/31	106	UC Regents	Insurance		100	00
3/31	_____		Bank Fees		3	00
3/31	107	Lumber Co.	Barn Roof	From: Farm	1000	00
TOTAL EXPENSES FOR MONTH:					1203	50

NOTE

Keep the following with this report:

- Bank statements
- Receipts for income
- Canceled checks
- Expenses for each month

Income	+ <u>807.00</u>
Expenses	- <u>1203.50</u>
Closing Balance	= <u>478.50</u>
Cash on Hand	+ <u> </u>
Total Closing Balance	= 478.50

FRAMEWORK

Example 1.2 4-H YDP Project Ledger

4-H YDP PROJECT LEDGER (SUB-ACCOUNTS)

Club Name: 4-H YDP Clover Club

Location: Davis, CA

Month: March Year: 2003

Project Name (Sub-Account): Horse Project

Beginning Balance: \$ 75.00

DATE	RECEIPT	INCOME FROM	AMOUNT		BALANCE	
3/27	Letter	Valley Feed - Gift	100	00	175	00

DATE	CHECK	EXPENSE DESCRIPTION	AMOUNT		BALANCE	
3/20	104	Equipment Trunk	68	50	106	50

Ending Balance: \$ 106.50

Project Name (Sub-Account): Farm Project

Beginning Balance: \$ 700.00

DATE	RECEIPT	INCOME FROM	AMOUNT		BALANCE	
3/27	1803	Petting Zoo	625	00	1325	00

DATE	CHECK	EXPENSE DESCRIPTION	AMOUNT		BALANCE	
3/31	107	Lumber Co. - Barn Roof	1000	00	325	00

Ending Balance: \$ 325.00

Example 1.3 Sample Check

4-H YDP Clover Club 3027 Green Road Davis, CA 95616	101 DATE <u>February 25, 2003</u>
PAY TO THE ORDER OF <u>Valley Hardware</u> \$ 8.87	
<u>Eight dollars and 87/100</u> DOLLARS	
County Federal Bank	<u>Valerie Guido</u> <u>Terrie Garrison</u>
MEMO <u>tools - beekeeping project</u>	

■ **Checks**

Checks are issued by your bank. Keep these locked in a safe place until you need them. (See Example 1.3 "Sample Check" above.)

■ **Check register**

The check register is the book the bank gives you to keep track of the checks you write. (See Example 1.4 "Checking Account Register" below.)

Example 1.4 Checking Account Register

CHECKING ACCOUNT REGISTER									
RECORD ALL CHARGERS OR CREDITS THAT AFFECT YOUR ACCOUNT									
NUMBER	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/DEBIT (-)		CODE	FEE (-)	DEPOSIT/CREDIT (+)		\$ BALANCE
									\$30 98
101	3/25	Valley Hardware	\$8	87					-8 87
									22 11
—	3/26	Deposit					\$10	15	+10 15
									32 26
—	3/31	Statement Fee				\$3.00			-3 00
									29 26

FRAMEWORK

- **Bank stamp**
Ask your bank for a bank stamp. It is useful when making a deposit. Find out what the stamp costs first, though. You will need to include its cost in the budget.
- **Date stamp**
You will need a date stamp for paying bills.
- **Receipt book**
A receipt book can be purchased at a stationary or office supply store.

Keep the records in a safe place where they cannot be damaged or lost. Keep all your records together.

REMEMBER:

- Do not give checks to someone who is not an authorized check signatory.
- Do not sign blank checks.
- Do not sign checks written to yourself.

Setting Up Bank Accounts and Signature Cards

Each 4-H YDP unit is allowed to have one checking account and one savings account.

Obtaining an Employer Identification Number (EIN)

The Internal Revenue Service (IRS) requires 4-H clubs/units to have an Employer Identification Number (EIN), also known as a Federal Tax Identification Number. Reporting to the IRS is explained at the end of this booklet.

Be sure that your club has an EIN and that it has been reported to the county 4-H staff. Check with your adult leader to see if your club already has one.

Directions for getting an EIN can be found at
<http://www.irs.gov>

SECTION 2: GETTING STARTED

The County Director must approve any additional bank accounts. 4-H YDP checking accounts must have a minimum of two unrelated individuals, of whom one should be the youth treasurer and the other an adult leader sign all checks. Whether your club is opening its first account, or you are taking over for last year's treasurer, you will need to get a new bank signature card.

Whenever you change, add or delete signatories, most banks require a letter from the President and adult club leader, on club letterhead, and a copy of the

4-H YDP policy requires that two unrelated individuals, of whom one should be the youth treasurer and the other an adult leader, sign all checks.

meeting minutes stating who is authorized to sign.

4-H requires that the County Director or designee be included as an additional signatory for the County Council/VMO and for any club that has funds of \$1,500 or more in the combined checking and savings accounts at the end of the program year.

The County Director or designee will need to be added to your bank's signature card.

Send a copy of your club's signature card to your county 4-H Youth Development Program staff. Always keep a copy of your signature card with your records.

Section 2: Getting Started for the Year

What you will do in this section:

- Prepare a budget for the year

Preparing to Budget

Each year your club will need to present a plan of what it wants to do and how it wants to do it. This may include plans for a booth at the county fair, a carwash, sending youth to camp or any of your other club activities. The plan will show how much each activity will cost and how the club will raise the money to pay for it.

