

## **4-H Financial Best Practices**

**In 4-H youth make the financial decisions, with adult *guidance*.**

- Members should vote on dues annually.
- The youth should create a budget. Outgoing and incoming officers could create this budget together.
- The budget must be approved by all members.
- Any reimbursements not in the budget need to be voted on by the members.
- Any reimbursements over the budgeted amount need to be approved by the members.
- The essential elements of 4-H are belonging, mastery, generosity and independence. Remind youth this as they create their budget.

**Learning about finances and documentation is an important learning opportunity for a youth treasurer.**

- The treasurer position is a youth position.
- Checks should require two signatures (an enrolled adult volunteer leader and the club treasurer). These two people should not be related.
- A treasurer's report must be submitted at every meeting. The treasurer could prepare a hard copy or e-mail it to all members to avoid reading every transaction.
- The treasurer needs to track which charter category every transaction falls into.

**Fundraise with a purpose and then reflect on the experience.**

- Fundraising should only be conducted to meet a specific goal established by the membership!
- The purpose of the fundraising needs to be clearly communicated at the time of the fundraising.
- Funds raised in the name of 4-H must be used for educational purposes.
- Have two people count and initial the money before and after an event.
- Cash should always be supervised by at least one enrolled volunteer leader.
- A fundraising event report should be submitted by the fundraising committee at the conclusion of the fundraiser.
- Reflect as a group on how much you spent, how much you made, what was learned, and how the experience could be improved next time.

## **Everything must be documented!**

- All transactions need to be tracked with proper forms.
- Transactions should be in checks and not cash when possible.
- All reimbursements require an original receipt.
- The treasurer may only reimburse up to the amount the club budgeted to approve.
- Any reimbursements not in the budget should be submitted with the minutes that state the purchase was approved by the members.
- If the amount of the reimbursement is over the amount in the budget, the reimbursement should be submitted with the minutes that state the additional cost was approved by the members.

## **4-H money is public funds and we must be publicly accountable for that money.**

- The audit should be completed during the month of July and any time that the group's treasury changes hands.
- One auditor must be an enrolled adult 4-H volunteer leader.
- The second auditor could be an enrolled 4-H volunteer leader, a 4-H youth leader or the new treasurer.
- Audits can be a great learning experience for a soon to be treasurer.
- Encourage youth members to be on an audit committee.
- The end of year financial report should be given to the club members at a meeting and recorded in the meeting minutes.

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Information was compiled by Amy Mangan-Fischer, Fond du Lac County 4-H Program Coordinator, October 2018

### Information was compiled from the following resources...

#### *4-H Money Matters Fact Sheet 1 (4-H Money Basics)*

April 2012, Developed by Rene L. Mehlberg, Winnebago County 4-H Youth Development Educator and Sue Pleskac, 4-H Volunteer Specialist, UW-Extension

#### *Douglas County 4-H Treasurer Resource Packet*

May 2008, Resources compiled by Sarah Wilcox, Douglas County 4-H Youth Development

#### *4-H Fundraising*

June 2015, University of Wisconsin-Extension 4-H

#### *Audits for 4-H Clubs and Groups*

June 2015, Developed by Sarah Wilcox, 4-H Youth Development Advisor, UW-Extension Douglas County and Sue Pleskac, Volunteer Leadership Specialist, UW-Extension