

1997-98 SESSION  
COMMITTEE HEARING  
RECORDS

Committee Name:

Joint Committee on  
Finance  
(JC-Fi)

Sample:

- Record of Comm. Proceedings
- 97hrAC-EdR\_RCP\_pt01a
- 97hrAC-EdR\_RCP\_pt01b
- 97hrAC-EdR\_RCP\_pt02

- Appointments ... Appt
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- Clearinghouse Rules ... CRule
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- Committee Hearings ... CH
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- Committee Reports ... CR
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- Miscellaneous ... Misc
- 97hr\_JC-Fi\_Misc\_pt03f\_DPR
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- Record of Comm. Proceedings ... RCP
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Joint Finance

16.505 / 16.515  
14 Day Passive  
Reviews

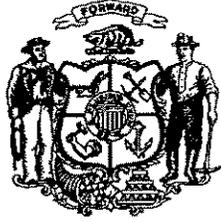
12/23/96 to  
2/18/97

DHFS 1/31/97

# THE STATE OF WISCONSIN

SENATE CHAIR  
BRIAN BURKE

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P.O. Box 7882  
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ASSEMBLY CHAIR  
SCOTT JENSEN

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Phone: (608) 264-6970

## JOINT COMMITTEE ON FINANCE

February 3, 1997

Mr. Mark Bugher, Secretary  
Department of Administration  
101 East Wilson Street 10<sup>th</sup> Floor  
Madison, WI 53707

Dear Secretary Bugher:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your January 13, 1997 request pursuant to s. 16.515/16.505(2) concerning requests for funding for interagency and intra-agency programs for the Department of Health and Family Services.

No objections to this request have been raised. Accordingly, the request is approved.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Burke".

BRIAN BURKE  
Senate Chair

A handwritten signature in black ink, appearing to read "Scott Jensen".

SCOTT JENSEN  
Assembly Chair

BB:SJ;jt

cc: Members, Joint Committee on Finance  
Linda Nelson, Department of Administration  
Bob Lang, Legislative Fiscal Bureau

# THE STATE OF WISCONSIN

SENATE CHAIR  
**BRIAN BURKE**

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## JOINT COMMITTEE ON FINANCE

### MEMORANDUM

To: Members  
Joint Committee on Finance

From: Senator Brian Burke  
Representative Scott Jensen  
Co-Chairs, Joint Committee on Finance

Date: January 14, 1997

Re: Department of Health and Family Services s. 16.515/16.505(2) Request

Attached is a copy of a request from the Department of Health and Family Services for the approval of 13.5 FTE for child licensing activities. The funding for these positions was included in a November 27, 1996 request from the Governor concerning the expenditure of federal welfare block grant funds. The Committee approved the plan for the use of those funds at its December 16, 1996 meeting under s. 13.10. However, that plan did not include details on the number of child care licensing FTE that would be funded at DHFS, nor did that plan include details on FY98 and FY99 expenditures. The Department is now seeking position authority from the Committee for those funds.

Pursuant to 16.515/16.505(2), the Committee has 14 days to review this request. Please contact **Senator Burke** or **Representative Jensen** no later than Friday, **January 31, 1997** if you have any questions about this request or would like the Committee to meet formally to review it. If no objections are heard by this date, the request will be approved.

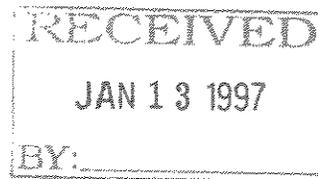
Also, please contact us if you need further information.

BB:SJ:jc

**CORRESPONDENCE MEMORANDUM**

**STATE OF WISCONSIN  
Department of Administration**

Date: January 13, 1997



To: The Honorable Brian Burke, Co-Chair  
Joint Committee on Finance

The Honorable Scott Jensen, Co-Chair  
Joint Committee on Finance

From: Mark D. Bugher, Secretary  
Department of Administration

A handwritten signature in black ink, appearing to be "MB", written over the typed name of Mark D. Bugher.

Subject: S. 16.515/16.505(2) Requests

Enclosed are requests which have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>1995-96</u> <u>AMOUNT</u>	<u>FTE</u>	<u>1996-97</u> <u>AMOUNT</u>	<u>FTE</u>
DHFS 20.435(6)(kx)	Interagency and Intra- Agency Programs			\$225,300	13.50

NOTE: The DOA approval includes ongoing (as an increase to the DHFS base budget) position authority for 13.50 FTE and for \$638,000 and \$649,000 in FY98 and FY99, respectively.