Your job will be to write a plan that lists estimates of both the costs and the money to be raised. The plan is called a BUDGET.

A budget will be the foundation of what the club will do this year. It must include:

1. The budget results from last year:
 - How much you made (called "revenue")
 - How much you spent (called "expense")
 - How much money you had left over
2. The plan for this year:
 - The name of this year's fundraising activities

GETTING STARTED

- How much money each activity is expected to raise?
- How much you expect to be spending, such as for buying equipment, food, supplies, etc?

Writing a Budget

Make up a worksheet on paper or on the computer. (See Example 2.1 "4-H YDP Club Budget" on page 11 and Form 8.3 on page 28.)

The worksheet should have a space for:

- a) Beginning balance.
- b) Estimated fees to be paid to the club (for example, program fees, camp, projects, etc.).
- c) Estimated money from fundraisers.
- d) Estimated other income (for example, contributions and interest from savings).
- e) Subtotal of money earned.
- f) Estimated operating expenses (refreshments, plates, cups, etc.).
- g) Estimated expenses for the year.
- h) Subtotal of expenses.
- i) Subtract the expenses from the income then show what you plan to have left over.

After creating your worksheet:

1. Record your beginning balance of cash. This will include what you have in your checking and savings accounts.
2. Add the amount of money you plan to receive this year and show where the money will come from. That would

include your fundraisers, project fees, any contributions you know will be coming in, and interest income.

Suggestions for planning can be found in the Section 3, "Income and Fundraising."

3. If you don't know what to estimate, look at what the club recorded at the end of last year. That is a good place to start.
4. List the different things you will be spending money on and what each will cost. These will include fees to camp, supplies, food, etc.
5. Subtract the expenses from the income. The difference will show if you have planned to spend too much or if there will be money left over at year-end. The 4-H program is an educational program and does not recommend a club maintain more money than it needs to manage from year to year. As a guide, your club should not keep more money than the amount they spent on expenses last year.
6. Your club leaders and membership must approve the budget at the beginning of the club year.
7. Include a column (actual) to show what you planned and what the actual amount is when you know for sure. For instance, you budgeted to earn \$100 for a car wash fundraiser. Actual income was \$79. You would be able to report that you are "under" budget. If you earned more than what you budgeted, you would say you are "over" budget.

Keeping track of what you planned and what actually happened will help you improve your planning in the future.

Example 2.1 4-H YDP Club Budget

4-H YDP CLUB BUDGET

Club Name: 4-H YDP Clover Club

July 1, 2002 to June 30, 2003

Total Opening Balance \$ 2000.00

ESTIMATED INCOME (SOURCE, USE, PUR-	BUDGETED		ACTUAL	
Enrollment Fees	250	00		
Family Contributions	200	00		
Car Wash (Fundraiser: Awards, Camperships)	250	00		
PROJECTS (SUB-ACCOUNTS)				
Horse Project - Fundraising Show	200	00		
Farm (Gifts: New Barn Roof)	1500			
Farm (Petting Zoo)	900	00		

Total Income \$ 3400.00 \$ _____

ESTIMATED EXPENSES (DESCRIBE)	BUDGETED		ACTUAL	
Fees: County Council Fees and Insurance	250	00		
Awards Dinner	500	00		
Club Meetings (Supplies and refreshments)	100	00		
Administration (Stamps, copying, paper)	75	00		
PROJECTS (SUB-ACCOUNTS)				
Horse Project	400			
Farm (New Roof and Fencing)	00	3500		

Total Expenses \$ ⁰⁰4825.00 \$ _____

Closing Balance \$ 575.00 \$ _____

We certify that this budget was approved by the club/unit meeting on (date) June 15, 2002

Club President's Signature: John Diaz

Treasurer's Signature:

Club Leader's Signature: Megan Jones

Terrie Garrison

SECTION 3: INCOME & FUNDRAISING

Section 3: Income and Fundraising

What you will do in this section:

- Learn how to receive cash and other payments.
- Learn how to deposit and record money.
- Learn what you can and cannot accept.

As 4-H club treasurer, you will receive all payments made to your club. The payment could be for camp or project earnings, t-shirts, or any number of other sources.

Also, during a fundraising event, you may be asked to be the cashier, receiving payments for whatever your club may be selling. You may even receive money from another member who ran a club-sponsored fundraiser you did not attend. Whatever the reason, though, you must always be certain that you follow these rules:

- If you are receiving cash, have a cash box you can lock.
- Keep cash where it cannot be easily stolen.
- Whenever possible, write a receipt for the person paying you.
- Never leave cash without someone you can trust to watch it.
- Deposit the money in the club bank account within seven days.

Receiving Money

- A. Keep a cash box to lock your money and receipts in. If payment is received in check, make sure the check is complete. It should be made payable to your 4-H club. It must include the amount, date, and signature of the person paying. Write the check signer a receipt. Use your bank stamp for the back of the check. This will make sure the money can only be deposited in your 4-H YDP club account.
- B. If you are receiving cash, keep the cash in a secure location. It is very easy to misplace money or have it stolen. Remember, this is not your money. It belongs to your club and you are responsible for keeping it safe. Count out the money received to the person paying you. If change is needed, count that out to the person, too. If possible, write the donor (giver) a receipt.
- C. Whenever possible, write a receipt for money paid to you. A numbered cash receipt book is always best. Keep a copy of the receipt for your own records. All receipts must be accounted for. If you make a mistake on a receipt, mark it "VOID" and keep the original and copy for your records. (*See Example 3.2 "Cash Receipt" on page 14.*)
- D. Sometimes a receipt is not always possible (for example, a fundraiser). When that happens, record the total amount received for the day on one record. Have an adult member recount your money with you watching. When you have both verified the amount, have the adult sign your receipt.

