



HANDLING CLUB MONEY

Intended Audience:

- 4-H Club members, leaders and parents

Learning Objectives:

4-H Club members, leaders and parents will:

- Understand the public nature of club funds
- Understand the need to make group decisions on club financial issues
- Realize the need for all club participants to understand and use wise money handling practices
- Recognize the value of good record keeping

Note: This teaching outline supports “4-H Money – Handle with Care Videotape Facilitator Guide” which has a lesson to help club treasurer’s understand their role and how to carry out proper money handling. This resource also has a 45-minute lesson for general club use focusing on the public nature of club funds, value of good record keeping, and making group decisions related to club financial issues.

Target Essential Elements:

Youth learn *mastery* of money handling as club treasurers and as members making financial decisions. They grow in their *independence* as they become responsible for their own and a group’s money.

Time: 20-30 minutes

BACKGROUND

Whose job is it to worry about our 4-H club’s money? You might say the treasurer and the organizational leaders. Actually, it’s the responsibility of everyone to know about the club’s money situation and how money should be received and spent.

WHAT TO DO

Thinking About 4-H Club Money

We’re going to see the first section of a videotape called “4-H Money – Handle with Care.” This video was developed for club treasurers. We’re showing it to everyone because we all need to be involved in decisions about how we handle club money. We also need to support our treasurer in using proper money-handling procedures.



(Show the opening 10:20-minute segment of the video.) This segment gives an overview on the inappropriate use of club money, possible money problems, responsibilities of the treasurer, need for club budget, giving out receipts for money collected, and only using checks to pay bills. What things went wrong in the video?

- Money wasn’t in a bank or credit union.
- Personal use of club money.

Key Points about Club Money Handling

The videotape included a lot of information. Let’s review key points about money handling in 4-H clubs. Let’s quickly review “Key Points about Club Money Handling” in this handout. Let’s look at the main points in the following sections:

- Taking in Money
- Deposit Cash and Checks in Bank or Credit Union Immediately
- Approval of Club Expenditures
- Procedure for Payment of Club Bills
- Audit of Financial Records
- Duties of the 4-H Club Treasurer

Activity: What Should We Do in this Situation and in the Future?

(Divide the participants into groups of 4-5 that are mixed by age. Consider including leaders and parents in the small groups. Give each group a case study.) Discuss the case study with your group and report to the total group one recommendation they would make for a change in club money-handling practices after viewing the videotape and discussing their case study. Ask a group member to give the recommendations from the case study during the reflection time.

Closing

The entire club is responsible for wise money handling, including members, leaders and parents. We may want to change some of our money-handling practices. We heard some recommendations for the club to consider.

Your reactions to this session help us evaluate its effectiveness. Please take the time to complete this short evaluation.

Supplies Needed:What Should We Do in this Situation? Activity

- Handout
- Pens or pencils

Handouts

- Key Points about Club Money Handling
- What Should We Do in This Situation and in the Future? Club Money Case Studies #1-4
- 4-H Money – Handle with Care Videotape
- Evaluation

Do Ahead:

- Have supplies and handouts ready.
- Recruit someone to record the reflection discussion to use as an evaluation (optional).

Sources:

- Created by Linda Kustka, Professor Emeritus, Department of Youth Development, UW-Extension.
- Nancy Franz, Verne Gilles and Donna Menart, “4-H Club Treasurer Handbook,” 4-H Youth Development Programs, UW-Extension, 1998.
- Linda Kustka and Donna Menart, “4-H Money – Handle with Care” videotape, 4-H 470, and “4-H Money – Handle with Care Videotape Facilitator Guide,” 4H469, 4-H Youth Development Programs, UW-Extension, at www.uwex.edu/ces/4h/clubs/money.cfm. The videotape can also be accessed through your UW-Extension office or through the Cooperative Extension Media Collection.

TALK IT OVER**Reflect:**

- What do you think is the biggest challenge that a club treasurer faces?
- What can 4-H club members do to help the treasurer?

Apply:

- What idea could your club use to improve club money handling? (Ask each group to report one recommendation they would make for a change in club money-handling practices.)

ENHANCE/SIMPLIFY**Enhance:**

- Before this lesson is taught, the treasurer needs to be oriented at the county and/or club level to learn their duties and how money should be handled. Consider involving the treasurer as the teacher or co-presenter in this session. The treasurer needs to understand that the purpose of this session is to help educate the club members which will help them support the treasurer’s work.
- If you have more time, view the entire videotape, “4-H Money – Handle with Care,” and have discussion after each of the videotape segments.
- New members and families may be unaware of what the club typically spends money on. Share the club budget in your introduction or give a brief report of expenses throughout the year.
- Check out the related lesson on “Fund Raising for Your Club” at www.uwex.edu/ces/4h/clubs/meetings.cfm.
- Feel free to substitute other money-handling situations as case studies.

Simplify:

- Ask each case study group to share their future recommendation in writing in place of reporting to the entire group.
- While this lesson is greatly enhanced by the videotape, it can be taught without it. Increase the focus on the “Key Points about Club Money Handling” and the case study activity.

EVALUATION

It is important to use an evaluation that is consistent with your teaching objectives. The short evaluation in the handouts can be modified to meet your needs. An alternative to a written evaluation is to record the Reflection discussion under “Talk It Over.” Recruit someone ahead of time to take notes while you are leading the discussion. Remember to share the evaluation results with 4-H Youth Development Extension staff in your county.

