

CHAIR:
Energy and Utilities Committee

e
MEMBER:
Higher Education and Tourism
Joint Committee on Audit
State Building Commission

ROBERT L. COWLES
Wisconsin State Senator • 2nd Senate District

June
21,
2004

Scott Hassett, Secretary
Department of Natural Resources
State Natural Resources Building (GEF 2)
101 S Webster St
Madison, WI 53702

Dear Secretary Hassett:

I am writing to urge you to take strong action to review the fleet of state-owned boats. I appreciate the administration's thorough efforts in reviewing the state vehicle fleet and proposed sale of 1,069 cars. I believe the administration should conduct a similar top-to-bottom review of state boats to find taxpayer savings.

I requested information regarding DNR-owned boats from your agency after the May 4th hearing of the Joint Legislative Audit Committee that approved the state fleet audit. Nearly a month later, Mr. Paul Heinen contacted my office to state the boat inventory was not compiled in a format that would be useful. My office received another call from Mr. Heinen informing us that a good inventory would be completed by **October** of this year. The response from your agency is not acceptable.

In the meantime, a review by the nonpartisan Legislative Fiscal Bureau created an inventory of 736 state-owned boats with values over \$1,000. The year, model, engine, purpose and location of each boat has been detailed. The purchase price of only the law enforcement boats was later obtained. The Fiscal Bureau has indicated the quality of the data was low and incomplete, so a more thorough analysis is necessary to determine potential cost savings.

Do we need this many boats? Is this the most effective use of our resources? It could be this fleet is entirely justified, but I think the administration now needs to perform a thorough study. Wisconsin taxpayers deserve a comprehensive accounting.

In light of this information, I am respectfully asking for your commitment to finding cost savings within the state boat fleet. I view this as an opportunity to improve state efficiency and protect Wisconsin taxpayers.

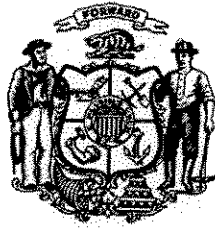
Sincerely,

ROBERT L. COWLES

Office:
Room 122 South State Capitol
P.O. Box 7882
Madison, WI 53707-7882
608-266-0484

Toll-Free Hotline: 1-800-354-1465
TDD Hotline: 1-800-228-2115
Fax: 608-267-0304

District:
300 W. St. Joseph Street
Green Bay, WI 54301-2328
920-448-5092
Fax: 920-448-5093



Wednesday, August 4, 2004

Contact: Ethnie Groves, Governor Doyle's Office, 608-261-2156

Governor Announces Elimination of Additional 504 State Vehicles

Phase II Reduction Achieves Goal of Reducing State Fleet By More Than 1,000 Vehicles, Back to 1994 Levels

Governor Jim Doyle today announced the elimination of 504 state vehicles, achieving his goal of eliminating a total of more than 1,000 vehicles and returning the state fleet to 1994 levels. In June, which was the first phase of the Governor's Fleet Reduction Initiative, the Governor announced the elimination of 569 vehicles, the first of which were sold at auction last Saturday.

"Reducing the number of state cars is just one more way we are restoring fiscal responsibility to our state," Governor Doyle said. "In the 1990s, our state went on an unprecedented car buying spree, but that trend has now been reversed. Not only are we using taxpayer resources more efficiently, we're bringing real accountability to the system."

The Phase II reduction was achieved using an approximate 7% target for each agency and then working with the agencies to identify which vehicles could best be eliminated, as well as facilitating cooperation among agencies to become more efficient by sharing certain vehicles.

In April, Governor Doyle directed the Department of Administration to conduct a comprehensive review of the state vehicle fleet in order to reduce the number of vehicles and improve accountability and oversight. The Department released a report in June as a result of this review. A key finding of the report was that from 1994 to 2003, vehicles owned by the state increased from 6,187 vehicles to 7,360, or almost 19 percent. In contrast, last year, Governor Doyle reduced the state fleet by 132 vehicles. Last year's reductions combined with the reductions this year will achieve the Governor's goal of reducing the fleet back to the levels of a decade ago.

Vehicle Auctions

On Saturday, July 31, the state began auctioning the first of the vehicles eliminated in Phase I. At that auction 118 vehicles were sold -- including 54 from Phase I -- generating \$472,000. Additional auctions will be held approximately once a month and details will be announced as they become available. The public can sign up to receive e-mail updates about future auctions on the Governor's website -- www.wisgov.state.wi.us.

- MORE -

"The half million dollars we generated at the first car auction might seem insignificant in a \$50 billion budget," said Governor Doyle. "But the way I see it, that's a half million dollars we don't have to ask taxpayers for. Every dollar counts, and we should use every penny wisely."

Freeze Extended

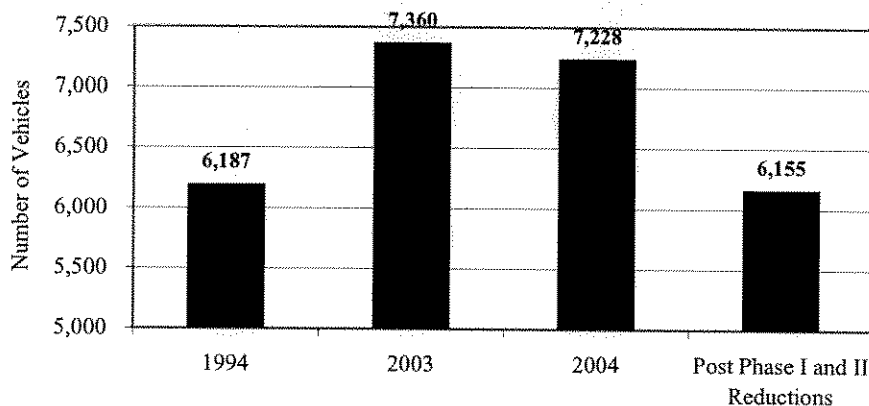
Governor Doyle has extended a freeze on new vehicle purchases, which he first ordered in April. The freeze will be extended to the end of the year, with only emergency requests being approved -- for example, if a state trooper vehicle was badly damaged in an accident.

New Training and Accountability

The Department of Administration has updated its fleet manual for individuals using state cars. The manual had not been updated since 1996, and has been revised to clarify to all state employees what the rules are about personal use of a state vehicle. The Department of Administration is issuing a special notice to all individuals with personally assigned vehicles that the policy has been updated and must be followed, and will provide a copy of the new policy manual to each of these employees. Additionally, the Department of Administration has instituted a training program for supervisors and fleet managers, and held its first training on July 21 for 50 supervisors and fleet managers representing 23 agencies.

Additionally, the Governor has directed all agencies to participate in the state's FleetAnywhere database. The Phase I review completed in June found that because ownership and management of the State's vehicle fleet is disbursed across two dozen agencies and campuses, record keeping, maintenance, billing and other aspects of fleet management may vary widely. The Governor has therefore directed all state agencies to participate in the FleetAnywhere database maintained by DOA to better track and manage the fleet.

Reversing the Decade-Long Trend in Car Buying



State Vehicle Reductions By Agency

<u>Agency</u>	<u>Fleet Size, Feb. 2004</u>	<u>Phase One</u>	<u>Phase Two</u>	<u>Total</u>
University of Wisconsin System	1,558	95	102	197
Natural Resources	1,549	114	101	215
Transportation	1,392	52	90	142
Corrections	1,019	22	67	89
Administration	420	78	73	151
Health and Family Services	291	74	19	93
Agriculture Trade and Consumer Protection	180	48	12	60
Military Affairs	119	0	8	8
Justice	129	9	8	17
Commerce	83	24	5	29
Public Instruction	54	17	4	21
Revenue	40	12	3	15
Veterans Affairs	46	6	3	9
Public Defender	34	11	2	13
Workforce Development	24	7	2	9
Regulation and Licensing	9	0	1	1
State Fair Park	10	0	1	1
Educational Communications Board	10	0	1	1
Historical Society	21	0	1	1
Employment Relations Commission	12	0	1	1
Agencies Not Included in Reductions	<u>228</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	7,228	569	504	1,073

Results of the July 31 Auction and Comparison to December 2003 Auction

VARIABLE	December 13, 2003 Arlington	July 31, 2004 Arlington
NO. OF VEHICLES	90	118
NO. OF VEHICLES WITH OVER 100,000 MILES	32	37
NO. OF TOW-AWAYS	9	4
AVERAGE MILES/VEHICLE	96,213	90,513
REGISTERED BIDDERS	224	370
BIDDERS / VEHICLE	2.4	3.1
NO. OF BUYERS	78	105
AVERAGE VEHICLE PRICE	\$3,338.00	\$3,942.00
BLACK BOOK RATIO (SALE PRICE/VALUATION)	1.17	1.25
TOTAL GROSS PROCEEDS	\$303,950.00	\$472,325.00



State of Wisconsin \ LEGISLATIVE AUDIT BUREAU

JANICE MUELLER
STATE AUDITOR

22 E. MIFFLIN ST., STE. 500
MADISON, WISCONSIN 53703
(608) 266-2818
FAX (608) 267-0410
Leg.Audit.Info@legis.state.wi.us

December 3, 2004

Representative Sheryl Albers
3 North, State Capitol
Madison, Wisconsin 53702

Dear Representative Albers:

Thank you for your letter requesting information on vehicle leasing by state agencies in the context of Governor Doyle's Fleet Reduction Initiative. As you may be aware, the Joint Legislative Audit Committee has directed the Legislative Audit Bureau to conduct an audit of the State's vehicle fleet. As noted in the enclosed scope memorandum, an analysis of the number of vehicles owned and leased by the State will be a component of that larger review.

If you have any additional questions or concerns, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Janice Mueller".

Janice Mueller
State Auditor

JM/JC/ab

Enclosure

cc: Senator Carol A. Roessler
Representative Suzanne Jeskewitz



State of Wisconsin \ LEGISLATIVE AUDIT BUREAU

JANICE MUELLER
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22 E. MIFFLIN ST., STE. 500
MADISON, WISCONSIN 53703
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FAX (608) 267-0410
Leg.Audit.Info@legis.state.wi.us

DATE: April 26, 2004

TO: Senator Carol A. Roessler and
Representative Suzanne Jeskewitz, Co-chairpersons
Joint Legislative Audit Committee

FROM: Janice Mueller *Janice Mueller*
State Auditor

SUBJECT: Proposed Audit of the State's Vehicle Fleet—Background Information

At your request, we have gathered some background information the Joint Legislative Audit Committee may find useful in considering requests from several legislators for an audit of the State's vehicle fleet. Currently, state employees who travel on average more than 16,000 miles per year can be assigned a personal vehicle. Those employees who travel less can request vehicles from central pools operated by the Department of Administration, the University of Wisconsin campuses, and several other large state agencies. The Department of Administration reports there are over 7,000 vehicles, primarily cars and light trucks, at the state agencies and the University of Wisconsin campuses.

