

# Guidelines for Use of County Portion of 4-H Fee Dollars

## How can the money be used?

### What can counties use their portion of the fee for?

The basic rule for use of funds generated by the fee is that they must be spent to support new programming or upgrades/updates/expansions of existing programs. Some examples include:

- ❖ Purchasing or developing materials for brand new program areas
- ❖ Purchasing newly revised curriculums for use within the county
- ❖ Purchasing existing curriculums that haven't previously been used in that county
- ❖ Updating existing program materials to include new research, practices, etc.
- ❖ Improving established programs at the local level
- ❖ Taking programs to new audiences within the community and/or assisting in new club formation
- ❖ Hiring a temporary worker who will only work on an allowable program for a specified period of time (no longer than two years) doing specific tasks

Examples of things that the fee *cannot* be used for include:

- ❖ Newsletters, unless this is the first time that your county has used newsletters as a source of providing information or the newsletter is being significantly expanded, revamped or offered in a different format (i.e., on the Web for the first time or in print for the first time)
- ❖ Paying the insurance fee for participants
- ❖ Covering the cost of youth show expenses
- ❖ Individual clubs will not be given the \$5 per member

### Is there a system or mechanism in place to determine the full extent of how county funds may be used?

In this kick-off year, we expect counties to propose uses for the funds which the state office will evaluate on a case-by-case basis. In other words, we will learn by doing. As the list of examples of acceptable (and unacceptable) uses grows, we will be able to provide all counties with an expanding list of examples that should help everyone make good choices for using the county portion of the fee dollars.

### Is it possible to use part of the county funds to support existing programs, not just new or restructured programs?

The purpose of the county fund is to enhance and strengthen the programs within the county. These funds could be used for an existing program if there is something different about the program. The funds are not meant to offset anything that the county is currently doing or funding. Keep in mind that programs might have updates or additions, or might reach out to new audiences or locations in the county. These would be a viable use of the funds for the current year.

**Will counties be required to submit an outline or plan for how they anticipate using the funds?**

No, but if a county is unsure of whether or not a proposed expense may be paid for out of participation fee funds, they should ask the state office. Counties will need to submit a report of how the money was spent at the end of each program year.

**Can the money be used for MATCH?**

The money could be used for MATCH if the person is being hired for a specific new or improved program, doing specific tasks for that program, and the position is not funded for more than two years by dollars generated by the participation fee. However, counties should think carefully about all of the outcomes, current and future, that might arise from using participation fees in this manner.

**Can the money be used for salaries?**

Only as previously described (i.e., a position directly tied to a new/updated program that does not last beyond two years maximum). The intent of the fee is to make a lasting investment in 4-H, which is best done through program development. 4-H families are most likely to accept the fee if they see something concrete being created with their dollars. Money spent on salaries is often a target for dissatisfaction and resentment and could be a catalyst for controversy regarding the participation fee.

**Can the county's portion of 4-H fee dollars be used to pay Extension's program cost recovery fee (PREF) if money from the county was previously used for new 4-H programs or enhancement to existing programs?**

No, all money raised from 4-H participation fees at either the county or state level may only be used to fund the development or purchase of new or improved 4-H programming.

**Can the money be used to promote 4-H in the local area?**

If the promotion is for a new program or an upgraded/updated/expanded existing program and is of short duration (i.e., used for the program start-up), fee funds could be used.

**Can we give money to clubs to use in their programs and for curriculum purchases?**

Yes, as long as what they are purchasing meets the basic rule: funds generated by the fee must be used to support new programming or upgrades/updates/expansions of existing programs.

**Can some of the funds be used to pay back Council for things they have covered?**

Under some circumstances, yes. Let's say your county decides that some of the fee dollars will be spent to acquire curriculum for a 4-H program not previously offered in your county. Since all of the fee dollars in your county may not be collected until later in this programming year, the decision is made to "borrow" money from the Council to make the purchase now, with the stipulation that the money will be paid back when sufficient funds from collected fees have accumulated. Under those circumstances (i.e., a *planned* purchase made *this* programming year for *new* programming), county fee funds could be used for that reimbursement. However, the fee could *not* be used to reimburse the Council for anything purchased in previous program years, nor for items that weren't purchased with the intent of

being covered by the county's portion of the fee. Obviously, it could also *not* be used to cover expenses that don't meet the basic rule for spending the fee (see above).

### **Can participation fee funds be used to purchase equipment?**

Only equipment that is directly related to new or upgraded/updated/expanded existing programming may be purchased using money from the participation fees.

### **Does the annual fee need to be used on programming each year or can it be saved to be used in future years?**

The money may be rolled over from year to year, but the intent of the fund is that it be used to address real programming issues in each county. However, counties may *purposefully* choose to save a portion of the dollars to address a long-term programming goal. This is not a case of "use it or lose it."

## **What is the process for deciding how the money is used?**

### **Who decides how the local money is spent?**

The state 4-H office will offer guidelines and examples for appropriate use of fee dollars at the county level. Within those broad guidelines, counties may have a variety of ways for determining how the money will be spent and who makes the decision. Clubs could "apply" for the funds for special projects/purchases; or the 4-H educator could decide on the best use for funds, perhaps with input from the county Extension director and/or their 4-H council; or a county's 4-H council may make the decision. Each county's process could be different.

### **Can we offer clubs the opportunity to apply for mini-grants from this fund? Will there be any guidelines for deciding who would receive them?**

Yes, allowing clubs to apply for mini-grants could be part of your county's process for spending the fund. Each county would determine its own set of guidelines for deciding how to award the money.

### **Does any of the fee automatically come back to clubs?**

No, not automatically. The fee is specifically to develop programming, which is something done at the state 4-H office and in county Extension offices. These programming improvements benefit all 4-H participants and take into account local plans and needs. Money raised by other organizations such as Girl Scouts and Boy Scouts are similarly distributed to regional, state and even national levels, rather than at the club level. Depending on how counties choose to use their funds, clubs may have the opportunity to apply to the county for mini-grants that could be used to support new or updated programming. The [parent flier](#) should be used with parents to help them understand the new 4-H fee, and the [club leader flier](#) should be used with volunteer leaders.

### **Who is going to manage the fund, the Council or the MSUE office?**

Depends on the county. There are many different arrangements throughout Michigan, and each county will have to involve all appropriate parties (Council, MSUE, county officials, etc.) to decide how the fund will be managed.

**Can the 4-H Extension Advisory Committee manage the county's portion of participation fees?**

Yes, if your county decides that is the best way to handle the funds.

**What type of a report/documentation will be needed at the end of the year related to use of the local funds?**

Counties will be required to submit a report of how they spent their participation fee dollars. A format for that report has not yet been developed, but when it becomes available, it will be posted on the [fee page](#) on the [4-H Web site](#), and county offices will be notified by e-mail.