Depositing and Recording Money

Deposit money within seven days. The best practice is to deposit daily or the next day

INCOME & FUNDRAISING

the bank is open. You will need to complete a deposit record each time you take money to the bank.

Filling Out a Deposit Record:

1. Date the deposit record. (*See Example 3.1 "Deposit Record" below.*)
2. Fill in the amount of currency (bills) and coins deposited.
3. List each check number and its amount separately, and enter the totals as indicated on the deposit record. If you have a lot of checks, you will need to list them on the back of the receipt.
4. Add up the checks and make sure that they add up to what you wrote on the deposit record.
5. Stamp the back of each check with your bank stamp. When you do this, you are "endorsing" the check. If you do not have a stamp, have another authorized person (one of the designated signatories) sign the back of the check and write "For Deposit Only."

6. Complete a duplicate deposit record, and keep it with the receipt the bank will issue you. The duplicate should be kept with your records for the month. You will want to make sure that the deposit amount shows up on your next bank statement.

Recording the Deposit

You have now received money, written a receipt and deposited it in the bank. You now want to record what you have done.

1. Record the amount in your check register. Include the date, description of deposit and the amount. You will need to add the deposit to your current bank balance.
2. Record the deposit in your ledger. Whether you are using paper or an electronic system, you will always need to record the same information that you put in the check register. If the money was received for one of your large Project Accounts, make sure you record it in both the Project Account and your ledger.
3. Programs like *Quicken*® work as an electronic check register. They are

Example 3.1 Deposit Record

4-H YDP Clover Club 3027 Green Road Davis, CA 95616	CASH	CURRENCY	2	00
		COIN	1	31
DATE <u> May 25, 2003 </u>	CHECKS	1103	10	00
		787	10	00
		948	1	25
	Total from reverse side	—	—	—
	TOTAL		24	56
	Less cash received	—	—	—
	NET DEPOSIT		24	56

SIGN HERE FOR CASH RECEIVED
(IF REQUIRED)

County Federal Bank

INCOME & FUNDRAISING

very good at helping you keep track of your clubs financial transactions. However, you will still need to use the paper bank register. This way you will always have another copy of your bank transactions.

Fundraising Guidelines

Include fundraising activities in the budget at the beginning of the year. For mid-year fundraisers that are not in the budget, use Form 8.5 on page 30.

Keep fundraising to a minimum. Raise money only for specific educational purposes. Remember 4-H is a youth development program. Don't let fundraising become so important that it gets in the way of learning and doing.

Some ideas for raising funds:

- Running a refreshment stand at fairs or other events.
- Amateur entertainment festivals, such as community square dances, plays, skits, pageants, musicals, skating parties, and other forms of recreation enjoyed in the community.
- Raking leaves, mowing lawns, or other services.
- Walkathons or bikeathons.
- Recycling drives for aluminum or newspapers.

Some limitations to fundraising:

- Never use the 4-H name or emblem in connection with sales of a commercial product.
- Do not perform door-to-door canvassing for donations. Give people something for their money or sell them on the merits of the 4-H Youth Development Program as an educational program.

- Funds raised by a 4-H club or group must include careful record keeping and be used only to support the 4-H Youth Development Program directly.
- Games of chance such as raffles and bingo-type games are not allowed.
- Always use accepted fundraising procedures for specific projects and tell the public how the money will be used.

Accepting Gifts

Gifts donated to your club must be taken care of by your club. Money and property are considered gifts if they are given to the club as charitable donations. That means the club can use them in anyway the club decides. The person giving the gift is not allowed to tell the club how to use it. Gifts of \$1,000 in value or higher are to be reviewed by the County Director or designee.

Record gifts of money in your ledger and report them in your annual report. Some gifts are not allowed, such as animals or guns. If you have questions about a gift, review the 4-H Youth Development Program Policy manual and talk to your 4-H Youth Development Program staff.

Example 3.2 Cash Receipt

CASH RECEIPT	1801
GIVE WHITE COPY TO CUSTOMER. KEEP PINK COPY	DATE <u>3/25/03</u>
	AMOUNT \$ <u>23.50</u>
RECEIVED FROM:	<u>RON VICK</u>
PURPOSE:	<u>CAR WASH</u>
RECEIPT ISSUED BY:	<u>Terrie Garrison</u>

SECTION 4: SPENDING MONEY

Section 4: Spending Money

What you will do in this section:

- Learn to write a check and complete a bank register.
- Learn how to show what you paid for.
- Learn to complete your accounting records.

The next thing you need to do is pay for expenses for your club. **Your club must authorize all expenditures.** If the expense was included in the budget, you are authorized to pay what was planned or less. The club leaders should approve project and fundraising expenses before you pay. If the expense is not in the budget, you will have to receive approval from the club at your next meeting.

