

RIVER VALLEY EXTENSION DISTRICT #4 2018 4-H FINANCIAL REVIEW

The River Valley Extension District #4 Board is responsible for all non-appropriated funds generated for Extension programs each year, including all funds collected/raised in the name of Extension 4-H Youth Programs. This means that all community clubs, project clubs and the 4-H Council operate according to the policies and procedures determined by the USDA, K-State Research and Extension and the River Valley Extension District #4 Board. In order for the Extension District Board to ensure compliance with financial requirements for 4-H programs, they have set policy that there be a yearly financial review of all 4-H related accounts.

The purpose of the financial review is to examine the program's books and financial records with three objectives:

- Verify that established policies, procedures and internal controls are being followed in the daily operation of the program.
- Verify that the accounting records and financial statements are accurate and complete.
- Verify that "Principles of Managing Non-appropriated Funds Collected by Kansas Extension Council Boards/District Governing Bodies" are being followed. (See attached)

All areas of non-compliance (no matter how small) should be summarized by the financial review committee, and brought to the attention of the club.

The annual internal financial review can be conducted by an internal financial review committee, composed of two adults and two 4-H members (4-H age 10-18) of the program. Committee members should not be signatories on the account(s), or have family or financial relationships to the treasurer. The financial review is to be completed at the end of the 4-H year and is **due November 1** to the local extension office.

Using the report form provided (add additional sheets as necessary), the financial review committee will make comments and recommendations on procedural matters or financial activity documentation that are necessary for appropriate record keeping. The completed financial review report should become a permanent part of the financial records of the club/council.

PROCEDURES FOR A COMMITTEE

1. Check each month's reconciled bank statement and canceled checks. Make sure the ledger (check register) postings are current and complete.
2. Examine voided checks. If a voided check is not on file, verify that the check has not cleared the bank.
3. Total all funds received. Verify that cash receipts were written and that funds received were listed on the ledger reports (check register).
4. Total all deposits made to bank account. This total should equal the total of all funds received.
5. 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.
6. Examine the Annual Financial Report and/or the Yearly Summary of Club Finances in "*The 4-H Treasurer's Record Book*" 4-H 474.
7. 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.
8. Examine club minutes for monthly financial reports and club approval of all expenditures.
9. Examine the club inventory sheet and make sure that a letter or receipt is on file for each item, documenting donor, date, and value.
10. Forward completed report and review to the local extension office by November 1.