It has been widely reported in the media that the Department of Natural Resources (DNR) significantly increased its expenditures for vehicles in 2001 and 2002 as the State's budget situation was deteriorating. For example, DNR reportedly spent \$4.2 million for vehicle purchases in 2001 and \$6.1 million in 2002, a 45.2 percent increase. A total of 480 vehicles were purchased by DNR in this two-year period. These reports have prompted questions about the number of vehicles purchased by other agencies in recent years.

The Department of Administration is currently conducting a statewide review to assess vehicle use and compliance with state fleet regulations. However, because information relating to fleet operations is maintained in various data systems in several agencies, comprehensive information has been difficult to assemble. On April 16, 2004, the Governor directed the Department of Administration to freeze the purchase of new vehicles until its review is completed.

In addition, several incidents that received media coverage have prompted concerns about the personal use of state vehicles by state employees. For example, it was recently determined that the Attorney General had not reimbursed the State for personal use of a state car assigned to her, as required by state regulations. This has led to questions about whether other state employees with personally assigned vehicles are complying with reimbursement requirements, and whether they are driving a sufficient number of miles to warrant a personally assigned vehicle.

An audit of the State's vehicle fleet would cover all vehicles in all agencies and could include:

- an analysis of the number of vehicles owned and leased;
- a review of the specific types of vehicles, such as sedans, sport utility vehicles, and trucks;
- an assessment of how the total number of vehicles needed is determined;
- a review of bidding procedures used in purchasing and disposing of vehicles;
- a review of how decisions to personally assign vehicles are made and monitored, including how agencies determine whether it is less costly to pay employees mileage for use of their own personal vehicles rather than to purchase state vehicles;
- a determination of the extent to which state employees have reimbursed the State for personal mileage on state vehicles and whether existing policies appropriately limit the personal use of state vehicles;
- a review of the cost effectiveness of current maintenance processes, both those performed in-house and those contracted to outside vendors; and
- a review of best practices for fleet management used by other midwestern states.

If an audit of the State's vehicle fleet is directed, we would seek to coordinate our work with the Department of Administration's review to limit any duplication of effort.

If you have any questions regarding this request, please contact me.

JM/DB/ab

cc: Senator Robert Cowles
Senator Alberta Darling
Senator Jeffrey Plale
Senator Julie Lassa

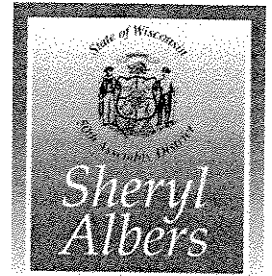
Representative Samantha Kerkman
Representative Dean Kaufert
Representative David Cullen
Representative Mark Pocan

Representative Dan Meyer

Marc Marotta, Secretary
Department of Administration

Scott Hassett, Secretary
Department of Natural Resources

Katharine Lyall, President
University of Wisconsin System



November 22, 2004

Janice Mueller, State Auditor
Legislative Audit Bureau
22 E Mifflin St Ste 500
Madison WI 53703

Dear Janice,

As you know, Gov. Doyle's Fleet Reduction Initiative directs state agencies to sell off 1,000 vehicles through the Department of Administration. However, it is my understanding that agencies are now planning to lease approximately 500 vehicles to replace, in part, the vehicles that have been sold.

It is my hope that your staff can look into this and determine what, if any, cost savings exist should this indeed be the case and whether such activity remains in compliance with the fleet reduction initiative.

I appreciate any and all consideration given by you and your colleagues at the Legislative Audit Bureau to this request. Should you have any questions, please feel free to contact me anytime.

Sincerely,

Sheryl K. Albers
State Representative
50th Assembly District

C. Arnold Hamburg

Karen Asbjornson

From: Asbjornson, Karen [Karen.Asbjornson@legis.state.wi.us]
Sent: Thursday, December 09, 2004 7:09 AM
To: 1birdhunter@charter.net
Subject: FW: Larry Legro



Legro, Larry.pdf
(652 KB)

> -----Original Message-----

> From: Malszycki, Marcie
> Sent: Wednesday, December 08, 2004 4:15 PM
> To: Asbjornson, Karen
> Subject: Larry Legro

> Larry stopped in to bring CR information. He said that it deals with the Fleet Audit. I will scan it in that send it to you and I will put it in your in box.

> Then he went on about how he has been a state employee for 30 years. He is on the Nuclear Disaster team and his supervisor holds an on call pager for this. So the suporvisor gets paid stand by pay at \$20 for every 8 hours. He said that he gets paid for this but doesn't always answer the pager and that this is a waste of money.

> > <<Legro, Larry.pdf>>

> Marcie Malszycki
> Office of Senator Carol Roessler
> 608-266-5300/ 1-888-736-8720
> Marcie.Malszycki@legis.state.wi.us

Senator Carol Roessler, Co-Chair Legislative Audit Committee:

Senator Roessler,

I very recently (12/8/2004) came into possession of the attached DOA fleet cost sheet as calculated by DOT's BFS. DOT as an agency keeps data from the cost of all the state fleet vehicles they use (as they are billed by DOA) and use this to calculate their own ANNUAL average cost of each fleet vehicle. Note: DOA by statute is supposed to calculate the average cost of the fleet which is then used to determine what the state will reimburse an employee for using his/her own private vehicle for work.

Attached is a spread sheet which is the amount that DOT's Bureau of Fiscal Services calculates as the cost of each type of vehicle that is used on their projects. They create this list annually and use it to cost each vehicles use to whichever project it is used on, thus accounting for this part of the cost of a project.

This information was confirmed with a phone call to Beth Robinson DOT/BFS at 608-267-7304 (her name is listed at the bottom of the attached rate sheet).

I was the lone member of the public who gave testimony at the May 2004 Joint Audit Committee hearing that voted to look at State of WI employees using the fleet. As you know the Legislative Audit Bureau should be finalizing this audit soon (by 12/31/2004). How can DOA calculate that the average cost of a fleet vehicle at .21/mile when the lowest class of automobile calculated by DOT's own Bureau of Fiscal Services shows this is at least .230/mile for a subcompact car? I must admit that DOT uses the cost of all of its cars to come to the .21/mile figure. The attached data, even if averaged, would still be higher than .21/mile since the lowest cost for an auto is still .230/mile. This chart shows that there is some creative accounting going on at DOA if you believe the costing done by DOT. DOT would need to account for project costs since they have many projects to account for. Therefore I would take DOT's figures and calculations ahead of DOA's.

My final point:

The way I read this is as follows. A state employee driving a private vehicle for work related activity should be getting at least .290/mile, but, based upon the fact that legislators receive .325/mile for using their vehicles, either the legislators (along with private contractors) should be given a reduction from .325 back to this .290/mile OR state employees should have this figure raised to that which legislators receive, i.e. the .325/mile also.

I am anxiously awaiting the results of the LAB Audit regarding the fleet.

Respectfully,


Larry Q. Leggo

DHFS, Radiation Protection

608-267-4985 (O)
608-834-5804 (H)



Financial Services Manual

Originator
Managerial Accounting Services Section

Subject
DOT Billing Rates – Fleet Service Center
EFFECTIVE 7/1/04 – 6/30/05

The three types of equipment operated by the DBM Fleet Service Center are automobiles, trucks and auxiliary equipment. Each vehicle and piece of auxiliary equipment is assigned a fleet identification and class number. For purpose of calculating rates, the classes are combined according to vehicle type into groups.

AUTOMOBILE RATES: \$.00/mile

Marked & Unmarked Squads (TMSQUAD)(TUSQUAD)	.360/m
Intermediate Sedans (TINERSED)	.290/m
Sub-Compact Sedans (TSUBSDWG)	.230/m
Intermediate Wagons (TINTWGNS)	.310/m
Minivans (TMINIVAN)	.30/m

MOTORCYCLE RATES: \$.00/mile

Patrol Motorcycles (TCYCLES)	.50/m
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TRUCK RATES: \$.00/mile

4,500 G.V.W. & Under(T4500GVW)	.36/m
4,500 - 15,000 G.V.W. (T15000GVW)	.40/m
15,000 - 35,000 G.V.W. (T35000GVW)	.84/m
Over 35,000 G.V.W. (T35OVER)	1.10/m
Semi-Tractor/Trailer Combination (TSEMI)	4.00/m
Pavement Marking Van (TPVTVAN)	.25/m
SUV (Large) (TLRGSUV)	.46/m
SUV (Small) (TSMLSUV)	.37/m

SPECIAL TRUCKS AND AUXILIARY EQUIPMENT RATES: \$.00/hour

Snooper Trucks (TSNOOPTR)	25.00/h
Drill Rigs (TDRILLRI)	45.00/h
Sign Augers (TSIGN)	65.00/h
Pavement Markers (TPAVEM)	25.00/h
Air Compressors (TAIR)	25.00/h
Large Snooper (under Bridge Inspection Machine) (TLGSNOOP)	60.00/h
Trencher (TRENCH)	80.00/h
Material Handling Equipment (TMATER)	20.00/h
Aerial Device (TAERIAL)	35.00/h
Barge & Trailer (TBARGE)	15.00/h
Bomb (TBOMB)	35.00/h
Cat (TCAT)	25.00/h

Date: April 30, 2004
To: SENATOR CAROL ROESSLER
From: Wade Hoxtell
Re: State Fleet Audit

Background Information

- **Eligibility:** State Employees who travel on average more than 16,000 miles per year can be assigned a personal vehicle.
- **Cost:** The Operating Cost of the vehicles was just over \$4 million in both the '02 and '03 FY
- **Cost:** The DNR spent \$4.2 million in 2001, \$6.1 million in 2002, \$1.7 million in 2003 on new vehicles.
- **Executive Action:** On April 16th, Governor Doyle directed the DOA to freeze purchases of new vehicles until a DOA statewide review of vehicle use of employees who travel less than 16,000 miles a year is completed.
- **Additional Concerns:** The determination that AG Peg Lautenschlager had not reimbursed the State for the personal use of a state car has prompted questions about the possibility of other employees doing the same.
- **Additional Concerns:** A July 2003 internal audit showed that a DNR employee split large vehicle maintenance jobs onto multiple invoices to avoid putting them out for competitive bid.
- **Additional Concerns:** There is no centralized or uniform method of record keeping for the use of government vehicles which creates discrepancies of whether or not employees have paid for personal mileage and what specifically they are used for.