As provided in s. 16.515, this request will be approved on February 4, 1997, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about this request.

Please contact Linda Nelson at 266-3330, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

**CORRESPONDENCE MEMORANDUM**

**STATE OF WISCONSIN  
Department of Administration**

**Date:** January 7, 1997

**To:** Mark Bugher, Secretary  
Department of Administration

**From:** Jeffrey A. Geisler  
Division of State Budget and Finance

**Subject:** Request Under s. 16.505 From the Department of Health and Family Services for 13.5 FTE for Child Licensing Activities

**REQUEST**

The Department of Health and Family Services (DHFS) requests the following positions and funding in FY97 and as a change to the base in the 1997-99 biennium.

	<b>FY97</b>	<b>FY98</b>	<b>FY99</b>
Funding	237,200	660,600	660,600
Classified FTE	13.50	13.50	13.50

The FY97 funding for these positions was included in a November 27, 1996 letter on the use of federal Child Care Development Block Grant (CCDBG) funds from Governor Thompson to the Joint Committee on Finance. The Joint Committee on Finance has approved that plan for the use of CCDBG funds. That plan did not include details on the number of child care licensing FTE that would be funded in DHFS, nor did that plan include details on FY98 and FY99 expenditures.

**REVENUE SOURCE FOR APPROPRIATION**

The federal CCDBG funding goes first to the Department of Workforce Development (DWD). Under the approved November 27th plan, the requested funding then flows from DWD to the DHFS FY97 appropriation s. 20.435 (6)(kx), interagency and intra-agency programs. This is a program revenue service appropriation.

The Governor's 1997-99 budget proposal will finish implementing the 1995 WI Act 27 reorganization of the DHFS. As part of this reorganization a new appropriation, s. 20.435 (3)(ka), Child Care Development Block Grant Operations--DWD, will be created. The FY98 and FY99 CCDBG funding for these positions would flow from the DWD to this new DHFS appropriation.

**BACKGROUND**

The DHFS Bureau for Regulation and Licensing inspects, licenses, and investigates complaints about facilities that provide day and other care for children. This bureau has 83.40 FTE and a facility workload of approximately 5,300.

The DHFS requests these 13.50 FTE to respond to the growing regulation and licensing workload in children's facilities. The DHFS believes that the new W-2 program will compound the growth in workload. The following table estimates the growth in this workload.

	FY95	FY96	FY97	FY98	FY99
Regulated Children's Facilities	5,045	5,311	5,827	6,794	7,311
% Increase over Prior Year		5.3%	9.7%	16.6%	7.6%

**ANALYSIS**

The DHFS's 1997-99 budget request proposes several statutory changes that will streamline and reduce this regulation and licensing workload. However, the Bureau of Regulation and Licensing still will need these 13.50 FTE to cope with the normal workload growth and the effects of W-2.

The DHFS request assumes that these positions would be available on April 1, 1997 and continue through the biennium. These positions are needed effective April 1, 1997 so that staff can be hired, trained and ready for the workload increase due to W-2. This workload increase will continue throughout the biennium and the positions should be added to the DHFS base.

The DHFS request and an alternative calculation of the costs are shown in the following table.

	FY97		FY98		FY99	
	DHFS	DOA	DHFS	DOA	DHFS	DOA
Salary	105,800	102,700	423,000	418,900	423,000	427,100
Fringe Benefits	37,900	36,800	151,700	150,200	151,700	153,100
Supplies	27,400	17,200	85,900	68,900	85,900	68,900
One-time Financing	66,100	68,600	-	-	-	-
Total	237,200	225,300	660,600	638,000	660,600	649,100
FTE	13.50	13.50	13.50	13.50	13.50	13.50

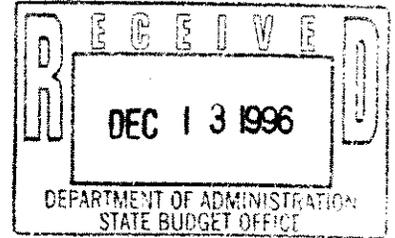
**RECOMMENDATION**

Provide 13.50 classified FTE and the recalculated funding in FY97. Continue the funding as recalculated in FY98 and FY99 by incorporating these positions in the DHFS base budget.



State of Wisconsin  
Department of Health and Family Services

Tommy G. Thompson, Governor  
Joe Leean, Secretary



December 11, 1996

CC TdB  
GF

Mr. Richard G. Chandler  
State Budget Director  
10th Floor, 101 East Wilson Street  
Madison, WI 53702

Dear Mr. Chandler:

The Department requests 13.5 permanent positions in appropriation 20.435(6)(kx), interagency and intra-agency programs, numeric 667, under the provisions of s. 16.505. In addition, \$237,200 in additional expenditure authority is requested in FY 97 and \$660,600 in additional expenditure authority is requested in FY 98, under the provisions of sec. 16.515.

