

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

➤

➤ Clearinghouse Rules ... CRule

➤

➤ Committee Hearings ... CH

➤

➤ Committee Reports ... CR

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➤ Executive Sessions ... ES

➤

➤ Hearing Records ... HR

➤

➤ Miscellaneous ... Misc

➤ 97hr_JC-Fi_Misc_pt076_DPR

➤ Record of Comm. Proceedings ... RCP

➤

Joint Finance

16.515 / 16.505

14 Day Passive
Reviews

12/9/97 -

2/9/98

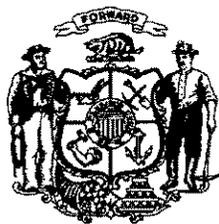
DOA

12/10/97

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

119 MLK, Room LL1
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

315-N Capitol
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JOINT COMMITTEE ON FINANCE

December 12, 1997

Secretary Mark Bugher
Department of Administration
101 East Wilson Street, 10th Floor
Madison, Wisconsin 53705

Dear Secretary Bugher:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your request, dated November 20, 1997, pursuant to s. 16.515/16.505, Stats., pertaining to a request from the Department of Administration for the restoration and reallocation of positions for technology initiatives.

The Committee will schedule a meeting to further consider this request. Therefore, the request is not approved at this time.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John Gard in black ink.

JOHN GARD
Assembly Chair

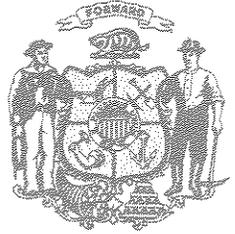
BB/JG/jc

cc: Bob Lang, Legislative Fiscal Bureau
Jay Huemmer, Department of Administration

State Senator

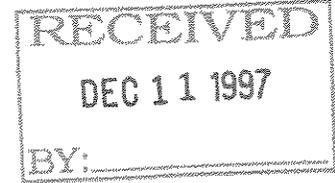
JOE WINEKE

State of
Wisconsin



State Capitol, P.O. Box 7882, Madison, WI 53707-7882
(608) 266-6670

December 9, 1997



Senator Brian Burke, Co-Chair
Joint Committee on Finance
119 MLK, LL 1
Madison, WI 53707

Representative John Gard, Co-Chair
Joint Committee on Finance
315 North, State Capitol
Madison, WI 53708

Dear Senator Burke and Representative Gard:

I would like to raise an objection to the November 21st s.16515/16.505 request from the Department of Administration.

The request concerns the restoration and reallocation of positions for technology initiatives. Considering the number of positions included in this request and the recent passage of the biennial budget, I feel that the Joint Committee on Finance should take a closer look at this request.

I, therefore, ask that the Committee meet formally to consider this request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joe Wineke', written over the printed name.

JOSEPH WINEKE
State Senator
27th Senate District

JW:cmr



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

December 8, 1997

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Department of Administration -- November 20, 1997, Section 16.505 Request

On November 20, 1997, the Department of Administration recommended approval of a s. 16.505 request related to authorizing additional permanent positions in DOA. The request would provide an additional 12.6 PR positions for: (a) information technology (IT) infrastructure support activities (3.0 positions); (b) documents imaging technical support (3.0 positions); (c) medical services re-engineering project (1.0 position); (d) the state's telecommunications network operation (2.6 positions); and (e) positions for continued employment of 3.0 employees formerly located in DOA's graphics design unit (WisComp). No funding increase is requested. Unless the Committee Co-chairs act by December 12, 1997, to schedule this matter for consideration by the Committee under s. 13.10, the recommended additional positions will be approved on December 15, 1997.

This memorandum summarizes the request.

BACKGROUND

The following four 1997-99 budget decisions by the Committee are related to the s. 16.505 request currently before the Committee:

A. Elimination of Graphic Design Service. A budget issue paper identified that DOA planned to dissolve its graphic design unit (WisComp) effective June 30, 1997, due to a decline in business. It was indicated at that time that DOA had not made a determination as to what would happen to the 12.6 positions then currently budgeted for to WisComp during the 1997-99 biennium, although it was known that 3.6 positions were already vacant and the remaining employees were being assisted to find other positions and/or be retrained. The Committee acted

to eliminate all WisComp funding (\$507,500 PR annually) and positions (12.6 PR positions) in the 1997-99 biennium. However, a delayed position elimination date of September 30, 1997 was authorized to allow DOA time to assist the remaining employees with relocation or retraining.

B. Information Technology Infrastructure Support. The Committee approved requested funding of \$498,400 PR in 1997-98 and \$258,700 PR in 1998-99 for small agency information technology infrastructure support. The funding was budgeted for the cost of contracting with one or more private vendors statewide to provide technical IT support staff services to small state agencies for such items as hardware and software installation, operating problem resolution, help desk services, user training, data base development and application development and conversion. The Governor's budget recommendation had included an additional \$131,300 PR in 1997-98 and \$175,000 PR in 1998-99, placed in unallotted reserve, to potentially fund 3.0 positions for contract administration. The executive budget book indicated that 3.0 existing positions might be reallocated within DOA for this purpose. However, funding for positions was removed by the Committee because: (1) the specific positions that might be reallocated had not been identified; and (2) once DOA identified whether positions would be reallocated and if so, which ones, Committee approval of funding and position change could be provided under ss. 16.505/16.515.

