

	STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
\$T+1	1			
	2	Investment and local impact		
	3	Investment and local impact		
	4	Investment and local impact		
	5	Investment and local impact		
	6	Federal administrative expenses		
	7	Federal mining revenue		
	8	Investment and local impact		
	9	Investment and local impact		
	10	(7) PROGRAM TOTALS		
	11	GENERAL PURPOSE REVENUES		
	12	PROGRAM REVENUE		
	13	FEDERAL		
	14	OTHER		
	15	OTHER		
	16	OTHER		
	17	TOTAL-ALL SOURCES		
	18	Lottery		
	19	General program operations		
	20	Retailer compensation		
	21	Vendor fees		
	22	General program operations		
	23	Retailer compensation		
	24	Prizes		
	25	Vendor fees		
	26	GENERAL PURPOSE REVENUES		
	27	SEGREGATED FUNDS		
	28	OTHER		
	29	TOTAL-ALL SOURCES		
	30	20.56 DEPARTMENT TOTALS		
	31	GENERAL PURPOSE REVENUES		
	32	PROGRAM REVENUE		
	33	FEDERAL		
	34	OTHER		
	35	SERVICE		
	36	OTHER		
	37	TOTAL-ALL SOURCES		
\$T+1	38	20.575 Secretary of state		
	39	Managing and operating program		
	40	Responsibilities		
	41	Agency collections		
	42	20.575 DEPARTMENT TOTALS		
	43	PROGRAM REVENUE		
	44	OTHER		
	45	SERVICE		
	46	TOTAL-ALL SOURCES		
\$T+1	47	20.585 Treasurer, state		
	48	Custodian of state funds		
	49	Insurance		
	50	Unclaimed property;		
	51	contingency appropriation		
	52	Processing services		
	53	Training conferences		
	54	Gifts and grants		
	55	Unclaimed property		
	56	Allocation - cash management		
		General program operations		

ST+1	STATUTE, AGENCY AND PURPOSE	SOURCE TYPE		2000-01
		1999-00	2000-01	
1	(km) Credit card use charges	PR-S C	T O T A L S	0
2	GENERAL PURPOSE REVENUES			0
3	PROGRAM REVENUE			1,545,900
4	OTHER			1,023,200
5	SERVICE			522,700
6	TOTAL-ALL SOURCES			1,545,900
7	aS(2) College tuition prepaymental			
8	aS(2) Administrative expenses;	GPR A	85,000	
9	general fund			
10	(am) Administrative expenses;	GPR A	75,000	
11	college savings program			
12	Payment of tuition	SEG S	0	
13	Administrative expenses;	SEG S	0	
14	tuition trust fund	SEG A	147,000	
15	(2) P R O G R A M			150,000
16	T O T A L S			160,000
17	GENERAL PURPOSE REVENUES			150,000
18	SEGREGATED FUNDS			150,000
19	OTHER			310,000
20	TOTAL-ALL SOURCES			160,000
21	2 0 . 5 8 5 D E P A R T M E N T			1,545,900
22	GENERAL PURPOSE REVENUES			1,023,200
23	PROGRAM REVENUE			522,700
24	OTHER			150,000
25	SERVICE			150,000
26	SEGREGATED FUNDS			150,000
27	OTHER			150,000
28	TOTAL-ALL SOURCES			1,855,900

General Executive Functions		FUNCTIONAL AREA TOTALS	
28	GENERAL PURPOSE REVENUES	245,493,000	179,671,300
29	PROGRAM REVENUE	388,917,900	390,262,800
30	FEDERAL	108,349,500	107,322,200
31	OTHER	43,985,800	42,499,500
32	SERVICE	236,582,600	240,441,100
33	SEGREGATED FUNDS	39,004,800	99,722,700
34	FEDERAL	0	0
35	OTHER	38,004,800	98,722,700
36	SERVICE	1,000,000	1,000,000
37	LOCAL	0	0
38	TOTAL-ALL SOURCES	673,415,700	669,656,800

Judicial		FUNCTIONAL AREA TOTALS	
39	aM 20.625 Circuit courts	50,036,200	51,354,700
40	aS(1) Court operations	0	0
41	(a) Circuit courts	0	0
42	(as) Violent crime court costs	0	0
43	(b) Permanent reserve judges	188,800	188,800
44	(c) Court interpreter fees	0	0
45	(d) Circuit court support	0	0
46	payments	18,739,600	18,739,600
47	(e) Guardian ad litem costs	4,738,500	4,738,500
48	(m) Federal aid	0	0
49	(1) P R O G R A M		
50	T O T A L S	73,703,100	75,021,600
51	GENERAL PURPOSE REVENUES	0	0
52	PROGRAM REVENUE	0	0
53	FEDERAL	0	0
54	TOTAL-ALL SOURCES	73,703,100	75,021,600

	STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
\$T+1	1 AS(3) Child custody hearings and studies in other states			
2	(a) General program operations			
3	(3) P R O G R A M	T O T A L S	0	0
4	GENERAL PURPOSE REVENUES			
5	TOTAL-ALL SOURCES			
6	2 0 . 6 2 5 D E P A R T M E N T	T O T A L S	0	0
7	GENERAL PURPOSE REVENUES			
8	PROGRAM REVENUE		73,703,100	75,021,600
9	FEDERAL		0	0
\$T+1	9 TOTAL-ALL SOURCES		73,703,100	75,021,600
10	AM 20.660 Court of appeals			
11	AS(1) Appellate proceedings			
12	(a) General program operations			
13	(m) Federal aid		8,029,200	7,579,000
14	2 0 . 6 6 0 D E P A R T M E N T	T O T A L S	0	0
15	GENERAL PURPOSE REVENUES			
16	PROGRAM REVENUE		8,029,200	7,579,000
17	FEDERAL		0	0
\$T+1	17 TOTAL-ALL SOURCES		8,029,200	7,579,000
18	AM 20.665 Judicial commission			
19	AS(1) Judicial conduct			
20	(a) General program operations		172,700	173,100
21	(cm) Contractual agreements		18,200	18,200
22	(d) General program operations;			
23	Judicial council			
24	(mm) Federal aid		35,000	35,000
25	2 0 . 6 6 5 D E P A R T M E N T	T O T A L S	0	0
26	GENERAL PURPOSE REVENUES			
27	PROGRAM REVENUE		225,900	226,300
28	FEDERAL		0	0
\$T+1	28 TOTAL-ALL SOURCES		225,900	226,300
29	AM 20.680 Supreme court			
30	AS(1) Supreme court proceedings			
31	(a) General program operations		4,719,600	4,068,800
32	(m) Federal aid		0	0
33	GENERAL PURPOSE REVENUES			
34	PROGRAM REVENUE		4,719,600	4,068,800
35	FEDERAL		0	0
36	TOTAL-ALL SOURCES		4,719,600	4,068,800
37	AS(2) Director of state courts			
38	(a) General program operations		4,809,300	4,809,300
39	(b) Judicial planning and research			
40	(p) Gifts and grants		0	0
41	(h) Materials and services		0	0
42	(i) Municipal judge training		50,900	50,900
43	(j) Court information systems		115,400	115,400
44	(kc) Central services		7,014,700	8,342,100
45	(kd) Court operations information technology		164,000	164,000
46	(ke) Interagency and intra-agency automation assistance		0	0
47	(kp) Court information systems;			
48	penalty assessment receipts			
49	(m) Federal aid		950,000	400,000
50	(dm) Mediation fund		400,000	657,800
51				
52				
53				
\$T+99				

STATUTE, AGENCY AND PURPOSE	(2) PROGRAM	SOURCE TYPE	1999-00	2000-01
\$T+1				
1	GENERAL PURPOSE REVENUES	TOTALS	4,809,300	4,809,300
2	PROGRAM REVENUE		8,695,000	9,072,400
3	FEDERAL	(	400,000)	400,000)
4	OTHER	(	8,131,000)	8,508,400)
5	SERVICE	(	164,000)	164,000)
6	SEGREGATED FUNDS	(	657,800)	657,800)
7	OTHER	(	657,800)	657,800)
8	TOTAL-ALL SOURCES	(	14,162,100)	14,539,500)
9	AS(3) Bar examiners andal			
10	aResponsibility			
11	(g) Board of bar examiners	PR C	528,200	528,200
12	(h) Board of attorneys			
13	professional responsibility	PR C	1,382,700	1,382,700
14	PROGRAM REVENUE	TOTALS	1,910,900	1,910,900
15	OTHER		1,910,900)	1,910,900)
16	TOTAL-ALL SOURCES	(	1,910,900)	1,910,900)
17	AS(4) Law library			
18	(a) General program operations	GPR A	1,065,600	1,022,600
19	(g) Library collections and			
20	services	PR C	111,300	111,300
21	(h) Gifts and grants	PR C	229,200	229,200
22	GENERAL PURPOSE REVENUES	TOTALS	1,065,600	1,022,600
23	PROGRAM REVENUE		340,500	340,500
24	OTHER	(	340,500)	340,500)
25	TOTAL-ALL SOURCES	(	1,406,100)	1,363,100)
26	20680 DEPARTMENT	TOTALS	10,594,500	9,900,700
27	GENERAL PURPOSE REVENUES		10,946,400	11,323,800
28	PROGRAM REVENUE		400,000)	400,000)
29	FEDERAL	(	10,382,400)	10,759,800)
30	OTHER	(	164,000)	164,000)
31	SERVICE	(	657,800)	657,800)
32	SEGREGATED FUNDS	(	657,800)	657,800)
33	OTHER	(	657,800)	657,800)
\$T+1	TOTAL-ALL SOURCES	(	22,198,700)	21,882,300)
34	GENERAL PURPOSE REVENUES	Judicial		
35	PROGRAM REVENUE	FUNCTIONAL AREA TOTALS	92,552,700	92,727,600
36	FEDERAL		10,946,400	11,323,800
37	OTHER	(	400,000)	400,000)
38	SERVICE	(	10,382,400)	10,759,800)
39	SEGREGATED FUNDS	(	164,000)	164,000)
40	FEDERAL	(	657,800)	657,800)
41	OTHER	(	0)	0)
42	SERVICE	(	657,800)	657,800)
43	LOCAL	(	0)	0)
44	TOTAL-ALL SOURCES	(	104,156,900)	104,709,200)
\$T+1				
\$T+1				
\$T+99		Legislative		