The Department requests the positions, classified as licensing/certification specialists, to perform workload related to licensing and monitoring family and group child day care centers in the state. The positions will perform functions related to initial licensing of new facilities, routine monitoring inspections, biennial renewals, complaint investigations, and enforcement actions. The new staff would be located in the Division of Children and Family Services, Bureau of Regulation and Licensing, in regional offices statewide.

The positions will be funded with federal Child Care Development Block Grant (CCDBG) funds from the Department of Workforce Development. Funding for the positions is included in the plan submitted in the November 27th letter from Governor Thompson to the Joint Finance Committee for the use of CCDBG funds. The starting date for the new positions would be April 1, 1997. The cost of the positions would be \$237,200 over base in FY 97 and \$660,600 over base in annual ongoing costs thereafter.

Revenue Sources for Appropriation. The sources of revenue deposited in the appropriation under 20.435(6)(kx), interagency and intra-agency programs, are funds (either GPR, FED, or PRO) transferred from other appropriations within the Department of Health and Family Services or from other state agencies. In this case the funds will be federal Child Care Development Block Grant (CCDBG) funds from the Department of Workforce Development.

The Department is requesting the new positions to meet a child care licensing and monitoring workload that has grown significantly over the last decade and is projected to continue to grow in

Mr. Richard G. Chandler  
December 11, 1996  
Page 2

the next several years. The Department uses a workload model developed in the 1991-93 biennium to generate workload projections for licensing staff. The workload model projects expected workload growth based on historical growth rates and therefore does not make any adjustment for facility growth due to the W-2 program. In August 1996, the Department ran the licensing workload model with the information available at the time. The model projected a need for 15 FTE above current staffing levels as of January 1996 and 24 additional FTE above current levels as of January 1998. In its 1997-99 biennial budget request, the Department requested 5.75 FTE (funded by fee revenues) and is planning to generate 6.75 FTE in workload savings from reengineering the licensing process. The Department is proposing to fund the balance of the projected staff needed, 11.5 FTE, through this 16.505/16.515 request.

In August 1996, the Department also estimated the expected additional growth in facilities due to the increased demand for child care services due to the W-2 program. The Department estimates that W-2 demand will result in 5% additional day care facility growth, which is equivalent to 243 new facilities. Using the current licensor/facility ratio of 1:113, this generates a projected need for 2 additional FTE licensors. These 2 FTE licensors are included in this 16.505/16.515 request, bringing the total in this request to 13.5 FTE. The attached chart summarizes the methodology.

In November 1996, the Department reran the licensing workload model with updated information. Due to minor changes in staffing patterns in DCFS between September and November, the November 1996 workload model projects a slightly lower need for additional FTE as of January 1998—23.25. If the 13.5 FTE in this request are approved, the Department's 97-99 biennial budget request for additional licensors can be reduced from 5.75 to 5.00 FTE.

If you have questions regarding this request, please contact Andrew Forsaith at 266-7684.

Sincerely,



Joe Lecan  
Secretary

cc: Richard Wegner, Acting Secretary  
Department of Workforce Development

**Explanation of Requested Child Care Licensing Positions**

	<b>August 96 Version of Workload Study</b>	<b>November 96 Version of Workload Study</b>
Additional FTE need according to workload study: January 1998	24	23.25
Positions requested in biennial budget request	5.75	
Workload savings proposed	6.75	
Total	12.5	
 <b>CCDBG positions</b>		
Positions to meet FTE need per workload study	11.5	
Add'l positions for W-2 growth*	2	
Total	26	

\*The two positions are based on assumption that W-2 would result in 5% add'l annual facility growth  
2 positions constitutes need based on one year of 5% growth.

5% facility growth = 243 add'l facilities  
Current licenser/facility ratio is 1/113.  
243/113 = 2.15 FTE

**Funding for 13.5 FTE licensing positions**

	<b>FY97</b>	<b>FY98</b>	<b>FY99</b>
<b>Salary (15.065/hr)</b>	105,800	423,000	423,000
<b>Fringe (35.85%)</b>	37,900	151,700	151,700
<b>Supplies and Services</b>	27,400	85,900	85,900
<b>One time costs</b>	66,099		
<b>Total</b>	237,200	660,600	660,600