FINANCIAL MANUAL FOR 4-H VOLUNTEERS:

Leading the Way to Financial Accountability

MICHIGAN STATE UNIVERSITY Extension
Children and Youth Institute
4-H Youth Development
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Introduction

Overview

This document provides adult 4-H volunteer leaders with information needed to address financial matters in any 4-H group. Volunteers will also find this resource helpful when instructing 4-H members and particularly youth treasurers about how to handle the group’s financial business including the required forms and reporting. A companion manual, specifically created for 4-H treasurers (both youth and adult), contains additional information to guide treasurers in their 4-H financial responsibilities. References to that document are included throughout this manual.

As always, questions that require details not provided in this book can be addressed to the county 4-H program coordinator.

Note that this document replaces the Michigan 4-H Treasurer’s Record Book (4-H 1203) dated June 2007 (identified as “06:07” on the bottom of the back cover).

In this manual, the word:

- “Group” is defined as any entity that uses the 4-H name and emblem. This includes clubs or other groups (such as councils, boards and committees).
- “Staff” is used for 4-H program coordinators.
- “Minutes” are defined as the legal, auditable record of decisions made and expenditures approved at a 4-H business meeting.

Michigan 4-H Youth Development’s Mission Statement

To create nonformal, experiential, educational opportunities designed to connect in-school learning with out-of-school-time activities that help youth thrive in a complex and changing world

Our Promise

Young people involved in Michigan 4-H are uniquely prepared to step up to the challenges of a complex and changing world. Young people develop the skills and assets needed to be successful today and in the future through experiences that are:

- Youth directed and adult supported
- Connected to the cutting-edge research of the land-grant universities and
- Supported by volunteers grounded in the principles of positive youth development
Michigan 4-H Youth Development’s Guiding Principles

The purpose of the Michigan 4-H Guiding Principles (which can be found on the Internet at http://4h.msue.msu.edu/about/mi_4h_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.

**GUIDING PRINCIPLE 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.

*For example, through frequent contact, an adult mentors the 4-H treasurer in his or her financial responsibilities.*

**GUIDING PRINCIPLE 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 an opportunity to recognize youth for both their participation and their achievement.

*For example, the 4-H officers and adult volunteers experience the value of shared leadership. Prior to the membership meeting, they discuss the group’s financial matters. At club meetings, the youth treasurer is the spokesperson; the group’s adult volunteer provides behind-the-scenes “shadow” leadership.*

**GUIDING PRINCIPLE 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.

*All the group members establish financial goals and make financial decisions together. Adult volunteers provide guidance remembering youth learn best from the mistakes, as well as the decisions, they make.*
GUIDING PRINCIPLE 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.

For example, by fulfilling the role of treasurer, the member practices key life skills including timeliness, accountability, record keeping and integrity, and learns basic financial-management skills such as developing a budget, handling cash, preparing deposits for the financial institution, writing checks, recording transactions, reconciling account statements, preparing monthly and annual financial reports, etc. The treasurer may also learn advanced financial skills including fund-raising, sales tax, review of the books, IRS reporting, etc. These life skills are a valuable asset to his or her future success.

So more than one member has the opportunity to develop these important skills, consider having a deputy treasurer or a financial committee of youth who learn the responsibilities and skills together.

GUIDING PRINCIPLE 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 groups, 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 use their time, energy, and skills to benefit their communities and the people who live in them.

For example, ultimately, through the 4-H experience, a treasurer has the opportunity to learn skills and develop a positive perspective that prepares him or her for taking on the responsibilities of adulthood. The member also understands the important role that he or she can and should play to contribute to the well-being of the community and world.
4-H (and Its Money) Is Publicly Owned

4-H clubs or other groups (such as councils, boards and committees) are public entities, open to all without regard to race, color, national origin, gender, gender identity, religion, age, height, weight, disability, political beliefs, sexual orientation, marital status, family status or veteran 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 4-H groups receive from dues and fund-raising events is owned by the entire 4-H group, not by any one member or volunteer of the group. A group treasury is necessary if funds are maintained for group use. The public calls for a higher standard of accountability and integrity from public groups. For this reason, it is extremely important that all 4-H groups are transparent and show the source of any money they have received and how it was disbursed. It is very important that the required procedures for money management and reporting are followed and necessary forms are submitted to MSU Extension staff as requested, so the group’s records are complete and up to date.

This publication is intended to protect the reputation of our 4-H members, volunteers, staff and the organization as a whole. Under U.S. Department of Agriculture and Michigan State University guidelines, MSU Extension staff are required to have oversight over all 4-H financial transactions. The state 4-H office and the county Extension 4-H offices do not (and will not) take funds from active club or group accounts. In addition, they will hold all financial information confidential to the fullest extent allowed by law.
Documenting a 4-H Group’s Finances

Table 1 (beginning below) provides an overview of the various forms that document a 4-H group’s finances. They appear on the table in the order in which they appear in this manual. While some of these documents are necessary for all groups, others are needed depending on the group’s circumstances.

Table 1. 4-H Financial Documents Overview.

<table>
<thead>
<tr>
<th>Document</th>
<th>Who Must Complete</th>
<th>When Due</th>
<th>Where Presented</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summary of Financial Responsibilities for 4-H Groups (p. 7)</td>
<td>4-H staff discusses with a 4-H group leader.</td>
<td>When a 4-H leader is new or needs a refresher</td>
<td>Ideally in person, but it could also be discussed by phone.</td>
</tr>
<tr>
<td>Checklist for Establishing a 4-H Group Bank Account (p. 7)</td>
<td>4-H treasurer or administrative leader</td>
<td>When preparing to open an account</td>
<td>For use by 4-H treasurer or administrative leader</td>
</tr>
<tr>
<td>Budget (p. 7)</td>
<td>If the group creates a budget, officers prepare the budget.</td>
<td>At the beginning of the 4-H year</td>
<td>The budget is presented to the full group membership for approval.</td>
</tr>
<tr>
<td>County 4-H Fund-Raiser Application (p. 10)</td>
<td>A 4-H group planning a fund-raiser</td>
<td>10 business days prior to the start of the fund-raiser</td>
<td>To 4-H staff</td>
</tr>
<tr>
<td>County 4-H Fund-Raising Report Form (p. 11)</td>
<td>The treasurer of a group holding an approved fund-raiser</td>
<td>Within 10 business days after the end of an approved fund-raiser</td>
<td>To 4-H staff</td>
</tr>
</tbody>
</table>
| IRS Form W-9: Request for Taxpayer Identification Number and Certification (p. 12) | • Vendor who will receive $600 or more in payment  
  • Recipient of a gift or prize valued at $600 or more | Before the payment, gift or prize is given | To 4-H staff                                                                   |
| IRS Form 1099-MISC (p. 12)                      | MSU’s Tax Manager                    | In January of the year following distribution of the payment, gift or prize | The form will be mailed to the recipient of the payment, gift or prize for possible use in tax reporting. |
| Receipt of a Donation for Tax Purposes (p. 16)  | 4-H staff                           | When the donation is received                  | The receipt is given to the donor.                                              |
| State of Michigan Form 3372: Michigan Sales and Use Tax Certificate of Exemption (p. 23) | 4-H staff                           | When a 4-H group requests it and it is approved by 4-H staff as appropriate | Provided to the 4-H group leader who will give it to the vendor so a group can purchase items for educational use and not pay state sales tax |
| Treasurer’s Report (p. 27)                      | The group’s treasurer               | At each group meeting                         | · Group meeting  
  · If group has annual activity of more than $2,500, county MSU Extension office (including the secretary’s minutes from each meeting) |
| Annual Financial Summary Report (including a copy of the secretary’s minutes (p. 27) | The group’s treasurer in partnership with the group’s leader | Yearly on date determined by county | To 4-H staff                                                                   |
Table 1. 4-H Financial Documents Overview, continued.

<table>
<thead>
<tr>
<th>Document</th>
<th>Who Must Complete</th>
<th>When Due</th>
<th>Where Presented</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRS Form 990-N (E-Postcard) (p. 33)</td>
<td>Groups with annual, gross receipts of $50,000 or less (over three years) The county 4-H program coordinator completes this with information contained on the group’s Annual Financial Summary Report</td>
<td>15th day of the 5th month after end of group’s accounting period (August 31) which is January 15 for most groups</td>
<td>County MSU Extension office will complete the form and send it to the Internal Revenue Service.</td>
</tr>
</tbody>
</table>
| IRS Form 990-EZ (p. 33)   | Groups with gross receipts of less than $200,000 and total assets less than $500,000 at the end of the tax year Due to the form’s complexity, an accountant should complete this. It is the group’s responsibility to hire and pay the accountant for this service. It is not a cost covered by the county Extension office or Michigan 4-H Youth Development. | 15th day of the 5th month after end of group’s accounting period (August 31) which is January 15 for most groups | • Internal Revenue Service  
• County MSU Extension office |
| IRS Form 990 (Long form) (p. 33) | Groups with gross receipts over $200,000 or total assets greater than or equal to $500,000 at the end of the tax year Due to the form’s complexity, an accountant should complete this. It is the group’s responsibility to hire and pay the accountant for this service. It is not a cost covered by the county Extension office or Michigan 4-H Youth Development. | 15th day of the 5th month after end of group’s accounting period (August 31) which is January 15 for most groups | • Internal Revenue Service  
• County MSU Extension office |
| 4-H Group Disbanding Checklist (p. 34) | Group president or administrative leader | Once a group has decided it is going to disband | To 4-H staff |
Planning a 4-H Group’s Finances

For quick reference, a summary of financial responsibilities is found in the Summary of Financial Responsibilities for 4-H Groups, found on page 38 of this manual. The Checklist for Establishing a 4-H Group Bank Account, found on page 39 of this publication, can also be helpful.

A Budget

It is strongly recommended that a 4-H group prepare an annual budget. Developing an annual 4-H budget provides several advantages. For more on this topic, see the Financial Manual for 4-H Treasurers.

A budget should not include expenses greater than the group’s projected income. Once established, a budget can be changed or altered by vote of the membership.

Checking and Savings Accounts

Setting Up an Account

All Michigan 4-H groups, other than 4-H SPIN clubs, are required to have an Employer Identification Number (EIN) and a charter. The EIN and charter are key documents needed to establish a checking or savings account. The group’s EIN should be used instead of a social security number to establish the account so it connects the finances to the 4-H group instead of an individual. Consult the 4-H program coordinator for more information about EINs and charters.

While every Michigan 4-H group that has funds is strongly encouraged to have a checking or savings account, each Michigan 4-H group that has a minimum of $100 (not including 4-H participation fees) in its treasury for more than 30 days is required to have a checking or savings account.

When selecting a financial institution, some considerations are to: (1) Investigate financial institutions (both credit unions and banks) to find one that provides the best service to meet the 4-H group’s needs and (2) ask about required minimum balances, monthly service fees, check-writing fees, etc. If the institution knows the account is a learning experience for the group members and that 4-H is a nonprofit, it may be able to make different arrangements, or waive fees or minimum balances. Ask the program coordinator for assistance, if needed.

In setting up the account, remember:

- The name on the account must match the group name on the group’s charter.
- The account address must be that of the local MSU Extension office so account statements are mailed there. 4-H staff will make a copy for the group file and forward the statement to the leader. E-statements are strongly encouraged;
inquire if statements can be emailed to the MSU Extension office and the 4-H leader and treasurer.

- 4-H staff cannot be a signatory on any account belonging to a 4-H group. All adult signatories must be current, registered 4-H volunteers.

