

Policies & Agreements

Santa Barbara County 4-H Summary of Financial Policy



This summary of 4-H Financial Policy defines some of the University of California 4-H policies and Santa Barbara County 4-H Council policies that govern the 4-H Program in Santa Barbara County. All 4-H Clubs/Units are expected to comply with these policies. The following is a summary of some of these policies:

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- All 4-H Clubs/Units are authorized to establish **one** checking and/or savings account for its activities. A club/unit **may not** authorize establishment of additional checking and/or savings accounts for any purpose, including projects, special events, etc.
- All 4-H Clubs/Units with funds more than \$25 must establish a checking and/or savings account at a financial institution.
- All accounts are to be set up so that two signatures (one youth and one adult) are required, and the required signatures shall be from unrelated people.
- Clubs/units are required to develop a club/unit budget that is approved by the youth membership at large.
- It is the responsibility of the club/unit officers to keep members abreast of the budget targets as compared to actual expenditures. If there are deviations from the planned budget, the club/unit officers are obligated to inform the members to be sure that there is full agreement and support of any changes (voted by the youth membership).
- Statements of cash collections must be signed by two individuals, one of whom is an unrelated adult. The receipts should be turned over to the club/unit treasurer.
- Club/unit financial commitments and expenditures should be in accordance with the club/unit approved budget. If expenses are incurred for non-budget items, those expenses should not be paid until after the club/unit youth membership formally approves the unbudgeted expenditure.
- The treasurer shall receive, record, and deposit all funds in a regulated financial institution for the club/unit. Each club/unit is expected to keep accurate financial records, copies of invoices, bills, etc.
- Checks received by the club/unit should be made out to the club/unit and not to any individual.
- All club/unit disbursements are to be made by check and must be substantiated by receipted bills, canceled checks, and written authorization (club/unit minutes, approved budget, etc.).
- Club/unit treasurer's records shall be turned in to the 4-H Office by the close of the 4-H Program year to be reviewed/audited (actual date to be determined by the 4-H Council).

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- If money is collected from project members prior to incurring expenses, the Project Leader is expected to deposit the funds in the club/unit treasury and then request reimbursement after expenses have been incurred. Members shall be given a receipt at the time the money is collected. The club/unit treasurer shall keep a record of these deposited funds and their disbursement.
- If money is collected from project members after incurring expenses, the Project Leader will provide each member with an itemized bill. The money can then be deposited with the party that incurred the expense (i.e., project leader, club/unit, etc.). Members shall be given a receipt at the time the money is collected.
- The 4-H Council has the authority, with the prior approval of the 4-H Advisor, to perform a review/audit of club/unit financial records at any time.
- The 4-H Council has the responsibility to review/audit a club's/unit's financial records and/or accounting system, should there be suspected irregularities related to financial activities.
- If 4-H funds are stolen, the theft must be reported to the nearest law enforcement office immediately upon discovery, and a copy of the law enforcement report given to the County 4-H Office.
- Project groups within a club/unit may raise funds for project equipment/materials or special events. It may be desirable to keep separate subsidiary records of such, but final accountability rests with the club/unit treasurer. Therefore, all funds shall be deposited in the one club/unit treasury.
- The 4-H Office and/or 4-H Council may charge 4-H members and volunteers fees to recover costs such as insurance, 4-H publications, the cost of hiring program management staff, and newsletter subscriptions.
- All funds received with the use of the 4-H name and emblem are funds belonging to the club/unit and shall be accountable by the club/unit treasurer.
- All assets purchased by or donated to the club/unit (including project groups) and therefore belonging to the club/unit shall be inventoried and accountable by the club/unit Secretary.
- All assets and funds acquired by the project group using the 4-H name and/or emblem or purchases using club/unit funds belong to the club/unit and not any individual project groups or individuals.
- Should a project group disband, all assets/funds of that project group remain club/unit assets/funds and shall be inventoried and accountable by the club/unit Secretary and/or Treasurer.
- Should a club/unit disband, all assets/funds of that club/unit remain assets/funds/records of the UC Cooperative Extension and shall be held in escrow by the 4-H Council for 3 years, at which time become assets/funds of the 4-H Council.

Acceptance of these policies is mandatory by all 4-H clubs/units in Santa Barbara County in order to be chartered for the current 4-H year. Adherence is mandatory and failure to abide by these policies can result in the club's/unit's charter being revoked, community leader status being revoked, or other consequences as appropriate.