

Section 3: Income & Fundraising

As a 4-H club treasurer, you will receive all payments made to your 4-H club. Payments could be for any number of items such as project supplies, awards, t-shirts or program fees.

You may also receive money from any number of sources. For example, during a fundraising event, you may be asked to be the cashier, receiving payments for whatever your club may be selling. You may even receive money from another member who ran a club-sponsored fundraiser that you did not attend. Whatever the reason, though, you must always be certain that you follow these rules:

- If you are receiving cash, have a cash box you can lock.
- Keep cash where it cannot be easily stolen.
- Receipts must be provided to anyone the club collects funds from.
- Leave cash with someone you can trust to watch it.
- Deposit the money in the club bank account within seven days.

Receiving Money

1. Keep a cash box to lock your money and receipts in. If payment is received as a check, make sure the check is complete. The check should be made payable to your 4-H club. It must include the amount, date and signature of the person paying. Write the check signer a receipt. Use your bank stamp for the back of the check. This will make sure the money can only be deposited in your 4-H club account.
2. If you are receiving cash, keep the cash in a secure location. It is very easy to misplace money or have it stolen. Remember, this is not your money. It belongs to your 4-H club, and you are responsible for keeping it safe. Count out the money received to the person paying you. If change is needed, count that out to the person, too.
3. Receipts must be written and provided for all funds the club collects. A numbered cash receipt book is always best. Keep a copy of the receipt for your own records. All receipts must be accounted for. If you make a mistake on a receipt, mark it "VOID" and keep the original and copy for your records. (See Example 3.1 Cash Receipt on **page 16**).
4. Sometimes a receipt is not always possible (for example, a fundraiser). When that happens, record the total amount received for the day using Form 8.8 Monthly Statement of Cash Collections on **page 51**. Have another 4-H member recount your money with you watching. When you have both verified the amount, have an appointed 4-H adult volunteer sign the Statement of Cash Collections form.



WHAT YOU WILL DO IN THIS SECTION:

- Learn how to receive cash and other payments.
- Learn how to deposit and record money.
- Learn what you can and cannot accept.

Did You Know?

Your 4-H club is exempt from federal and state taxes. This is because it is an educational activity of the University of California.

Organize receipts in order by date

Depositing and Recording Money

Deposit money in the bank within seven days. The best practice is to deposit daily or the next day the bank is open. You will need to complete a deposit record each time you take money to the bank.

Filling Out a Deposit Record (See Example 3.2 Deposit Record on page 16)

1. Date the deposit record.
2. Fill in the amount of currency (bills) and coins deposited.
3. List each check number and its amount separately, and enter the totals as indicated on the deposit record. If you have a lot of checks, you will need to list them on the back of the deposit record and you will need to write that total on the front side of the Deposit Record.
4. Add up the cash and checks and make sure that they add up to what you wrote on the deposit record.
5. Stamp the back of each check with your bank stamp. When you do this, you are “endorsing” the check. If you do not have a stamp, on the back of the check, write “For Deposit Only.” Below that, write the 4-H club’s bank account number.
6. Have one of the designated signers sign the back of the check.
7. Complete a duplicate or make a copy of the deposit record, and keep it with the receipt the bank will issue to you. The duplicate should be kept with your records for the month. You will want to make sure that the deposit amount shows up on your next bank statement.

Recording the Deposit

You have now received money, written a receipt and deposited it in the bank. It is time to record what you have done.

1. Record the amount in your check register. Include the date, description of deposit and the amount. You will need to add the deposit to your current bank balance.
2. When Form 8.8 Monthly Statement of Cash Collections is used, the deposit receipt should be attached.
3. Record all deposits in your ledger. Whether you are using paper or an electronic system, you will always need to record the same information that you put in the check register. If the money was received for one of your large project accounts, make sure you record it in both the project account and your ledger.
4. Programs like Excel® or Quicken® work as an electronic check register. This is an easy and quick way to keep track of your 4-H club’s financial transactions.

