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MASSACHUSETTS 4-H Treasurer's Guide



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4-H Pledge

I pledge:

My Head to clearer thinking,

My Heart to greater loyalty,

My Hands to larger service and

My Health to better living for

My Club, my community, my country and my world.



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To view the online version of the
Massachusetts 4-H Treasurer's Guide
(youth guide) and the **4-H Financial**
Management Guides (adult guides) go to

www.mass4h.org

Massachusetts 4-H Treasurer's Guide

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About Being an Officer

Congratulations, you have been elected Treasurer of your 4-H club! You, as the Treasurer, and all the other officers of your 4-H group represent your own group, as well as the 4-H program throughout the state. Your skills, abilities, standards, ideals, and speech reflect on other Massachusetts 4-H'ers. Representing others is one of an officer's most important responsibilities because it exists at all times, not just while you are at a 4-H meeting.

About Being the Treasurer

The Treasurer is responsible for taking care of the group's money and bank accounts. This duty requires honesty, integrity, attention to detail and cooperation with your group's members and leaders.

THE TREASURER'S RESPONSIBILITIES

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

- I will keep an accurate record of how all money is used and where the funds come from.
- I will deposit all funds that my group earns or receives in the bank within a week.
- I will prepare and present a Treasurer's Report for club business meetings that includes a summary of income and expenses and report on the current bank balance(s).
- I will read and understand the information contained in this guide and follow these procedures.

Note: Youth under age 18 may not have their names on 4-H bank accounts so the adult leader must sign all checks. You will work closely with the adult leader to determine who will prepare the checks and the bank deposits.

PREPARING THE ANNUAL PROJECTED BUDGET

Each 4-H group should establish a projected budget at the beginning of the 4-H year. The projected budget should include an estimate of where the club funds will come from, such as dues and fundraising activities. It should also include anticipated expenses of the club such as costs associated with the fundraising activities and projected expenses for club activities such as speakers, field trips and recreational activities. The club must vote to accept this projected budget. Establishing this budget helps the group to plan ahead for the year. It also gives the Treasurer the authority to pay bills presented to the club for projected expenses that were included in this budget. (See *Figure 8 for a sample projected budget.*)

Handling Money and the Business of the Club

4-H Clubs or groups are public groups, open to all without regard to race, color, national origin, sex, disability, religion or age. The money groups receive from dues, bake sales and other fund-raising events is owned by the group, not by any one member or leader of the group. Because 4-H is a public organization, it is not "owned" by individuals the way a company is owned. Instead, 4-H is owned by the public. Therefore, the responsibilities of the 4-H Club or group Treasurer are quite different from those of the Treasurer of a private company. The 4-H club Treasurer is responsible to the club members and leaders as well as to the public.

You, working closely with your club leader, are in charge of "keeping the books," which includes your group's receipt book, records of dues collected, checkbook and check register, and bank statements. The public calls for a high standard of accountability and integrity for public groups. You can meet the high standards required of a 4-H Treasurer by studying and following the money handling methods found in this *Treasurer's Guide*. These standards apply whether a group has 25 cents or \$2500 in the treasury.

Conflicts may arise if money is not handled carefully and accurately. You can protect yourself and your 4-H group from conflict by being careful, responsible and accurate when handling the group's finances. As the 4-H club Treasurer you need to be familiar with and practice the following financial guidelines:

1. Always Use Receipts!

When you receive money from dues or a fund-raising activity, you must always write a receipt for it. Writing a receipt takes a little time, but it helps protect your reputation. Without a receipt there is no way to prove that your 4-H Club or group received a specific amount of money or that you handled it correctly.

Received from _____	No. 1799
_____ Amber Horowitz	
For _____	
_____ Sweater Supplies	
By _____	_____ 7.09
_____ Eva Ritter	
Give white copy to customer. Keep pink copy.	Date <u>September 3, 2009</u>

Figure 1. Sample receipt.