ADDITIONAL WEB LINKS

- “4-H Annual Financial Report” is available on the Wisconsin 4-H Youth Development web site at www.uwex.edu/ces/4h/pubs/showdoc.cfm?documentid=606.
- “4-H Club Treasurer Handbook,” “4-H Money – Handle with Care Facilitator Guide” and loan information, and financial accountability teaching materials are also available at the Wisconsin 4-H web site at www.uwex.edu/ces/4h/clubs/money.cfm.
- Wisconsin state 4-H financial policies can be found at www.uwex.edu/ces/4h/resources/policies/index.cfm.

***Finalized by the Strengthening 4-H Club Leadership Work Team:
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Key Points about Club Money Handling

Taking in Money

- Give a receipt whenever someone gives you cash or a check.
- Receipts include amount-received date, what the money is for, person paying and person receiving the money.

Deposit Cash and Checks in Bank or Credit Union Immediately

- Use deposit slip provided by bank or credit union.
- Keep deposit receipts with club financial records.

Approval of Club Expenditures

- Club approval must be obtained before ordering or purchasing any items for the club, unless the items have already been approved through the club budget.

Procedure for Payment of Club Bills

1. Club members must approve the expense.
2. Written bills or receipts must be submitted to the treasurer.
3. The payment approval form must be signed by the club president and secretary.
4. The bill will be paid by club check (signed by the treasurer and adult leader).

Audit of Financial Records

- All club financial records, including the check register, receipts and club financial record will be audited at the end of every 4-H year. The audit will be conducted by an adult not related to the treasurer and not directly involved with the club's finances. The club turns in an annual financial report to the county UW-Extension office.

Duties of the 4-H Club Treasurer

1. Take charge of all money taken in by the club.
2. Maintain the club checking account.
3. Keep an accurate financial record of all money received and all money paid out.
4. Deposit all money in a checking or savings account.
5. Never mix 4-H club money with your own.
6. Pay money out of the treasury by check only as approved by the club.
7. Give a report of money received, bills paid and amount on hand at each meeting.
8. Work with auditing committee to check your records before they are turned over to a new treasurer.
9. Work with the club leadership team or club finance committee in developing the 4-H club budget.
10. Serve on the club leadership team.
11. Communicate with the treasurer mentor.

Sources:

- Nancy Franz, Verne Gilles and Donna Menart, "4-H Club Treasurer Handbook," 4-H Youth Development Programs, UW-Extension, 1998.
- Linda Kustka and Donna Menart, "4-H Money – Handle with Care" videotape, 4H470, and "4-H Money – Handle with Care Videotape Facilitator Guide," 4H469, 4-H Youth Development Programs, UW-Extension, 1998.

What Should We Do in This Situation and in the Future?

#1 Club Officer Meeting

The club officers are meeting. The treasurer is asking the other officers to help discuss how much money the club will need and how they will make decisions about spending money. The questions asked were:

- How much money will the club need this year?
- Should we collect dues or a member assessment? If yes, what should the amount be?
- If yes, how will we provide assessment fees for 4-H members that are unable to afford it?
- Do we want and need to have a club budget?
- How will we spend money?

The president remembers when Nadine wanted the 4-H club to pay for an extra phone line last year because she was on the calling committee.

Discussion Questions:

- Should the club pay for a phone line for Nadine?
- What are some types of expenses that are appropriate for club money?
- What are some types of expenses the club should not pay for?

Recommendation:

As a group, what is one recommendation you would make about how we might change money-handling practices in our 4-H club? (Put it in writing.)

Be prepared to report this recommendation to the club.

What Should We Do in this Situation and in the Future?

#2 The Shoe Box

The story takes place in the treasurer's bedroom. Karen, the 4-H treasurer, is keeping the club's money in a shoe box. Since Karen hasn't received her allowance yet, she decides to borrow some of the club's money. Karen asks her friend not to tell anyone.

Discussion Questions:

- Where should Karen keep the club's money?
- Why is borrowing club money a problem?
- Who "owns" 4-H club money?

Recommendation:

As a group, what is one recommendation you would make about how we might change money-handling practices in our 4-H club? (Put it in writing.)

Be prepared to report this recommendation to the club.

What Should We Do in this Situation and in the Future?

#3 Mixed Up Candy Sale

Before a club meeting, the treasurer is collecting money from the club candy sale. The treasurer and the members get frustrated when things get mixed up. Some of the problems occur when the treasurer doesn't have a good record keeping system, receipts aren't used (a receipt is a piece of paper that shows the date, the amount of money and who gave you the money) and a member asks to be paid back for extra candy bars his family purchased without having a receipt or other proof of the cost.

Discussion Questions:

- What should the treasurer have done differently?
- Why are receipts important to the club?
- Should the family have purchased more candy bars on their own?

Recommendation:

As a group, what is one recommendation you would make about how we might change money-handling practices in our 4-H club? (Put it in writing.)

Be prepared to report this recommendation to the club.

What Should We Do in this Situation and in the Future?

#4 T-Shirt Payment

At a club meeting, the secretary and the treasurer are giving their monthly reports. The treasurer isn't able to answer specific questions about the club treasury. The club learns the treasurer ordered T-shirts without club approval.

Discussion Questions:

- Place the following items in the best order:
 - Place a T-shirt order
 - Pay a deposit on the T-shirts
 - Discuss the need for T-shirts at a club meeting
 - Pay the final bill
 - Seek club approval to place a T-shirt order
- Why should the treasurer be able to answer questions about the club's money?
- Who should make the decisions about how club money is spent?

Recommendation:

As a group, what is one recommendation you would make about how we might change money-handling practices in our 4-H club? (Put it in writing.)

Be prepared to report this recommendation to the club.

Handling Club Money

Evaluation

1. How useful is this information in handling club money? (Circle one response.)

Very Useful Somewhat Useful Not Sure Not Useful

2. Do you feel better prepared to support the club's wise money handling practices?

Yes No

3. What will you do as a result of this program?