AN ACT to amend 15.02 (4), 15.07 (5) (intro.), (a) and (h), 16.52 (5) and (7), 16.53 (1) (ca) and (d) 2, and 20.916 (4) (c); to repeal and recreate 16.53 (1) (a); and to create 16.52 (5) (c), subchapter VII of chapter 16, 20.916 (4) (e) and 267.23 (1) (c) of the statutes, relating to delegation of functions by heads of departments and independent agencies, various state financial matters, data processing and granting rule-making authority.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 15.02 (4) of the statutes is amended to read:

15.02 (4) INTERNAL ORGANIZATION AND ALLOCATION OF FUNCTIONS. The head of each department or independent agency shall, subject to the approval of the governor or, where applicable, the coordinating council for higher education, establish the internal organization of the department or independent agency and allocate reallocate duties and functions not assigned by law to an officer or any subunit of the department or independent agency to promote economic and efficient administration and operation of the department or independent agency. The head may delegate and redelegate to any officer or employee of the department or independent agency any function vested by law in the head.

SECTION 1m. 15.07 (5) (intro.), (a) and (h) of the statutes are amended to read:

15.07 (5) The members of each board shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties, such reimbursement in the case of an officer or employee of this state who represents this state who represents his agency as a member of a board to be paid by the agency which pays his salary. The members shall receive no compensation for their services, except that the following members of boards, except full-time state officers or employees, also shall be paid the per diem stated below for each day on which they were actually and necessarily engaged in the performance of their duties:

(a) Members of the investment board, except full-time state employees, $50 per day.

(b) Farmer members of the soil conservation board, except full-time state employees, $15 per day.

SECTION 2. 16.52 (5) of the statutes is amended to read:

16.52 (5) (a) On August 31 of each fiscal year all outstanding encumbrances entered for the previous fiscal year shall be transferred by the secretary as encumbrances against the appropriation for the current fiscal year, and an equivalent prior year appropriation balance shall also be forwarded to the current year by the secretary. Payments made on previous year encumbrances forwarded shall be charged to the current fiscal year. All other charges incurred during any previous fiscal year, and not evidenced by encumbrances, which are presented for payment between August 31 in any fiscal year and August 31 in the next succeeding
fiscal year shall be entered as charges in the fiscal year in which said August 1 falls; but such charges shall not be paid if they exceed the unencumbered appropriation balance as of August 31 of the fiscal year preceding the year of payment. This paragraph may be waived in whole or in part by the secretary with the advice of the state auditor on other than general purpose revenue appropriations.

(b) After August 31, departments shall be allowed not to exceed one month for reconciling August 31 prior year balances, correcting errors and certifying necessary adjustments to the central accounting office. No prior year corrections shall be permitted after September 15. It being incumbent upon all state departments to completely reconcile their records with the department of administration by said date. Each department shall delegate to some individual the responsibility of reconciling its accounts as herein provided and shall certify his name to the secretary. As soon as a reconciliation has been effected, the department shall advise the secretary in writing of such fact and shall forward to him a copy of such reconciliation. If any department fails to reconcile its accounts as provided in this subsection, the person responsible for such reconciliation shall not be entitled to any further compensation for salary until such reconciliation is effected. With the approval of the state auditor, any department which relies extensively on central accounting records may be permitted to file a statement of agreement in lieu of a reconciliation on all or on parts of their accounts.

SECTION 3. 16.52 (5) (c) of the statutes is created to read:

16.52 (5) (c) In addition to the annual reconcilement of accounts required by par. (b), the secretary may request any state agency to reconcile its accounts with those of the department at such other times as he deems necessary. The manner and form of the reconcilement shall be determined by the secretary.

SECTION 4. 16.52 (7) of the statutes is amended to read:

16.52 (7) A petty cash fund in an amount not exceeding $500 from the operating appropriation general program operations appropriations may be established for such departments as the secretary may determine. The operation and maintenance of petty cash funds and the character of expenditures therefrom shall be prescribed by the secretary.

