



University of Wisconsin–Madison Police

Policy: 17.1

SUBJECT: FISCAL MANAGEMENT

EFFECTIVE DATE: 06/01/10

REVIEWED DATE: 06/01/12

REVISED DATE: 06/01/13, 09/01/14

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POLICY:

The Chief of Police maintains the authority and responsibility for fiscal management of the University of Wisconsin–Madison Police Department. There are provisions for obtaining input from organizational components during budget deliberation processes. Provisions shall be implemented for managing the purchasing process consistent with authorized budget approvals and for making purchasing as effective and efficient as possible.

DEFINITIONS:

“Encumbrance” refers to a commitment in the form of an order, contract, salary, or similar item that will become payable when goods are delivered or services rendered.

“Fiscal year” refers to the period of time between July 1 of a year and June 30 of the following year.

“Line item” refers to an individual account or budget section as it appears on a separate line in a fiscal budget.

“Requisition” refers to a written request or order for supplies.

“Unencumbered balance” refers to that part of an appropriation or allotment that has not been committed and is thus available for expenditure.

PROCEDURE:

17.1.1 FISCAL AUTHORITY AND RESPONSIBILITY

The following provides the foundation of fiscal responsibility for the Chief of Police.

- A. The Chief of Police is designated as having the authority and responsibility for the fiscal management of the Department. The duties associated with the fiscal management function include supervising, planning, coordinating, prioritizing and evaluating activities related to state-appropriated Departmental funds. Authority for fiscal management is derived from the Department directives manual and the Wisconsin State Statutes.
- B. The Board of Regents, as authorized by Wisconsin State Statute 36.09(1)(h), “shall allocate funds and adopt budgets for respective institutions giving consideration to the principles of comparable budgetary support for similar programs and equitable compensation for faculty and academic staff with comparable training, experience and responsibilities and recognizing competitive ability to recruit and retain qualified faculty and academic staff.” According to Wis. Stat. 36.09(2)(a), the President of the University System is vested with the responsibility of monitoring, reviewing, and evaluating policies that affect operating budgets. The Chancellor, as denoted by Wis. Stat. 36.09(3)(a), administers all funds. The Chancellor’s designee for budgetary purposes, the Vice Chancellor for Administration, maintains the budget for the University of Wisconsin–Madison. The budget for the University of Wisconsin–Madison Police Department is a portion of the total budget for the University of Wisconsin–Madison. The Vice Chancellor for Administration appropriates the budget for the University of Wisconsin–Madison Police Department annually.

- C. According to the University of Wisconsin – Madison Purchasing Policy and Procedures 14, “the director of Purchasing Services has signature authority for procurement contracts and agreements for the UW–Madison as delegated by the State Department of Administration. The director of Purchasing Services can designate agents of the UW–Madison campus to apply the director’s signature to contracts and agreements.” The Chief of Police, the Assistant Chief, and the Administrative Captain have been designated as agents to apply the director’s signature to contracts and agreements that fall within the scope of the State Department of Administration policies.
- D. The Department budget may not include all of the funding for public safety on campus. The Chief or designee has the authority to review and coordinate expenditures for any law enforcement expenses accounted for within the budgets of other operating departments.

17.1.2 BUDGET PREPARATION

The following shall describe and govern procedures associated with the budget process:

- A. The responsibility for final budget preparation and management is assigned to the Support Services function. Related activities include preparing divisional budgets, submitting formal budget requests, authorizing and monitoring expenditures, preparing charging statements for services rendered, submitting payroll information, receiving payments for records-related services, reporting financial information to university personnel, and participating in periodic audits.
- B. The Department utilizes a line-item approach for budget preparation and maintenance. The Department Accountant manages this line item approach. The accountant works in consultation with the chiefs and captains group.
- C. To ensure uniformity and clarity, all budget-related activities shall be conducted in accordance with University of Wisconsin-Madison policy, applicable state statutes, and regulations as established by the Vice Chancellor for Administration.
- D. The University sets the budget submission date each fiscal year. All budget submissions to the University are done electronically through established University budget programs. The initial budget planning allocations are based upon the appropriate year of the Governor’s biennial budget recommendations to the legislature. All spending authority is conditional pending the adoption of the annual budget of the Board of Regents and final approval of the state budget by the legislature and Governor. Calculations take into account current positions, rates, pending personnel actions, allocated position authority, prior-year expenses and income, known new-year fiscal income agreements, and Department priorities to allocate monies and income between salary, supplies, expenses, capital, and income categories.