- Follow the checklist that provides further details to guide groups in the process of setting up a checking or savings account on page 39 of this publication.

Additional information may be found in the Financial Manual for 4-H Treasurers.

Guidelines for Groups Without Checking or Savings Accounts

Every Michigan 4-H group that has a treasury is strongly encouraged to have a checking or savings account. However, some 4-H groups operate without a checking or savings account because they have less than $100 (not including 4-H participation fees) in their treasury for more than 30 days or they have more than $100 for less than 30 days. Even without a checking or savings account, groups must be accountable for their finances. For example, to establish the required paper trail, when making a purchase, be sure to pay bills with money orders and get a receipt. More information about this is available in the Financial Manual for 4-H Treasurers.
Handling a 4-H Group’s Money

Personal financial skills are not often emphasized in the standard school curriculum. Volunteers have the opportunity through their 4-H clubs to teach young people these skills in an experiential way. Youth who learn how to be good managers of money can apply those skills to other areas of their lives.

If the club members have decided they will handle money, it is important from the start to guide them to use specific and sequential steps to manage group finances. Following these steps will help them develop good financial habits, promote transparency and will protect both a volunteer’s and a treasurer’s good name, and that of the group.

Financial recordkeeping is important and technology allows for a choice of several different electronic programs designed to track income and expenses. Volunteers, treasurers and groups are encouraged to use Quicken, Excel, Quick Books or other computer programs for their records. If these aren’t an option, traditional pen-and-paper recordkeeping is also acceptable.

Income

Sources of Income

Participation Fees

Each year, 4-H youth members pay a $10 per individual (maximum $30 per family) participation fee when they enroll in the program. Participation fee funds are generated from a variety of sources:

- The group leader collects the fee from families of youth in the 4-H group.
- The group undertakes a fund-raising event or finds a sponsor* to cover all or part of the participation fee for all or some of its members.
- The county undertakes a fund-raising event or finds a sponsor* to cover all or part of the participation fee for all or some of the county’s youth members.

*Definition of sponsorship: Sponsorship comes from a specific individual, organization or business. A group might approach them, often with a specific dollar figure in mind, and ask if they will be a sponsor. Individuals, groups or businesses may sponsor a certain number of individual members by paying their participation fees; they may sponsor an entire club or even an entire county. A sponsor may not designate individual youth by name for sponsorship. If the group finds a sponsor, it is best to have the sponsor pay for the participation fees directly to the county office designating the group membership to which the money applies. Sponsors should be acknowledged for their generosity. Acknowledgement can happen in various ways including a thank-you letter, newsletters, press releases to the media, signs, etc. If the donor requests a tax-receipt letter, see the county 4-H program coordinator.
The county’s 4-H council or other leadership group covers all or part of the participation fee for all or some of the county’s youth members.

The participation fee is paid by parents or guardians to the MSU Extension office staff as part of the reenrollment process.

Some combination of the above.

After a club or group collects participation fees, the money must be turned in to MSU Extension staff for payment to Michigan State University. It is important all who handle fees practice good money management. Follow directions in the Financial Manual for 4-H Treasurers for receipting and recording cash and check payments. That manual also explains how to properly record the transaction in the group treasury record and on the Annual Financial Summary Report.

Group Dues

Group dues are different from participation fees and are another way a group may choose to support its projects. A group should only collect dues if it has a planned use for the funds outlined in its annual budget at the beginning of the 4-H year. It is important that the members work together to determine and mutually agree on how the money is used. This discussion and decision should be clearly documented in the meeting minutes and in the group’s annual budget. Should circumstances change during the year, the members can amend the budget by discussion and approval of a majority of the membership again documented in the group’s minutes.

Group Fund-Raisers

Fund-raising can be a double win for 4-H groups and their members – youth will learn valuable life skills and the group will add resources to its treasury for future educational opportunities. However, fund-raising should not be the main focus of group activities nor should it exclude any individual from participation. It should be done for the good of the total group and it should be consistent with Michigan 4-H’s fund-raising policies outlined in this document. An educational component needs to be part of all fund-raising activities and a group needs to be able to clearly state the educational value and purpose of the fund-raiser. Profits should be used to benefit the entire group’s youth whether or not they participated in a fund-raiser. This is important because groups conducting fund-raisers are expected to support the financial needs of the total group and, when possible, to assist with participant costs in county, state, national and international 4-H programs. Local groups may also choose to raise money for their educational and recreational goals through fund-raising, dues or both.

Local groups may include fund-raising for an occasional community service-based project. However, it is not the intent of 4-H to regularly raise money for others.

Planning a Fund-Raiser

If a group is contemplating holding a fund-raiser, we strongly encourage the group to discuss the following items before completing the County 4-H Fund-Raiser Application (see page 40 of this publication).

- What, specifically, are the funds being raised for?
- Put in writing how and when a member will qualify to benefit from the funds.
How much money is needed?

How will the group keep track of funds raised? Identify the member(s) who will manage this task.

What will the group do if enough funds are not raised to meet the group’s goal? What if the group raises more funds than are needed?

Understanding that funds raised are for the total group (not for individuals based on their level of participation in the fund-raiser), be sure to discuss how the group will handle it if some members raise fewer funds or are less active in the fund-raising activity than others.

Addressing these things ahead of fund-raising will ensure all participants agree with the fund-raising goals and reduce the likelihood of disagreements later.

**Note:** A group is recognized as an authorized, tax-exempt, 4-H entity once Michigan State University issues a charter. This means a group cannot raise funds in the name of 4-H prior to receiving its charter. If necessary, newly forming groups can begin fund-raising under the tax-exempt status of the county 4-H program until the charter is received. In this situation, all fund-raising materials would need to reflect the fund-raising entity is the (county name) ___________ County 4-H Program, not the XYZ 4-H Club.

**Fund-Raiser Review and Approval**

All fund-raising activities must be reviewed and approved by the 4-H program coordinator, before the activity can be held. This is a federal regulation and the U.S. Department of Agriculture (USDA) requires such approval for all 4-H groups. Prior staff approval of a 4-H group’s fund-raising activity is important because it:

- Gives the group permission to use the 4-H name and emblem for the fund-raising activity.
- Declares the event is an official 4-H fund-raising activity supported by the county program.
- Provides written prior approval of the event so 4-H volunteers are covered through the MSU Indemnification Policy (the University will support volunteers against a suit or legal proceeding when performing services, in this case the 4-H fundraising event).

To begin the review and approval process, the treasurer or the 4-H leader completes and sends the County 4-H Fund-Raiser Application to the county 4-H program coordinator, at least 10 business days before the event. (A blank copy of this form is on page 40). The county 4-H program coordinator will notify (email is acceptable) the person who submitted the application about whether or not the fund-raiser is approved. The group may hold the fund-raising event **only** if it receives this approval.

Within 10 business days after the end of the event, the treasurer or the 4-H leader must submit the County 4-H Fund-Raising Report Form (a blank copy of which is on page 41). If it is an ongoing activity, the end date must be on or before August 31 of each year.

If a donor or a grantor requires a letter stating that the group is tax exempt before it will make a donation or grant, contact the county 4-H program coordinator for assistance in obtaining this letter.
Fund-Raising Restrictions

Any fund-raising activity conducted for and by 4-H cannot include consumption or distribution of alcohol. Moreover, if a non4-H entity holds a fund-raiser during which alcohol is consumed or distributed, it must not use the 4-H name and emblem in its marketing. However, after the event, it is acceptable for the entity to donate the profits of the fund-raiser to 4-H.

Due to financial security and liability concerns, 4-H groups are restricted from raising funds using online crowdfunding sites like GoFundMe, DonorsChoose, etc. An individual may choose to raise funds using these sites as long as there is no implication that the donation is being given to the Michigan 4-H program or a 4-H group. Individual use of crowdfunding sites is considered a private fund-raising effort similar to a 4-H’er asking family members and friends to help fund his or her 4-H project, except in this case the request is on a public site. As with any financial endeavor, it is the individual’s responsibility to be aware of all policies and fees related to use of the crowdfunding site.

According to current Michigan State University policy, 4-H groups are also restricted from using online payment sites like PayPal for fund collection or payment.

MSU Extension 4-H Youth Development prohibits the use of raffles, bingo and other games of chance (for example, Millionaire Parties, Texas Hold Em’ tournaments, etc.) as fund-raising activities. This is in line with the recommendations from National 4-H Headquarters. See the 4-H Fundraising, Winnings and Donors Factsheets on the Internet. The key consideration for this decision is that state law does not allow youth involvement in fund-raising activities of these types. One of Michigan 4-H’s Guiding Principles is that youth will be active participants in the learning process. This includes things like fund-raising activities that support educational programming.

Tax Reporting for Fund-Raising

Federal Income Tax (W-9)

When prizes are awarded as part of a fund-raiser, the prizewinners may need to pay taxes. **If the value of a prize** (including monetary and nonmonetary items) **awarded to a participant** during a calendar year is **$600 or more** (for example, a saddle awarded to a participant at a fund-raising horse show, a trip won at a golf scramble or a door prize of $600 or more at a fund-raising dinner), Michigan State University needs to provide the individual with **IRS Form 1099-MISC**. To track this information for each fund-raising event, **before prizewinners receive their prizes, they need to complete, sign, date (and give to the group’s leader) an IRS Form W-9** (see page 42).

**Within 10 business days after the fund-raiser, the 4-H group leader needs to provide the county 4-H program coordinator with the W-9 and the County 4-H Fund-Raising Report Form** (see page 41). Due to the personal nature of the information on the W-9 form, it must be mailed, not emailed or faxed. If there are concerns about using the mail, discuss options with United States Postal Service personnel.
If the winner of a prize valued at $600 or more refuses to complete a Form W-9, he or she cannot claim the prize. Instead, the group leader should retain the prize and contact the 4-H program coordinator.

**State Sales Tax**
For more detail about collection and remittance of state sales tax, see these sections that begin on page 23 of this manual.

**Donations**

In this document a “gift” is defined as an item or items of value a donor gives to 4-H without a requirement for something of value in return, other than recognition.

**Cash Donations**
4-H groups should not feel compelled to accept donations of cash if the gift does not fit the group’s goals or if the leaders know they cannot meet the donor’s expectations.

If the donor asks that the funds be restricted for a particular program or purpose, it is expected that the 4-H group will track those funds separately and use them only as restricted.

If the donor requests a receipt stating that the donation fulfills the requirements of a tax-deductible donation, refer to the “Tax-Deductible Donations” section that begins on page 15.

How the donated money can be used depends upon whether or not the donor placed any restrictions on the gift. Refer to the “Appropriate Use of Funds” narrative beginning on page 16 and the accompanying table on pages 44 to 46 of this document for clarification about how funds may be used.

A group’s leadership should meet with the 4-H staff whenever they have questions about the appropriate action for accepting and managing a cash donation.

For more information about receiving funds, see the Financial Manual for 4-H Treasurers.

**Noncash Donations**
When offered noncash donations, 4-H staff should consider several things:

1. 4-H groups should not feel compelled to accept a noncash donation if the gift does not fit the group’s goals or if the leaders know they cannot meet the donor’s expectations.

2. The group should accept donations of consumable supplies only if they have relatively immediate use for the items. Storing items for potential future use is seldom wise. Rather, encourage the donor to seek other groups who may have current use for the items. If a group accepts consumable items that will take more than a year to deplete, the group should add the items to its Inventory of Group Property (Part 5 of the Annual Financial Summary Report, see page 49 of this publication).
3. The group should accept donations of nonconsumables (for example, equipment or durable supplies) only if the group is prepared to accept the responsibilities of ownership including care, maintenance, storage and perhaps insurance (see #4 below).