C. Documents Imaging Technical Support. The Committee approved requested funding of \$288,000 PR annually for contract consultants to provide state agencies with technical and project assistance in document imaging projects. The Governor's budget recommendation had included an additional \$159,800 PR in 1997-98 and \$186,300 PR in 1998-99, placed in unallotted reserve, to potentially fund 3.0 positions and supplies and services for an expert imaging team to assist state agencies in assessing the feasibility of imaging projects and the design and implementation of imaging systems. The executive budget book indicated that 3.0 existing positions might be reallocated within DOA for this purpose. However, funding for positions was removed by the Committee because: (1) the specific positions that might be reallocated had not been identified; and (2) once DOA identified whether positions would be reallocated and if so, which ones, Committee approval of funding and position changes could be provided under ss. 16.505/16.515.

D. Medical Services Re-engineering Project. The Committee approved requested funding of \$124,900 PR annually to hire consultants for an electronic medical services project to be coordinated by DOA. The purpose of the project is for DOA to work with the Departments of Health and Family Services, Corrections and Veterans Affairs (and possibly other agencies) to examine how to use information technology to streamline and improve the operation and delivery of services in the state's medical facilities. The intent is to identify the IT hardware and software needed for this purpose and to develop a project plan for the redesign of existing delivery of services. The Governor's budget recommendation had included \$69,900 PR in 1997-98 and \$93,200 PR in 1998-99, placed in unallotted reserve, to potentially fund 1.0 position and associated supplies and services costs for the project. The executive budget book indicated that 1.0 existing position might be reallocated within DOA for this purpose. However, funding for the position was removed by the Committee because: (1) the specific position that might be

reallocated had not been identified; and (2) once DOA identified whether positions would be reallocated and if so, which ones, Committee approval of funding and positions changes could be provided under ss. 16.505/16.515.

SUMMARY OF REQUEST

The following table identifies the positions being requested by DOA, the estimated cost of the positions (and any supporting costs) and the appropriation from which the positions will be funded. [No funding request is included in DOA's recommendation.] Following the table is a description of the purpose(s) for which the positions are requested.

<u>Item</u>	<u>Number of Positions</u>	<u>PR Costs</u>		<u>Appropriation</u>
		<u>1997-98*</u>	<u>1998-99</u>	
Information technology infrastructure support	3.00	\$87,500	\$175,000	IT processing services
Documents imaging technical support	2.00	65,300	110,400	IT processing services
Documents imaging technical support	1.00	37,900	75,900	Telecommunications & d.p. services
Medical services re-engineering project	1.00	69,900	93,200	Telecommunications & d.p. services
Telecommunications network operations	2.60	95,200	190,300	IT processing services
Positions for former WisComp employes	2.00	51,200	102,300	IT processing services
Position for former WisComp employe	1.00	25,200	50,500	Printing services
Total	12.60	\$432,200	\$797,600	
<u>By Appropriation</u>				
IT processing services	9.60	\$299,200	\$578,000	
Telecommunications & d.p. services	2.00	107,800	169,100	
Printing services	1.00	25,200	50,500	

* Six months funding

INFORMATION TECHNOLOGY INFRASTRUCTURE SUPPORT

Under the information technology infrastructure support project approved in the budget, DOA intends to offer basic infrastructure support services to any state agency that wishes to use them. The service will be mandatory for small agencies (generally those with 50 or fewer employees) and any other agency requesting infrastructure support funding in this biennium. The basic infrastructure support services will be delivered through outsourcing to vendors who can provide a complete range of support services. These services are intended to cover all functions needed to provide basic IT infrastructure support including acquisition of hardware and software, installation, help desk and technical support, training, hardware and software upgrades, local area network (LAN) administration and final disposition of outdated hardware. DOA does not anticipate that all agencies will use the entire set of services offered by the vendors. Work on the project has not yet begun. However, DOA's plan is to select at least two general contractors,

with appropriate subcontractors, to provide a "menu" of individual services, bundles of services and customized services from which agencies can select those services that meet their needs.

The Department of Administration plans to develop a request for proposals, choose the general contractors, and prepare a mandatory procurement bulletin from which agencies can then select and purchase basic infrastructure support services. Under DOA's plan, in order to ensure a high quality of service from the vendors at reasonable cost, a part of the project will be to develop, implement and enforce performance measures. DOA expects agencies which choose not to use this statewide service and instead use different staff will also be subject to these same performance measures. Another requirement of the vendor-provided services will be that the services cost the same as or less than current agency-provided support for the same services.

DOA is requesting authorization of 3.0 positions (equivalent to administrative officer 2 positions) in order to develop pricing and performance measurements for the different infrastructure support services to be offered under this project. The positions would perform contract administration and statewide determination of vendor and agency provision of infrastructure support, including developing and enforcement performance criteria and performing on-going cost analysis. No detailed workload data is provided but DOA indicates that the staffing level was based on its experience with the administration of other contracts.

