



**FINANCE COMMITTEE**  
**Minutes – August 1, 2019**

**Call to Order.** Chair Mawhinney called the meeting of the Finance Committee to order at 7:30 A.M. on Thursday, August 1, 2019, in the Conference Room N-1, Fifth Floor, Courthouse-East.

**Committee Members Present.** Supervisors Mawhinney, Beaver, Fox, Podzilni and Yeomans.

**Committee Members Excused:** None.

**Staff Members Present.** Sherry Oja, Finance Director; Josh Smith, County Administrator; Randy Terronez, Assistant to the County Administrator; Diana Arneson, Assistant to Information Technology Director; Michelle Roettger, County Treasurer.

**Others Present:** None.

**Approval of Agenda.** Supervisor Yeomans moved approval of the agenda, second by Supervisor Fox. ADOPTED.

**Approval of Minutes – July 11, 2019.** Supervisor Fox moved approval of the minutes of July 11, 2019 as presented, second by Supervisor Yeomans. ADOPTED.

**Citizen Participation, Communications and Announcements.** None.

**Transfers and Appropriations.** None.

**Review of Payments.** The Committee accepted the reports.

**Review of Payments Over \$10,000.** The Committee accepted the reports.

**Committee Review and Approval of Per Meeting Allowances.** Supervisor Beaver moved approval of per meeting allowances in the amount of \$10,112.12, second by Supervisor Podzilni. ADOPTED.

**Resolutions and Committee Endorsements.**

**Amending the 2019 Human Services Department Budget to Accept a Quality Improvement Grant for Crisis Intervention Programs**

“NOW, THEREFORE, BE IT RESOLVED that the Rock County Board of Supervisors duly assembled on this \_\_\_\_\_ day of \_\_\_\_\_, 2019 does

hereby authorize the acceptance of a Quality Improvement Grant for Crisis Intervention Programs; and

**BE IT FURTHER RESOLVED** that the Human Services Department budget for 2019 be amended as follows:

...

Supervisor Yeomans moved approval of the above resolution, second by Supervisor Podzilni. ADOPTED.

### **Updates, Discussion and Possible Action.**

**Greenway Properties Opening Bids** Ms. Roettger said her suggested prices, totaling \$141,700, consists of the taxes, interest and penalties on the properties. She added that the successful bidder would also have to pay the specials, totaling \$202,686.38, and expenses, totaling \$5,600.

The Committee asked if Ms. Roettger had discussed this with Corporation Counsel. She replied no. The Committee felt they would like input from Corporation Counsel and asked to have this put on the August 15<sup>th</sup> agenda and have Corporation Counsel available for questions.

**Semi-Annual Reports** The Committee asked to have the reports placed on file.

**Financial Policy & Procedures Manual** Ms. Oja handed out copies of the Rock County Financial Handbook. She went over the changes, underlined for new and strikethrough for deleted. The handbook is set up with bookmarks to take the person to the section they click on and to return to the index. At the top of each section it gives the title, sub-section, and the legal authority. Ms. Oja said section 8 is open for the addition of audit procedures and related subjects.

The Committee suggested the following changes:

Sub-Section 2.4 – change the last line to read “All bank accounts ~~may~~ will be audited by the Finance Department ~~at any time.~~”

Supervisor Fox left at 8:19 A.M.

Sub-Section 4.3 – change the last line to read “Expenditures must be made in accordance with the grantor’s expectations, ~~or~~ and must be for ~~any~~ lawful purpose under statutes and County policies.”

Sub-Section 7.1 – change the first sentence of the last paragraph to read “When an employee closes bank account and the direct deposit is returned, the new check will need to be picked up ~~the check~~ in the Treasurer’s office and the employee will be required to pay the Return ACH fee of \$3.75.”

Ms. Oja said this handbook will be placed on the intranet, a memo will go out to the department heads, and then a mass e-mail will be sent to all staff. Supervisor Yeomans suggested a sign-off sheet that all employees have read the handbook and understand it. Ms. Oja said this was a good point and thanked Supervisor Yeomans.

Supervisor Yeomans moved approval of the Rock County Financial Handbook, with above changes made, second by Supervisor Podzilni. ADOPTED.

**Adjournment.** Supervisor Yeomans moved adjournment at 8:49 A.M., second by Supervisor Podzilni. ADOPTED.

Respectfully submitted,

Marilyn Bondehagen  
Office Coordinator

**NOT OFFICIAL UNTIL APPROVED BY COMMITTEE.**

# ROCK COUNTY FINANCIAL HANDBOOK

<b>SECTION</b>	<b>TITLE</b>
<b>1</b>	<b>INTRODUCTION</b>
	<b>APPROPRIATIONS &amp; BUDGETS</b>
	1.1 <u>Budget Preparation &amp; Process</u>
	1.2 <u>Budget Amendments &amp; Transfers</u>
1.3 <u>Encumbrances – Year End Carryover</u>	
<b>2</b>	<b>CASH &amp; DEPOSITS</b>
	2.1 <u>Deposits</u>
	2.2 <u>Check Endorsement Procedure</u>
	2.3 <u>Cash Handling</u>
	2.4 <u>Bank Reconciliations</u>
	2.5 <u>Dishonored/Returned Checks</u>
	2.6 <u>Petty Cash/Change Funds</u>
<b>3</b>	<b>EQUITY ACCOUNTS</b>
	3.1 <u>Fund Balance Policy</u>
<b>4</b>	<b>REVENUE</b>
	4.1 <u>Accounts Receivable Policy</u>
	4.2 <u>Donations</u>

<b>SECTION</b>	<b>TITLE</b>
<b>5</b>	<b>DISBURSEMENTS</b>
5.1	<u>Accounts Payable (A/P) Policy</u>
5.2	<u>Vendor Check Reissuance</u>
5.3	<u>Cancelled Checks</u>
<b>6</b>	<b>FINANCIAL REPORTING</b>
6.1	<u>Authorizations</u>
6.2	<u>Journal Entries</u>
<b>7</b>	<b>PAYROLL</b>
7.1	<u>Direct Deposit</u>
7.2	<u>Timesheets</u>
7.3	<u>Travel and Meal Reimbursement</u>
7.4	<u>Taxability of Meal Reimbursements</u>
7.5	<u>Distribution of Paychecks and Pay Stubs</u>
7.6	<u>Replacement of Employee Payroll Checks</u>
7.7	<u>Jury Duty Fees Earned by County Employees</u>
<b>8</b>	<b>OPEN SECTION</b>

<b>SECTION</b>	<b>TITLE</b>
<b>9</b>	<b>MISCELLANEOUS</b>
9.1	<u>Sales Tax</u>
<b>10</b>	<b>CAPITAL ASSETS</b>
10.1	<u>Capitalization Policy</u>
10.2	<u>General Capital Assets</u>
10.3	<u>Rock Haven</u>
10.4	<u>Infrastructure</u>
10.5	<u>Collections, Works of Art and Historical Treasures</u>
<b>11</b>	<b>PURCHASING MANUAL</b>
11.1	<u>Introduction</u>
11.2	<u>Purchases Under \$25,000</u>
11.3	<u>Purchases \$25,000 and Over</u>
11.4	<u>Bidding Guidelines</u>
11.5	<u>Public Work Projects Exceeding \$5,000</u>
11.6	<u>Department of Public Works</u>
11.7	<u>Emergency Purchases</u>
11.8	<u>Disposal of Surplus Items</u>

## **INTRODUCTION**

This handbook contains policies and procedures (established by Wisconsin Statutes, Rock County Ordinances, Rock County Board Rules, Rock County Finance Committee or Generally Accepted Accounting Principles for specific accounting and financial activities. It provides guidance and reference information for all departments.

The stewardship of public funds is a critical function given to officials and department staff. Therefore, the development and maintenance of applicable policies enables county officials to protect public interest and ensure trust.

The contents of this manual and all subsequent changes are governed by the Rock County Finance Committee, after referral from the Rock County Finance Department.

Section:	1 – Appropriation & Budgets	Effective:	8/1/19
Sub-Section:	1.1	Revising:	NEW
Subject:	Budget Preparation & Process	Page:	1 of 1
Legal Authorization:			Wis. Stat. § 65.90

**DEFINITION**

The county budget is prepared and adopted annually. This budget results in a county property tax that is apportioned to property owners.

**POLICY**

Each May, a Budget Calendar is distributed to all County Board Supervisors and departments by the County Administrator.

Per Wisconsin Statutes, the budget is published in October of each year. A public hearing is held prior to adoption in November.

The proposed budget must be balanced, with recommended expenditures not exceeding the combined total of revenues (including property tax) and fund balance applied.

State mandated levy limits, must be adhered to.

After adoption, no department may exceed their appropriation, without taking action, as listed in Section 1.2.

Unexpended appropriations, along with additional revenues, shall lapse at year end to the General Fund except specific appropriations approved for carryover by the Rock County Board of Supervisors or the account has been specifically designated as nonlapsing or a permanent equity account.