STATUTE, AGENCY AND PURPOSE SOURCE TYPE 1999-00 2000-01

LINE	STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
1	20.765 Legislature			
2	Enactment of state laws			
3	General program operations--	GPR S	20,558,000	20,558,000
4	assembly			
5	General program operations--	GPR S	13,346,100	13,346,100
6	senate		9,868,800	8,285,200
7	Legislative documents	GPR S		
	(1) P R O G R A M			
	T O T A L S		43,772,900	42,189,300
8	GENERAL PURPOSE REVENUES			
9	TOTAL-ALL SOURCES		217,000	212,800
10	Special study groups	GPR A	15,000	15,000
11	Retirement committees	GPR B		
12	Retirement actuarial studies	GPR B		
	(2) P R O G R A M			
	T O T A L S		232,000	227,800
13	GENERAL PURPOSE REVENUES			
14	TOTAL-ALL SOURCES		232,000	227,800
15	Service agencies and national			
16	associations			
17	Revisor of statutes bureau	GPR B	712,300	718,500
18	Legislative reference bureau	GPR B	3,635,000	3,637,800
19	Legislative audit bureau	GPR B	4,022,900	4,022,900
20	Legislative fiscal bureau	GPR B	2,527,600	2,595,200
21	Legislative council	GPR B	2,734,200	2,734,200
22	Legislative technology			
23	services bureau	GPR B	1,430,600	1,438,000
24	Joint committee on			
25	legislative organization	GPR B	0	0
26	Membership in national			
27	associations	GPR S	162,500	167,600
28	Gifts and grants to service			
29	agencies	PR C	0	0
30	Audit bureau reimbursable			
31	audits			
32	Federal aid	PR-S A	1,281,900	1,355,200
	(3) P R O G R A M	PR-F C	0	0
	T O T A L S		15,225,100	15,316,200
33	GENERAL PURPOSE REVENUES			
34	PROGRAM REVENUE		1,281,900	1,355,200
35	FEDERAL			
36	OTHER			
37	SERVICE		1,281,900	1,355,200
38	TOTAL-ALL SOURCES		16,507,000	16,669,400
	20.765 D E P A R T M E N T			
	GENERAL PURPOSE REVENUES		59,230,000	57,731,300
39	PROGRAM REVENUE		1,281,900	1,355,200
40	FEDERAL			
41	OTHER			
42	SERVICE		1,281,900	1,355,200
43	TOTAL-ALL SOURCES		60,511,900	59,086,500
44				

\$T+1
\$T+99

STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
Legislative			
FUNCTIONAL AREA TOTALS			
GENERAL PURPOSE REVENUES		59,230,000	57,731,300
PROGRAM REVENUE	(	1,281,900	1,355,200
FEDERAL	(
OTHER	(
SERVICE	(
FEDERAL	(	1,281,900	1,355,200
OTHER	(
SERVICE	(
LOCAL	(
TOTAL-ALL SOURCES	(	60,511,900	59,086,500
General Appropriations			
AM 20.835 Shared revenue and tax relief	GPR S	10,000,000	11,000,000
AS(1) Shared revenue payments	GPR S	48,000,000	57,000,000
(b) Small municipalities shared revenue	GPR S	930,459,800	930,459,800
(c) Expenditure restraint program account	GPR S	63,800,000	71,000,000
(d) Shared revenue account	GPR S	20,159,000	20,763,800
(e) State aid; computers			
(f) County mandate relief account			
(1) P R O G R A M T O T A L S		1,072,418,800	1,090,223,600
GENERAL PURPOSE REVENUES		1,072,418,800	1,090,223,600
TOTAL-ALL SOURCES			
AS(2) Tax relief	GPR S	700,000,000	0
(am) One-time rebate of nonbusiness consumer sales tax	GPR S	79,100,000	96,800,000
(b) Claim of right credit	GPR S	2,500	2,500
(c) Homestead tax credit	GPR S	2,500	2,500
(ci) Development zones investment credit	GPR S	150,000	150,000
(cl) Development zones location credit	GPR S	150,000	150,000
(cm) Development zones jobs credit	GPR S	18,100,000	16,000,000
(cn) Development zones sales tax credit	GPR S	15,000,000	0
(d) Farmers' drought property tax credit	GPR S	10,250,000	10,310,000
(dm) Farmland preservation credit	PR C	12,200,000	13,000,000
(dn) Farmland tax relief credit			
(ep) Cigarette and tobacco product tax refunds			
(f) Earned income tax credit			
(ka) Farmland tax relief credit			
(kf) Earned income tax credit; temporary assistance for needy families			
(q) Farmland tax relief credit	PR-S A	51,000,000	54,000,000
GENERAL PURPOSE REVENUES	SEG S	834,955,000	15,000,000
PROGRAM REVENUE		51,000,000	136,415,000
OTHER	(		54,000,000
SERVICE	(		0
FEDERAL	(		54,000,000
OTHER	(		15,000,000
TOTAL-ALL SOURCES	(	885,955,000	205,415,000

\$T+1

\$T+1
\$T+1

\$T+99

ST+1	STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
1	State property tax credits	GPR S	469,305,000	469,305,000
2	School levy tax credit	SEG S	189,890,100	105,723,100
3	Lottery credit	(3) P R O G R A M	T O T A L S	
4	GENERAL PURPOSE REVENUES		469,305,000	469,305,000
5	SEGREGATED FUNDS	(	189,890,100	105,723,100
6	OTHER		189,890,100	105,723,100
7	TOTAL-ALL SOURCES		659,195,100	575,028,100
8	County and local taxes	PR C	0	0
9	County taxes	PR C	0	0
10	Special district taxes	PR C	0	0
11	Premier resort area tax	PR C	0	0
12	Local professional football stadium district taxes	PR C	0	0
13	Local taxes	PR C	0	0
14	(4) P R O G R A M		T O T A L S	
15	PROGRAM REVENUE		0	0
16	OTHER	(	0	0
17	TOTAL-ALL SOURCES		0	0
18	Payments in lieu of taxes		0	0
19	Payments for municipal services		0	0
20	(5) P R O G R A M		T O T A L S	
21	GENERAL PURPOSE REVENUES	GPR A	18,065,300	21,565,300
22	TOTAL-ALL SOURCES		18,065,300	21,565,300
23	2 0 . 8 3 5 D E P A R T M E N T		18,065,300	21,565,300
24	GENERAL PURPOSE REVENUES		2,394,744,100	1,717,508,900
25	PROGRAM REVENUE	(	51,000,000	54,000,000
26	OTHER	(	0	0
27	SERVICE	(	51,000,000	54,000,000
28	SEGREGATED FUNDS	(	189,890,100	120,723,100
29	OTHER	(	189,890,100	120,723,100
30	TOTAL-ALL SOURCES		2,635,634,200	1,892,232,000
31	20.855 Miscellaneous appropriations			
32	Cash management expenses			
33	Interest and principal			
34	Prepayment			
35	Obligation on operating notes	GPR S	0	7,800,000
36	Operating note expenses	GPR S	0	110,000
37	Payment of cancelled drafts	GPR S	1,100,000	1,100,000
38	Interest payments to program			
39	Revenue accounts	GPR S	0	0
40	Interest payments to segregated funds	GPR S	0	0
41	Interest on prorated local government payments	GPR S	0	0
42	Payment of cancelled drafts;	PR S	0	0
43	program revenues	SEG S	0	0
44	Redemption of operating notes	SEG S	0	0
45	Interest payments to general fund	SEG S	0	0
46	Payment of cancelled drafts;	SEG S	0	0
47	segregated revenues	SEG S	0	0
48	(1) P R O G R A M		T O T A L S	
49	GENERAL PURPOSE REVENUES		1,100,000	9,010,000
50	PROGRAM REVENUE	(	0	0
51	OTHER	(	0	0
52	SEGREGATED FUNDS	(	0	0
53	OTHER	(	0	0
54	TOTAL-ALL SOURCES		1,100,000	9,010,000
55				

ST+99

ST+1	STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
1	§S(3) Capitol renovation expenses			
2	(a) Capitol offices relocation	GPR S	6,204,600	4,118,900
3	(b) Capitol restoration and relocation planning	GPR B	0	0
4	(c) Historically significant furnishings	GPR B	100,000	0
5	(3) P R O G R A M			
6	GENERAL PURPOSE REVENUES			
7	TOTAL-ALL SOURCES		6,304,600	4,118,900
8	§S(4) Tax, assistance and transferal		6,304,600	4,118,900
9	§S(4) Interest on overpayment of taxes	GPR S	1,350,000	900,000
10	(a) Great Lakes protection fund contribution	GPR C	0	0
11	(b) Election campaign payments	GPR S	329,000	310,000
12	(c) Minnesota income tax reciprocity	GPR S	46,475,000	44,000,000
13	(ca) Minnesota income tax reciprocity	GPR A	0	0
14	(cm) Illinois income tax reciprocity	GPR S	0	0
15	(cn) Illinois income tax reciprocity benchmark	GPR A	105,000	50,700
16	(co) Illinois income tax reciprocity, 1998 and 1999	GPR A	8,250,000	0
17	(e) Transfer to conservation fund; land acquisition reimbursement	GPR S	238,700	247,900
18	(f) Supplemental title fee matching	GPR S	10,977,400	10,700,000
19	(q) Terminal tax distribution	SEG S	1,046,300	1,057,400
20	(r) Petroleum allowance	SEG S	400,000	400,000
21	(s) Transfer to conservation fund; motorboat formula	SEG S	10,101,300	10,495,500
22	(t) Transfer to conservation fund; snowmobile formula	SEG S	3,676,500	3,846,800
23	(u) Transfer to conservation fund; all-terrain vehicle formula	SEG S	635,000	720,500
24	(4) P R O G R A M			
25	GENERAL PURPOSE REVENUES		67,725,100	56,208,600
26	SEGREGATED FUNDS		15,859,100	16,520,200
27	OTHER		83,584,200	72,728,800
28	TOTAL-ALL SOURCES			
29	§S(5) State housing authority			
30	§S(5) Reserve fund			
31	(a) Enhancement of credit of authority debt	GPR A	0	0
32	(5) P R O G R A M			
33	GENERAL PURPOSE REVENUES			
34	TOTAL-ALL SOURCES		0	0
35	§S(6) Miscellaneous receipts		0	0
36	(g) Gifts and grants	PR C	0	0
37	(h) Vehicle and aircraft receipts	PR A	0	0
38	(i) Miscellaneous program revenue	PR A	0	0
39	(j) Custody accounts	PR C	0	0
40	(k) Aids to individuals and organizations	PR-S C	0	0
41	(ka) Local assistance	PR-S C	0	0
42	(m) Federal aid	PR-F C	0	0
43	(pz) Indirect cost reimbursements	PR-F C	0	0
44	ST+1			

STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
(ic) Nonrepresented university system faculty and academic pay adjustments	PR S	0	0
(j) Employer fringe benefit costs; program revenues	PR S	26,400	31,100
(jm) Additional biweekly payroll; nonfederal program revenues	PR S	0	0
(js) Financial services; program revenues	PR S	0	0
(kr) Risk management; program revenues	PR-S S	0	0
(ln) Physically handicapped supplements; program revenues	PR S	0	0
(m) Additional biweekly payroll; federal program revenues	PR-F S	0	0
(q) Judgments and legal expenses; segregated revenues	SEG S	0	0
(s) Compensation and related adjustments; segregated revenues	SEG S	0	0
(si) Nonrepresented university system faculty and academic pay adjustments	SEG S	0	0
(t) Employer fringe benefit costs; segregated revenues	SEG S	0	0
(tm) Additional biweekly payroll; nonfederal segregated revenues	SEG S	24,100	28,400
(ts) Financial services; segregated revenues	SEG S	0	0
(ur) Risk management; segregated revenues	SEG S	0	0
(vn) Physically handicapped supplements; segregated revenues	SEG S	0	0
(x) Additional biweekly payroll; federal segregated revenues	SEG-F S	0	0
GENERAL PURPOSE REVENUES			
PROGRAM REVENUE		8,239,600	38,258,800
FEDERAL		1,312,900	1,317,600
OTHER		(0)	(0)
SERVICE		(1,312,900)	(1,317,600)
SEGREGATED FUNDS			
FEDERAL		24,100	28,400
OTHER		(0)	(0)
TOTAL-ALL SOURCES		24,100	28,400
AS(2) State programs and facilities a1		9,576,600	39,604,800
(a) Space management and child care	GPR A	3,441,300	3,935,000
(ag) State-owned office rent supplement	GPR A	1,189,900	2,379,800
(d) State deposit fund	GPR S	0	0
(e) Maintenance of capitol and executive residence	GPR A	5,492,700	5,492,700
(eb) Executive residence furnishings replacement	GPR C	25,000	25,000
(em) Groundwater survey and analysis	GPR A	231,200	231,200
(g) Space management and child care; program revenues	PR S	0	0

T O T A L S

STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
(gg) State-owned office rent supplement; program revenues	PR S	0	0
(j) State deposit fund; program revenues	PR S	0	0
(L) Data processing and telecommunications study; program revenues	PR-S S	0	0
(q) Space management and child care; segregated revenues	SEG S	0	0
(qg) State-owned office rent supplement; segregated revenues	SEG S	0	0
(t) State deposit fund; segregated revenues	SEG S	0	0
GENERAL PURPOSE REVENUES PROGRAM REVENUE	TOTALS	10,380,100	12,063,700
OTHER SERVICE FUNDS	(	0	0
OTHER	(	0	0
TOTAL-ALL SOURCES	(	10,380,100	12,063,700
aS(3) Taxes and special charges	GPR S	0	0
(a) Property taxes	PR S	0	0
(g) Property taxes; program revenues	PR S	0	0
(i) Payments for municipal services; program revenues	PR S	0	0
(q) Property taxes; segregated revenues	SEG S	0	0
(s) Payments for municipal services; segregated revenues	SEG S	0	0
GENERAL PURPOSE REVENUES PROGRAM REVENUE	TOTALS	0	0
OTHER	(	0	0
OTHER	(	0	0
TOTAL-ALL SOURCES	(	0	0
aS(4) Joint committee on financial supplemental appropriations	GPR B	20,654,800	83,810,900
(a) General purpose revenue funds general program supplementation	PR S	956,000	2,191,500
(g) Program revenue funds general program supplementation	PR-F C	115,219,000	10,000,000
(m) Federal funds general program supplementation	SEG S	2,397,300	11,267,100
(u) Segregated funds general program supplementation	TOTALS	20,654,800	83,810,900
GENERAL PURPOSE REVENUES PROGRAM REVENUE	TOTALS	116,175,000	12,191,500
FEDERAL OTHER	(	115,219,000	10,000,000
SEGREGATED FUNDS OTHER	(	2,397,300	11,267,100
TOTAL-ALL SOURCES	(	139,227,100	107,269,500

\$T+1

\$T+99

ST+1	STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
1	aS(8) Supplementations of program			
2	aS revenue and program			
3	aS rev.-service appropriations			
4	Supplementations of program			
5	revenue and program			
6	rev.-service appropriations			
7	PROGRAM REVENUE	(8) PROGRAM	TOTALS	0
8	OTHER	()	()	0
9	TOTAL-ALL SOURCES	()	()	0
10	20.865 DEPARTMENT		TOTALS	
11	GENERAL PURPOSE REVENUES		39,274,500	136,133,400
12	PROGRAM REVENUE		117,487,900	13,509,100
13	FEDERAL	()	115,219,000	10,000,000
14	OTHER	()	2,268,900	3,509,100
15	SERVICE	()	()	()
16	SEGREGATED FUNDS	()	2,421,400	11,295,500
17	FEDERAL	()	()	()
18	OTHER	()	2,421,400	11,295,500
19	TOTAL-ALL SOURCES	()	159,183,800	158,938,000
20	aM 20.866 Public debt			
21	aS(1) Bond security and redemption			
22	aS fund			
23	(u) Principal repayment and interest	SEG	TOTALS	0
24	20.866 DEPARTMENT		TOTALS	0
25	SEGREGATED FUNDS	()	()	0
26	OTHER	()	()	0
27	TOTAL-ALL SOURCES	()	()	0
28	aM 20.867 Building commission			
29	aS(1) State office buildings			
30	(a) Principal repayment and interest; housing of state agencies	GPR	S	0
31	(b) Principal repayment and interest; capitol and executive residence	GPR	S	0
32	(1) PROGRAM		TOTALS	0
33	GENERAL PURPOSE REVENUES		1,158,700	1,158,700
34	TOTAL-ALL SOURCES		0	1,158,700
35	aS(2) All state-owned facilities			
36	(b) Asbestos removal	GPR	A	0
37	(c) Hazardous materials removal	GPR	A	0
38	(f) Facilities preventive maintenance	GPR	A	0
39	(g) Building trust fund	SEG	C	0
40	(r) Planning and design	SEG	C	0
41	(u) Aids for buildings	SEG	C	0
42	(v) Building program funding	SEG	C	0
43	(w) contingency	SEG	C	0
44	(w) Building program funding	SEG	C	0
45	(2) PROGRAM		TOTALS	0
46	GENERAL PURPOSE REVENUES		0	0
47	SEGREGATED FUNDS		0	0
48	OTHER	()	()	0
49	TOTAL-ALL SOURCES	()	()	0
50				
51				
ST+99				

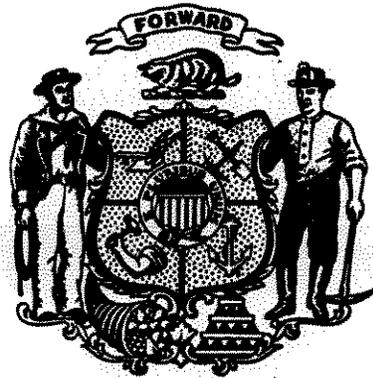
	STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
\$T+1				
1	AS(3) State building program			
2	(a) Principal repayment and interest	GPR S	3,699,000	24,278,100
3	(b) Principal repayment and interest	GPR S	653,500	0
4	(bp) Principal repayment, interest and rebates	GPR S	0	0
5	(br) Principal repayment, interest and rebates	GPR S	0	0
6	(c) Lease rental payments	GPR S	0	0
7	(d) Interest rebates on obligation proceeds; general fund	GPR S	0	0
8	(e) Principal repayment, interest and rebates; parking ramp	GPR S	0	0
9	(g) Principal repayment, interest and rebates; program revenues	PR S	0	0
10	(h) Principal repayment, interest and rebates	PR S	0	0
11	(i) Principal repayment, interest and rebates; capital equipment	PR S	0	0
12	(k) Interest rebates on obligation proceeds; program revenues	PR-S C	0	0
13	(q) Principal repayment and interest; segregated revenues	SEG S	0	0
14	(r) Interest rebates on obligation proceeds; conservation fund	SEG S	0	0
15	(s) Interest rebates on obligation proceeds; transportation fund	SEG S	0	0
16	(t) Interest rebates on obligation proceeds; veterans trust fund	SEG S	0	0
17	(w) Bonding services	SEG S	0	0
18	GENERAL PURPOSE REVENUES	SEG S	1,024,200	1,024,200
19	PROGRAM REVENUE	SEG S	4,352,500	24,278,100
20	OTHER	(	0	0
21	SERVICE	(	0	0
22	OTHER	(	1,024,200	1,024,200
23	TOTAL-ALL SOURCES	(	5,376,700	25,302,300
24	AS(4) Capital improvement fund			
25	aS Interest earnings			
26	(q) Funding in lieu of borrowing	SEG C	0	0
27	(r) Interest on veterans obligations	SEG C	0	0
28	(4) PROGRAM TOTALS	SEG C	0	0
29	OTHER	(	0	0
30	TOTAL-ALL SOURCES	(	0	0
31	AS(5) Services to nonstate			
32	aS Governmental units			
33	(g) Financial consulting services	PR C	0	0
34	PROGRAM REVENUE	PR C	0	0
35	OTHER	(0	0
36	TOTAL-ALL SOURCES	(0	0
37				
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\$T+99				

STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
20.867 DEPARTMENT TOTALS		4,352,500	25,436,800
GENERAL PURPOSE REVENUES		0	0
PROGRAM REVENUE	(	0)	0)
OTHER	(	0)	0)
SERVICE	(	0)	0)
SEGREGATED FUNDS	(	1,024,200)	1,024,200)
OTHER	(	1,024,200)	1,024,200)
TOTAL-ALL SOURCES	(	5,376,700)	26,461,000)
\$T+1			
20.875 Budget stabilization fundal			
20S(1) Transfers to fundal			
(a) General fund transfer	GPR A	0	0
(1) PROGRAM TOTALS		0	0
GENERAL PURPOSE REVENUES		0	0
TOTAL-ALL SOURCES		0	0
20S(2) Transfers from fundal			
(q) Budget stabilization fund			
transfer			
(2) PROGRAM TOTALS		0	0
SEGREGATED FUNDS			
OTHER	(	0)	0)
TOTAL-ALL SOURCES	(	0)	0)
\$T+1			
20.875 DEPARTMENT TOTALS		0	0
GENERAL PURPOSE REVENUES		0	0
SEGREGATED FUNDS		0	0
OTHER	(	0)	0)
TOTAL-ALL SOURCES	(	0)	0)
\$T+1			
General Appropriations			
FUNCTIONAL AREA TOTALS		2,513,500,800	1,946,416,600
GENERAL PURPOSE REVENUES		168,487,900	67,509,100
PROGRAM REVENUE		115,219,000)	10,000,000)
FEDERAL	(	0)	0)
OTHER	(	2,268,900)	3,509,100)
SERVICE	(	51,000,000)	54,000,000)
SEGREGATED FUNDS	(	209,194,800)	149,563,000)
FEDERAL	(	0)	0)
OTHER	(	209,194,800)	149,563,000)
SERVICE	(	0)	0)
LOCAL	(	0)	0)
TOTAL-ALL SOURCES	(	2,891,183,500)	2,163,488,700)
\$T+1			
\$T+99			

	STATUTE, AGENCY AND PURPOSE	SOURCE TYPE	1999-00	2000-01
1	S T A T E T O T A L		21,352,285,600	20,807,385,800
2	GENERAL PURPOSE REVENUES		11,332,210,800	11,076,302,400
3	PROGRAM REVENUE		7,111,683,600	6,856,268,900
4	FEDERAL	(	4,453,148,300)	4,121,351,700)
5	OTHER	(	1,917,270,500)	1,979,622,400)
6	SERVICE	(	741,264,800)	755,294,800)
7	SEGREGATED FUNDS		2,908,391,200	2,874,814,500
8	FEDERAL	(	632,423,900)	582,023,000)
9	OTHER	(	2,052,895,200)	2,075,367,900)
10	SERVICE	(	151,399,100)	151,853,600)
11	LOCAL	(	71,673,000)	65,570,000)

\$T+1

END



END



Robert T. Welch
Wisconsin State Senator

◆ MEMORANDUM ◆

TO: Legislative Colleagues

FR: Bob Welch *RBW*

RE: Reforming the Budget Process in Wisconsin

DT: October 13, 1999

Clearly, each and every one of us is concerned about the process in which the most recent State Budget was assembled and 'debated.'

