

Financial Guidelines

For Management of 4-H Club & Master Gardener Group Funds



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Introduction

Background

Master Gardener groups and 4-H clubs are programs of the University of Arkansas System Division of Agriculture – Cooperative Extension Service (hereinafter referred to as UADA-CES or Extension). As such, Extension is responsible for how club and group activities are conducted and reported. Extension has a responsibility to conduct its programs in compliance with all applicable laws and regulations, maintain the public trust, and safeguard the positive image of the organization. Because so many Extension programs are delivered in conjunction with local volunteers, it is imperative that all parties understand their roles and responsibilities regarding Extension activities.

The primary purpose of this document is to provide guidelines for county Extension personnel and club and group volunteers to use when conducting and recording *financial transactions* related to *club and group activities*. For topics not already addressed in UADA policies, the guidance in this document carries the same weight as UADA policies. If any inadvertent conflicts exist between this document and formal UADA policies, formal policies prevail.

The Arkansas Extension Homemakers Council (AEHC), 4-H foundations, and any other separately incorporated organizations are not covered by these guidelines.

For the remainder of this document, the word “group(s)” will be used to mean 4-H clubs and/or Master Gardener groups.

Groups and Affiliated Organizations

Incorporated Organizations

Affiliated organizations that have incorporated with the Arkansas Secretary of State’s Office and/or have obtained separate 501(c)(3) status from the Internal Revenue Service are legal entities separate and distinct from the University of Arkansas System Division of Agriculture. These entities have their own management and operating guidelines. However, because these entities exist to support UADA-CES programs, they are allowed to use Extension program material and logos if a Memorandum of Understanding is in effect and Extension guidelines are followed. Affiliated organizations must submit annual reports to Extension but otherwise operate independently throughout the year. Extension Homemakers, the Arkansas 4-H Foundation, county-based 4-H foundations, and the Arkansas 4-H Alumni Association are included in this category.

Note: Whether activities of these legally separate entities are exempt from sales or income tax are questions to be addressed by each such entity. Extension takes no responsibility for determining or defending such status and will not provide legal, tax, or accounting services of any kind.

Unincorporated Organizations (Groups)

Unincorporated groups such as Master Gardeners and 4-H clubs are arms of Extension and partners in the delivery of related programs. Therefore, group volunteers must:

1. Follow Extension guidelines as outlined in this document.

2. Act in a professional manner consistent with the educational mission of Extension.
3. Operate in a nondiscriminatory fashion, including ensuring open access to membership and programs.
4. Conduct all financial activities through Extension bank accounts. All group revenues and receipts must be deposited in Extension accounts. Likewise, all purchases and other expenditures to support program activities must be made through Extension accounts and follow Extension guidelines.

Note: Any questions or concerns regarding anything in this document should be directed to the county's Staff Chair or District Director.

Cash Receipts

Cash Handling Procedures

Although ultimately deposited in Extension accounts, groups will often be responsible for the initial collection of cash from sales and events. Groups must therefore follow proper cash handling procedures including:

1. Issuing receipts and/or maintaining a list of contributors for all funds collected. The receipt or contributor list should identify the source and purpose of the funds, amount, date of receipt, and payment method (cash, check, money order, etc.).
2. Safeguarding funds until transfer to the County Extension office. Cash on hand should be kept to a minimum by making timely deposits with Extension. Deposits with Extension should happen the day funds are collected unless amounts are clearly immaterial, i.e., <\$100. In that case, they may be aggregated over a few days, but should at least be transferred to the Extension office weekly.
3. Completing a [Record of Deposit](#) form and submitting the form with the cash when taking funds to Extension for deposit. The county Extension office will issue a receipt to the group volunteer from the official receipt book and deposit the money in the county depository account.
4. Retaining a copy of the [Record of Deposit](#) form and receipt from the County Extension Office at least until the deposit can be verified in the monthly report provided to the group by county Administrative personnel.

The County Extension office should also make regular deposits, i.e., daily, if possible, but no less frequently than weekly. Funds collected during the week should not be held over the weekend. When depositing group funds, county personnel must ensure the proper cost center and worktag are used to identify the deposit to a particular group, if appropriate. **Do not make separate deposits for each club or activity.** Combine funds received in the same time period from all groups and activities into a single deposit. Both volunteers and Extension employees must secure any undeposited funds.

Accepting Credit Cards

During special events where onsite purchases or registrations are common, participants may wish to pay by credit card. Groups are NOT ALLOWED to obtain their own credit card processing system (such as Square) but Extension agents may use special iPads equipped with a credit card reader from the state office by completing an [iPad Credit Card Registration Form](#). Once reserved, volunteer information will be collected, and a login established so that volunteers will be able to accept payments at the event. Because other groups may be using these iPads, they should be reserved as soon as event dates are known.

When payments are collected via these iPads, the funds are initially deposited in the UADA operating account. Payments are then transferred to the cost center and driving worktag unique to the group conducting the event. This cost center and worktag combination must be specified on the reservation form.