17.1.3 BUDGET RECOMMENDATIONS

The following shall govern procedures associated with written budget recommendations:

- A. Personnel assigned by the Support Services Captain shall be accountable for those portions of the Department’s budget that relate to their respective functions. Such persons shall annually prepare written budget recommendations based upon functional goals and objectives. Written recommendations shall be submitted to the Support Services Captain no later than 30 days prior to the budget process deadline.
- B. The Chief of Police shall designate the organizational levels or functions participating in the budget preparation process. Such functions and components may include the following: access control, accreditation, ammunition, awards, bike patrol, cameras and equipment, computer equipment, training, facilities and furniture, uniforms, subscriptions, radios, educational reimbursement, and fleet and fuel.

17.1.4 REQUISITIONING AND PURCHASING PROCEDURES

The following procedures shall govern the requisition and purchase of agency equipment and supplies:

- A. The Department shall comply with all established purchase and requisition procedures as contained in the University of Wisconsin–Madison Purchasing Policies and Procedures Manual. Such procedures include specification for items requiring standardized purchases, bidding procedures, criteria for the selection of vendors, procedures for emergency purchasing or rental agreements for equipment, and procedures for making emergency purchases. The UW–Madison

Purchasing Services Purchasing Policies and Procedures draw on interpretation of Wisconsin Statutes and State Department of Administration Administrative Rules. The series constitute official University policy and shall be reviewed by departments for reference in purchasing goods and services.

- B. A centralized University purchasing office is responsible for administering policies and procedures related to the requisition and purchase of University equipment and supplies.
- C. Institutional forms shall be used to document all purchasing-related transactions.
- D. The Chief of Police shall be responsible for requesting fund transfers and supplemental or emergency appropriations from the Vice Chancellor for Administration if deemed necessary.
- E. Each division is responsible for tangible property acquisition through its budget requests and subsequent approvals.

17.1.5 ACCOUNTING SYSTEM ELEMENTS

The following outlines the accounting system that includes approval of each account and provisions for monthly status reports:

- A. The Department utilizes the University of Wisconsin–Madison accounting system.
- B. The University of Wisconsin–Madison updates the University accounting system daily. The Police Department has online access to this budgeting system. The system maintains the following information:
 - 1. The initial appropriation;
 - 2. The balance at the commencement of the period;
 - 3. Expenditures and encumbrances made; and
 - 4. Unencumbered balance.
- C. The UW–Madison Police Department Accountant reviews the detailed budget reports and submits a monthly summary report to designated line-item managers. The account managers verify expenditures and encumbrances made during the monthly period. Purchases are also approved by the chiefs and captains group.

17.1.6 CASH FUNDS

The following provides procedures for agency personnel permitted to receive, maintain, or disburse cash and governs the maintenance of those accounts:

- A. All cash funds or accounts within which Department personnel are permitted to receive, maintain, or disburse cash must maintain
 - 1. A balance sheet, ledger, or other system that identifies initial balance, credits (cash received), cash disbursed, and balance on hand.
 - 2. Receipts or documentation for cash received.
 - 3. Authorization for cash disbursements according to the following:
 - a. Disbursements over \$200 must have approval of the Chief of Police;
 - b. Confidential funds disbursed must have the approval of the Field Services Captain.
 - 4. Records, documentation, or invoices for cash expenditures.
 - 5. A listing of persons or positions authorized to disburse or accept cash. Personnel assigned to Infrastructure Security are authorized to accept or disburse cash related to fingerprinting and the issuance of access cards. Sworn personnel are authorized to accept cash bond. Records personnel are authorized to accept or disburse cash related to records. Communications personnel and Department program associates are authorized to accept cash related to records services.
 - 6. Quarterly accounting of agency cash activities, at a minimum.
- B. This directive applies to report copy fees, fingerprinting fees, the investigative fund, case file photocopying fees, and video copying fees.