4. All 4-H property is MSU property. MSU maintains a master property insurance program on all University-owned property. There is a $5,000 deductible per occurrence. The 4-H group may want to consider purchasing insurance coverage for items valued at less than $5,000. However, it is prudent to weigh the cost of the insurance against the value of the item.

5. Before accepting a nonconsumable donation, consider what will happen to the item when it is no longer needed by the 4-H group or if the group were to disband.

6. Any nonconsumable donation should be immediately added to the Inventory of Group Property (Part 5 of the Annual Financial Summary Report, see page 49 of this publication). A copy of the inventory should be kept in the group’s official files.

7. While donors may specify a program such as the Proud Equestrian Program, Junior Master Gardeners, 4-H Livestock Committee, etc. as a recipient of a noncash donation, donors cannot specify the individual recipient of noncash donations. For example, a donor cannot give a saddle to 4-H and request that it be used exclusively by Zane. Instead, the donor can give the saddle to a 4-H group for the entire group to use. This donation becomes 4-H property and must be listed on the group’s inventory. If the group were to disband, the saddle would revert to the county 4-H program.

8. If the donor requests a receipt stating that the donation fulfills the requirements of a tax-deductible donation, refer to the “Tax-Deductible Donations” section beginning on page 15.

9. Before accepting larger noncash donations, such as land or buildings, 4-H groups should contact the 4-H staff.

A group’s leadership should meet with the 4-H staff whenever they have questions about the appropriate action for accepting and managing a noncash donation.

For more information about the appropriate steps when receiving noncash donations, see the Financial Manual for 4-H Treasurers.

Grants

When a 4-H group is considering applying for a grant, it must first inform the county 4-H staff person. The 4-H staff and the volunteer will discuss whether or not the grant is appropriate for 4-H’s mission, if it is within MSU’s submission parameters and how the group will ensure that grant deliverables are met. Staff must be involved in writing and reviewing the final proposal before it is submitted to the grantor. A copy of the final proposal will be kept in the group’s file. Any 4-H group that applies for a grant must be chartered, in compliance with 4-H financial management rules and guidelines, and have a checking or savings account.
Receipting and Acknowledging Income

Providing a Receipt

All income (cash and noncash) must be documented with a prenumbered, written receipt. Check to see if the county 4-H staff can provide a prenumbered receipt book. Otherwise, volunteers can purchase a prenumbered receipt book from an office supply store.

The group’s treasurer should acknowledge all cash and noncash (consumable and nonconsumable) income by issuing a prenumbered, written receipt. Although acknowledging noncash items in this way is not standard bookkeeping procedure, using the group’s receipt book for cash and noncash entries ensures that all the records are kept in one secure place. The original copy of the receipt should be provided to the donor and the carbon receipt should be kept in the receipt book with the treasurer’s records.

Thank-You Note

Regardless of the size or value of the donation, it is essential that the donor receive a thank-you note within 10 business days of making the donation. For larger cash donations it may be appropriate to send periodic updates about how those funds are being used. See page 43 of this manual for a basic thank-you note that a volunteer or member can write. There is also a document on the Michigan 4-H web site, entitled The Seven Steps to a Great Thank-You Note, which contains more information about how to write a thank-you note.

Tax-Deductible Donations

Criteria

IRS publication 526, Charitable Contributions, (page 6) stipulates that, in order for cash or noncash gifts to be tax deductible, a donor cannot designate a specific individual as the recipient of the gift. Thus, while a donor may specify a program such as the Proud Equestrian Program, Junior Master Gardeners, 4-H Livestock Committee, etc. as the recipient of a donation, the donor cannot receive a receipt saying the donation is tax-deductible if he or she chooses the specific person to benefit by the donation.

For example, a donor cannot donate money to 4-H specifically for Adrienne to attend 4-H Exploration Days and get a donation letter to use with his or her taxes. Instead, the donor may give money to a 4-H group to support youth or adults attending the event. In this case, 4-H staff can provide a tax receipt. Through a written selection or criteria process, the 4-H group along with its adult leader(s) makes the selection of how many and which individuals receive a sponsorship to the event using the donated funds. However, if the donor wants to identify Adrienne as the donation recipient and is not looking for a tax deduction, advise the donor to send the donation to Adrienne directly.

Check with 4-H staff for additional details on the IRS requirements about the composition of a selection committee involved with a tax-deductible donation.
Receipt for a Tax-Deductible Donation

If a donor requests a receipt that states the donation qualifies as a tax-deductible gift, contact the county 4-H staff. He or she will provide an acknowledgment of the donation that includes the specific language the IRS requires.

Expenses

Another responsibility of a 4-H group’s treasurer is disbursing funds. This involves asking for and receiving the group members’ approval to pay outstanding bills, and to make payments. For groups with checking or savings accounts, this may also include writing checks and maintaining the check register.

ATM, Debit and Credit Cards

Current Michigan State University policy does not allow 4-H clubs, councils, boards and committees to use ATM or debit cards because access to the funds is immediate and, in the event of theft, it is extremely difficult to recoup. According to current MSU policy, credit cards in the group’s name are not allowed due to issues with fiscal control and occurrences of theft.

Appropriate Use of Funds

All money raised using the 4-H name must be used only for educational activities for 4-H members. 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 directly 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 program accounts to fund individual participants in county, state, national or international 4-H programs. To prevent future complications, 4-H groups are strongly advised to have a written procedure for using the funds (for example, in the group’s bylaws, budget and/or minutes).

It is not appropriate for general 4-H funds to be used for noneducational activities including donations to other organizations. If the group wishes to raise funds for a specific cause outside of 4-H, for example, a dog club wants to raise funds for the Humane Society, all publicity and signage at the event must clearly state that the money raised will be donated to the Humane Society. In this example, the public understands that their contribution does not support the 4-H group conducting the fund-raiser.

Note that the choice of words matters when creating a promotional flyer for a fund-raiser. “All proceeds will be donated” means all the money raised will be donated; whereas, “all profits will be donated” allows the group to cover any expenses of the fund-raiser from the money raised.

For more information on this topic, refer to Table 6, Appropriate Use of Funds, beginning on on page 44 of this manual.

Source of Funds

It is imperative that 4-H groups keep detailed records of the source of their funds and how they spend them. How a 4-H group (that is, a 4-H club, 4-H council, 4-H board or 4-H committee) can use the money in its treasury depends largely on
how the money was originally raised. Did the money come from group dues, a group fund-raiser, a donor or another source?

**Fund-Raisers**

If the money was earned through a group fund-raiser, **appropriate use of the funds depends on how the fund-raising event was communicated to the public.** If the fund-raiser’s goal was publicized as being:

1. **To Support General Group Activities**

   For fund-raisers intended to support general group activities (for example, project supplies, fair preparations or field trips to a local farm or business), profits should be used to benefit all the youth in the group, whether or not they participated in the fund-raiser. Fund-raisers are expected to support the financial needs of the total group and, when possible, to assist with participant costs in county, state, national and international 4-H programs.

2. **For a Specific Group Activity**

   Funds from targeted fund-raisers for educational field trips (such as Citizenship Washington Focus, National 4-H Congress or the State 4-H Horse Show) can be restricted to youth who took part in the fund-raiser but must be equally divided among the youth who participated in the fund-raiser – and are going to participate – in the activity. The funds cannot be divided based on the specific sales or level of involvement of each participant. Youth who want to participate in the trip, but not the fund-raisers, would not receive funding support from the fund-raisers.

3. **For a Specified Purpose Outside of the Group**

   If, during the fund-raiser’s promotion and execution, the group advertised that funds raised were going to be used in a specific way (for example, donated to the local Humane Society), the group may then **use those funds only as publicized.** It is important that the promotion explicitly identify the group’s plan so the public clearly understands the funds will not go into the 4-H group’s general treasury but rather to the specified purpose (in this example to the Humane Society).

4. **Unspecified Use**

   However, if the group, in its promotional efforts for the fund-raiser, did not identify a specific use for the funds outside of 4-H, the public’s assumption is that the money will stay in and be used by the 4-H group. In this instance the money may not be donated to a group or organization outside 4-H and must remain in the group’s treasury to be used appropriately as outlined in this document.
Donated Funds

Here the use of the money depends on whether or not the donor put any restrictions on the donation.

1. If the donor puts restrictions on how the money may be used, the group must follow those restrictions since they accepted the donation under those conditions. The specific restrictions should be put in writing on the receipt when the donation is accepted. Even if the restrictions are only implied, it is expected that the group will follow those restrictions. The income and expenditures need to be tracked separately from other funds the group has. The group members may request a change in the restrictions from the donor, but they need to realize that such an action may have consequences on the donor’s willingness to make a future donation to the group.

2. It is acceptable for a donor to restrict the donation to support a specific 4-H event or activity as long as the donor does not select the specific individual(s) who will benefit by the donation.

3. It is unacceptable for a donor to designate a specific child as the recipient of his or her donation. If a donor wants to give money to the group and also identify a specific child, explain that designating a specific child is against policy and advise the donor to provide the money, instead, directly to the family. There is no tax advantage for a donation to an individual.

4. If the donor places no restrictions on the donation, the group may use the funds as outlined in this document. However it is likely the donor assumed the money would stay in, and be used by, the 4-H group. Thus, the group should not donate those funds to an outside group.

Regardless of how the funds are used, the 4-H leader or treasurer must provide a receipt (see details on page 15 of this manual) to the donor. If the donor wants a receipt for tax purposes, the 4-H program coordinator should acknowledge the gift by writing and signing the letter on county Extension letterhead (see page 16 of this manual for more information about such a receipt).

If there is a question about the appropriate use of funds, as soon as a volunteer or treasurer becomes aware of the situation, he or she should discuss it with the county 4-H program coordinator to determine the best course of action.

Criteria for Using a 4-H Group’s Funds

Listed below are some criteria involved in using a 4-H group’s funds.

1. The opportunity must be available to all youth in the group, realizing there may be situations when some group members will be unable (due to age, group requirements, schedules, event prerequisites and so forth) to participate, but who will qualify for the opportunity at another time in their 4-H career.

When not everyone will benefit by the use of the funds, the group must have a clear, written process that includes:

- How recipients are chosen (for example, application, interview or all participants who registered for the event)
- Who serves on the selection committee
LEADING THE WAY TO FINANCIAL ACCOUNTABILITY | FINANCIAL MANUAL FOR 4-H VOLUNTEERS

- What is expected of recipients at the end of the event or experience

  It is suggested that 4-H groups share the process they develop with their county 4-H staff so the staff can give feedback and be supportive, if there are challenges later.

2. All group members must discuss and approve the use of the funds for this purpose. Ideally, this should happen at the beginning of the year when the group sets its annual budget, but it may happen later if the situation arises.

3. The vote or consensus of the membership must be documented in the group’s meeting minutes.

4. The purposes for which 4-H funds are used must be educational. Spending group funds can be educational by involving the youth in the activity’s planning, set-up, coordination, execution etc. The members can learn many life skills in the process. It can also be a significant bonding and horizon-expanding experience for all involved.

For example, team-building can occur when youth design group fair decorations, purchase the supplies and buy pizza for members to enjoy while creating and hanging the decorations for their group display.