For more information about accepting credit card payments, email Cash@uada.edu.

Collection of Sales Tax

The collection of sales tax on the sale of goods and services is required unless directed by the Business Office. *Volume sales are NOT automatically exempt from the collection of sales tax!*

All sales tax collected by group volunteers should be identified separately on the [Record of Deposit](#) form and transmitted to the state office for further processing and payment to the state. ***Volunteers may not contact the Arkansas Department of Finance and Administration or pay sales tax directly to the state.***

If sales tax is not collected separately, sufficient information must be collected to calculate the sales tax owed based on the sale amount. This information will be used by the Business Office to remit the sales tax to the state.

Table 1 lists examples of sales commonly made by 4-H clubs and Master Gardener groups and indicates whether those sales require the collection of sales tax.

Table 1 - Sample Sales & Sales Tax Requirements	
Sales Activity	Collect Sales Tax?
Bake Sales (unless sold to the public more than 3 times per year)	No
4-H Calendar Sales	Yes
Master Gardener Calendar Sales	No (because the tax is included)
Clothing sold to group members	No
Clothing sold to the public	Yes
Cookbook Sales	Yes
Garden Tool Sales	Yes
Garden Tour Fees Collected	No
Sales of Pecans, Plants, Pork Butts, Poinsettias, etc. (Unless sold to the public more than 3 times per year)	No
<i>Sales of tangible property or concessions at county fairs are exempt from state sales tax per Arkansas Gross Receipts Regulation GR-39.</i>	
<i>Contact the Little Rock Business Office at (501) 671-2241 for sales tax determination for activities not listed above.</i>	

Refunds

If a refund becomes necessary due to a cancelation or other approved reason per group policies, volunteers should contact the County Extension Office. County office personnel will complete a [Refund Request Form](#) and forward it to Cash@uada.edu. Refunds will be issued to the original payer via the original payment method, i.e., a check if the original payment was a check or cash and a refund to a credit card if one was used for the original payment. Refunds cannot be issued from the county office.

Fundraising Activities

This section discusses several types of fund-raising activities common to UADA-CES programs. For questions about fundraising activities not discussed below, contact the UADA Business Office at (501) 671-2247.

Plant & Other Fundraising Sales

Many Master Gardener and 4-H groups conduct fundraising sales every year. These events are partly fundraising activities, partly educational, and partly community service/engagement. Although covered elsewhere in this document several issues come together when selling items such as plants, donuts, pork butts, pecans, poinsettias, etc., including the collection of cash, use of credit card systems, petty cash, special events, and sales tax.

Volunteers should carefully plan cash collection and cash handling procedures in advance of the sale. Things to consider include:

1. Where/how will the items for sale be purchased? Will personal funds be used and reimbursed later? Will the county office write a check or use a p-card? Will the Workday purchase requisition process be utilized?
2. Will items other than plants, donuts, etc. be sold? Is the tax treatment of these items different from the tax treatment for the plants?
3. Will sales tax be paid on the purchase of the items? If not, is a copy of the Extension exemption from the state available to show to vendors?
4. Will sales tax be collected on the sale of the plants? If so, have rates and procedures been determined?
5. Will credit card payments be accepted? If so, arrangements must be made by a county employee to borrow a specially equipped iPad from the Business Office.
6. Who will be allowed to receive cash? Have these individuals been trained?
7. How will cash be aggregated and who will complete the Record of Deposit form and take the funds to the county office for deposit? How will funds be secured in the meantime?
8. Will cash be needed to make change at the event? Have arrangements been made to obtain the start-up funds?
9. Will other vendors be selling items at the event? If so, have "Special Event" procedures been followed?

Raffles

UADA-CES has a state license to conduct raffles. If an Extension group or program wishes to conduct a raffle for fund-raising purposes, the Staff Chair must complete the [Raffle Request Form](#) and submit the form to the Office of the Associate Vice President for Finance and Administration at least 10 business days prior to the start of the raffle.

If the item to be raffled is a firearm, the donor or vendor should retain ownership of the firearm until after the raffle so the winner of the raffle can register the firearm in his/her name as required by law.

Because Extension Homemakers (EHC) and 4-H foundations are legally separate entities, the ***UADA-CES raffle license cannot be used by these organizations.*** Agents are to direct EHC volunteers to that organization's

leadership for guidance on conducting raffles. Likewise, 4-H foundation personnel and volunteers should consult foundation leadership about the availability of a raffle license and other fundraising policies.

Raffles held May 1 through April 30 must be reported on the [Annual Raffle Report](#) by May 15 of each year. Counties are to include all raffles held during that timeframe in one report. Submit the completed [Annual Raffle Report](#) along with a copy of each associated Raffle Request form to the Office of the Associate Vice President for Finance and Administration no later than May 15.