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

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

How To Write a Check and Complete a Bank Register

- 1) You must write a check and record the check in the check register any time you spend club money. (*See*

Example 1.4 "Checking Account Register" on page 7.) Anything you pay for should be based on something you already budgeted for. If it is not, you will need prior approval from your club membership.

- 2) To pay, you will need a receipt (bill or statement) from the person you are paying.
- 3) Do not write a check if you don't have money in your checking account to cover it.
- 4) Never have someone related to you sign a check you have signed. Someone other than a relative must be the second signer.
- 5) Prove what you paid for. On the receipt or bill you are paying indicate:
 - The check number.
 - The reason you paid the bill.
 - Who you paid.
 - How much you paid.
 - The date you paid. This is where you could use your date stamp.
 - Write or stamp "PAID" on the bill.

Do not sign a check until you have the bill in front of you. Keep the bills you pay separated by month. You will need them when you reconcile your accounts at the end of the month.

SECTION 5: REPORTING TO YOUR CLUB

Property

Sometimes your club will buy something it plans to use more than once. For instance, you might be asked to pay for equipment or tools for a project. You are responsible for keeping a record of these things. These things are called "Property" and your list of them is called an "Inventory List." Anything that costs \$100 or more should be included on the list.

An inventory list should include:

- The name of the item.
- Date purchased.
- Amount paid.
- Where it is kept (such as the name and address of the member storing it).

When you sell the property, record the amount you sold it for and when you sold it. Any cash received should be deposited and recorded in your check register.

Completing the Ledger

Whenever you pay for something or receive money, you will need to record it in the ledger. It gives you a place to keep a record of what you have spent and what you have received.

To complete the ledger, you should:

- Record everything you have entered in the check register.
- Total the expenses and income.
- Complete separate Project Ledgers.
- Write the totals from the Project Ledgers on the Club Ledger.
- Compare the ledger with the check register and the receipts and bills to make sure you have all your records. This is called "Reconciliation."

Section 5: Reporting to Your Club

What you will do in this section:

- Reconcile your bank account.
- Prepare a monthly report.
- Prepare an inventory report.
- Prepare the annual report.

What to Do Monthly

You will need to do a little more work before you go to your next club meeting.

Reconcile Your Bank Account

The bank will send you a statement every month. It will be the bank's record of what you spent and what you deposited. You need to go back through your records for the month and make sure that your records agree with what the bank says. When you do this, you are "reconciling" your bank account.

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

Compare each item in the bank statement to your check register. Make sure that the amount of your check matches what the bank charged. Make a check mark in the register in the space marked to show that you have verified that the two amounts match.

REPORTING TO YOUR CLUB

2. Compare each deposit and make sure your register and the bank statement match.
3. If the bank charged you for any fees, write the fee into your register and subtract the fee from your balance.
4. Look at your check register. You should now have all the checks and deposits you checked off and, perhaps, some you did not because they have not cleared the bank.
5. Add up the checks that have not cleared.
6. Add up the deposits that have not cleared.
7. At the beginning of your bank statement you should find an amount that shows your remaining balance in the bank. Write that down.
8. Add your deposits to the balance.
9. If your bank gives dividends or interest, add this amount to your balance.
10. Subtract the remaining checks from the total above.
11. The difference should match your bank register balance.

If the balance is different, you need to first go back and check your math. If you still have a difference that you cannot figure out, call your bank and ask them for help. Also talk to your adult leader for assistance. When you have completed the reconciliation, have another club leader check your work for accuracy. (See *Example 5.1 "Checkbook Balancing" below and Form 8.4 "Checkbook Balancing" on page 29.*)

Example 5.1 Checkbook Balancing

CHECKBOOK BALANCING FORM				
OUTSTANDING DEPOSITS (Not included in your statement)		OUTSTANDING CHECKS (Not included in your statement)		STEPS:
DATE	AMOUNT	CHECK #	AMOUNT	
				1) Ending balance from your bank statement \$ _____
				2) Add total outstanding deposits + _____
				3) Subtract total outstanding checks - _____
				4) Subtract bank fees - _____
				5) Add interest earned + _____
				6) New balance \$ _____ (Should equal checkbook balance)

SECTION 6: FINISHING FOR THE YEAR

Preparing a Monthly Report

Each month, you will need to tell your club what it spent and how much money it has. (*See Form 6.1 "4-H YDP Monthly Report" on page 19.*) Show what was budgeted for the month, as well as what was actually spent.

Reporting Tips

1. Ask your leaders what they would like to know. For instance, if you have several payments for program fees, do they want a report listing every payment or just the total?
2. Look at the reports made by the last treasurer. Are there areas you could change or improve?
3. If you only report totals remember to always be prepared to show all the paperwork you have to support the totals you reported.

Section 6: Finishing for the Year

What you will do in this section:

- Learn to prepare an inventory report.
- Learn to prepare your annual report.
- Learn to file with the IRS.
- Learn what to do for the Peer Review.
- Prepare to turn your records over to the next treasurer.

You are almost done for the year, but first you need to tell your club members how they did this

year. The reports you will make here will tell them what they own, how much money they made and how good a job of budgeting they did. After that, you can show your peer review committee how good a job you did, too.