		Dues Form											Amount of Dues to Be Paid <u>\$0.50</u>	
		Date and Dues Paid											Total	
Date Joined		5/25	6/30	7/28	8/27	9/29	10/4							
Eva Ritter	5/25	0.50	0.50	0.50	—	0.50	0.50							
Katelyn McGee	5/25	0.50	0.50	0.50	0.50	0.50	0.50							
Stephan Farvesi	5/25	0.50	0.50	0.50	0.50	0.50	0.50							
Janine Martinez	5/25	0.50	0.50	0.50	0.50	0.50	—							
Jasper Jones	6/27	—	0.50	0.50	0.50	—	0.50							
Sara Wang	7/25	—	—	0.50	0.50	0.50	0.50							
David Henderson	8/20	—	—	—	0.50	0.50	0.50							
Thomas McGee	8/27	—	—	—	0.50	0.50	0.50							
Amber Horowitz	8/27	—	—	—	0.50	0.50	0.50							
Total	—	2.00	2.50	3.00	4.00	4.00	4.00							

Figure 2. Dues form.

No. 1800

Received from _____

For Dues — May 25, 2009

By Eva Ritter \$ 2.00

Give white copy to customer.
Keep pink copy. **Date** May 25, 2009

Figure 3. Receipt for dues.

No. 1801

Received from Katelyn McGee & Stephan Farvesi

For Car Wash — July 17, 2009
2nd Shift Earnings

By Eva Ritter \$ 23.50

Give white copy to customer.
Keep pink copy. **Date** July 17, 2009

Figure 4. Receipt for money received from a fund-raiser.

For Deposit Only
4-H Cloversall Club
Home Town Trust
& Savings Bank
Account 555-55-85

Figure 5. "For Deposit Only" rubber stamp.

DEPOSIT TICKET

4-H Cloversall Club

DATE May 27 20 09
Eva Ritter

This deposit is accepted subject to verification and to our rules and regulations

Home Town Trust & Savings Bank

[073000 2 28] 7334 804 0900

	DOLLARS	CENTS
CURRENCY	2	00
COIN	1	31
CHECKS	1103	1 25
	787	10 00
TOTAL FROM OTHER SIDE	-0	—
SUB-TOTAL	14	56
LESS CASH RECEIVED	-0	—
TOTAL DEPOSIT	14	56

 33-22730
 If More Than 2 Items List on Reverse Side
TOTAL ITEMS
 []

Figure 6. Sample deposit ticket or slip.

Your 4-H group should have a receipt book with prenumbered, two-part receipts. They are available from most office supply stores. If you make a mistake and have to void a receipt for any reason, mark both copies "VOID," staple them together and keep them with the Treasurer's records. (See *Figure 1* for a sample receipt)

RECEIPTS FOR DUES:

You don't need to write an individual receipt for each person paying dues. Just fill out the "Dues Form" (*Figure 2*) and then total the amount of dues paid for the meeting and write one receipt for the total amount. On the receipt, write "Club members" in the "From" blank and "Dues" and the meeting date in the "For" blank (see *Figures 2 and 3*).

RECEIPTS FOR MONEY FROM FUND-RAISERS:

If your 4-H group holds a fund-raiser such as a bake sale or car wash, you don't need to write a receipt for each person buying a cookie or having his or her car washed, but you (or the shift leader) need to write one receipt at the end of each shift or at the end of the day. Each group of workers must account for the money they have received. Two people should count the money, agree on the amount and turn the money over to you. It's a good idea for you to verify the amount (recount the money) in the presence of the people giving you the money. Then give them a receipt for the amount they gave you (see *Figure 4*). We suggest that you use the Cash Count Protocol form included in this booklet.

2. Making Bank Deposits

Before you deposit a check, the person to whom it is payable must endorse (sign) the back of it. Checks that are made payable to the group must be endorsed by signing the group name (as written on the check) and the Treasurer's name. If someone writes a check payable to you that is intended for your 4-H group, endorse it by writing "Pay to the order of (your group name)" and signing it. Many groups have a rubber stamp (see *Figure 5*) made with the group name and account number on it at a local office supply store or on-line vendor to save you time.

Keep these things in mind when making deposits:

- Deposit all funds promptly. If your group receives more than \$10 at any time, deposit the money within a week.
- Endorse checks immediately when you receive them. Make sure to endorse them with the phrase "For Deposit Only" if you are not going to the bank immediately so that if the check is lost or stolen it can't be cashed.

PREPARING DEPOSITS

Total the receipts you have written since you made the last deposit and compare that amount with the amount of cash, coins and checks you intend to deposit. The two figures should agree. If they don't, repeat the process. When the two figures do agree, prepare a deposit ticket or slip similar to *Figure 6*. If your group has a checking account, there is usually a supply of deposit slips at the end of each pad of checks. You also can pick up one in the bank lobby.