Donations to Other Organizations

Except as noted below, donations of group funds to other organizations, even nonprofit organizations, are not allowed. If groups wish to donate to another organization, the funds must be raised for that stated purpose. The following guidelines apply.

1. The donation must be preapproved by the staff chair.
2. Funds must be raised specifically for that purpose with fundraising material spelling out the amount (percentage) and recipient of the donation.
3. When deposited, the Record of Deposit form should indicate that those funds were collected for donation to "X" organization.
4. Donated funds cannot exceed the amount collected and deposited for that purpose.
5. County personnel should contact the Cash Management Office at Cash@uada.edu for coding instructions for both the deposit and the donation to the other organization.

Special Events

A Special Event is defined by the Arkansas Department of Finance and Administration as

An entertainment, amusement, recreational, or marketing event which occurs at a single location on an irregular basis and where tangible personal property is sold. Special events include, but are not limited to, music shows and events; auto shows; boat shows; gun shows; knife shows; home shows; craft shows; flea markets; carnivals; circuses; bazaars; fairs; and art or other merchandise displays or exhibits.

If a Special Event is organized by any UADA-CES employee or volunteer and includes ANY outside vendor(s) selling tangible items, [Special Event Procedures](#) must be followed. The organizer must contact the local Staff Chair who will then contact the Business Office at (501) 671-2247 to ensure proper forms and procedures are completed in compliance with state law. A [Special Event Application \(MISC 377\)](#) must be completed at least 15 business days prior to the start of the event. In addition, a [Special Event Vendor Log \(MISC 378\)](#) should be completed each day of the event.

Petty Cash

Petty cash for events, including change for fundraising events, can be obtained in one of two ways. First, someone can use personal funds with reimbursement made from proceeds of the event before the remaining funds are deposited. Second, a [County Cash Procurement Agreement](#) may be completed (Sections 1-3) and submitted to Cash@uada.edu for approval and payment. After the event, the advanced funds will be deposited back into the account from which they came and documented in Section 4 of the [County Cash Procurement Agreement](#).

Note: Petty cash is simply a term used by the state office to refer to cash needed for change at specific events that is to be settled (repaid from proceeds or deposited to the account that advanced them) immediately following the event. Use of the term is not meant to imply that clubs/groups or county offices can keep small amounts of cash to make purchases rather than using UADA-approved methods such as p-cards, county checks, or Workday requisitions.

Cash Disbursements

Purchasing/Payments

If a volunteer wishes to pay for something using group funds, they must submit a [Purchase-Payment Request](#) form to the County Extension Office describing the item needed or reimbursement requested. If the request is for an allowable item and approved by the Staff Chair or agent, county office personnel will determine the most appropriate method of fulfilling the request. If the request is for a reimbursement of expenses already incurred and paid, please allow up to three business days for processing of the request before the check is ready. **All requests for reimbursement must be made within 30 days of the original purchase.** (See *Receipts and Personal Reimbursement* section in this document for more information.) Before any purchase commitments are made, group volunteers and county personnel should verify that sufficient funds are available in the group’s designated worktag/account. If funds are not sufficient, the purchase or reimbursement will not be completed.

Allowable Expenditures from Group Funds

Allowable expenditures from group funds can be made using a county office p-card, county check, or state-office payment following the creation of a purchase requisition or other order/payment process in Workday, depending on the nature of the purchase. To charge a payment to a group account in Workday, the cost center (identifying the county) and worktag (identifying the group) must be included in the purchase information. All purchases must follow state and UADA purchasing policies.

Tables 2 and 3 below list several allowable and unallowable expenditures from funds designated for a specific club/group, as well as the approved source of payment. These are just examples. When in doubt, email Purchasing@uada.edu or call the Little Rock Business Office at 501.671.2247 for more information.

**Table 2 – Allowable Expenditures from Group Funds
(Designated Worktag)**

Item #	Description	Source of Payment
1	Normal operating expenses	County check, p-card, Workday purchase requisition
2	Office & meeting supplies	County check, p-card, Workday purchase requisition
3	Demonstration supplies	County check, p-card, Workday purchase requisition
4	Plaques/trophies/awards ≤ \$150 each	County check, p-card, Workday purchase requisition

5	Program-related gifts ≤ \$100 for non-employees, i.e speakers, judges, etc.	County check, p-card, Workday purchase requisition
6	Group meals	County check, p-card, Workday purchase requisition with appropriate documentation
7	Equipment < \$500	County check, p-card, Workday purchase requisition
8	Equipment ≥ \$500	Workday purchase requisition ONLY
9	Items on mandatory state contracts: vehicles, tires, bath tissue & paper towels, copy paper	County check, p-card, if authorized vendors are known and used, otherwise Workday purchase requisition
10	Printing services	Workday purchase requisition ONLY
11	Out of State travel expenses	Assuming travel was preapproved via a Spend Authorization in Workday, volunteers and employees may be reimbursed for travel through the Workday expense report process. Note: Volunteers will need to be established as External Committee Members to receive payment through the Workday expense report process.
12	Personal reimbursements of allowable items (except travel) with proper documentation/receipts	County check for reimbursement of volunteers; Expense report process in Workday for employee reimbursement

