



Fundraising and Handling Money

Appropriate handling of funds is a skill taught through the 4-H Youth Development Program. The club Treasurer will learn how to manage a bank account, write checks, record income whether a fundraiser or dues, and account for the expending of funds and give a report at each club meeting. The Club Treasurer's Book is a resource to help with these skills. The fiscal year for a 4-H club is the calendar year. The club members should work together, or in partnership with an adult, to determine a club budget.

Every chartered 4-H Club in NH receives tax-exempt status under the umbrella of the NH 4-H Association General Exemption:

- The NH 4-H Association's General Exemption Number (GEN) is 5940.
- In New Hampshire, every chartered club is eligible for its own Employer's Identification Number (EIN) – the 4-H club EIN # is connected to the New Hampshire 4-H Association's GEN – this gives the club a not for profit status with the IRS. Each club has an individual EIN specifically assigned to their club, registered under the same GEN number.
- Each chartered 4-H club may apply for an EIN # through the county Cooperative Extension office. This number is necessary to open a bank account.
- Each year the *club* will be required to submit financial reports and end of year bank statements to the county cooperative extension office so the 4-H staff may submit the filing of the IRS 990-N electronic form.
- The *Association* is responsible for filing tax returns and communicating directly with the IRS to update the status of the clubs.

Bank Accounts

NH 4-H Association should be a part of the account name. This should allow clubs to deposit checks made out to either entity and for ACH transfers. When a club is chartered and the EIN number is assigned, the Association sends a letter to the club defining their status. This letter includes the club's EIN number and instructions about the name they should use upon opening a bank account. Clubs are asked to name the bank account with the club name first, followed by a hyphen and "NH 4-H Association" – Example: "*Happy 4-H Club – NH 4-H Association*"

1. Clubs with existing bank accounts should visit their bank and add NH 4-H Association to the account name.
2. Clubs opening new bank accounts should include NH 4-H Association in the account name.

Fundraising

Unless otherwise approved by the NH 4-H Program Leader, only Chartered 4-H clubs may raise money in the name of 4-H.

Funds should be raised using the 4-H name and emblem to help the club or county 4-H program achieve goals and support 4-H activities not the activities of other groups. For instance, if a club wants to make a donation to the Cancer Society, they must state in their fundraising publicity "The dollars raised in this project is for a donation to the Cancer Society". Money is not raised in the name of 4-H to support a member's individual project.

All fundraising should adhere to [USDA guidelines for Fundraising and Private Support for 4-H](#) (see page 11).

Direct Deposits – When setting up online funding campaigns (e.g, GoFundMe or Amazon Smile), payroll deductions or a credit/debit transaction system (e.g., Square or PayPal) it is essential that the club bank account be used.

Grant Applications or need for a fiscal agent – A 4-H club can serve as a fiscal agent for a grant or other purpose. If the funder needs a different fiscal agent, contact your county 4-H Program Manager, as it may be possible to use 4-H Foundation of New Hampshire or UNH.

Thank You Letters & documentation of donations for donors: After you have received a donation, be sure to send a letter of thanks to your donor(s) to express your gratitude and to provide them with documentation of their tax-exempt gift. An explanation and sample letter can be found on the NH 4-H Association web page at:

<https://extension.unh.edu/resource/new-hampshire-4-h-association>.

Avoid confusion between the NH 4-H Association and a 4-H club - Since the clubs EIN numbers are under the umbrella of the Association's GEN number, the club names do not appear when someone attempts to verify the clubs tax-exempt status with the IRS. Instead, the name of the NH 4-H Association appears on the verification answer. This can cause problems and below are some examples.

1. **Corporate Donations** - when a donor wishes to donate to a club, they may look up the club's status using the EIN number and see the name of the NH 4-H Association. As a result, they make the check out to the NH 4-H Association rather than the named club.
 - a. If a club or county receives a check made out to the Association and the club bank account name includes NH 4-H Association, the check can be deposited.
 - b. If a club or county receives a check made out to the Association and the bank account name does not include NH 4-H Association, please send the check to the State 4-H Office and the Association president will sign the check over to the club.
2. **Crowdsourcing or Online Fundraising** – in many cases, when a club attempts to employ crowdsourcing or online techniques the name of the NH 4-H Association may appear in the registration section when the club EIN is entered. Two examples follow:
 - a. **Amazon Smile** will make a donation to a non-profit for every purchase made on their website. Upon the first visit to the site, the buyer must select the non-profit to whom they wish to donate. Again, this is confusing because only the name of the Association appears with different addresses (these are the addresses of the counties to which the clubs belong).
 - i. It is necessary for the club leader to create an Amazon Smile account and link it to the bank account of their club. The club leader can select the correct entity by entering the club's EIN number.
 - ii. When a family/buyer decides to make purchases through Amazon Smile, how do they know they are choosing the right non-profit? Club leaders can provide the families, and potential donors, with the EIN number of their club. Amazon Smile allows you to search non-profits via the EIN number on their website.
 - b. **Go-Fund-Me** – Once again, only the Association's name appears when someone is setting up a Go-Fund-Me account and enters the club EIN number. It appears that the Association is the beneficiary of funds, when, in fact, it is the club who is receiving the funds.
 - i. Solution – Go-Fund-Me allows a space to type the name of the campaign. Regardless of what the fundraising is for, find a way to include the club name in the title of the campaign. Example: *“Happy Horses 4-H Club Kentucky Trip Fundraiser”*
 - ii. Additionally, the individual setting up the Go-Fund-Me page must enter a bank account where the funds will be deposited, which should be the bank account information for their club.

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