[Return to Index](#)



Section:	1 – Appropriation & Budgets	Effective:	8/1/19
Sub-Section:	1.2	Revising:	12/1/16
Subject:	Budget Amendments & Transfers	Page:	1 of 2
Legal Authorization:	County Board Standing Rule 5A, Wis. Stat. § 65.90 (5)(a)		

**DEFINITION**

After budget adoption, departments may find it necessary to amend their budget(s). This may be due to:

- Receipt of additional revenue
- Unanticipated costs or savings
- Change in priorities

Budgets can be amended via two different processes, depending on the situation:

- Line Item Transfers
- County Board Resolution (Supplemental Appropriation)

Reclassification of specific line items, that do not involve a change of amount or intent, can be done by the Finance Department, without committee approvals. The Finance Department maintains the authority to make the final decision on the object code assignment within the county general ledger accounting system.

**POLICY - GENERAL**

No department may exceed a line item budget by \$500 or more without formal action. If, during the course of the year, a department determines a change is necessary in their budget(s), an appropriate budget amendment must be initiated.

**POLICY – SPECIFIC DEPARTMENT DIRECTIVES**

Human Services Budget is monitored based on overall accounts/division. Individual line items may be exceeded, as long as the department has funding within the account. These guidelines are established due to the ongoing changes in state/federal funding and also the changing needs of their clients.

Highway and Rock Haven Budgets are monitored based on overall operations. Both of these funds are classified as Proprietary Funds.

[Return to Index](#)

Section:	1 – Appropriation & Budgets	Effective:	8/1/19
Sub-Section:	1.2	Revising:	12/1/16
Subject:	Budget Amendments & Transfers	Page:	2 of 2
Legal Authorization:	County Board Standing Rule 5A, Wis. Stat. § 65.90 (5)(a)		

## **PROCEDURE**

### **Line Item Transfer**

A Line Item Transfer (LIT) is used to transfer funds from one budget line item (object code) to another within a department. A Line Item Transfer may be necessary when changes in spending needs during the year result in a deficit in one line item and an excess in another. A Line Item Transfer allows the funds from the excess line be transferred to the deficit line.

Money should not be spent before a Line Item Transfer is approved.

Budget overdrafts less than \$500 are acceptable without a Line Item Transfer as long as funds are available elsewhere within the program. If a Line Item Transfer is necessary, the department head should carefully scrutinize their budget and identify other object codes with anticipated savings, which could be transferred.

For transfers of \$5,000 or less, use the form titled “Rock County Transfer Request—\$5,000 or Less.” Fill in the date, your name, title, account numbers and descriptions for both the transfer from and transfer to, as well as specific reasons funds are available for transfer and the need for the transfer. Do not fill in the current balance line as this will be completed by Financial Services. Email the fillable .pdf form to the Finance Director and Assistant Finance Director. These transfers are approved by the County Administrator and the Finance Director.

For transfers over \$5,000, use the form titled “Rock County Transfer Requests-\$5,000 or more”. Like transfers of \$5,000 or less, fill in the appropriate data, except for the current balance. Be sure to include specific reasons funds are available for transfer and are needed. Transfer request forms that do not include the specific reasons for the transfer request will be returned to the department prior to consideration. Email the fillable .pdf form to the Finance Director and Assistant Finance Director. These transfers are sent to the department’s governing committee for approval. Transfers over \$10,000, once approved by the governing committee, are sent to the Finance Committee for approval.

Pursuant to Section 65.90(5)(b), Wisconsin Statutes and County Board Rule V-G.(5)(b), the Finance Committee must approve any transfer from the Contingency Fund, regardless of the amount.

If a department is requesting a transfer for a capital item more than \$2,000 that is not included in the current year’s budget, an email must be sent to the County Administrator requesting authority for the acquisition prior to consideration of the transfer. A copy of the County Administrator’s approval or denial will be filed with the Purchasing Manager and Finance Director.

*Note: All transfers must be in whole dollars only.*

Section:	1 – Appropriation & Budgets	Effective:	12/1/16
Sub-Section:	1.3	Revising:	6/1/2009
Subject:	Encumbrances – Year End Carryover	Page:	1 of 1
Legal Authorization:			

## DEFINITION

An encumbrance represents an outstanding order or contract payment.

## POLICY

Outstanding encumbrances, as of December 31<sup>st</sup> of each year, may be carried over to the following year. **This process can be done only for specific items committed to and not received by December 31<sup>st</sup>.** Requests for carry overs must be received by the Finance Department by January 24<sup>th</sup> of each year.

## PROCEDURE

All departments must use the standard form, which is available on the Intranet. The standard form is intended to provide the basis for the resolution and to inform the Finance Committee and County Board of the reasons for carrying over funds. This information will also facilitate the year-end closing of the County's books in accordance with GAAP. Requests that are approved by the County Administrator will be combined into one resolution for Finance Committee and County Board approval, which typically occurs in February.

Fill out the form completely in the section headed 'These sections to be completed by requesting department'. Completed forms must be submitted to the Finance Department no later than January 24<sup>th</sup>.

Please note that if goods or services are received in the current budget year but not invoiced until the succeeding year, they are recognized as a current year expense as long as they are vouchered and approved by the governing committee on or before the last day of February of the succeeding year. In this case, a carryover of funds is not required. For example, if a department orders and receives a piece of equipment by December 31, 2019, but is not invoiced by the vendor until February 2020, it is still recognized as a 2019 expense as long as the payment is approved by the last date in February 2020. *In other words, goods and services must be expensed in the year they are received, per GAAP.*

This carryover procedure does not apply to state or federal grants that have fiscal years other than the calendar year. These grants are automatically carried over to the succeeding County budget year in accordance with the grant contract. Carryover requests are not required for large long-term capital projects with their own account. These capital projects are automatically carried over year-to-year until the project is completed. *However, goods and services for these accounts must still be expensed in the year they are received, per GAAP.*

[Return to Index](#)

Section:	2 – Cash & Deposits	Effective:	12/1/16
Sub-Section:	2.1	Revising:	4/1/16
Subject:	Deposits	Page:	1 of 1
Legal Authorization:			

## DEFINITION

Deposits represent cash or checks received by departments.

## POLICY

All County departments must make deposits at least weekly, regardless of the amount.

- Cash receipts totaling \$100 or more must be deposited the day received.
- Check receipts totaling \$1,000 or more must be deposited the day received.

The County Treasurer balances out at 2:30 p.m. daily. Therefore, to maximize potential interest earnings, all departments should make their deposits no later than 2:00 p.m. daily.

Exception: Any applicable deposit that comes into a department at the end of day, and cannot be brought to the Treasurer's Department, may be securely stored in the department until the next day.

The County Treasurer's daily deposit receipts are reviewed on a regular basis by the Finance Department to ensure compliance with this procedure.

## PROCEDURE

### Standard Deposit Transmittal Form

1. Deposits by County departments can only be accepted by the County Treasurer when accompanied by the Standard Deposit Transmittal Form (SDTF).
2. The SDTF must be completely filled out.
3. The Finance Department can assist you with creating or maintaining your SDTF. You may add, delete or modify accounts as needed. Contact Financial Services if you need assistance.
4. Print and submit two copies to the County Treasurer along with your deposit. Also, attach any available supporting documentation. This information is scanned into the general ledger for audit purposes.
5. The SDTF is not used for internal charges for services as these transactions do not involve cash exchanges. These revenues are recorded by journal entry.

When completing the form:

- **DESCRIPTION:** The description field must be completed. The description field will allow for up to 30 characters and is what will appear in the general ledger and on reports. If the receipt pertains to an accounts receivable, the first eight (8) characters of the description field must be the County's A/R Invoice Number which is being paid in order to be recorded correctly in the general ledger.
- **PREV. YR. ACCTS.:** Only used in January and February of each year. This box is checked when a receipt must be recorded in the accounts of the prior year's budget. For example, State reimbursement is received in January 2020 for services provided in December 2019.
- **A/R UPDATE:** This box is checked when the deposit relates to a collection billed through the County's accounts receivable program. Do not check prev. yr. accts if they have been billed through the County's Accounts Receivables program.

Section:	2 – Cash & Deposits	Effective:	6/1/09
Sub-Section:	2.2	Revising:	3/1997
Subject:	Check Endorsement Procedure	Page:	1 of 1
Legal Authorization:			

## **POLICY**

Federal legislation, entitled the Expedited Funds Availability Act, requires standardized check endorsements by all parties.

This law requires that our endorsement(s) may be in any color ink except purple. Black ink is preferred.

Additionally, the payee (endorser) endorsement(s) must be in the first 1-1/2 inches on the back of the check. This includes the departmental endorsement plus the County Treasurer's endorsement. The space limitation would also apply to checks with third party endorsements.

In order to comply with the law, it is imperative that endorsements be in the smallest type possible, yet contain sufficient information to keep the endorsement restrictive, such as "For Deposit Only" or "Pay to the order of Rock County Treasurer."

### **When ordering endorsement stamps, please order as follows:**

- Line One: Your department
- Line Two: County of Rock
- Line Three: For Deposit Only

Failure to comply with the endorsement placements and color standards could render the bank's endorsement unreadable, which could result in processing delays and fees charged to the County.

Any questions on proper check endorsements should be addressed to the County Treasurer.