The 3.0 positions would administer contracts and monitor performance of the two general contractors who will provide the state support services. DOA indicates that the positions would have the following duties: (1) obtain a complete understanding of the general contracts and their contents and of the duties and responsibilities of each of the subcontractors; (2) perform comparative analysis of agency and contractor service costs and performance; (3) independently negotiate contract amendments to implement new services and features and review contract amendments with DOA legal staff for final briefing and approval by the Deputy Secretary; (4) ensure contractor compliance with contract terms and conditions including analysis of monthly performance and identify and resolve contractual disputes; (5) negotiate with vendors to implement changes in operational procedures or capabilities; (6) implement trials and/or new technology to determine service and fiscal benefits; and (7) direct the procurement process including the development of technical specifications, writing request for proposals, and recommending proposal evaluation methodologies.

This project and these positions would be located in the Division of Information Technology Services in DOA. The information technology processing services appropriation is a continuing appropriation, and therefore legislative approval for increased expenditure authority is not necessary because DOA may reestimate expenditures without legislative review or approval. [It should be noted the budget as passed by the Legislature would have changed the information technology processing services appropriation to a sum certain appropriation, but this change was item-vetoed by the Governor.] DOA has indicated that the costs of the positions will be the same as the amounts requested for unallotted reserve in the Governor's budget. This would indicate estimated increased expenditures of \$87,500 PR in 1997-98 (six months of funding) and

\$175,000 PR in 1998-99. These costs would be covered from charges assessed to state agencies for their use of state computer utility service.

DOCUMENTS IMAGING TECHNICAL SUPPORT

Imaging technology allows agencies to electronically store and retrieve documents. This technology is particularly useful where a large number of agency records are involved such as licensing or criminal investigation files or medical records. Currently, eleven different imaging projects have been completed or are in development in state agencies. These systems include DOT's problem driver system and highway improvement system, DPI's teacher licensing system, DWD's workers compensation and unemployment insurance systems and ETF's retirement benefits system. In order to allow for statewide coordination of imaging projects, state imaging software standards have been developed.

Under its document imaging technical support initiative in Act 27, DOA was provided in Act 27 with funds to hire contract consultants to provide state agencies with technical and project assistance in document imaging projects. The request before the Committee would authorize 3.0 positions (1.0 information technology management consultant and 2.0 management information specialists (MIS) positions) to form an expert imaging team to assist state agencies with such projects. The IT consultant position would be responsible for project management and feasibility studies, while the MIS positions would provide technical assistance to agencies. Along with contracted consultant services, the 3.0 positions would provide assistance to agencies regarding imaging services. The imaging team would: (1) conduct imaging feasibility studies for agencies; (2) provide imaging project management consulting and assistance; (3) assist agencies in the design and implementation of imaging projects; (4) provide technology and expertise to allow agencies to establish prototype imaging systems; and (5) determine whether an imaging services bureau should be established in DOA to provide document scanning and indexing services to state agencies.

DOA indicates that the costs of the positions will be the same as the funding requested for unallotted reserve in the Governor's budget. This would indicate expenditures of \$103,200 PR in 1997-98 (six months of funding) and \$186,300 PR in 1998-99 for salary, fringe benefits and supplies costs. The positions and service would be divided between the Division of Information Technology Services (1.0 MIS position) and the Division of Technology Management (1.0 IT consultant and 1.0 MIS position). These costs will also be divided between the information technology processing services continuing appropriation which funds the state's computer utility and the state telecommunications appropriation. The funding would consist of: (1) from the information technology processing appropriation for 2.0 MIS positions, \$65,300 PR in 1997-98 and \$110,400 PR in 1998-99; and (2) from the state telecommunications and data processing services appropriation for 1.0 IT management consultant, \$37,900 PR in 1997-98 and \$75,900 PR in 1998-99. Since the information technology processing services appropriation is a continuing appropriation, legislative approval for any increased expenditure authority is not necessary because DOA may reestimate expenditures without legislative review or approval.

DOA has indicated that costs of positions to be charged to the state telecommunications and data processing services annual appropriation would be funded from the current appropriation amount by reallocating resources within the appropriation.

MEDICAL SERVICES RE-ENGINEERING

Under the medical services re-engineering project approved in the budget, DOA will work with the Departments of Health and Family Services, Corrections and Veterans Affairs (and possibly other agencies) to examine how information technology may be used to streamline and improve the operation and delivery of services in the state's medical facilities. Funding was provided in the budget to allow DOA to hire consultant services for medical services re-engineering.

The request before the Committee would authorize 1.0 position (administrative officer 2) to serve as the project manager and coordinate activities between the participating agencies. The project would involve: (1) determining project participants; (2) developing an RFP (request for proposal) to select a consultant; (3) developing a project plan; (4) evaluating available IT products and agency needs; (5) testing identified best products to determine the best software to meet agency needs; (6) developing an implementation plan; and (7) developing a budget proposal to fund the implementation plan in the 1999-2001 budget.

This position and project would be located in the Division of Technology Management and be funded from the telecommunications and data processing services appropriation. According to DOA, cost of the position and supplies would be \$69,900 PR in 1997-98 and \$93,200 PR in 1998-99. DOA has indicated that these costs will be absorbed from the current appropriation by reallocating resources within the appropriation. While DHFS, Corrections and DVA will be charged for the costs of this project, Act 27 provided additional funds in these agencies to fund these costs.