For several years, I have been developing a new Budget process—one that spreads the power to more individuals, and opens the process to more scrutiny from the public and the press. The attachments explain my proposal.

We could reform the Budget process with a few simple rules changes.

I would like your input on this matter. Rather than point fingers or try to place partisan blame for the debacle this year, or even for the troubles surrounding previous Budgets, I am optimistic that we can learn from our mistakes and move forward. I am hopeful we can reform the system in such a way that the citizens of this state will be well-served.

Please let me know what you think. I encourage your comments, suggestions and critiques.

Thank you.



Reforming the Wisconsin Budget Process

A Proposal By State Senator Bob Welch

October 1999



Reforming the Wisconsin Budget Process

A Proposal By State Senator Bob Welch

Budget Introduction

There would be no change in the manner in which in February of odd numbered years the Governor introduces his biennial budget proposal.

Joint Finance Action: Separation into appropriation Bills

The Joint Committee on Finance would separate the Governor's proposal into 10 unique appropriation bills. Five of these bills would then be forwarded to the presiding officer of the Senate, the other five would be sent to the presiding officer of the Assembly. The order would alternate with each budget.

They ten appropriation bills would be:

1. General Government
2. Environment and Natural Resources
3. Education
4. Taxation
5. Justice and Corrections
6. Commerce, Agriculture and Workforce Development
7. Health and Family Services
8. Transportation
9. Veterans and Military Affairs
10. Bonding, Building Program

Joint Finance Action: Expenditure Levels Set

By March 31st, the Committee would also forward to the legislature a joint budget resolution which establishes a hard target appropriation/revenue level for each bill. Both houses must agree to this resolution by April 15.

The Legislature: Action of Separate Appropriation Bills

The presiding offices of both houses would determine to which committee each appropriation bill would be sent for further action.

All ten bills must be acted upon by a committee in each house.

The standing committees would then forward the individual appropriation bills to their respective house for a vote. The total expenditure of each individual bill (Fiscal note as amended) must not exceed the hard target number set by the joint budget resolution. If it does the bill is automatically sent to finance for cuts.

The bills would follow the standard procedure for every bill in that upon approval by one house it would be messaged to the next house and then sent to committee for action before being reported out of the committee and onto the floor.

Resolving Differences Between Assembly and Senate Versions of Individual Appropriation Bills

A separate conference committee would be established to reconcile the differences between the Assembly and Senate versions of each individual appropriation bill. The Committee could not report out a bill that exceeds the hard target appropriation number established by the joint budget resolution. Conference Committee reports would then be sent to the legislature as non-amendable for a final yes or no vote.



Reforming the Wisconsin Budget Process

A Proposal By State Senator Bob Welch

- ★ Power over the budget would not be in the hands of two or even eight legislators.
- ★ Clearly, when too much power is concentrated in the hands of a few, partisanship and personality bog down policy and progress.
- ★ The power over the two year Budget would be distributed among a greater percentage of elected officials and the people would be better represented.
- ★ The Budget process would be much more open to the public and the press.
- ★ By spreading responsibility to standing committees, the public and the press can get a clear look as to who is proposing changes to the Governor's original plan.
- ★ Because of increased scrutiny, the prospects of legislators inserting pork or unrelated policy items into the budget are drastically diminished.
- ★ The spending levels could not increase as the budget process moved along. The size of government would be set as of March 31.
- ★ Any 'new found' surplus money discovered after March 31 could not be spent along the way. Rather, action on any new surplus would be separate from the budget.
- ★ The July 1 target date for completion of the budget remains.
- ★ The entire budget process would not grind to a halt if there were problems negotiating a few specific areas of disagreement.

Proposed Appropriation Bills

General Government

Commerce, Agriculture and Workforce Development

Environment and
Natural Resources

Health and Family Services

Education

Transportation

Taxation

Veterans and Military Affairs

Justice and Corrections

Bonding, Building Program

STATE OF WISCONSIN

Legislative Fiscal Bureau

Robert Wm. Lang, Director
One East Main, Suite 301
Madison, WI 53703



Department of Administration

Richard Chandler, State Budget Director
101 West Wilson
Madison, WI 53702

June 9, 2000

Governor Tommy G. Thompson
State Capitol, Room 125 South
Madison, WI 53702

Senator Brian Burke
Co-Chair, Joint Committee on Finance
State Capitol, Room 316 South
Madison, WI 53702

Representative John Gard
Co-Chair, Joint Committee on Finance
State Capitol, Room 315 North
Madison, WI 53702

Dear Governor Thompson, Senator Burke and Representative Gard:

Attached is a copy of a consultant's report regarding reengineering of the State of Wisconsin's budget system. This study was conducted by the consulting firm of Arthur Andersen LLP, under the joint direction of the Department of Administration and the Legislative Fiscal Bureau.

In September, 1998, the Joint Committee on Finance released funding for a study related to the redesign of the state budget system and approved the parameters for the study. The goals of the study were to: (a) verify the core data and information needs of executive and legislative branch participants in budget development and implementation; (b) document how or if these needs are being addressed by agency and statewide procedures and systems; (c) assess the advantages and limitations of the current budget system; and (d) outline small- and large-scale modifications ("reengineering") to the current budget system, including the costs of these changes, that could deliver specified benefits.

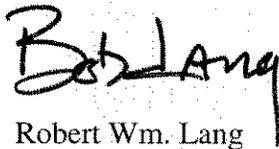
In preparing the report, Arthur Andersen documented the existing budget process by conducting workshops with state agencies, the State Budget Office and the Legislative Fiscal Bureau, identifying advantages and limitations of the current system as a result of the workshops and evaluating the data it gathered in comparison to three other states and its proprietary database.

The final report identifies two broad areas for improvement: (1) the budget information system; and (2) certain budget processes. The report identifies potential modifications for the State to consider including the development of an information systems plan related to the budget, possible alternative budget systems the State may wish to further investigate, areas of improved communications in the budget process and other specific information systems and budget process changes. An executive summary of the report is provided on pages 3 to 15, with the specific recommendations outlined on pages 10 to 14 of that summary.

The State Budget Office has already begun steps to implement some of the shorter-term recommendations (such as improving the budget file maintenance process and improving communications with state agencies). Further, the State Budget Office and the Legislative Fiscal Bureau will have further discussions regarding the feasibility of, and possible timetable for, implementation of other recommendations included in the report.

We would like to thank Arthur Andersen for their work in conducting the study and preparing the report. If you have questions about the report, please contact us.

Sincerely,



Robert Wm. Lang
Director
Legislative Fiscal Bureau



Richard G. Chandler
State Budget Director
Department of Administration

Attachment

cc: Members, Joint Committee on Finance
Members, Joint Committee on Legislative Organization
Senate and Assembly Chief Clerk



ARTHUR ANDERSEN

State of Wisconsin Budget Reengineering Study

May 2000

State Budget Review

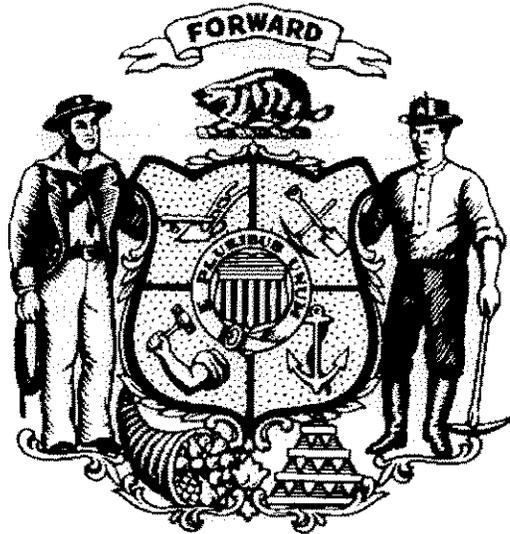


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Executive Summary

Overview

Every two years the State of Wisconsin begins the process of developing and implementing a biennial budget which will direct the activities of state agencies for the next two years. The biennial budget establishes taxing and spending levels and modifies current state law. Completing it involves the participation of state agencies, the Governor, and the Legislature.

The development of Wisconsin's biennial budget requires the coordination and successful interaction of processes and information systems across state agencies, the Department of Administration, and the Legislative Fiscal Bureau. This collection of processes and information systems has evolved over the past 25 years incrementally and somewhat independently. No guiding vision or plan has existed to direct the efforts of the different participants as each worked to meet its own budget development needs.

This history of incremental and independent development has not prevented the state from developing biennial budgets during these 25 years. The processes and systems that have developed over time do work. However, at the start of the 2001-03 budget cycle, the state finds itself with:

- A central budget information system that is over 20 years old
- Separate accounting, payroll, and personnel systems that are not well connected to the central budget system but which provide data required for budget development
- A variety of agency information systems for budget development, ranging from simple spreadsheets to complex information systems
- Paper submission of the majority of agency budget requests
- Numerous agency processes for the development and submission of budget requests
- Staff spending time rekeying data and information from one system to another because of the lack of electronic data transfers

The state is not unique in this respect. Other states and organizations face similar situations as a result of the gradual development of processes and information systems. Some of these states and organizations have taken steps to address the situation through the reengineering of processes, the replacement of information systems or the development of electronic links between systems.

Wisconsin has the opportunity to move from its current situation to a well-planned, seamless budget development environment over the next several years. Other states, such as Missouri and Montana, have recently made such moves through new information systems. In the future, Wisconsin's budget development processes could be supported by one common information system across all participants. This would allow the state to:

- Ensure that all agencies have access to an information system for budget development
- Collect or create all budget requests and supporting documents electronically and store them in a common information system
- Draw information from the common system to prepare different types of budget documents (such as budget requests, public documents, and issue papers)

-
- Collect related information from the accounting, payroll and personnel systems electronically for budget development and presentations
 - Publish budget information directly to the Internet for state employees and the public

This is one possible vision of Wisconsin's budget development future. The technologies currently available to the state could support these and other features, or they could be used to fill some basic gaps in today's systems.

Project Summary

Arthur Andersen was engaged by the State of Wisconsin to conduct a high-level review of the state's budget development process and the information systems that support the process. The study was conducted as a first step in addressing the current budget development situation.