Section:	2 – Cash & Deposits	Effective:	8/1/19
Sub-Section:	2.3	Revising:	NEW
Subject:	Cash Handling	Page:	1 of 1
Legal Authorization:			

**DEFINITION**

This policy defines how Rock County employees handle cash and checks received. Cash is defined as any coin/currency, checks, money orders, credit cards, ACH online payments, and electronic file transfers.

**POLICY**

Specific, detailed procedures shall be developed by all departments, which ensure the prevention of mishandling of county funds.

**PROCEDURE**

1. All aspects of cash receipting shall be subject to proper internal control procedures, which address adequate segregation of duties, physical security, daily processing and reconciliation, receipting, use of automatic systems, and treatment of overpayments
2. Upon suspicion of fraud, all department heads or employees shall notify the Sheriff's Office and Finance Director for further investigation.
3. Departments shall not maintain separate bank accounts, unless specifically required by statute, the Federal / State Government or approved by the Finance Committee.
4. All employees who receive cash shall be responsible with and accountable for the handling of payments received by the county.
5. Missing Cash: If a department notices that cash is missing from their cash register, locking drawer, or safe, they should prepare a document that describes the details of the situation and contact the Sheriff's Office and Finance Director, so an investigation may be conducted. Applicable Department Heads do not need to be notified.
6. Cash must be stored in a safe or other secure place within each department daily.

A department's cash handling and procedures may be audited by the Finance Department at any time.

[Return to Index](#)

Section:	2 – Cash & Deposits	Effective Date:	8/1/19
Sub-Section:	2.4	Revision Date:	NEW
Subject:	Bank Reconciliations	Page:	1 of 1
Legal Authorization:			

### **DEFINITION**

A bank reconciliation is a process that explains the difference between the bank balance shown in an organization's bank statement, as supplied by the bank, and the corresponding amount shown in the organization's own accounting records at a particular point in time.

A bank reconciliation is also an important tool in prevention of fraud and embezzlement.

A complete listing of all bank accounts is maintained by the County Treasurer and Finance Department.

### **POLICY**

Bank reconciliations must be completed by departments within 30 days of the bank statement date.

All departments must provide their bank account reconciliations to the Finance Department within 30 days of the bank statement date.

Failure to provide bank reconciliations to the Finance Department in a timely manner will be reported to your governing committee and the Finance Committee and may result in the revocation of the department's authority and control of the bank account.

All bank accounts may be audited by the Finance Department at any time.

*will*

Section:	2 – Cash & Deposits	Effective:	3/1/09
Sub-Section:	2.5	Revising:	3/1997
Subject:	Dishonored/Returned Checks	Page:	1 of 1
Legal Authorization:			

**DEFINITION**

This policy addresses checks returned to the County Treasurer and Clerk of Court by the County's working bank for non-payment due to non-sufficient funds, (NSF), bank account closed, stop payment, lack of endorsement, etc.

**POLICY/PROCEDURE**

Dishonored/Returned Check Fee

A fee of \$25.00 will be charged for dishonored/returned checks. Departments shall post notices to advise the public of this fee. Checks returned whereby the check maker claims bank error will be handled as all other returned checks. It will be the maker's responsibility to seek reimbursement from their bank due to bank error.

1. The Clerk of Court shall be responsible for all dishonored checks charged to its bank account. The Treasurer will coordinate recovery of bad checks deposited into the working bank for all other county departments.
2. The Treasurer's Office will make the first attempt to collect dishonored checks returned to it. If the Treasurer is unsuccessful in recovering the funds, plus fees, the check will be returned to the county department making the original deposit. The revenue account credited with the original check payment shall be charged for the returned check. It is only after the funds have been adjusted out of the receiving department's revenue account that the department may accept funds from the payer. Any attempt to "make good" on the check prior to the adjustment is to be done in the Treasurer's office.

[Return to Index](#)



Section:	2 – Cash & Deposits	Effective:	8/1/19
Sub-Section:	2.6	Revising:	NEW
Subject:	Petty Cash/Change Funds	Page:	1 of 3
Legal Authorization:			

**DEFINITION**

Petty Cash/Change Funds have been established in the following departments:

• <u>Treasurer</u>	<u>\$2,500</u>	• <u>Mailroom Petty Cash</u>	<u>\$25</u>
• <u>County Clerk Imprest Fund</u>	<u>\$2,200</u>	• <u>Real Property Change Fund</u>	<u>\$10</u>
• <u>County Clerk Change Fund</u>	<u>\$50</u>	• <u>Planning Change Fund</u>	<u>\$100</u>
• <u>Human Resources Petty Cash</u>	<u>\$40</u>	• <u>Surveyor Change Fund</u>	<u>\$10</u>
• <u>Register of Deeds Change Fund</u>	<u>\$150</u>	• <u>Veteran's Services Petty Cash</u>	<u>\$50</u>
• <u>Sheriff Petty Cash</u>	<u>\$1,150</u>	• <u>Health Dept North Petty Cash</u>	<u>\$90</u>
• <u>Sheriff Change Fund</u>	<u>\$300</u>	• <u>Health Dept North Change Fund</u>	<u>\$100</u>
• <u>Sheriff Change Fund</u>	<u>\$500</u>	• <u>Health Dept South Petty Cash</u>	<u>\$25</u>
• <u>Register in Probate Change Fund</u>	<u>\$75</u>	• <u>Health Dept South Change Fund</u>	<u>\$100</u>
• <u>Circuit Court Change Fund</u>	<u>\$1,200</u>	• <u>Health Dept Clinic Change Fund</u>	<u>\$40</u>
• <u>Human Services Petty Cash</u>	<u>\$5,000</u>	• <u>Arrowhead Library System Petty Cash</u>	<u>\$150</u>
• <u>Rock Haven Petty Cash</u>	<u>\$1,100</u>	•	
• <u>Rock Haven Change Fund</u>	<u>\$900</u>	•	
•		•	

These funds are used for making small, incidental purchases. In some cases, these funds may also be used as a "change fund". They shall not be used to avoid or circumvent the county procurement process.

**POLICY**

Establishment of a Petty Cash/Change Fund must be approved by the Finance Committee. They may only be used for specified purposes and must maintain an established system of record keeping and be subject to audits by the Finance Department.

**PROCEDURE**

**1. Request for Petty Cash/Change Fund**

- a. Requests for establishment of petty cash/change funds from departments should be directed to the Finance Director. The custodian must be an employee of the County and must accept responsibility for the fund.
- b. The request will be reviewed for approval by the Finance Director before being referred to the Finance Committee.
- c. Once the request is approved, arrangements for disbursement of funds will be made.

<u>Section:</u>	<u>2 – Cash &amp; Deposits</u>	<u>Effective:</u>	<u>8/1/19</u>
<u>Sub-Section:</u>	<u>2.6</u>	<u>Revising:</u>	<u>NEW</u>
<u>Subject:</u>	<u>Petty Cash</u>	<u>Page:</u>	<u>2 of 3</u>
<u>Legal Authorization:</u>			

## **2. Expenditures and Reimbursements**

- a. Receipts must be obtained for each petty cash expenditure. For each expense, the following information must be documented:
  - Payee
  - Date of purchase
  - Amount
  - Description of purchase
- b. To obtain replenishment of petty cash funds, a voucher must be entered to Rock County Petty Cash. The voucher, with all applicable receipts attached, shall be submitted to the Finance Department for processing.

## **3. Prohibited Uses**

- a. Petty cash funds may not be deposited into personal bank accounts.
- b. Generally, departments may not establish bank accounts for petty cash funds unless approved by the Finance Director.
- c. Petty cash funds must not be comingled with other monies, such as personal funds of employees.
- d. Purchases of goods and services for more than \$20 should not ordinarily be made with petty cash.
- e. Petty cash funds may not be expended for:
  - Employment salary and travel expenses or similar payments to individuals.
  - Payment of personal checks or IOU's.
  - Payroll advances, travel advances, and loans to employees.
  - Cashing checks for employees or other individuals.
  - Petty cash funds should not be used for purchasing food, beverages or most supplies.

Section:	<u>2 – Cash &amp; Deposits</u>	Effective:	<u>8/1/19</u>
Sub-Section:	<u>2.6</u>	Revising:	<u>NEW</u>
Subject:	<u>Petty Cash</u>	Page:	<u>3 of 3</u>
Legal Authorization:			

#### **4. Maintenance and Security of Funds**

- a. Petty cash funds should be properly secured at all times. Access to the funds should be restricted to designated personnel.
- b. Cash on hand and receipts for disbursements must always equal the assigned amount of the petty cash fund. Therefore, the custodian responsible for the petty cash fund must keep a log of each transaction with paid receipts describing the goods or service purchased.
- c. A detailed plan for segregation of duties shall be maintained by each department with a petty cash fund.

#### **5. Review of Petty Cash Funds**

- a. Weekly, the petty cash custodian is responsible to count the petty cash fund to ensure that the fund has the correct total of petty cash and reimbursement vouchers. A record of these counts is to be reviewed by the Department Head or designated personnel.
- b. Semi-annually, the Finance Department shall review each petty cash fund and verify the following:
  - The fund is still needed for the amount authorized.
  - The sum of cash on hand and receipts for unreimbursed expenditures is equal to the amount which has been authorized.
  - The funds are secured and NOT deposited in a separate bank account.
  - The custodian is the custodian on record.
  - This petty cash policy and supplemental guidelines have been reviewed and the fund is being used in accordance with this policy.
- c. Records kept by individual departments should provide clear documentation of petty cash expenses. This information should always be readily available for review by the Finance Department.
- d. Petty cash funds are subject to unannounced verifications by the Finance Department. At the time of the audit, the petty cash custodian must provide a full accounting of the fund.

