



Chartering 4-H clubs and affiliated groups, or granting permission for groups to operate in the name of 4-H, dates back many decades. Texas 4-H began to charter all clubs and affiliated groups in 2003 following a directive from National 4-H Headquarters at USDA. The Texas A&M AgriLife Extension Service is committed to protecting its 4-H program, members, the 4-H name and emblem in Texas and the country. This protection comes through the commitment and requirement for all county, district, region, and state level 4-H clubs and groups to have current charters and understand the value of those charters.

Purpose

Chartering is a legal process which allows faculty to verify the financial status, business and legal documentation for each group operating in the name of 4-H. All Texas 4-H clubs/groups must charter to receive permission to operate and use the name/emblem of 4-H and be recognized as an Internal Revenue Service 501(c)(3) not-for-profit group under the umbrella of Texas 4-H, Inc. A charter allows a group to function with all the rights and privileges of 4-H membership. Once officially chartered, the county office can download a letter from 4-H Connect with the club name to validate their charter recognition. If the club/group is its own IRS recognized 501(c)(3) organization, they must file separately with the IRS on an annual basis, but still must be chartered as a Texas 4-H club/group for recognition. Clubs or groups who are not chartered are not allowed to use the 4-H name and emblem and are NOT considered a 501(c)(3) organization, therefore required to pay income tax annually. A chartered 4-H club/group under Texas 4-H, Inc. is provided the following benefits: Use of the 4-H name and emblem, General Liability Insurance for facilities and meetings, Accident/Incident Insurance for ACTIVE 4-H youth and volunteers during 4-H sponsored meetings, activities and contests and IRS recognition as an entity under a 501(c)(3) not-for-profit organization.

General Requirements

All 4-H community, project, and activity clubs, SPIN clubs, or groups must be annually chartered. Examples of groups which must be chartered include, but are not limited to: County 4-H Council, County Volunteer Leaders Association, County 4-H Booster Club, County 4-H Clover Kids Groups, County 4-H Ambassador Program, District 4-H Program Development Committee, District 4-H Council, District Volunteer Leaders Association, Texas 4-H Council, Texas 4-H Youth Development Foundation, State and District AE4-H Associations. The club/group must have a name that does not discriminate, offend or intimidate others from joining, have a minimum of at least one ACTIVE volunteer leader who will serve as a club manager, five or more youth members from at least two different families and commitment from adults/families for the club/group to remain in operation for at least five years. The meeting location, day and time must be made public for others to visit and join.

Groups, or organizations, who wish to use the 4-H name and emblem but are not under the direction of Extension and have an independent board of directors should be issued a memorandum of understanding (MOU) regarding use of the 4-H name and emblem. Some examples of this are stock show boards, other 501(c)(3) 4-H foundations, private foundations or fund raising groups. The letter would come from the County Extension Agent granting permission to use the name and emblem if their work is in the best interest of the local 4-H program.

A club/group who will not be active due to lack of leadership or membership but would like to retain the EIN must submit an online charter application and request an INACTIVE status. This will allow the club/group to remain under Texas 4-H Inc. for one 4-H year. A club will be permanently removed from Texas 4-H Inc.'s IRS list after one year of being inactive.

Texas Sales Tax and 4-H Clubs/Groups

The use and granting of a 4-H Club/Group 501(c)(3) status through Texas 4-H, Inc. only applies to the exemption of federal income tax and not state sales tax. All Texas 4-H clubs and groups are required by Texas law to pay state sales tax on any purchases of goods, equipment, and supplies. The only exception to this rule is if a 4-H club/group has applied for, and received, a Texas Sales and Use Tax Permit through the Texas Comptroller of Accounts Office in Austin, Texas. Clubs and groups have to apply individually. There is not an option to have a group waiver. A 4-H club/group is not allowed to use the County Government or other entities' Texas Sales and Use Tax Permit to purchase goods, equipment, and supplies. If a 4-H club/group has acquired a Texas Sales and Use Tax Permit on its own then the 4-H club/group is legally responsible for filing all required monthly, quarterly, or yearly documentation directly to the Texas Comptroller of Accounts.

Exempt from Federal Income Tax

Except for private foundations, which must file Form 990-PF annually regardless of gross receipts, an exempt organization that normally has \$50,000 or more in gross receipts must file an exempt organization information return Form 990, Return of Organization Exempt from Income Tax, whether or not the organization has formal tax exempt status. Most organizations are not required to file a Form 990/ Form 990-EZ or Form 990-PF but are required to submit a Form 990-N, e-Postcard. Download the IRS Filing Instructions for Texas 4-H Club/Groups found on the Texas 4-H Website (<https://texas4-h.tamu.edu/management/>).