Another example would be if 4-H members wanted to hold a Valentine’s Day party during their February 4-H meeting. If the youth plan the fun, educational and business components to the meeting (for instance, learn about the history of Valentine’s Day, make cards for a local homeless shelter and play Valentine’s trivia, while enjoying a healthy snack they have made), the process can build planning skills, community-service, food-preparation, and consumer-purchasing skills. Since this meeting/party’s focus is education, 4-H funds can be used for the supplies and food.

The key point to the usage of 4-H funds is that the youth drive the process and the focus is still educational.

The examples in Table 6 (beginning on page 44 of this document) give a framework for acceptable and unacceptable usage. The table builds upon the information (sources and criteria) listed in this section. While the table is not comprehensive, similar situations should be handled according to the appropriate usage outlined in this document. If there is a question about the appropriate use of funds, check with the county 4-H program coordinator.

More information about disbursing funds can be found in the *Financial Manual for 4-H Treasurers.*
Concerns About a 4-H Group’s Finances

If an individual or group expresses concern about the way a 4-H group is spending its money, the person or group with the concern should put it in writing and give it to 4-H program coordinator. Then, the program coordinator must investigate the alleged misuse of 4-H funds. The 4-H program coordinator has the authority to require that groups submit their financial records to the MSU Extension office at any time.

In such a case:

1. The administrative leader or the treasurer must turn over to the 4-H program coordinator the group’s:
   • Treasurer’s reports
   • Checkbook/check register
   • Bank statements
   • Cancelled checks
   • Savings account book(s)
   • Receipts for items purchased
   • Receipt book(s)
   • Invoices (including paid and unpaid invoices)
   • Minutes
   • Budget
   • Annual Financial Summary Report
   • Undeposited cash

2. The 4-H program coordinator will take these documents to a local financial person (for example, a bank or credit union staff member or other bookkeeping professional) for a review (not an audit).

3. If there appears to be a problem, the 4-H program coordinator will take further steps with the leader, the group treasurer and the group members.

Concerns can be settled quickly if groups have kept their books up to date and have followed the guidelines found in this publication.

Tax Reporting on Expenditures

Some 4-H groups pay businesses for rent, royalties and services, and some give prizes or awards to individual members (both cash and noncash) throughout the year. As part of MSU, these 4-H groups are required to report such disbursements to MSU, if the single payment or award is more than $600. (This rule does not apply to the purchase of tangible supplies [consumables]). For a list of purchases that will or will not require the completed Form W-9, see Table 2 on page 21.

If any single payment to a vendor (including a stipend for judging) is $600 or more, the treasurer with guidance from the leader will need to give the W-9 form, on page 42 of this document, to the vendor or recipient.

He or she will complete questions 1, 2, 3, 5 and 6 and Parts I and II on the W-9. After the vendor or recipient completes, signs and dates the form, the treasurer or leader will complete the information below the signature line. Then the treasurer or leader will give the form to the 4-H program coordinator.
Use the copy of IRS Form W-9 on page 42 of this publication to collect the information listed because this form has been altered to include necessary information. Since the W-9 has no place to include value of the disbursement, it will be important for the treasurer or leader to include that information at the bottom of the form. Make sure the form is complete before providing the prize, award or money to the recipient because it is harder to get the information after the fact. Turn in Form W-9 promptly to the 4-H program coordinator.

Table 2. Is a W-9 Required?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>An individual or a vendor receives $600 or more for:</td>
<td>An individual or a vendor receives $600 or more for:</td>
</tr>
<tr>
<td>‣ A scholarship paid directly to a young person to attend a for-credit educational institution. Not recommended because of personal tax consequences for the recipient.</td>
<td>‣ A scholarship paid directly to a for-credit educational institution.</td>
</tr>
<tr>
<td>‣ A sponsorship payable directly to a young person to attend a 4-H or non4-H event.</td>
<td>‣ Purchasing supplies for a project (tangible items that are consumed or used up such as paper products, poster board or food).</td>
</tr>
<tr>
<td>‣ A prize (cash or noncash) valued at $600 or more.</td>
<td>‣ A sponsorship paid directly to the organization coordinating the event.</td>
</tr>
<tr>
<td>‣ Services rendered such as rental of space, catering, photography, equipment rental, a DJ, a judging stipend or printing.</td>
<td></td>
</tr>
<tr>
<td>‣ A gift or donation to a member, volunteer or a family.</td>
<td></td>
</tr>
</tbody>
</table>

Tax

This section discusses general information about federal income tax and state sales tax, and how they relate to Michigan State University Extension-related groups.

Federal Income Tax

Michigan State University Extension and Michigan 4-H Youth Development are tax exempt. This means that, because they are part of Michigan State University, they are exempt from paying federal income tax on their revenue. For more information about the procedure for groups to become and remain exempt from federal income tax, see Table 3 on page 22 and the “IRS Form 990 – What Is It and Why Is It Important?” section on page 33 of this publication.
Table 3. Federal Income Tax.

<table>
<thead>
<tr>
<th>Circumstance</th>
<th>Who Pays?</th>
<th>Required Procedure</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Since Michigan 4-H groups are part of Michigan 4-H Youth Development, which is part of Michigan State University Extension, 4-H groups are part of Michigan State University (MSU). MSU is exempt from paying federal income tax on its revenue. Therefore, 4-H groups are also tax exempt.</td>
<td>4-H groups do not pay.</td>
<td>To establish a group’s tax-exempt status, the county 4-H program coordinator needs to get the group an Employer Identification Number (EIN), when the group begins. After the 4-H program coordinator provides the State 4-H Office with the group’s EIN, Michigan State University notifies the Internal Revenue Service that the group is one of its subordinates and is, therefore, exempt from paying federal income tax. To maintain that status, once yearly, the county 4-H program coordinator completes the appropriate IRS Form 990. For more information about this, see page 33 of this publication. Example: When the Friends Around the World 4-H Club began, the volunteer leader, Katrina VanderMuelen, went to the Washington County MSU Extension Office and completed the paperwork required to begin a 4-H group. Laerke Paulsen, the county 4-H program coordinator, completed the paperwork to get the club its EIN and charter. Once the group had its EIN, the Michigan 4-H Youth Development office notified the IRS that the group was part of its group exemption. At that point, the group was regarded as a Michigan 4-H tax-exempt and chartered group.</td>
<td></td>
</tr>
<tr>
<td>If a 4-H’er receives a:</td>
<td>The scholarship or sponsorship recipient does not pay.</td>
<td>Since scholarships to for-credit educational institutions fall under different regulations, the scholarship recipient does not complete (and the group does not collect) a W-9 form. Example: The Washington County 4-H Council awards Aristos Stephanides a $1,000 scholarship to attend MSU. The council makes the scholarship payable to MSU on behalf of Aristos. Aristos does not need to complete a W-9 form and the Council does not collect a form. Likewise, the Washington County 4-H Council awards two sponsorships of $625 each to Kayleigh Winter and Xiang Han to attend the 4-H Citizenship Washington Focus (CWF). The council makes the sponsorshops payable to CWF, and sends the check to the CWF coordinator. Kayleigh and Xiang do not need to complete W-9 forms and the Council does not collect forms.</td>
<td></td>
</tr>
<tr>
<td>Scholarship to attend a for-credit educational institution and the scholarship is made payable directly to the educational institution.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sponsorship to attend a 4-H or non4-H event and the sponsorship check is payable to the event and the check is sent to the event’s coordinator.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>An individual or a vendor receives $600 or more for:</td>
<td>The prize or sponsorship recipient or the vendor pays federal income tax.</td>
<td>This is considered income. Therefore, at the time an individual or a vendor receives $600 or more, the recipient must complete an IRS Form W-9 (see page 42 of this publication). The leader must turn in the W-9 to the county 4-H program coordinator within 10 business days after the individual receives the prize, sponsorship or the vendor receives payment. The county 4-H program coordinator must send the W-9 to Michigan State University. By January 31 of the following year, MSU will issue a 1099-MISC to the recipient for this income. Example: The Washington County 4-H Council decides to sponsor a member of the Friends Around the World 4-H Club, Capriana Abbacchiabene, to attend National 4-H Congress. The council gives Capriana $650 toward the trip at the county’s annual awards banquet. To receive the $650, Capriana must complete a W-9 form and give it to the council’s president or treasurer. In turn, the president or treasurer must give it to Laerke Paulsen, the county 4-H program coordinator within 10 business days of the banquet. Laerke must mail the W-9 to Michigan State University. By January 31 of the year following the banquet, MSU will issue a 1099-MISC to Capriana for possible calendar-year, income-tax reporting.</td>
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</table>
State Sales Tax

Tax-Exempt Purchases

Since the State of Michigan (SOM) exempts MSU from paying sales tax on items it purchases, groups may use the Michigan Sales and Use Tax Certificate of Exemption (Form 3372) for the 4-H program. Examples of instances when a group may and may not make tax-exempt purchases are:

- **Yes:** For a community-service project, the Friends Around the World 4-H Club purchased material to make dog toys and beds for a shelter.
- **No:** Luke Armstrong purchased supplies for his personal 4-H project (raising and showing a dog).

To demonstrate to the vendor that a 4-H group is tax exempt, when using a 4-H group’s funds, the group’s leader needs to request Michigan Form 3372 from the 4-H program coordinator to provide to the vendor. At the time of the request, the 4-H staff person will determine from the leader whether the form is needed for a one-time purchase or if the group will continuously use this vendor.

If sales tax is paid inadvertently, and it is convenient and cost effective, the volunteer may return to the vendor and get a refund of sales tax paid.

Collection of State Sales Tax on Items Sold

**Being tax exempt on things purchased does not release a group from the obligation to collect and remit sales tax on items it sells.**

Therefore, if a 4-H group resells the items purchased, or portions of them, the group is legally required to collect sales tax. When 4-H groups resell tangible personal property, they must include sales tax in the purchase price. This is called “inclusive tax.” The State of Michigan recommends that there be a sign near the price or near the register where purchasers pay that reads “Price includes Michigan sales tax” (see the sign on page 47 of this publication).

This requirement that 4-H groups collect sales tax on the items it resells also applies to silent and live auctions; the amount of sales tax due is calculated on the final bid. When members create and then sell their 4-H products, they must also collect and remit sales tax. If, however, the group gives away the items, no sales tax is due.

According to Michigan 4-H policy, food sold at concession stands (priced or paid for by donations) is taxable. Tickets for an event that includes a meal must have sales tax built into the ticket price. These events are similar to restaurants where food is immediately consumed and sales tax is charged. Bake sales are not taxable because the food is not intended for immediate consumption similar to a grocery store. For more information, refer to the table on pages 25 to 26 of this document.

After a group has a fund-raiser, it is wise to calculate the amount of sales tax due and hold those funds aside so the money is available in the fall, when it is due. Sales tax collected must be turned in annually with the Annual Financial Summary Report. The county Extension office must remit the sales tax to Michigan State University, which will make payment to the State of Michigan (SOM) on behalf of the 4-H group.
Livestock sales fall under different laws and are not taxed in the same way as other tangible property. For more detailed information on this process, see Table 4 on pages 25 to 26.

If the purchaser claims sales-tax exemption, the purchaser must provide the vendor (4-H group) with State of Michigan Form 3372 to prove that it is exempt from paying state sales tax.

**Submitting State Sales Tax That Has Been Collected**

**Calculating the Sales Tax Due**

All sales tax collected must be remitted to the SOM. The first step in remitting sales tax is to calculate the sales tax due. To do so, at the end of the program year, the individual who completes the group’s Annual Financial Summary Report should divide the “Taxable sales subtotal” line (B) by 17.67. (See Figure 1 on pages 31 to 32 for a sample of this report; a blank form is on pages 48 and 49.)

