4-H Treasurer Guidelines for Financial Policies & Procedures

The following is a compilation of policies and procedures for club and committee treasurer's to follow when handling money and fundraising events:

** Selected References: Michigan State University Extension Bulletin #1203, Michigan 4-H Club Treasurer's Record Book.

- Always use pre-numbered receipt books whenever money is received. Refer to the Treasurer's Record Book (MSU Bulletin #1203) for a way to keep track of club dues. For club dues, after each meeting write down who paid how much and write a receipt that says: "Received from dues, week of [month day, year]" and the amount.

- Make bank deposits regularly, just after collecting money. Money is often lost while waiting to be deposited and it is difficult for others to see the difference between stealing money and losing money. Protect your reputation!

- Bank deposits should be made up of a consecutive series of receipts so that say, "receipts 101 - 116 equal the amount of the deposit". This makes it very easy to audit to make sure everything is where it should be.

- In the event of a fundraiser, many clubs/committees will withdraw cash to provide a change bank. After the event, signify "change bank" on the deposit slip and the amount separate from the event income - this will make record keeping much easier.

- Have an approval process for buying things from club or group funds. Members should vote on most purchased decisions and make sure that more than one person signs the check except in the few cases where that isn't possible. Use caution, when purchase decisions are not made with approval ahead of time they need to be discussed and approved or not approved after the fact.

- Larger groups will want to prepare a budget for the year. A budget is simply defined as an estimate of expenditures and revenues for a given period of time. A budget does two things for the larger group. It sets up your fund raising goals on the revenue side and it pre-approves expenditures for the budget period, normally a year. This helps to plan out the year's activities so that the group doesn't get bogged down in financial discussions when everyone could be having fun doing 4-H activities.
• The Treasurer must reconcile the bank statement each month and prepare a Treasurer's report. This is done every month, regardless of when the group meets. The Treasurer's reports are compared to the beginning and ending bank statements by an officer of the group and a motion is made at the next meeting to accept the Treasurer's Report during the business part of the meeting. When preparing the treasurer's report, always sign and date the report. The checkbook and bank statement should be available at each meeting.

• Once each year, an outside individual needs to look at the financial records of the group and perform an audit, a review, or a compilation. Before this is done, an annual Financial Report (see MI 4-H Club Treasurer's Record Book, #1203) is prepared. After it is audited, the audit report and a copy of the Annual Financial Report are submitted to the Extension office.

• In Tuscola County, all fundraisers need to be approved by the Tuscola County 4-H Council. Contact the Extension Office for a request form at least one month prior to your fundraising activity. Once your fundraiser has been approved, you are required to submit a fundraiser review form (provided by the Extension Office) ten days after the event.

• At the end of events, always perform a witnessed counting of cash. Have at least two people count the days' proceeds and both individuals need to sign and date the slip indicating the amount of cash/moneys counted.

• It is also good practice to check treasurer's reports against bank statements every month during meetings. This is just another double check that the books are in order.

• Occasionally, the treasurer isn't able to be present during various 4-H functions. Because of this reason, clubs and committees should have at least two signers on the account. You do not necessarily need to have two signatures on each check, but should have them on the actual account.

The above recommendations are simply that … recommendations. However, every year clubs and committees throughout the United States run into financial problems of all kinds. Following these simple rules can help you and your club alleviate many unexpected problems.