TELECOMMUNICATIONS NETWORK OPERATIONS

The state's current telecommunications network is provided and managed under a comprehensive contract with AT&T. The existing contract expired on June 30, 1997, but was extended until December 31, 1997. A restructured network (BadgerNet) is currently being developed and will consist of several contracts with a number of different providers [as many as ten separate contracts are currently anticipated] to provide services related to component parts of the network.

The request before the Committee would authorize 2.6 additional positions for the state's operation of the state's telecommunication network as described below. DOA has not yet determined whether these positions will either be located in the Division of Technology Management or in the Division of Information Technology Services. However, it is known that

the positions will, in either case, be funded from the information technology processing services appropriation.

A. Router and network management consultant (1.0 PR position). This position would provide technical consulting to state agencies, school districts, and others associated with Technology for Educational Achievement (TEACH) initiative related to routers and network connections. A router is a software device used to manage data traffic. In order to efficiently operate, routers on a common network must be compatible because actions taken by one router can adversely affect the operations of other routers and computer systems. On September 23, 1996, the Committee approved a s. 16.515 request from DOA for an on-going base level increase of \$2.0 million PR in the telecommunications and data processing service appropriation to assume management and operation of all network routers. No additional staffing need was identified at that time. The estimated cost of the position now being requested (an information systems consultant) is \$36,600 PR in 1997-98 (six months of funding) and \$73,200 PR in 1998-99.

B. BadgerNet customer service manager (1.0 PR position). This position would assist school districts and state agencies with access to BadgerNet and act as a liaison between DOA and users of the network services. Currently, the Division of Information Technology Services has customer managers assigned to various agencies to assist these agencies with any needs related to the Division's services. The additional requested position would serve a similar function, but instead of having certain assigned agencies, the BadgerNet customer service manager would assist all customers (state agencies and school districts) with issues related to the new network. The estimated cost of the requested position (an information systems consultant) is \$36,600 PR in 1997-98 (six months of funding) and \$73,200 PR in 1998-99.

C. BadgerNet network management center oversight (0.6 PR position). Under BadgerNet, a separate contract will be issued to establish an enterprise network management center. The center will monitor and manage all of the component contracts under BadgerNet including the voice, data and video communications contracts. The requested 0.6 PR position would provide state oversight of and direction to the center operations and develop policies and procedures related to BadgerNet services provided to school districts and state agencies. The estimated cost of the requested position (an information systems consultant) is \$22,000 PR in 1997-98 (six months of funding) and \$43,900 PR in 1998-99.

As noted, all of the requested telecommunications network positions would be funded from the information technology processing services continuing appropriation. Increased expenditures from this continuing appropriation are not subject to legislative review or approval.

CONTINUATION OF WISCOMP EMPLOYEES

Under Act 27, funding and authorization for 12.6 positions for WisComp (DOA's graphic design unit) were eliminated for 1997-99. Due to delayed passage of the budget, the actual position authority for the 12.6 positions will not be deauthorized until December 15, 1997.

although the funds have been eliminated for the entire biennium. In deleting these positions and funding for WisComp, the Committee adopted a motion specifying that the WisComp position eliminations were effective September 30, 1997, to allow DOA additional time to assist the displaced employees with retraining or job placement assistance.

Currently, 9.6 of the former WisComp positions are already vacant, and 3.0 remain filled. Of the 3.0 positions, one (a graphic designer) is currently working for the Department of Tourism on a one-year agency interchange agreement. Under such an agreement, an employee of one agency is redeployed to another agency but his or her position remains with the sending agency and the position costs are paid by the receiving agency. Employees in the other 2.0 positions have been voluntarily reassigned and are training for new duties in DOA related to information technology. One of employees is training to assist small state agencies with information technology issues and the other is training to assist in advanced function presentation/electronic report distribution.

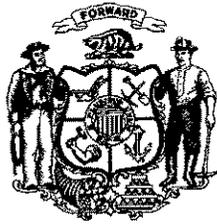
The request before the Committee would create 3.0 PR positions for the former WisComp employees currently in training or on agency interchange. The estimated cost of the positions (1.0 graphic designer, 1.0 information systems strategic planning specialist and 1.0 information systems programmer/analyst) would be \$76,400 PR in 1997-98 (six months of funding) and \$152,800 PR in 1998-99. These costs would be divided between the information technology processing services appropriation and the printing services appropriation as follows: (a) information technology processing services appropriation, \$51,200 PR in 1997-98 and \$102,300 PR in 1998-99 for the 2.0 information systems positions; and (b) printing services appropriation, \$25,200 PR in 1997-98 and \$50,500 in 1998-99 for 1.0 graphic designer position. Since the information technology processing services appropriation is a continuing appropriation, legislative approval for increased expenditure authority from this appropriation is not necessary. DOA has indicated that the costs for the position to be funded from the printing services appropriation will be funded from the current appropriation amount by reallocating resources within the appropriation.