Follow these steps when filling out a deposit ticket or slip:

1. Date the deposit slip.
2. Fill in the amount of currency (bills) and coins you are depositing.
3. List each check number and its amount separately (use the back of the deposit slip, if necessary).
4. Record the deposit in the checking account register (see *Figure 9*).
5. Complete a duplicate of the deposit slip, and keep the duplicate with the bank receipt; make sure to get a bank receipt for your deposit.

3. Approving and Paying Bills

Part of your work as the Treasurer may be to write checks to pay the outstanding bills. Some clubs do not have the youth Treasurer prepare the checks. You must discuss this with the leader of your 4-H group to see if you will have the responsibility of writing the checks. Even if you write the checks, all checks must be signed by an adult - this is usually the club leader but your club may have designated another adult. Youth names may not appear on the bank account.

Make a payment only when you have a written bill or invoice and keep a copy of the bill. The usual way to pay bills is with a check. Holding cash back from deposits and then using the cash to pay bills is **not** a good practice, because it doesn't leave a record or provide proof of payment. A proper receipt protects your reputation as Treasurer. **Paying bills on time is crucial.**

Make sure that the bills you receive and pay are legitimate expenses that your club has incurred as a part of your 4-H club's work. Your club should have an annual projected budget that shows what the club intends to spend money on that year as well as showing expected income (see *Figure 8*). If the bill does not fit into what appears in the budget or is for a large sum of money, make sure to check with the club leader before paying the bill. The club should vote to approve expenses not included in the Annual Projected Budget. You may use the Payment Voucher form found in this guide to submit the expense to your club to vote on.

4. The Use of Checks

If your leader designates this responsibility to you, then follow these steps when writing checks:

1. Use ink.
2. Never erase a mistake. If you make a mistake, write “VOID” on the spoiled check and start a new one. Keep the voided check; don’t destroy it.
3. Write today’s date on the check.
4. Start writing the name of the person or business to whom the check is payable as close to the “Pay to the order of” as possible.
5. Leave as little space as possible between the figures and words when filling in the amount lines. This helps prevent someone else from changing a \$1 check, for example, into a \$100 or \$1000 check.
6. Begin writing the amount at the extreme left of the amount line. Be sure the written amount agrees with the numeric amount. Avoid writing checks for less than \$1, but if you have to, start the “Pay to the order of” line by writing the word “Only” and then the amount.
7. Present the checks to the adult leader to sign; you or the leader will need to then mail the check to the recipient.
8. If a check written on the group’s account is lost, notify the customer service department of the bank at once.

The check in *Figure 7* was written to Fairway Grocery for \$10.34 for food for the 4-H Cloversall Club family fun night.

MAINTAINING THE CHECK REGISTER:

This may be the responsibility of the adult leader or the club Treasurer. To keep your 4-H group’s check register up to date, follow these steps:

1. Write the check number and the date it was written in the appropriate columns.
2. In the “description of transaction” column, write to whom the check was made payable.
3. Enter the check amount in the “payment/debit” column and in the balance column. Then subtract the check amount from the remaining balance on the line above and enter the new balance immediately below.
4. You can use the “T” column at the end of each month when you reconcile the account against the bank statement. Use this space to check off the checks that have cleared the bank (this information comes from the bank statement or the checks that have been returned to you).

5. The “Fee, if any” column is the place to list any fees the bank has charged your group for cashing or purchasing checks or for preparing an account statement. Any fees will appear on the account statement. Enter the fee amount and subtract it from the account balance.
6. Record the amount of any deposits in the “deposit/credit” column. Then add the deposit amount to the account balance on the line above and record the new account balance straight across.

Figure 9 shows that:

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

5. The Monthly Treasurer’s Report

The Monthly Treasurer’s Report informs members of the group’s financial activity for the past month. This form will assist you in this reporting task (*see sample Figure 10*). You then share this report with your club during the time indicated in the business meeting for the Treasurer’s Report. If your club does not meet monthly, simply adapt this form to indicate what period of time the report covers.