Statistics

- Over 7000 vehicles are maintained for use by state employees on official business...2000 of which are operated by the DNR.
- Over a 14 month period, more than 60 percent of the 1,712 employees assigned government cars paid no personal mileage charges
- More than 1,000 of the employees logged less than the minimum amount of miles required (16,000) for use of a state car.
- The DNR doubled its Northern Region fleet at a cost of \$10 million dollars.
- The DOA fleet of over 2000 vehicles has one of the lowest fleet costs per miles in the nation at \$.24 per mile.

DNR Internal Audit included:

- **Recommendations:** Of the five major recommendations outlined in 1999 for improving the fleet, only one was fully implemented. It was to develop an improved chargeback fee system to distribute the operating cost of vehicles.
- **Favored Vendors:** Documented attempts to circumvent state competitive bidding purchasing problems. There was collusion between the state and certain favored vendors.
- **Serial Purchasing:** Half a million dollars in questioned fleet costs from avoiding low-bid purchases.
(The term for the practice of circumventing proper approvals and awards of a purchase order to the lowest bidder is called **Serial Purchasing** and it is prohibited by statutes)
- **Balance:** \$2.7 million in negative balance for fleet operations last year.
- **Borrowing:** The Conservation Fund has had over \$13 million in borrowing for vehicle purchases in the last 3 years.

The Audit would include:

- An analysis of the number of vehicles owned and leased
- A review of the specific types of vehicles, such as sedans, SUV's, and trucks
- An assessment of how the total number of vehicles needed is determined
- A review of bidding procedures used in purchasing and disposing of vehicles
- A review of how decisions to personally assign vehicles are made and monitored, including how agencies determine whether it is less costly to pay employees mileage for use of the own personal vehicles rather than purchase state vehicles.
- A determination of the extent to which state employees have reimbursed the State for personal mileage on state vehicles and whether existing policies appropriately limit the personal use of state vehicles
- A review of the cost effectiveness of current maintenance processes, both those performed in-house and those contracted to outside vendors
- A review of best practices for fleet management used by other Midwestern states.
- Coordination between Audit Bureau and DOA so as to limit duplication of work.

DOYLE MOVES TO REDUCE STATE CAR FLEET

Governor Doyle late Friday afternoon announced a series of steps to reduce the size of the state car fleet and to make the system more accountable. The steps taken include:

- For all personally assigned cars driven less than 16,000 miles a year, agencies will have to justify continued assignment. Assigned under-utilized or unnecessary will be revoked.
- DOA was directed to freeze purchase of new state cars until a review of usage is complete and agencies have responded to the review of personally assigned vehicles.
- Cabinet members and managers are directed to educate all employees using state cars on rules and regulations and to take appropriate actions, including disciplinary, to ensure all employees assigned vehicles are paying for any personal use.
- Directed DOA to develop a better system of record keeping for the state fleet, particularly on reporting of personal vehicle use and for tracking low-mileage vehicles.

Directed DOA to continue to pursue consolidation of fleet management as well as maintenance services.

Summary/headline of recent articles on state fleet:

- June 11 report issued from Doyle admin.
 - i. Plans to sell 1,000 cars possibly as early as July of this year of the 7,300.
 - ii. 550 vehicles identified for sale now with plan to find 500 more. Document finding more than 1,000 cars and trucks underutilized.
 - iii. About 70 employees suspected of failing to reimburse state for personal miles. Any punishment will be doled out on a case-by-case basis.
 - iv. Reductions will reverse decade long trend and return state fleet size to 1994 level
- Cowles hails sale of fleet vehicles demands administration review of 700 state boats
- Guidelines for employees' personal use of state vehicles has run counter to IRS rules for years, raising the possibility that hundreds of workers owe back taxes. According to IRS, employees must reimburse their employers for any personal use of an employer vehicle, including commuting, or report it as a taxable income at the rate of 37.5 cents per mile. But the state requires employees to pay at most 32.5 cents per mile, and in some cases those workers do not have to reimburse the state for their commutes. In most cases, proper reporting would add just a small amount of taxable income for most employees, but reissuing hundreds of federal W-2 forms to employees would create a huge administrative burden for the state. Marotta and Deputy stressed that it was the state, not employees, who erred.

Wednesday, August 4, 2004

**Governor Announces Elimination of additional 504 State Vehicles
Phase Two Reduction Achieves Goal of Reducing State Fleet By More Than 1,000
Vehicles, Back to 1994 Levels.**

- In June First Phase announced the Elimination of 569 Vehicles, the first of which were sold at auction Last Saturday.
- Phase Two Reduction Achieved using an approximate 7% target for each agency and then working with the agencies to identify which vehicles could best be eliminated, as well as facilitating cooperation among agencies to become more efficient by sharing certain vehicles.
- April Gov. Doyle directed the DOA to conduct a comprehensive review of the state vehicle fleet to reduce number of vehicles and improve accountability and oversight.
- DOA released a report in June and found the following:
 - 1994 to 2003 state vehicles increased in number from 6,187 to 7360 (almost 19%).
 - Last year Doyle reduced fleet by 132 vehicles.
 - The reduction last year and the reduction this year put the fleet size back to its 1994 level.
- Vehicle Auctions
 - Saturday, July 31st 118 vehicles auctioned, 54 from phase 1, generating \$472,000.
 - Additional Auctions to be held approximately once a month
- April Vehicle Purchasing Freeze has been extended till end of the year.
- Fleet Manual for individuals using state cars updated, first time since 1996.
 - Revisions have been made to clarify rules regarding personal use of state vehicles. (Special notice of this update has been given to individuals with personally assigned vehicles.)
 - DOA also instituted a training program for supervisors and fleet managers. (July 21st first program will be held for 50 supervisors and fleet managers representing 23 agencies.)
- Fleet anywhere database will provide a centralized database to manage the State's Vehicle fleet.

August 4th, 2004 (Cowles Press Release)
Cowles Hails the Sale of Fleet Cars

- "I am concerned that once these vehicles are sold, the state might end up paying more in the long term through increased mileage reimbursements or poor use of our assets," said Cowles. "That's why I am awaiting the audit's conclusions and final recommendations."
- Cowles has also called on the Legislative Audit Bureau to monitor the sale of vehicles in the state fleet.

August 5th, 2004

Journal Sentinel

Doyle administration logging less airtime

Governor reduces use of state planes, flying far less often than predecessors

Patrick Marley

- Doyle traveled 24,282 miles in the last fiscal year.
 - 1/3 of the miles Gov. Thompson in fiscal years 1999 and 2000.
- Eight planes for sale six have been sold (22% of the 27 state owned planes)
- Six of the planes in the fleet, including the two for sale, are used for travel and the rest are used for jobs such as counting traffic and surveying wildlife and wildfires by DOT and DNR.
- Doyle cut back on state plane use by taking out-of-state trips on commercial airlines.
- Doyle no longer allows plane use to pick up state officials for meetings, and cabinet secretaries use is strictly limited.
- State plane use was a major element of Doyle's 2002 run against McCallum, whom spent \$9 million to buy three planes at the same time he cut \$8million from elderly programs.
- McCallum was under fire for flying from Madison to Janesville and using state planes for personal trips. McCallum paid \$13,000 on a settlement for using a state plane in summer 2001 to take his son to a soccer tournament in Colorado.
- Thompson and McCallum maintained that there heavier use of state planes reflected that they were more in touch with citizens.
 - "Governor Thompson was up front from day one that he would travel to talk to and listen to Wisconsinites in every corner of the state, and these numbers reflect that," remarked Thompson's aide. When told Doyle claims to travel as extensively, but to do more of it in cars, Thompson's aide said, "Unlike Governor Doyle, we have little interest in sitting around counting miles."
 - McCallum struck a similar note: "I viewed my job not to be sitting in Madison, but to be out meeting the people," he said that he believes the citizens have every right to expect their public officials will be available to them.
- The sale of six planes brought in revenue of \$381,805.
- The state will accept no less than \$320,000 for a five seat 1987 Beech Baron, and a minimum price as not been determined for another Beech Baron.
- These sales will reduce the fleet size to 19, and further cuts are being contemplated.

Journal Sentinel May 3rd, 2004

The Morning Mail (Editorial)

- Accountability in the DNR has been diluted to the point where nobody is responsible. All newspaper articles have failed to mention any DNR personnel who can be held responsible for any fiscal actions.

- The DNR bureaucracy has become too huge and needs to be broken up.
- It appears the secretary of the DNR is just a figurehead with no accountability.
- If they can dictate policy and make fiscal decisions, why can't they be held accountable?
- The senators should spend their energy on creating a DNR that will have accountability.

Journal Sentinel May 4th, 2004

Audit of state vehicles approved

Millions of dollars could be saved, lawmakers say

- Audit of State Fleet that could save millions of dollars approved May 4th
- Mirrors DOA review but will be far more comprehensive.
- DOA started studying ways to trim the fleet in January.
- After Attorney General's OWI, officials expanded the review to look at personal usage of state vehicles
- Doyle ordered all agencies to justify the personal assignment of many vehicles.
- Dept. of Justice headed by the Attorney General initiated its own review for the state's regulations on car usage.
- Three auditors will require at least six months to complete the audit because state record keeping has been poor.
- State records reviewed by the Journal Sentinel have proved inaccurate, e.g.
 - Vehicles personally assigned by the DOA are actually treated as motor pool vehicles by state agencies.
 - Mileage payments made by two UW System Chancellors were not centrally recorded.

Auditors will also look at:

- If expense can be cut by reimbursing employees for driving their own vehicles.
- Review maintenance costs, whereas, the state recently found that it could save millions of dollars, according to a study done in 2000 by consultant DMG-Maximus, if it better coordinated the fleet operations of various agencies.
- See how other states manage and maintain their fleets.
- Look at the mileage rates paid to employees and contractors for business miles they put on their personal cars.
- Doyle's office said the governor has tackled the fleet problems but sounded support for the audit.
 - "He has already directed (officials) to take aggressive action to address record-keeping (problems) and reduced the size of the fleet, but of course we welcome another set of eyes on the situation," Doyle aide Dan Leistikow said.

State Boat Fleet

June 21st, 2004

CC: Letter to Secretary Hasset Urging Review of State Boat Fleet

- Believes administration should conduct a review of state boat fleet similar to the review of the state vehicle fleet.
- Requested information from DNR about boats after the May 4th Joint Legislative Audit Committee hearing that approved the state vehicle audit.
- Boat inventory not compiled in a useful format
 - Mr. Paul Heinen contacted Cowles a month later to state that the boat inventory was not compiled in a format that would be useful.
 - Heinen called again to report that a good inventory would be ready by October 2004.
 - Cowles is writing letter because he believes that October is not acceptable
- Nonpartisan Legislative Fiscal Bureau inventory revealed:
 - 736 boats with values over \$1,000
 - Year, model, engine, purpose and location of each boat.
 - Purchase price of only law enforcement vehicles
 - Fiscal Bureau has indicated the quality of the data was low and incomplete; a more thorough analysis is needed to determine potential savings.
- Concludes by asking for commitment to finding cost savings within the state boat fleet.