Any shortages discovered in petty cash/change funds should be reported to the Finance Director immediately upon discovery.

Section:	3 – Equity Accounts	Effective:	1/1/17
Sub-Section:	3.1	Revising:	12/5/11
Subject:	Fund Balance Policy	Page:	1 of 1
Legal Authorization:	Wis. Stat. § 65.90 (5)		

## DEFINITION

The General Fund serves as a key component of government fiscal stability. Adequate levels are essential to:

- Provide sufficient cash flow for daily financial needs,
- Secure and maintain investment grade bond ratings,
- Offset significant economic downturns or revenue shortfalls, and
- Provide funds for unforeseen expenditures related to emergencies.

### Five Categories of Fund Balance:

- Nonspendable: Amounts not in spendable form or are required to be maintained intact (delinquent taxes, inventories, prepaid items, endowment).
- Restricted: Portions of fund balance that reflect resources that are subject to externally enforceable legal restrictions. Amounts constrained to specific purposes by their providers, through constitutional provisions, or by enabling legislation (creditors, grantors, restricted donations or contributions).
- Committed: Amounts constrained to specific purposes by the County Board.
- Assigned: Fund balance comprises amounts *intended* to be used by the government for specific purposes. Consists of excess sales taxes and carryover requests.
- Unassigned: Amounts available for any purpose; reported only in the general fund.

## POLICY

### Unassigned General Fund

The County shall maintain an Unassigned General Fund balance of 20% to 25% of the total audited General, Human Services, Airport and Enterprise Fund expenditures. The Unassigned General Fund balance percentage shall be calculated annually using the County's Audited Financial Statements.

### Internal Service Funds

The County shall target the following working capital balances as a percentage of expenses:

- Motor Pool: 10% - 15%
- Information Technology: 10% - 15%
- Self-Insurance: 25% - 30%

The Finance Director shall review the Internal Service Funds' working capital balance percentages annually and make recommendations pertaining to rates charged to users.

Section:	4 – Revenue	Effective:	8/1/19
Sub-Section:	4.1	Revising:	3/1/09
Subject:	Accounts Receivable Policy	Page:	1 of 1
Legal Authorization:			

**DEFINITION**

Accounts Receivable (A/R) funds due Rock County departments vary in terms of source and specific federal or state guidelines.

**POLICY**

Departments that perform services or sell items on credit shall utilize a system that will allow efficient and timely billing and collection. Each Department is responsible for developing its own internal billing and collection procedures, with the assistance of the Finance Department.

Delinquent accounts are to be regularly monitored. Accounts greater than > \$5,000 that have exhausted all collection options and are considered no longer collectible, must obtain Governing and Finance Committee approvals to be written-off and deleted from the accounting system.

Amounts are reviewed individually, and not in aggregate.

Court-related receivables are part of the State of Wisconsin CCAP System. They are not monitored by the Finance Department.

**PROCEDURE**

The purpose of this procedure is to standardize the methodology for writing off uncollectible receivables. This procedure is intended to provide sufficient information for administrative control of receivables, conform to Generally Accepted Accounting Principles (GAAP), and meet legal requirements. This procedure is not intended to be used for collection of delinquent property taxes as these are subject to specific state statutory requirements.

Each department that has accounts receivable is responsible for diligent collection efforts. These efforts shall include written statements of account balances and person-to-person contact. Departments should also use the State of Wisconsin Department of Revenue's Tax Refund Intercept Program (TRIP) or the State Debt Collection program when appropriate in its collection efforts. Questions on these programs should be addressed to the Finance Director.

Accounts may also be referred to the Corporation Counsel for collection.

Any receivable at year end, which is not set up with an electronic billing system, will be entered, via journal entry, in December of each year. Exception – Health & Human Services client collections, which are recorded on a cash basis.

[Return to Index](#)

Section:	4 – Revenue	Effective:	8/1/19
Sub-Section:	4.3	Revising:	NEW
Subject:	Donations	Page:	1 of 1
Legal Authorization:			

**DEFINITION**

Donations represent funds, memorials, gifts, or other assets received by Rock County departments, from a non-governmental source.

**POLICY**

All donations of cash or property received must be registered with the Finance Department so they are properly recorded and accounted for within Rock County. Detailed records shall be maintained for all funds received, and how they are spent.

Governing committees shall be kept up to date on donations received.

Donations made to Rock County are treated the same (by the donor) as to a normal charitable organization under the provisions of IRS Code 170.

**ACCOUNTING**

Capital Assets must be evaluated for inclusion in the Capital Fixed Asset System.

Valuation of gifts and donations should have the fair market value at the time of the receipt.

Cash is deposited in a revenue account, specific to the receiving department.

Expenditures are maintained and monitored for each donation.

Expenditures must be made in accordance with the grantor's expectations, *and must be* ~~or for any~~ lawful purpose under statutes and County policies.

[Return to Index](#)

Section:	5 – Disbursements	Effective:	8/1/19
Sub-Section:	5.1	Revising:	NEW
Subject:	Accounts Payable (A/P) Policy	Page:	1 of 1
Legal Authorization:			

**DEFINITION**

This policy defines the timeline for department invoice processing and check printing.

**POLICY**

**Invoices/Batches Due Dates to the Finance Department:**

- General Departments      Noon on Thursday to have checks cut Thursday the following week
- Public Works              Noon on Thursday to have checks cut Thursday the following week
- Human Services            Noon on Wednesday to have checks cut Thursday the same week
- Rock Haven                 Noon on Wednesday to have checks cut Thursday the same week

Note: Exceptions may arise during holiday weeks.

**PROCEDURE**

- All departments must enter invoices for payment in One Solution using AP OH IN IN unless otherwise approved to enter batches.
- All orders for goods and services must have a properly completed purchase order.
- All invoices are to be date-stamped upon receipt and processed in a timely manner.
- All checks for Human Services, DPW, Rock Haven and Arrowhead Library will be picked up by the department or put in inter-department mail
- Checks for all other departments will be mailed by the Finance Department unless a post-it note is attached to the invoice. The post-it note must give the name and department to send the check to.

Invoices and other relevant support for payments are required to be scanned into the accounting system in a timely manner.

- General county departments – support will be scanned by the Finance Department.
- Human Services, Rock Haven and Public Works staff are to scan the support for their respective departments.

Section:	5 – Disbursements	Effective:	3/1/09
Sub-Section:	5.2	Revising:	2/2004
Subject:	Vendor Check Reissuance	Page:	1 of 1
Legal Authorization:			

## **DEFINITION**

It is County policy not to replace most County-issued checks that are reported lost or stolen until a stop payment order has been issued to the County's working bank and one subsequent bank statement has been received and reconciled by the County Treasurer. This procedure can take up to 45 days.

## **POLICY/PROCEDURE**

In reissuing a County check, the key points to remember are:

1. Only the County Treasurer's office can reissue Vendor checks.
2. Departments may not request a new check by creating a new voucher request for the original amount due to a vendor.
3. If a vendor claims they did not receive the County's check, the stop payment fee is charged to each department.
4. If a vendor acknowledges they received the County's check but misplaced the check, they are responsible for the stop payment fee.
5. The Payroll department reissues payroll checks. (Refer to Policy 7.6)

### **A. Vendor claims they did not receive County issued check:**

1. Vendor notifies department that they did not receive County issued check for services rendered.
2. Department (or County Treasurer) provides vendor affidavit attesting they did not receive check.
3. Department sends completed affidavit to County Treasurer's Office showing which account number is to be charged the actual bank service charge for stop payments (currently \$10.00). Recommend using Object Code 63100, Office Supplies and Expenses. Signature of Department Head is required on form. On the form, the department instructs the Treasurer's Office whether to directly mail the new check, have the vendor pick the check up or have the department send the check to the vendor.
4. After one bank statement (approximately 30 days) the County Treasurer will reissue check. The Treasurer will type on the new check "This check replaces check number ...".

### **B. Vendor acknowledges receipt of county issued check but check has been misplaced:**

1. Same procedure as above but in this instance the Vendor is responsible for paying the bank service charge.
2. In both instances the request for the stop payment must not be initiated until 14 days after the original check was mailed to the vendor.

Return to Index



Section:	5 – Disbursements	Effective:	3/1/09
Sub-Section:	5.3	Revising:	11/1995
Subject:	Cancelled Checks	Page:	1 of 1
Legal Authorization:			

**DEFINITION**

Each year the County Clerk prepares a resolution identifying checks outstanding for two years or more. The County Board considers the resolution at its annual session pursuant to 59.64(4)(e) Wis Stats. The payee has six years from the date of the cancellation to request a new check be issued.

**POLICY/PROCEDURE**

This policy is to clarify when a check is to be cancelled by resolution and when a check is to be voided.

For any County check issued through the Financial Services Department that is returned to the issuing department due to an incorrect address, the issuing department should attempt to verify the correct address of the payee/vendor. If a more correct address is ascertained, the department will inform Financial Services of the address change for the payee/vendor, and the original check will be resent.