**Table 3 – Unallowable Expenditures from Group Funds
(Designated Worktag)**

Item #	Description	Notes
1	Gifts without a business purpose	Examples include for bereavement, illness, going-away or for nonprogram celebratory reasons
2	Group meals without a state-approved business purpose or which are excessive	Examples include holiday parties, retirement parties, etc.
3	Alcohol	Alcohol purchases are NEVER allowed!
4	Donations to other organizations	Exception is made if funds were raised and advertised for that purpose (See Note)
5	Individual meals unless in travel status with an overnight stay	Individual meals without an overnight stay are not allowable. Group meals at an approved event are allowable
6	Any purchase of a personal nature including payment of expenses for family members	Only allowable program expenditures made by authorized club and group volunteers can be paid from group funds

Most expenditures should be made by county office personnel entering a requisition in Workday and using the county cost center and group worktag to designate where the expenditure is to be charged. Smaller purchases including refreshments and supplies can be made directly by issuing a county check or using a county p-card.

When purchasing items on state contract, counties must use authorized vendors. Alternatively, the purchase requisition process in Workday may be used so the Purchasing department can ensure state contract compliance. If the payment is made pursuant to a contract or Memorandum Of Agreement (MOA), the payment must come from the state office.

Note: If a personal reimbursement is anticipated, items should be purchased separately so that stand-alone receipts are generated. If partial and/or multiple receipts are needed to support a reimbursement request, there must be a clear indication of what is being reimbursed. Please include a list of amounts and a total so that appropriate items can be identified.

In all cases, it is critical that the proper cost center and worktag be used when making the purchase/payment, because transfers between funds will not be allowed after the transaction is complete.

P-Cards

P-cards are a convenient way of making purchases without having to use personal funds or go through the purchase requisition process. However, because approval is after-the-fact, guidelines must be strictly followed and will be strictly enforced. This section provides only an overview of p-card guidelines. For more information, see the UADA [P-Card Policy](#).

Only employees in a regular, appointed position are eligible to be UADA purchasing card (p-card) cardholders. However, all counties have at least one person authorized to use a UADA p-card. Each p-card has a monthly spending limit as well as limits on individual transactions. Transaction and monthly spending limits can be temporarily or permanently raised by submitting a request with justification to pcard@uada.edu. *Under no circumstances should limits be circumvented by dividing the purchase into multiple payments.*

Table 4 lists sample expenditures and indicates whether those expenditures can be paid with a p-card.

#	Description	P-Card
1	Airfare, airline reservations (excludes first class airline tickets)	No
2	Airline baggage fee (1 st bag only)	No
3	Automotive fluids (oil, windshield wiper fluid)	Yes
4	Books (retail)	Yes
5	Bus, passenger rail, mass transportation (for employees in travel status only)	No
6	Car rental (travel related only)	No
7	Catering of events (for official functions only; Official Function Form required) ²	See Note 2
8	Cell phone charges and equipment (for UADA-owned equipment only; see Cellular Communication Policy)	Yes
9	Computers, Software ⁴	See Note 4
10	Conference or meeting room rental	Yes

11	Courier service	Yes
12	Flowers or greeting cards	No
13	Gas, fuel purchases	No
14	Gifts, donations	No
15	Gift cards (see exceptions in Gift Card Guidelines & Process) ¹	No ¹
16	Janitorial supplies	Yes
17	Lodging, hotels, motels (for business travel only)	No
18	Meals (for official functions only; Official Function Form required) ²	See Note 2
19	Meals (travel related)	No
20	Membership fees or dues (License/Membership Justification Form required)	Yes
21	Office supplies	Yes
22	Parking fees (travel related)	No
23	Personal purchases or expenses	No
24	Printing	No
25	Postage (postage meters or campus mail should be used when available)	Yes
26	Registration fees (seminars, conferences, training) ³	See Note 3
27	Roadside assistance	No
28	Unplanned or emergency services (repairs, plumbing, maintenance - not vehicle related)	Yes
29	Subscriptions	Yes
30	Taxi or shuttle (tips not allowed on taxi or shuttle service)	No
31	Travel agency fees	No

Notes:

¹Walmart, Sam’s Club, or Amazon gift card purchases using P-Card are allowed with pre-approval. See [Gift Card Guidelines & Process](#).

²Meal and catering purchases using P-Card not allowed for AES only; requisition or expense reimbursement should be used for these suppliers.

³Registrations: use P-Card only when there is no travel component included in the event.

⁴Software purchases: AES, allowable with prior approval from AES IT.

For questions about allowable p-card purchases, email pcard@uada.edu.

