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# UW-Madison Police Department

## Policy: 17.1

**SUBJECT: FISCAL MANAGEMENT**

**EFFECTIVE DATE: 06/01/10**

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**STANDARD: CALEA 17.1.1 – 17.4.3, 91.1.2**

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### INDEX:

- 17.1.1 FISCAL AUTHORITY AND RESPONSIBILITY
- 17.1.2 BUDGET PREPARATION
- 17.1.3 BUDGET RECOMMENDATIONS
- 17.1.4 REQUISITIONING AND PURCHASING PROCEDURES
- 17.1.5 ACCOUNTING SYSTEM ELEMENTS
- 17.1.6 CASH FUNDS
- 17.1.7 INDEPENDENT AUDIT
- 17.1.8 CASH HANDLING PROCEDURES
- 17.1.9 CREDIT CARD HANDLING PROCEDURES

### POLICY:

The Chief of Police maintains the authority and responsibility for fiscal management of the UW–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 shall 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

- 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.”

- 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**

- 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 access control 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 Financial Manager manages this line item approach. The Financial Manager works in consultation with the Executive Leadership Team.
- 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**

- A. Division Leaders shall submit written budget recommendations based on goals and objectives. The recommendations shall include, at a minimum; operating needs, capital purchase needs; and personnel needs. The written recommendations shall be submitted to the Financial Manager and Executive Leadership Team 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**

- 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. The department shall use the university authorized purchasing system 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**

- 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 Financial Manager 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 Executive Leadership Team.

#### **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. Personnel assigned to Infrastructure Security are authorized to accept or disburse cash related to fingerprinting and the issuance of access cards.
  - 6. Quarterly accounting of agency cash activities, at a minimum.
- B. This directive applies to fingerprinting fees, access cards and the investigative fund.

#### **17.1.7 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**

- A. Assigned personnel handle cash transactions of the following types:
  - 1. Fingerprinting fees – Access Control
  - 2. Access Control Cards- Access Control
- B. [WI State Statute 20.906](#) requires that all moneys collected or received are to be deposited within 5 business days. This responsibility shall fall under the Support Staff.

- C. The UW-Madison Police Department has authorized one petty cash fund: one for Access Control with a weekly balance of \$60. The work unit is responsible for their funds.
- D. The Captain of Support Services or designee is responsible for investigative funds. This fund carries a balance of \$50 and is audited on a quarterly basis. The Captain of Support Services or designee maintains access to this fund.
- E. Locations that store cash shall be locked at the end of the business day.

#### **17.1.9 CREDIT CARD HANDLING PROCEDURES**

- A. The department shall comply with UW-Madison policies regarding credit card handling procedures, which are located at the following link:  
<https://policy.wisc.edu/library/UW-3031>
- B. Credit card device is an Ingenico Desk/5000, serial number 201887303001036815690022, located at 1429 Monroe Street, Room 141.
- C. All operators shall be trained on and shall adhere to Payment Card Industry (PCI) Data Security Standards.
- D. All operators shall inspect the credit card machine, prior to usage of the machine, for any type of tampering of the device.
- E. The Financial Manager is the Department Business Representative (DBR) for PCI data compliance. The Financial Manager acts as the Site Manager. Only assigned personnel approved by the DBR and/or Site Manager as PCI operators are authorized to use the University of Wisconsin approved PCI compliant device to process credit card payments. Operators shall handle credit card transactions of the following types:
  - 1. Fingerprints or Access Control Cards
- F. PCI Operators are required to renew their training annually.
- G. The Site Manager and DBR shall be responsible for attending required Merchant Card Processing training offered through the Office of Human Resources (OHR). The assigned Site Manager or DBR shall manage and document training for operators on an annual basis.
- H. The DBR is responsible for approving the initial merchant account request and reviewing the Self-Assessment Questionnaire (SAQ) annually.