

4-H is a Public Organization

The money 4-H clubs and committees receive, whether from dues, fund raisers or donations is owned by the club or committee, 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. The public nature of these funds calls for a higher standard of accountability. All groups who use the 4-H name and emblem must follow laws and regulations and Wisconsin 4-H policies.

Dues:

Club dues are \$3.50 per member, per year (\$1.50 to the WI 4-H Foundation; \$1.50 for the County Program and \$.50 for Fair Improvement). 4-H clubs will receive a billing for their club dues by February 15. Club dues are payable to the 4-H Leader’s Council by April 1. Dues not received by April 1 will increase by \$.05 per member per each additional month until paid.

County project committees may assess additional dues to help cover expenses of the county wide project events. Examples include activity insurance, trainers, fun shows, end of year awards, etc. Dues and payment due dates are established by individual committees.

Financial Accounts:

To ensure accountability, all financial transactions for 4-H should take place by check rather than cash. Depending on the number of checks written, your club or committee could set up a checking account or a savings account.

It is illegal to co-mingle public funds with private funds. Funds raised in the name of 4-H must be kept in a separate account with its own EIN and 4-H identification of the group.

It is easy to obtain an EIN number for 4-H. Your 4-H club or committee can apply on line at www.irs.gov or by phone:

- 1-800-829-4933 - it’s an automated system,

- push option 1 to get a “live” person
- Call anytime between 6:30 am and 9 pm
- Best to call early because they are less busy at that time.

Attached is a copy of the SS-4 form— Application for Employer Identification Number (EIN). Part of the form has been completed for your convenience. You only need to complete the highlighted sections.

Once you have the EIN number, write it in the top right hand box and send the completed application to the UWEX Office so that it may be filed in your club/committee’s official record. You will not need to mail anything to the IRS.

Authorized Signatures:

Account(s) should be set up so that all checks require two signatures. Whenever the treasurer is younger than age 21, the co-signer must be an adult. It is not recommended that a parent and child from the same family be co-signers.

The Leaders’ Council treasurer also needs to be listed as an authorized signature on all 4-H related accounts. This step is important in case of an emergency, such as sudden and unexpected change in leadership in the club or committee.

The Leaders’ Council Treasurer is not allowed to withdraw funds or close any 4-H club or committee account(s) without a letter of approval signed by the 4-H Youth Development Agent under the direction of the St. Croix County 4-H Leaders’ Council or a majority of the Leaders’ Council members.

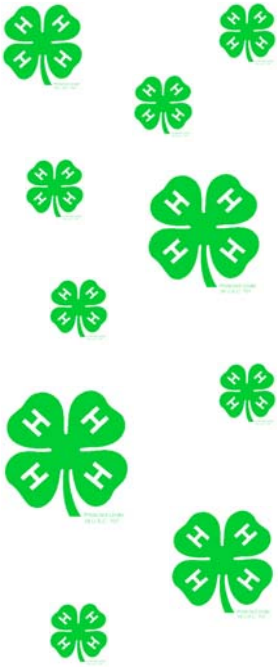
Collecting Money:

All money received should be recorded with a written receipt. The receipt should include the amount, source of the funds (such as a car wash or dues), the date and the name of the person making the payment. These receipts are the back-up documentation for any bank deposits made. The receipts should also become a permanent part of the club records.

Deadlines at a Glance:

Yearly Financial Statement of Expenses and Income	Jan 15
Updated Financial Record and Inventory	Jan 15
4-H Club Dues	Apr 1

Financial Accountability for 4-H Clubs and Committees



Paying Bills:

Payments should be made only when a written bill, invoice or receipt is submitted. If a club or committee doesn't have a budget or items arise that are not part of the budget, each item needs to be presented to the members for approval before payment.

Fund Raising Guidelines:

The club or committee should discuss money at least once a year. Discussion topics should include:

- How much money will be needed?
- Will we collect dues?
- Do we need to conduct fund raising?
- How will we make decisions about spending money?
- Do we need a budget?

Some groups prepare a budget for the year. When a budget is established it must be approved by the members of the club.

Fund raising should only be conducted to meet a specific club or committee goal. Generally, money raised during the course of the 4-H year should be spent that same year unless the fund raising goal is long term.

If a club or committee needs fund for programming that they currently can not financially cover, they may submit a written proposal including a budget and repayment plan to the 4-H Leader's Council for approval of the needed funds. Approval will be contingent upon availability of funds.

There are rules about the use of the 4-H name and emblem in fund raising. Use the 4-H name or emblem only on products your group has made or produced. Check with the 4-H Youth Development Agent before putting the 4-H name or emblem on any item you intend to sell for profit.

Special Note About Raffles or Bingo:

4-H groups that plan to conduct raffles or bingo for fundraisers must comply with state regulations and obtain licenses. Any 4-H organization that plans to hold a raffle must obtain a raffle license from the Wisconsin Gaming Board. Raffle licenses cover a 12 month period. Class A licenses cover raffle events with tickets sold prior to the drawing date. Class B licenses cover raffle events where all tickets are sold the same day as the drawing.

Audits:

An annual audit is a critical part of accountability. The purpose of an audit is to verify the accounts at the end of

the year or when a new treasurer takes office. An audit prevents misunderstandings, and protects the outgoing and incoming treasurer of the 4-H group. The auditor should be an adult(s) not related to the treasurer and not directly involved with the club's finances.

Reporting Requirements and Deadlines:

- The reporting period is a calendar year, beginning January 1 and ending December 31.
- Each club and committee will be asked to update their Financial Record and Inventory annually. The Financial Record and Inventory is due to the UW-Extension Office by January 15.
- Each club and committee must submit a yearly Financial Statement of Expenses and Income to the UW-Extension Office by January 15. Including a copy of the check register with the club or committee's Financial Statement provides a full picture of the expenses and income.
- If your group has gross receipts that normally exceed \$25,000, you must file a Federal Form 990. A group can file Form 990-EZ if the organization's gross receipts are less than \$100,000 and its total assets at the end of the year are less than \$250,000. When 4-H groups file Form 990, they should use the 4-H Group Exemption Number (GEN2704). These federal forms must be filed by May 15.

Sales Tax:

4-H does not have to pay sales tax on purchases for the program. Your club or committee can obtain a sales tax exempt certificate by contacting the Wisconsin Department of Revenue for a Form S-103. When you receive your tax exempt form, please remember to submit a copy to the UWEX Office.

All of the financial information and inventory forms submitted from 4-H clubs and 4-H committees will be kept in the official 4-H club/committee file at the UWEX Office. These files are secured in a locked file cabinet.

Dissolution:

4-H Club - Upon dissolution, any 4-H club with assets must turn over those funds to a recognized 4-H club or group with the approval of the St. Croix County 4-H Leaders Association and the County 4-H Youth Development Agent.

County Committee - Upon dissolution, all funds revert to the St. Croix County 4-H Leaders' Association.

Questions, contact the St. Croix County 4-H Youth Development Agent.
Phone: 715-684-3301 Ext 5 or E-mail: kimberly.reaman@ces.uwex.edu