Receipts & Personal Reimbursements

Volunteers may be reimbursed for approved program-related expenditures. To be eligible for reimbursement, the expenditure should be pre-approved by the appropriate (4-H or Master Gardener) agent or Staff Chair. In addition, a valid, legible, receipt must be submitted with the [Purchase-Payment Request](#) form within **30 days** of the initial expenditure. Finally, sufficient funds must exist in the group’s Workday account.

Note: Although reimbursements may be requested for up to 30 days following the initial purchase, if the reimbursement is not made and entered into Workday within five business days following the month of the initial purchase by the volunteer, the expenditure will not be included in that month’s financial report.

If a valid receipt is submitted to the county office for reimbursement of an approved purchase within the designated timeframe of 30 days, the county office will issue a reimbursement, usually by county check. A minimum of three business days should be allowed for processing. However, reimbursement timeframes vary by county and circumstance. Some counties only issue checks at certain times during the month. In other cases, offices may be closed due to inclement weather, may have staffing shortages, or the Staff Chair or Administrative Assistant may be out of the office on business or leave. To minimize the burden of out-of-pocket expenses, volunteers should work with their county agents to make necessary purchases with p-cards and county checks rather than personal funds.

What is a valid receipt?

A receipt is a written acknowledgment that something of value has been transferred from one party to another and that payment has been made. To be a valid receipt for reimbursement, the following elements must be present:

- (1) Date of the transaction
- (2) Order details
- (3) Names of the vendor and customer
- (4) Amount of the transaction including shipping, taxes, etc.
- (5) Method and date of payment
- (6) Balance remaining, if any

Invoices are typically not receipts. An invoice is essentially a bill. It documents what goods or services were sold on a particular date or with respect to a particular order. An invoice names the buyer and the seller, describes terms of the sale, refund policy, payment discounts, if any, etc. An invoice also communicates the amount due and due date. It is not a proof of payment unless subsequently marked "Paid" by the seller with the date and method of payment noted.

To be considered valid for reimbursement purposes, a receipt cannot be handwritten by the volunteer. Also, the receipt must be final with all the elements listed above. Orders and incomplete invoices are not acceptable. Finally, reimbursements may only be made to UADA employees and volunteers. See Table 2, Item 12 for "Source of Payment."

Note: This section is applicable to non-travel expenses. For travel-related reimbursements, see Travel Expenses in this document.

Purchase of Items for Resale

Many fundraising activities involve purchasing items in bulk and reselling them to the public at a profit. Examples include plant sales, pork butt sales, pecan sales, donut sales, etc. UADA-CES has a [Sales and Use Tax Permit](#) from the state that allows the purchase of items for resale to be exempt from sales tax. If purchasing such items, the permit can be shown to the vendor to document the exemption. If purchasing by requisition, a note signifying the item is for resale should be made when creating the requisition.

*Note: Items exempt from the **payment** of sales tax when purchased are not necessarily exempt from the **collection** of sales tax when sold.*

Logo Clothing and Other Promotional Items

Logo clothing such as shirts and hats, as well as other promotional items such as cups, umbrellas, etc. may be purchased using club funds from Extension accounts. However, before purchase, three quotes should be obtained from potential vendors. Volunteers should complete the [Quote Tabulation Form](#) and submit it to their County Extension Office along with a [Purchase-Payment Request](#) to start the purchase process. Quotes can be considered valid for six months, after which new quotes should be obtained.

Travel Expenses

Approval and Payment of Travel

Payment of travel for volunteers should be rare. If deemed appropriate by the Staff Chair, a TRAV 229 should be completed before the travel occurs. After travel is complete, a TRAV 207 should be completed and an Expense Report initiated in Workday.

In addition to the TRAV 229 for volunteers, all out-of-state travel related to 4-H and Master Gardener program activities must be preapproved by completing a Spend Authorization in Workday – regardless of the source of funds to be used for payment. The Spend Authorization should be initiated at least two weeks before the start of travel. In addition, no travel-related expenditures should be incurred prior to approval of the Spend Authorization in Workday.

While travel cannot be paid with a county check, group funds may be used by including the county cost center and group worktag when requesting reimbursement via the Workday expense report process. For a volunteer to be reimbursed for allowable travel costs, the volunteer will need to be established as an External Committee Member in Workday. Travel expenses can only be paid based on state and UADA guidelines with proper receipts and/or other documentation as described in CES [Travel Policies](#).

Hotel/Motel Expenses

There are several methods of paying for hotel/motel charges. These include:

- Reimbursement to the agent or volunteer after submission of proper documentation.
- Utilizing a travel card to reserve and settle charges by contacting the District Administrative Assistants.
- Direct billing from the facility. Direct billing requires a lot of coordination in advance of the travel, so more notice is necessary.