17.1.7 INDEPENDENT AUDIT

The audit process shall be a basis for ensuring the financial integrity of the Department. The following governs procedures for an independent audit:

- A. According to Wisconsin Statute 13.94(1), the Legislative Audit Bureau shall audit the fiscal concerns of the state. The Legislative Audit Bureau shall audit the records of every state department, board, commission, and independent agency or authority at least once each 5 years. The Legislative Audit Bureau may also audit the records of other departments when the state auditor deems it advisable or when he or she is so directed.
- B. The University of Wisconsin Internal Audit conducts audits of various business practices of the Department at least once every 2 years.

17.1.8 CASH HANDLING PROCEDURES

The following directive covers cash handling procedures for personnel handling transactions of cash accounts:

- A. Assigned personnel handle cash transactions of the following types:
 - 1. Fingerprinting fees – Access Control
 - 2. Fees charged for report copies and other case file photocopying – Records, and Department Program Associates
 - 3. Video copying – Records, and Department Program Associates
- B. The University of Wisconsin–Madison Police Department has authorized two petty cash funds: one for the Records Section and one for Access Control. These sections are responsible for their funds, which carry balances between \$50 and \$200 each. The Personnel Lieutenant is responsible for confidential or investigative funds. This fund carries a balance of \$50. The Personnel Lieutenant maintains access to this fund.

17.1.9 CREDIT CARD HANDLING PROCEDURES

The following provides procedures for credit card handling:

- A. The University has strict policies regarding cardholder data that includes regulations on transmitting, storing, and destroying cardholder information. All operators shall be trained on and shall adhere to PCI–Data Security Standards.
- B. The accountant is the Department Business Representative (DBR) for PCI data compliance. The Infrastructure Security Sergeant acts as the Project Site Manager. Only assigned personnel approved by the DBR and/or Project Site Manager as PCI operators are authorized to use Hypercom T4200 Series Terminals to process credit card payments. Operators shall handle credit card transactions of the following types:
 - 1. Fingerprints or Access Control Cards
 - 2. Fees charged for records related purposes.
 - 3. Promotional Videos
 - 4. Invoices for various UWPD services to other campus departments or outside entities.
- C. The Department shall only accept the three major credit card brands to include Discover, Master Card, and Visa.
- D. Debit cards will only be accepted if the card presented represents one of three major brands accepted. Debit cards should not be accepted if the customer is required to enter a pin code.
- E. The PCI–Data Security Standards provide the following regulations:
 - 1. Credit cards can only be accepted in person or by telephone.
 - 2. Operators who take orders via phone or in person will use a Hypercom T-4200 series terminal PCI compliant device and dial up line. A dedicated line is not required.
 - 3. Credit card information cannot be accepted via email and should never be e-mailed from the department.
 - 4. E-mails containing credit card information should be immediately deleted from the computer and Project Site Manager or Business DBR advised.
 - 5. Credit card merchants cannot store credit card information on a local computer or server.
 - 6. Under no circumstances should the Card Identification Number (CID) be stored electronically or on paper. The CID number is the three digit security code on the back of the credit card.
 - 7. Credit card receipts may only show the last four digits of the credit card number.

