

REVENUES AND REFUNDS – Section 3

- 1.0 Accounting for Revenues and Refunds of Expenditure
- 1.1 Refunding Revenues and Expenditure Refunds
- 2.0 Gifts and Grants
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SUMMARY OF REVENUES AND REFUNDS

General procedures for the deposit of receipts are described in SECTION 2--CASH AND CHECK HANDLING. The following policies and procedures apply to specialized situations involving revenues and refunds of expenditure.

A clear distinction needs to be made between revenues and refunds of expenditure. Wisconsin Statutes and The Department of Administration (DOA) policy govern the recording of refunds. The proper accounting for a refund of expenditure depends upon whether the refund is the result of a current year expenditure or on the appropriation type if the refund is the result of a prior-year expenditure. A table, "Coding for Refunds of Expenditure," in **REVENUES AND REFUNDS 1.0** (Accounting for Revenues and Refunds of Expenditure) summarizes the proper accounting treatment depending upon appropriation type and period of refund.

On occasion, service units within the Department of Health and Family Services (DHFS) accumulate excess revenues. See **REVENUES AND REFUNDS 1.1** (Refunding Revenues and Expenditure Refunds). Excess revenues of provider units within DHFS will be uniformly allocated between users on the basis of billings and should be refunded in the same fiscal year that they were generated wherever possible, or in the immediately succeeding fiscal year.

All gifts and grants are required to be deposited into an appropriation, and an allotment must be issued to allow expenditure. Expenditures from restricted or unrestricted funds are to follow DHFS accounting policies and preaudit authority guidelines. Unless the gift specifies a use, the funds are to be used for normal operational expenses. Restricted funds may be expended consistent with the purpose of the gift, if legal, and if the use is outside what is considered normal, approval by the Division Administrator is required.

Wisconsin Statutes require interest to be considered GPR-Earned unless otherwise excepted by statute. Bequests that specify any interest earnings be retained should be honored. Interest on gifts with no restrictions shall be deposited in the general fund. (See **REVENUES AND REFUNDS 2.0**).

Administrative Directive 68 provides guidance for requests under the Open Record Law. Accounting procedures and coding for receipts for photocopies and data processing charges are contained in **REVENUES AND REFUNDS 3.0**.

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