TIMELINE FOR INFORMATION DISTRIBUTION AND CHARTERING

March	Release of Texas 4-H Chartering Instructions.
March- May	The county Extension office will set the county application procedures and deadlines. The deadline should be established early to allow for any follow-up and late submissions. The county office meets with club manager and distributes information for chartering.
May 1 - July 15	County office or club manager completes charter application process.
July 15	Application deadline for county office review and approval for an August 15 club activation.
July 16 - August 12	State 4-H Office reviews club charter application and support documentation.
August 13-14	4-H Connect is offline for annual maintenance.
August 15	Enrollment opens for new 4-H year (Sept 1 to Aug 31). Youth can enroll in approved clubs only.
September 15-December 20	Filing of club/group 990 Forms with IRS by ALL clubs/groups.
February 28	Last day to submit a club/group for chartering for the 4-H year. This ensures that all community 4-H clubs be active for at least six months in order to provide a quality 4-H experience. A request for late submission can be made to the State 4-H Office for special situations related to the formation after this date. Email: texas4h@ag.tamu.edu

APPLICATION

Application <i>All Clubs or Groups</i>	Start an online charter application on 4HConnect through any active adult profile under the events area, scan all supporting documentation into one PDF file to upload in the correct field, and submit the application for review at the county office. The application will be certified up to the state level for review. If approved, the club/group will be visible for enrollment. If not approved, a note with issues will be sent to the family email address of the adult who submitted the application. The club/group is not visible for enrollment until the charter application has been approved at the state level.
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SUPPORT DOCUMENTATION

 Charter Agreement <i>All Clubs or Groups</i>	A complete and signed charter agreement for the current 4-H Year.
Bylaws <i>All Clubs or Groups</i>	The most recent set of bylaws must be provided as part of the charter application. A sample set of bylaws is provided for clubs/groups to use as a guide. While clubs/groups have flexibility with their bylaws, the items in bold in the sample set are required to be in all bylaws. Club/group bylaws may also not conflict with the Texas 4-H Rules and Guidelines and/or the charter agreement.
Employer Identification Number (EIN) Verification <i>New Club/Group with a Financial Account</i>	A club/group must apply and receive an Employer Identification Number (EIN) from the IRS if there is an open financial bank account. Once you apply via the IRS.gov website you will receive your EIN immediately. You can download, save, and print your EIN confirmation notice. The group exemption number, or GEN, for Texas 4-H Inc. is 5932. A verification letter must be provided during the application process if the EIN is new. The document should indicate the name of the club/group, the contact person, and the EIN. Any club/group chartered within, and as part of, school districts, children's homes, or other organizations, can use the parent organization's EIN, but will not be under Texas 4-H, Inc. for their not-for-profit status. Instead, they would file their 990 separately.
Bank Statement <i>Club/group with a Financial Account</i>	A club/group must provide a copy of the most current bank statement for each of the accounts the club/group manages. All bank accounts require at least two signatures from different households and not related. Do not include cancelled check copies for security reasons.
Review of Finances <i>Club/group with a Financial Account</i>	A complete and signed Texas 4-H Youth Development Program Annual Club/Group Financial Review must be provided. Texas 4-H clubs/groups with a bank account(s) will conduct an annual financial review of all funds received and distributed during the 4-H year. Once a review time has been established, the club/group is encouraged to remain on that review schedule for the following years. The review must be conducted by adults not associated with the club/group or the County Extension Office. For more information on the Financial Review, refer to the Texas 4-H Financial Management Rules & Guidelines and the Texas 4-H Youth Development Program Annual Club/Group Financial Review.

Chartering information can be found online at: <https://texas4-h.tamu.edu/management/>
ALL DOCUMENTS MUST CLEARLY SHOW THE CLUB/GROUP NAME

Employee Identification Numbers (EIN)

Information gathered from IRS publication 1635 (Revised 4-2011): "Understanding Your EIN". An Employer Identification Number (EIN) is a nine-digit number the IRS assigns in the following format: XX-XXXXXXX. It is used to identify the tax accounts of employers and certain others who have no employees. The IRS uses the number to identify taxpayers that are required to file various business tax returns. EINs are used by employers, sole proprietors, corporations, partnerships, non-profit associations, trusts, estates of decedents, government agencies, certain individuals, and other business entities. Clubs should use their assigned EIN on all of the items that are sent to the IRS pertaining to the 4-H club/group. EIN Number and Tax Exempt Organizations(4-H) IRS Section 501(c)(3) Organization is organized and operated exclusively for one or more of the following purposes: charitable, religious, educational, scientific, literary, testing for public safety, fostering national or international amateur sports competition (but only if none of its activities involve providing athletic facilities or equipment), or the prevention of cruelty to animals. Contributions to domestic 501(c)(3) organizations, except organizations testing for public safety, are generally deductible as charitable contributions on the donor's federal income tax return.