Prepared by: Jere Bauer

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

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ASSEMBLY CHAIR
JOHN GARD

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

Date: November 21, 1997

Re: s. 16.515/16.505, Stats., Request

Attached is a copy of a request from the Department of Administration, dated November 20, pursuant to s. 16.515/16.505, Stats., pertaining to a request concerning the restoration and reallocation of positions for technology initiatives at that agency.

Please review this item and notify **Senator Burke's** or **Representative Gard's** office no later than, **Wednesday, December 10**, if you have any concerns about the request or would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

BB/JG/jc

Enterprise Technology Position Request

November, 1997

Background

Restoration and reallocation of 12.60 FTE program revenue positions from the previous WisComp operation to several technology initiatives:

- (1) 7.0 FTE PR positions for medical services re-engineering, document imaging and infrastructure support as approved in the 1997-99 biennial budget;
- (2) 2.60 FTE PR positions for a new enterprise network management center for the BadgerNet project;
- (3) 3.0 FTE PR positions for reassignment from the WisComp phase-out.

Major Points

- ◆ This request is a reallocation and restoration of existing base positions and not a request for new positions.

The department was originally provided a three month time period to retrain or reallocate the 12.60 FTE from WisComp.

However, even though the budget was not passed until October 1997, no extension of the September 30, 1997 deadline for elimination of the positions and funding for WisComp were approved.

- ◆ The Joint Committee on Finance and the Legislature approved three information technology (IT) initiatives: (1) IT infrastructure support; (2) imaging; and (3) electronic medical services re-engineering. As part of that approval, JCF removed funding placed in unallotted reserve for positions associated with the three IT initiatives that the department had planned on reallocating from remaining positions in WisComp. Instead JCF indicated in its approval that

“once DOA identified any positions to be reallocated, appropriate funding and position increases and decreases could be made by the Committee under provisions of s. 16.505/515.”

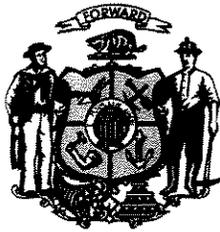
- ◆ The request signifies a continuing commitment by DOA to reallocate positions within state government to address the changing environment. Both the Governor and the Legislature have directed agencies to look to reallocate resources for top priority tasks instead of asking for new positions or money. In this instance, DOA is again trying to set the example for the other executive branch agencies.
- ◆ If we are to be successful in reengineering state programs, we need to develop the ability to retrain staff. Two of the three filled positions represent an effort to use the experience and skills of staff and provide them with a new opportunities in the technology field.
- ◆ Changes in technology mandate changes in the way we do business and how we do business. In order to take advantage of technology, DOA must provide reliable and efficient technology services to state agencies and other public entities.

The best example of this issue is the development and implementation of the TEACH program and BadgerNet telecommunications services. The advancement of telecommunications is revolutionizing the field of information technology and the business programs it supports.

In order to efficiently and effectively provide telecommunication services, DOA has developed an innovative strategy for procuring and delivering these services. While much to the effort is outsourced, the sophistication of technology and its growing importance requires state staff dedicated to make sure it works.

- ◆ TEACH Wisconsin will be one of BadgerNet's primary customers. In order to ensure a high quality of service to local school districts and other educational institutions, resources must be dedicated to not only defining and delivering the technology but also the scheduling of services, coordinating problem resolution and other administrative tasks.

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin



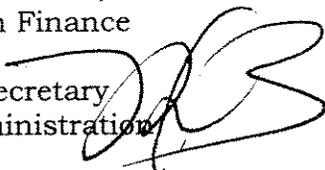
Mailing Address:
Post Office Box 7864
Madison, WI 53707-7864

TOMMY G. THOMPSON
GOVERNOR
MARK D. BUGHER
SECRETARY

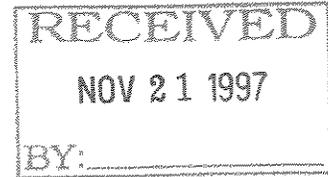
Date: November 20, 1997

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

The Honorable John Gard, Co-Chair
Joint Committee on Finance

From: Mark D. Bugher, Secretary
Department of Administration 

Subject: S. 16.515/16.505(2) Requests



Enclosed are requests that 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>	1997-98		1998-99	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
DOA	WisComp Positions/IT Initiatives		12.6		12.6

As provided in s. 16.515, the requests will be approved on December 15, 1997, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Jay Huemmer at 266-1072, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

CORRESPONDENCE MEMORANDUMSTATE OF WISCONSIN
Department of Administration**Date:** November 18, 1997**To:** Mark D. Bugher, Secretary
Department of Administration**From:** Pamela Henning, Policy and Budget Analyst *PH*
State Budget Office**Subject:** Request Under s. 16.505 From the Department of Administration For Positions for Technology Initiatives**REQUEST:**

The Department of Administration (DOA) requests the restoration and reallocation of 12.60 FTE program revenue positions from the previous WisComp operation to several technology initiatives: (1) 7.0 FTE PR positions for medical services re-engineering, document imaging and infrastructure support as approved in the 1997-99 biennial budget; (2) 2.60 FTE PR positions for a new enterprise network management center for the BadgerNet project; and (3) 3.0 FTE PR positions for reassignment from the WisComp phase-out.