**Paying Sales Tax**

Sales tax collected must be turned in annually with the Annual Financial Summary Report. To do so:

1. The treasurer will write a check or money order, payable to “Michigan State University,” in the amount of the tax.
2. The treasurer will submit the Annual Financial Summary Report and the check or money order to the county MSU Extension office.
3. The county MSU Extension office will forward the sales tax payment to Michigan State University.
4. The university will make the payment to the State of Michigan on behalf of the 4-H group.

**Keeping a 4-H Group’s Financial Records**

Both the MSU Extension office and the treasurer are responsible for keeping receipts and other financial records to support the group’s financial activities for at least seven years.
Table 4. Payment and Collection of State Sales Tax.

|--------------|-----------|---------------|---------------------|
| The State of Michigan (SOM) exempts MSU (and therefore 4-H) from paying sales tax on items it purchases for the 4-H program that are not going to be resold outside the 4-H group. | No one pays | No one collects | The group’s leader must obtain SOM Form 3372 from the 4-H program coordinator to take to the vendor to prove the group’s tax-exempt status at the time of the purchase.  
**Example:** The Friends Around the World 4-H Club bought t-shirts for their group to wear at their meetings and other 4-H functions. Before they paid for the t-shirts, their leader, Katrina VanderMuelen, asked the county 4-H program coordinator, Laerke Paulsen, for a completed Form 3372. Katrina told Laerke this was a one-time purchase. Laerke then completed the form and gave it to Katrina, who provided it to the vendor. The group did not pay sales tax.  
Likewise, when the Friends Around the World 4-H Club sold the t-shirts to its members and leaders (to wear at their meetings and other 4-H functions), the members and leaders did not pay (and the group did not collect) sales tax. |
| Sales tax is not due or collected for:  
• Project animals auctioned through a production livestock auction.  
• Services such as a stipend received for clerking at a county fair livestock auction.  
• The sale of food not meant to be immediately consumed such as bake sales, candy, cookie dough or pizza kits.  
• Proceeds from services such as car washes and babysitting at an event. | No one pays | No one collects | **Example:** The Friends Around the World 4-H Club held a bake sale to raise money for their Around the World Fair. They did not need to charge sales tax on the food sold because the food was not meant to be consumed immediately.  
The Friends Around the World 4-H Club offered leaf raking to community residents as a fund-raiser. Since leaf raking is a service, the club did not need to charge sales tax. |
| Sales tax is not due on the commission a 4-H group (such as a livestock council) keeps following an animal auction as long as the animal was sold for agricultural purposes. | No sales tax is collected | No sales tax is collected | **Example:** The Washington County 4-H Livestock Council held an auction of live animals. Because all of the animals were being sold for agricultural purposes (showing, breeding, consumption), no sales tax was collected. |
| Sales tax is due on items at live and silent auctions (excluding, as mentioned above, live animals marketed through a production livestock auction). | Purchaser pays; tax amount is calculated on the final bid. | Vendor (the 4-H group) collects | **Example:** As a fund-raiser, the Washington County 4-H Advisory Council held a live and silent auction at the county fair. At the registration table, they prominently displayed a sign that stated “Bid includes Michigan sales tax” (inclusive tax). After the event, the council treasurer, Chad Holmes, added up all the income from the two auctions. To determine the tax due, Chad divided the income by 17.67. At the end of the 4-H year when Chad prepared the Annual Financial Summary Report, he wrote a check (payable to “Michigan State University”) for the amount of sales tax due and submitted it along with the report to the county MSU Extension office. |
Table 4. Payment and Collection of State Sales Tax, continued.

<table>
<thead>
<tr>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Sales tax is due on items that 4-H members make and then sell.</td>
<td>Purchaser pays</td>
<td>Vendor (the 4-H group) collects</td>
<td>Example: Members of the Crafty Clovers 4-H Club made a variety of items to sell at their school bazaar including picture frames, jewelry, knitted hats, etc. At the registration table, they prominently displayed a sign that stated “Price includes Michigan sales tax” (inclusive tax). After the event the club treasurer, Haven Cullum, added up the income. To determine the tax due, Haven divided the income by 17.67. At the end of the 4-H year when Haven prepared the Annual Financial Summary Report, she wrote a check (payable to “Michigan State University”) for the amount of sales tax due and submitted it along with the report to the county MSU Extension office. The club was not responsible for sales tax on the four hats they knit and donated to the local shelter.</td>
</tr>
<tr>
<td>When 4-H groups purchase tangible, personal property to resell outside the group, the group is serving as the “vendor.” Examples of tangible, personal property include:</td>
<td>Purchaser pays (included in the purchase price)</td>
<td>Vendor (the 4-H group) collects</td>
<td>When 4-H groups resell tangible personal property, they must include sales tax in the purchase price. This is called “inclusive tax.” When setting the selling price, it is important the group include the tax. The State of Michigan recommends that there be a sign near the price that states “Price includes Michigan sales tax” (see the sign on page 47 of this publication). After the sale, the group calculates the tax due by dividing the money collected by 17.67. For example, if the group raised $100 at the event, it would owe $5.66 in sales tax.</td>
</tr>
<tr>
<td>When the 4-H group resells these items to the general public, the purchaser pays (and the 4-H group collects) sales tax.</td>
<td></td>
<td></td>
<td>After a group has a fund-raiser, it is wise to calculate the amount of sales tax due and hold those funds aside so the money is available in the fall, when it is due. Sales tax collected must be turned in annually with the Annual Financial Summary Report. The tax is recorded in Part 3. State Sales Tax (see page 49 of this publication).</td>
</tr>
<tr>
<td>A 4-H group does not pay sales tax when members take orders from customers rather than purchasing the items to resell (for example, when selling candles as a fund-raiser). It is the responsibility of the company selling the items to include sales tax in the purchase price and remit the tax to the State of Michigan.</td>
<td>The purchaser pays the sales tax to the company</td>
<td>The company selling the items</td>
<td>Example: As a fund-raiser, the Friends Around the World 4-H Club sold candles from the ABC Candle Company. The 4-H group did not purchase the candles but rather the members took orders (thus, the group was only serving as a pass through). Purchasers made their checks payable to the 4-H group; the group wrote one check to the company for all the candles ordered. The ABC Candle Company sent the 4-H group a check for the amount they earned based on the number of candles sold. The 4-H members did not collect and remit sales tax because the ABC Candle Company was responsible for collecting the sales tax (in the selling price) and remitting the tax to the State of Michigan. Note that it doesn’t matter if purchasers make their checks out directly to the fund-raising company or to the 4-H group – in either case, the 4-H group does not pay sales tax.</td>
</tr>
</tbody>
</table>
The Treasurer’s Report

Complete details and an example of this report can be found in the *Financial Manual for 4-H Treasurers*.

Annual Financial Summary Report

What Is It?

The Annual Financial Summary Report lists a 4-H group’s financial activities during the program year (September 1 to August 31).

Why Is It Important?

Michigan 4-H Youth Development is part of Michigan State University Extension, which is part of Michigan State University. Therefore, it is important that 4-H members and 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. County offices are audited by MSU and the forms and reports groups submit serve as the basis for the 4-H portion of the audit.
- Creates an open, auditable, public record of whether a group is required to remit Michigan sales tax.
- Verifies which kind of an Internal Revenue Service (IRS) Form 990 the group is required to file. Additionally, if the group qualifies to file the required 990-N (e-postcard), it provides the county 4-H program coordinator with the information to complete it.
- Completes a federal requirement for financial accounting by 4-H groups.
- Is wise fiscal practice because it protects a group’s treasurer, adult volunteers and the 4-H organization.

Who Must Complete It?

Any group, other than a 4-H SPIN club, that uses the 4-H name and emblem must complete and file a copy of this report whether or not it handled any money during the year. This means groups without a treasury – whether or not their participation fees pass through the group – must complete the form (with zero [0] balances) and submit it by the designated date.

It is recommended that the group treasurer complete this report in conjunction with the group leader.

4-H SPIN clubs must complete a 4-H SPIN Club Record of Finances instead of an Annual Financial Summary Report. The group leader should consult the local 4-H staff about this.
Other Uses for It
This report can also be adapted for use as a treasurer’s report if the group wishes.

How to Complete It
Use the instructions in Table 5 beginning below to help complete and send in the Annual Financial Summary Report. Send this report, a check for the sales tax (if the group owes any), a copy of the treasurer’s report and a copy of the secretary’s minutes to the county MSU Extension office by the date determined by the county. (See the sample report on pages 31 and 32. A blank original is on pages 48 to 49.)

What If a Group Fails to Submit Its Annual Financial Summary Report?
Since all funds raised in the name of 4-H are public monies, it is a group’s yearly responsibility to complete this report and submit it to 4-H staff by the county’s deadline. Failure to comply with the county deadline may result in the closure of the group for violation of the federal law governing 4-H groups and it may result in legal action. If the group is inactive, it is still required to complete this report for its final year. In this case, contact the office so the 4-H program coordinator can follow the procedures to officially disband the group. For more about this, see pages 34 to 35 of this publication.

Table 5. Instructions for Completing the Annual Financial Summary Report.

<table>
<thead>
<tr>
<th>Report Section</th>
<th>Report Line</th>
<th>Part or Line Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 1</td>
<td>Complete Part 1 with the year covered by the report, the county, 4-H group’s name and its Employer Identification Number (EIN). Fill in the remainder of Part 1 if the group had an account at a financial institution during the report period.</td>
<td></td>
</tr>
<tr>
<td>Part 2</td>
<td>For the reporting year, if the group (1) had no treasury, (2) had no income or expense, (3) did not handle participation fees, (4) held no fund-raisers and (5) collected no donations, enter zeroes in each space A through F. Go to Part 4. However, the group must complete Part 2 if it did any of the following: (1) had a treasury, (2) collected or spent funds, (3) handled participation fees, (4) engaged in fund-raisers or (5) accepted donations.</td>
<td></td>
</tr>
<tr>
<td>Part 2</td>
<td>Adjusted treasury balance as of September 1 of last year</td>
<td>To the right of the “$” after (A), enter the balance the group had on hand in a financial institution (or in a safe place at home if the group had less than $100 and did not have an account). For groups with an account, the beginning adjusted treasury balance is the beginning balance on the September statement (of last year) plus any checks, and minus any deposits, that were made prior to September 1 that had not yet cleared.</td>
</tr>
</tbody>
</table>
### Table 5. Instructions for Completing the Annual Financial Summary Report, continued.