Travel Advances

Direct billing, P-cards, or departmental T-cards are recommended for expenses related to group travel. If none of these options is available, an employee may be advanced up to 90% of the estimated costs of overnight, out-of-state group travel. To request such an advance, the employee should complete a Spend Authorization in Workday and mark the appropriate box to request an advance payment. To ensure the request can be processed in a timely manner, the request should be submitted to the Business Office in Workday at least two weeks prior to the travel.

Following the completion of the travel, the employee who received the advance should create an expense report based on the original Spend Authorization. Additionally, itemized receipts and an [Official Function Form](#)

for group meals should be submitted. The amount of the travel advance will be netted against the actual expenses and a payment made for the difference.

Group Meals

Allowable group meals can be paid for using a UADA-Extension p-card or county check. If necessary, a request for personal payment of costs related to group meals may be made. Reimbursement of volunteers may be made with a county check, assuming proper documentation is provided and funds are available. Reimbursement of employees must be made through the Workday expense process. Regardless of the payment method, an itemized meal receipt and [Official Function Form](#) are required. Any discretionary gratuity (not mandated by the establishment) cannot exceed 15% of the cost of the meal.

The state prohibits reimbursement for the cost of alcoholic beverages.

Payments to Volunteers

For anyone who is not an employee or established vendor in the UADA Workday system to receive a payment from the state office, including payment for travel, they must be established as a “External Committee Member” in Workday. In addition, a Spend Authorization must be initiated in Workday prior to the expense being incurred. Volunteers may be reimbursed for expenses other than travel using a county check by submitting a [Purchase-Payment Request](#) form to the local Extension office.

Speaker/Judges Gifts & Honorariums

If a program speaker or contest judge is to be compensated more than \$500, the following guidelines apply:

1. A [Memorandum of Agreement](#) or [Judging Agreement](#) must be executed.
2. Payments must be made from the state office by submitting a Supplier Invoice Request using the county cost center and group worktag and attaching the MOA or Judging Agreement. (Payments may not be made via county checks).
3. Prior to payment, a W-9 must be completed by the recipient of the payment.
4. The speaker/judge must be established as a supplier in Workday before a payment can be issued. If the speaker/judge is not a supplier in Workday, the county must send the speaker/judge a link to register through the *Payment Works* system.

Note: To prevent duplicate entries in Workday and avoid confusion, it is important for the county office to check Workday to see if the intended recipient of the check is already established as a supplier. Only if the person is not already a supplier should the county send the link for registration in Payment Works. Once the registration process has been successfully completed in Payment Works, the person will be added as a supplier in Workday.

For payment of honorariums of \$500 or less an [Honorarium Form](#) must be completed. If the current payment is \$500 or less AND total annual payments are not expected to exceed \$600, payment can then be made via county check without needing the recipient to be established as a supplier or External Committee Member (ECM) in Workday.

Gifts for speakers, judges, and similar people providing periodic specialized services costing no more than \$100 may be purchased using group funds. These token gifts may be provided in lieu of an honorarium. Purchases of

this nature may be made via p-card, county check, or Workday purchase requisition. Pursuant to the UADA [Gift Card Guidelines and Process](#), gift cards may also be purchased for speaker gifts by completing the [Gift Card Request Form](#). (Remember, the gift card request form needs to be submitted to the purchasing office for approval *prior* to the purchase being completed.) After gift cards are used, a [Gift Card Disbursement Log](#) must be completed.

Purchases and Disposals of Equipment

Tangible items such as equipment costing \$500 or more must be made by county office personnel creating a purchase requisition in Workday. This is necessary to ensure state purchasing guidelines are met and documented and that, if applicable, the item will be tagged for inventory purposes. If tagged equipment is to be located off UADA property, an [Off-Site Property Form](#) must be completed and signed by the Staff Chair.

Regardless of the method of purchase or receipt, when disposing of equipment groups should transfer the equipment that is no longer needed to the county office for disposal. The county office will complete a [Surplus Items](#) form and email the completed document along with two pictures of each asset to property@uada.edu. *State law mandates that equipment not be sold, raffled, or otherwise disposed of locally. All equipment must be disposed of through the State office of Marketing and Redistribution.*

Scholarships & Awards

Program Scholarships

Program scholarships are payments made to cover all or some of the registration fees or other costs of a program or activity on behalf of an individual participant. Program scholarships may be paid from the county depository account on behalf of an individual 4-H member, volunteer, or Master Gardener. Examples include 4-H camp scholarships, regional and national competitions and conferences, and scholarships for Master Gardener state and leadership conferences. If a group wants to use funds in its account to support program scholarships, it first must have objective criteria and processes to determine who will receive the scholarship and how much it will be. Then, the group should make a request to the county office using the [Purchase-Payment Request](#) form. If approved, county personnel will then make the payment to the vendor or state office, depending on the program.

College Scholarships

Some groups may wish to use funds to help students taking college courses. To award college scholarships, the group must have written, preset criteria for applicants and must award the scholarships based on an objective process. College scholarship policies and procedures, as well as the names of award recipients, must be approved by the local Staff Chair prior to notifying the recipient.