REVENUE SOURCES FOR APPROPRIATION(S):

The sources of revenue for the appropriation under s. 20.505 (1)(kL), information technology processing services to agencies, is from various charges to state agencies for their use of state computer mainframe and other data center activities. The sources of revenue for the appropriation under s. 20.505 (1)(ke), telecommunications and data processing services, is from direct billings to agencies and other public entities utilizing services for local and long distance services and data network. The sources of revenue for the appropriation under s. 20.505 (1)(kd), printing, document sales, mail distribution and record services, is from charges assessed to state agencies utilizing those services.

BACKGROUND:

On March 20, 1997, DOA announced that WisComp would be dissolved as of June 30, 1997, due to declining business. WisComp was a graphic design service providing typesetting, layout, design, desktop publishing and forms development services to state agencies and employed 12.60 FTE positions. DOA has been in the process of providing assistance and/or retraining for WisComp staff of which three currently exist at DOA.

Under Joint Committee on Finance action taken for the 1997-99 biennial budget and as approved by the Legislature for 1997 Wisconsin Act 27, the 12.60 FTE positions and \$507,500 PR annually associated with WisComp were eliminated from DOA's operating budget effective September 30, 1997.

In addition to the elimination of positions and funding for WisComp, JCF and the Legislature approved three information technology (IT) initiatives: (1) IT infrastructure support; (2) imaging; and (3) electronic medical services re-engineering. As part of that approval, JCF removed funding placed in unallotted reserve for positions associated with the three IT initiatives that the department had planned on reallocating from remaining

positions in WisComp. Instead JCF indicated in its approval that "once DOA identified any positions to be reallocated, appropriate funding and position increases and decreases could be made by the Committee under provisions of s. 16.505/515."

ANALYSIS:

The department views this request as a reallocation and restoration of existing base positions and not a request for new positions. The department states that it would have utilized the 12.60 FTE from WisComp to reallocate positions. The department was originally provided a three month time period to retrain or reallocate the 12.60 FTE from WisComp. However, even though the budget was not passed until October 1997, no extension of the September 30, 1997 deadline for elimination of the positions and funding for WisComp were approved.

The Governor recommended and the Legislature approved three IT initiatives which the department indicates a need for reallocation of 7.0 FTE positions to support these initiatives.

The information technology infrastructure support project would provide state agencies expert assistance in establishing and monitoring service contracts for support services. The department indicated in its budget request that 3.0 FTE would be needed to support this initiative. The positions would be used to monitor contracts with one or more private vendors statewide who would provide technical IT support services to small state agencies for such items as hardware and software installation, operation problem resolution, help desk services, user training, and data base and application development and conversion.

The documents imaging technical support project would assist state agencies through an expert imaging team in assessing the feasibility of imaging projects and the application design and implementation of imaging systems. The department indicated in its budget request that 3.0 FTE would be needed to support this initiative. The positions would be used to conduct imaging feasibility studies, provide imaging project management consulting, assist agencies in the design and implementation of imaging applications, and provide technology and expertise to allow agencies to set up prototype systems quickly and at low cost to an agency. The state currently has four major imaging applications under development (DETF, OCI, DFI and DOR), four other agencies in the planning stage (DOA, DHFS, PSC and WTCS), and eight agencies that requested funding in the biennial budget (DOC, DR&L, DOR, DVA, DFI, Gaming, OCI and DOJ).

The medical services re-engineering project would utilize technology to store and retrieve large volumes of information and utilize imaging as a major system component. The department indicated in its budget request that 1.0 FTE would be needed to support this initiative. The position would serve as project manager under which DOA would work with the Departments of Health and Family Services, Corrections and Veterans Affairs to examine the use of IT to streamline and improve the operation and delivery of services in the state's medical facilities. The project would identify IT hardware and software needed and develop a project plan for redesign of existing delivery of services.

The department indicates a need for 2.6 FTE positions to provide staffing for the state's telecommunication network as restructured under the BadgerNet project and related services for the technology for educational achievement in Wisconsin (TEACH) customers. The new network, incorporated into a new enterprise network management center (ENMC), will consist of several contracts for telecommunication services by diverse providers. The existing network contract was provided and managed by AT&T which expired on June 30, 1997, but a 6-month extension was granted until December 31, 1997. The 2.6 FTE positions would serve as a router/wide area network management consultant, customer service manager, and enterprise network management center oversight position. The router/wide area network management consultant would provide technical consulting to state agencies, school districts and other TEACH customers in support of their router exchange requests, develop technical specifications and conduct problem resolution. The customer service manager would facilitate school district and state agency access to various BadgerNet related network services and act as liaison between DOA and customers on network services available through BadgerNet. The enterprise network management center oversight position would provide state oversight and direction to the ENMC and develop policies and procedures relating to BadgerNet network services offered to school districts and state agencies.

The department states that they have identified a need for over 29 FTE over the next year to perform the additional functions related to implementation and operation of the ENMC, BadgerNet and TEACH services. The department has already reallocated 3.0 FTE within its Divisions of Technology Management and Information Technology Services to perform these functions. Since many of these additional functions are transitional or implementation oriented, the department indicates it will fill most of those needs with contract or limited term employees.