The objectives of the project were to:

- Conduct a high-level review of the processes and systems used in the development of Wisconsin's biennial budget
- Analyze data and information flows and requirements for executive and legislative branch participants
- Review the use and effectiveness of information technology in the budget process
- Review budget processes and systems in three other states
- Provide a range of recommendations for improvement to the current budget process and supporting systems and identify options for the future

The review included comparing best practices in budgeting and information technology to Wisconsin's budget development processes and systems. Arthur Andersen has identified a number of best practices in the areas of budgeting and information technology, including:

- Linking budget development to strategy – budgets should be prepared to support strategic goals. To create a strong link between budgeting and strategy, best practices organizations clearly define their strategic goals before budgeting begins. They improve procedures and information systems so that information is uniformly reported and universally accessible, and provide training for budget developers so that they recognize how their efforts affect the organization's strategy.
- Reducing budget complexity and cycle time - organizations that streamline the mechanics of budgeting develop budgets in a shorter time and at a lower cost. Best practices organizations work to streamline procedures during the budget development process (when information is collected to create budgets) and during the delivery process (when information about approved budgets is distributed for use in operations).
- Using technology to facilitate budget development - budget development, like other business processes, can be made more efficient by using the right technologies. Budgeting software is most useful when it integrates with the general accounting ledger and allows managers to view budget data as they wish--by program or by division, for example.

It is important to note that best practices may not be the appropriate practices in every case. The context for the processes and information systems needs to be considered in determining what is appropriate. For example, the appropriate level of integration between information

systems may differ between (1) operating divisions in a corporate environment and (2) the three separate branches of government in the state environment.

This review of the state's budget processes and information systems focused on the Department of Administration's State Budget Office (SBO), the Legislative Fiscal Bureau (LFB) and their information systems. Information was collected on state agencies and other related information systems at a high level. The review was conducted through meetings with state staff, a survey of state agencies, interviews with executive budget officers in three other states and review of best practices in the areas of information systems and budget development.

Issues of budget policy, such as guidelines for agency budget requests, were not included in this review. Similarly, the legal requirements for the budget process were not reviewed. For example, the due date for agencies to submit their budget requests to the SBO and LFB was not evaluated. In addition, policy analysis methods and the decision-making processes of elected officials involved in the budget process were also not a part of this review.

The participants in the review were grouped into four categories for this report. They are:

1. State Budget Office – this group is the participants from the Department of Administration's Division of Executive Budget and Finance.
2. Legislative Fiscal Bureau – this is the participants from the Legislative Fiscal Bureau.
3. Tier 1 Agencies – this group is the participants from those agencies that appear to have the most developed or sophisticated budget development processes and information systems.
4. Tier 2 Agencies - this group is the participants from those agencies that appear to have reasonable budget development processes but limited supporting information systems.

Key Terms

This report includes a number of terms that refer to specific information systems or may be otherwise unfamiliar to readers. A complete glossary of terms is included in the appendix. For the executive summary, the following terms need to be noted:

- B-System – The B-System is the primary information system for the development of the appropriation component (Chapter 20) in the Executive and Legislative budget bills. (See glossary for definition of the different B-Forms used in this system.)
- Briefing System – This is a computer application used by the SBO to support the development of the Governor's budget bill.
- Business Case – A business case is an analysis of the impact of implementing changes (e.g., a new information system) on a business activity.
- Information Systems Plan – An information systems plan provides direction for the use of information technology in support of business needs. The planning process includes detailed analysis of the business needs for a set of activities and an assessment of the hardware and software requirements needed to support those business needs.
- Integration – The electronic sharing of data across different information systems is described as integration. Integration between systems can range from fully integrated (where systems easily share information electronically) to non-integrated (where systems are separate from one another and do not share information electronically).

- Wismart - The Wismart system (the state's central accounting system) is the primary information system for execution and processing of operational budgets.
- PMIS - The Personnel Management Information System (PMIS) system is the primary information system for the management of personnel positions within state agencies. The PMIS system is used to reconcile positions within the budgeting process.

Findings

Information on the state's current budget processes and information systems was collected through workshops and meetings with state staff and a survey of state agencies. The participants and surveys provided a range of perspectives on the processes and systems in use today across state government for budget development.

The information collected was reviewed and assessed within a framework of five budget development components. Chart 1: Wisconsin Budget Development Processes and Systems Functional Summary presents a summary of the information provided on how well these five components of the state's budget process function. It ranks the five budget development components for the state based on Arthur Andersen's review and understanding of the information collected through this review. The five components (with Wisconsin's status) are:

1. Overall Budget Development Process – this is the set of activities that begin with agency development of budget requests and end with the transfer of budget data to the state's financial systems after the Governor signs the biennial budget bill.

Wisconsin's overall budget development process was viewed as functional by the majority of participants across all the groups. This message was repeated numerous times during the review and concern was expressed that major changes would lead to a less functional situation.

2. Internal Budget Development Processes – this is the set of processes related to budget development that take place within an agency, the SBO or the LFB. The processes differ within agencies and between agencies, the SBO and the LFB.

The internal budget processes used by participants from each group were characterized more broadly than the overall process. The feedback ranged from "it functions very well," to "it functions". No group described its internal budget processes as non-functional.

3. B-System – this is the mainframe information system that is the primary system for tracking and reporting budget data. The system was developed and is maintained by the Department of Administration. It is over 20 years old.

The B-System's functionality and ability to meet stated business needs was characterized more often in terms of functioning or functioning poorly. This does not mean that the system is not working or that it is broken. Rather, it reflects the ability of the system to meet the different types of requirements that were identified or to be modified to address unmet needs that were raised. The system contains some basic limitations that affect its ability to meet the needs of the different groups. At the same time, the concern was often expressed that a new system would lead to reduced functionality for participants.

4. Internal Information Systems – these are the software systems and applications used to support the internal budget development processes of agencies, the SBO and the LFB. The systems range from spreadsheets to custom mainframe systems.

The internal information systems of participants were generally characterized more favorably than the B-System. The exception to this was with the Tier 2 agencies. These agencies generally possess minimal functionality in their internal budget support information systems, often relying only on Excel spreadsheets to automate calculations.

5. Integration of Information Systems – this is the level of electronic connectivity between the different information systems that are used in the budget development process. The systems include internal information systems, the B-System and other state information systems such as payroll, PMIS and Wismart.

The integration of information systems in the budget process is at a low level and the feedback during the review reflected this situation. Participants generally identified current limitations and problems that could be traced to the lack of integration between information systems.

Chart 1: Wisconsin Budget Development Processes and Systems Functional Summary				
Category	State Budget Office	Legislative Fiscal Bureau	Tier 1 Agencies	Tier 2 Agencies
Overall Budget Development Process				
Internal Budget Processes				
B-System				
Internal Information System(s)				
Integration of Information Systems				
Functions Very Well	Functions Well	Functions	Functions Poorly	Does Not Function

Advantages and Limitations

A number of advantages and limitations in Wisconsin's current situation were identified through this review. They reflect the summary of the state's current situation as ranked across the five budget development components.

Advantages

1. It Works – a consistent theme throughout the review was that the current mix of systems and manual budgeting processes fulfill the current needs for Wisconsin budgeting.

-
2. Data Requirements – the current processes and systems that lead to the development of the state's biennial budget provide most of the raw data required by participants.
 3. B-System – the B-System supports the overall budget development process and the other information systems developed by participants to support internal processes.
 4. Agency Information Systems – the information systems that some state agencies have developed are well-suited to meet their individually-identified requirements.

Limitations

1. Knowledge Sharing – the disparate information systems used to support the biennial budgeting process do not promote the sharing of data and other information, ready access to information or the ability to easily access budget data prepared elsewhere in the process.
2. Information Requirements – the various state systems appear to contain the raw data required by participants in the budgeting process. However, access to information is difficult because systems are not integrated, data is maintained in different structures, and the processes for distribution present barriers to participants.
3. Multiple Independent Information Systems – the B-System, Wismart, Payroll, PMIS, agency information systems and the SBO Briefing System are independent information systems supporting a common process. The limited ability to move data between the systems requires the use of a number of manual processes and the need for separate information systems to bring required information together from the different systems.
4. B-System – this system provides narrow functionality in support of budget development. Manual work-arounds or separate systems are used to compensate for the system's limitations. The ability of the system to support changes in the budget process, such as multiple budget bills, is limited and would likely require additional manual work-arounds.
5. Agency Information Systems – a range of information systems have been developed by agencies to support internal budget development processes. These create additional limitations because they are based on the B-System, the functionality and software platform varies across agencies, and because any significant system modifications will impact these systems as well.
6. IT Plan – the lack of an overall information technology vision and plan for the state's budget-related information systems allows participants to develop and maintain systems separately. This study, which is the first step in developing a plan, reflects that this limitation has been recognized.

Conclusions

Five key conclusions have been reached through this review of the state's budgeting processes and information systems. These conclusions, based on the information provided by participants and agency surveys, interviews with executive budget officers in three other states and the review of best practices, are:

1. The state's current processes and supporting information systems appear sustainable. However, this is not a zero-cost option. Continued spending may be required to maintain the B-System at its current level of functionality. Spending is likely by agencies as they continue to develop systems to compensate for the limitations of the B-System.

2. The state needs to develop an information systems plan for the budget process. This will inform and guide the selection of any new information system to support budget development.
3. Opportunities exist to improve the use of information technology in the state's budget development process. These opportunities exist within state agencies, between state agencies and the SBO, and between the SBO and LFB.
4. Wisconsin faces challenges similar to those faced in the three states interviewed in this report. Those states appear to have addressed many of the challenges through new information systems. Each state has taken a very different approach.
5. Significant staff time is spent to compensate for the limitations of the current information systems used in budget development. This time is spent because the systems are not integrated, and they lack required functionality. Improving integration and functionality would allow this staff time to be focused on the more important budget development activities.

Modifications for Consideration by the State

A number of possible modifications exist for short and long-term improvements in the budget development processes and information systems. These possible modifications present opportunities for the state to increase the functionality of the information systems used, provide more flexibility in the event of changes in the structure of the budget process, reduce staff time spent on current processes, and to improve the availability of information to decision makers and staff.

Tables 1 and 2 summarize the possible modifications. Table 1 relates to information systems and table 2 relates to budget development processes. Each table includes four elements for each possible modification. The first is the name of the modification; the second is the estimated cost range for that modification; the third is an estimated timeline range for completing the modification; and the fourth is a description of possible benefits and disadvantages related to the modifications.

Information Systems

Modifications related to the state's information system are listed in table 1 and provide several alternatives to the current information system structure. The first step for the state is to develop an information systems plan for the budget process. This will define the business requirements for the system and the context which the new system would be operating. The plan will then provide guidance and direction in determining the next steps. If the state determines to implement a new budget information system, several options exist. Four of these are identified for consideration (items 2.a. through 2.c. and 3). Options 2.a. through 2.c. reflect different approaches to implementing a new information system in support of the state's budget process.