Prepare an Inventory Report

1. Remember, when you bought something, you should have put it on your list already. The list should show:
 - What it is.
 - What it cost.
 - Where it is kept.
2. You should have last year's report, too. Do you still have everything that is on the list? If not, write down what you did with it. If you sold it, write down what you were paid for it.
3. Now, take a look at the list of things you bought this year. Did any cost more than \$100? If so, list them on your inventory report. (*See Form 6.2 "Annual Inventory Report" on page 22.*)
4. Give a copy of the report to your club leader and to the 4-H Youth Development Program staff person by the end of the program year. Keep the original for your own records.

Prepare an Annual Report

The annual report sums up what the club did for the year. (*See Form 6.3 "Annual Financial Report" on page 23.*) Before you write it up, though, check over your work.

1. First, take all your bills for the year and add them up. These are your total expenses.
2. Add up all your deposits. Remember, you should have deposited any money you

FINISHING FOR THE YEAR

Form 6.1 4-H YDP Monthly Report

4-H YDP MONTHLY REPORT FORM

Club Name: _____

Location: _____

Month: _____

Total Opening Balance \$ _____

INCOME (SOURCE, USE, PURPOSE)	AMOUNT	
PROJECTS (SUB-ACCOUNTS)		

Total Income \$ _____

EXPENSES (DESCRIBE)	AMOUNT	
PROJECTS (SUB-ACCOUNTS)		

Total Expenses \$ _____

Closing Balance \$ _____

FINISHING FOR THE YEAR

accepted for the club. That will be your total revenue.

3. Add the beginning balance from the beginning of the year to your deposits.
4. Now subtract your bills.
5. The remaining total should equal what you show for your last monthly report.
6. Give a copy of your report to the club leader and your 4-H Youth Development Program staff person. Keep the original with your records. (Visit <http://ca4h.org/finances/> to submit your club's Annual Financial Report on-line.)

Submit Paperwork to UCCE Office

4-H Club/Units need to submit the following materials to their UCCE 4-H Office by September 30 (or county due date):

1. Annual Financial Report (Form 6.3).
2. Annual Inventory Report (Form 6.2).
3. Bank Statement from the end of the program year.
4. Any other materials your county requires.

Prepare a Tax Return

The Internal Revenue Service requires that any organization such as your club file an annual tax report whenever they have deposited \$25,000 or more during the fiscal year (July 1 - June 30). They call this your "total receipts." If your club did receive this much money, you will need to file a form 990 which you can find at <http://www.irs.gov>. The web site has both the form and directions for filling out the form.

If you have any questions, talk to your 4-H Youth Development Advisor or Program Representative.

Form a Peer Review Team

At the end of the year, you will need to have a peer review team look at your work to see what you did well and what you could improve on. Your club will want to ask some people who are not related to you to perform what is called a Peer Review. Your peers are your fellow club members and adult leaders.

The review team should be comprised of two adult volunteers and two members. Committee members should not include the treasurer, relatives of the treasurer, or anyone who has authority to sign checks. If the club is too small to meet this requirement, talk to your county 4-H Youth Development Program staff person or ask for assistance from another club in the county.

What the Peer Review Team will do:

1. Check each month's reconciled bank statement and canceled checks. If the treasurer found differences during the month, ask what was done to make corrections. Make sure that two authorized members or volunteers signed all checks. (Make sure that the person who signed the reimbursements is not related to the treasurer.)
2. Check the ledger entries and make sure that the entries are complete and up-to-date. Compare some of the ledger postings to checks, bills, and deposits. If any discrepancies are found, ask the treasurer to explain.
3. Examine all voided checks. If a voided check is not on file, verify that the check has not cleared the bank by examining the bank statement to make sure the voided check number is not listed.
4. Total all money (cash and checks) received. If receipts were written, make sure that

FINISHING FOR THE YEAR

California 4-H YDP Clubs can now submit their annual financial reports on-line at:

<http://ca4h.org/finances/>

they are in numerical sequence and that all funds are listed on the ledger.

5. Total all deposits made to the bank account. The total should equal the total of all funds received as recorded in the ledger and monthly treasurer's reports, unless the treasurer's ledger report shows that some funds were retained as petty cash.
6. Total all money spent. Make sure that a written bill or receipt is on file for each expense. Make sure that all expenses were paid by check and not in cash.
7. Look at the Annual Financial Report. Make sure that the expense and deposit amounts listed agree with the amounts in the treasurer's ledger reports, the totals in the check register, and the bank statements.
8. Make sure that the treasurer's total balance at the beginning of the year (bank balance plus petty cash), plus all funds received, minus all expenditures, equals the treasurer's total balance at the end of the year (bank balance plus petty cash.)

If the funds received during the fiscal year (July 1 - June 30) were greater than \$25,000, make sure that the treasurer filed a tax report (Form 990) to the IRS.

9. Check to see that the club has only two accounts, unless more have been approved by the County Director or designee.
10. Make sure the club has an IRS Employer Identification Number (EIN), also known as a Federal Tax Identification Number.
11. Examine the unit inventory sheet and be sure that a letter or receipt is on file for each gift received, which documents the donor, date received, and value of the gift. The unit must inventory all items that will be used in the following year, including such things as flags, shearing equipment, etc.
12. Make sure all paperwork has been submitted to 4-H YDP office (see Form 6.2 and 6.3).

Prepare to Turn Your Records Over to the Next Treasurer

Your work is almost done. Now you need to get ready for next year. You might be continuing on as treasurer or you might be handing your work over to a new person. You should have all your paperwork, your reports, checkbook and register, and anything else you used to do your job during the year. You should also have the records from the year before you.