After the group has reviewed your Monthly Treasurer’s Report and you have provided any explanation that is necessary, a member moves to accept the Treasurer’s report, the motion is seconded and the group votes on the motion. If the motion is approved, the secretary enters a copy of the Monthly Treasurer’s Report into the minutes. The Treasurer is responsible for keeping all of the bank statements, copies of all annual summary financial reports and all receipt books. These must all be passed onto the leader or new Treasurer in good order when the time comes.

6. Guidelines for Groups Without Checking or Saving Accounts

Some groups operate without checking or savings accounts. Even without a bank account, clubs and groups must follow certain guidelines. Groups without bank accounts must follow the same bill paying system as groups with bank accounts. The difference is that you will purchase money orders or cashier’s checks from a bank to pay bills instead of using the group’s own checks.

Another difference is that your monthly Treasurer’s report leaves out the bank account reconciliation. You’ll also use the “Record of Group Finances” (see sample Figure 11) instead of a check register. All other financial rules and guidelines for groups with bank accounts apply to groups without bank accounts. To use the Record of Group Finances form:

1. In the “Date” column, write the date the transaction took place. In the “For What Purpose” column, write to whom the payment was made.
2. Enter the cashier’s check, money order or cash payment amount in the “Amount” column. Then subtract the amount of the payment from the remaining balance in the “Balance” column and enter the new balance immediately below.
3. The “Amount” column under “Cash Paid Out” is the place to list fees for purchasing checks or money orders. Subtract the fee amount from the balance in the “Balance” column.
4. When the group receives money, record the amount in the “Cash Received” amount column. Add the amount to the

balance in the “Balance” column and enter the new balance immediately below.

“QUICKEN” REPORTING SOFTWARE FORMATS

To make your reporting easier, we recommend the use of Quicken Basic software or other financial recordkeeping software that you may have available. This is inexpensive software for managing household or personal finances. It works like an online checkbook, allowing you to write checks, pay bills online, track your expenses, and automatically do the math to make balancing accounts quick and easy. In addition, it allows you to set up a budget, generate reports, and monitor your cash flow.

END OF YEAR REPORTING

At the end of the year, copies of the monthly (or quarterly) Treasurer’s Reports should be sent to the local 4-H Educator along with a copy of the bank statement. The balance on the bank statement must match the balance on the final Treasurer’s Report. This may be done at the end of the official 4-H fiscal year (September 30) or at the end of the club year if your group does not meet in the summer.

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

Figure 11. Sample record of group finances.

Payment Voucher

4-H Club/group name

Date: _____

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

Items purchased: _____ Project: _____ Amount: _____

Approved: _____

President's signature Date: _____

Secretary's signature Date: _____

Check number: _____ Date: _____

By: _____

Payment Voucher

4-H Club/group name

Date: _____

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

Items purchased: _____ Project: _____ Amount: _____

Approved: _____

President's signature Date: _____

Secretary's signature Date: _____

Check number: _____ Date: _____

By: _____

Cash Count Protocol

If the projected budget of an event projects that \$100 or more will be collected use the following form to ensure all money is accounted for correctly.

Date: _____

Club Name: _____

Event: _____

Step 1: Two individuals need to count the money together and agree upon the amount. Enter the amount and sign the form.

AMOUNT: _____

Signature: _____

Signature: _____

Step 2: It is preferred that someone who did not participate in the first count will take the money to the bank and deposit it. Bring the deposit slip to the treasurer who has the cash count form and sign the form.

As an alternative, one of the two persons who signed above can deposit the funds. Be sure to get a deposit slip from the bank to put with this form. Attach the deposit slip to this form and sign your name. Give the completed form to the Treasurer.

The treasurer needs to ensure that the deposit slip is attached to this form and filed with the Treasurers Records.