Group Exemption Letter

A group exemption letter is a ruling or determination letter issued to a central organization recognizing, on a group basis, the exemption of subordinate organizations on whose behalf the central organization has applied for recognition of exemption. A central organization is an organization that has one or more subordinates under its control. A subordinate organization is a chapter, local, post, or unit of a central organization. For 4-H clubs/groups in Texas this Group Exemption Letter is issued to Texas 4-H, Inc., with each 4-H club/group filing under their group exemption number. The group exemption number, or GEN, for Texas 4-H, Inc. is 5932.

Employee Identification Number (EIN) Related Issues:

- Lost EIN. You can contact the IRS at 800-829-4933 during the operation hours of 7 am to 10 pm, Eastern time. The assistor will ask you for identifying information and provide the number to you over the telephone, as long as you are the person who is authorized to receive it. Once you receive it, ask if a letter verifying the number can be mailed to the address listed, or change the address to that of the county Extension office.
- Cannot locate the EIN or person who is contact on EIN. If you know that your club/group has an EIN, but cannot locate the number, the person associated with the EIN, or any other information pertaining to the number, then you will need to file for a new EIN and the steps listed under the New Clubs and EIN section can be followed. When re-filing for a new EIN, list the county Extension office as the mailing address with the current club manager/treasurer as the contact to prevent future issues.

If a club/group has to apply for a new number or contact the IRS, it is a best practice to update the contact with the new club manager/treasurer and list the contact address as the County Extension Office so any future correspondence will be sent to the County Extension Office. A sample EIN Verification can be found online at: <https://texas4-h.tamu.edu/management/>

Revoking A Charter

County Extension Agents may request a 4-H Charter be revoked if clubs are not following Texas A&M AgriLife Extension Service, Texas 4-H, Inc., and/or National 4-H Headquarters procedures. Examples include, but are not limited to: club does not meet the minimum number of members requirement or members not enrolled on 4-H CONNECT, no enrolled adult volunteers, not submitting requested paperwork in a timely fashion, lack of financial accountability, and not submitting a IRS 990 for three (3) consecutive years regardless of club having money, etc. The Texas 4-H Rules and Guidelines provide more information on revoking 4-H club charters.

Disbandment

In some cases due to lack of participation, a club or group may need to vote and approve to disband. Once approved, the club manager will work with the County Extension Agent(s) to transition all financial and physical assets as identified in the club/group bylaws. Download the Disbandment Instructions found on the Texas 4-H Website (<https://texas4-h.tamu.edu/management/>).

Administrative Clubs Management

All administrative clubs (Delivery mode: 9) Administrative/Organization Unit) such as Adult Leaders, Youth Boards, or 4-H Councils, must be chartered and have an Active (Chartered) Status in 4-HConnect. This will allow County Extension Offices to access chartering information and Texas 4-H, Inc. determination letters. This also means that it will be an "open" club/group for enrollment. The County Extension Office will need to adjust club settings to limit youth enrollment. Instructions For Limiting Youth Enrollment: Log into a 4-H Connect County Manager Account, Click on Enrollment tab, click on the Clubs Icon, Click the edit button to the right of the club name, click on the drop-down menu called Maximum Number of Youth to pull the cursor down to the number "1", scroll to bottom and click to save changes. After the new 4-H year has started, select one 4-H member (Agent/Support Staff child, or senior leader youth) to enroll in all your administrative clubs. This will now lock any other youth from enrolling in those clubs.

Club Contact and Meeting Information

The County Extension Office will need to enter the club contact and meeting information on 4HConnect. Instructions: Log into a 4-H Connect County Manager Account, click on the Enrollment tab, click on the the Clubs Icon, click the edit button to the right of the club name, update the information, scroll to bottom and click to save changes.

**2019-2020 TEXAS 4-H YOUTH DEVELOPMENT
CHARTERING AND ESTABLISHING NEW CLUB WORKSHEET**

DO NOT UPLOAD THIS THIS FORM TO 4HCONNECT!

