



COUNCIL LEADERSHIP

21st Century Programs, Governance & Membership

Understanding County Budgets and Fiscal Reports

Council Member Handout

Funding for University of Missouri Extension is a shared responsibility among the U.S. Department of Agriculture, the University of Missouri and county Extension councils. As a council member, you and your council have responsibility to oversee and account for all funds received and used by the local office for its operation and program expenses.

This module will help you understand:

- Sources of funding for Extension work;
- Your role in fiscal accountability;
- Reports the council is required to provide.

Sources of Funding

University of Missouri Extension is funded through a three-way partnership with federal, state and local governments. Extension work also is supported through grants and contracts awarded to the University or county Extension councils.

Federal

The U.S. Department of Agriculture, through the Cooperative State Research, Education and Extension Service, funds cooperative Extension work carried out through land-grant universities, such as the University of Missouri and Lincoln University. Some federal funds are earmarked for specific programs, such as the Expanded Food and Nutrition Education Program, which is part of Missouri's Family Nutrition Education Program.

State

State appropriations from the Missouri General Assembly to the University of Missouri support regional and campus faculty for the development of high-priority educational programs.

County

County governments appropriate funds annually to county Extension councils for support of local Extension work. Local Extension budgets also are supported through the resale of guidesheets and other publications, and services, such as soil testing; donations from citizens; grants for specific activities; and fees for programs.

Grants and Contracts

Grants and contracts with federal, state and local agencies provide funds for specific educational

programs delivered by UME and other University faculty and staff. Grant and contract funds support campus and regional Extension activities.

State Statutes Governing County Council Finances

The Revised Statutes of Missouri, Chapter 262, outline the Extension council's legal responsibilities for financial support of local Extension work, and management of and accountability for the council budget.

Section 262.590(3) states that it is the council's duty to *“arrange for and administer the county's share of the cost of the Extension services in the area over which the council has jurisdiction ...”*

Section 262.593 establishes the Extension council as the official governing body in the county:

- 1. The council shall be recognized as the official body within the county to cooperate with the university in carrying out the provisions of the Smith-Lever Act of Congress and amendments and acts supplementary thereto (7 U.S.C.A. Sec. 341 et seq.) and any other acts affecting Extension programs.*
- 2. The council shall not engage in commercial or other private enterprises, legislative programs, or other activities not authorized by sections 262.550 to 262.620 and shall not give preferred service to any individual, group or organization.*
- 3. Councils may collect fees for specific services which require special equipment or personnel, such as a soil testing laboratory, seed testing service or other educational service, but they shall not collect dues for or pay dues to any state or national organization or association. The furnishing of supplies or services deemed necessary by the university and the council to the conduct of any education program authorized under sections 262.550 to 262.620 shall not be considered private enterprise or commercial activity within the meaning of sections 262.550 to 262.620.*
- 4. Councils may accept contributions of funds from private sources to be used for Extension purposes. Nothing in sections 262.550 to 262.620 shall prevent councils or Extension personnel from using or seeking opportunities to reach an audience of persons interested in Extension work through the help of interested farm organizations, civic organizations or any other group, but in using or seeking such opportunities the council and Extension personnel shall make available to all groups and organizations in the county equal opportunity to cooperate in the educational Extension program.*
- 5. Extension personnel shall not require uniform bylaws, regulations and methods of procedure.*

Section 262.597 provides further detail on local Extension budgets and appropriations:

The council, in cooperation with the county commission and the university, shall prepare an annual financial budget covering the county's share of the cost of carrying on the Extension



services contemplated by sections 262.550 to 262.620 which shall be filed with the county commission on or before January first each year and the county commission shall include the budget so filed in class four of the budget of county expenditures for such year in counties budgeting county expenditures by classes, and in the budget document of all other counties, subject to the following minimum appropriations:

- (1) In counties with an assessed valuation of seventy million dollars or more, ten thousand dollars;*
- (2) In counties with an assessed valuation of twenty-five million dollars or more, but less than seventy million dollars, five thousand dollars;*
- (3) In counties with an assessed valuation of fifteen million dollars or more, but less than twenty-five million dollars, four thousand dollars;*
- (4) In counties with an assessed valuation of ten million dollars or more, but less than fifteen million dollars, two thousand five hundred dollars;*
- (5) In counties with an assessed valuation of eight million dollars or more, but less than ten million dollars, one thousand five hundred dollars;*
- (6) In counties with an assessed valuation below eight million dollars, one thousand two hundred dollars.*

Section 262.600 explains the procedure for the monthly requisition of funds from the county commission:

Immediately following the close of each month the council shall requisition the county commission for the estimated amount of the month's expenditures and within ten days after filing the requisition, shall submit to the county commission a certified, itemized statement of all expenditures covered by the requisition. The requisition shall constitute the basis for immediate issuance by the county commission and it shall, if there be funds available therefore, promptly issue a warrant covering the requisition in full and drawn in favor of the treasurer of the council. For the purpose of this section the chairman and secretary of the council shall be regarded as certifying officers. The requisition for any given month shall not exceed one-twelfth of the total amount appropriated for the year unless a reserve shall have accumulated as a result of expending less than the aforementioned twelfth portion during one or more preceding months, in which case the reserve shall be constantly available for current expenditures. If the amount of the certified itemized statement is less than the amount requisitioned the difference shall be credited against the next requisition. Any unused funds remaining in the appropriation on December thirty-first shall revert to the county treasury.

Section 262.610 describes how the council treasurer should handle and report on funds:

- 1. All moneys received by the treasurer for the council shall be deposited by him in a bank or trust company designated by the council and authorized to receive public deposits.*



2. *The treasurer shall pay out, on the warrant of the secretary of the council, or by a combination warrant check, signed by the chairman of the council and treasurer of the council, all moneys which come to his hands for the use of the council, and he shall not pay any sum from the funds of the council in any other manner.*
3. *He shall keep a book in which he shall enter all the moneys received and disbursed by him, specifying the person from whom received and to whom paid, and the object for which same has been paid out.*
4. *He shall present to the council at each annual meeting of the council a report in writing containing a statement of all moneys received by him from the county treasurer and from any other source since the last annual meeting of the council, and of the disbursements made by him with the items of such disbursements, and exhibit the warrants or checks or combination warrants and checks therefore, which report shall be recorded by the secretary of the council; and at the close of his term of office shall settle with the council; and shall hand over to his successor the books and all other records and papers coming into his hands as treasurer, together with all moneys remaining in his hands as such treasurer.*

Section 262.617 details the annual report to the county commission:

At the close of each calendar year the council, through its secretary, shall make an annual detailed report to the county commission, covering all receipts and expenditures, together with a summary of work undertaken and results accomplished. The report shall be filed with the county commission not later than February first, following the close of the year or portion of year covered by the report.