June 22, 2004

State vehicle inquiry shifts to DNR's 735 or so boats

Poor records cited on \$4 million fleet

By Patrick Marley

- Two weeks after vehicle fleet revealed problems Doyle administration begins to review boat fleet.
 - "In the 16 years that Republicans ran the state, record-keeping of state vehicles was atrocious... We're seeing the same thing now with state boats, and the governor wants to see some accountability." (Doyle Spokesman, Leistikow)
- Two week inquiry so far has shown no misuse (Leistikow)
- DNR spending on boats has been over \$1 million since 2000.
 - Includes \$169,254 for a 44-foot converted lobster ship.
- A one-year spike boosted spending over the past 4-½ years in 2000, when the department spent close to \$500,000 on 58 vessels, including the lobster boat.
- Almost \$4 million has been spent to buy 585 of 736 boats over the years.
 - Purchasing information on the remaining 151 boats has not been found.
- DNR has not disclosed current value or cost to operate boat fleet.

- October is the date set to compile such data.
 - Cowles called the timeline “ridiculous
 - Leistikow agreed the timeline was unacceptable
- DNR policy analyst Paul Heinen sent questionnaires to regional offices to find out more information about the boats and their uses.
- State maintains fleet to monitor underwater life, oversee commercial and sport fishing and police waterways. (Heinen)
 - “We have lots of lakes and a lot of rivers and a lot of shoreline.” (Heinen)
- Records show the following:
 - ‘Perca’, the Lobster Boat, is used to survey yellow perch, Chinook salmon, alewives and forage fish in Lake Michigan. (DNR Website)
 - The handful of other large, expensive ships is used on Lake Michigan. (Heinen)
 - Over \$132,000 spent on each of three 30-foot boats with outboard motors in 1990. Wardens use two of the boats and the parks division uses the remaining one.
 - Fisheries division uses two 52-foot, inboard-motor boats that were each purchased for \$30,000 to \$50,000 and nine boats purchased for \$20,000 to \$29,999.
 - Most boats cost far less, however, often \$4,000 or less.
- Spending in 2000 jumped because lobster boat purchase, however the DNR bought 58 boats that year, almost double the number it bought in 1999.
- DNR spent \$170,829 to \$221,222 on about 30 boats each year from 2001 to 2003. It is on track to spend within that range again this year.

June 22nd, 2004

Cowles wants DNR boat audit

By Richard Moore

- Todd Stuart attached note saying this headline is incorrect, that Cowles did not call for an audit but for a review.
- Mentions that most canoes, rowboats, and life rafts and other non-life law enforcement boats valued at less than \$1,000 are not included in Legislative Fiscal Bureau review of boat fleet.
- More than half of the boats – 434 – are designated for law enforcement, while another 197 are used for fisheries management and habitat protection.
- Law Enforcement program uses its boats not only for enforcement of such things as fishing regulations but also to investigate complaints of environmental contamination and shoreland management violations.
- Fisheries management boats are airboats used to reach backwater or marsh systems and to set nets to sample fish for seasonal surveys.

April 24, 2004

DNR worker broke auto-bidding rules

Audit shows he directed contracts to favored vendor

By Patrick Marley

- DNR Fleet worker wrote maintenance invoices to avoid competitive bidding and directed work to four favored vendors.
- Worker engaged in “serial purchasing” in 2002, and early 2003, writing multiple invoices for jobs that exceeded \$5,000, the threshold for putting out competitive bids.
 - Some vendors submitted parts and labor costs separately; some bills came in at \$4,999.
 - In other instances, the worker wrote bid specifications so that the jobs landed in the laps of the preferred vendors.
- The improperly requisitioned work – including a \$156,716 job to install heaters on vehicles – came to almost \$500,000 over two fiscal years.
 - In the previous two years, the firms had done just more than \$2,000 worth of work for DNR.
- Four workers knew or should have known of the arrangements, said Vance Rayburn (DNR administrator).
- The four vendors in many cases were aware of the state purchasing guidelines, according to the audit.
- DNR response was to discipline an employee, and not cut off vendors but to begin strictly following purchasing guidelines.

April 26th, 2004

Contracts not criminal Doyle says

DNR chief also says no-bid deals don't merit termination

By Patrick Marley

- Doyle and DNR claim that the behavior was improper but not criminal because it did not amount to any personal gain, nor did it violate any state statute.

July 23rd, 2004

Nine state employees to pay for personal car use

They must reimburse \$1,900 to taxpayers for using state fleet

By Patrick Marley

- Documents from Doyle's office show that 57 of 69 employees are absolved of vehicle misuse, that nine are to reimburse a combined total of \$1,900, and that three are still under review.
 - “The finding is that the vast majority of our state employees are following the rules and are doing the right thing.” (Doyle Spokesman Dan Leistikow)

- 39 of the 69 employees did not use their car for personal trips, 18 others had homes classified by the state to be their official state headquarters, meaning that any driving they do is work-related.

Maintenance cost increases (State maintenance report)

- Average truck repair costs rose 59% from \$41.63 per month last year to \$66.29 per month. Average car repair costs rose 39% \$24.71/month to \$34.33/month.
- DOA spent \$462,056 to repair 1,678 vehicles through July 14; more than 60% of the \$70,565 spent in all of last year.
- Upcoming auctions are expected to reduce overall costs.
- Rise comes after declines in recent years and is attributed to an aging fleet, whereas fewer cars are covered by the three-year warranty the state purchases for its vehicles.
- 57% of vehicles were not covered last year, 76% not covered this year.
- Without new purchases today's stock is older and requires more repairs.
- The problem is expected to resolve itself as the older vehicles are sold, making for a smaller fleet to keep up.

July 7th, 2004 WSJ

Warden used state SUV on vacations, records show

- State Records detail Warden Gary McCaughtry as using his state gas card three days in a row, at about \$40 each time, during a scheduled Christmas vacation from Dec. 20th to Dec. 25th, 2003. Gas was purchased in Belmont, Hanlontown, Iowa, and Lac du Flambeau.
- McCaughtry denies using his state-assigned SUV and state fuel card for vacations, responding with the following:
 - I do not use the vehicles for vacations. When I traveled to Canada and Montana, I did not use the vehicles. If I am in the area near the institution and I am able to respond to a call, I may use the vehicles. Essentially, I use the vehicle whenever I am required to respond to the institution.
- Other records detail another Northern Wisconsin vacation on July 14th-18th where gas was purchased in Woodruff twice and once more in Oshkosh.
- An additional Warden, Jane Gamble is cited as having made similar gas purchases during three trips while on vacation.
- After State Journal Inquiries began Deputy Corrections Secretary Rick Raemisch told all wardens not to take vehicles on vacation while abuse the department investigates possible abuses.
- State Policy considers Warden's vehicles 24-hour command posts; therefore personal miles do not need to be tracked. However, a 1994 state Administration Department policy forbids the use of vehicles for vacation.
 - An internal policy created six months later provided for use of vehicles on vacation for "special circumstances, such as a heightened level of alert at an institution."

- Correction Department spokesman William Clausius said the rule has “been interpreted to mean wardens are allowed to choose to have the vehicles with them in case they need to be contacted by their institutions.”
- Administration Dept. spokesman William Tom Solberg said he did not know of the internal policy and that he “would expect the policy would conform with the position we’ve taken that state vehicles cannot and will not be taken on vacation.”
 - Solberg did not know if prison wardens would be asked to reimburse the state for vacation expenses.
- Raemisch (Deputy corrections Secretary) will review the need for wardens to have SUVs, which include the following:
 - 20 Vehicles total
 - 10 Jeep Cherokees
 - 2 Chevy Blazers
 - 3 Dodge Caravans
 - 1 Ford Expedition
 - 1 Ford Explorer
 - 3 Ford Taureses
- The argument for SUVs is that they are needed during severe weather conditions. This argument is to be reviewed.

Wednesday August 11th, 2004

Wardens Trade Down to Taurus

Mild Winters No Longer Justify State-owned SUVs, Official say
Patricia Simms, WSJ

- Corrections spokesman Bill Clausius is quoted as saying, “winters in Wisconsin have been milder, and the technology for clearing highways and streets has improved to the point where having a four-wheel drive vehicle is no longer necessary.”
- Department is trying to reduce fleet by turning in the SUVs for sale and replacing them with Ford Tauruses from the existing fleet.
- After Incident with Warden Gary McCaughtry was reported in the WSJ, state Corrections Secretary Matthew Frank said the wardens would no longer be allowed to take state-owned vehicles on vacation, and that a review of the department policies is being conducted to find whether wardens will have to reimburse the state.

Attorney General OWI
And State Vehicle Audit Articles

April 15th, 2004

Lautenschlager’s use of car under more scrutiny

Officials to compare new records with documents used in investigation

Patrick Marley (Journal Sentinel)

- Gas receipts and other records that previously not available will be compared with documents the Ethics Board initially compiled to ensure accuracy.
- Attorney General was billed \$672, at 34.2 cents a mile, for 1,969 personal miles logged on her state car and charged a \$250 penalty. (Commutes such as these are against state policy)
- Roth Judd (executive director of the Ethics Board) told reporters that the board's initial findings were unlikely to change but that the new records may "lead in some other direction," which could potentially reopen the Ethics Board investigation.
- Gas receipts will be reviewed to ensure that the vehicle was not used to travel to any campaign-related event. Lautenschlager declared earlier that she had not.
- Originally gas receipts were not looked at as to when purchases were made, being that the Ethics Board was under the impression that the only dates gas receipts reflected were the dates the receipts are posted.
- DOA will also turn over records related to repairs done.
- Because Lautenschlager kept no record of business and personal trips she made, the Ethics Board required her to offer proof of all trips she made on state business. Using her official calendar, she was able to account for most of the roughly 23,000 miles she put on the car in 2003 and early 2004, Becker said.
- Initially gas receipts were reviewed, but given little weight because Lautenschlager carried the burden of proof in regard to showing the business miles she put on her state car.
- State law bars use of state cars to attend campaign events, and a violation would be reviewed by the elections board, though with no sworn complaint having been filed no review was under way said executive director Kevin Kennedy.