INFORMATION	EMPLOYEE IDENTIFICATION NUMBER
Club Name:	EIN:
County:	Is EIN affiliated with a church, school, military base or other organization? <input type="checkbox"/> Yes <input type="checkbox"/> No
Club Type: <ul style="list-style-type: none"> <input type="checkbox"/> 1a) Organized 4-H Community Club <input type="checkbox"/> 1b) Organized 4-H In-School Club <input type="checkbox"/> 1c) Organized 4-H After-School Club <input type="checkbox"/> 1d) Organized 4-H Military <input type="checkbox"/> 99) Administrative Club with enrollment <input type="checkbox"/> 99) Administrative Club without enrollment 	Did EIN change since 2018-2019 Charter? <input type="checkbox"/> Yes <input type="checkbox"/> No
Application Type: <ul style="list-style-type: none"> New Club Existing Club Existing Club but inactive for 2019-2020 	4H CONNECT UPLOAD <i>EIN verification ONLY if there is a new EIN number.</i>
Affiliation: <ul style="list-style-type: none"> <input type="checkbox"/> Texas A&M AgriLife Extension Service <input type="checkbox"/> Prairie View Cooperative Extension 	

FINANCIAL INFORMATION	
BANK ACCOUNT #1	BANK ACCOUNT #2
Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings/CD <input type="checkbox"/> Other	Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings/CD <input type="checkbox"/> Other
Financial Institution:	Financial Institution:
Account Number:	Account Number:
City/State:	City/State:
Phone Number:	Phone Number:
Two Names on Signature Card:	Two Names on Signature Card:

CLUB CONTACT		
Club Manager/Contact:		
Club Address Line 1:		
Club Address Line 2:		
City:	State:	Zip:
Phone Number:		
E-mail:		

MEETING INFORMATION		
Meeting Location:		
Location Address Line 1:		
Location Address Line 2:		
City:	State:	Zip:
Regular Meeting Day:	Regular Meeting Time:	
Is this club in a racially ethnically mixed community? <i>This is an area or community in which more than one of the racial-ethnic groups make-up the population of potential program participants.</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No
Is this club integrated as to the race and ethnicity of the membership? <i>This is a group composed of members of more than one of the racial-ethnic groups above.</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No

DOCUMENTATION UPLOAD	
Established Club With Bank Account	New Club For 2019-2020 4-H Year With Bank Account
<input type="checkbox"/> Approved/Proposed Bylaws with club name and dissolution clause. <input type="checkbox"/> EIN Verification ONLY for updated EIN Number.	<input type="checkbox"/> Approved/Proposed Bylaws with club name and dissolution clause. <input type="checkbox"/> EIN Verification
With Bank Account: Recent 2019 Bank Statement with club name on account(s). Financial Review Form for the 2019-2020 4-H Year.	With Bank Account: Recent 2019 Bank Statement with club name on account(s).
Club Without Bank Accounts	
<input type="checkbox"/> Approved/Proposed Bylaws with club name and dissolution clause.	

DO NOT UPLOAD THIS THIS FORM TO 4HCONNECT!

Instructions: Login to the family account on 4HConnect, register an active adult (agent or volunteer) in the event called "19-20 CLUB CHARTER APPLICATION". Complete the blanks on the online event using this form as a guide.



This agreement is between _____ in _____ County, Texas and Texas 4-H, Inc.
Chartered Organization *Chartering County*

Chartered Organization EIN: _____ Mailing Address: _____

The purpose of the 4-H program is to provide meaningful opportunities for youth and adults to work together to create sustainable community change in a learn-by-doing program. This is accomplished within three primary areas including citizenship, healthy living, and science. The purpose of 4-H is to help youth become productive members of society. The educational programs help youth develop inquiring minds, learn practical skills, strengthen decision making abilities, develop youth-adult partnerships, improve communications and interpersonal relationships, and ultimately share their skills and experience in leadership roles. Through hands-on, learn-by-doing activities, youth establish real-life goals and develop important life skills.

The Chartered Organization, as a duly constituted organization under Texas 4-H, Inc. that serves youth and is guided by adult volunteer leaders wish to use the program of 4-H and the 4H name and emblem to further the development of the youth it supports. The club/group provides the support and service it needs to further the mission and purpose of 4-H. 4-H programs, through clubs/groups, are available in every county in Texas. The county 4-H office of the Texas A&M AgriLife Extension Service provides the administration of all 4-H clubs/groups in the county for which they are assigned and responsible.