Extension Council Operating Budget

In addition to the provisions of Section 262.573 of the state statutes, University of Missouri Extension issues annual county funding guidelines for county Extension operations. These guidelines are based on the number of specialists headquartered in the office and current actual costs to ensure adequate resources to support the Extension mission. These costs include:

- Travel (mileage reimbursement) for regional Extension faculty who conduct educational activities in the county;
- Materials for educational activities, e.g., handouts, notebooks, etc.;
- Marketing, e.g., brochures and advertising;
- Council-employed secretary's salary;
- Office operations, e.g., rent, utilities, equipment, supplies.

County Extension councils prepare and approve an annual operating budget, which is inclusive of all council operations, including all sources and uses of funds. This budget is submitted to the county commission annually — Jan. 1 for most counties; by Sept. 1 for first-class counties. The county program director, as the UME liaison with the council, assists in preparing the budget and



keeping it current during the year. The council treasurer provides a monthly financial statement at each council meeting (*see “Sample Monthly Financial Statement”*).

County financial records are maintained in QuickBooks Pro, a computer software application for cash-fund accounting. The financial records include receivables, payables, revenue, expenses, assets and liabilities.

“Fiscal Policies and Procedures for County Councils” provides guidance to ensure that county Extension councils comply with state statutes, University of Missouri policies and commonly accepted accounting and management practices for public entities. These policies and procedures provide for uniform financial record keeping and facilitate reporting among cooperating partners, the University, county councils and county commissions. Councils may adopt additional policies and procedures to ensure efficient management of their operations.

Required Reports

Because University of Missouri Extension at all levels, including county Extension councils, receives public funds to support its mission, regular reporting is required by the funding entities. The following reports are required of the county Extension council:

Monthly Financial Report - The council treasurer with assistance from the county program director and local staff members prepares a monthly financial statement, which is reviewed by the county council (*see “Sample Monthly Financial Statement”*). Items included in the statement:

- Current cash position;
- Checks to be approved and written;
- Accounts payable;
- Cash position after paying bills;
- Account balances;
- Any other financial information the local council deems necessary.

Quarterly Financial Reports - The council treasurer, with support from the county program director and local staff members, creates a quarterly financial statement, which is submitted to the regional director. This report, signed by the council chairman and the county program director, is used to meet the University’s state and federal reporting obligations. The reports include a summary of revenues and expenses for the previous quarter.

Annual Report of Operating Budget - Per state statutes (*see Section 262.610(4), RSMo, 1961*), the council treasurer presents a written financial report at the annual meeting. The report of revenues and expenses is recorded by the council secretary.

It is the council secretary’s responsibility to prepare a detailed annual report to the county commission (*see Section 262.617, RSMo., 1961*). The report should include:

- Summary of receipts and expenditures prepared by the council treasurer;



- Summary of work undertaken;
- Results accomplished.

The report is to be filed with the county commission no later than Feb. 1, following the close of the year.

Annual Audit Report - In keeping with commonly accepted practices for public entities, the county Extension council conducts an annual audit of its financial records and operating procedures after books are closed for the prior year (*see “Audit Guidelines for County Extension Councils”*). Depending on the volume and complexity of financial transactions, a council may elect to: 1) appoint an audit committee, or 2) engage a certified public accountant or audit firm.

A written report is presented to the Extension council and made part of the minutes. The audit report should be presented to the county commission and made available to the public. A copy should be provided to the regional director.

Steps to Providing Sound Financial Management

The following steps can ensure that county Extension council members and the county program director are good stewards of the funds entrusted to them:

The County Program Director:

1. Provides management support for day-to-day council operations;
2. Supervises council-paid support staff;
3. Prepares receipts and disbursements per the council budget, policies and procedures for review and approval by the council;
4. Implements county-level administrative support systems, policies and procedures;
5. Keeps the council and regional director informed of administrative matters.

County Extension Council Members:

1. Prepare an annual financial budget;
2. Arrange for and administer county’s share of the cost of Extension services; if needed, support fund-raising activities to support programmatic needs;
3. Receive by way of gift, purchase or other manner, real or personal property required for the administration of the Extension program;



4. Collect fees for services requiring special equipment or personnel. Supplies or services necessary to conduct educational programs are not considered private enterprise or commercial activity within the meaning of the statutes;
5. Accept financial contributions from private sources to be used for Extension purposes. The Internal Revenue Service has ruled gifts and contributions to the council to be tax-exempt;
6. Prepare a monthly fund requisition and certified statement of expenses and submit to county commission;
7. Direct the council treasurer to account for all monies received and disbursed, specifying the person from whom received, to whom paid and the purpose;
8. Direct council secretary to make an annual report of receipts and expenditures, work undertaken and results accomplished for the county commission;
9. Establish procedures for providing a satisfactory audit and management review of funds administered by the council.

Additional Resources

1. **Revised Statutes of Missouri, Chapter 262**; see The Extension Council Manual (M-61), p. 3 (<http://www.moga.state.mo.us/STATUTES/C262.htm>)
2. The **Sample Monthly Financial Statement** shows the type of information included in monthly reports to the Extension council.
3. **“Fiscal Policies and Procedures for County Councils”** provides financial management guidance. (http://extension.missouri.edu/staff/adminmgmt/fiscal_policy_council.html)
4. **“Audit Guidelines for County Extension Councils”** lists steps for conducting annual audit of Extension council fiscal records and operating procedures. (<http://extension.missouri.edu/staff/adminmgmt/audit.html>)
5. **“County Extension Council Funding Guidelines for 2004”** outlines estimated operational costs for county offices.
6. **UME Budget Information website** provides an overview of funding sources and related information. (<http://extension.missouri.edu/about/budget/>)

Developed by:

Dennis Grisham, *Member*
Greene County University of Missouri Extension State Council

Bud Reber, *Director, East Central Region*
Jim Thompson, *Ag Business Specialist, Laclede County*
Sandy Stegall, *Extension Communications Coordinator*
University of Missouri Extension



A Measure on How County Extension Councils are Doing

A tool for assessing the local support for Extension programs.

This document should be used along with the council funding guidelines. This measure will assist councils to assess their current situation and plan for the future. Critical Criteria in this document are underlined.

Critical Criteria include: A. Programs - 1. Programming B. Funding - 1. Local Funding (source of funds, etc.) 2. County Commission Support Funding - 3. Operating Reserves Funding - 4. Council Operations - Bonds, Insurance - C. Office - 1. Council Paid Receptionist and Office Support

Instructions: Circle on the grid where your council ranks.

