

## **Financial Review Checklist for 4-H Club/Group/Extension Affiliated Groups**

To better help 4-H Clubs/Groups and other Extension affiliated groups prepare for their annual financial review, a checklist has been developed to help guide you through this process. Your review process will be successful, if you address each of the following steps:

\_\_\_\_\_ **1. Financial Review Committee has set their meeting date well in advance of the November 1 due date to properly complete the Annual Financial Report.**

\_\_\_\_\_ **2. The Financial Review Committee membership** consists of:

- for other Extension affiliated groups, at least three adults
- for 4-H Club financial reviews of treasurer books, it is recommended two adults and two 4-H members to demonstrate youth-adult partnerships

**Committee members may not be signatories on the group or club's financial account(s), or have familial or financial relationships to the treasurer.** In the event you do not have enough members to make up a review committee, or you are unable to do so because of familial or financial relationships to the treasurer, you could consider asking a neighboring club or non-member individuals to help complete the review.

\_\_\_\_\_ **3. The following Financial Review Information has been compiled for the review:**

\_\_\_\_\_ Bank Account Number(s) for all financial accounts in the club or group's name and the names of all persons on the account(s).

\_\_\_\_\_ Club or Group FEIN (Federal Employer Identification Number) from the IRS (your local Extension Office will have this information if you cannot find it).

\_\_\_\_\_ Club or Group Budget and any addendum showing anticipated income and expenses for the year being reviewed.

\_\_\_\_\_ Bills for all Expenses and Receipts (from receipt book) for all Income

\_\_\_\_\_ All bank account statements and information beginning October 1, and ending September 30, showing all cancelled checks and deposits.

\_\_\_\_\_ Check register showing all checks issued indicating any voided checks.

\_\_\_\_\_ Completed Treasurer's Book (your local Extension Office has extra copies if you need one) provided from the Treasurer.

\_\_\_\_\_ Copies of meeting minutes showing treasurer's reports or other club financial report.

**4. When performing the Financial Review the committee should consider the following procedures:**

\_\_\_\_\_ Check each month's reconciled bank statement and canceled checks. Make sure that the check register postings are current and complete.

\_\_\_\_\_ Examine all voided checks. If a voided check is not on file, verify that the check has not cleared the bank.

\_\_\_\_\_ Total all funds received. Verify that receipts were written and that funds received were listed on the check register or ledger report.

\_\_\_\_\_ Total all deposits made to the bank account(s). This total should equal the total of all funds received.

\_\_\_\_\_ Total all expenditures. Verify that a written bill (or store receipt) is on file for each expenditure. Verify that all expenditures were paid by check, not cash. Review all checks for at least two (2) signatures.

\_\_\_\_\_ Examine the Annual Financial Report and/or the yearly summary of club expenses (see page 24 of the "The 4-H Treasurer's Record Book" 4-H 474, revised September 2020)

\_\_\_\_\_ The treasurer's total balance at the beginning of the year, plus all funds received, minus all expenditures, must equal the treasurer's total balance at the end of the year.

\_\_\_\_\_ Examine club/group minutes for monthly financial reports and club/group approval of all expenditures.

\_\_\_\_\_ Examine the club/group inventory sheet (if one is available) and make sure that a letter or receipt is on file for each item, documenting donor and value.

\_\_\_\_\_ Note up to five major financial events or activities of the club/group. Make sure the Income and Expense is listed for each. Some events may only involve income, some expense, and some both.

\_\_\_\_\_ Note any unusual expenses or income.

\_\_\_\_\_ Note any conditions or concerns after reviewing the club's financial records.

\_\_\_\_\_ Note any recommendations upon finishing the review, passing these on to the club/group Treasurer for adjustment as needed.

**\_\_\_\_\_ 5. The 4-H Club/Group or other Extension Affiliated Group Annual Financial Report form is completed and returned to your local Extension Office by November 1.**

Keep a copy of your completed Report with your club's financial records.

4-H Clubs/Groups not listed in the 4-H departmental database and not undergoing an annual financial review by the local extension board — or any other account not in compliance with this principle:

- will not be considered a formally authorized club/group/affiliate
- will not be considered a charitable organization according to the IRS
- cannot accept donations as tax-deductible
- will be subject to reconsideration of the privilege of using the 4-H name and emblem as decided by the State 4-H Program Leader
- will be responsible for registering and reporting as specified by the IRS as a “for-profit” business, subject to all associated tax filing and reporting responsibilities

**\_\_\_\_\_ 6. The local extension unit board should approve the review form and note in the minutes the name of the club/group of each approved financial review report.**

If you have questions or concerns regarding the annual financial review process feel free to contact:

Name: \_\_\_\_\_

Contact Information: \_\_\_\_\_

*This document was adapted from a form developed by the Meadowlark Extension District.*