**TABLE 1: Possible Information System
Actions and Modifications**

Description of Possible Action or Modification	Estimated Cost Range	Estimated Timeline
1. Develop an Information Systems Plan	\$0 to \$150,000	1 - 2 months
<p>Potential Benefits:</p> <ul style="list-style-type: none"> • Provide information technology benchmarking information • Set organizational and budgeting process planning assumptions • Create a high-level process framework including information requirements needed to manage the organization • Summarize existing IT strengths, weaknesses and expenditures • Assess existing IT support structures • Create application architecture schematics (current and target) • Prepare a high-level implementation plan including costs, resource requirements and timeframes • Develop an application migration plan • Detail a business case including costs and benefits associated with IT projects • Provide an implementation road map 		
2. Implement a New Budget Information System	(see 2 a - c)	(see 2 a - c)
2.a. Implement a Commercial Budget Module	\$0.5M to \$3+ M	18 – 28 months
<p>Potential Benefits:</p> <ul style="list-style-type: none"> • On-line access to budget information • Integration between statewide information systems • Align the account code structure in Wismart and the budget system • Creation of a central database to support budget development and analysis in state agencies, the SBO and the LFB <p>Potential Disadvantages:</p> <ul style="list-style-type: none"> • Significant customization may be required depending on the module • Limited support for different agency processes depending on the module • Operation of multiple systems if separate agency systems are retained in addition to the module 		

2.b. Implement Electronic Forms to Support the Budget Process	\$0.5M to \$1+ M	9 – 24 months
<p>Potential Benefits:</p> <ul style="list-style-type: none"> • On-line access to budget information • Automate creation and management of budget documents • Integration between statewide information systems • Electronic submission of budget requests and supporting documents • Align the account code structure in Wismart and the budget system • Creation of a central database to support budget development and analysis in state agencies, the SBO and the LFB <p>Potential Disadvantage:</p> <ul style="list-style-type: none"> • Operation of multiple systems if separate agency systems are retained in addition to the electronic forms 		
2.c. Implement a Data Warehouse to Improve Information Access	\$0.5M to \$3+ M	6 to 14 months
<p>Potential Benefits:</p> <ul style="list-style-type: none"> • Provide an integrated “view” of all disparate systems involved with the budgeting process • Set standard definitions and data structures across the budgeting process • Enhance existing systems rather than replacing them • Provide information access to all participants of the budgeting process <p>Potential Disadvantages:</p> <ul style="list-style-type: none"> • Operation of multiple systems because this retains separate agency systems. • Complex systems structure including multiple source systems to feed data to data warehouse 		
3. Implement a New Budget Development Tool for the SBO and LFB	\$0 to \$250,000	8 to 20 months
<p>Potential Benefits:</p> <ul style="list-style-type: none"> • Integration between statewide information systems • Electronic submission of budget forms, narratives and supporting documents • Tracking budget recommendations and changes • Production of budget documents (briefing papers, issue papers, budget books, budget summaries) <p>Potential Disadvantage:</p> <ul style="list-style-type: none"> • Operation of multiple systems because this retains separate agency systems 		
4. Create an Internet Portal (Web Site) for Budget Development	\$0 to \$150,000+	4 – 12 months

Potential Benefits: <ul style="list-style-type: none"> • Improve access to information • Reduce staff time conducting research • Improve distribution of budgeting materials and electronic templates Potential Disadvantage: <ul style="list-style-type: none"> • Increase workload to ensure accurate and current information 		
5. Modifications for B-3 Reports	Within Base	1 – 2 months
Potential Benefits: <ul style="list-style-type: none"> • Improve process for revisions and updates during the budget process • Highlight the impact of DINs and statutory language requests on program revenue appropriations and segregated funds • Support easier determination of GPR-earned amounts 		
6. Develop Excel Workbooks for B-10 Forms	Within Base	1 – 2 months
Potential Benefits: <ul style="list-style-type: none"> • Reduce the staff time spent gathering information from different sources • Improve tracking and updating through the budget process 		

Budget Processes

Modifications to the biennial budget processes that the information system supports would improve budget development with or without modifications to these supporting information systems as identified in table 1. Possible modifications listed in table 2 relate to communications about budget development, strategic planning and budgeting and assessing the budget development process.

TABLE 2: Possible Budget Process Modifications		
Description of Possible Action or Modification	Estimated Cost Range	Estimated Timeline
1. Improve Communications	Within Base	1 – 2 months
Potential Benefits: <ul style="list-style-type: none"> • Establish common expectations and understanding • Share information on agency budget practices and systems • Provide greater executive guidance • Improve training • Create a feedback process 		

2. Establish an Executive Agency Planning Process	Within Base	1 – 3 months
<p>Potential Benefits:</p> <ul style="list-style-type: none"> • Link budgeting to strategic planning • Reduce the number of budget requests developed by executive agencies • Reduce the workload on agency staff, SBO staff and LFB staff • Focus efforts on executive agency requests that were linked to the strategic plan and to requests from the Legislative and Judicial branches <p>Potential Disadvantage:</p> <ul style="list-style-type: none"> • Budget items not developed in the agency phase may evolve into high-priority items during later phases 		
3. Establish Performance Indicators for the Budget Process	Within Base	2 – 3 months
<p>Potential Benefits:</p> <ul style="list-style-type: none"> • Provide information across state government to assist in the improvement of the process • Assess the potential impact of automation • Direct resources towards value-added activities • Reduce or eliminate non-value-added activities <p>Potential Disadvantages:</p> <ul style="list-style-type: none"> • Additional staff effort to provide information for indicators • Misinterpretation of indicators • Separating impact on indicators of policy decisions and operational decisions 		
4. Improve File Maintenance for the Biennial Budget	Within Base	1 – 3 months
<p>Potential Benefits:</p> <ul style="list-style-type: none"> • Alert agencies to changes in budget structure and provide agencies with an opportunity to comment on the operational impacts of file maintenance • Alert agencies to budget structure changes (such as new numerics) that require changes in the coding of expenses • Reduce the amount of time required for completion of B-9 forms during the establishment of adjusted base budgets <p>Potential Disadvantage:</p> <ul style="list-style-type: none"> • May delay the completion of file maintenance at the end of the budget process 		

5. Improve File Maintenance before the Base Reconciliation Process	Within Base	1 – 2 months
<p>Potential Benefits:</p> <ul style="list-style-type: none"> • Reduce the amount of work that is concentrated during the summer months in the budget development process • Improve the process of establishing base budgets • Provide improved distribution and tracking of the document between the SBO, LFB and each agency <p>Potential Disadvantage:</p> <ul style="list-style-type: none"> • Possible conflicts with agency budget development timetables 		

Next Steps

These modifications offer a number of avenues to the state for addressing the limitations identified in the current budgeting processes and information systems. The timing for taking the next steps on these modifications is outlined below.

Immediate Actions

A number of the possible modifications either set the direction for subsequent actions or will be of value during the 2001 – 03 budget process. Therefore, the state should consider immediate action on the following items –

- Developing an information systems plan
- Modifying B-3 reports
- Developing an Excel workbook for B-10 forms
- Improving communications
- Establishing an Executive agency planning process
- Improving file maintenance before the base reconciliation process

Long-Term Actions

Several of the modifications identified for information systems present different options for a new information system. The information systems plan will assist the state in selecting which option to pursue. Other modifications take place later in the budget cycle and can be pursued in the future. These longer-term action items are:

- Implementing a new budget information system
- Creating an Internet portal for budget development
- Establishing performance indicators for the budget process
- Improving file maintenance for the biennial budget process

Acknowledgements

Arthur Andersen would like to thank the state staff from many agencies who participated in this review and the members of the advisory committee. Their input to the project was invaluable. In addition, Arthur Andersen would like to thank those executive budget officers from Arizona, Missouri and Montana who were interviewed regarding the budget processes and systems in those states.

Project Approach

Arthur Andersen was engaged by the Department of Administration's State Budget Office (SBO) and Legislative Fiscal Bureau (LFB) to conduct a high-level review of the state's biennial budget process and the information systems that support the process. The objectives were to:

- Conduct a high level review of the processes and systems used in the development of Wisconsin's biennial budget
- Analyze data and information flows and requirements for executive and legislative branch participants
- Review the use and effectiveness of information technology in the budget process
- Review budget processes and systems in three other states
- Provide a range of recommendations for improvement to the current budget process and supporting systems and identify options for the future

The project consisted of the following four phases.

Phase I

In Phase I Arthur Andersen gathered and documented information about existing budget processes through workshops with state participants. The workshops included the SBO, the LFB, large state agencies, small and medium state agencies, and the project advisory committee. In addition, each state agency had the opportunity to respond to a survey on the State of Wisconsin's biennial budget process. Twenty-six (26) agencies responded to the survey.

Phase II

In Phase II Arthur Andersen identified advantages and limitations in the State of Wisconsin's biennial budget process and identified opportunities to make process improvements to the current system. This was based on the information collected in phase I and follow-up discussions.

Phase III

In phase III Arthur Andersen evaluated alternate budget information that could be generated from the budget system. Arthur Andersen's proprietary Global Best PracticesSM knowledge base and interviews with three other states were used to provide best practice information and to identify opportunities for improvement.

Phase IV

The final phase of the project was the preparation of this report describing a high-level continuum of changes and technology options based on the results of phases I through III and delivery of the report to the SBO and the LFB.

This phased project approach provided a top-down and bottom-up review of the current state budget process and the information systems that support it. The project advisory committee provided the perspective of budget directors and agency managers toward the budget process, how the process fits within state agency activities, and the issues and limitations presented to state agencies by the current processes and systems. The workshops with state agency staff, the SBO and the LFB provided information on how the current processes and systems operate, the flow of information between participants, and the barriers currently present. The advisory

committee and meetings with agency staff provided information at a high level on the business requirements of state agencies, the SBO and the LFB with respect to the development and implementation of biennial budgets and how the current processes and systems do and do not meet those needs.

The project's focus was on the processes and systems of state agencies, the SBO and the LFB in the development and enactment of Wisconsin's biennial budget. The processes of state agencies were reviewed and evaluated at a high level. The processes of the SBO and LFB were reviewed and evaluated in greater detail. The statutes that govern the state's biennial budgeting, the policies of budget development, and the policies and decisions of the budgeting process were not included in the reviews undertaken in this project.

Wisconsin State Budget Process

The State of Wisconsin budgets on a two-year cycle with fiscal years running from July 1 to June 30. The current biennial budget is for the period July 1, 1999 to June 30, 2001. This two-year cycle contains two fiscal years (July 1, 1999 – June 30, 2000 and July 1, 2000 – June 30, 2001). The state's biennial budget process leads to the establishment of budget amounts for each of these fiscal years.