The Chartered Organization agrees to:

- Use the 4-H program to further the purpose of 4-H.
- Use the 4-H program to develop youth leadership, life skills, and service to community.
- Conduct programs in accordance with Texas A&M AgriLife Extension Service and Texas 4-H Youth Development Program rules and guidelines.
- Provide equal opportunities in programs and activities, and education to all persons regardless of race, color, sex, religion, national origin, age, disability, genetic information, veteran status, sexual orientation or gender identity.
- Use the 4-H name and emblem in accordance with 4-H policies, and 18 USC 707.
- Be administered locally by the county 4-H office of the Texas A&M AgriLife Extension Service.
- Follow all rules and requirements of adult volunteer service to youth in accordance with Youth Protection Standards outlined by Texas A&M AgriLife Extension Service.
- Follow and abide by Texas 4-H Financial Management Guidelines.
- Follow and abide by all Texas 4-H Inc. chartering rules and requirements as outlined in the 2019-2020 Texas 4-H Chartering Instructions published by Texas A&M AgriLife Extension Service, as it relates to:
 - Charter Application
 - Charter Agreement
 - Bylaws or Standing Rules
 - Employer Identification Number
 - Banking and Financial Institutions
 - Financial Accountability & Reporting
 - Other Club/Group Charter Requirements
- Secure adequate and appropriate meeting facilities for the club/group to facilitate the implementation of the 4 H program of this Chartered Organization.
- Surrender all financial assets held in financial institutions and property/inventory assets upon dissolution of the Chartered Organization to the county Extension agent or representative.

Club/Group Agreement: This Club/Group Charter may be revoked at any time by an official representative of Texas A&M AgriLife Extension Service directly responsible for administering the 4-H program covered by this Charter. This authorizes the Texas A&M AgriLife Extension Service employee (below) or their representative full access to retrieve banking records, funds and authority of any financial institution accounts (checking, savings, investments) held by this Chartered Organization. Furthermore, by submitting this charter agreement, we understand and agree that the Chartered Organization will follow the Standard Texas 4-H Club Bylaws.

We further agree that our Club/Group bylaws can in no way contradict or change the Texas 4-H Club Bylaws, nor can they violate the Texas 4-H Rules and Guidelines.

Signature: _____ Printed Name: _____ Title: _____ Date: _____
Chartered Organization Adult Volunteer Leader

Signature: _____ Printed Name: _____ Title: _____ Date: _____
Signature Authority of Financial Accounts Held by Chartered Organization

Approved by:

Signature: _____ Printed Name: _____ Title: _____ Date: _____
Texas A&M AgriLife Extension Service Representative

ALL SIGNATURES ARE REQUIRED BEFORE SUBMITTING ONLINE



All 4-H clubs or groups with a bank account under the Texas 4-H Inc 501c3 umbrella, must complete an annual financial review in order to maintain their charter status. This form should be completed and submitted to the County Extension Office during the chartering process. This annual review should be based on the past twelve-months at time of review because of the chartering timeline. Members of the review team should be adults knowledgeable of basic bookkeeping/banking skills and NOT be affiliated with the club/group or county Extension office.

Club Name:	EIN:
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ACCOUNT INFORMATION

BANK ACCOUNT #1	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Other	Bank Name:
	Signers On Account:	Balance at the time of Review: \$
BANK ACCOUNT #2	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Other	Bank Name:
	Signers On Account:	Balance at the time of Review: \$
BANK ACCOUNT #3	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Other	Bank Name:
	Signers On Account:	Balance at the time of Review: \$

The signers on the account(s) above must be from two different families.

Is there a debit card associated with this club/group? If yes, who has possession of it? _____	<input type="checkbox"/> No <input type="checkbox"/> Yes	List Online Payment Systems (i.e. PayPal, Eventbrite, Bloom, etc.) being used and the email address associated with them:
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FINANCIAL REVIEW

List any expenses without receipts and/or any receipts that raise questions/concerns. (Include additional pages if needed.)

Date	Check #/Debit Card Entry	Payee	Expense (List Item)	Reason/Concern

Comments or Suggestions for Improvement:

CERTIFICATION

We, the undersigned, have examined the financial records of the above named club/group and found them to be:

Select One: In order Not in order In order, but in need of better organization or record keeping

Reviewer's Printed Name	Occupation or Title	Signature	Review Date
1 _____	_____	_____	_____
2 _____	_____	_____	_____

Reviewers cannot be associated with this club or any Extension Office. (The club manager cannot be a reviewer.)

EXTENSION AGENT REVIEW & CERTIFICATION

I, the undersigned, Extension Agent have reviewed this financial review of the above mentioned 4-H club/group and certify that all concerns and recommendations have been addressed, and the club/group is following sound financial practices to continue being chartered as part of Texas 4-H.

Printed Name	Title	Signature	Date
_____	_____	_____	_____

ALL SIGNATURES ARE REQUIRED IN ALL SECTIONS BEFORE SUBMITTING ONLINE

