



# WISCONSIN ACCOUNTING MANUAL

Department of Administration – State Controller’s Office

<b>Section</b>	<b>03</b>	<b>BUDGETING</b>	<b>Effective Date</b>	<b>7/1/2015</b>
<b>Sub-section</b>	<b>07</b>	<b>Non-Budget Appropriations</b>	<b>Revision Date</b>	<b>3/31/2015</b>
<b>SAM Ref</b>	<b>2-8</b>			

## BACKGROUND

State statutes authorize the Department of Administration to establish two types of non-budget appropriations for agency use: 1) Custody accounts (appropriations); and 2 ) Clearing accounts (appropriations). Each type of appropriation has specific statutory restrictions. These types of appropriations are referred to as “non-budget” appropriations because they are not specifically established for each agency in the Chapter 20 budget schedule.

### CUSTODY APPROPRIATIONS

Section 20.907(5) Wisconsin Statutes, authorizes the use of “custody accounts” (custody appropriations) for the specific purposes listed. In general, custody appropriations were established to allow agencies to collect and disburse moneys that are payable to persons other than the state. The following table lists the standard custody appropriations that should be used by state agencies (additional, agency-specific custody appropriations are authorized under s. 20.907(5) Wis. Stat.):

<b>Statute 20.907 (5) (e)</b>	<b>Standard Custody Appropriation Type</b>	<b>Appn No.</b>
(1)	Credit and Debit Card Processing Fees/Other Deposits held for others	94500
(2)	NSF Checks	99300
(3)	Sales Taxes	90200
(4)	Insurance Losses	99900
(12)	Contingent Funds	99300
(13)	Indirect Cost Reimbursements	90800

### CLEARING APPROPRIATIONS

Section 20.904(1) Wisconsin Statutes authorizes the use of “clearing accounts” (clearing appropriations). Clearing appropriations are only to be used when, at the time of receipt or disbursement, the state agency does not have sufficient information to distribute the revenue or expenditure to the appropriate Chapter 20 appropriations. The following table lists the standard clearing appropriations that have been approved by the State Controller’s Office:

<b>Standard Clearing Appropriation Type</b>	<b>Appn No.</b>
Sale of Surplus Property	96300
Rejected ACH Payments	96500
Travel Advances	96700
Payroll	99700 & 99800



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### POLICIES

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1. State agencies should review custody appropriation balances as part of the fiscal year-end closing process and determine if any adjusting entries are necessary.
2. All revenues and expenditures recorded to clearing appropriations must be “cleared” at least monthly (i.e. all revenues and expenditures must be transferred out of the clearing appropriations to Chapter 20 appropriations). At fiscal year end, there must not be any remaining revenue or expenditure balances in any clearing appropriation.
3. Agencies that wish to establish a standard clearing or custody appropriation should contact the State Budget Office and State Controller’s Office for approval.

### PROCEDURES

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Additional procedures pending.