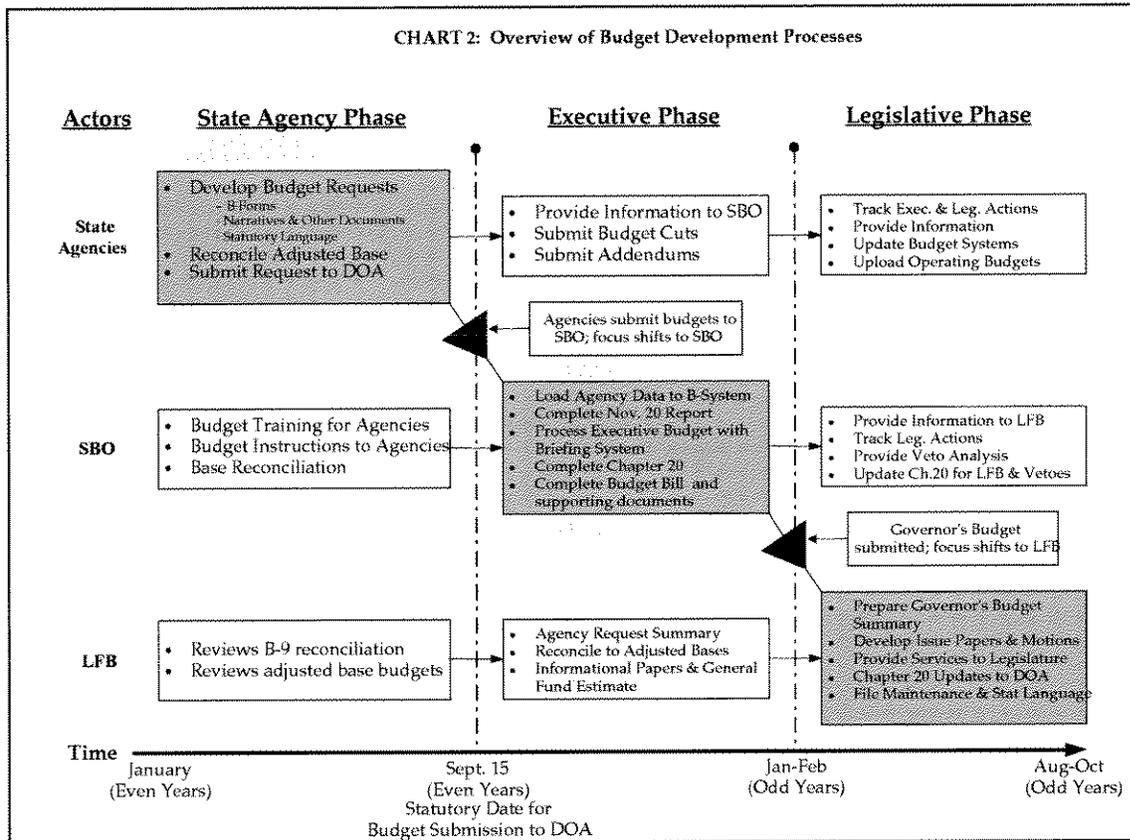
A recommended state budget is presented by the Governor to the Legislature in January – February of odd-numbered years. For example, Governor Thompson introduced the 1999-01 biennial budget in February 1999. The budget bill establishes appropriation amounts for state agency expenditures, sets borrowing limits and amends state law.

The development of the biennial budget is supported by a number of processes and information systems in state agencies, the SBO and the LFB. These processes and information systems support the development of state agency budget requests, the Executive Budget Bill, the Joint Committee on Finance budget amendment and, ultimately, the enacted state budget. Development of the biennial budget takes approximately two years, beginning in November – December of odd numbered years and lasting through August – October of odd numbered years. Several state agencies began their budget development for the 2001-03 biennial budget in November 1999.

The development of Wisconsin's biennial budget is separated into three phases of activity in this report. Each phase reflects where the focus of budget development is for a certain period of time. The first is the State Agency Phase, the second is the Executive Phase, and the third is the Legislative Phase. Each phase includes parallel and interconnected processes in state agencies, the SBO and the LFB.

The development process is summarized in chart 2: Overview of Budget Development Processes. It summarizes the activities being conducted by state agencies, the SBO and the LFB during the three phases of the budget process and shows how the focus of activity moves across the participants over time. The process begins with state agencies, then shifts to the SBO on September 15 in even-numbered years. With the presentation of the Governor's budget to the Legislature in January – February of odd-numbered years, the focus then moves to the Legislature and the LFB.

CHART 2: Overview of Budget Development Processes



State Agency Phase

This is the first phase in the development of the state's biennial budget and lasts seven to eight months. It is called the State Agency Phase because this is where the majority of budget work is taking place during this time. Agencies are preparing budget requests to be submitted to the SBO and LFB on September 15 of the even-numbered fiscal year. The processes used by state agencies to develop their budget requests differ across state agencies and reflect a number of agency characteristics, including agency size, funding sources, board oversight and relationships with outside organizations. The information systems used to support budget development also vary across state agencies, ranging from desktop software (e.g., Microsoft Excel) to mainframe systems.

State agencies use these different processes and systems to develop budget requests that need to contain similar information and must be submitted in the same format to the SBO and LFB and for entry into the B-System. This format is dictated by the current B-System's data requirements, the other data requirements of the budget process, and the State Budget Instructions issued by the SBO.

The agency activities include:

- Developing internal budget instructions – several agencies develop and distribute internal budget instructions to guide the development of their budget requests. These are released prior to the SBO's budget instructions.
- Establishing budget priorities – agencies determine the themes and priorities for their budget requests and identify areas for further budget development.

- Preparing program revenue and segregated fund estimates – agencies with programs funded through program revenues and segregated funds prepare estimates of the funds available and summarize the information on B-3 forms.
- B-1 reconciliation – agency staff compare PMIS information on B-1 forms to B-System information on B-9 forms to reconcile position authority between the two systems.
- Payroll reconciliation – the payroll system and PMIS system are compared and reconciled by agency staff.
- B-9 reconciliation – agency staff, in conjunction with the SBO, use the B-9 form to reconcile the B-System with the final Chapter 20 schedule to establish adjusted base budgets and the class 2000 decision items.
- Completing standard budget adjustments – agency staff prepare a number of standard decision items using information from a variety of sources, including the Department of Administration, PMIS and agency operations information. The standard adjustments include:
 - Turnover Reduction
 - Remove Non-Continuing Elements from Base
 - Full Funding of Continuing Salaries & Fringe
 - Full Funding of Financial Services Charges
 - Reclassifications
 - Overtime
 - Night and Weekend Differential
 - Fifth Week of Vacation as Cash
 - Full Funding of Lease Costs & Directed Moves
 - Minor Transfers Within Same Alpha Appropriation
- Conducting research and analysis on budget issues – staff research budget and policy areas identified for development into budget requests.
- Preparing statutory language requests – agencies submit drafting instructions to the Legislative Reference Bureau to implement agency budget requests.
- Preparing and completing B-forms (B-2, B-3, B-5, B-6, B-10; see glossary for definitions of the different B-Forms) – state agencies prepare the B-forms required for submission of their budget requests. The forms are typically needed to support any changes to the current budget being requested by the agency.
- Submitting budget requests – agencies are to submit their budget requests, complete with supporting documentation and decision narratives, by September 15 of even-numbered years. The preparation of the agency budget request submissions involves drawing documents and information from a number of sources and may involve manual collating.

State agencies use different processes and systems to accomplish these budget development activities. Smaller agencies may have only a couple of staff assigned to work on budget development and may use Excel spreadsheets to automate B-2 forms. Moderate-sized agencies have larger numbers of staff working on budget development and involve program staff in the process. These agencies may be using Excel, Access or the state's B-System to prepare budget documents. The state's largest agencies all have a significant number of budget and program staff involved in the development of the biennial budget and have information systems (Access, the B-System or a separate mainframe system) to support their

efforts. The survey of approximately 50 state agencies indicated that, of the 26 responding agencies, 20 had either no system to support the budget process (9) or used Excel spreadsheets (11). The other six used an Access application, the B-System or another mainframe system.

During the state agency phase the SBO's activities include:

- Distributing SBO budget instructions – the instructions include guidance on major policy items for the upcoming budget, the budget timetable, information on preparing budget requests and other related information.
- Providing B-2 files (via Excel) to agencies – the SBO distributes data to agencies on their current budget authority from the B-System via Excel spreadsheets.
- Distributing B-1 forms to agencies – B-1 forms are provided to agencies for the purpose of reconciling positions with the B-System, developing full funding requests for positions and identifying position authority that is expiring.
- B-9 reconciliation – B-9 forms are worksheets (hardcopy) produced by the SBO for agencies to use in establishing their base budgets.
- Update B-System – the SBO performs file maintenance to update the B-System to reflect approved changes.
- Distribute Adjusted Base B-2 Information – agencies receive their adjusted base B-2 printouts from the SBO following the approval of B-9 changes.

The LFB reviews B-9 reconciliation and adjusted base budgets during the state agency phase. Fiscal analysts from the LFB may participate in the process of B-9 reconciliation to assist in interpreting Legislative intent and appropriation changes.

Executive Phase

The second phase in the development of the biennial budget is the Executive Phase. This phase begins when agencies submit budget requests to the SBO on September 15 (even-numbered years) and ends with the publication of the Executive Budget Bill in January or February (odd-numbered years).

Agency budget requests are provided via hardcopy to the SBO. Some agencies also submit portions of their requests electronically. The majority of information is provided as hardcopy. The requests include budget data for the B-System, other budgeting data, decision item narratives and supporting documentation for agency requests. Statutory language requests may or may not be included with agency budget requests.

The project's survey of state agencies collected information on the format used to submit budget requests. Table 3 shows how 26 agencies reported submitting budget requests to the SBO for the 1999-01 budget. The majority of agencies that responded to the survey used hardcopy budget submissions.

TABLE 3: Survey Results – How Agencies Submit B-Forms							
Submitted Via	B-Form						
	B-2	B-3	B-5	B-6	B-7	B-8	B-10
A. On-line access to the B-System (hosted by DOA)	2	0	0	0	1	0	0
B. A replica of the B-System (hosted by the agency)	0	0	0	0	0	0	0
C. Data Tape	1	0	0	0	0	0	0
D. Microsoft Access file	1	1	0	0	1	1	0
E. Microsoft Excel file	0	1	0	0	0	0	2
F. Hardcopy	15	19	20	18	19	14	16
G. Other	0	0	0	0	0	1	1
B. and F.	1	0	0	0	0	0	0
D. and F.	1	1	1	1	1	1	1
E. and F.	5	4	4	4	3	3	6
No Response	0	0	1	3	1	6	0

The main use of the state's central budget development information system, the B-System, begins at this point in the process. All agency budget requests are loaded into the B-System for the development of the Executive Budget Bill. The information is either keyed into the B-System by SBO staff or loaded electronically. The only agencies that provide information electronically are the UW System and the Departments of Transportation, Agriculture, Trade, and Consumer Protection, Public Instruction, Natural Resources, Corrections, and Health and Family Services. The UW and Department of Transportation use their own internal systems; the other five departments are able to directly access the B-System.

The SBO uses a number of information systems in its processing of agency requests and the development of the Executive Budget Bill. These include the Briefing System (a Microsoft Access application), the B-System, Microsoft Word and Microsoft Excel. These systems are used to support a number of processes, including tracking agency budget requests and the Governor's recommendations, analyzing budget requests, preparing statutory language requests, preparing Executive Budget Bill information and tracking fund balances. The applications and systems are primarily stand-alone and are designed to automate specific activities in the SBO. The B-System and Briefing System are designed to allow downloads and uploads of data and file maintenance on the B-System that is performed automatically by the Briefing System for the Executive Budget Bill.