ATTACH DEPOSIT SLIP BELOW

Depositor's Signature: _____

Record of Club/Group Finances

Record of Club/Group Finances				
Cash Received		Cash Paid Out		Balance
Date	From What Source	Amount	For What Purpose	Amount
	<i>Balance carried over from previous page</i>	---	---	\$ ---
			<i>Balance carried over to next page</i>	\$ ---

Name of Club, Advisory or Council: _____
Period of time this report covers: _____ 20__ to _____ 20__

Monthly Treasurer's Report for Clubs

1. State the beginning balance:

Date: _____ Balance: \$ _____

2. Indicate money received:

amount \$ _____ for what purpose _____

amount \$ _____ for what purpose _____

amount \$ _____ for what purpose _____

Total received: \$ _____

3. State the expenses:

\$ _____ to _____

for what purpose _____

\$ _____ to _____

for what purpose _____

\$ _____ to _____

for what purpose _____

Total expenses: \$ _____

4. Indicate closing balance:

Date: _____ Closing balance: \$ _____

If the Club or group has a checking account, do the following:

Add back checks that haven't shown up on the bank statement **plus** \$ _____

Subtract deposits not showing up on bank statement **minus** \$ _____

Adjusted balance should agree with bank statement **equals** \$ _____

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

Prepared by: _____ Accepted by: _____
Treasurer's signature President's signature

Date: _____ Date: _____

Projected Budget/Fundraising Plan

For the Period October 1, _____ to September 30, _____

Club or Council name: _____

Treasurers Name/Phone # _____

	Revenue (Please list DATE, TYPE, and DESCRIPTION)	Projected Budget	Write Yes/No if Needed	
			Sales Tax *	Licenses ^
	Dues:			
1.		\$ -		
	Donations (Business, Personal, Estate):			
2.		\$ -		
3.		\$ -		
4.		\$ -		
	Grants:			
5.		\$ -		
6.		\$ -		
	Fundraisers (Raffles, Food Booth, Admissions, Products)			
7.		\$ -		
8.		\$ -		
9.		\$ -		
	Non-Cash Donations:			
10.		\$ -		
11.		\$ -		
Projected Revenue (excluding Non-Cash Donations)		\$ -		

Expenditures (Match # with proposed fundraiser)		
	Fundraising related Expenses (Food to sell, posters etc)	
2.		\$ -
3.		\$ -
4.		\$ -
5.		\$ -
6.		\$ -
7.		\$ -
8.		\$ -
9.		\$ -
	Activities Expenses (Club related, ie field trips)	
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
Projected Expenses		\$ -

* Note if sales tax needs to be collected

^ A license or permit is required for raffles and some food sales

Projected Operating Surplus or Shortfall	\$ -
Account Balance at the beginning of year:	\$ -
Account Balance at end of year	\$ -

Prepared by: _____ Date: _____

Approved by (Club President): _____ Date: _____

Approved by UMASS Extension: _____ Date: _____

Donor Letter Information Request

(This letter is sent by Club or Advisory Treasurer when their 4-H group donates to an individual or organization. Attach this "Donor Letter Information Request" to the completed "Recipient Gift Acknowledgement Form" below. Enclose a return envelope for the donor to use to mail back the information to the 4-H Club or Advisory.)



Address of Recipient: _____

Date: _____

Name and Address of Club or Advisory: _____

The _____ Club or Advisory is required by the IRS to obtain a written acknowledgement of any donation over \$250.00. We would appreciate your assistance in providing this documentation by completing the attached blank form which then may be copied on your individual or organization's letterhead. Please provide the required information and return the form to us. A return envelope has been provided for your convenience.

Sincerely, Treasurer _____

Recipient Gift Acknowledgement Form

(To be completed by the recipient of a 4-H donation and returned to 4-H Club or Advisory Treasurer for a gift of \$250 from 4-H.)

TO: 4-H Club or Advisory Name and Address: _____

FROM: _____

Individual or Company Recipient of a 4-H Donation, Name and Address: _____

DATE *(i.e., that the form is completed and sent back by donor):* _____

Amount of Cash Contribution: \$ _____ **Date of Contribution:** _____

If gift is in kind, description of property contributed: _____

Good Faith Estimate of Value: \$ _____

Signature of Donor or Company Authorized Representative _____

4-H Gift Acknowledgement Form

(To be completed by 4-H group when it receives a donation over \$250 and sent back to donor)

TO: Donor Individual or Company Name and Address: _____

FROM: 4-H Club or Advisory Name and Address: _____

DATE *(i.e., that the form is completed and sent back by 4-H group):* _____

Amount of Cash Contribution: \$ _____

Date of 4-H group's Receipt of Contribution from donor: _____

If gift is in kind, description of property contributed: _____

Good Faith Estimate of Value: \$ _____

Signature of Club or Advisory Treasurer: _____

p.s. Don't forget to send a personal thank you note to any donors to your 4-H group!