



Volunteer Learning Module: Documenting and Planning 4-H Finances

Overview

4-H clubs or other groups (such as councils, boards, and committees) are public entities. 4-H groups are “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. It is important that all 4-H groups are transparent and show the source of any money they have received and how it was disbursed.

Section 1: 4-H Money is Publicly Owned

Because 4-H is a public group, a 4-H treasurer’s responsibilities are quite different from those of a private company’s treasurer. A 4-H group’s treasurer is responsible to other officers, members, adult volunteers, Michigan State University and to the public.

Under U.S. Department of Agriculture and Michigan State University guidelines, MSU Extension staff 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.

4-H volunteers are not alone in their financial journey as fiduciaries for 4-H funds. There are written manuals, online videos, and MSU Extension articles to serve as reference materials. Please review the resources listed below.

Resources:

- **4-H Group Disbanding Checklist, page 50 Financial Manual for 4-H Volunteers:**
https://www.canr.msu.edu/resources/financial_manual_for_4_h_volunteers
- **Financial Manual for 4-H Volunteers:**
https://www.canr.msu.edu/resources/financial_manual_for_4_h_volunteers
- **Financial Manual for 4-H Treasurers:**
https://www.canr.msu.edu/resources/financial_manual_for_4_h_treasurers
- **Financial Management: Protect your reputation as a 4-H Volunteer:**
https://www.canr.msu.edu/news/financial_management_protect_your_reputation_as_a_4_h_volunteer
- **Michigan 4-H Financial Management Toolkit:**
https://www.canr.msu.edu/resources/4_h_financial_management_toolkit

To contact an expert in your area, visit extension.msu.edu/experts or call 888-MSUE4MI (888-678-3464)

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Section 2: What is a Treasurer?

A group's treasurer is responsible for taking care of its money, its checking or savings accounts, receipt books, and statements from financial institutions.)

A 4-H group treasurer can protect themselves, the group's volunteer leader and the 4-H group from conflict by being careful, responsible, and accurate when handling the group's finances. To ensure high standards and accountability in maintaining 4-H funds, any adult handling 4-H finances must be an active, registered 4-H Gold level volunteer approved to manage money.

Section 3: Creating a Budget

It is strongly recommended that a 4-H group prepare an annual budget. A budget is a written plan for raising and spending money for a set period of time, usually once a year. Developing an annual 4-H budget provides several advantages. First, all the members are involved in thinking about the year ahead and what expenses may arise. They must also think ahead about how the group will have the financial resources to pay the expected expenses. These discussions are a valuable part of planning the 4-H activities for the coming year. Lastly, the budget should be reviewed and voted upon each year to make sure the information is accurate and applicable to the group at that time.

Resources:

- **Hold a Group Budget Bonanza at Your Next Meeting:**

https://www.canr.msu.edu/news/hold_a_group_budget_bonanza_at_your_next_meeting

Section 4: Maintaining a Checking & Savings Account

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 in their treasury for more than 30 days or they have more than \$100 for less than 30 days.

Once a 4-H Club has set up an account, they will need to do the following items:

- › Make sure the local MSU Extension office is getting copies of all the bank statements
- › Complete an Annual Financial Summary Report Form and turn into the local MSU Extension office by the local deadline
- › Work with youth of the club to understand, learn, and make decisions about the club money
- › Create a treasurer's report for each club meeting; it is best if the adult volunteer works with a youth treasurer to create the report and share with the 4-H club.