<i>Criteria</i>	<i>At Risk</i>	<i>Minimum/Safe</i>	<i>Target/Thriving</i>
A. PROGRAMS			
<u>1. Programming</u>	Unable to consistently support a variety of programming driven by local needs.	Able to support basic programming opportunities driven by local needs.	More than adequate variety of programming opportunities driven by local needs.
2. Professional Development (professional, support staff and program assistants)	Never or seldom allotment for professional development.	Occasional allotment for professional development.	Annual allotment for professional development.
3. Program Delivery-- Meeting Space	Limited access to meeting space at little or no charge.	Access to meeting space at little or no charge.	Access to meeting space of choice.
4. Program Delivery--Equipment (in addition to flip charts, easels, overhead projectors, slide projectors and other audio/visual equipment used in programming.)	Access to laptop and projection equipment is no more than two counties away.	Access to laptop and projection equipment no more than one county away.	Access to laptop and projection equipment per county.
5. Private Conference Area	None within building.	Easily accessible within building.	Private conference space as a part of assigned space.

<p>6. Individual Office Space</p>	<p>Shared workspace, efficiency challenged.</p>	<p>Individual office space for each professional position with adequate room for resources and functional work space.</p>	<p>Private office space for each professional and program position with adequate room for resources and functional work space.</p>
<p>7. County Office Facility Location--In compliance with the Americans with Disability Act (ADA)</p>	<p>Physical location not ADA accessible however accommodation plan in place and posted.</p>	<p>ADA accessible location.</p>	<p>ADA accessible location.</p>
<p>B. FUNDING</p>			
<p><u>1. Local Funding (source of funds etc.)</u></p>	<p>Programming restricted by amount of time spent on fundraising. Extension Council is not actively pursuing sustainable sources of funding.</p>	<p>Extension Council efforts focused on sustainable sources of funding.</p>	<p>Extension Council successfully meeting annual goals of revenue generation with revenues directed towards programming enhancement. Council has developed sustainable sources of revenue.</p>
<p><u>2. County Commission Support (262.550 to 262.620)</u></p>	<p>The County Commission funding is not reasonable. Please refer to the University Guidelines.</p>	<p>County Commissions level of funding is reasonable to support basic, general operations needs.</p>	<p>The County Commission funding is adequate to support operations and provides for expanded programming efforts.</p>

<p><u>3. Operating Reserves (Savings, Investments, Working Capital, etc.)</u></p>	<p>Council is using reserve funds to maintain and keep the office running. Reserves are declining and long term fiscal stability is not foreseeable or there are no reserves on hand.</p>	<p>Council has some operating funds in reserve, are using them to fund programming within the county. Reserves are stable or growing slightly. Reserves are sufficient to sustain cash flow for the year and for ongoing expenditures such as equipment support.</p>	<p>Council is growing additional funds and fiscal reserves that are being used to bring in new, innovative programs to the county. Reserves are sufficient to sustain operations on a consistent basis over a multi-year period.</p>
<p><u>4. Council Operations--Bonds, Insurance</u></p>	<p>No corporate surety bond or one of less than 125% of the estimated amount that will be in the hands of treasurer at any one time as defined in the state statutes. Office contents covered inadequately by insurance.</p>	<p>Corporate surety bond of not less than 125% of the estimated amount that will be in the hands of treasurer at any one time secured annually and timely as defined in the state statutes. Office contents covered adequately by insurance.</p>	<p>Corporate surety bond of 125% or more of the estimated amount that will be in the hands of treasurer at any one time secured annually and timely as defined in the state statutes. Office contents covered adequately by insurance.</p>
<p>5. Travel</p>	<p>Counties reimburse for mileage at a rate lower than the current IRS rate and program delivery may be restricted. Able to support faculty (headquartered in other counties) assigned to programming efforts in county.</p>	<p>Counties reimburse at the current IRS rate for mileage and have a county policy for meal reimbursement and are able to support travel associated with basic programming.</p>	<p>Counties reimburse at the current IRS rate and reimburse for meals consistent with the University policy and are able to support travel associated with a diversity of programming opportunities.</p>

<p>6. Communication (Phone)</p>	<p>Single-line phone, no access to fax in building, restricted long distance.</p>	<p>Multi-line phone, access to fax and long distance of choice.</p>	<p>Multi-line phone system, voice mail, in-office fax, speaker phone, council reimbursed cell phone use, video conferencing. etc.</p>
<p>7. Postage (total resources)</p>	<p>Inadequate to support needs beyond basic functions of the council.</p>	<p>Able to support basic council functions and adequate programming support.</p>	<p>Able to provide for additional large mailings beyond the basic council and programming needs.</p>
<p>8. Connectivity</p>	<p>Connectivity is limited and does not support programming needs.</p>	<p>The cost of connectivity is shared with the University in all locations.</p>	<p>Connectivity allows faculty and staff to produce programming and network at a highly efficient level.</p>
<p>C. OFFICE</p>			
<p><u>1. Council Paid Receptionist and Office Support (reference funding guidelines on FTE per specialist positions)</u></p>	<p>Open less than 35 hours, under 5 days per week or fewer hours than other county offices in the county courthouse. Salaries below market rate and the council makes no contributions to employee benefits.</p>	<p>One position at least 40 hours and 5 days per week or same hours as other county offices in the county courthouse. Salaries at market rate and council makes some contribution to employee benefits.</p>	<p>Open 40 hours each week and 5 days per week; additional hours for access (noon, evening, etc.)Salaries at or above market rate and council contributes significant amount to employee benefits.</p>
<p>2. Support Staff Skill Assessment (web link to the county funding guidelines). Proficient as receptionist, bookkeeping, secretarial duties, and has office management skills.</p>	<p>Support staff proficient only on the most basic of skills as described in the county funding guidelines.</p>	<p>Support staff proficient in tasks described in county funding guidelines.</p>	<p>Support staff proficient in tasks described in county funding guidelines.</p>

<p>3. Policies and Procedures</p>	<p>Few written working rules and policies. Some policies inconsistent with best practices of the University, including University of Missouri policies and procedures related to Affirmative Action and Equal Employment Opportunities. (AA/EEO).</p>	<p>Written policies reviewed annually and consistent with the University policies and procedures related to AA/EEO.</p>	<p>Written policies reviewed annually and kept updated and consistent with the University and in alignment with best practices</p>
<p>4. Council / Office Environment</p>	<p>Political, social or cultural environment is counter to appropriate business environment.</p>	<p>Political, social and cultural environment of the office and council creates a positive work environment.</p>	<p>Office and council are supportive of faculty and staff. Engaged extension council.</p>
<p>5. Supplies/Materials</p>	<p>Inadequate amount of supplies and staff relies on donated items.</p>	<p>Adequate supplies to comfortably support programming.</p>	<p>More than adequate amount of supplies available to support programming.</p>
<p>6. Equipment (computers, printers, scanners, digital cameras, copiers, etc.) Note: This is all faculty, staff and support staff.</p>	<p>Limited or no access to the suggested equipment for a functioning office and program. Out of date or in need of repair, not compatible with current operating systems.</p>	<p>Computer and printer working and with current operating system supported by the University, access to copier. Equipment is adequate, high quality and well-maintained.</p>	<p>Equipment is more than current, high quality and maintained.</p>