Like a program scholarship, if a group wishes to use funds in a group account, a [Purchase-Payment Request](#) form should be completed and submitted to the county office for approval. The county office will initiate a payment to the institution of higher learning of the recipient's choice (within scholarship parameters), not to the individual student. This payment may be made via county check or through the state office by initiating a supplier invoice request.

If it is not possible to make direct payment to the institution of higher education and the payment is to be

made directly to the student, the student will need to be added as a supplier in Workday by registering through *Payment Works*. The scholarship recipient will also need to complete a W-9. Once established in Workday, the county office will need to initiate a Supplier Invoice Request in Workday using the county cost center and group worktag. A copy of the Award Letter to the student should be attached. (Payments to the Students may not be made via county checks).

Program Awards

Program awards are monetary, tangible, or travel gifts in recognition of program achievement. Monetary awards include checks and gift cards. Tangible awards include, but are not limited to trophies, ribbons, belt buckles, supplies, etc. Program award trips must be related to the components of a program. Trips that are not tied directly to an educational program cannot be paid.

Program awards up to \$150 each are allowed to be paid from county office accounts if selection criteria and processes are followed and funds are available in the appropriate account. If gift cards are purchased for use as awards, the [Gift Card Guidelines and Process](#) must be followed, and the appropriate forms completed. To request payment of program awards, in addition to a Purchase-Payment Request form, a document noting the selection criteria and names of recipients should be submitted to the County Extension Office to use as support for the payment.

Angel Tree and Santa for Seniors

4-H clubs often participate in holiday programs to benefit those less fortunate such as (but not limited to) Angel Tree and Santa for Seniors. These activities support youth development and the achievement of 4-H program goals. Therefore, under certain conditions, these activities are allowed for 4-H clubs. First the amount contributed or spent on related gifts should not exceed \$100 per recipient. Second, recipients of the gifts must be chosen through the program, i.e. Angel Tree, Santa for Seniors, etc. Volunteers should not be selecting who receives the gifts.

Gifts, Grants, & Contracting

Cash Gifts

All cash gifts received by group volunteers on behalf of a group must be delivered to the county Extension office for deposit. The county Extension office will ensure proper accounting, reporting, receipting, and acknowledgement. All gifts of \$250 or more, or those for which the donor requests a tax receipt, must be reported to the Development Office via a [Gift Disclosure Form \(MISC 400\)](#).

Staff Chairs will ensure all gifts are properly acknowledged with a Thank You note. All formal gift acknowledgements and tax receipt letters will be sent from the UADA. Copies will be provided to the fund manager noted on the Gift Disclosure Form. No county office employee or volunteer should attempt to provide an IRS-acceptable tax receipt!

The Assistant VP for Finance and Administration should be notified when a donation with a written restriction for a specific purpose is received.

Non-cash Gifts

Non-cash gifts are tangible items that are directly used or consumed in a sanctioned project or educational outreach effort. Examples include plants, seed, soil, food, supplies, tools, books, or other printed resources, etc. Non-cash gifts also include capital gifts such as equipment, buildings, and real estate. Non-cash gifts should be reported to the county office which will complete a [Gift Disclosure Form \(MISC 400\)](#). As is the procedure for cash gifts, the local county office is responsible ensuring that the donor receives a Thank You note.

Sponsorships

Sponsorships are simply cash or non-cash gifts designated for support of a specific event or meeting. If a donor provides money to pay for a meal or other component of an Extension event, the donation should be reported as a cash gift. If the donor pays a vendor (say a restaurant for a meal), directly in support of an Extension event, whatever is received should be reported as a non-cash gift.

Grants

There are many factors used to determine whether an offer of money or something else of value is a gift or a grant. In some cases, the classification is clear; in others it is not. In general, a grant is a contribution requiring certain performance by the recipient, specific deliverables, and/or program or financial reporting to the funder. What the funds are called by the funder is not the determining factor. When in doubt about the classification of gift versus grant, contact the Office of Sponsored Programs at (501) 671-2089 for a determination, or simply treat the contribution as a grant. Treating the contribution as a grant is the safest approach because of the inherent tracking of funds and ability to generate reports.

All grant applications and pre-applications, including letters of intent, require the initiation and approval of a proposal by Extension employees in Streamlyne (grants software system). If the application is approved for funding, the county office should notify the Office of Sponsored Programs by forwarding a copy of the notification. The Office of Sponsored Programs will then establish an award and grant Worktag in Workday.

Occasionally, funds are received without the submission of an application to the funder. If there are performance requirements, deliverables, or required reports, a proposal should be submitted in Streamlyne as soon as possible. When the proposal is processed, the Office of Sponsored Programs will establish an award and grant Worktag in Workday.

