4-H Money Management
Reference Guide - Multiple Account Types

4-H Program Objectives/Goals and Requirements

Funding/Support

- CSU Extension Oversight
- Colorado State 4-H Foundation Oversight
- MOU with Colorado State 4-H Office; local review/oversight

Non-appropriated Account
- Government Entity Account – NOT a charitable organization
- CANNOT receive tax deductible donations – i.e. cannot give a letter indicating that funds are tax deductible, or indicate this in any manner. MUST relay the message that the funds are NOT tax deductible.

4-H Club/Council Account
- Charitable Organization (501© 3)
- Accountable to State 4-H Office for: chartering, fundraising and use of funds, following 4-H money matters rules.
- Central organization/GEN holder for all Colorado 4-H chartered clubs and groups.

County 4-H Foundations
- Charitable Organization (501© 3)
- Must be an IRS authorized 501© 3 in good standing.
- Must have an MOU with the Colorado State 4-H Office.
  - MOU must be in place by Dec. 31, 2019 in order to continue to use of 4-H name and emblem.

Regardless of the Funding/Support Source, all 4-H Monies must follow the 4-H Money Management Rules, and be used accordingly.
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Non-Appropriated Accounts:

What is a non-appropriated account?
A non-appropriated account is a self-funded account that is not part of either the county or CSU’s appropriation (budgeting) process annually.

Who can have a non-appropriated account?
A new review and approval process is being established for non-appropriated accounts. This will involve a request by the County/Area Director to their Regional Office and then a further request/approval in the State Office. CSU Extension Office have historically been allowed to hold and manage a non-appropriated checking account in their office, which is under their County EIN number. The account is therefore reportable to both CSU Extension and the County. The County must agree to have the non-appropriated checking account under their tax ID# and to complete any fiduciary responsibilities required for the account. No other tax ID #s may be used or applied for. Non-appropriated accounts can be used only for program enhancement activities as defined by federal extension guidelines. “Program enhancement activities include

What 4-H Activities Can Be Managed in a Non-Appropriated Account?

- Enrollment Fees & corresponding expenses
- Registration Fees & corresponding expenses
- Collection of Fees from multiple sources to write 1 check to the State 4-H Office or Colorado 4-H Foundation

Type of unallowable 4-H activities in non-appropriated account:

- Payment of expenses for a club/council – EVEN IF you request reimbursement from the club or council.
  - All expenses should be paid from the sources intended to cover them directly.
  - Pass-through accounting is “banking for other entities” and is unallowable, as is outlined in the Extension Fiscal Policies and Procedures. This is ESPECIALLY true with 4-H Clubs where raising money and managing it is part of the learning activity.

Who is responsible for the non-appropriated account?
The County/Area Director is ultimately responsible for the use and management of the non-appropriated account. Proper use of 4-H funds and their management is expected to be a shared activity between the County/Area Director and the 4-H Agent(s). Administrative staff who support the financial management of the unit should not be making determinations about how funds should be spent, or directing policy related to 4-H money, activities, etc.

Can donations be accepted and managed in a non-appropriated account?
No.

Can sponsorships or fund-raising money be managed in the non-appropriated account?
Yes. However, any fund-raising activity put on by an Extension Office must be posted as such, and it must be made clear that any purchases are NOT tax deductible. The same is true of any sponsorships for various activities (such as 4-H awards, achievement nights, etc.). We welcome the funds, but cannot provide any letter, or any other indication that funds taken into the non-appropriated account have any tax benefit to the individual/organization.
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4-H Club/Council Accounts:

What is a 4-H Club/Council Account?

- Any 4-H banking account where funds raised in the name of 4-H are held.

Who can have a 4-H Club/Council Account?

- Any 4-H club/group entity that has been officially chartered by the State 4-H office and has an active status in 4HOnline.

What 4-H activities can be managed in a Club/Council Account?

- All funds must be used for 4-H educational purposes only.
- Can be used for most program equipment and supplies. Refer to 4-H Money Matters guidance or contact the State 4-H Office.

Type of unallowable 4-H activities in a Club/Council account:

- May not raise funds for other organizations or individuals in the name of 4-H or managed through 4-H accounts.
- Funds may not be designated for one individual. (For example “personal credits” are not allowable.)
- Funds may not be used for facility improvements. (For example, maintenance of county fairgrounds or buildings.)

Who is responsible for 4-H Club/Council account(s)?

- The USDA/NIFA, National 4-H Headquarters provides federal authorization for use of the 4-H Name & Emblem.
- The CSU State 4-H Director (through delegation of the CSU Extension Director) is responsible for the 4-H Name and Emblem and 4-H funds.
- The County Director and 4-H Youth Development Agent (through delegation of the State 4-H Director) are responsible for 4-H funds on the county level.
- Chartered 4-H clubs/entities are accountable to the CSU Extension 4-H Youth Development Program for 4-H educational programming and use of 4-H funds.
- The State 4-H Foundation holds the Group Exemption Number for all state chartered groups: all 4-H clubs/groups are required to be in compliance with all 4-H policies in order to be included as a subsidiary of the Foundation.

Refer to 4-H Fact Sheets and/or contact the State 4-H Office for more information.

Can donations be accepted and managed in a 4-H Club/Council account?

Yes.