If the payee/vendor returns a check because the goods or services were not rendered, the check shall be promptly forwarded to Financial Services, which shall void the check for credit to the budget appropriation from which it was drawn.

Any check returned to any department by the postal service for which no other address is known, **and the check represents a legitimate claim against the county**, shall be promptly forwarded in the original envelope to the County Treasurer to be retained and included in the cancellation resolution.

All checks that will not be sent to the payee/vendor when issued are to be held in the County Treasurer's vault until requested.

Section:	6 – Financial Reporting	Effective:	8/1/19
Sub-Section:	6.1	Revising:	NEW
Subject:	Authorizations	Page:	1 of 1
Legal Authorization:			

### DEFINITION

Department authorizations designate approval for transactions to be processed.

### POLICY

All journal entries and requests for payment must have proper authorization before processing.

### PROCEDURE

- Each request for payment of an invoice must have the Department Head's electronic approval using workflow in One Solution.
- Each Journal Entry request must be signed/initialed and dated by the Department Head.

A Department Head may authorize another staff person to give approvals.

[Return to Index](#)

Section:	6 – Financial Reporting	Effective Date:	8/1/19
Sub-Section:	6.2	Revision Date:	NEW
Subject:	Journal Entries	Page:	1 of 1
Legal Authorization:			

### **DEFINITION**

A journal entry is a transaction posted into the Accounting System/General Ledger. It has a debit and credit and is always balanced.

#### Typical Journal Entries:

- Interdepartment charges
- Recording of noncash transactions
- Recording of electronic charges, payments, and receipts
- Correcting a posted transaction

### **POLICY**

Journal entries must have a strong system of internal controls. Each journal entry must have sufficient documentation attached, to allow for verification. Each journal entry shall have segregation of the following steps:

1. Prepare the entry
2. Review the entry
3. Department head (or designee) signature/initials
4. Entry into the Accounting System
  - General county departments – Journal entries and supporting documentation are to be sent to the Finance Department for entry
  - Human Services, Rock Haven and Public Works staff enter journal entries into batches.
5. Post the entry – Only the Finance Department may post journal entries.

Journal entry support is required to be scanned into the accounting system in a timely manner.

- General county departments – journal entry support will be scanned by the Finance Department.
- Human Services, Rock Haven and Public Works staff are to scan the journal entry support for their respective departments.

Section:	7 – Payroll	Effective:	12/1/16
Sub-Section:	7.1	Revising:	1/1/14
Subject:	Direct Deposit	Page:	1 of 1
Legal Authorization:			

### **POLICY/PROCEDURE**

All new employees are required to use direct deposit for their paychecks. They will be required to fill out a form during orientation.

Employees changing bank accounts need to fill out a Direct Deposit Authorization Agreement form. This form can be found on the Intranet. The change may take up to two pay periods to finalize due to necessary testing by the County's bank.

When an employee closes a bank account and the direct deposit is returned, the new check will need to be picked up ~~the check~~ in the Treasurer's office and the employee will be required to pay the Return ACH fee of \$3.75. The new check will not be issued until the returned money is back in Rock County's bank account, which could take up to 2 weeks.

[Return to Index](#)

Section:	7 – Payroll	Effective:	8/1/19
Sub-Section:	7.2	Revising:	1/1/12
Subject:	Timesheets	Page:	1 of 2
Legal Authorization:			

**POLICY/PROCEDURE**

Timesheets and all corresponding documentation must be received in the Payroll office by 5 pm on the Tuesday following payday. Emailed timesheets are acceptable. Deadlines could be adjusted due to holidays.

Employee's must use the Excel version of the timesheet on the Intranet. Handwritten timesheets will not be accepted.

Timesheets and any corresponding forms must be signed by the employee and the supervisor. If a signature is missing, we will email a copy to the employee and supervisor who failed to sign the timesheet.

Any changes made by the supervisor must be initialed.

Rock County uses the 7 minute rule for rounding each individual's in/out time for pay purposes. The seven minute rule is as follows:

<u>Minutes into new hour</u>	<u>Rounds</u>
1-7	To beginning of hour
8-22	To first quarter hour
23-37	To half hour
38-52	To third quarter hour
53-59	To next hour

The timesheet must show "in" and "out" times under the columns for Regular Hours (In) and Regular Hours (Out) for all time worked. Lunch times "out" and "in" must be included under the Lunch Hours (In and Out). If no lunch is taken, leave these columns blank. Any overtime on timesheets must have corresponding "in" and "out" times under the OT Hours (In) and OT Hours (Out) and an attached "Overtime Work Permit". If the "in" and "out" times and/or benefit time used by the employee do not match the total hours listed on their timesheet for a particular day, we will first pay benefit time used, then total work hours as computed by in/out times listed on their timesheet for that day, up to normal work day hours. When using vacation, sick, holiday, comp, or leave without pay you are not to put "in" and "out" times on the timesheet for that day.

List any "Paid Benefit Time" to be used under the correct column. If there is insufficient time available payroll will **not** contact the employee to use another benefit, it will be entered as "Leave Without Pay".

Section:	7 – Payroll	Effective:	8/1/19
Sub-Section:	7.2	Revising:	1/1/12
Subject:	Timesheets	Page:	2 of 2
Legal Authorization:			

**It is the employee's responsibility to accurately fill out the time sheet** and verify the "in" and "out" times before forwarding the timesheet to the supervisor. Supervisors should be verifying the IN and Out times before signing the time sheet and should verify that the employee and supervisor have signed the timesheet before submitting to payroll. The signatures are an affidavit for the county auditors, "certifying the information on the timesheet is true and correct". Timesheets must be submitted to payroll by 5 pm on the Tuesday following payday. Emailed timesheets are acceptable. Deadlines could be adjusted due to holidays.

If payroll receives timesheets by 5 pm on the Tuesday following payday, an attempt will be made to contact the employee and supervisor **one time** for any missing or incorrect information that may have been found on the submitted timesheet. If there is a prompt response, payroll will correct the error on that check. This does not include insufficient benefit time.

**Any timesheets received after 5 pm on the Tuesday following payday will be paid "as is"**. If payroll finds an error, a copy of the timesheet in question will be sent to the employee on the Thursday before payday. The employee can amend the timesheet with the corrections, get the supervisors initials, and resubmit to payroll. The verified correction will not be paid until the following paycheck.

If payroll makes an error on your check, the check will be re-cut on payday if payroll is made aware of the mistake by 11:00 am on payday. If payroll is notified of the mistake later than 11:00 am, the check will be re-cut on Monday following payday.

[Return to Index](#)

Section:	7 – Payroll	Effective:	8/1/19
Sub-Section:	7.3	Revising:	4/1/16
Subject:	Travel and Meal Reimbursement	Page:	1 of 3
Legal Authorization:			

**DEFINITION**

The County will reimburse employees for actual and reasonable itemized travel costs incurred while on official County business.

**POLICY/PROCEDURE**

General Guidelines

1. All travel must be authorized by the Department Head and submitted on the official County travel voucher form in order to be reimbursed. The voucher form can be found on the Intranet. *Handwritten voucher forms will not be accepted*
2. Department Heads shall inform the County Administrator of any out of County travel.
3. Original receipts are required for air, train, bus, or taxi travel, hotels/motels, conference registration, and meals.

Mileage

1. Mileage when traveling by personal automobile on official County business shall be reimbursed at the IRS allowed rate. Section 18.626 of the Personnel Ordinance requires mileage reimbursement be paid through the payroll system. Parking and tolls will also be reimbursed through the payroll system on a non-taxable basis. Employees are encouraged to obtain receipts where possible.
2. Commuting expenses between an employee's residence and his/her normal place of employment is not reimbursable. This includes reporting to the work site on a non-scheduled day of work.
3. Department Heads and supervisors who have an office in Beloit and Janesville shall **not** be reimbursed for mileage from one of those offices to their residence.
4. If an employee is directed to a work site other than their "normal" site for a period of days (more than 1 day), then that employee will not be eligible for mileage. In this case, the employee was transferred, albeit for a short period of time. That short-term transfer means that the new work site becomes their "normal" work place.
5. When traveling out of County (i.e., conference in Madison, etc), mileage will be computed from the employee's residence or normal work site, whichever is the shortest distance. If there is a question on this, the County will use MapQuest to determine the shortest distance.

Section:	7 – Payroll	Effective:	8/1/19
Sub-Section:	7.3	Revising:	4/1/16
Subject:	Travel and Meal Reimbursement	Page:	2 of 3
Legal Authorization:			

6. Internal Revenue Service Regulations require substantiated reimbursable expenses must be adequately accounted for within a reasonable amount of time to be considered under the Accountable Plan rules. Amounts paid under an Accountable Plan are not wages and are not subject to taxes. Generally, it is considered reasonable if employees adequately account for the expenses within 60 days after the expenses were paid or incurred. Reimbursement requests for county business expenses, such as mileage or meals, that are not accounted for within the 60 days “reasonable time” limitations will be included in the employee’s taxable wages. In addition, the county will be required to pay the employer’s share of FICA taxes (currently at 7.65%). Employees are expected to turn in substantiated reimbursable expenses within the reasonable time limits established by the IRS.
7. If an employee is out in the field at the end of their workday, they are to only submit mileage either back to the work site or their residence – whichever is the shortest distance.
8. For departments that have motor pool cars, employees are required to follow department policy regarding the use of these vehicles prior to using their own personal automobile.