Example 3.1 – Cash Receipt

<p>CASH RECEIPT GIVE TOP COPY TO CUSTOMER KEEP BOTTOM COPY</p>	<p>1801</p> <p>DATE: 5/25/2014 AMOUNT: \$93.50</p>
<p>RECEIVED FROM: Ron Vick PURPOSE: Car Wash RECEIPT ISSUED BY: Terrie Garrison</p>	

Example 3.2 – Deposit Record

<p>4-H Clover Club 3027 Green Road Davis, CA 95616</p> <p>Date: May 25, 2014</p> <hr style="width: 30%; margin-left: 0;"/> <p>SIGN HERE FOR CASH RECEIVED (IF REQUIRED) County Federal Bank</p>	CASH	CURRENCY	2	00	
			COIN	1	31
	CHECKS	# 1103		10	00
		# 787		10	00
		# 948		1	25
		Total from reverse side		—	—
		TOTAL		24	56
	Less cash received		—	—	
	NET DEPOSIT		24	56	

Fundraising Guidelines

Include the 4-H club’s fundraising activities in the budget at the beginning of the year. All fundraisers not in the approved budget must be approved by your 4-H club’s youth members. All fundraising activities must also be approved by the county director using Form 8.7 Fundraising Approval. Fundraising guidelines must be followed by all 4-H adult volunteers and youth members and apply to all 4-H activities (e.g., club work, project work). (See Example 3.3 Fundraising Approval on **page 18 & 19** and Form 8.7 Fundraising Approval on **page 49 & 50**).

Keep fundraising to a minimum. Raise money only for **specific educational** purposes. 4-H is a youth development program focused on education. Don’t let fundraising become so important that it gets in the way of learning and doing.



Some ideas for raising funds

- Run a refreshment stand at fairs or other events.
- Hold events that can be enjoyed by the community (e.g., Spaghetti Dinner).
- Sell products made by 4-H (e.g., t-shirts, quilts).
- Sell food products and beverages.
- Recycle drives for aluminum or newspapers.

Some limitations to fundraising

- Cannot sell items purchased from the store (except food and beverage products).
- Never use the 4-H Name or Emblem in connection with sales of a commercial product.
- Do not perform door-to-door canvassing for donations. Give people something for their money, or sell them on the merits of the 4-H Youth Development Program as an educational program.
- Funds raised by a 4-H club or group must include careful record keeping and be used only to support the 4-H Youth Development Program directly.
- Games of chance such as raffles and bingo are **not** allowed.
- Always use accepted fundraising procedures for specific projects and tell the public how the money will be used.
- 4-H clubs cannot apply for or receive grants.

Do's and Don'ts of Fundraising for Outside Groups or Organizations:

- Can only be done as part of a service learning activity
- Can collect non-cash items
- Can use funds collected to purchase supplies and materials to carry out project
- Cannot give cash collected to the group or organization

Example 3.3 – Fundraising Approval

All 4-H fundraising activities need prior approval from the county director. Return this form to your UCCE 4-H county office **prior to** the fundraising activity. Please attach additional pages as needed. You need to work with the 4-H YDP staff for any fundraiser that requires a Facility Use Agreement and Certificate of Insurance for the facility hosting the event.

Please type or print all information provided.

4-H Club Name: Clover 4-H Club	Date: 3/25/2014
Contact Person: Sam Garcia	Phone: 555-1234

PART A

Date for Activity: 5/25/2014	Estimated Income: \$150.00
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Name and Address of Facility hosting the event (if applicable):

If the fundraiser involves serving food, please list the name of the 4-H adult volunteer who will be participating at the event and who has received annual food safety training from 4-H YDP staff (please print):

Outline the activity, including products to be sold or services to be rendered.

The Clover 4-H Club will create handmade crafts and host a craft sale in the parking lot of Sam’s Grocery store to raise funds.

Anticipated Use of Funds.

The funds earned from the craft sale will be used to buy supplies, build and send care packages to military members serving overseas.

Describe how the 4-H Name and Emblem will be used.

The Clover 4-H Club will include the 4-H Name and Emblem on a flyer we have created to share with people in the community so more people will come to the fundraiser.



PART B

Are you doing this fundraiser in support of outside groups or organizations? (check one)

NO YES

If you checked yes, please answer the questions below:

What group or organization will this fundraiser benefit?

Military Care Package Program

How will this fundraiser benefit the group or organization?

The goal of the Military Care Package Program is to make up care packages and send to military members overseas. This fundraiser will allow the club to help the organization to send and help even more care packages to help members in the military.

Please describe how you determined what the needs of the group or organization are.

We contacted the organization and asked what they needed help with. They said they needed people to build and send care packages. A 4-H youth in our club has a cousin that is serving in the military and wanted to send her a note to wish her well and some items that she really needs to help her while she is away. She made and wrote a card, built a box and filled it with needed things like toothpaste, deodorant, lotion and sent it to her. Other club members thought it was such a nice way to help someone out, they researched to see if there were any organizations that they could talk to and maybe send care packages to more members who need them. The club found the Military Care Package program and called them. They were really excited to have the help of the club. The program gave them the names of military members and the items that would really help them.