April 14th, 2004 WSJ

Gas receipts raise questions about attorney general's use of state car

By Scott Milfred

- The receipts of several gas purchases AG made show that she purchased gas on or near several political events when no state business was listed on her calendar.
- Lautenschlager denies allegation of vehicle misuse on these dates stating, "On any of those events where there were political things I always used my personal car or somebody else's."
- Out of 21 purchases made in Fond du Lac only 3 of those purchase dates are on or around a scheduled state business event. Five more purchases were made on days where no state business was scheduled, in cities between Fond du Lac and Madison or Milwaukee; possibly showing additionally unreported commutes.
 - These trips could add up to \$470 more to the \$932 she has already paid in unreported miles and fees.
 - A purchase in Fond du Lac occurred only hours after she attended a Democratic Party fund-raiser; another purchase was made on Christmas day.

March 29th 2004

Lautenschlager, aide will repay state \$1,184 for use of cars

Both face \$250 fine for violating reimbursement law

By Steven Walters and Stacy Forster

- AG and Aide claim they relied on information from Paul Vornholt, a senior member of their staff, whom they claim said that commuting was an acceptable policy.
 - Vornholt did not recall making that claim
- Bach will repay \$512 for driving 1,501 miles, at 34.2 a mile, and a \$250 fine.
- In the report from the Ethics Board, Vornholt is said to have provided statements to reporters and officials who supervise the state's vehicle fleet that are "inconsistent" with what he told Ethics Board investigators.
- Lautenschlager has also forfeited 10 days of salary, \$3,250, and will pay for towing and repairs to the vehicle she damaged during her OWI arrest.

April 21, 2004 (Journal Sentinel)

Lautenschlager late in reporting car damage

And husband drove state vehicle, against policy

By Patrick Marley and Stacy Forster

- In a late interview on April 21, 2004 AG admitted to violating state policy by allowing her husband to drive about five blocks from a repair shop to their Fond du Lac home, but that he had never driven long distances. (She believed this was in compliance.)
 - Earlier that same day she told a reporter he had never driven the state car assigned to her.
- On three occasions he signed for car washes and interior detailing on her state credit card.
 - Charges ranged from \$17-\$66, each above \$7 limit allowed by the state.
 - DOA staff found husband signatures and \$66 detailing charge, advised AG's office of cost limits for cleaning, and told her that her husband was not allowed to drive a state car or sign receipts on a state credit card.
 - Lautenschlager retorted saying, "They [Fleet Staff] told me it was very dirty and I should get it detailed and washed. That's an example of the ludicrousness of what's happening now." (She also mentioned that her husband was with her when signing for the washes.)
- Two Accidents described as hit and runs, involving her parked vehicle.
 - October 28th hit-and-run damage of \$1,232 occurred, exceeding the state limit of \$1,000 after which a report must be filed.
 - Lautenschlager notified company overseeing state maintenance, but failed to file a formal report until Dec. 3rd, when DOA sent her a form notifying her of the requirement to report the damage.

- April hit-and-run damage of \$747, below \$1,000 therefore not necessary to report.
- Jeff Knight, who oversees the fleet, reported in a memo that the two incidents raised no alarm for his division.
 - “We get a lot of accidents like this, up to about 400 per year. There was no reason to treat this special and (Doug Pollard, an auto accident representative for the state) handled it the way he does with all other accidents.” (Knight)
- Secretary Marc Marrota agreed, saying there is no reason to suspect the incidents were anything more what Lautenschlager reported.

April 21st, 2004 WSJ

Saga of Lautenschlager’s state car continues

Scott Milfred

- AG suggests Doyle administration’s release of her vehicle records is “absolutely politically motivated.”
 - “Either they’re intentionally doing this for reasons known to them, or they appear to be incompetent. You tell me why DOA is revisiting car washes and relatively minor incidents of non-moving damage of a state vehicle. No particular concerns were raised at the time these were reported to them.” (Lautenschlager)
 - Doyle spokesman Leistikow said the DOA released records to comply with requests from news outlets and the Ethics Board.

April 21, 2004

Dan Meyer Letter

- Dan Meyer requests audit of DNR vehicle purchases.
- Dan Meyer quotes \$10.4 million DNR spending reported in The Lakeland Times, and questions DNR’s use of financial resources.

April 19th, 2004 WSJ

WSJ pursues ‘character assassination’

By Peggy Lautenschlager

- Calls WSJ’s recent reporting impugning her integrity
- Points out that she fully accepted the consequences and apologized for OWI, and did not complain about reporting.
- However she believes recent reporting on her car usage is an “outrageous attempt at character assassination and can not go unanswered.”
- Fully cooperated with State Ethics Board investigation, publicly accepted its determination, and paid reimbursement. (Notes she was open and honest with the media and the public on both matters)
- Reporting is eager to suggest that even with her cooperation that her honesty and integrity are justifiably called into question.

- “I am at a complete loss to understand how such an outrageous premise made its way into your paper. It is irresponsible. It was an incredibly unjustified cheap shot that marks a new low for journalists.”
- Again notes full cooperation with investigation and suggest that if WSJ disagrees with the Ethics Board’s findings, complaints should be sent to the Board.
 - “Calling me a liar because of what you perceive to be inadequacies in its investigation is outrageous.”

Cowles Letter April 8th 2004

- Cowles requests Audit of State Automotive Fleet
- 10.4 Million spent on Fleet by DNR Northern Region in the past 10 years, doubling the size of their Fleet. (Lakeland Times Cited)/ (Cap. Times Quotes Rayburn, Administrator DNR, see April 10th Cap. Times).
- State owns 7,000 vehicles under 4 major fleets DOA, DOT, DNR, UW-Madison (Dept. of Corrections & DHS operate smaller fleets).
- DOA's Central Fleet oversees 2,000 vehicles and is the largest Fleet in the State
This fleet operates at \$.24 per mile "the lowest fleet costs per miles in the nation."
The overall cost of all 4 major fleets is around \$.37 per mile.

"If DNR and other state agencies could match the efficiency of DOA's fleet, we could potentially save millions." (Cowles)

- DNR Northern Region spent \$1.9 million in 2002
 - *(82 Vehicles Purchased, Increasing Fleet Size to 453, a 58% increase over 2001)
 - *Spent 1.2 Million in 2001 (then a record high) 127% higher than the \$836,069 spent in 1993
 - *Vehicles bought are expensive, and have high rates of inefficient fuel use.The vehicles bought are
 - (2002)
 - 24 GMC Sierras
 - 12 Dodge Rams
 - 8 Ford Taurus
 - 5 Dodge Caravans
 - 3 GMC Yukons
 - (2001)
 - 2 Chevrolet Suburbans
 - 3 Caravans
 - 5 Taurus
 - 3 Ford Expeditions
 - 3 Jeep Cherokees
- 1999 Wisconsin Act 9 required DOA to submit a fleet consolidation plan to the Legislative Joint Audit Committee on Finance.
 - *Sept. 2000, former DOA Secretary Lightbourn briefed Joint Finance Committee on a five-year action plan (based on the Final Report on Consolidation of Fleet Management Programs (DMG Maximus, August 2000).
 - *Projects Millions in savings from consolidation (pg. 79)

*Recommendations include:

- *Centralization of the fleet management system
- *Standardizing the methodology for calculating per-mile costs
- *Outsourcing commercial maintenance and repair management
- *Consolidating motor pool operations in Madison

“We need an update on this report. In particular, the progress to date and when the plan will be completed.” (Cowles)

“According to the report submitted to the Legislature, the state could save between \$5-8 million on fleet costs...” (Cowles Release, April 8th)

“At a time when we are seeing record gas prices and state budget deficits, the state was buying a ton of fuel-inefficient, expensive vehicles...” (Cowles Release, April 8th)

Cap Times April 10th,

Provides Counter point by Administrator of the DNR's Customer and Employee Service Division (Manages Fleet), Mr. Vance Rayburn.

Counterpoint follows:

- 1,561 vehicle fleet
- This Fleet contains “specialty vehicles – such as fire control vehicles, dump trucks and vehicles used to transport fish.”
- Mr. Vance Rayburn is quoted as saying, “It’s not a fleet of passenger cars and light trucks. It’s difficult to compare the Department of Administration fleet with an agency like DNR... That would be like comparing Avis to the Madison Fire Department.”
- Rayburn corrected the 10-year total spent on vehicle acquisition as \$8.5 million, not \$10 million.
- Other corrections Rayburn made are:
 - Fleet actually shrank during the last five years because 251 vehicles were disposed of while 239 were purchased. Disposal figures were only available for the last five years, he said.
 - In terms of the size of the state’s fleet Rayburn said, “For the whole state, over the five-year period, the fleet grew slightly.”
 - 881 purchases
 - 896 disposals
 - DNR reduced passenger cars in response to a directive by former Gov. Scott McCallum
 - DNR Entire State
 - Last five year acquisition costs were \$19.8 million
 - 10 year costs were 30.6 million

- Disposals brought in \$3.6 million over last five years (“which brings net cost down.”).
- DNR exceeds DOA mileage guidelines before replacing light trucks. The guidelines are 90,000 miles for light trucks and vans, and 85,000 for cars.

WSJ April 10th, 2004

State asked to audit vehicle use (Lawmaker responds to DNR actions)

New Points:

- Secretary Marotta:
 - February survey of vehicle use, assignments, and future needs sent out to agency heads, not completed as of ‘Friday.’
 - Noting cutbacks in agency spending and recent layoffs of state workers, Marotta said it is, “essential that we become acutely aware of how all state resources are utilized.”
- Management of the vehicle fleet has come under renewed scrutiny after revelations that Lautenschlager failed to reimburse the state for personal use of her state car.

MSJ April 12th, 2004

Most state-car logs lacked personal use

Agency heads asked to ensure that all mileage being reported accurately

- According to state records:
Six out of Ten state employees reported that they did not log any personal miles during a 14-month period, January 2003 to February 2004.
 - 1,700 vehicles personally assigned to state-employees and 1,100 of these employees, more than 60%, reported no personal miles.
 - DOT had lowest reimbursement rate. (More than ¾ of employees paying no personal mileage.
 - Over 100 state workers reported driving more than 20,000 miles and reported none of these as personal miles.
- DOA response (Secretary Marc Marotta):
 - DOA responded by sending a letter requesting all agency heads to double-check to ensure that all mileage is being reported.
- Gov. Doyle
 - Critical of AG’s log showing 20,000 miles none of them personal
 - Ethics Board required reimbursement and \$250 in fines.
 - (Spokesman Leistikow) “It’s clear that over the years, there’s been a lot of sloppy record keeping, and the governor has made it very clear that it’s a new day.”

- (Spokesman Leistikow) Review of state cars was already under way before AG incident, with the DOA looking at how cars are used and whether some of them could be eliminated. Review reduced the number of personally assigned vehicles by more than 80 cars, "and once it is complete it will go even further than that."
- Incidental personal errands like stopping at ATM are fine.
- Friday Cowles said he would expand his audit request to include the use of all state vehicles.
- Department Breakdown of Reimbursement (Did not reimburse the state)
 - DOT: 389 of 506 (77%)
 - DOA: 563 of 893 (67%)
 - DNR: 135 of 313 (43%)
- Two of Six Chancellors w/ 22,000 miles did not report any personal miles
 - Recently deceased Chancellor Ann Lydecker (UW-River Falls)
 - Chancellor Bruce Shepard (UW-Green Bay)
- Remaining Four Chancellors reimbursed the state \$608 to \$1,600.