If you used an electronic system, make a copy of the files on a floppy disk or CD. If you can, you might also consider emailing the files as an attachment to the new treasurer.

Show the new treasurer what you did, what you learned, what you wish you could have done differently. Talk to the treasurer about the peer review report you received on your work. 4-H is a leadership program as well as an educational one. This is your chance to lead the new treasurer into the next year.

FINISHING FOR THE YEAR

Form 6.3 Annual Financial Report

ANNUAL FINANCIAL REPORT

July 1, _____ to June 30, _____

County: _____

Treasurer Name: _____

Club Name: _____

Treasurer Phone: _____

EIN: _____

Treasurer Email: _____

Bank Account

Checking Savings Other

Bank Account

Checking Savings Other

Bank Name: _____

Bank Name: _____

Last 4 Digits of Account Number : _____

Last 4 Digits of Account Number: _____

Balance at the end of the previous year: \$ _____

MONTH	TOTAL INCOME	TOTAL EXPENSES	= BALANCE
July			
August			
September			
October			
November			
December			
January			
February			
March			
April			
May			
June			
TOTAL FOR THE YEAR	\$ _____	\$ _____	\$ _____
		Inventory Total Value	\$ _____

Please attach any comments to an additional page.

SECTION 7: TREASURER'S CHECKLIST

FRAMEWORK	Completed	Date
Prepare a chart of accounts		
Put together a ledger		
Make separate ledgers for project		
Open a bank account		
Get a bank stamp		
Get a receipt book		
Get a date stamp		
Get two signatures, plus the 4-H YDP staff signature, if needed		
Report the signatures to the 4-H YDP staff person		
Obtain a tax ID number		
Report the number to the 4-H YDP staff person		
Get a cash box		

GETTING STARTED FOR THE YEAR	Completed	Date
Prepare a budget		
Get approval of club officers and members		

INCOME AND FUNDRAISING	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Be sure all checks are made payable to your 4-H YDP club												
Be sure all deposit slips are in your records												
Complete bank register												
Complete ledger												

TREASURER'S CHECKLIST

SPENDING MONEY

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Be sure all checks have two signatures from unrelated individuals												
Be sure all receipts are included												
Get written authorization for everything you paid for												
Be sure all bills are organized by date of payment												
Be sure ledger is completed for each purchase												

REPORTING TO YOUR CLUB

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Reconcile and date bank account												
Complete monthly report												

FINISHING FOR THE YEAR

	Completed	Date
Complete the inventory report, which includes everything worth over \$100 and where it is being kept		
Complete the financial report, which includes total expenses, income and remaining cash		
File tax return, if necessary		
Prepare records for the peer review		
Meet with next year's treasurer		

Form 8.1 - 4-H YDP Club Ledger

4-H YDP CLUB LEDGER

Club Name: _____ Opening Account Balance \$ _____
 Location: _____ Plus Cash on Hand + _____
 Month: _____ Year: _____ Total Opening Balance = _____

INCOME

DATE	RECEIPT	FROM	PURPOSE	SUB-ACCOUNT TO:	AMOUNT
TOTAL INCOME FOR MONTH:					

EXPENSES

DATE	CHECK	TO	PURPOSE	SUB-ACCOUNT TO:	AMOUNT
TOTAL EXPENSES FOR MONTH:					

NOTE

Keep the following with this report:

- Bank statements
- Receipts for income
- Canceled checks
- Expenses for each month

Income + _____
 Expenses - _____
 Closing Balance = _____
 Cash on Hand + _____
Total Closing Balance = _____

Form 8.2 - 4-H Y DP Project Ledger

4-H YDP PROJECT LEDGER (SUB-ACCOUNTS)

Club Name: _____

Location: _____

Month: _____ Year: _____

Project Name (Sub-Account): _____

Beginning Balance:

DATE	RECEIPT	INCOME FROM	AMOUNT	BALANCE

DATE	CHECK	EXPENSE DESCRIPTION	AMOUNT	BALANCE

Ending Balance:

Project Name (Sub-Account): _____

Beginning Balance:

DATE	RECEIPT	INCOME FROM	AMOUNT	BALANCE

DATE	CHECK	EXPENSE DESCRIPTION	AMOUNT	BALANCE

Ending Balance:

Form 8.3 - 4-H YDP Club Budget

4-H YDP CLUB BUDGET

Club Name: _____

July 1, _____ to June 30, _____

Total Opening Balance \$ _____

ESTIMATED INCOME (SOURCE, USE, PURPOSE)	BUDGETED		ACTUAL	
PROJECTS (SUB-ACCOUNTS)				

Total Income \$ _____ \$ _____

ESTIMATED EXPENSES (DESCRIBE)	BUDGETED		ACTUAL	
PROJECTS (SUB-ACCOUNTS)				

Total Expenses \$ _____ \$ _____

Closing Balance \$ _____ \$ _____

We certify that this budget was approved by the club/unit meeting on (date) _____.