What are you planning to do with the items or money collected in support this group or organization?

With the money we raise, we will be able to buy the craft supplies to make and write cards with well wishes for the military members. We will also be able to build the boxes to send them items that they really need, such as deodorant, soap, shampoo, conditioner, lotion, toothpaste, mouthwash.

We confirm the accuracy of the information provided above.

John Diaz	<i>John Diaz</i>	3/25/14
Club President (print name)	Signature	Date
Megan Jones	<i>Megan Jones</i>	3/25/14
4-H Adult Volunteer (print name)	Signature	Date
Chris Mahoney	<i>Chris Mahoney</i>	3/26/14
4-H County Staff (print name)	Signature	Date
Mary Thompson	<i>Mary Thompson</i>	3/27/14
County Director or designee* (print name)	Signature	Date



Accepting Gifts

Money and property are considered gifts if they are given to the club as charitable donations. The money can be used in any way that promotes the educational activities of the 4-H Youth Development Program. Some gifts are what we call “restricted” and that means the donor wants them to be used for a specific purpose (e.g., camperships) or project (e.g., horse project). Gifts of \$1,000 in value or higher are to be reviewed and approved by the county director.

Record gifts of money in your ledger and report them in your annual report. Gifts of property or equipment of \$1,500 or more must be reported in your Annual Inventory Report and the 4-H Annual Financial Reporting System online. (See form 6.2, Annual Inventory Report on **page 36**).

Some gifts are not allowed, such as animals, guns or firearms. If you have questions about a gift, review the 4-H Policy Handbook and talk to your county 4-H YDP staff.

Be sure to keep a copy of the letter or receipt for each gift received for your records.

Acknowledging Donations

Gifts donated to your 4-H club must be acknowledged by your club. One large part of receiving gifts is acknowledging these donations. 4-H clubs need to provide a 4-H Donation Receipt to those who have donated cash or non-cash items to the club. (See Example 3.4 4-H Donation Receipt on **page 21**). The 4-H Policy Handbook also has a 4-H Donation Receipt,

4-H Donation Receipt for Auctions and a 4-H Donation Receipt Template Letter that you can use to acknowledge donations. (See the 4-H Policy Handbook, Chapter 9, VII. Planning and Fundraising).

California Sales Tax

In general, the sale of items not made or produced by group participants, such as t-shirts, wrapping paper, mugs, stuffed animals, etc., are taxable. 4-H clubs may not sell items that require the collection and reporting of sales tax. If you have questions, contact your treasurer advisor.

 Be sure to record all gifts of property or equipment on your inventory list. Items of \$1,500 or more must be reported on your annual inventory report.

Example 3.4 – 4-H Donation Receipt

	<p>RETAIN FOR TAX PURPOSES TAX YEAR: 2014 RECEIPT VALUE*: \$145.00</p>	<p>University of California EIN # 94-3067788 For questions, contact information for local 4-H Offices is available at http://4h.ucanr.edu</p>
<p>4-H Donation Receipt</p>		
<p>NAME: Joe’s Feed & Pet Supplies DATE: April 5, 2014 ADDRESS: 1220 Corner Rd. Woodland, CA 95695</p>	<p>ITEMS DONATED: 150 lbs of organic goat feed</p>	
<p><i>*This receipt confirms that you received no goods or services for your contribution and that your gift is fully tax deductible. The donor determines the fair market value of the items donated.</i></p> <p>It is the policy of the University of California (UC) and the UC Division of Agriculture & Natural Resources not to engage in discrimination against or harassment of any person in any of its programs or activities (Complete nondiscrimination policy statement can be found at http://ucanr.edu/sites/anrstaff/files/187680.pdf) Inquiries regarding ANR’s nondiscrimination policies may be directed to Linda Marie Manton, Affirmative Action Contact, University of California, Davis, Agriculture and Natural Resources, 2801 Second Street, Davis, CA 95618, (530) 750-1318.</p>		

Examples of written acknowledgments are as follows:

- Thank you for your gift of \$250 to the Merced County Globe Goers 4-H Club received on January 25, 2014. No goods or services were provided in exchange for your contribution. Please retain this letter for your tax records.
- Thank you for your gift of \$500 to the Stanislaus County Delta Miners 4-H Club received on June 30, 2014. In exchange for your contribution, you received a cookbook with an estimated fair market value of \$45.00. Please retain this letter for your tax records.
- Thank you for your gift of two used sewing machines to the Los Angeles County Palm Court 4-H Afterschool Club received on December 14, 2013. No goods or services were provided in exchange for your contribution. Please retain this letter for your tax records.