Council Review Date: _____

CPD or Council Chair Signature:

Regional Director Review Signature and Date: _____

Understanding County Budgets and Fiscal Reports -- 2004 County Extension Council Funding Guidelines

DRAFT 9/6/06

UNIVERSITY OF MISSOURI EXTENSION
 COUNTY EXTENSION COUNCIL FUNDING GUIDELINES
 2007

QuickBooks Categories	NO. OF SPECIALIST POSITIONS	1.0 FTE		2.0 FTE		3.0 FTE		4.0 FTE		5.0 FTE		6.0 FTE		7.0 FTE		8.0 FTE	
		MINIMUM	TARGET	MINIMUM	TARGET	MINIMUM	TARGET	MINIMUM	TARGET	MINIMUM	TARGET	MINIMUM	TARGET	MINIMUM	TARGET	MINIMUM	TARGET
	COST CATEGORY	(*2 and 6)	(*3 and 7)	(*2 and 6)	(*3 and 7)	(*2 and 6)	(*3 and 7)	(*2 and 6)	(*3 and 7)	(*2 and 6)	(*3 and 7)	(*2 and 6)	(*3 and 7)	(*2 and 6)	(*3 and 7)	(*2 and 6)	(*3 and 7)
	COMPENSATION																
	Admin and Support - FTE	1.00	1.00	1.00	1.00	1.50	1.50	1.50	2.00	2.00	2.00	2.50	3.00	3.00	3.00	3.00	3.00
2700	SEC/RECPT/BKPER	\$18,767	\$22,902	\$18,767	\$22,902	\$26,212	\$31,772	\$26,212	\$40,641	\$33,657	\$40,641	\$41,102	\$58,380	\$48,547	\$58,380	\$48,547	\$58,380
	TEMP. HELP # WEEKS	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	5.0	5.0	5.0	5.0	6.0	6.0	6.0	6.0
2700	TEMP. COMP.	\$859	\$1,023	\$859	\$1,023	\$859	\$1,023	\$859	\$1,023	\$1,432	\$1,706	\$1,432	\$1,706	\$1,718	\$2,047	\$1,718	\$2,047
2800	BENEFITS @ 12% (8)	2,551	3,110	2,551	3,110	3,519	4,263	3,519	5,416	4,562	5,505	5,529	7,811	6,534	7,856	6,534	7,856
	Total Comp. (4)	\$22,178	\$27,036	\$22,178	\$27,036	\$30,591	\$37,059	\$30,591	\$47,081	\$39,650	\$47,852	\$48,063	\$67,897	\$56,799	\$68,283	\$56,799	\$68,283
3100	TRAVEL (5)	\$2,500	\$2,500	\$5,000	\$5,000	\$7,500	\$7,500	\$10,000	\$10,000	\$12,500	\$12,500	\$15,000	\$15,000	\$17,500	\$17,500	\$20,000	\$20,000
3600	POSTAGE	\$2,120	\$2,120	\$3,340	\$3,340	\$4,495	\$4,495	\$5,494	\$5,494	\$6,676	\$6,676	\$7,622	\$7,622	\$8,765	\$8,765	\$10,080	\$10,080
3700 & 3800	TELEPHONE (local and toll)	\$1,500	\$1,500	\$2,100	\$2,100	\$2,800	\$2,800	\$3,500	\$3,500	\$4,200	\$4,200	\$5,000	\$5,000	\$5,800	\$5,800	\$6,600	\$6,600
6400	OTHER CONTRACT SERVICES (connectivity)	\$300	\$300	\$400	\$400	\$500	\$500	\$600	\$600	\$700	\$700	\$800	\$800	\$900	\$900	\$1,000	\$1,000
5100	SUPP. & MATERIALS (5)	\$3,056	\$3,056	\$4,579	\$4,579	\$6,114	\$6,114	\$7,567	\$7,567	\$9,171	\$9,171	\$10,625	\$10,625	\$12,587	\$12,587	\$14,908	\$14,908
7300 & 7700	EQUIPMENT (5) (REPAIR & REPLACE)	\$2,000	\$2,000	\$2,500	\$2,500	\$3,000	\$3,000	\$3,500	\$3,500	\$4,000	\$4,000	\$4,500	\$4,500	\$5,000	\$5,000	\$5,500	\$5,500
	COUNCIL OPER. (BOND,INS,ELECT)	\$600	\$600	\$800	\$800	\$900	\$900	\$1,100	\$1,100	\$1,300	\$1,300	\$1,500	\$1,500	\$1,700	\$1,700	\$1,700	\$1,700
	SPACE / UTILITIES	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
	TOTAL	\$34,254	\$39,112	\$40,898	\$45,756	\$55,900	\$62,368	\$62,352	\$78,843	\$78,197	\$86,399	\$93,110	\$112,944	\$109,051	\$120,534	\$116,587	\$128,071

(1) ANY COSTS FOR "SPACE/UTILITIES" ARE IN ADDITION TO THESE STANDARD COSTS.

(2) Admin and Support Costs First position @ \$9.02 /HR. (6) Admin and Support costs second position @ 7.16

(3) Admin and Support Costs First position @ \$11.01 /HR. (7) Admin and Support costs second position@ 8.53

(4) TOTAL COMPENSATION COSTS WILL VARY AMONG COUNTIES BASED ON ACTUAL SALARY RATES AND BENEFIT COSTS.

(5) Council costs for support of Educational assistants, Program Assistant, Associate or Educator positions should be added to each category.

The size of the youth program in the County can have significant impact on the support required to carry out the program and should be taken into consideration when preparing the budget.

Est. cost per fte	Travel	1,071
	Comm.	300
	Supp. /Mat.	600
	Equip. R&R	120
	TOTAL	\$2,091

(8) Benefits are calculated at 13%: 7.65 covers Social Security and Medicare, the remainder should be contributed toward retirement or health benefits for the staff. It is expected that the costs of employee benefits will continue to increase over time and to provide a reasonable environment for full time employees employers should be proactive in finding additional dollars to support benefits costs.

UNIVERSITY OF MISSOURI EXTENSION COUNTY EXTENSION COUNCIL FUNDING GUIDELINES FOR 2007

Funding Extension work is a cooperative venture of federal, state and county governments as stated in both federal and state legislation. In addition councils have authority to secure funding support from numerous other sources such as grants, fees, other governmental units and contributions. **Councils are encouraged to consider all viable sources of support, cash and in-kind, in arranging for the local portion of support for Extension programming. Councils are also encouraged to work with Extension staff toward developing a 2-3 year plan for achieving “target” support levels.**

The following information and table is to assist county extension councils and Extension staff in planning for and securing needed financial support. The table identifies “minimum” and “target” amounts of funding for various numbers (FTE) of professional positions to be headquartered in a given county. Also noted is the recognized cost of supporting education assistant positions. In the final analysis, the fiscal objective must be to secure support, whether actual cash or in-kind, to allow staff to function at maximum effectiveness.