The department indicates a need for 3.0 FTE positions related to the WisComp phase down. Out of the 12.6 FTE positions associated with WisComp, former WisComp individuals still occupy 3.0 FTE positions. 1.0 FTE position is a graphic designer on a one-year interchange with the Department of Tourism. The remaining 2.0 FTE positions have been voluntarily reassigned and trained for duties related to IT in the department. One individual is assisting in the small agency support initiative (SASI) and the other is working in the advanced function presentation/electronic report distribution program. The department indicates that if these positions are not restored, then a layoff situation may result. The department also indicates that it has taken all opportunities to reallocate and retrain remaining staff from the WisComp phase down. One option is to create the position authority for the graphic designer in the Department of Tourism. However, the department indicates that there hasn't been sufficient time to determine if the position is needed by the Department of Tourism on a full-time basis.

In addition, the department is not requesting any additional expenditure authority associated with the restoration of the 12.6 FTE positions. Since 9.6 FTE positions would be created in the continuing program revenue-service appropriation under s. 20.505 (1)(kL), no request is needed for additional expenditure authority in that appropriation. In discussions with the department, it was indicated that the position adjustments would not impact rates charged to agencies for other program revenue services. Instead,

Mark D. Bugher, Secretary
November 18, 1997
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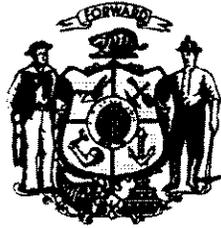
the department has reduced rates for IT and telecommunication services over the past several years and will continue to reduce rates as utilization increases. The department indicates that it will monitor expenditure authority in the appropriations under s. 20.505 (1)(ke) and (1)(kd) and reallocate resources within its appropriations and operations to fund the 3.0 FTE positions.

The department has indicated a continuing need for new and reallocated positions to implement IT initiatives for the State of Wisconsin. In view of DOA's successful efforts to reallocate and retrain staff and to respond to rapidly changing technologies, the request for restoration of the 12.6 FTE positions seems warranted.

RECOMMENDATION:

Approve the request for 12.60 FTE PR positions on an on-going basis for the department.

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin



Mailing Address:
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Madison, WI 53707-7864

TOMMY G. THOMPSON
GOVERNOR
MARK D. BUGHER
SECRETARY

Date: November 5, 1997

To: Richard Chandler, Director
State Budget Office

From: Mark D. Bugher, Secretary
Department of Administration

A handwritten signature in black ink, appearing to be "M. Bugher", written over the printed name of the sender.

Subject: Request under stat. 16.505 for positions

Request

The Department of Administration requests under Wisconsin stat. 16.505 the reallocation of 12.60 FTE Program Revenue positions from the previous WISCOMP operation to various technology initiatives of the Department. These positions will be reallocated in three ways: 1) biennial technology initiatives for which the Governor proposed reallocations in the 1997-99 biennial budget, 2) the expanded technology needs of the state telephone/data network management center as it relates to the new BadgerNet, and 3) the WISCOMP phase down plans of the Department to place remaining employees in state service. Since these 12.60 WISCOMP positions were eliminated in the budget the Department is requesting restoration.

When the Joint Finance Committee in the spring adopted a motion to eliminate the 12.60 PR WISCOMP positions it was to take effect three months into the fiscal year or on September 30, 1997. When the budget was delayed from the targeted July 1 date, the September date was not among other effective dates technically adjusted. The Department is returning with a plan for the positions, however, within the originally envisioned period of three months following the adoption of the budget.

Background

Due to insufficient activities to cover costs, the Department in late FY 97 ended the operation of the state WISCOMP program. The composition and publishing needs of state agencies are now handled by the private sector. At the end of the fiscal year there had been 12.60 FTE positions associated with the program.

In the 97-99 biennial budget the Governor had proposed the reallocation of Department positions to three new technology initiatives. The budget as passed by the legislature approved the three new programs for medical services re-engineering, document imaging, and infrastructure support. The Department identified 7.00 FTE would be required to support these initiatives. It was intended that the 12.60 FTE in WISCOMP serve as the source for these positions. Therefore no additional positions were requested. Once the decision to end the WISCOMP operation was finalized in the spring of 1997, the budget as passed deleted the 12.60 FTE associated with WISCOMP effective during FY 98.

Of these 12.60 positions, most are vacant awaiting reallocation. There are 3.00 FTE that remain filled with the incumbents reassigned and retrained for other duties. All other individuals have transferred or voluntarily left state service. The Department's goal was to meet needs without displacing workers so the effort has been made to place them elsewhere and retrain them.

PROPOSED POSITION REALLOCATIONS:

Biennial Budget Technology Initiative Reallocation 1: Medical Services Re-engineering Project

One position, 1.00 FTE PR, is requested for the electronic medical services project. The biennial budget provided for the program but deleted an amount in unallotted reserve related to a position reallocation. The Department proposes one of the WISCOMP positions for the reallocation.

Biennial Budget Technology Initiative Reallocation 2: Documents Imaging Technical Support

Three positions, 3.00 FTE PR, are requested to provide for the documents imaging technical support to state agencies. The biennial budget provided for the program but deleted an amount for the positions. The Department proposes three of the WISCOMP positions for reallocation to this effort.