<table>
<thead>
<tr>
<th>Report Section</th>
<th>Report Line</th>
<th>Part or Line Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part 2</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Taxable sales income</strong></td>
<td>On lines 1 and 2, list the income the group earned in the period by selling tangible personal property (such as craft items, tack, cookbooks, calendars, plat books, bulletins and food prepared on site such as concession-stand sales). List the event or activity, the date and the total amount raised. In addition to tangible personal property, the following sources of income are taxable. The amount earned must be included in this section of the report: • When a 4-H group holds a livestock auction or an animal sale, it is not responsible for reporting on the total amount of the sale. Since the sale is considered to be a transaction between two individuals, the seller and the buyer, and the council is viewed only as the transaction's broker, the council's income is only what it keeps as a sale commission. The amount of the sales commission is not taxable. • When a 4-H group auctions (in both live and silent auctions) or sells animals that were donated to the 4-H group, the income the group earns is not taxable. • When a 4-H group auctions (in both live and silent auctions) items other than animals or prepared food (such as gift baskets, flowers, a fishing trip, etc.), the income the group earns is taxable. If more lines are needed to record the group’s taxable sales, list them on an additional sheet. Enter the total from the additional sheet on line 3.</td>
<td></td>
</tr>
<tr>
<td><strong>Part 2</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td>Add the amounts in lines 1 through 3. Enter the total in the box to the left of (B).</td>
</tr>
<tr>
<td><strong>Nontaxable income</strong></td>
<td>On line 1, list the total 4-H participation fees the leader or group collected. On line 2, report total monetary donations received. On lines 3 and 4, list income from group dues, grants and services such as car washes and babysitting, the sale of food not prepared on site such as bake sales, candy sales, cookie dough or pizza kits. List the event or activity, the date and the total amount raised. If more lines are needed to record the group’s nontaxable income, list them on an additional sheet. Enter the total from the additional sheet on line 5.</td>
<td></td>
</tr>
<tr>
<td><strong>Part 2</strong></td>
<td></td>
<td>Add the amounts in lines 1 through 5. Enter the total in the box to the left of (C).</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total income for the period</strong></td>
<td>Add together the two subtotals (B) and (C), and enter the amount to the right of the “$” after (D).</td>
<td></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td>On line 1, list the amount of 4-H participation fees paid to the MSU Extension office. Use lines 2 to 5 to summarize expenses for each event or activity. List the event, the date and the total amount spent (for example, a pizza party might include pop, pizza, plates, cups, napkins and cookies). Be sure to include information from prizes awarded at fund-raisers and sales tax recorded on last year’s Annual Financial Summary Report (Part 3). If more lines are needed to record the group’s expenses, list them on an additional sheet. Enter the total from the additional sheet on line 6.</td>
</tr>
<tr>
<td><strong>Part 2</strong></td>
<td></td>
<td>Add the amounts in lines 1 through 6 and enter the total in the box to the right of the “$” after (E).</td>
</tr>
<tr>
<td><strong>Total expenses for the period</strong></td>
<td>Add together the treasury balance at the beginning of the period (A) and total income for the period (D). From that amount, subtract total expenses for the period (E). Enter this amount in the box to the right of the “$” after (F).</td>
<td></td>
</tr>
</tbody>
</table>
Table 5. Instructions for Completing the Annual Financial Summary Report, continued.

<table>
<thead>
<tr>
<th>Report Section</th>
<th>Report Line</th>
<th>Part or Line Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 2</td>
<td>Add checks</td>
<td>Does the amount in (F) “Account balance at end of the period” agree with the statement balance on September 1 of the current year?</td>
</tr>
<tr>
<td></td>
<td>Subtract deposits</td>
<td>If yes, enter “0” next to (G) and (H). Enter the account balance next to (I).</td>
</tr>
<tr>
<td></td>
<td>Adjusted balance</td>
<td>If no:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. Total the checks written that have not shown on the current year’s September statement. Enter this total next to (G).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Total the deposits made that have not shown on the current year’s September statement. Enter this total next to (H).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Add together (F) and (G).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Subtract (H) from the total of (F) and (G).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5. Enter this amount next to the “$” after (I).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>This action is essentially the same as reconciling a checkbook; it figures the adjusted balance.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Note: If (I) still does not agree with the beginning statement balance of September 1 of the current year, go back and check that all of the period’s income and expenses were included. If the figures still do not agree, review the period’s financial transactions with a new person who has not been involved with the treasury. The county 4-H staff person may be able to provide guidance.</td>
</tr>
<tr>
<td>Part 2</td>
<td>Please respond</td>
<td>Respond to the two statements and the one question at the end of this section. If clarification is needed, contact the county 4-H staff person.</td>
</tr>
<tr>
<td>Part 3</td>
<td></td>
<td>If the 4-H group had taxable sales income [Part 2, line (B) - Taxable sales subtotal], complete Part 3. Follow the instructions in the box to figure the amount of sales tax due.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Make a check or money order payable to “Michigan State University” and submit the check, along with the completed Annual Financial Summary Report to the MSU Extension office by the county’s deadline.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Record this amount as an expense on next year’s Annual Financial Summary Report.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>If the group had no taxable income, skip Part 3 and go to Part 4.</td>
</tr>
<tr>
<td>Part 4</td>
<td></td>
<td>If the group had no account at a financial institution during the reporting period, verify by signing on the line.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>If the group had an account at a financial institution during the reporting period, do not sign Part 4. Go to Part 5.</td>
</tr>
<tr>
<td>Part 5</td>
<td></td>
<td>4-H group property includes all the items purchased using 4-H funds and any items donated to the 4-H group.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>If the group has no property, verify by signing on the line.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>If the group has property, list all existing property the group owns. Provide the requested information to the best of your knowledge. If more space is needed, attach an additional sheet. Once an item has been listed as “discarded” on the inventory, it does not need to be listed on future Annual Financial Summary Reports.</td>
</tr>
<tr>
<td>Part 6</td>
<td></td>
<td>1. Sign the report, and include your phone number and the date.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Have another person in the 4-H group review and approve the report.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Then take it to the 4-H staff person for approval, along with:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• A copy of the treasurer’s report</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• A copy of the secretary’s minutes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• A check or money order (payable to “Michigan State University”), if sales tax is due.</td>
</tr>
</tbody>
</table>
Annual Financial Summary Report

Directions: Complete each section of this report whether or not the group had a treasury, collected or spent funds, accepted donations or had property within the report period. **Groups without a treasury, and whose participation fees did not pass through the group,** must still complete the form (with zero [0] balances) and submit it by the county’s designated deadline.

### Part 1. Group Information

**For the period** September 1, 2020 to August 31, 2021  
**County** Washington

**Group name** Friends Around the World 4-H Club  
**EIN** 123456789

**Financial account** No _____ Yes ✔  
**Type** Checking ✔  
**Financial Institution Name** Riverwood Savings and Trust  
**Account #** 821775

**Signatories** Keon Toma, Tiponi Pavati, Katrina VanderMuelen

### Part 2. Group Income and Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted treasury balance as of September 1 of last year</strong></td>
<td>$ 476.15</td>
</tr>
<tr>
<td><strong>Taxable sales income</strong> (list each separately; attach additional sheet if necessary)</td>
<td></td>
</tr>
<tr>
<td>1. Holiday card sale (11/5/20)</td>
<td>$ 212.00</td>
</tr>
<tr>
<td>2. Cookbook sale (4/17/21)</td>
<td>$ 150.00</td>
</tr>
<tr>
<td>3. Total from additional sheet</td>
<td>$ 106.00</td>
</tr>
<tr>
<td><strong>Taxable sales subtotal (add items 1-3 above)</strong></td>
<td>$ 468.55</td>
</tr>
<tr>
<td><strong>Nontaxable income</strong> (list each separately; attach additional sheet if necessary)</td>
<td></td>
</tr>
<tr>
<td>1. 4-H participation fees collected</td>
<td>$ 150.00</td>
</tr>
<tr>
<td>2. Total monetary donations received</td>
<td>$ 141.25</td>
</tr>
<tr>
<td>3. Riverwood Area Foundation grant for Around the World Fair</td>
<td>$ 500.00</td>
</tr>
<tr>
<td>4. Bake Sale (2/10/21)</td>
<td>$ 108.75</td>
</tr>
<tr>
<td>5. Total from additional sheet</td>
<td>$ 525.15</td>
</tr>
<tr>
<td><strong>Nontaxable income subtotal (add items 1-5 above)</strong></td>
<td>$ 1,425.15</td>
</tr>
<tr>
<td><strong>Total income for the period</strong> (add B and C)</td>
<td>$ 1,893.70</td>
</tr>
<tr>
<td><strong>Expenses</strong> (list each separately; attach additional sheet if necessary)</td>
<td></td>
</tr>
<tr>
<td>1. 4-H participation fees paid to the MSU Extension office</td>
<td>$ 150.00</td>
</tr>
<tr>
<td>2. Member t-shirts (9/10/20)</td>
<td>$ 180.00</td>
</tr>
<tr>
<td>3. Project curriculum (9/22/20)</td>
<td>$ 130.00</td>
</tr>
<tr>
<td>4. Cards for holiday card sale (10/7/20)</td>
<td>$ 159.00</td>
</tr>
<tr>
<td>5. Around the World Fair food and supplies (11/22/20)</td>
<td>$ 728.28</td>
</tr>
<tr>
<td>6. Total from additional sheet</td>
<td>$ 443.95</td>
</tr>
<tr>
<td><strong>Total expenses for the period</strong> (add lines 1-6 above)**</td>
<td>$ 1,791.23</td>
</tr>
<tr>
<td><strong>Account balance at end of the period</strong> (add A and D; then subtract E)</td>
<td>$ 578.62</td>
</tr>
<tr>
<td><strong>Add checks that have not shown up on statement</strong></td>
<td>plus $ 15.50</td>
</tr>
<tr>
<td><strong>Subtract deposits that have not shown on statement</strong></td>
<td>minus $ 22.28</td>
</tr>
<tr>
<td><strong>Adjusted balance</strong> (should agree with account statement)</td>
<td>equals $ 571.84</td>
</tr>
</tbody>
</table>

Please respond to the following:

1. The account statement was reconciled each month.  
Yes ✔  No ____

2. There is written documentation that all expenses were approved through an approved budget or by a vote of the full membership.  
Yes ✔  No ____

3. What was the group’s total account balance as of June 30 of this period?  
$ 494.60
Figure 1. Sample of a Completed Annual Financial Summary Report, continued.

Part 3. State Sales Tax

Complete this section if the group has taxable sales (Part 2, line B).

Total taxable sales (Part 2, line B): $468.55

Divide the amount by 17.67 = $26.52  This is the amount of sales tax the 4-H group owes.

Make check or money order payable to “Michigan State University” and submit the check with this Annual Financial Summary Report to the MSU Extension office by the county’s deadline.

Part 4. Verification of No Account at a Financial Institution

A signature in this box verifies that this 4-H group did not have an account at a financial institution during this report period. It further verifies that the group had less than $100 (not including 4-H participation fees) in its treasury for more than 30 days.

If the 4-H group opens an account at a financial institution in the future, the group must notify the county MSU Extension 4-H staff within 10 business days.

Part 5. Inventory of 4-H Group Property

“4-H group property” is defined as all items purchased with 4-H group funds as well as all items donated to the 4-H group. If the 4-H group has no property, verify by signing here: __________________________

If the 4-H group has property, list below and on additional sheets if necessary, all existing group property. List consumable items (such as food, tape or paper plates) only if the amount is so significant that the items will last more than a year.

If the group disbands, all nonconsumable (not eaten or worn) property must be returned to the MSU Extension office within 10 business days of the group’s final date of operation.

<table>
<thead>
<tr>
<th>Year Purchased or Received</th>
<th>Quantity</th>
<th>Item Description</th>
<th>Value When New</th>
<th>Storage Location</th>
<th>If Discarded Last Year, Explain Why</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1</td>
<td>4-panel tabletop display board</td>
<td>94.99</td>
<td>Xian Han’s house</td>
<td>Fabric tearing</td>
</tr>
<tr>
<td>2015</td>
<td>1</td>
<td>Set of the world’s flags</td>
<td>183.60</td>
<td>Hudson Barnes’ house</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1</td>
<td>Top U.S. and 4-H flag set</td>
<td>27.95</td>
<td>Hudson Barnes’ house</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>1</td>
<td>Storage cabinet for supplies</td>
<td>157.29</td>
<td>Hudson Barnes’ house</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>1</td>
<td>Popcorn machine</td>
<td>99.99</td>
<td>Kayleigh Winter’s house</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>1</td>
<td>Snow cone maker</td>
<td>54.69</td>
<td>Eden Reinhold’s house</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>1</td>
<td>Copies, 4-H Backpack to Adventure</td>
<td>65.00 each</td>
<td>Mrs. VanderM’s house</td>
<td></td>
</tr>
</tbody>
</table>

Part 6. Signatures, Review and Approval

Keon Toma
Signature of person who prepared this report
Phone 517-789-1011
Date September 10, 2021

Katrina VanderMuelen
Signature of person who reviewed and approved this report
Phone 517-910-1112
Date September 12, 2021

Laerke Paulsen
Signature of 4-H staff who approved this report
Date September 18, 2021
IRS Form 990 – What Is It and Why Is It Important?