The activities of the SBO during this phase include:

- Receiving agency budget requests – agency budget requests are due to the SBO and LFB by September 15.
- Updating the B-System to reflect agency budget requests – the B-System is updated based on agency budget requests. The file maintenance for the requests is transmitted to the SBO either via hardcopy (which is keyed into the B-System) or electronically.
- Reviewing agency requests for compliance with budget instructions – SBO analysts review requests to determine compliance with the state's budget instructions.

- Preparing November 20 Report – the SBO prepares a report by November 20 for the Governor and Legislature detailing agency budget requests and includes information on estimated revenue from the Department of Revenue.
- Analyzing agency requests – analysts in the SBO review and analyze agency budget requests.
- Preparing statutory language requests – the SBO is responsible for having drafted all statutory language for inclusion in the budget after September 15.
- Preparing budget recommendations – the SBO provides budget recommendations to the Secretary of Administration and the Governor for their consideration.
- Tracking decisions using the Briefing System – the SBO uses its own information system, referred to as the Briefing System, to prepare information for the Secretary of Administration and Governor.
- Reconciling the Briefing System and B-System – decisions on the budget are tracked in the Briefing System until the Executive Budget is finalized. At that point the Briefing System performs file maintenance for the B-System and then SBO analysts reconcile the two systems to ensure that the data was transferred correctly.
- Compiling the Chapter 20 – the B-System automatically creates a file for Chapter 20 of the state statutes when the Executive Budget is complete.
- Reconciling the budget bill and drafting requests – SBO analysts review the Executive Budget bill to ensure that the approved drafting requests have been included and that all changes are tracked to a decision item.
- Publishing the Executive Budget Book and supporting documents- the SBO publishes the executive Budget Book and other supporting information containing the Governor's budget recommendations.

State agencies provide information to the SBO and LFB on their budget requests during this phase. In addition, they may be required to submit budget reduction plans, addendums or changes to budget requests, and share information on their budget requests with interested organizations and groups.

The LFB begins to review agency budget requests and prepares an overview summary of requests for the Legislature. This overview summary does not describe each of the budget items requested by agencies, only those that meet specific criteria set by the Bureau. In addition, the LFB prepares a general fund revenue estimate for release in January of odd-numbered years. This process, while separate from budget development, impacts the budget process because of the information it provides to the Legislature on general fund revenues available for allocation in the budget.

Legislative Phase

The third phase in the development of the biennial budget is the Legislative Phase. This phase begins with the release of the Executive Budget in January – February of odd-numbered years and ends when the budget bill is signed and operating budgets are loaded into Wismart.

The Executive Budget recommendations are provided to the LFB through the Executive Budget Bill, B-System and the Executive Budget Book. The budget bill includes the Chapter 20 schedule based on the Executive Budget. The B-System data is provided to the LFB via Excel downloads. The LFB does not have on-line access to the B-System.

The LFB uses Microsoft Excel and Word to support its summarization and analysis of the Executive Budget Bill. The activities of the LFB include:

- Executive Budget Summary – the LFB prepares a summary document that notes every item included in the Executive Budget Bill. This includes all fiscal and statutory language elements of the bill. The summary forms the basis for future summaries as the Legislature develops its budget. The summary is produced in Microsoft Word with Excel-based tables.
- Analyzing budget recommendations – LFB analysts review and analyze the components of the Governor's budget request.
- Preparing statutory language requests – LFB analysts prepare statutory language drafting requests based on Legislative actions during the budget process
- Provide Legislative Briefings – LFB analysts brief Joint Committee on Finance (JFC) members on the Governor's budget and specific issues.
- Developing Issue Papers - The LFB summary precedes JFC hearings and executive sessions. Following Committee hearings on the budget, issue papers that identify budget alternatives are prepared by the LFB for Committee members' use in their deliberations on the budget.
- Staffing of Legislative Meetings- the LFB presents issue papers to the JFC at executive sessions.
- Preparing Motions – LFB analysts draft motions for individual JFC members for consideration at executive sessions.
- Preparing File Maintenance – Based on JFC actions, LFB analysts prepare Chapter 20 file maintenance for entry by the Department of Administration.
- Developing the Substitute Budget Amendment – The LFB and Legislative Reference Bureau work together to prepare a substitute budget amendment reflecting JFC actions.
- Preparing JFC Summary – the LFB releases a new summary document on the budget to reflect the actions of the JFC. This summary builds upon the LFB's summary of the Executive Budget Bill.
- Supporting Legislative Caucuses – the LFB assists the members and staffs of the different caucuses during the budget process of the Senate and Assembly.
- Preparing Senate and Assembly Comparative Summary – following the Senate and Assembly actions on the budget bill, the LFB prepares a summary comparing the actions of the two houses. This summary indicates differences in the budget positions of the two houses.
- Staffing the Conference Committee – the LFB provides staff support to the Committee of Conference during its deliberations on the Assembly and Senate versions of the biennial budget.
- Preparing Chapter 20 File Maintenance – the LFB prepares Chapter 20 file maintenance for preparation of the enrolled bill. This file maintenance is sent to the Department of Administration for entry into Chapter 20.

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- Developing the Enrolled Budget Bill – the LFB and LRB work together to prepare the final enrolled budget bill for the Governor’s consideration.
 - Preparing summary of enrolled bill and updating the B-2 system for legislative action.
 - Summarizing Executive Vetoes – the LFB prepares a summary of the partial vetoes made by the Governor to the enrolled budget bill.
 - Publishing Final Budget Summary - The LFB prepares a final comparative summary of actions on the Governor’s budget which includes changes made to the JFC budget by the Legislature, the Governor’s partial vetoes and any legislative action on gubernatorial vetoes.

The SBO’s activities in this phase include:

- Supporting Executive Budget Recommendations – the SBO provides information and support for recommendations in the Governor’s Budget. This includes meeting with LFB analysts, legislators and interested member of the public.
- Attending JFC hearings and executive sessions – the SBO attends the budget hearings and executive sessions of the JFC during its review of the biennial budget.
- Tracking Legislative Actions – the SBO tracks the budget decisions of the Legislature and how these decisions change the Governor’s recommendations.
- Preparing Veto Documents – SBO analysts prepare information for the Governor’s use during the veto process, work with the LRB to prepare vetoes and develop portions of the Governor’s veto message.

State agency activities during this phase include:

- Monitoring Budget Status – state agencies track the impact of Executive and Legislative budget recommendations on their programs and operations.
- Attending JFC hearings and executive sessions – state agencies are requested to testify at JFC hearings on their budgets and staff attends JFC Executive sessions to monitor budget actions.
- Providing Veto Recommendations – state agencies provide veto recommendations to the Governor following the enrollment of the budget bill.
- Implementing Operating Budgets – state agencies work with DOA and the LFB to understand Executive and Legislative budget intent and to load operating budgets into Wismart following passage of the budget bill.

Information Systems

The biennial budget process is supported by vastly distinct and disparate information systems. These information systems range from applications built using desktop tools (e.g., Microsoft Excel) to legacy mainframe systems. Based on the high-level review conducted of information systems in this project, it appears that Wisconsin's agency and statewide budgeting processes are supported by the information systems identified below.

Focus Systems

The review focused on the following information systems:

- B-System - The B-System is the primary information system for the development of the appropriation component (Chapter 20) in the Executive and Legislative budget bills
- SBO Briefing System – The Briefing System is the primary information system for development and maintenance of the budget book preparation documents for the State Budget Office.
- Disparate Agency Systems - These systems are primarily stand-alone systems or budgeting tools developed for specific tasks related to budget development including providing data for the budgeting process. The systems are not well integrated with one another and do not provide strong support for the budgeting processes. A number of manual work-arounds and manual steps are required to keep data consistent between systems.
- Legislative Fiscal Bureau Systems - The Legislative Fiscal Bureau uses a number of information systems and applications to assist its work in support of the Legislature during the biennial budget process. These include the B-System, Wismart and Microsoft Excel and Word.

Indirect Systems

The following information systems were identified as related to the budget development process but were not part of the focus of the review:

- Wismart- Wismart system is the primary information system for executing and processing operational budgets.
- PMIS - The PMIS system is the primary information system for the managing of personnel positions within state agencies. The PMIS system is used to reconcile positions within the budgeting process. (Additional information on this system is included in the appendix.)
- Payroll – The payroll system contains actual expenditure information related to payroll.

The B-System

The B-System is the primary information system for developing the appropriation component (Chapter 20) in the Executive and Legislative budget bills. The B-system was a "focus" system discussed throughout this review.

This mainframe-based system was developed by the Department of Administration over 20 years ago. It has been heavily modified for maintenance during these 20 years and now

consists of many programming languages and architecture components. The B-System is fairly specialized in that it receives input from the B-2, B-5 and B-6 forms for the following budgeting processes:

- Preparing of agency budgets
- Tracking changes in agency budgets from the time requests are submitted through Gubernatorial vetoes and Legislative overrides
- Producing reports showing agency appropriation and position authority including underlying details
- Preparing tables for the SBO's November 20 report

The primary outputs from the B-System are the Chapter 20 schedule, the November 20th report, the final decision item funding levels and annual budget data for Wismart. The Chapter 20 schedule and B-System serve as control tools for state government on the authorized expenditures and position authority of state agencies. The November 20th report summarizes agency budget requests for the upcoming biennial. The B-System is not designed as a management tool for use by the state in the delivery of programs and execution of agency budgets. The system is not intended to support operational decision making at the agency level.

The Chapter 20 schedule is prepared by the B-System as a separate file that draws data from other B-System files. This file is maintained in the B-System and is sent to the LRB for the preparation of the budget bill's appropriations schedule. The file is first created for the Executive Budget Bill. The file is updated only once or twice thereafter by the LFB to reflect legislative actions and the final budget bill with Gubernatorial vetoes. This file maintenance is done by the Department of Administration based on instructions from the LFB.

Maintaining of the B-System to support its current functionality is an on-going activity for the Department of Administration. The Department completed a number of significant maintenance tasks during September – December 1999, including updating code and addressing Y2K concerns. These maintenance activities are complicated because of fragmented mainframe infrastructure including programming languages and programming standards. Department staff have recently invested approximately 1,000+ hours to maintain the system and preserve its current functionality while bringing it up to the department's IT standards for Y2K compliance. The Department funds the costs associated with the maintenance efforts.

The B-System, Wismart, PMIS and the Payroll systems are classified as the common applications related to the budget process. These applications are hosted by the Department of Administration and are utilized by state agencies, the SBO and the LFB during the budget process. The other systems that were identified in this review are specific to certain participants in the process.

The relationships between the four common applications are summarized in Chart 3: Common Applications. The lines between the different applications represent the electronic sharing of information. This chart shows that there is limited information sharing between the four common applications and that it is one-way between the different systems. For example, the B-System is able to send budget data to Wismart for operating budgets. However, Wismart is not able to send any data to the B-System.

Chart 3 also shows that the Chapter 20 schedule of appropriations is produced from the B-System. Chapter 20 is created as a file using data from the B-System and is sent electronically to the Legislative Reference Bureau for incorporation into the budget bill document.