Journal Sentinel April 13th, 2004

Low mileage logged on state cars

More than 1,000 fell below distance needed to qualify for vehicle

- To put 16,000 miles on a car annually, an employee must drive an average of 1,333 miles a month. DOA records show more than two-thirds of the employees with state cars failed to hit that average from January 2003 to February 2004.
 - 60 of 96 employees with state cars at the Dept. of Health and Family Services put less than the minimum on their cars. That's because much of the work force is based in Milwaukee, department spokesman Jim Malone said. ("It's going to be very difficult to log 16,000 miles on a vehicle in a compact, urban environment")
 - Using cars from the Dept. of Administration's pool, rather than personally assigned vehicles, would be impractical, he said
 - DNR, 254 of the 313 employees with personally assigned cars – 81.1% - averaged less than 1,333 miles a month during the 14 months. Many department employees need a state vehicle because they work far from offices with motor pools, but the areas are small enough that they drive less than 16,000 miles a year.
 - DOT, 337 of 506 employees with state car – 66.6%- drove less than 1,333 miles a month.
- Exemptions can be made from the 16,000-mileage minimum with "appropriate agency justification." (Approved by DOA)
- Assent is still being held on the accuracy of these records, until further reviews are completed.

Friday, April 16th, 2004

Governor Outlines Steps to Reduce State Car Fleet, Improve Accountability

Governor as already cut new car purchases by more than 755, saving taxpayers \$26 million

- FY 03 and FY 04 1,770 new vehicles requested, at a cost of \$35.2 million. 1361 denied, 461 approved, saving \$26.3 million.
- Contrast of Gov. McCallum given as FY 02, 1405 vehicles requested and all approved at cost of \$27.7 million.
- Jan 2003 to Jan 2004 overall fleet reduced by 132 cars.
- Feb 2003 DOA signed contracts to implement a consolidated vehicle maintenance system within the centralized fleet to use the state's buying power to negotiate better rates on maintenance and repairs.
 - Saved over \$300,000 in 2003 an 18% reduction from 2002
- Since DOA Secretary report request 80 personally assigned cars were turned in.
- Doyle Administration Actions as of April 16th, 2004:
 - Vehicles driven under 16,000 miles a year legal limit have 30 days to submit written justification. Underutilized and unnecessary vehicles will be revoked.
 - DOA freeze on new state car purchases enacted until ongoing reviews are complete
 - Cabinet and all managers are to "educate all employees who use state cars about the rules and regulations on the personal use of state vehicle, and to take appropriate actions - - including possible disciplinary actions - - to ensure that all employees with personally assigned vehicles are paying for any personal use.
 - Directive given to DOA to develop a better system of record keeping for state fleet, particularly with respect to personal vehicle and the tracking of low mileage vehicles.
 - Directive given to DOA to continue to pursue consolidation of fleet management as well as maintenance services across state government as appropriate.

April 16th, 2004

Doyle freezes vehicle buying

Aide to Lautenschlager questions rule standards

New Information:

- Top aide to AG questioned whether Doyle's DOA can effectively administer uniform and fair standards for the state's fleet.
- In letter from Deputy Attorney General Dan Bach, Bach told Marotta his agency's current vehicle-use rules and enforcement patterns are "schizophrenic."
- Letter questions the following:

- Why state rules specify that vanpool drivers, UW-System chancellors and “employees who are on call 24 hours a day” do not have to reimburse state government for commuting miles. Article notes that prison wardens are “24 hour employees who can commute in state cars.
- “Do our Department of Justice criminal investigators, or the state’s ‘top cop,’ qualify for this exception?” Bach added, referring to Lautenschlager.
- Bach stated that the state Justice Department was reviewing its own rules and now requires all workers to keep logs of vehicle use.
- Bach stated that the DOA exemptions for some workers “blur the distinction between personal and business travel.”
- Bach asked whether any state employees found to have improperly commuted will be subject to State Ethics Board investigations.
- “Fair and consistent treatment for all employees must be the objective,” said Bach.
- Bach added that the job of keeping track of Justice Department vehicles should be shifted to that agency saying:
 - “It seems logical that a law enforcement agency is better suited to drafting rules governing the permitted use of law enforcement vehicles than a department with no law enforcement component of experience.”
- Leistikow (Doyle spokesman) and DOA Sec. Marotta made it clear that employees, must reimburse taxpayers for personal vehicle usage, with Leistikow saying the following:
 - “Both the administration and the Ethics Board have made it very clear to the DOJ that taxpayers shouldn’t have to pay for an employee’s personal use of a state car.”
- Leistikow response to legislative audit: “It’s clear that in previous years there was rampant overspending on state cars, an audit won’t get that money back... The solution is to stop the overspending and start rejecting requests for new cars, and the governor is doing just that.”

April 18th, 2004

Despite deficit, DNR had '02 vehicle-buying spree

Surge offset past restraints, official says

By Patrick Marley

- During \$1.1 billion dollar deficit two years ago DNR spent 44% more on purchases than the previous year.
- 2002 DNR \$6.1 million spent on 278 new vehicles
- 2001 DNR \$4.2 million spent on 203 new vehicles
- Spending continued despite warnings from lawmakers and Gov. McCallum that an even larger shortfall was possible for 2003 through 2005.
- 2003 vehicle purchases fell to \$1.7 million, after Doyle took office.

- 2002 McCallum ordered all state agencies to accelerate the sale of older cars to help fill government coffers.
- DNR spent just under \$20 million from 1999-2003.
- Annual costs hovered around \$4 million from 1999 to 2001 and then shot up to more than \$6 million in 2002 before dropping off in 2003.
- Size of fleet did not substantially increase because of the sale of older vehicles. In 1999, 1,555 vehicles were maintained. In 2003, 1,561 were maintained.
- DNR purchases increased as a “sort of makeup for previous years”, when spending restraints were imposed under Thompson; said Vance Rayburn (DNR’s head of the Division of Customer and Employee Services, which oversees DNR’s Fleet).
- Purchases increased by more than 50% between 2001 and 2002
- 2002, 75 cars bought, up from 50 in 2001, and 164 light trucks, up from 104.
- DNR (2002) spent \$558,182 for 11 pieces of heavy equipment, such as dump trucks, compared with (2001) \$374,062. SUV purchases declined in 2002, from 42 to 28.
- “We’re doing things differently now,” says Vance Rayburn.
 - 2002 purchases contrast with 2003 purchases by way of almost all money went to purchases of heavy trucks (\$1.5 million of \$1.7 million).
 - Also bought 14 cars, and no light trucks or SUVs.
 - Welcoming Audit Rayburn said, “We think we’re making good business decisions, and we don’t have any problem being audited.”
- DNR fleet last reviewed in 2000 by DMG-Maximus
 - “Overall, DNR has an effective fleet management program.”
 - However oversight of fleet should be decentralized:
 - This fragmentation of fleet management responsibilities obviously complicates the task of controlling, let alone optimizing, fleet management activities... A clear indication of this is that DNR was unable to provide us with complete cost data for its fleet operations during the course of this study.”
- Cowles expressed frustration with centralization issue in light of Maximus study and a request from the Legislature’s Joint Finance Committee.
 - “We asked for this whole problem to be fixed and it hasn’t.”

April 19th, 2004

Cowles Renews Call for Audit of State Fleet
Doyle Purchasing Freeze a First Step

- Cowles renewed the call for an audit saying, “ I think the freeze is a good first step... But I think the taxpayers deserve a comprehensive accounting. If the administration has nothing to hide, they should welcome an independent, outside review.”
- Requested an update on the progress and time completion for a DOA plan to consolidate the state fleet management programs.

- “The state could save between \$5-8 million on fleet costs,” said Cowles.
- Reported that state agency spent \$18 million on vehicles since 1999 – at a rate of \$17,000 each day in 2002.

April 26th, 2004

Cowles Press Release

Cowles Hails Audit Committee Hearing On State Fleet

Internal DNR fleet audit raises more issues

- May 4th legislative hearing for potential audit on the state fleet scheduled (Co-chairs Sen. Roessler and Rep. Jeskewitz will take up audit issue).
- MSJ report of state employee directing contract to favored vendors and DNR audit raise more concerns regarding costs and state practices.
- DNR audit detailed many issues including the following:
 - Of five recommendations outlined for fleet improvement in 1999 only one was fully implemented.
 - Documented attempts to circumvent state competitive bidding purchasing procedures. This means collusion between the state and certain vendors with “invoice splitting.”
 - Half a million dollars in questioned fleet costs from avoiding low bid purchasing procedures.
 - \$2.7 million in a negative balance for fleet operations last year.
 - Conservation Fund has had over \$13 million in borrowing for vehicle purchases in the last three years.
- When serving on the Joint Finance Committee Cowles sponsored amendments to reduce the size of the state fleet.
- Sept. 2000, DOA Sec. Lightbourn briefed Joint Finance on a 5-year action plan to consolidate the fleet and improve practices.
 - Plan based on Final Report on Consolidation of Fleet Management Programs (DMG Maximus, August 2000)
 - Report details millions in savings from a consolidation
- Plan is estimated to save \$5-8 million dollars through recommendations which include:
 - Centralization
 - Standardizing the methodology for calculating per-mile costs
 - Outsourcing commercial maintenance and repair management
 - Consolidating motor pool operations in Madison.
- “The Legislative Audit Bureau has the most credibility to conduct this thorough review,” says Cowles.