Cost Category/Criteria

1. Administrative Support

Effective operation of a county University of Missouri Extension Center and support for professional field faculty and program assistants requires access to support staff proficient in receptionist, secretarial, bookkeeping and office management skills. In order to provide adequate public service, county extension centers, where two or fewer professional staff are officed, require at least one full-time administrative support position. Where three or more professional staff are officed, additional administrative support is required. With the complexity of receptionist, secretarial, bookkeeping and office management functions to be performed, wage levels should be sufficient to retain staff in these positions over time.

In preparing budgets, planned costs for salaries and benefits may vary greatly from either the minimum or target amounts based upon actual salary rates and benefit costs.

In 2000 the University began offering and funding health and retirement plan benefits for county office secretaries working at least $\frac{3}{4}$ (.75fte) time. The basic plans require no council funding. Councils may offer and fund benefits for staff working less than $\frac{3}{4}$ time and offer benefits beyond the basic plans. Each council makes these additional cost decisions. With the rising cost of benefits, counties are encouraged to make contributions to the cost of these benefits where feasible to make the programs more attractive to the staff.

Temporary Support– This item reflects the need for temporary clerical assistance to provide for vacation, sick leave, overload assistance and training time.

The values for the 2007 clerical costs are based on studies of similar positions within the state of Missouri and were compared with the range of salaries paid to Extension Council Clerical positions across the state of Missouri in 2004.

2. Travel

This expense category reflects funds to reimburse staff for official business use of a personal vehicle and for associated meals and lodging. It is recommended staff be reimbursed at the University approved rate.

These resources are to support all staff members having program responsibilities in the county in carrying out programs associated with county plans of work.

University of Missouri Extension reimburses staff for travel expenses associated with participation in University of Missouri Extension authorized training, statewide committee work and other activities beyond the scope of county plans of work.

3. Postage, Telephone and Connectivity

This expense category reflects the cost of an office telephone system, long-distance service and postage costs for mailings not allowable as official mail. This item also includes the council portion of cost for Internet access services. University of Missouri Extension funds the majority of Internet access costs.

4. Supplies and Materials

This expense category reflects basic office and educational supplies and materials necessary to developing and delivering programs and supporting council operations. This item should include subscriptions to appropriate subject matter periodicals and needed reference materials.

5. Equipment

This expense category reflects the cost of regular maintenance, periodic replacement and insurance for council owned office and educational equipment. University purchased/owned/inventoried equipment located in county offices is insured by University of Missouri Extension.

6. Council Operations

This expense category reflects the cost of required surety bonds, election expenses, meeting and any other expenses necessary to the effective functioning of the council.

7. Office Facilities

The County University of Missouri Extension Center and meeting facilities are generally provided as “in-kind” by county government and thus are not part of most council operating budgets. If space is rented or owned, costs such as rent, janitorial service and utilities become part of the operating budget plan. Whether provided in-kind, rented or owned, facilities arrangements should include maintenance, janitorial service, private offices for each professional staff member, reception and secretarial work areas and secure equipment and supply storage areas. Facilities should be comparable to that occupied by other professionals in the community. Each extension center should include a furnished conference room, at least large enough to accommodate meetings of the council.

8. Multi-County Staffing

Most University of Missouri Extension regional specialists have multi-county responsibilities. This expectation was considered in developing these criteria and should be considered by extension councils when developing budget plans.

9. Support for Program Assistant Positions

Many counties have program assistant type positions assigned for county specific programs. These positions may be council and/or University of Missouri Extension supported. Where supported by a council, operating budget plans need to include travel, communications, supplies, equipment, office space and clerical support.

Where a council provides partial or total salary for a program assistant position, the pay rate should be at the same level as for similar University of Missouri Extension paid positions. Those education assistant type positions provided through funded programs such as Family Nutrition Education Program or Small Family Farm may not require direct cash support but generally do need adequate office and/or work space.

How to Use County funding Documents

Below is an outline of the intended use of the County funding documents provided and information regarding decision points of councils and extension administration. Review this document in its entirety. The intent is to assist counties assessing their financial situation and plan for the future. This document moves our guidelines into a progressive work rather than static fiscal expectations. The funding guidelines and the measure of how an extension council is doing provide both numbers and general information for decision making. The action plan at the end of this document will provide councils with an opportunity to plan and will assist regional directors with pertinent information in cases where lack of adequate funding requires action.

- **A Measure of How County Extension Councils are Doing: A tool for assessing the local support for Extension programs—Appendix A**
 - This document looks at how counties are doing in terms of programs, support, and funding. The format is tiered—“at risk”, “minimum/safe” and “target/thriving” indicators are used for descriptors for a county to make a self assessment of how well they provide/support extension operations in a particular county. This document contains no dollar amounts—however, the “minimum” and “target” indicators can be associated with the funding guidelines—as the level of service/programming that can be provided for the corresponding budget amount.
 - Any county that experiences an “*at-risk*” ranking in the following criteria would immediately be reviewed and the appropriate decision-point actions implemented.
 - A. Programs—1. Programming**
 - B. Funding—1. Local Funding (source of funds etc.)**
 - Funding—2. County Commission Support**
 - Funding—3. Operating Reserves**
 - Funding—4. Council Operations—Bonds, Insurance**
 - C. Office—1 Council Paid Receptionist and Office Support**
- **Funding Guidelines for 2007 Narrative and Spreadsheet and Narrative—**
 - This document is to be used with county commissions and partners in securing funding to fund local extension operations and programming. The values are based upon statewide averages submitted through financial reports by county councils. The accompanying narrative describes each of the line items in the suggested budget.

Resources to contact with questions about County Funding: County Program Directors, Regional Directors, Director of Off-Campus Operations, County Council Coordinator for Membership and Marketing

Decision points and actions in regards to extension programming, services and personnel.

When local funding does not meet the need of the local operation, there are several decisions that must be made. These decisions will be based on both fiscal and operational factors. These decision points will determine what actions the University and the local partnership will take.

Decision points may involve the

- Relocation, replacement or removal of programs
- Relocation, replacement or removal of services
- Relocation, replace or removal of University of Missouri Extension personnel.

The following criteria will be used in making these decisions and will be evaluated on a **case-by-case basis** by the regional director and the director of off-campus operations in consultation with the local extension council.

