

Financial Review Committee Responsibilities for 4-H Club/Group and Other Extension Affiliated Accounts

Kansas Extension law, as well as federal and state expectations for use of all funds generated in support of Extension programs, require the Director of Extension and Extension Board/District Governing Body to be accountable for all funds generated for Extension programs within their jurisdiction. In other words, the Director of Extension and the Extension Board/Governing Body are accountable for funds raised and/or collected by such groups as 4-H Clubs, 4-H Groups, 4-H Councils, Master Gardeners, etc. In order for the local extension unit to ensure compliance with financial requirements for 4-H Clubs/Groups and other Extension affiliated groups, a yearly financial review of those accounts is to be conducted by a Financial Review Committee. Approval of the reports should be documented by the local unit Board/Governing Body recording in their minutes a motion to approve the reports, including in the minutes the name of each 4-H club/group and other Extension affiliated groups. This review and board approval is required of all 4-H clubs/groups and other Extension affiliated groups.

Of most importance are the following principles:

- Each 4-H Club/Group or other Extension affiliated group bank account **should have two signatures for checks.**
- An annual financial report (KSU 4-3) must be filed with the Extension Council/District Board. A suggested deadline is November 1
- The local extension board should note in their minutes the receipt and approval of reviews, including the name of the club/group.
- All 4-H clubs/groups and other Extension affiliated groups with financial accounts must have their own employer identification number (EIN) from the Internal Revenue Service. **The Extension Council/District or 4-H Council numbers are specific and not permitted to be used by any other group.** Personal social security numbers may not be used for these groups.
- Use the 4-H Club Treasurer Job Description (KSU 4-4) in 4-H officer training.

The financial review process helps model lessons of accountability, the importance of keeping good records, and assures we are in compliance with state and federal expectations, as well as IRS requirements, for use of funds generated to support Extension programs.

Each year a financial review committee for other Extension affiliated groups, consists of 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.

The financial review committee should be concerned with the following objectives:

- Verification that established policies, procedures and internal controls are being followed in the daily operation of the program.
- Verification that accounting records and financial statements are accurate and complete.
- Verification that “Principles of Managing Funds for Extension Affiliated Groups” are being followed.

The financial review committee should make comments and recommendations regarding the financial records and procedures for the 4-H club/group and other Extension affiliated group. All areas of non-compliance (no matter how small) should be summarized by the financial review committee and brought to the attention of aforementioned groups and included in the financial report. The financial report is a permanent part of the financial records of the aforementioned groups and a copy should be kept with their records.

Resources:

[Principles of Managing Funds for Extension Affiliated Groups](#)

[Tax Issues for Local Extension Offices](#)

[4-H Club/Group/Extension Affiliated Group Financial Review Checklist \(KSU 4-2\)](#)

[4-H Club/Extension Affiliated Group Annual Financial Report \(KSU 4-3\)](#)

[4-H Club Treasurer Job Description \(KSU 4-4\)](#)

KSU 4-1 (December 2025)