April 26th, 2004

Letter from Janice Mueller State Auditor (Audit Bureau)

Background Information

- Employees who travel less than 16,000-mile limit can request vehicles from vehicle pools operated by DOA, UW-System, and several other large state agencies.
- State audit would include the following:
 - Analysis of number of vehicles owned and leased
 - Review of types of vehicles, i.e., sedans, suvs, and trucks
 - Assessment of how total number of vehicles needed is determined
 - Review of bidding procedures used in purchasing and disposing of vehicles
 - Review of how decisions to personally assign vehicles are made and monitored,
 - Including how agencies determine whether it is less costly to pay employees mileage for use of their own personal vehicles rather than to purchase state vehicles
 - Extent to which state employees have reimbursed the State for personal mileage on state vehicles, and whether current policies appropriately limit the personal use of these vehicles.
 - Cost effectiveness of current maintenance processes, both those performed in-house and those contracted to outside vendors
 - Review of the best practices for fleet management used by other Midwestern states
- If an audit were conducted audit committee would seek to coordinate work with the DOA's review to limit any duplication of effort.
- Further questions are welcomed and can be directed to Janice Mueller State Auditor

April 27th, 2004

Welch Press Release

Welch Renews Plan for Selling Entire Automotive Fleet

Senator from the 14th points to earlier proposal for solution to oversized fleet

- Once again Welch calls for the Selling of the Entire Fleet with the exception of only the most specialized vehicles.
- "Freeze it and Fix it" plan introduced in past legislative sessions implements a limited employee travel plan, similar to plans used by private businesses that pay by the mile.
- Welch advocates for the use of, "Current communication technologies as an alternative to travel. With the widespread use of e-mail, cell phones, and teleconferencing, government agencies have more alternatives than ever for communication when a face-to-face meeting is not essential."
- Welch continued saying; "The state would also be wise to reimburse drivers for mileage when traveling is absolutely called for, rather than buying a vehicle that would not be fully utilized."
- Welch said that while he wished that this proposal had been adopted when he offered it in past years, he will continue to fight for this important cut in irresponsible and unnecessary spending.

April 27th, 2004

Sen. Panzer says DNR should be broken up

- (Panzer) Agency has grown too large and needs to be reorganized and downsized once current efforts to reform the administrative rule making and regulatory processes relating to the department are completed.
- Legislative steps taken to control the agency include:
 - The aforementioned reform of administrative rules, which govern the decision-making of the DNR.
 - Reforming time-consuming permitting procedures that have hampered business investment in Wisconsin.
 - Two specifics are the reform of the air permitting process and shoreland regulations.
 - Panzer says that the above are, “90% percent of the problems with the DNR.”
- Panzer said a tenacious Legislature could control the agency, and she said lawmakers had begun to force officials to make decisions according to state statutes and administrative rules, not by bureaucratic fiat, which she cited as one of the biggest problems with the DNR.
 - “We can’t allow them to do what we don’t allow them to do by regulations...there has to be some consistency. If you’re going to have a public policy, even though it may look different by region, there ought to be some similarity about what a permit means from one part of the state to the other.”
 - Panzer has said restoring consistency is one of her top priorities
 - DNR has statutes, administrative rules, and guidance manuals, and these manuals are not vested in rules, statutes, or “anything any elected official ever did.” (Panzer)
 - A permit according to Panzer is vested, “by some official on a certain site on a certain day, and it’s more than their opinion than based on what the law is.”
 - DNR bureaucrats simply created the manuals to govern day-to-day fieldwork. In effect those manuals have become the law of the land based on bureaucratic desire.
- Panzer pointed to DNR regulations of air quality as an exemplar of “absurdly written” rules.
 - The rules are so absurdly written, she said, that what applies in one place may not apply a few miles down the road.
 - “In my district, part of it is in and part of it is in and part of it is out, so if you go from Washington County to Dodge County, it changes...Quad Graphics is a great example. It’s the same air, believe me, but because they go three miles over the border they get different rules. How stupid is that?”

DNR Audit

- DNR owns and operates approximately 2,000 cars, trucks, equipment, and trailers.
- Acquisition cost of fleet at June 30, 2004 was \$46.3 million
- Fleet Operations staff includes a Fleet Program Manager, administrative and shop personnel.
- Field Maintenance Shops are located at Black River Falls, Brule, Grantsburg, Spooner and Woodruff.
- Operating cost in FY 2002 and 2003 was \$4,028,775 and \$4,331,463, respectively. (Cost excludes capital purchases and imputed depreciation)
 - Revenues from vehicle use fees were \$7,048,119 in FY 2002 and \$6,968,013 in FY 2003 from the preliminary closing on June 30, 2003.
- Audit Recommendations from 1999 from business process review of Fleet Operations:
 - Reorganize vehicle operations accounting as an "internal service" fund.
 - Utilize alternative financing to eliminate direct program contributions for new vehicles.
 - Develop an improved chargeback fee system to distribute the operating cost of the vehicles.
 - Complete annual physical inventory of vehicles.
 - Obtain an annual internal post-audit of vehicle revenues and expenditures.
- Only major recommendation fully implemented since the review was an improved chargeback fee system.
- Other procedure changes recommended have been made.
- Partly implemented major recommendation was that most program contributions for new vehicles were discontinued, although the Conservation Fund balance continues to support the cost of financing new vehicle purchases rather than securing alternative financing.

Fleet Purchasing (Authorizing Legislation, State Procedures, DNR Fleet and Purchasing Procedures)

- DOA has purchasing rights, which may be delegated to DNR
- Bids shall be invited when purchase exceeds \$25,000 (Sealed bids may be solicited to be opened publicly, or bids shall be solicited through an electronic auction.)
 - \$25,000 or less, award may be made in accordance to procedures established by the department for such transactions.
- Bills, work, or labor under purchase orders issued by the secretary of DOA or designated agents thereof, may only be paid after approval through a preaudit or postaudit process determined by the secretary of DOA
- Gives reference to further bidding policies defined by the DOA (Administrative Codes 7 and 8).
- DNR purchasing and repair procedures taken from Fleet Management Handbook (9210.5) follow:

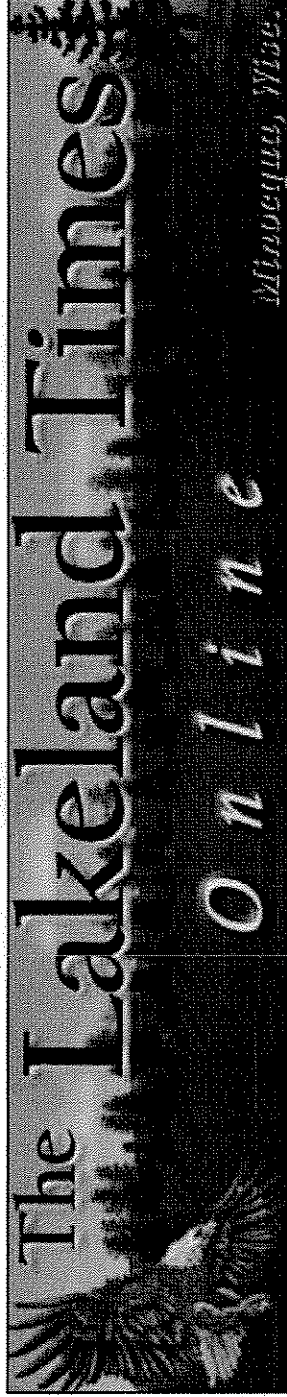
- DNR Maintenance Shop repairs are to be made at the discretion of the shop manager, who is charged with attaining the maximum efficiency of state facilities.
- The driver can give approval for outside repairs, when the repair is under \$500, anything above this amount must have prior approval from regional fleet management or Central Office fleet management, anything over \$1,000 dollars must have prior approval from central office.
- Heavy equipment and medium trucks require only driver consent when the cost is \$1,000 or less, anything above this amount requires approval from the central office.
- Gives reference to DNR Manual Codes 9321, 9322.1 and 9322.2 for specific guidance on purchasing and purchasing approvals. (Purchase requisition example given)
 - Secretary or designee \$75,000 and above
 - Administrator or designee \$25,000 to \$74,999
 - Region Director or designee \$5,000 to \$24,999
 - Bureau Director or designee \$5,000 to \$24,999
 - First line supervisor or program manager \$0 to \$4,999

DOYLE ORDERS REDUCTION IN STATE AUTO FLEET

Gov. Doyle today ordered the elimination of 569 vehicles currently underutilized and directed DOA to identify 500 more for elimination. The order comes after a DOA audit of the state vehicle fleet. The Legislative Audit Bureau is also conducting an audit of state vehicle usage.

In addition to the reduction of 1000 vehicles, Doyle ordered a continued freeze on vehicle purchases for the balance of the year, notification to employees who may owe the state for personal use of state vehicles; updating and clarifying of the state fleet manual for agencies and employees; requiring agencies to participate in the FleetAnywhere database and auctions of state vehicles starting in July.

The Governor's announcement and the full audit report are available at [The Wheeler Report](#) website



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▼ Extras

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sports

"Rumblings heard from the 'pings' of hi-tech bats"

outdoors

"Hunters are hitting the woods in search of trophy racks"

features

"A snapshot of early Hazelhurst history with Bonnie Dana"

editorials

"DNR should revoke Newbold permit and rebuke Grafelman"

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Apr. 05, 2004

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Grafelman gave 'friend' Schmitz heads up on project

By: Richard Moore

Department of Natural Resources (DNR) Water Management Specialist James Grafelman gave Newbold Town Chairman Dave Schmitz advance warnings about the agency's internal reviews of a Newbold boat landing project, The Lakeland Times has learned, saying he was doing so out of friendship.

Grafelman clued Schmitz in to lurking problems with the boat landing on more than one occasion. The DNR eventually approved the project – which Grafelman had officially opposed in writing – which calls for filling a portion of a sensitive wetland.

The friendship between Grafelman and Schmitz has raised questions about the propriety of Grafelman's involvement in the decision-making.

Grafelman has not returned calls to answer questions posed to him by The Lakeland Times seeking an explanation of the DNR's change of mind, and both northern regional official John Gozdzialski and DNR Secretary Scott Hasset did not answer inquiries about agency policy concerning a friend's involvement in a permitting process by press time.

On Feb. 16 of this year, Grafelman sent Schmitz a letter approving essentially the same project he had opposed in a May 14, 2003 letter. In the latter communication, Grafelman cited the wetland's sensitive and endangered status, the existence of alternatives, and the lack of a public need for a boat landing with a parking lot.

But records indicate Grafelman was giving e-mails to Schmitz before either letter, expressing friendship and offering advice.

On Feb. 26, 2003 Grafelman sent Schmitz what he called a "heads-up."

"This message is a 'heads up' alerting you to some potential problems we are finding through the internal review process for your boat landing permit application for the site on Bridge Road at McNaughton," Grafelman wrote. "I wanted to get these concerns to you prior to sending out any kind of official correspondence."

The concerns included the effects of the project on the floodplain, spawning habitat and zoning.

In a March 20, 2003 e-mail, Grafelman was more specific, both about his relationship with Schmitz and the spawning issue.

"Hi Dave," Grafelman wrote. "As a personal friend, I want to give you a 'heads-up' on the boat landing and parking lot permit. Our internal review has shown the wetland site contains a spawning habitat for northern pike. This kind of floodplain wetland provides spawning habitat during flooding events. This is when the pike come into the site, spawn and the fry hatch and disperse into the river when the water recedes."

Grafelman then stated the agency could not permit any project that affected such habitat. But after an on-site visit with Schmitz, he changed his mind.