- **What if a county extension council’s funding/situation is such that there are multiple “at-risk” factors evident as measured by the “A Measure on How County Extension Councils are Doing.”**
 - For each criterion that was in the “at-risk” rating, a plan of action (short-term and long-term) will be developed by the council for movement into the minimum/safe criteria. They must demonstrate sustainability in funding to house faculty.
 - In counties with multiple specialist positions, when the at-risk factors are such that the Regional Director and Director of Off Campus Operations determine the county can not support current staffing level, extension will develop a plan to remove positions to a level where local funds can support the staffing level.
- **What if a county extension council receives *only the state statute minimum* in county appropriations?**
 - The County Extension Council will review its financial resources (in addition to the statute minimum) and determine their best mix for investment to *sustain programming*.
 - Faculty in the region will continue to be assigned to program in the county as resources are available to support programming.
 - If the budget does not sustain the FTE assigned to the county, the regional director will work with the county council and the county program director to reassign faculty and staff if possible within the region.
- **What if a county extension council receives *below state statute minimum* in county appropriations?**
 - There will be no county-based extension programming or services—offered locally, regionally or by state personnel.
 - No extension county-based faculty will be headquartered in the county and no faculty in the region will be assigned to serve the county. The regional director will work with the county council and will reassign faculty within the region if possible.

- There will be no extension county-based faculty.
- Residents may participate in extension programming and access services through other counties or through the world-wide web.
- A county program director will be assigned by the Regional Director to work with the county council.

- **What if a county extension council reestablishes it's funding (from below state statute minimums) at or above the state statute minimum for the county?**
 - The County Extension Council will review its financial resources and determine their best mix for investment to *sustain programming*.
 - No faculty will be headquartered in the county until the county can sustain a level of funding at the minimum/safe level referencing the “Funding Guidelines for County Extension Councils” and “A Measure on How County Extension Councils are Doing” for 12 to 18 months.
 - A county program director will be assigned to the County Extension Council,
 - The County Extension Council should prepare an year action for sustainable funding.
 - Upon reestablished funding, program efforts in the county will be renewed.

Following are two tools that could be used in the assessment process:

A Measure on How County Extension Councils are Doing

Complete for each area that received an “At-Risk” rating.

Criteria: _____

Short term actions (next 6 months) needed to move the criteria from “At-Risk”

Situation:

Action: (What actions will be taken to move from “At-Risk” category?)

Time frame:

Persons responsible: (Who is responsible for implementing appropriate actions?)

Long term actions (6 months to 3 years) needed to move the criteria from “At-Risk”

Action: (What actions will be taken to move from “At-Risk” category?)

Time frame:

Persons responsible: (Who is responsible for implementing appropriate actions?)

Worksheet for Improving Council Funding

Action Needed	When the Action will be Completed	Who Will Take Responsibility for Implementing the Action

Reviewed by Council Chair _____
Signature Date

Reviewed by County Program Director

Signature Date

Reviewed by Regional Director

Signature Date

Real County Extension Center

	<u>Aug 31, '03</u>
ASSETS	
Current Assets	
Checking/Savings	
0050 · Checking	13,572.52
0051 · Savings	<u>4,519.59</u>
Total Checking/Savings	18,092.11
Other Current Assets	
1450 · Petty Cash	<u>1.68</u>
Total Other Current Assets	1.68
Total Current Assets	18,093.79
TOTAL ASSETS	<u>18,093.79</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
9000 · Payroll Liabilities	
9010 · Federal Withholding- Payable	197.00
9020 · Soc. Sec. Tax Payable	214.56
9025 · Medicare Payable	50.18
9030 · State Withholding Tax Payable	114.00
9070 · Retirement (PEBSCO)	<u>50.00</u>
Total 9000 · Payroll Liabilities	625.74
Total Other Current Liabilities	625.74
Total Current Liabilities	625.74
Total Liabilities	625.74
Equity	
0002 · Retained Earnings	18,063.70
Net Income	<u>-595.65</u>
Total Equity	17,468.05
TOTAL LIABILITIES & EQUITY	<u>18,093.79</u>

**Real County
Extension Center
Checks – Summary List
August 2003**

	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Original Amount</u>	<u>Paid Amount</u>
Aug '03	#####	4346	Joe Specialist	Reimburse for supplies	-9.06	-9.06
	#####	4347	Farm Bureau Insurance	Insurance for contents of building	-278.60	-278.60
	#####	4348	Downtown Music Company	Gift	-42.64	-42.64
	#####	4349	County Secretary	Payroll 8/1/03 to 8/31/03	-1,323.03	-1,323.03
	#####	4351	Soil Testing Services	Soil tests for May,June,July 03	-217.50	-217.50
	#####	4352	CGI Long Distance Services	Long distance phone	-128.87	-128.87
	#####	4353	University of Missouri-Columbia	Publications	-80.00	-80.00
	#####	4354	Alltel Mobile	Mobile phone for J. Specialist	-54.62	-54.62
	#####	4355	Neighboring County Extension Center	Specialist travel & meals	-281.10	-281.10
	#####	4356	Quill	Invoice #3155436	-132.19	-132.19
	#####	4357	Quill	Invoice #3268041	-12.94	-12.94
	#####	4358	University of Missouri-	Inv. # 03-0819-01 engineering publications	-4.50	-4.50
	#####	4359	Hometown Festival	Meals for Hometown Festival	-126.00	-126.00
	#####	4360	Another County Extension	4-H mouse pads	-10.00	-10.00
	#####	4361	Copy Products	Copier maintenance	-57.93	-57.93
	#####	4362	Contract Employee	Contract labor 16 hours	-112.00	-112.00
Aug '03						-2,870.98