### Meals

1. Meals are allowed when you are on County business out of Rock County. Out of County meals will be reimbursed at the IRS M&IE allowed rates. IRS M&IE allowed rates can be found at [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem). Original receipts are required for all meals. *It is not the intent that employees should always spend the maximum allowed.*
2. Maximum meal reimbursements include tips. Tips shall not exceed 20% of the total cost of the meal and non-alcoholic drink. Tips exceeding the 20% maximum shall be at the employee’s expense.
3. Only employee meals are reimbursable.
4. No reimbursement shall be authorized for alcoholic beverages.
5. **Meals that are covered by a conference, training or other event will not be reimbursed.** Department heads/supervisors that approve the employee’s travel voucher are certifying that reimbursement for covered meals are not included in the employee’s reimbursement request.
6. There is no reimbursement for food or beverages within Rock County, unless the expense is covered as part of a registration fee, or except as authorized by the Board Chair or Vice Chair.



Section:	7 – Payroll	Effective:	8/1/19
Sub-Section:	7.3	Revision:	4/1/16
Subject:	Travel and Meal Reimbursement	Page:	3 of 3
Legal Authorization:			

7. Travel expenses are reimbursed through the County payroll system and must be submitted on proper forms with original receipts attached. The voucher form can be found on the Intranet. *Handwritten voucher forms will not be accepted.*
8. Refer to the Taxability of Meal Reimbursement Policy No. 7.4 as to the taxability of employee meal reimbursement. This procedure was initiated to give written guidelines for the inclusion or exclusion of meal cost reimbursement in County employees' taxable wages. This procedure gives specific examples; however, does not address all situations.

### Air Travel

1. Reimbursement for commercial air travel shall be limited to the least costly coach fare that uses a regularly scheduled commercial carrier and that prohibits preference for any airline, type of aircraft and connecting airports. Flights shall be purchased far enough in advance so as to achieve the lowest possible fares.
2. The additional cost of premium class (first class or business class) travel is not reimbursable. If a situation should arise where premium class travel is the only alternative available, such travel must be cleared by the Finance Director prior to booking the flight.
3. No other upgrades will be reimbursed. Fees such as for advanced boarding or seat assignments will not be reimbursed.
4. Flight/travel insurance will not be reimbursed.

Section:	7 – Payroll	Effective:	1/1/12
Sub-Section:	7.4	Revising:	6/2009
Subject:	Taxability of Meal Reimbursements	Page:	1 of 1
Legal Authorization:			

**POLICY/PROCEDURE**

A letter from the Internal Revenue Service (IRS) to the County Clerk states in pertinent part:

“Employer reimbursement for non-deductible meal expenses must be treated as taxable wages of the employees. Meals are non-deductible if they are incurred while not traveling away from home. Traveling away from home requires that the employee stop for rest or sleep.”

Based upon this letter, Rock County must include reimbursed meal costs incurred while not traveling away from home in employee taxable wages.

The Internal Revenue Code (IRC) does provide for exclusion of meal costs if both of the following tests are met:

- 1) The meals are furnished on the business premises; and,
- 2) The meals are furnished for the employer’s convenience. Reimbursed meal costs are not included in wages if traveling away from home (as defined above) or if the meal is included as a part of a registration fee.

**Specific examples:**

- A. The \$3.00 meal allowance provided to volunteer drivers by the Council on Aging is not included as wages based upon Revenue Rulings 80-99 (1980-1 C.B. 10) and 67-30 (1967-1 C. B. 9).
- B. The \$1.50 meal allowance provided to Highway Patrol Superintendents is included in wages as this allowance is not provided at the employer’s premises or for the employer’s convenience, does not meet the definition of traveling away from home and is not specifically addressed by a Revenue Ruling excluding these payments from taxable wages.

Reimbursement for all meal and travel costs are to be processed through the payroll system. *Meal costs shall not be reimbursed through the petty cash system.*

Section:	7 – Payroll	Effective:	8/1/19
Sub-Section:	7.5	Revising:	1/1/14
Subject:	Distribution of Paychecks and Pay Stubs	Page:	1 of 1
Legal Authorization:			

**POLICY/PROCEDURE**

Employees shall be paid once every two weeks on Friday. Paychecks and pay stubs will not be released to employees prior to the Friday pay day. When a pay day falls on a holiday, employees shall receive their paycheck or pay stub on the day preceding the holiday.

Employees working the third shift at Rock Haven shall be paid at approximately 6:45 a.m., on pay dates.

Out of Office Employees receiving pay stubs:

Departments will hold in a secure location the pay stubs for an employee who will not be working on payday due to vacation, funeral leave, military leave, medical leave, attending training, etc. until the employee returns.

Out of Office Employees receiving pay checks:

An employee who will not be working on payday due to vacation, funeral leave, military leave, medical leave, attending training, etc. is to obtain a "Paycheck Authorization" form from their department head or supervisor. The form is available on the Intranet. The employee authorizes staff in the Treasurer's Office to mail the paycheck the day before payday to the address specified by the employee, or the employee indicates they will be picking up the paycheck from the Treasurer's Office on payday. The form must be to the Treasurer's Office by 4: p.m. on the Wednesday before payday. The employee is to obtain the authorization form from their department head or supervisor so the department head or supervisor knows they should not be expecting a check for that employee on that payday.

If an employee does not complete a Paycheck Authorization form, checks not distributed on payday are to be returned to the Treasurer's Office no later than the Friday following payday. In the event a department does not have a locked, secure place to keep the checks, they should be brought to the Treasurer's Office before the close of business on payday.

Others authorized to pick up pay checks or stubs:

If any department allows fellow employees or family members to pick up a paycheck or pay stub, the department should obtain written authorization/documentation from the employee in advance of payday. The person authorized by the employee to pick up the paycheck or stub should provide identification.

Termed employees:

The Treasurer's Office will automatically mail paychecks and stubs to termed employees.

Section:	7 – Payroll	Effective:	1/1/12
Sub-Section:	7.6	Revising:	6/1/09
Subject:	Replacement of Employee Payroll Checks	Page:	1 of 1
Legal Authorization:			

### **POLICY/PROCEDURE**

Employees are strongly encouraged to use direct deposit to eliminate the possibility that payroll checks may be lost or stolen. It should be noted that all employees hired after March 31, 2002, are required to use direct deposit.

#### **Detailed Procedure for Reissuing Lost Employee Payroll Checks**

- a. Employee immediately notifies Payroll staff that payroll check is lost.
- b. Payroll staff notifies County Treasurer.
- c. Employee signs affidavit certifying that the payroll check was lost or stolen and pays the stop payment fee (currently \$5). Affidavits must be filled out at the County Treasurer's Office. NOTE: If the employee picked up their check prior to losing it, a stop payment order can be issued immediately. If the check was mailed to the employee, the Treasurer's Office waits 10 business days to allow for the U.S. Postal Service to deliver the check prior to issuing a stop payment order.
- d. County Treasurer issues stop payment order on lost payroll check.
- e. Payroll staff, using affidavit as supporting documentation, voids original check in payroll records and reissues payroll check in the same amount as the original.
- f. Payroll staff types on negotiable portion of replacement check, "This check replaces check number \_\_\_\_\_ [insert number]" and puts flag on employee payroll register identifying that a replacement check was issued for the specific employee.
- g. Employee picks up replacement check at County Treasurer's Office and shows identification to pick up check.

[Return to Index](#)

Section:	7 - Payroll	Effective:	8/1/19
Sub-Section:	7.7	Revising:	NEW
Subject:	Jury Duty Fees Earned by County Employees	Page:	1 of 1
Legal Authorization:			

### **DEFINITION**

County employees may be called to serve on a jury. This policy addresses associated payments employees may receive for their time/expense of being on a jury.

### **POLICY**

If an employee receives a summons for jury duty, his or her supervisor should be notified immediately. Time off will be granted, and the employee will continue to receive his/her County pay if the court-related pay is turned over to the County. However, employees are entitled to keep the portion of the check that covers mileage. The per diem is to be deposited to the department's regular wages line (61100)

Should an employee choose to use benefit time to serve on a jury, he/she may keep both the mileage and the jury service portions of the check received for their service.

[Return to Index](#)

<u>Section:</u>	<u>9 - Miscellaneous</u>	<u>Effective:</u>	<u>8/1/19</u>
<u>Sub-Section:</u>	<u>9.1</u>	<u>Revising:</u>	<u>NEW</u>
<u>Subject:</u>	<u>Sales Tax</u>	<u>Page:</u>	<u>1 of 1</u>
<u>Legal Authorization:</u>			

**DEFINITION**

This policy is intended for the purpose of informing Rock County employees and officials about relevant tax issues.

Sales tax is imposed on a seller's (retailer and serviceperson) receipts from sales of certain tangible personal property for use or consumption (not for resale). For purposes of this section, retailers are individuals engaged in the business of selling tangible personal property, service persons are individuals engaged in the business of making sales of service, and tangible personal property does not include real estate or investment assefs, such as stocks or bonds.