Biennial Budget Technology Initiative Reallocation 3: Information Technology Infrastructure Support

Three positions, 3.00 FTE PR, are requested for information technology infrastructure support to provide state agencies expert assistance in establishing and monitoring service contracts for support services. The biennial budget provided for the program but deleted an amount for the positions. The Department proposes three of the WISCOMP positions for reallocation to this effort.

The total FTE requested for the 97-99 Biennial Budget Technology Initiatives is 7.00 FTE.

Medical Services Re-engineering	1.00
Documents Imaging Technical Support	3.00
IT Infrastructure Support	3.00

New Technology Initiative Reallocation: Enterprise Network Management Center as it relates to the new Badgernet

The other 2.60 FTE are requested to be reallocated to provide needed staffing for the ongoing management of the state's evolving telecommunication network as re-structured by the BadgerNet project. DOA's Divisions of Info Tech Services and Technology Management have developed a plan to incorporate a new Enterprise Network Management Center (ENMC) into ongoing state network operations. With the advent of BadgerNet and TEACH Wisconsin, the state will soon be embarking on a major transition from the existing data network. The existing network had been provided and managed under a comprehensive contract with AT&T. The new network will consist of several contracts for telecommunications services by diverse providers.

In order to maintain an affordable cost for management of the network and ensure adequate state control of network operations, the new ENMC will be a combination of an outsource service contract and state staff. The department is making the final arrangements for the outsource contract for the ENMC. The department has already reallocated 2.00 FTE existing positions within the Division of Technology Management and 1.00 existing position within Info Tech Services to provide staffing to the center. The presently requested 2.60 FTE will be used to provide management oversight to the ENMC contract operation, provide customer service support to state agencies and TEACH customers, and provide technical consulting to customers on router issues and wide area network structures.

Reallocation of 3.00 positions in the WISCOMP Phase Down

Of the three former WISCOMP individuals, one is a graphic designer on a one-year interchange to the Department of Tourism where his skills continue to be used for the benefit of tourism programs. The graphic design services previously performed at WISCOMP are now provided directly in that department with reimbursement to the DOA appropriation, instead of through WISCOMP program charges. The position will remain in the existing printing appropriation under the interchange agreement, with the Department of Tourism reimbursing the costs of salary and fringe benefits.

The remaining two individuals have been voluntarily reassigned and trained for duties related to information technology. One individual is assisting in the Small Agency Support Initiative and one is working in the Advanced Function Presentation/Electronic Report Distribution program where his skills help in information portrayal in electronic forms, reports, and presentations rather than the older printed formats. These activities are under appropriation 20.505(1)(kL) *Information technology processing services to agencies*, with revenues from charges for services. The 2.00 PR positions should be reallocated from 20.505(1)(kd) and recreated in 20.505(1)(kL).

Prior Reallocations and Future Needs

The State and the Department need to respond to rapidly changing technologies and the competitive complexity of the market in this area to achieve both reliable services and fiscal savings. The Department has already reallocated positions to meet priority technology needs for specialized technology training, for expanded E-Mail operations, for Wide Area Network support, and for statewide router technology management. The Enterprise Network Management Center will permit statewide efforts for Badgernet and TEACH and other technology operations to succeed.

Fiscal Effect

The Department intends to accommodate the cost of these FTE within the existing spending authority for the various appropriations so additional dollars are not requested.

Conclusion

The position reallocations will permit the Department to implement technology initiatives approved in the 97-99 biennial budget for medical services re-engineering, documents imaging, infrastructure support, and to support the Enterprise Network Management Center. Several existing WISCOMP positions

will continue information presentation and design work but in newer electronic forms and other ways as part of the WISCOMP phase down.

cc: Charles E. McDowell, Administrative Services
Paul McMahon, Bureau of Financial Management

Chart for 12.6 FTE being the WISCOMP positions

<u>Number</u>	<u>Status</u>	<u>FTE</u>	<u>Classification</u>	<u>Proposed use</u>	
010415	vacant	1.00	Prog. Asst. 2 Conf.	reallocated for Med Srvc	137
028540	vacant	1.00	Graphic Designer	reallocated for Imaging	130
032122	vacant	1.00	Graphic Designer	reallocated for Imaging	130
302517	vacant	1.00	Typesetting System Input	reallocated for Imaging	137
305172	vacant	1.00	Typesetting System Input	reallocated for Infrastr.	130
307793	vacant	1.00	Admin. Asst. 3	reallocated for Infrastr.	130
018750	vacant	0.80	Typesetting System Input	reallocated for Infrastr.	130
304681	vacant	0.80	Typesetting System Input		
		(0.60	after use 0.20 to round up 018750)	reallocated for ENMC	130
007845	vacant	1.00	Audiovisual Production Spec	reallocated for ENMC	130
304169	vacant	1.00	Graphic Designer	reallocated for ENMC	130
<hr/>					
304600	Cronin	1.00	Graphic Designer Senior	reassigned to Tourism	136
036778	Cox	1.00	IS (PE) Enterprise Strag Plan Spec	reassigned for SASI	130
033481	Madsen	1.00	IS (S) Programmer/Analyst Entry	reassigned for AFP/ERD	130