**Real County Extension Center
Budget Overview vs. Actual for Class 1000
January through December 2003**

	1000 - County Appropriations				TOTAL			
	Jan - Dec '03	Budget	\$ Over Budget	% of Budget	Jan - Dec '03	Budget	\$ Over Budget	% of Budget
Income								
0210 - County Appropriations	28,387.53	37,850.00	-9,462.47	75.0%	28,387.53	37,850.00	-9,462.47	75.0%
Total Income	<u>28,387.53</u>	<u>37,850.00</u>	<u>-9,462.47</u>	<u>75.0%</u>	<u>28,387.53</u>	<u>37,850.00</u>	<u>-9,462.47</u>	<u>75.0%</u>
Expense								
2700 - Persnnl Serv - Salaries & Wag	16,068.00	21,425.00	-5,357.00	75.0%	16,068.00	21,425.00	-5,357.00	75.0%
2800 - Payroll Expenses	1,454.14	1,940.00	-485.86	74.96%	1,454.14	1,940.00	-485.86	74.96%
2900 - Non Payroll Salaries	371.00	325.00	46.00	114.15%	371.00	325.00	46.00	114.15%
3100 - Travel	2,217.83	5,000.00	-2,782.17	44.36%	2,217.83	5,000.00	-2,782.17	44.36%
3600 - Postage	416.99	250.00	166.99	166.8%	416.99	250.00	166.99	166.8%
3700 - Telephone Serv - Local	778.44	1,570.00	-791.56	49.58%	778.44	1,570.00	-791.56	49.58%
3800 - Telephone Serv - Tolls	1,272.61	930.00	342.61	136.84%	1,272.61	930.00	342.61	136.84%
3900 - Advertising	0.00	100.00	-100.00	0.0%	0.00	100.00	-100.00	0.0%
4400 - Rent/Lease Equipment	1,153.14	2,000.00	-846.86	57.66%	1,153.14	2,000.00	-846.86	57.66%
4401 - Postage Meter Rental	160.50	350.00	-189.50	45.86%	160.50	350.00	-189.50	45.86%
4700 - Publishing/Printing	0.00	150.00	-150.00	0.0%	0.00	150.00	-150.00	0.0%
5100 - Supplies/Services	1,716.94	2,600.00	-883.06	66.04%	1,716.94	2,600.00	-883.06	66.04%
6400 - Other Contract Services	0.00	180.00	-180.00	0.0%	0.00	180.00	-180.00	0.0%
6800 - Insurance	378.60	100.00	278.60	378.6%	378.60	100.00	278.60	378.6%
7000 - Miscellaneous	460.96	230.00	230.96	200.42%	460.96	230.00	230.96	200.42%
7010 - Extension Council Election Exp.	239.10	300.00	-60.90	79.7%	239.10	300.00	-60.90	79.7%
7300 - Repairs/Maintenance	0.00	150.00	-150.00	0.0%	0.00	150.00	-150.00	0.0%
7700 - Furniture/Equipment	252.09	250.00	2.09	100.84%	252.09	250.00	2.09	100.84%
Total Expense	<u>26,940.34</u>	<u>37,850.00</u>	<u>-10,909.66</u>	<u>71.18%</u>	<u>26,940.34</u>	<u>37,850.00</u>	<u>-10,909.66</u>	<u>71.18%</u>
Net Income	<u><u>1,447.19</u></u>	<u><u>0.00</u></u>	<u><u>1,447.19</u></u>	<u><u>100.0%</u></u>	<u><u>1,447.19</u></u>	<u><u>0.00</u></u>	<u><u>1,447.19</u></u>	<u><u>100.0%</u></u>



COUNCIL LEADERSHIP

21st Century Programs, Governance & Membership

UNIVERSITY OF MISSOURI
Extension

County Accounting Manual

Safeguarding Cash Special Controls Checklist

Contents:
Documentation
Checklist for CPD
Checklist for Council Officer

- To detect errors, **checks and balances** should be built into the standard operating procedures of the accounting system. One person should verify or review the work of another person.
- The **comparison** of invoices (and/or purchase orders) and checks, receipts and deposits are recommended practices for all extension offices.
- To exercise **tight financial control**, all pre-numbered documents (receipts and checks) should be accounted for.
- A **Bank Reconciliation** is a method of comparing the bank's record of deposits and charges against the Checking or Savings Register in the accounting system.
- Another important factor in error detection is the tracking of a transaction in the accounting system by examining documents, reports, and data entries. This is referred to as the Audit Trail. Changes to accounting transactions are recorded in the accounting system in an **Audit Trail Report**.

Documentation	Reports from QuickBooks
Required documents provided by Bookkeeper	Typed reports are not recommended
Receipt book	Validation Reports:
Handwritten or Printed Checks	Bank Reconciliation Report
Invoices and/or Purchase Orders	Checks – Summary List (or Checks Detailed list)
Bank Statement	Deposit Detail
Deposit slips	Checking (and Savings) Register
Petty Cash Box, if used	Funds (Classes) Balances
	Missing Checks
	Voided Checks (if necessary)
	Audit Trail (if necessary)
	Decision-making Report:
	Monthly (or YTD) Income & Expense Funds
	Budget vs. Actual Report

UNIVERSITY OF MISSOURI
Extension

Produced by the Council Leadership Development Committee — a partnership of the University of Missouri Extension State Council and University of Missouri Extension

<http://extension.missouri.edu/extcouncil/training/>

2/2204

© 2004, University of Missouri Board of Curators

University of Missouri Extension does not discriminate on the basis of race, color, national origin, sex, sexual orientation, religion, age, disability, or status as a Vietnam-era veteran in employment or programs.

Checklist for Month of _____

Step Numbers are referenced in sample illustrations

For the County Program Director:

Did you....

- Open the bank statement and examine the check numbers? Any check numbers out of range?
- Verify Payroll Time sheet for correct hours, rate and deductions?
- Verify each Invoice or bill (and Purchase Order, if used) to Payees on Checks-Summary List? **Step 1**
- Verify each Receipt in receipt book to the Deposit Detail Report? **Step 2**
- Review the Missing Checks Report? (see **Step 6** if check #s are missing or duplicated)
- Review the Monthly (or YTD) Income & Expense Funds Summary Report. **Step 3**
- Review the Checking & Savings Registers? Do Balances match with Funds Balance Rpt. or Balance Sheet? **Step 4**
- Review the Budget vs. Actual Report to monitor status of Classes (Funds)?
- Did a Council Officer review, initial, and date the bank reconciliation report?
- Sign this Checklist Document?

Optional (if necessary):

- Examine the Petty Cash box and appropriate documents?
Total Cash plus Total Receipts = Petty Cash Balance.
- Review Voided Checks Report?
- Review Audit Trail Report? **Step 6**

For the Council Officer:

Did you....

Review the Bank Statement and Bank Reconciliation Report as follows:

- Do Payee names and amounts on Cleared Checks match the Payee Names and amounts on prior or current Checks-Summary Lists?
- Do amounts on Cleared Deposit documents match amounts on prior or current Deposit Detail Reports and Deposit stubs?
 - Does Reconciled Bank Account balance match the Checking & Savings Register balance Reports? **Steps 4, 5**
- Did the County Program Director verify or approve Invoices or bills and Receipts?
- Co-sign the Checks with another Council Officer?
- Sign this Checklist Document?

Signatures * File this Document in the Accounting Records Binder or Folder *****

County Program Director

Date

Council Officer

Date





COUNCIL LEADERSHIP

21st Century Programs, Governance & Membership

County Annual Report Guidelines

The Missouri statutes require every county Extension council to produce an annual report:

"At the close of each calendar year the council, through its secretary, shall make an annual detailed report to the county court (commission), covering all receipts and expenditures, together with a summary of work undertaken and results accomplished. The report shall be filed with the county court (commission) not later than February first, following the close of the year or portion of year covered by the report."

Annual reports should demonstrate how Extension programs have improved people's lives as a result of staff and council member activities. Reports may include client testimonials, evaluation results, newspaper clippings and statistical data supporting the programs' objectives and accomplishments. Whenever possible, use photos of local people, identifying them by name; commissioners are interested in their constituents.

Affirmative action impact is another important area. What progress is being made to provide educational opportunities for underserved audiences?

To make the piece attractive and easy to read, use two- or three-column formats, bold type headings and interesting lead paragraphs. High-quality reproduction and an attractive design enhance the presentation.

Finally, the report must include financial data, including revenue and expenditures by type. Again, easy-to-read and attractive presentation of the data adds to readability of the report.

