



ACCOUNTING POLICY AND PROCEDURES (APP) MANUAL

TOPIC: Section 7 – Payroll 3.0	EFFECTIVE DATE: 12/19/1984
TITLE: Accounting for the Temporary Interchange of Personnel	REVISION DATE: 09/11/2017
AUTHORIZED BY: Deputy Director, Bureau of Fiscal Services	

BACKGROUND

Wis. Stat. § 230.047 provides for the interchange of personnel of a temporary basis between and among governmental agencies at the same or different levels of government, and with institutions of higher education. Reimbursement of salary and fringe benefit costs under such interchanges is covered under Wis. Stat. § 230.047 (9), which states:

"SALARY REIMBURSEMENTS. (a) Any funds received by a sending agency of the state from a receiving agency as reimbursement for salary expenditures made under an employee interchange agreement shall be credited to the appropriation from which the expenditures were paid.

(b) A receiving agency of the state may, in accordance with the salary provisions of the sending agency, reimburse the sending agency for salary and fringe benefit expenditures for employees on detail to the receiving agency."

Employees of a state agency participating in an exchange of personnel, as authorized under Wis. Stat. § 230.047 (3), remain employees of and on the payroll of the sending agency. The salary and fringe benefit costs of such employees should be coded by the sending agency to the appropriate detail personal service and fringe benefit codes, as they normally would have been coded had the employee not been temporarily detailed to work in another entity/agency.

The following procedures shall apply with respect to the codes to be used to account for salary and fringe benefit costs incurred by a receiving agency and for any reimbursement of salary and fringe benefits received by a sending agency.

PROCEDURES

Interchanges between Administrative Units within the Department of Health Services

Temporary interchange of personnel arrangements should be in accordance with Chapter 306 of the Department of Health Services (DHS) Human Resources Policies and Procedures Manual.

Salary and fringe benefit costs shall be recorded by both the sending unit and the receiving unit using account codes 7096000-Salary Distribution in STAR and 7296000 – Fringe Benefit Distribution, respectively.

1. **Salary Costs** – should be coded as a credit to expenditure (Code 7096000) by the sending unit and charged as a debit to expenditure, (Code 7096000) by the receiving unit.
2. **Fringe Benefit Costs** – should be coded as a credit to expenditure (Code 7296000) by the sending unit and charged as a debit to expenditure (Code 7296000) by the receiving unit.

Interchange Between DHS and Other (Including Federal and Local Government) Agencies

1. Personal services and fringe benefit costs paid by the receiving agency or administrative unit shall be treated as professional services and coded to the appropriate professional service cost category.
2. Reimbursement of salary and fringe benefit costs shall be coded as below if it is a reimbursement of expense.
 - a. Reimbursement of personal services costs shall be coded as a refund of expenditure to Code 7097000 – Refund of Personal Service costs.
 - b. Reimbursement of fringe benefit costs shall be coded as a refund of expenditure to Code 7297000 – Refund of Fringe Benefit Costs.

All transactions necessary to effect compliance shall be submitted for processing prior to the close of each fiscal year.

REFERENCES

[Wis. Stat. § 230.047](#)

[DHS Human Resources Policies and Procedures Manual, Chapter 306 \(Acting Assignments\)](#)

CONTACTS

[Expenditure Accounting Section Chief](#)

[Payroll Accountant, Expenditure Accounting Section](#)

[Cost Allocation and Financial Reporting Accountant](#)

[Lead Accountant for DHS Administration Accounts](#)