For a 4-H group to maintain its tax-exempt status with the IRS, once a year, the county 4-H program coordinator or the group’s tax accountant will file a version of IRS Form 990 for the group. The deadline for Michigan 4-H groups to file IRS Form 990-N (the e-postcard), IRS Form 990-EZ or IRS Form 990 (the longer forms) is January 15. At that time, the county 4-H program coordinator will need to report the group’s annual gross receipts for September through August of the previous year. Since the “total income for the year” line on the group’s Annual Financial Summary Report is the basis on which the form is filed, it is imperative that the group’s Annual Financial Summary Report be turned in on the date specified by the county.

The three versions of IRS Form 990 are:

1. **Form 990-N (the e-postcard)** for groups with annual, gross receipts (the IRS’ definition of annual, gross receipts is the total amount the organization received from all sources during its annual accounting period, without subtracting any costs or expenses) of $50,000 or less (over three years).

2. **Form 990-EZ (the shorter version of the long form)** is for groups with gross receipts of less than $200,000 and total assets less than $500,000 (over one year) at the end of the tax year.

3. **Form 990 (the long form)** is for groups with gross receipts over $200,000 or total assets greater than or equal to $500,000 (over one year) at the end of the tax year.

Due to the complexity of Form 990-EZ and Form 990, a certified public accountant should complete and file them. Make sure the accountant lists GEN 5933 on them and indicates the group’s tax-exemption status as a 501(c)(3) because – while individual 4-H groups do not have separate 501(c)(3) status – they are considered a 501(c)(3) since they are under MSU’s GEN exemption. It is the group’s responsibility to hire and pay the accountant for this service. It is not a cost covered by the county Extension office or Michigan 4-H Youth Development.

**Note about calculating the income for groups such as livestock councils:** It is important to remember that if the group holds a sale, it is not responsible for reporting on the total amount of the sale. Since the sale is considered to be a transaction between two individuals, the seller and buyer, and the council is viewed as the transaction’s broker, “its money” is only what it keeps as a sale commission.
Procedures for Handling the Property and Treasury of a Disbanding 4-H Group

Sometimes a 4-H group makes a decision that it will no longer continue. This may take place for a variety of reasons. Before disbanding, the 4-H leader should communicate potential options with the other group volunteers, parents and members. These choices include: (1) working with the 4-H program coordinator to see if issues or challenges in the group can be resolved, (2) finding new leadership within the group, (3) splitting into two separate groups and (4) helping members, families, and volunteers find a new group to join in the county. If the group decides to disband (options 3 and 4 above), the following procedures need to take place.

Contact 4-H Staff

The group’s leadership should contact 4-H staff to work through the 4-H Group Disbanding Checklist (see pages 50 to 51 of this manual) to ensure a smooth disbanding process. Money and property in 4-H groups belong to the county 4-H program, not to individual group members or volunteers. For this reason, money and property cannot be distributed to individual group members or volunteers.

Discussion and Recommendations About Handling Assets

The disbanding group (including volunteers and members) may discuss and recommend how it would like its financial and noncash assets used within the county 4-H program. Group members may also request that the resources be used for a specific 4-H program within another group, the county or the state. The 4-H program coordinator will make the final decision and will ensure the equitable division of funds as well as appropriate dispersal of property.

Final Annual Financial Summary Report and Group’s Financial Records

The group treasurer needs to provide a final Annual Financial Summary Report and compile all of the group’s financial records (i.e., treasurer’s records, group minutes, checkbook, etc.) and submit them to the 4-H program coordinator. This should be done within 10 business days of the group’s final date of operation.

Checking and Savings Accounts

The group’s account(s) need to be closed and its financial assets turned in to the 4-H program coordinator within 10 business days of the group’s final date of operation.
Noncash Assets

The group’s noncash assets (equipment and supplies) need to be delivered to the 4-H program coordinator within 10 business days of the group’s final date of operation.

Notification of Group Members

The 4-H program coordinator will notify all group members about the decisions concerning dispersal of cash and noncash assets. It is important that the 4-H leader also communicate all information about the changes in the group to its members and parents.
Appendices

The following pages contain supplemental information or blank copies of the forms mentioned in the preceding pages. Make photocopies of these forms as they are needed, and then complete them.

- Summary of Financial Responsibilities for 4-H Groups .................. 38
- Checklist for Establishing a 4-H Group Bank Account .................. 39
- County 4-H Fund-Raiser Application ........................................... 40
- County 4-H Fund-Raising Report Form ....................................... 41
- IRS Form W-9: Request for Taxpayer Identification Number and Certification .......................................................... 42
- Letter to a Donor Acknowledging a Gift to a 4-H Group .............. 43
- Table 6. Appropriate Use of Funds ............................................. 44
- Michigan Sales Tax Sign for an Event ........................................ 47
- Annual Financial Summary Report .............................................. 48
- 4-H Group Disbanding Checklist .............................................. 50
Summary of Financial Responsibilities for 4-H Groups

1. When setting up a checking or savings account for a 4-H group, provide the financial institution with the group’s Employer Identification Number (EIN) and use the same name on the account that is on the group’s 4-H charter. Account statements must be mailed or emailed directly to the county Extension office.

2. All groups handling money should:
   a. Document all finances using prenumbered receipts, checks, invoices
   b. Keep each of its treasurer’s report in the
      i. Treasurer’s file
      ii. Secretary’s file along with meeting minutes
   c. Keep copies on file for a minimum of 7 years.

3. If a group’s account has more than $2,500 in annual income, each month mail to the county 4-H office each of the group’s:
   a. Treasurer’s reports
   b. Meeting minutes

4. To make sales tax-exempt purchases for 4-H, request a Michigan Form 3372 from the county 4-H staff.

5. Each 4-H fund-raising event must have approval from the county 4-H staff. If a group is planning to hold a fund-raiser, the group must complete and submit a County 4-H Fund-Raiser Application to the county 4-H staff at least 10 business days before the proposed fund-raising activity.

6. Within 10 business days following an approved fund-raising event, complete and submit a County 4-H Fund-Raising Report Form to the county 4-H staff.

7. Have any vendor, gift or prize recipient receiving a one-time total of $600 or more complete, date and sign a W-9 to be submitted to the county 4-H office.

8. Complete the Annual Financial Summary Report and submit it to the county 4-H office by the date determined by the county. Include with it:
   a. Any sales tax the group collected from fund-raising and applicable sales
   b. A copy of the treasurer’s report
   c. A copy of the secretary’s minutes

9. Notify the MSU Extension 4-H office of any issues, changes or with questions about the group’s financial matters.
# Checklist for Establishing a 4-H Group Bank Account

If a 4-H group is contemplating establishing a checking or savings account there are things that should be considered before choosing a financial institution. Use this checklist as a guide.

1. Research local financial institutions to find one without fees (for more about this, see the Financial Manual for 4-H Treasurers) or one that may be willing to waive them for a 4-H group.

2. Inquire of the financial institution what documents you must take to open the account; the following list of items may be required to complete the process:
   - Group’s Employer Identification Number (EIN)
   - Letter from the Internal Revenue Service assigning the EIN to the group
   - MSU Extension office address
   - A copy of the group’s minutes that includes the motion that authorizes opening an account and a record of a vote on the motion.
   - A copy of the group’s charter
   - Sufficient funds with which to open the account

3. Current Michigan State University policy does not allow 4-H clubs, councils, boards and committees to use ATM or debit cards because access to the funds is immediate and, in the event of theft, it is extremely difficult to recoup. According to current MSU policy, credit cards in the group’s name are not allowed due to issues with fiscal control and occurrences of theft.

4. Complete the proper paperwork for either a checking or a savings account. Keep the following in mind when doing group paperwork for the account:
   - The name on the account must be the name of the 4-H group, not of an individual
   - The name used on the account must match the group name on its charter.
   - Use the group’s EIN and **not** an individual’s social security number when establishing the account.
   - Dual signatures are strongly recommended on all group accounts. All signers must be current, registered 4-H volunteers.
   - Signers should not be related to one another.
   - The account address must be that of the MSU Extension office so account statements are mailed there. E-statements are strongly encouraged. (For more details about this, see the Financial Manual for 4-H Treasurers.)
   - The use of carbon checks is recommended so a copy remains available for the group records.
   - Review the signatures on account cards annually, update them as needed and promptly notify the MSU Extension office of any changes.

5. Once the group identifies who the account signers will be, provide the names of these individuals to the MSU Extension office.

6. The administrative leader or treasurer will notify the county Extension office of all future changes in account signatories.

7. Leaders and group members or officers are responsible for completing the Annual Financial Summary Report each fall when directed to do so by the 4-H program coordinator.
County 4-H Fund-Raiser Application

The group treasurer or 4-H leader must complete and return this form to the 4-H staff in the county Extension office for approval at least 10 business days before any fund-raising activities can be held.

4-H Group name ________________________________

If the group is contemplating holding a fund-raiser, we strongly encourage the group to discuss the following items before completing the application below:

☐ What, specifically, are the funds being raised for?
☐ Put in writing how and when a member will qualify to benefit from the funds.
☐ How much money is needed?
☐ How will the group keep track of funds raised? Identify the member(s) who will manage this task.
☐ What will the group do if enough funds are not raised to meet the group’s goal? What if the group raises more funds than are needed?
☐ Understanding that funds raised are for the total group (not for individuals based on their level of participation in the fund-raiser), be sure to discuss how the group will handle it if some members raise fewer funds or are less active in the fund-raising activity than others.

Addressing these things ahead of fund-raising will ensure all participants agree with the fund-raising goals and reduce the probability of disagreements later.

Group’s address ________________________________ Phone __________________

Person making request: ________________________ Phone: ____________ Email: _________________

Educational program funds will be used for __________________________________________________

What is the proposed fund-raising activity? _______________________________________________

Will the group be selling tangible, personal property (for example, craft items, tack, cookbooks, calendars, plat books, bulletins and food that will be consumed immediately such as concession stand sales)?

☐ Yes ☐ No If yes, the group must collect sales tax. For further information about collecting and remitting Michigan sales tax, refer to pages 23 and 24.

What is the fund-raiser’s educational value to the members? __________________________________

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

Proposed starting date of the activity: ________________________________ Time: ________________

Expected ending date of the activity: _________________________________ Time: ________________
(If it is an ongoing activity, the end date must be on or before August 31 of the current year.)

For Office Use Only:

Approved ________________________________ Date Notified ____________________
County 4-H Fund-Raising Report Form

Complete and return this form to the _______________________________ County 4-H staff within 10 business days after the approved fund-raising activity.