Ideally, compiling information for the annual report is a yearlong process. As soon as one year's report is completed, the staff and council should evaluate and plan for the next year. Photos, clippings and summary reports should be gathered throughout the year to avoid last-minute panic.

The county annual report, if prepared with the thought of distribution to a wider audience than only the county commission, can be a good marketing and public relations tool. The annual report should be a document that council or staff members could hand proudly to a county commissioner or other community leader and say, "This is how we improved people's lives."

Checklist for Preparing Extension Council Annual Reports

Cover

- Current logo
- Name of Extension council
- Affirmative action statement: "University of Missouri Extension does not discriminate on the basis of race, national origin, sex, sexual orientation, religion, age, disability or status as a Vietnam era veteran in employment or programs."
- Graphics, photos, etc., that communicate a positive image of county's extension programs
- Time covered by report
- Title: "(Name) County University of Missouri Extension State Council Annual Report"

Introduction

- Letter from council secretary and chairman, may be co-signed by county program director
- Brief description of mission, goals, initiatives, history, etc., of University of Missouri Extension

Council

- Roster of membership, including officers
- Description of duties and responsibilities

Staff

- Roster of staff headquartered in county and those with primary assignments in the county
- Brief description of staffing, organizational structure and how people access resources

Finances

- All revenue and expenditures by type, not just general operating for period of the report
- Financial relationship between the university and the council
- Amount and type of university funding

Content

- Target audience: county commission, public officials, key leaders
- Primary focus on how University of Missouri Extension improved people's lives, including:
 - Client actions
 - Program activities
 - Clear program objectives, stated in measurable terms
 - Sponsoring organizations, teachers, locations
 - Data demonstrating program results: statistical summary of program activities, testimonials, news clippings, evaluation data
 - Affirmative action impact, including examples of how programs have improved lives of minority and hard-to-reach audiences
- News writing style: easy to read; addresses who, what, when, where and why; consistent throughout report
- Brief, overall description of each program area, including objectives, primary audiences and rationale about its importance

Image

- Clear, sharp print quality
- Paper opaque enough to avoid bleeding of ink; preferably white or blue paper
- Ink color in blue or black
- Layout that enhances readability by using proper headings, two or three columns, graphics, photos, etc.
- Inserts to highlight quotes, impact information, devices to break up text
- Clear photos; captions identifying individuals wherever possible
- Graphics to highlight data
- Table of contents
- Numbered pages

Other

- Statement from staff thanking council, volunteers, county commissions, others for their support





COUNCIL LEADERSHIP

21st Century Programs, Governance & Membership

Understanding County Budgets and Fiscal Reports

Trainer Notes and Council Activity

Through this council development activity, Extension councils will learn about their responsibility for local financial support of extension. Upon completing the exercise, council members will understand:

- Sources of funding for Extension work;
- The council's role in fiscal accountability;
- What reports the council is required to provide.

Trainer Notes

The following tips can help prepare trainers to teach the “*Understanding County Budgets and Fiscal Reports*” council training module:

1. Review “*Understanding County Budgets and Fiscal Reports*” materials:
 - Council member handout, including additional resources listed;
 - PowerPoint presentation with speaker notes;
 - Council development activity with financial statement worksheet.
2. Gather materials needed for council activity.
3. Place “*Understanding County Budgets and Fiscal Reports*” module on council agenda.
4. Involve Regional Council Leadership Team in training exercise as needed.

Council Development Activity

Preparation time: 1 hour or less

Presentation time: 30-45 minutes

What is needed? *(Note: Online resources may be used if Internet access is available.)*

1. Copies for each participant of:
 - “*Understanding County Budgets and Fiscal Reports*” council handout and “*Sample Financial Statement for a Missouri County Extension Council*” council activity worksheet;
 - County annual report;
 - Council's monthly financial statement;
 - Council budget request form.



2. Newsprint, markers, easel and masking tape (optional)
3. References
 - The Council Manual
 - County Extension Manual (M-61)
 - Extension Council website (<http://extension.missouri.edu/extcouncil/>)

At the Meeting

1. **Introduce “Understanding County Budgets and Fiscal Reports” module.** (10 minutes)
Discuss the importance of proper accounting procedures, reminding council that it manages public funds and is accountable for how funds are used.

2. **Distribute and review module materials.** (10 minutes)
Deliver PowerPoint presentation.

3. **Activity** (10 minutes)
Briefly discuss real-life problems that have occurred, and point out problem areas of the “Sample Financial Statement for a Missouri County Extension Council.”

Conduct a role-play of the Council Treasurer giving financial report to council. (10 minutes)

- 1) Summarize information as included in the sample financial statement. (Note: Report is “peppered” with line items showing expenses that should be questioned.)
 - 2) Call for motion that report be approved and checks written as outlined.
 - 3) After approval is received, point out the possible misappropriations of public funds in the report approved by the council.
4. **Discuss “Steps to Providing Sound Financial Management.”** (5-10 minutes)
Examine the responsibilities of council members and University staff to avoid the errors demonstrated in the role-play.

Developed by:
Dennis Grisham, *Member*
Greene County University of Missouri Extension State Council

Bud Reber, *Director, East Central Region*
Jim Thompson, *Ag Business Specialist, Laclede County*
Sandy Stegall, *Extension Communications Coordinator*
University of Missouri Extension



Council Activity Financial Statement Worksheet

Directions: Review the Sample Financial Statement **on back**, and answer the following questions:

1. Where does the outstanding checklist come from and who does the checkbook reconciliation?
2. Why was Joe Aggie paid \$150? What were his expenses — programs, travel, services, etc.?
3. Why was a check written to the postmaster?
4. What office supplies were purchased? Was this a single item? If so, why was it not on a bid request? Is it related to a particular program?
5. What was purchased at Wal-Mart and why?
6. Is this total correct?
7. Where are the checks and balances in this financial statement?



Sample Financial Statement for a Missouri County Extension Council

ASSETS

May 1, '03

Total \$10,555.06

INCOME

Court Warrant, May \$2,500.00

Soil Test Income 10.00

Re-sales 15.00

Total **\$2,525**

LIABILITIES

OUTSTANDING CHECKS **(\$1,750.00)**

(Checks that have not cleared the account)

BILLS TO BE PAID

Jane Typewriter \$1,000.00

Medical, University of Missouri 100.00

Joe Aggie 150.00

Travel, May 400.00

Telephone, Long Distance 100.00

Telephone, Local Charges 125.00

Postmaster 100.00

Office Supply 500.00

University of Missouri, Publications 100.00

University of Missouri, Soil Test Lab 250.00

Wal-Mart 100.00

Total **\$2,985.00**

ACCOUNTS TO BE PAID

Payroll deductions, due in July \$750.00

MONEY IN ACCOUNTS

May 25, '03

Local State Bank \$10,550.00