Sales tax is comprised of state, local, and county taxes. Sellers may reimburse themselves by collecting the tax from the consumers; however, sellers are responsible for properly collecting, reporting, and remitting tax to the Wisconsin Department of Revenue.

- State of Wisconsin Sales Tax      5%
- Rock County Sales Tax      .5%

**POLICY**

Rock County shall collect sales tax on all applicable transactions. Both state and county tax is submitted by the Treasurer's Department, to the State of Wisconsin.

**PROCEDURE**

All departments with applicable sales must include 5.5% sales tax.

Sales for a set fee must have sales tax computed and deducted from the selling price.

Sales tax collected shall be deposited into a liability account and paid to the State of Wisconsin on a monthly basis.

Section:	10 – Capital Assets	Effective:	1/1/17
Sub-Section:	10.1	Revising:	4/16/15
Subject:	Capitalization Policy	Page:	1 of 1
Legal Authorization:			

**DEFINITION**

Governmental Accounting Standards Board (GASB) Statement 34 requires the County to record and depreciate all capital assets. Capital assets include land and land improvements, buildings and building improvements, machinery and equipment, construction work in progress, infrastructure, and all other tangible or intangible assets that are used in operations that have initial useful life of at least two years. Infrastructure assets are generally long-lived capital assets that are stationary in nature.

GASB No. 34 requires the following treatment of various cost categories:

<u>Issue</u>	<u>Treatment</u>
Maintenance Costs (a)	Expense
Preservation Costs (b)	Capitalize
Additions	Capitalize
Improvements	Capitalize
Ancillary costs (freight, etc.)	Capitalize
Interest cost during construction	Expense

(a) These costs **do not** increase the useful lives of the assets.

(b) These costs **do** extend the lives of the assets.

**POLICY/PROCEDURE**

Capital assets will be reported at historical cost. Calculation of cost includes the cost of purchase (including freight and installation), appraisal, legal, land preparation, construction, demolishing, fixtures, shipping, delivery, project management, costs needed to place the asset in its intended condition for use, and implementation expenses. Donated or contributed assets are recorded at fair market value as of the date the asset is acquired.

Section:	10 – Capital Assets	Effective:	1/1/17
Sub-Section:	10.2	Revising:	4/16/15
Subject:	General Capital Assets	Page:	1 of 3
Legal Authorization:			

**GENERAL CAPITAL ASSETS**

<u>Class of Asset</u>	<u>Examples of Costs to be Capitalized</u>	<u>Threshold</u>
Machinery and Equipment	Purchase price, freight charges, assembly, installation	\$25,000
Land and land improvements	Purchase price of market value, closing costs, cost of preparing the land for use, demolition of existing building and improvements	Capitalize all Land Capitalize all improvements greater than \$25,000
Building and building improvements	Materials, labor, permits, design costs, site excavation, purchase price	\$25,000
Construction work in progress	Reported for assets that will ultimately be capitalized based on the capitalization policy of the current asset.	

Consider the following when determining the useful life of an asset:

- The length of time these assets have historically lasted
- Anticipated changes in technology
- Specific asset use
- Maintenance practices – among County departments, similar assets may be assigned different useful lives, depending on asset use and maintenance.

**GENERAL GUIDANCE:**

- Buildings and building improvements – 10 to 40 years
- Equipment – 5 to 25 years
- Vehicles – 4 to 20 years
- Land Improvements (depreciable) – 10 to 20 years



Section:	10 – Capital Assets	Effective:	1/1/17
Sub-Section:	10.2	Revising:	4/16/15
Subject:	General Capital Assets	Page:	2 of 3
Legal Authorization:			

**SPECIFIC GUIDANCE:**

<u>Asset Type</u>	<u>Life in years</u>
<u>Building and Building Improvements</u>	
Electrical/plumbing	20
HVAC systems	20
New buildings	40
Roofing	10
Renovations	10-20
Airport hangars	25
<u>Land and Land Improvements</u>	
Athletic fields	15
Land	No depreciation
Landscaping	20
Parking Lots	10
Structure land improvements	20
Airport Runways	25
<u>Machinery and Equipment</u>	
Communications equipment	10
Computer hardware	5-7
Construction equipment	15
Custodial equipment	15
Electoral equipment	10-15
Engineering, scientific equipment	10
Furniture, office equipment	5-15
Outdoor equipment	20
Outdoor recreation equipment	15
Video equipment	5-10
<u>Vehicles</u>	
Cars and vans	5-10
Fire trucks/equipment	20
Heavy construction vehicles	10
Sheriff vehicles	5-10
Trucks	10-15
Other Utility Vehicles	10-20

Section:	10 – Capital Assets	Effective:	1/1/17
Sub-Section:	10.2	Revising:	4/16/15
Subject:	General Capital Assets	Page:	3 of 3
Legal Authorization:			

### **Salvage Value**

The salvage value of general capital assets is estimated to be immaterial to the financial statements. Therefore, generally the county will not record salvage value on general capital assets.

### **Disposition of Assets**

Fixed assets may be disposed of due to sale, obsolescence, loss, destruction, or replacement. Upon disposal of an asset, the capital asset records will be relieved of the cost and related depreciation.

### **Depreciation Method**

The straight-line depreciation method will be used for all general capital assets. The capital asset software program used by the County allows for depreciation to be calculated on an individual asset basis. In addition, depreciation will be calculated in the year of addition based on the date the asset was put into use (i.e. only a portion of depreciation will be recorded in the year of addition). The Information Technology Department will record depreciation annually with a half year of depreciation in the year of acquisition and disposal.

Section:	10 – Capital Assets	Effective:	1/1/17
Sub-Section:	10.3	Revising:	4/16/15
Subject:	Rock Haven	Page:	1 of 1
Legal Authorization:			

### ***ROCK HAVEN***

Rock Haven follows the same capitalization rules as general capital assets with the following exception:

The state of Wisconsin mandates that the County capitalize and depreciate all equipment that has a useful life of at least 2 years and an acquisition cost of \$1,000 individually or \$2,000 for items acquired in quantity.

Section:	10 – Capital Assets	Effective:	1/1/17
Sub-Section:	10.4	Revising:	4/16/15
Subject:	Infrastructure	Page:	1 of 2
Legal Authorization:			

### **INFRASTRUCTURE**

<b><u>Class of Asset</u></b>	<b><u>Threshold</u></b>
All infrastructure networks	\$100,000

<b><u>Network</u></b>	<b><u>Examples of Costs to Capitalize</u></b>	<b><u>Examples of Costs to Expense</u></b>
<b>Roads</b>	new construction, partial reconstruction, full reconstruction	crack filling, sweeping, patching, sealcoating, pavement rehabilitation, pavement recycling, overlay
<b>Road Signs</b>	new signs, replacement of signs	sign repairs
<b>Traffic Signals</b>	new signal, replacement of signal	bulb replacement, any other signal, repairs
<b>Street Lights</b>	new light, replacement of light	bulb replacement, any other light, repairs
<b>Culverts</b>	new culvert, replacement of culvert	culvert repairs
<b>Bridges</b>	new construction, partial reconstruction, full reconstruction	crack filling, patching
<b>Retaining Walls</b>	new construction, partial reconstruction, full reconstruction	crack filling, repairs
<b>Dams</b>	replacement	general repairs
<b>Trails</b>	new construction	surface overlay
<b>Bike Paths</b>	new construction, partial reconstruction, full reconstruction	crack filling, patching, overlay
<b>Fiber Optics</b>	new installations, major upgrades to network	parts replacement, minor upgrades to network
<b>Water and Sewer Systems</b>	new construction, reconstruction	repairs

Section:	10 – Capital Assets	Effective:	1/1/17
Sub-Section:	10.4	Revising:	4/16/15
Subject:	Infrastructure	Page:	2 of 2
Legal Authorization:			

**SPECIFIC GUIDANCE:**

<u>Asset Type</u>	<u>Life in years</u>
Asphalt Roads	50
Culverts	50
Bridges	60
Retaining Walls	75
Dams	60
Trails	15
Bike Paths	15
Fiber Optics	30
Water and Sewer System	75

**Salvage Value**

State regulations require the Highway Department to record salvage value. Therefore, the depreciable cost of each highway asset will be reduced by the estimated salvage value.

Section:	10 – Capital Assets	Effective:	1/1/17
Sub-Section:	10.5	Revising:	4/16/15
Subject:	Collections, Works of Art and Historical Treasures	Page:	1 of 1
Legal Authorization:			

### **Collections**

The general County policy is that assets will be reported individually in the capital asset system. However, collections of assets (and all additions to the collection) will be capitalized together if the collection meets all of the following conditions:

- a. The collection is held for public exhibit, education, or research in furtherance of public service, rather than financial gain.
- b. The collection is protected, kept unencumbered, care for, and preserved.
- c. The collection is subject to a County policy that requires the sales of the collection items to be used to acquire other items for the collection.

Capitalized collections should be depreciated over their estimated useful lives, unless the collection is inexhaustible.

At the current time, the county does not have any collections.

