Section	03	BUDGETING	Effective Date	7/1/2015
Sub-section	01	Appropriations	Revision Date	3/31/2015

BACKGROUND

An appropriation is an authorization by the Legislature to make expenditures and incur obligations from a specific fund for specific purposes. The authorization is usually limited in amount and as to the time in which the expenditures can be made and obligations incurred.

See Wisconsin Statutes Sec. 20.001(3) for statutory references.

The Wisconsin state budget operates on a two-year cycle or biennium, covering two fiscal years. A fiscal year begins on July 1 and ends on June 30 of the following year.   The budget contains appropriations passed by the Legislature and approved by the Governor identified with an alpha/numeric code (chapter 20 reference). The first digit of the code represents the program (1-9). The second one or two characters represent the funding source (a to zz). The State Budget Office translates the alpha codes into a numeric appropriation. GPR-earned appropriations will be designated with a "GE" in the appropriation number and SEG-earned appropriations will be designated with a "SE" in the appropriation number.

Commitment Control is a feature of PeopleSoft that enables the active control of expenditures against predefined, authorized budgets. Budgetary control is enforced on financial transactions through the use of commitment control ledgers and control options.

POLICIES

1. It is the responsibility of each state agency to make expenditures and incur obligations from appropriations as authorized by the Legislature.
2. All financial transactions must reference an appropriation.
3. Appropriation budgets will be set up to control transaction.

PROCEDURES

Agency users will validate budget amounts in the general ledger using the budget overview and budget details pages.

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The budget overview inquiry provides a view of budget activity. This component enables further drill down to budget journal lines and financial transaction lines. The budget overview displays ledger totals using formula:

      Budget
- Expenses
- Encumbrance
= Budget Balance
+ Revenue
= Available Budget

The budget details inquiry displays the budget ledger amounts and available budget with drill downs to ledger details and to the activity log.