



UW-MADISON EXTENSION

# Wisconsin 4-H Expense Tip Sheet

January 2023

If a 4-H club or group is considering a lasting purchase (an asset that has a useful life of more than one year), the 4-H club or group should follow the steps below prior to purchasing the item:

**Step 1:** How will this purchase help and support reaching program educational goals?

**Step 2:** Evaluate the need. One of the challenges of purchasing lasting items is the long-term storage and maintenance of these items. Questions that should be considered:

- Can the activity be achieved in an alternative way rather than making a purchase?
- Can the item(s) be borrowed/rented?
- What alternatives were explored?
- Are there additional policies or rules for purchasing specific items?
  - Real Estate – Buildings including sheds and land have specific rules
  - Firearms – Firearms have specific rules related to both purchasing and storage.
  - Trailers – If the gross weight of the trailer is under 3,000 lbs., then licensing is optional.

Purchases involving property, firearms, trailers or a single item of \$2,000 or more must have approval from the 4-H Program Educator prior to purchase.

**Step 3:** Questions to Consider

- How often will the purchase be used? By whom?
- Describe how liability and insurance will be addressed.
- Describe the maintenance of the purchase, listing specific tasks and who will be responsible.
- Describe the plan for the overall management of the use of the purchase including:
  - Where will the purchase be stored?
  - What permissions or agreements need to be in place?
  - How will 4-H members and 4-H volunteers have access to using the purchase?
  - Can this item be shared with other 4-H clubs and groups?
- How long does the 4-H club or group plan to keep the purchase?
- How will the purchase be disposed of?

**Step 4:** If questions or concerns arise, consult with the 4-H Program Educator.

**Step 5:** If an item is purchased, an inventory of land, buildings, property, or project equipment with individual values of \$2,000 or greater is REQUIRED with the Annual Financial Report, but it is also recommended that all long-lasting items should be captured on a club/group inventory. In addition, maintenance and accessibility should be developed if applicable.

**Step 6:** Make sure appropriate money handling procedures are followed as outlined on the [Wisconsin 4-H Financial Management Policy](#) website.

## Trailers

### *Operating the Trailer*

- Following the Wisconsin Department of Transportation's policy, if a trailer weighs more than 3,000-pounds, a trailer license is required. If the gross weight of the trailer is under 3,000-pounds, then licensing the trailer is optional.
  - Trailers owned by a 4-H club or group should be licensed using the Employee Identification Number AND by a certified 4-H volunteer for that club or group. If the 4-H volunteer leaves the program, the license should be transferred to another 4-H volunteer.
  - The street address should be the local Extension Office and not the location where the trailer will be housed. The 4-H Club or group is responsible for all licensing fees.
- Trailer brakes are required, if the trailer and load exceed 3,000-pounds, or if the trailer's gross weight exceeds the empty weight of the towing vehicle (see Wisconsin statute 348.10 (4)).
- All trailers require functional lighting (see Wisconsin statutes 347.13, 347.14, 347.15).

### *Insurance*

Liability Insurance - Since a trailer isn't motorized, a 4-H club or group is not required to obtain a separate liability insurance policy. The liability coverage is provided by the owner of the towing vehicle. The University of Wisconsin-Madison may provide secondary liability coverage when the trailer is towed by an approved 4-H volunteer and an authorized driver.

Property Insurance - 4-H clubs and 4-H groups may purchase a property insurance policy to protect assets owned by the organization, but it is not a requirement.

## Real Estate

In addition to the Educator, a 4-H Club or Group must obtain written permission from the Dean of the Division of Extension prior to purchasing or accepting a donation of any land and/or buildings or constructing permanent buildings or structures.

## Firearms

4-H Clubs and Groups are discouraged from purchasing powder burning firearms. Additional information can be found on the [Wisconsin 4-H Shooting Sports webpage](#) and [Wisconsin 4-H Shooting Sports policies](#).