

Appendix C. 4-H Club or Group Fundraising

Education and character building are the basic premises of the 4-H Youth Development program and is supported by Federal, State and County funds. Educational efforts are additionally supported through private source fundraising. While this is fitting to enhance educational programming, it should not overshadow the positive youth development aspects of 4-H and be done within the guidelines of appropriate use of the 4-H name and emblem, with authorized approval of the Extension Office and all money accounted for according to policy.

STEPS TO FUNDRAISING

- A clear plan of the fundraiser and educational purpose of the funds must be determined by the 4-H club/group before holding a fundraiser.
- A clear plan of how funds will be accounted for (both income and expenses).
- The 4-H club/group must have an EIN on file prior to holding a fundraiser.
- Before a 4-H fundraiser is held, approval must be given by the county 4-H Professional. (submit approval form to Extension office)
- Fundraising efforts need to be included in the club/group budget at the beginning of the year, including budgeted income and expenses. Budget is approved by the club/group membership. If the club/group decides in the middle of the year that they would like to do a fundraiser, it must be added to the budget and the club/group membership votes to approve the addition.
- All income and expenses must be documented with receipts or invoices and a written report submitted at the next club/group meeting to the membership.

GUIDELINES

- The 4-H name and emblem may not be used to imply endorsement of commercial firms, products or services.
- The 4-H name and emblem may not be used if it exploits the 4-H program.
- Funds may not be raised using the 4-H name or emblem for individual benefit.
- In connection with 4-H fundraising purposes, the following disclaimer statement must be used on products or services offered for sale. "A portion of the sales price of this product or service will be used to promote 4-H educational programs. No endorsement of the product or service by 4-H is implied or intended."
- Refrain from holding raffles or other games of chance. All Idaho gambling laws and Idaho Lottery rules apply.
- Idaho law requires that sales tax is collected on all sold goods, such as concessions, garage sale items and silent and live auctions and a temporary seller's permit must be secured. See <http://tax.idaho.gov/i-1033.cfm?nsl=1#sub4> to acquire temporary sellers permit and http://tax.idaho.gov/pubs/EBR00050_09-29-2006.pdf for more information on sales tax law.

FAQ

Can we raise funds to donate to another charity?

A 4-H club or group may raise funds for another charity as a part of a larger service learning activity. A service learning activity includes identifying a specific need in the community, connecting with community partners to help serve the need and following through to the conclusion of the service project with the community partner.

Can we raise funds for our club to hold a shooting sports fun day?

Funds may be raised for educational purposes – which can also be fun. Be sure to have the learning objectives of the fun day identified as well as all program planning elements including promotion, who can participate, location, date, time, adult and youth resources, risk management, etc.

Can we raise funds or seek sponsorship to pay for market animals, feed or other project specific items?

Funds may not be raised using the 4-H name or emblem for individual benefit. A 4-H club or group may raise funds to purchase equipment that becomes club property such as clippers, clipper stands, ear taggers, show sticks, scales, etc. All club property must be recorded in a club asset inventory.

Can we raise funds to pay for individual scholarships to attend 4-H events?

In an effort to help 4-H youth attend 4-H events, 4-H clubs or groups may raise funds in order to provide partial scholarships. Guidelines for how scholarships are distributed such as who is eligible (do the individuals need to participate in the fund raiser, is there an application process, etc.) and dollar amount need to be clear as part of the fund raiser planning process.

Can we raise funds to buy t-shirts for club members or have an end of year party?

Within reason, yes. Positive Youth Development (PYD) is part of the educational process and to that end, t-shirts are a good example of a way that youth feel that they belong and identify with a group. It is also important to celebrate accomplishments and honor successes as a part of the learning process.

Is it ok to raise funds now for use in the next few years or to hold in our bank account “just in case”?

If a fund raising effort extends over more than one year, the initial plan must reflect the end goal and should not exceed two years. It is not appropriate to raise funds to hold in a bank account “just in case”. All fund raising efforts need to have a specific plan of purpose and then used for that purpose. Funds held over from year to year should be minimal.

Do special rules apply to auctioned items?

Yes. If you follow the proper procedures, the auctioned item is only subject to tax on its fair market value. For example, if you sell a cake for \$100 and you could buy it at the store for \$10, tax applies only to the \$10 if you keep the proper records. Post a sign by each of your auction items indicating its suggested market value. For example, the cake could display a sign saying “suggested retail value: \$10.” If you give the buyer an invoice, write “cake: \$10; tax \$.60 (if the tax rate is 6%); donation \$89.40.” Post the sale to your records in the same way. If you don’t follow these procedures, you must charge tax on the full \$100. NOTE: Donated services (such as bookkeeping or lawn mowing) are not taxable auction items.

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