



WISCONSIN ACCOUNTING MANUAL

Department of Administration – State Controller’s Office

Section	11	PROJECT COSTING	Effective Date	7/1/2015
Sub-section	02	Capital Project Appropriations	Revision Date	3/31/2015

BACKGROUND

Funding for state capital projects is appropriated from the Building Trust Fund (BTF) and the Capital Improvement Fund (CIF) as authorized in chapter 20 of the state statutes under 20.866 and 20.867. All appropriations under 20.866 (Public Debt) are continuing as are all but two under 20.867 (Building Commission). For the appropriations under 20.866, the state budget increases the life-to-date debt contracting authority specified in each paragraph or "program purpose." The legislature can enact new appropriations and repurpose existing appropriations. Funding for state capital projects is provided through bonding in the CIF, direct BTF funding and agency participation.

Typically, the legislature enumerates 20.866(2) appropriations in greater detail for specific purposes or designations. When the related enumerations are known, “sub appropriations” are used within the parent appropriation in order to segregate authority from the rest of the appropriation. If the enumeration relates to a single agency, the sub appropriation will be under the business unit associated with the enumeration, such as the University or DNR.

When enumerations are not agency specific, the sub appropriation will initially be under BU 86600. When an individual project for a specific state agency is created to be funded under such a sub appropriation, an agency sub appropriation is created under the BU 86600 sub appropriation. For example, the flow of spending authority for a DNR project under 20.866(2)(z) and enumerated in sub appropriation Z0800 would start in 86600-Z0000, move to 86600-Z0800 and finally end up in 37000-Z0800 at the time the DNR project is approved and created.

POLICIES

1. Projects funded out of statutory funds 36000 (BTF) and 36300 (CIF) will be administered under project costing business unit 86700 by the capital accounting section in the State Controller’s Office.
2. Appropriations under 20.866(2) shall have their chapter 20 amounts in the text (life-to-date debt contracting authority) recorded in STAR under business unit (BU) 86600 in fund 36300, also life-to-date.
3. Sub-appropriations shall be created when specific purposes are enumerated within the parent appropriations under 20.866(2).
4. Continuous appropriations under 20.867 shall be recorded in STAR under BU 86700 in fund 36000.
5. Continuous agency fund appropriations under 20.867(2)(u) shall be recorded in STAR in fund 36000 under the BU of the agency contributing funds to the capital project.
6. A statewide combination edit in STAR requires all accounting entries in funds 36000 and 36300 to reference a project number.
7. The annual encumbrance roll will take place each July 31 along with the statewide spending authority roll. In years past, the encumbrance roll occurred each June 30.



WISCONSIN ACCOUNTING MANUAL

Department of Administration – State Controller’s Office

Section	11	PROJECT COSTING	Effective Date	7/1/2015
Sub-section	02	Capital Project Appropriations	Revision Date	3/31/2015

PROCEDURES

New capital appropriations:

New capital appropriations under 20.866(2) will be created in STAR by the capital accounting section in the State Controller’s Office. These appropriations will be set up as segregated-other, continuous and revolving using STAR budget journals. The appropriation number will be comprised of five characters; the alpha representing the paragraph under 20.866(2) filled in by trailing zeroes. The spending authority shall match chapter 20 in the text amounts.

When new sub-appropriations are enumerated by the legislature the Division of Facilities Development (DFD) will derive the number. These too will be classified as segregated-other, continuous and revolving. These will also be created with capital accounting budget journals and the spending authority and appropriation title shall match the enumeration.

Beginning fiscal year spending authority:

In STAR remaining spending authority for the previous fiscal year will roll into the new year. However, capital appropriations are inception-to-date and by just showing the residual spending authority in the new year plus any new fiscal year appropriations, STAR by itself will not tie directly to chapter 20. Since STAR does track budget changes in a given fiscal year, to achieve a complete mapping to chapter 20, after the spending authority roll is executed at the end of each July, the capital accounting section will:

1. Upload full chapter 20.866(2) amounts into the capital appropriation using budget journals, then
2. upload budget journals to record all previous years transfers from 20.866(2) appropriations to sub-appropriations, then
3. upload budget journals to record all previous years transfers from sub-appropriations under agency 866 to sub-appropriations under the proper state agency, then
4. upload budget journals to reduce all sub-appropriations for the aggregate amounts of previous years expenditures, aka reverted amounts and finally
5. upload budget journals to eliminate the current fiscal year roll.

By following these procedures, each year STAR will then be able to report detailed budget beginning balances in the sub-appropriations as they had been funded from 20.866(2) appropriations which in turn will match to chapter 20 inception-to-date in the text amounts.

Current year appropriation administration:

As capital project budgets are created or modified, the SCO Capital Accounting section will process budget journals to adjust agency funded appropriations in the BTF or move spending authority between bonding appropriations or between direct building trust fund appropriations.