### **Works of Art and Historical Treasures**

Works of art and historical treasures purchased by or donated to the County should be reported at their historical cost or estimated fair value at date of donation.

At the current time, the county does not have any works of art and historical treasures.

Section:	11 – Purchasing Manual	Effective:	2006
Sub-Section:	11.1	Revising:	
Subject:	Introduction	Page:	1 of 1
Legal Authorization:			

**DEFINITION**

This manual outlines the purchasing policies and procedures to ensure compliance with the County Purchasing Ordinance and defines a department's responsibilities in the process of purchasing goods and services.

County staff involved in the purchasing process shall not be personally or financially interested, or in any manner connected either directly or indirectly with, any contract or bid for the furnishing of supplies or articles or equipment of any kind, to any of the departments of Rock County. Neither shall County staff accept or receive any compensation or gratuity, directly or indirectly, from any person, firm, or corporation to whom any contract may be awarded, or has been awarded, by rebate, gift, or otherwise.

Section:	11 – Purchasing Manual	Effective:	4/17/18
Sub-Section:	11.2	Revising:	6/2013
Subject:	Purchases under \$25,000	Page:	1 of 1
Legal Authorization:			

## POLICY/PROCEDURE

### Purchases \$2,000 or less

- a. Office Supplies and Paper
  - Ordered on-line through authorized, contracted vendors
  - Office supplies and paper should be ordered using a Blanket Purchase Order or a County issued credit card
  - Office supplies and paper are delivered directly by the contracted vendor to the department
  - Departments are responsible for verifying orders and paying invoices when received.
- b. Furniture and Equipment must be purchased through the Purchasing Division.

### Purchases between \$2,000 and \$10,000

Requesting department enters Purchase Requisition into accounting system.

- a. Finance Department, Accounting, reviews Requisition for approval or denial based on budgetary considerations and account accuracy.
- b. Purchasing reviews and approves/denies purchase and issues Purchase Order.

### Purchases between \$10,000 and \$25,000

- a. Professional Services' contracts are acquired to be approved by the appropriate governing committee. Departments may choose to solicit a Request for Proposal/or Cost Proposals through Purchasing.
- b. Purchases of Goods or Services
  - Departments or Purchasing must make a good faith effort to obtain at least three (3) written quotations or proposals.
  - Requires the approval of the appropriate governing committee.

*The above limits do not pertain to 'Public Work' projects exceeding \$5,000. See Policy 11.5.*



Section:	11 – Purchasing Manual	Effective:	4/17/18
Sub-Section:	11.3	Revising:	6/2013
Subject:	Purchases \$25,000 and over	Page:	1 of 1
Legal Authorization:			

### Professional Services

- Exempt from bidding, however, departments may choose to solicit a Request for Proposal or Cost Proposals through Purchasing.
- Award of contract requires approval of the appropriate governing committee and County Board via a resolution.
- The Human Services Department has decentralized purchasing authority related to obtaining specialized Human Services professional services. Such services include physician medical services, group homes, respite care, psychological assessment services, training, medical laboratory services, in-home support services, etc. These services do not require a resolution.

### Purchases of Goods or Services

- Must follow bidding guidelines in policy 11.4
- Award of contract requires approval of the appropriate governing committee and County Board via a resolution.
- Purchases directly related to highway construction follow policy 11.6.

Section:	11 – Purchasing Manual	Effective:	2006
Sub-Section:	11.4	Revising:	
Subject:	Bidding Guidelines	Page:	1 of 1
Legal Authorization:			

**POLICY/PROCEDURE**

1. All bids must go through the Purchasing Division.
2. All Invitations for Bids and Request for Proposals shall include specifications and all contractual terms and conditions applicable to the procurement.
3. Adequate public notice of the Invitations for Bids in the form of a Class I notice shall be given within a reasonable time prior to the date set forth for the opening of bids and in no case less than seven (7) days prior to the event.
4. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. The amount of each bid, and other relevant information deemed appropriate, as well as the name of each bidder shall be recorded and be open to public inspection.
5. A bid may be withdrawn prior to opening if the bidder makes known their error and the bid shall be returned to the bidder unopened.
6. If a mistake is discovered after the bid opening and the low bidder will not be able to honor their bid, the County shall award the contract to the next lowest, most responsive and responsible bidder who meets the requirements and criteria set forth in the Invitation to Bid.

As an alternative to the above procedures, and if determined to be in the best interest of the County, the Purchasing Division may take advantage of existing contracts bid by the State of Wisconsin or other governmental entities and bypass the competitive bidding process.

Section:	11 – Purchasing Manual	Effective:	2006
Sub-Section:	11.5	Revising:	
Subject:	Public Work Projects Exceeding \$5,000	Page:	1 of 1
Legal Authorization:			

**DEFINITION**

State Statute defines 'Public Work' projects as any contract for construction, repair, remodeling, or improvement of any public work, building, or furnishing of supplies or materials of any kind where the estimated cost exceeds \$5,000.

**POLICY/PROCEDURE**

1. All public work projects exceeding \$5,000, shall be publicly bid and require a Class I notice to be published in the official newspaper of Rock County.
2. The only exception to this statute is if the County Board votes by a three-fourths majority to have the work done directly by the County. In that case, the work does not have to be bid.
3. Contracts are awarded to the lowest, most qualified, responsible and responsive bidder on the basis of the base bid, and full consideration of all alternatives, as may be in the best interest of Rock County.
4. In determining the award of contract, Rock County shall consider the scope of the work involved, time of delivery, competency of the Bidder, their ability to render satisfactory service and past performance.
5. If two or more bidders submit identical Bids, Rock County shall make award to the bidder of its choice and such decisions shall be final.

Note: Public Work bidding procedures do not apply to highway contracts which the County Public Works Committee or County Highway Commissioner is authorized by law to let or make. Neither does it apply to the emergency repair or reconstruction of public facilities when the County board, by resolution, determines that the public health or welfare of the County is endangered by the damage or threatened damage to such facilities.

Section:	11 – Purchasing Manual	Effective:	2006
Sub-Section:	11.6	Revising:	
Subject:	Department of Public Works	Page:	1 of 1
Legal Authorization:			

**DEFINITION**

Wisconsin Statutes s. 83.015(2)(b) authorizes the Highway Commissioner to make purchases directly related to highway construction and maintenance without participating in the Purchasing Division's central purchasing system.

**POLICY/PROCEDURE**

The department reserves the right to bypass these procedures under extreme situations such as weather related emergencies.

- The Department of Public Works is the only department besides the Finance Department to have the authority to issue Rock County Purchase Orders directly.
- Professional services selection for road and bridge improvement is accomplished in accordance with the Wisconsin Department of Transportation Facilities Development Manual. The standard form of contract used for these projects is the Wisconsin Department of Transportation Three Party Agreement for Construction and Maintenance Projects.
- All major construction and maintenance projects are subject to the Wisconsin Department of Transportation Standard Specifications for Road and Bridge Construction and are publicly bid.
- Projects involving Federal Transportation Aid are administered by the Wisconsin Department of Transportation, and all contract documents, advertisement of bids, bid openings and letting are completed in accordance with the Wisconsin Department of Transportation Facilities Development Manual.
- Projects using local funds are administered by the Public Works Department. Bid announcements are advertised in the official newspapers of Rock County.
- Annual bids shall be solicited for maintenance related commodities such as asphalt, asphaltic emulsions and de-icing salt. Bid announcements are advertised in the official newspaper of Rock County.
- Annual bids shall be obtained for gravel, concrete and sand. Vendors are required to guarantee prices for the calendar year.
- Vendors are routinely contacted for price quotations for gasoline, bulk oil, solvents, hand tools, batteries, windshields, miscellaneous oil and air filters and related vehicle parts and accessories.
- All other purchases of goods or services is subject to the provisions of the Rock County Purchasing Ordinance.

Section:	11 – Purchasing Manual	Effective:	2006
Sub-Section:	11.7	Revising:	
Subject:	Emergency Purchases	Page:	1 of 1
Legal Authorization:			

**POLICY/PROCEDURE**

In the event of an emergency, the County Administrator or designee may authorize such departure from normal procurement methods as is necessary to fulfill the County's responsibilities or to protect the County's interests under the circumstances. Departments shall provide a written statement to the County Administrator for consideration as to the nature of the emergency.

Section:	11 – Purchasing Manual	Effective:	2006
Sub-Section:	11.8	Revising:	
Subject:	Disposal of Surplus Items	Page:	1 of 1
Legal Authorization:	Rock County Ordinance 2.217		

### **POLICY/PROCEDURE**

As authorized by the Finance Committee, the Purchasing Division shall dispose of surplus items no longer needed or used by the County by various means including but not limited to: public auctions, outside auctions, listings on the internet (either government or private), or by other means that may become available in the future.

- Sales of items to another municipality shall be at a price approved by the Finance Committee.
- Donation of surplus items to not-for-profit organizations require prior approval of the Finance Committee.
- Surplus County property shall not be sold to any County employee, officer or agent, except through an auction, either public or on-line.
- Items that are non-functioning, dangerous or damaged beyond their usefulness may be disposed of with approval of the Purchasing Manager.
- Items that have scrap value may be taken to the appropriate recycling center. All funds received for scrap items shall be deposited in the appropriated general ledger account.