8. Copies of receipts issued must be stored in a locked room or file cabinet. Access to the storage area(s) must be limited to the authorized personnel only. Records must be stored for 1 year.
 9. The DBR is responsible for reconciliation which will occur at minimum monthly.
- F. Under no circumstances should cardholder data be maintained in an electronic format, this includes saved on a computer, CD, removable drive, or any other form of electronic media. All transactions should be processed within the business day. Under no circumstances should the CVV code be stored or recorded on paper. Operators are responsible for filing all paper receipts produced and filing them by date of transaction should there be any customer dispute regarding charges.
 - G. There are two ways in which transactions can be processed, in person or by phone. Whenever possible cards should be swiped through the POS (Point of Sale) Device. If the terminal fails to scan after the card is swiped the operator should key in the transaction same as a telephone transaction. Should the terminal fail to read by swipe or key, operators will revert to cash and/or check sales and contact the DBR/Site Manager.
 - H. It's important that the operator obtain the customer's signature on the Transaction Receipt. Operators must compare the signature on the transaction receipt to the signature on the card. If operators are unable to tell whether the signatures are similar, ask for an alternate form of identification. If the operator does not feel the signatures match, the credit card will not be accepted.
 - I. Receipts should be organized according to day of each transaction in the event of an audit or dispute of charges.
 - J. The following needs to be collected from a cardholder for a telephone transaction:
 1. Cardholder account number
 2. Card expiration date
 3. Cardholder's billing and shipping address
 4. Cardholder's telephone number
 5. CVV2 /CVC2/ CID number (security code)
 6. Follow instructions on POS device to ensure a card not present transaction is being initiated. To provide greater security, operators should verify the card validation code and the address.
 7. Receipts produced over phone need to be signed "phone" in signature field with operator's initials and filed same as card present transactions.
 - K. Under no circumstances should cardholder data be copied on paper. All transactions need to be conducted in person and/or immediately keyed into the terminal.
 - L. Refunds are performed when a transaction needs to be reversed after transactions have been settled. If a refund is appropriate, credits should only be processed to the card on which the original charge was made. Operators will not issue the cardholder cash (or a check) if the original purchase was made on a card. Operators should not credit a card for purchases originally made by cash or check.
 - M. Sales are non-negotiable. The Hypercom terminals will be placed in two locations within the Department, 1433 Monroe Street, within the card access office and 1429 Monroe Street (Court Services). Both locations will display signage indicating the refund policy and may be printed on the receipt in close proximity to the signature.
 - N. A void can be performed if the transaction is run incorrectly or a customer changes his/her mind after a transaction has been run. Void transactions will be run on the same POS Device that the sale was run on and can only be performed if the transaction has not already been settled. If a transaction is voided, the cardholder will not see the sale or the void on their card statement.
 - O. If informed that the card has been reported lost, stolen, or otherwise invalid, the operator shall not complete the transaction. The operator shall request the cardholder provide an alternative credit card if available. If instructed to retain the card, the DBR and/or Project Site Manager should be contacted.
 - P. Transactions shall be settled at the end of each business day. The terminals will be set to auto settle each day. Operators are required to perform the following steps at the end of each business day:
 1. Total the day's transaction receipts and verify that the transaction receipts equal the POS device totals. A totals report may be printed from the POS device to assist with balancing.

2. Cross check the RMS (Record Management System) Receipt Module should be performed to ensure totals listed equal that entered into records. Should totals not balance, then transaction receipts need to be compared against individual entries in the POS device and operators need to make any necessary adjustments before closing the batch. If totals match, the batch remains same until auto-settled at the end of each business day.
- Q. PCI Operator training must be renewed annually. The Project Site Manager and DBR will be responsible for attending required Merchant Card Processing training offered through the Office of Human Resource Development. The assigned Project Site Manager will manage and document training for operators on an annual basis.
- R. The terminal located at 1429 Monroe Street will be relocated and used at Camp Randall Stadium Police Center if requested by the Officer In Charge (OIC). The Hypercom Terminal must be connected to a dial up connection and Card Present Sales and/or phone sales must follow the same guidelines.