

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.