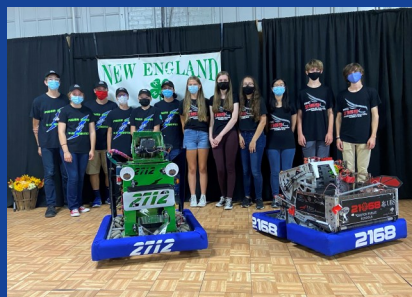




## UConn Extension Procedures for Handling 4-H Funds

4-H volunteers and leaders must abide by the UConn Extension guidelines for handling funds in the name of 4-H. The following information highlights requirements and best practices relating to the handling of funds in the UConn 4-H program.

- Accepting donations and handling funds such as dues within the 4-H program implies a willingness to accept responsibility for handling funds accountably. Each 4-H unit/club handling funds received under the 4-H name and emblem must maintain a system for receiving, disbursing and auditing funds within a related 4-H program. Each individual 4-H unit/club must hold funds in a separate bank account in the club/unit's name and not in a volunteer or parent's personal checking account.
- In order to take advantage of the CT 4-H tax-exempt status, each 4-H club should establish a bank account using the CT 4-H Foundation employer identification number (EIN). The account can be named "(your club name) 4-H Club/CT 4-H Foundation", and can be opened at any bank. As part of this process each club must submit annually a financial summary to their county 4-H office by October 15<sup>th</sup>. The summary must include a list of any donors contributing \$5,000 or more to the club along with any grants applied for and received. If a group chooses not to affiliate under the CT 4-H Foundation, the club volunteers are responsible for adhering to federal tax reporting requirements annually and providing a copy to the 4-H office of any filings. Clubs not affiliated with the CT 4-H Foundation must also submit an annual financial summary to their county 4-H office which includes a list of any donors contributing \$5,000 or more to the club along with any grants applied for and received. For more information regarding club bank accounts and tax exemption status, please see ["4-H Tax Exemption and the Connecticut 4-H Foundation, Inc."](#)
- Under no circumstances may an individual hold funds raised in the name of 4-H. All checks must be payable to an official 4-H organization, unit, or club and directly deposited into the appropriate account. Only registered 4-H volunteers may be listed on a 4-H club bank account and authorized to transact on behalf of the 4-H club. Clubs should establish a system of accounting and procedures for handling group funds, which is supervised by a minimum of two registered 4-H volunteers. Annual audits of funds should be conducted, this may be a desk audit performed by at least two additional adults unrelated to the primary account holders. Do not use petty cash or



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RESOURCES

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shoebox operations. 4-H club leaders authorized to transact on behalf of the club should only sign checks when approved and documented within club minutes or annual budget. An annual budget should be developed for the club as part of sound financial practices.

- Debit cards tied to the 4-H account may be used, provided a minimum of two registered 4-H volunteers have access to the pin and the card is only used for purchased items by the club.
- Accountability should be maintained through a monthly bank statement by a minimum of two registered 4-H volunteers on the account. The local Extension 4-H staff member should receive the following information: name of the bank in which the account is held, bank account number and copies of bank statements as requested. Financials should always be reviewed by youth members to encourage financial literacy.
- Special accounts such as PayPal, Venmo or Square must be in the name of the 4-H club or organization and managed by a minimum of two registered 4-H volunteers. Each club/4-H organization is responsible for adhering to the policies for use of each platform including proper account set up. Funds may not be collected via an individual person's account. A business account must be set up when using Venmo. Fund balances in these special accounts must be reported on the annual club financial summary.
- In accordance with best practices governing nonprofit organizations, if a 4-H group disbands, all money in the group treasury and any other group property shall only be given to another 4-H entity. This is to demonstrate since 4-H group funds were attained in the name of 4-H, they will be retained within the 4-H structure (such as 4-H advisory councils, 4-H foundations or 4-H fair associations, etc). For more information on other 4-H units which can receive funds/property contact the County 4-H staff member.
- Fundraising programs using the 4-H name and emblem must have the approval of the county UConn Extension office.
- There must be a definite plan for use and accounting of funds raised prior to authorization.
- All monies received from 4-H fundraising can **only be expended to benefit 4-H educational programs** and not donated to support other non-profit programs. If in doubt, contact the county 4-H staff for clarification.

#### ABOUT UConn 4-H

UConn 4-H Youth Development serves more than 20,000 Connecticut young people, aged 5 to 19, each year as the youth education program of UConn Extension. 4-H provides non-formal, out of and in-school community-based learning to all 169 cities and towns in the state. Programs are made accessible to youth through the leadership and support of adult volunteers. These volunteers offer learning opportunities that are age-appropriate, experiential/hands-on, and are focused on developing life-skills and open to all youth regardless of geography, ethnicity and ability.

#### PUBLIC PRIVATE PARTNERSHIP

4-H is led by a unique public-private partnership of the Cooperative Extension System, land-grant universities, federal, state and local government agencies, and foundations. 4-H National Headquarters NIFA provides national program leadership to identify, develop and manage high quality youth development programs, through the extension land-grant system for 4-H. NIFA helps Cooperative Extension System and land-grant universities take research-based knowledge and expertise to identify and address current issues/problems facing youth in rural, suburban and urban communities. National 4-H Council is the private sector, non-profit partner of 4-H at all levels – national, state and local. National 4-H Council works to build stronger 4-H Programs through national fundraising support, marketing and brand management. For information on how to support 4-H contact:

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