4-H Group name ____________________________________________

Group address ______________________________________ Phone ___________________

Person making report: __________________________ Phone: ____________ Email: _____________________

What was the approved fund-raising activity? ________________________________________________

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

What knowledge did the group gain through this activity? ______________________________________ ___

What skills did the group develop from participation in the fund-raising activity? ____________________

Income from approved fund-raising activity $_____________________________

Expenses from approved fund-raising activity minus $_____________________________

(List general expenses below)

Sales tax collected on tangible, personal property* minus $_____________________________

*For example, craft items, tack, cookbooks, calendars, plat books, bulletins and food that will be consumed immediately such as concession stand sales.

Calculate the amount of tax due as follows: Divide the income by 17.67 (Income: ____ ÷ 17.67  = ____ ). It is wise to hold these funds aside in the group’s treasury so they are available when the payment is submitted in the fall. Be sure to include the income and expenses in the group’s Annual Financial Summary Report (AFSR). The amount of the check will be reflected as an expense on next year’s AFSR. If the group remits the tax with a check, make it payable to “Michigan State University.”

Profits from approved fund-raising activity equals $_____________________________

Prize Winners

If prizes were awarded, complete the information below. Attach a separate sheet, if needed. Note: Prizes valued at $600 or more require the recipient complete IRS Form W-9 for calendar-year tax reporting. Attach the W-9 to this report. MSU will issue an IRS Form 1099-MISC in January.

<table>
<thead>
<tr>
<th>Name</th>
<th>Prize</th>
<th>Prize Value (Actual or Fair Market Value)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

Return to:

Staff Name ____________________________ Address _______________________________________

Copyright 2016 Michigan State University Board of Trustees. | Michigan State University Extension 4-H Youth Development
Amount of single payment or award: $___________

Purpose of single payment or award:

Payer (group providing payment or award):
Letter to a Donor Acknowledging a Gift to a 4-H Group

Dear (Mr.) (Mrs.) (Ms.) (Family Name) ________________________________: 

On behalf of the (4-H group’s name) ________________________________ in (your county’s name) ________________________________ County, I would like to thank you for your recent donation of (list item[s] donated) ____________________ to our group’s youth. The 4-H group members will strive to be good stewards of this gift, and to use it according to the purpose you have stated or for the betterment of our group and community.

Thank you again for supporting Michigan 4-H Youth Development programs.

Sincerely,

(Your signature)

Member or Leader’s First and Last Names

Group Name

(Your County Name) ________________________________ County 4-H
<table>
<thead>
<tr>
<th>Use</th>
<th>Source of Funds</th>
<th>Criteria That Must Be Met</th>
<th>Alternative or Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
</tr>
<tr>
<td>Donation to another organization (e.g., the Humane Society)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Flowers or gift to a member, leader, volunteer, sponsor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Matching t-shirts for all group members</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Party for group members</td>
<td>Yes</td>
<td>See comment.</td>
<td>See comment.</td>
</tr>
<tr>
<td>Recreational trip (e.g., Michigan Adventure, miniature golf, Detroit Tigers game)</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Educational trip (e.g., animal-processing facility, zoo, museum, farm or orchard visit)</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes, because it is educational.</td>
</tr>
<tr>
<td>Registration for 4-H educational events (e.g., Exploration Days, Kettunen Center workshop, Capitol Experience)</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Registration for non-4-H educational events</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
### Table 6. Appropriate Use of Funds, continued.

<table>
<thead>
<tr>
<th>Use</th>
<th>Source of Funds</th>
<th>Criteria That Must Be Met</th>
<th>Alternative or Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A Group dues</td>
<td>B Group fundraiser that advertises this use</td>
<td>C Group fundraiser that does not advertise this use</td>
</tr>
<tr>
<td>Registration for 4-H competitive events (e.g., 4-H state shoot, horse show, Rabbit &amp; Cavy Expo)</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Cover the $10 Michigan 4-H participation fee</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>College scholarship</td>
<td>Yes, but not recomended.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Private riding lessons</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Mileage reimbursement to adults driving to an event</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Barn decorations for fair</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
### Table 6. Appropriate Use of Funds, continued.

<table>
<thead>
<tr>
<th>Use</th>
<th>Source of Funds</th>
<th>Criteria That Must Be Met</th>
<th>Alternative or Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A Group dues</td>
<td>B Group fundraiser that advertises this use</td>
<td>1</td>
</tr>
<tr>
<td>Equipment for use by group's members</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Equipment, supplies or improvement to fairground used by MSU Extension 4-H but owned and managed by an entity outside of MSU Extension 4-H</td>
<td>No</td>
<td>Yes, if this was publicized purpose of fundraiser.</td>
<td>No</td>
</tr>
<tr>
<td>Fees for fair registration</td>
<td>Yes. See comment.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Food for members and leaders at the fair</td>
<td>Yes. See comment.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

***Staff should look to different sources to help youth with funding equipment. For example, staff could check with county 4-H council, county participation-fee funds, restricted donations for this purpose, Michigan 4-H Foundation, etc.***
Price includes Michigan sales tax
Annual Financial Summary Report

Directions: Complete each section of this report whether or not the group had a treasury, collected or spent funds, accepted donations or had property within the report period. Groups without a treasury, and whose participation fees did not pass through the group, must still complete the form (with zero [0] balances) and submit it by the county’s designated deadline.

### Part 1. Group Information

<table>
<thead>
<tr>
<th>For the period</th>
<th>September 1, 20____ to August 31, 20____</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group name</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial account</td>
<td>No ____ Yes ____</td>
<td>Type</td>
</tr>
<tr>
<td>Financial Institution Name</td>
<td>Account #</td>
<td>Signatories</td>
</tr>
</tbody>
</table>

### Part 2. Group Income and Expenses

<table>
<thead>
<tr>
<th>Adjusted treasury balance as of September 1 of last year</th>
<th>A</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxable sales income (list each separately; attach additional sheet if necessary)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Total from additional sheet</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxable sales subtotal (add items 1-3 above)</td>
<td>B</td>
<td>$</td>
</tr>
<tr>
<td>Nontaxable income (list each separately; attach additional sheet if necessary)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. 4-H participation fees collected</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Total monetary donations received</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Total from additional sheet</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nontaxable income subtotal (add items 1-5 above)</td>
<td>C</td>
<td>$</td>
</tr>
<tr>
<td>Total income for the period (add B and C)</td>
<td>D</td>
<td>plus</td>
</tr>
</tbody>
</table>

| Expenses (list each separately; attach additional sheet if necessary) | | |
| 1. 4-H participation fees paid to the MSU Extension office | | |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. | | |
| 6. Total from additional sheet | | |
| Total expenses for the period (add lines 1-6 above) | E | minus | $ |
| Account balance at end of the period (add A and D; then subtract E) | F | equals | $ |
| Add checks that have not shown up on statement | G | plus |
| Subtract deposits that have not shown on statement | H | minus |
| Adjusted balance (should agree with account statement) | I | equals | $ |

Please respond to the following:

1. The account statement was reconciled each month.   Yes ____ No ____
2. There is written documentation that all expenses were approved through an approved budget or by a vote of the full membership.   Yes ____ No ____
3. What was the group’s total account balance as of June 30 of this period? $_________
Annual Financial Summary Report, continued.

**Part 3. State Sales Tax**

Complete this section if the group has taxable sales (Part 2, line B).

Total taxable sales (Part 2, line B): $________

Divide the amount by 17.67 = $________ This is the amount of sales tax the 4-H group owes.

Make check or money order payable to “Michigan State University” and submit the check with this Annual Financial Summary Report to the MSU Extension office by the county’s deadline.

**Part 4. Verification of No Account at a Financial Institution**

A signature in this box verifies that this 4-H group did not have an account at a financial institution during this report period. It further verifies that the group had less than $100 (not including 4-H participation fees) in its treasury for more than 30 days.

If the 4-H group opens an account at a financial institution in the future, the group must notify the county MSU Extension 4-H staff within 10 business days.

**Part 5. Inventory of 4-H Group Property**

“4-H group property” is defined as all items purchased with 4-H group funds as well as all items donated to the 4-H group. If the 4-H group has no property, verify by signing here: ________________

If the 4-H group has property, list below and on additional sheets if necessary, all existing group property. List consumable items (such as food, tape or paper plates) only if the amount is so significant that the items will last more than a year.

If the group disbands, all nonconsumable (not eaten or worn) property must be returned to the MSU Extension office within 10 business days of the group’s final date of operation.

<table>
<thead>
<tr>
<th>Year Purchased or Received</th>
<th>Quantity</th>
<th>Item Description</th>
<th>Value When New</th>
<th>Storage Location</th>
<th>If Discarded Last Year, Explain Why</th>
</tr>
</thead>
<tbody>
<tr>
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</table>

**Part 6. Signatures, Review and Approval**

Signature of person who prepared this report: __________________________ Phone: __________________________ Date: ________________

Signature of person who reviewed and approved this report: __________________________ Phone: __________________________ Date: ________________

Signature of 4-H staff who approved this report: __________________________ Date: ________________
4-H Group Disbanding Checklist

Please initial the following lines as appropriate.

The Decision to Disband

_____ The group’s membership (volunteers, members, parents) has held a meeting(s) to explore options for continuing the group with changes. For example, could the group continue:
• Under different leadership?
• By dividing into smaller groups, if it has gotten too large to function effectively?
• By changing the group’s focus to better meet the current membership’s needs?

_____ The group’s membership reached agreement that discontinuation is the best alternative. The group decided to disband because ____________________________

Decisions About Future Involvement of Members

_____ All volunteers and members will indicate moves to new groups through the reenrollment paperwork submitted to the office.

_____ All volunteers and members will contact the office directly and disperse to different groups.

_____ Certain volunteers or members need assistance finding a new 4-H group. We have requested the office contact the following families ____________________________

_____ All volunteers and members will no longer be enrolled in 4-H in this county

Decisions About Group Treasury, Assets and Property

Any 4-H group that disbands must turn over any funds to this county’s Extension office within 10 business days of the group’s final date of operation. All property belonging to the group must be distributed in the same manner. At the time the group dissolves, its members may request that resources be used for a specific 4-H program within another group, the county or the state. The county 4-H program coordinator will consider the request, and if the request is deemed appropriate, the 4-H program coordinator will act upon it. If a group divides itself, creating more than one recognized and properly registered group, the 4-H program coordinator will disperse the funds from the original group, based on membership, in each group.

Treasury

_____ This group never maintained a treasury. An Annual Financial Summary Report is attached.

_____ The group has submitted its final Annual Financial Summary Report and all group financial records to the MSU Extension office. (This includes treasurer’s records, minutes, checkbook, etc.) A final Annual Financial Summary Report is required even if the group does not have a treasury.

_____ All checking or savings accounts are closed and any remaining money is attached to this form.

_____ Amount ____________ _____ Check/Cash

Suggestions for disbursement: ____________________________
4-H Group Disbanding Checklist, continued

Inventory

_____ This group has no inventory as indicated in the Inventory of Group Property (Part 5 of the Annual Financial Summary Report).

_____ The group has submitted a final inventory of noncash assets and inventory to the MSU Extension office. (See Part 5 of the Annual Financial Summary Report.)

_____ The group’s noncash assets have been delivered to the MSU Extension office. The group recommends dispersal in the following ways: ________________________________.

Submitted by:

__________________________________________________________

Group President or Club Administrative Leader Signature (Date)

Thank you for your time and energy devoted to this county’s 4-H program. We truly appreciate the dedication you have shown to the growth and development of our youth.

Reviewed by:

__________________________________________________________

4-H Program Coordinator Signature (Date)

The ________________________________ has disbanded and is no longer considered a sanctioned 4-H group in ___________________________ County 4-H effective ____________________.

(Date)
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