Grant funds are not to be deposited into county depository accounts! The funds will be spent in accordance with the grant requirements through normal Extension expenditure procedures such as the requisition process or use of P-Cards. ***Do not pay for grant purchases by writing a county check!*** Because grant funds come with external requirements, additional tracking and monitoring by the Office of Sponsored Programs are required.

Small Grants

Except as noted below, small grants, defined as \$1,000 or less, provided by external parties to support club or county activities may be treated as gifts and spent from county accounts. In these cases, county personnel should complete a [Gift Disclosure Form \(MISC 400\)](#) as they would for any other gift and record the transaction using a RC0005 revenue category in Workday. However, proceeds from the United Way, National Rifle

Association, or any federal agency, no matter how small, must be deposited in and spent from state office accounts.

Volunteers may not apply for grants. All grant applications for the county must be initiated by an agent who will enter the proposal in Streamlyne.

Contracting Authority

Contracting authority and guidelines are found in the [University of Arkansas System Board of Trustees Policy 300.1](#). Contracts must be written in the name of the Board of Trustees of the University of Arkansas.

Contracts made in the name of a campus, school or college, academic department, etc., are unenforceable.

Contracts representing the UADA-CES are to be worded in the following manner:

The Board of Trustees of the University of Arkansas, acting for and on behalf of the University of Arkansas System Division of Agriculture.

The President of the UA System is authorized to delegate the authority to contract. For UADA- CES, that authority has been delegated to the Senior Associate Vice President for Agriculture – Extension and the Associate Vice President for Finance and Administration. This includes authority to review, approve, and sign all of the following documents, even if no money is involved:

- Applications for grants
- Contracts for grants
- Rental agreements for facilities and equipment
- Contracts for caterers, speakers, etc.
- Any agreement requiring the signature of an “authorized agent/official”
- Bus rental agreements for 4-H or Master Gardener tours or activities

Contracting authority also extends to online acceptance of terms & conditions related to purchasing, subscribing, accepting financial awards, etc. If you are asked to check a box accepting terms and conditions, that is the same as signing a contract. If asked to do this, print the terms and conditions along with the body of the agreement and forward it to the county office which will submit to the Office of the Associate Vice President for Finance and Administration for review and approval before completing the online transaction.

If you sign a contract, you may be taking personal responsibility for any and all activities, including disputes, related to the contract.

Foundation Grants and Contracts

Board policy applies to contracts in the name of the Board of Trustees of the University of Arkansas only. All grants and contracts in the name of foundations must be developed, executed, and administered by the foundation. If an agreement in the name of a foundation requires performance by UADA-CES personnel, there must be a sub-agreement executed.

Other Topics

Record Retention and Reporting

Records should be kept in compliance with the UADA-CES [Electronic and Paper File Retention Guide](#). If not specifically addressed in this [Guide](#), records should be retained for a period of five years after the transaction date.

Once and to the extent that transactions (deposits and expenditures) are made through UADA-Extension and accounted for in Workday, annual financial reporting by clubs/groups that previously had bank accounts is no longer necessary.

After the 15th of each month, county administrative personnel will prepare a report showing all income and expenditures recorded in Workday, by designated worktag. This report will be shared with group treasurers or other officers so groups can effectively manage their funds.

Note: Instructions for the preparation of this report by County Admins can be found here: [4-H MG Reporting for Designated Worktags](#).

Volunteer Immunity

Volunteers are covered under the [Volunteer Immunity Act of 1987](#). Volunteers are not to be held civilly liable for their acts or omissions in carrying out their authority and responsibilities as volunteers if such acts or omissions were performed in good faith and did not constitute gross negligence. There is an exception when the volunteer is covered by a policy of insurance, in which case the liability is limited to the amount of coverage provided by the policy.

Links to Forms & Policies

1. [4-H MG Reporting for Designated Worktags](#)
2. [Annual Raffle Report](#)
3. [County Cash Procurement Agreement](#)
4. [Electronic and Paper File Retention Guide](#)
5. [Gift Card Disbursement Log](#)
6. [Gift Card Guidelines](#)
7. [Gift Card Request Form](#)
8. [Gift Disclosure Form \(MISC 400\)](#)
9. [Honarium Form](#)
10. [iPad Credit Card Registration Form](#)
11. [Judging Agreement](#)
12. [Memorandum of Agreement](#)
13. [Off-Site Property Form](#)
14. [Official Function Form](#)
15. [P-Card Policy](#)
16. [Purchase-Payment Request](#)
17. [Quote Tabulation Form](#)
18. [Raffle Request Form](#)
19. [Record of Deposit](#)
20. [Refund Request](#)
21. [Sales and Use Tax Permit](#)
22. [Special Event Application \(Misc 377\)](#)
23. [Special Event Procedures](#)
24. [Special Event Vendor Log \(MISC 378\)](#)
25. [Surplus Items](#)
26. [Travel Policies](#)
27. [UA System Board of Trustees Policy 300.1-Contracting Authority](#)
28. [Volunteer Immunity Act](#)