Club President's Signature: _____

Treasurer's Signature: _____

Club Leader's Signature: _____

Form 8.4 - Checkbook Balancing

CHECKBOOK BALANCING FORM					
OUTSTANDING DEPOSITS (Not included in your statement)		OUTSTANDING CHECKS (Not included in your statement)		STEPS:	
DATE	AMOUNT	CHECK #	AMOUNT		
				1) Ending balance from your bank statement	
				\$ _____	
				2) Add total outstanding deposits	
				+ _____	
				3) Subtract total outstanding checks	
				- _____	
				4) Subtract bank fees	
				- _____	
				5) Add interest earned	
				+ _____	
				6) New balance (Should equal checkbook balance)	
				\$ _____	

Form 8.5 - Mid-Year Fundraising Approval Template

To 4-H Treasurer:

All 4-H fundraising activities using the 4-H name and emblem needs prior approval from the County Director or designee. Typically, fundraisers are approved in the club budget at the beginning of the year. Fundraisers that have not been approved in the club budget need approval from County Director or designee. This form is provided as a template, your county may have its own form.

Return this form to your UCCE 4-H Office prior to the fundraising activity.

Club Name: _____ Date: _____

Contact Person: _____ Phone: _____

Fundraising Activity

Date for Activity: _____ Estimated Income \$ _____

Outline the activity, including products to be sold, or services to be rendered.
(Attached pages as needed)

Anticipated Use of Funds *(Attached pages as needed)*

Describe how the 4-H Name and Emblem will be used *(Attached pages as needed)*

We confirm the accuracy of the information provided above.

Signature of the Club President: _____ Date: _____

Signature of the Club Leader: _____ Date: _____

Signature of County Director/Designee: _____ Date: _____

Form 8.6 - Peer Review Checklist

July 1, _____ to June 30, _____

Club Name: _____

Date: _____

The review team should be comprised of two adult volunteers and two members. Committee members should not include the treasurer, relatives of the treasurer, or anyone who has authority to sign checks. The review team should attach recommendations to this page after checking the following:

- Check each month's reconciled bank statement and canceled checks. If the treasurer found differences during the month, ask what was done to make corrections. Make sure that two authorized members or volunteers signed all checks. (Make sure that the person who signed the reimbursements is not related to the treasurer.)
- Check the ledger entries and make sure that the entries are complete and up-to-date. Compare some of the ledger postings to checks, bills, and deposits. If any discrepancies are found, ask the treasurer to explain.
- Examine all voided checks. If a voided check is not on file, verify that the check has not cleared the bank by examining the bank statement to make sure the voided check number is not listed.
- Total all money (cash and checks) received. If receipts were written, make sure that they are in numerical sequence and that all funds are listed on the ledger.
- Total all deposits made to the bank account. The total should equal the total of all funds received as recorded in the ledger and monthly treasurer's reports, unless the treasurer's ledger report shows that some funds were retained as petty cash.
- Total all money spent. Make sure that a written bill or receipt is on file for each expense. Make sure that all expenses were paid by check and not in cash.
- Look at the Annual Financial Report. Make sure that the expense and deposit amounts listed agree with the amounts in the treasurer's ledger reports, the totals in the check register, and the bank statements.
- Check end of the year balance. Make sure that the treasurer's total balance at the beginning of the year (bank balance plus petty cash), plus all funds received, minus all expenditures, equals the treasurer's total balance at the end of the year (bank balance plus petty cash.)
- IRS Income Check. If the funds received during the fiscal year (July 1 - June 30) were greater than \$25,000, make sure that the treasurer filed a tax report (Form 990) to the IRS.
- Check to see that the club has only two accounts, unless more have been approved.
- Make sure the club has an IRS Employer Identification Number (EIN).
- Examine the unit inventory sheet and be sure that a letter or receipt is on file for each gift received, which documents the donor, date received, and value of the gift.
- Make sure all paperwork has been submitted to 4-H YDP office by Sept 30 (or county date).

This certifies that the review team has reviewed the financial records and finds them:

- In order
- In order upon implementation of the attached recommendation(s)
- requiring further review and action

Signatures of Peer Review Committee:

4-H Volunteer Treasurer Responsibilities Checklist

Planning and Fundraising

- Provide 4-H YDP staff with an annual budget, including proposed fundraising activities.
- Comply with requirements stated for gifts and other contributions.

Financial Processing Procedures

- Manage cash receipts responsibly.
- Maintain adequate books and records to manage and report unit finances.
- Report theft or other financial abuse to the County Director immediately upon discovery.
- Make disbursements in accordance with established policy and the approved budget from an established 4-H YDP VMO or unit checking account.
- Reconcile bank accounts and report monthly to the 4-H YDP VMOs or units.

Reporting and Completion

- Prepare annual financial statements to be reviewed by a peer committee or independent auditor.
- Prepare an inventory report for all assets worth, or purchased for, \$100 or more.
- File an IRS 990 when receipts exceed \$25,000. Prepare other reports as needed.
- Perform independent peer reviews of all units annually and forward copies of the results to the County Director by September 30 (or county due date) of each year, along with other materials to be submitted to the County Director.

Important Date

- September 30 - Perform independent peer reviews of all units annually and forward copies of the results to the County Director through the county 4-H YDP staff person.

Failure to comply with responsibilities may result in the following:

Internal financial review

Removal of 4-H Treasurer and/or Advisor

Bank account restrictions and/or closure

The action taken will be determined by the County Director or his/her designee.