SECTION 5. 16.53 (1) (a) of the statutes is repealed and recreated to read:

16.53 (1) (a) Audit. The secretary is responsible for auditing claims against the state, when payment thereof out of the state treasury is authorized by law. Such audit may be on a sample basis in accordance with generally accepted auditing standards. The secretary may delegate in writing the audit function to the head of any department under terms and standards established by the secretary. The delegation shall be by mutual agreement and notice of the agreement shall be reported to the state auditor. If the secretary finds, through sample auditing, review of procedures, controls and any other audit techniques he deems necessary, that the delegated function is not being performed according to the established auditing standards, he shall in writing withdraw the delegated authority.

SECTION 6. 16.53 (1) (ca) and (d) 2 of the statutes are amended to read:

16.53 (1) (ca) All state departments shall diligently review and supervise the travel expenditures of their employees and are authorized to adopt reasonable rules governing such expendi-
tutes. Each claim shall be approved by the employee's department head or his authorized representative. The approval shall represent the concurrence with the accuracy, necessity and reasonableness of each expense. Claims so approved shall be audited by the department of administration on a sample basis in accordance with accepted accounting standards par. (a).

(d) 2. In order to utilize modern accounting methods in processing payrolls, the secretary of administration department may convert and adjust salaries of all state officers and employees so that they are payable in equal payments throughout the year. To this end the secretary may promulgate rules necessary to administer this section. The secretary also may promulgate rules pertaining to the administration of garnishment actions under s. 267.23 including rules superseding s. 267.18 (1) (b).

SECTION 7. Subchapter VII of chapter 16 of the statutes is created to read:

SUBCHAPTER VII.
DATA PROCESSING.

16.96 POWERS AND DUTIES. (1) The department shall insure optimum efficiency and economy in all departments' data processing activities. It shall:

(a) Develop uniform state policies, standards and guidelines for systems development, computer programming and data processing equipment acquisition and utilization.

(b) Approve acquisition of all data processing hardware and software. In making such approvals the department shall consider systems and feasibility studies justifying such acquisition or other studies relating to cost savings or program benefits which are anticipated and ability of the agencies to accomplish the program.

(c) Evaluate actual results and usage against the planned objectives after a reasonable time.

(d) Coordinate system requirements of more than one agency to economically achieve multi-agency management needs.

(e) Annually submit a report on data processing costs and operations to the board on government operations or the joint committee on finance including but not limited to the following matters.

1. Costs of all data processing operations at start of the fiscal year.

2. Closing cost of all data processing operations at the end of the fiscal year. Such costs shall include all equipment including an equivalent rental cost of purchased equipment, rentals, personnel, supplies, maintenance and overhead. This report shall detail the reasons for all major increases or variances between starting and closing costs.

(f) Maintain a complete inventory of all state-owned or leased data processing equipment.

(g) Assist during the preparation of the budget in a compilation of the existing and proposed costs of all data processing activities contained in the budget for the use of the joint committee on finance.

(h) Operate a central data processing facility and systems staff to support those agencies which cannot justify their own.
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(2) Acquisition of any data processing equipment containing a central processing unit which was not considered in the regular budgeting processing and which is to be financed from general purpose or segregated revenues of the state must have prior approval from the board on government operations or joint committee on finance. Any additional equipment to be acquired from program revenues need not have prior approval but must be reported to the board on government operations or the joint committee on finance.

SECTION 8. 20.916 (4) (c) of the statutes is amended to read:

20.916 (4) (c) For travel between points convenient to be reached by railroad or bus or commercial airplane without unreasonable loss of time, the allowance for the use of a personal automobile shall not exceed the railroad or bus fare lowest cost of the most practical means of public transportation between such points. The department of administration shall give due consideration to the circumstances on each case when determining the most practical means of public transportation. Reimbursement for meals and lodging shall not exceed what would ordinarily have been required had the most practical form of public transportation been used.

SECTION 9. 20.916 (4) (e) of the statutes is created to read:

20.916 (4) (e) When an assigned or pool state-owned automobile is available and tendered and an employee exercises the option to utilize his personal automobile, the mileage allowance shall be at a rate equal to the approximate cost of operation of state cars, including depreciation.

SECTION 10. 267.23 (1) (c) of the statutes is created to read:

267.23 (1) (c) Actions under this section are subject to rules adopted under s. 16.53 (1) (d) 2.