Authorize

To give permission. You must have your club's permission to spend money and it must be in writing. For instance, your approved budget gives you permission. Also minutes from a club meeting could give you permission, or authorization, to purchase something. If you can't get authorization in writing, be sure to make a note of who gave you verbal permission and include that note in your records. Have the authorizing person sign the note as soon as possible.

Balance

You can use this word in two ways. Your bank balance is the amount of money the bank says you have at the time your statement is printed. Your book balance is the amount of money you have recorded in your book keeping system. In addition, when you balance your bank statement, you are comparing your records and book balance to the bank's records, or "balancing" the two to see if you and the bank might be different.

Bank Statement

A report you will receive from your bank each month. It will show the checks that you have written and that have cleared (see "clear" below), as well as the money you deposited since the last statement and as of a specified closing date. For instance, you may receive a statement on the 5th of each month. The bank statement closing date will be for a few days earlier, perhaps the 1st. The 1st is called the "statement or closing date." If you

have written any checks or made deposits since the statement date, your balance will be different from what the bank says. When the bank balance is higher than your book balance, it means that some checks you have written have probably not reached the bank yet. If the bank balance is lower than your book balance, a recent deposit you made may have gone in after the statement date.

Budget

An itemized list of the most likely expenses and revenues for the year.

Chart

For example, the chart of accounts. This will be a list of all the types of things you will spend money on or receive money from. The best chart of accounts is a simple one. List your projects and events, and add categories for which you expect to spend the club's money.

Check

Your written authorization for the bank to pay someone money.

Checkbook

Where you keep your blank checks and register. Be sure to keep all your checks locked up safely.

Cleared

When you write a check, it must go back to your bank to be cleared. To be cleared means that the bank has taken money from your account to pay the amount authorized by your check.

GLOSSARY

If you have a check that you wrote but it has not cleared, it means that either the bank received it after your statement date or the person to whom you wrote the check has not deposited it yet. If a check has not cleared for several months, you should call the person you paid and ask if the check has been deposited. If you need assistance, you should talk to your club leader.

Deposit

When you give money to the bank to add to your account. Each deposit should have a deposit slip completed and a copy of it or a receipt from the bank kept in your records.

Endorse

To stamp with club information on the back of a check made out to your club. This tells the bank that you authorize the payment or deposit of the check.

Estimate

To make a judgment of the likely cost of something or what you think your club will receive. It is better not to guess. Use what was done last year, call stores for prices, and write down what you find out. If you have never had a fundraiser in your club, ask your 4-H Youth Development Program staff person for help.

Expense

Something that requires spending money.

Inventory

The things that your club owns and also the list of those things.

Ledger

A book listing your accounts and the recording of the money you deposited and spent.

Outstanding

When a check has not cleared, it is called outstanding. That means the bank has not received the check from the person to whom you wrote the check.

Peer

Someone who is your equal. For instance, the other members of your club are your peers.

Receipt

Written proof that something was paid for or money was given.

Reconciliation

Comparing your records with the bank records.

Revenue

Money your club receives from a fundraiser or from contributions from a donor.

ACKNOWLEDGEMENTS

We thank the following groups and individuals for their time and efforts in creating, editing, and testing the 4-H Treasurer's Manual:

Roy Florey, Auditor, UC Office of the President

4-H Policy Advisory Committee

Tony Burkhart, Riverside 4-H Volunteer
Jackie Giesing, Stanislaus 4-H Program Representative
Pat Johns, San Benito County Director
Sharon Junge, Placer/Nevada County Director
Richard Mahacek, Merced 4-H Youth Development Advisor
Carol Omelich, Office of the Vice President
Joan Ryan, Sacramento 4-H Secretary
Lonnie Toensfeldt, Santa Clara 4-H Volunteer

Sacramento County 4-H Clubs
Stanislaus County 4-H Clubs
Riverside County 4-H Clubs
Hans Toensfeldt, Santa Clara County 4-H Volunteer

California 4-H Youth Development Office

Carole MacNeil, State Director, 4-H Youth Development Program
Mignonne Pollard, Assistant State Director, 4-H YDP, Staff and Volunteer Development
Steven Worker, State 4-H Program Representative
Jeannie Reiter, Administrative Assistant

California 4-H Youth Development Office

UC Davis - Hopkins Road
One Shields Avenue
Davis, CA 95616-8575
530-754-8518
<http://www.ca4h.org>

UC Cooperative Extension contact information is available at
<http://www.ca4h.org/4hinfo/countyinfo/>

For additional information regarding financial policies and procedures, please refer to the 4-H Policy Handbook, Section 700: Finances.

The University of California prohibits discrimination against or harassment of any person on the basis of race, color, national origin, religion, sex, physical or mental disability, medical condition (cancer-related or genetic characteristics), ancestry, marital status, age, sexual orientation, citizenship, or status as a covered veteran (covered veterans are special disabled veterans, recently separated veterans, Vietnam era veterans, or any other veterans who served on active duty during a war or in a campaign or expedition for which a campaign badge has been authorized) in any of its programs or activities or with respect to any of its employment policies, practices, or procedures.

University policy is intended to be consistent with the provisions of applicable State and Federal laws.

Inquiries regarding the University's equal employment opportunity policies may be directed to the Affirmative Action/Staff Personnel Services Director, University of California, Agriculture and Natural Resources, 300 Lakeside Drive, 6th Floor, Oakland, CA 94612-3550, (510) 987-0096.