After the visit, in which the two discussed the spawning issue, Schmitz wrote Grafelman a letter dated April 8 dismissing the concern.

"As discussed at the site visit, the area does not have a high use as a spawning habitat for northern pike," Schmitz wrote. "The fish have a lot better places to go on the river for this activity."

That same day, Grafelman sent an e-mail that indicated the discussion had gone in a different direction. Grafelman did not concede the insignificance of the habitat but now said the impact could be easily minimized.

"As we discussed this morning, we can ameliorate the northern pike spawning issue by providing a culvert to pass flood water and keep the project from entraining fish after flooding events," Grafelman wrote.

According to the U.S. Fish & Wildlife Service, however, culverts are not a preferable alternative to natural flow when it comes to protecting fish spawning areas and may actually exacerbate the problem.

"Millions of culverts, dikes, water diversions, dams, and other artificial barriers were constructed to impound and redirect flowing water for irrigation, flood control, electrical generation, drinking water, and transportation," states the Fish Passage Program of the Wildlife Service. "However, most of these barriers prevent or hinder fish from natural migrations, exclude them from important habitats, and significantly change other features of river ecosystems."

The program also states: "Water diversions reduce flow, sometimes drying long stretches of rivers. These changes have led to severely reduced fish populations. Some populations are gone and others are on the brink of disappearing."

Documents obtained in December by The Lakeland Times do not reveal any internal reasoning why a culvert would be allowed in a floodplain spawning habitat in this instance, and, again, the DNR has not responded to requests for an explanation of how that and other concerns have now been satisfied.

As the May 14, 2003 letter indicates, those other concerns were also serious.

Among other things, Grafelman worried about filling what he called an imperiled type of wetland, cited alternatives to the parking lot -- including a boardwalk across the wetland -- and questioned the public need for a boat landing since a landing existed three miles to the south and nine miles to the north.

This is not the first time Schmitz and Grafelman have played key roles in filling a Newbold wetland. The DNR also approved a town application to fill a wetland for a bicycle trail; Grafelman served as president of Oneida Trails Corporation, a group that co-signed a stewardship grant application with the Town of Newbold.

Posted: *April 02, 2004*

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EDITORIALS

Apr 02

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DNR should revoke Newbold permit and rebuke Grafelman

By: Richard Moore

Sometimes, here at the newspaper, we are rather dumbstruck by the behavior of Department of Natural Resources (DNR) officials – not only by their double standards, not only by their dishonesty, and not only by their coddling of polluters and their own polluting exercises, but also by the arrogant and in-your-face way they do those things.

We are also increasingly dumbstruck by the failure of any legislators, Democrat or Republican, to do anything about it.

From its pollution of Dead Pike Lake to its absurd lakebed claims to Scott Watson's ethical lapses to the destruction of the Lake Kawagesaga shore to its filling of wetlands for its own offices, the DNR is a corrupt disgrace.

Everybody knows it. Yet officialdom and the politically correct turn their head, and the DNR continues on its merry way.

Now we have another example, and another pristine environment threatened – a sensitive floodplain wetland that Newbold officials want to fill in for a boat landing and parking lot.

It shouldn't happen, and for a lot of reasons.

Apr. 05, 2004

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As I am reliably told, the area floods quite a bit, providing a spawning habitat for northern pike. Then, too, about 60 percent of all this type of wetland, which improves water quality by filtering nutrients, processing wastes, and reducing sediments, has been destroyed.

Now another quarter acre would be obliterated, and for no good reason. With landings close by to the north and south, there simply isn't the need – let's face it, it's Newbold's commercial interests and their cronies on the town board who want it.

Canoeists already use this area, and a simple boardwalk across the wetland with some improvements across the town road to the north would both provide sufficient access and help public safety.

Of course, the DNR and Water Management Specialist James Grafelman, who has approved the wetland filling, already knows this. In fact, it's pretty much what Mr. Grafelman wrote to Newbold Town Board Chairman Dave Schmitz over a year ago.

So why the sudden change of heart?

Well, maybe they have good reasons – we don't know because this public agency refuses to talk to the public on this issue – though it's hard to believe that alternatives could disappear, the wetland's value could erode, and the public need could increase so dramatically within a year.

Hmmm, maybe something else is at work. Like a personal friendship, perhaps?

As the article in today's edition points out, Mr. Grafelman's own e-mail shows that Mr. Grafelman and Mr. Schmitz are personal friends. And they have collaborated on filling wetlands before – for a bike trail in Newbold in which Mr. Grafelman headed the bike trail club and Mr. Schmitz sponsored the application for filling.

Now before the eco-ranters of the world come at me with a club, I'm not against the bike trail. Bike trails are a good thing. But why didn't they build a boardwalk across the wetland instead of filling it?

Or was it one of those frogs versus people decisions in which, in his unSolomon-like lack of wisdom, Mr. Schmitz likes to frame things?

As Mr. Schmitz sees it, sometimes you have to decide whether frogs are important or people are important. It has occurred to some to ask, why does it have to be frogs versus people? Can't we co-exist?

The answer is, apparently not, given the bike trail and boat landing episodes. With friends like these two, wetlands don't need enemies.

But I digress. The point is, DNR decisions are being made not out of any love for the environment but on the basis of who you know, on personal agendas, and on power. To wit:

Who you know: Well, Mr. Schmitz and Mr. Grafelman are friends, and suddenly wetlands are an endangered species in Newbold. No love of the environment there.

Personal agendas: Someone in the DNR decides that Lake Kawagesaga needs a boat landing, and, voila, one of the last pristine shoreline experiences in the Lakeland area vanishes beneath a parking lot, despite the fact that no one else wanted it. Not the county. Not the town. Not citizens. Not lakefront property owners.

No love of the environment there.

Power: Ah, we find a sudden love of the environment. Mr. Grafelman denies John Lynch a permit to fill a portion of a wetland to access his partially built house. The area Mr. Lynch wanted to fill was about the size of the fill Mr. Grafelman has approved in Newbold, of a wetland that is less sensitive.

The Army Corps of Engineers had approved the project, not because they were wild about it but because, as the colonel in charge told us, it was a bad situation and "we're talking about peoples' lives here." Indeed, and so they approved the driveway, and ordered Mr. Lynch to mitigate the loss of the wetland.

But Mr. Grafelman denied the permit anyway. Why? Because he could. He's got the power to make the decision when it comes down to Mr. Schmitz's Hobbesian choice: frogs or people.

In Newbold, Mr. Grafelman goes with the people – or at least with the people who are his friends – in Mr. Lynch's case, he goes with the frogs. To hell with the people!

In both cases, Mr. Grafelman has a lot of explaining to do.

In Newbold he needs to explain why all those concerns he previously had suddenly vanished (and why he proposed a culvert to deal with the spawning issue when the U.S. Fish & Wildlife Service views culverts as an impediment to spawning), as well as why he didn't step out of the decision-making process when a personal friend was involved.

His explanations in the Lynch case involve honesty. Though he now maintains that Mr. Lynch knew before purchasing his property that he wouldn't be able to fill the wetland, his own notes from a meeting with Mr. Lynch contradict that assertion.

But, of course, the DNR will not make him explain. They never do. They stonewall or

back employees up routinely. From what I can gather from Secretary Scott Hassett and Deputy Secretary Bill Smith, no DNR employee has ever made a mistake or gone wrong.

Heck, they're so sweet they don't need to use deodorant.

The bottom line is, we need action, both short-term and long-term. In the short run, we need to press the DNR to revoke this permit and to rebuke Mr. Grafelman.

In saying that, I have to wonder, again, where the area's environmental movement is in all of this. Why are they not protesting? Where is ECCOLA? Boy, we could sure use some eco-ranting right about now. Right about now is when it's justified.

Or does ECCOLA subscribe to the DNR view that a wetland's value is not defined by the wetland but by who wants to fill it?

Then, too, we have to ask our legislators what in the world are they thinking? How many abuses -- both of property owners and the environment -- have to occur before they take action against this out-of-control agency?

Hopefully, that action will come soon. It will be none too soon for the frogs and the people, for the wetlands and the homeowners, who are depending on them for their survival.

Posted: April 02, 2004

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ROBERT L. COWLES
Wisconsin State Senator • 2nd Senate District

For More Information Contact:

FOR IMMEDIATE RELEASE
April 8, 2004

Senator Cowles or Todd Stuart
at 1-800-334-1465

**Cowles Calls for Audit of State Fleet
Purchases and Organization a Huge Concern**

*Keep
Cowles
Explanation*

Madison – State Senator Cowles (R-Green Bay) called for an audit today of state fleet purchases and organization. Cowles requested an update on the progress and time to completion for a Department of Administration (DOA) plan to consolidate the state fleet management programs. Cowles also expressed concern over a report by the Lakeland Times newspaper that documented the Department of Natural Resources (DNR) northern region paying \$10.4 million to buy new vehicles and doubled the size of their fleet in ten years. “Unless there’s a better explanation given, this issue should have all taxpayers troubled,” said Cowles.

The State of Wisconsin owns and maintains a fleet of over 7,000 vehicles for use by employees on official state business (the state employs roughly 66,000 workers). The vehicles are divided up into four major fleets, which are operated by the Department of Administration, Department of Transportation, DNR, and the University of Wisconsin–Madison. The Department of Corrections and the Department of Health and Family Services also operate smaller fleets.

K The DOA Central fleet has over 2,000 vehicles and is the largest fleet operated by the State. At \$.24 per mile, the DOA fleet currently has one of the lowest fleet costs per miles in the nation. The overall state fleet incurs costs of \$.37 per mile. “If DNR and other agencies could match the efficiency of DOA’s fleet, we could potentially save millions,” said Cowles.

Under 1999 Wisconsin Act 9, DOA was required to submit a fleet consolidation plan to the Legislative Joint Committee on Finance. In September of 2000, former DOA Secretary Lightbourn briefed Joint Finance on a 5-year action plan. The plan is based on the Final Report on Consolidation of Fleet Management Programs (DMG Maximus, August 2000). The Final Report projects millions in savings from fleet management consolidation (p.79).

The plan recommended centralizing the fleet management system, standardizing the methodology for calculating per-mile costs, outsourcing commercial maintenance and repair management and consolidating motor pool operations in Madison. “According to the report submitted to the Legislature, the state could save between \$5-8 million on fleet costs,” said Cowles. “I think we need an update on the report. In particular, the progress to date and when the plan will be completed.”

A northern newspaper recently reported one DNR region (the agency has a total of five field regions in addition to the Madison central office) purchased \$10 million on new vehicles for use by staff over the last ten years. It was reported that the DNR northern region:

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Room 122 South State Capitol
P.O. Box 7882
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608-266-0484

Toll-Free Hotline: 1-800-334-1465
TDD Hotline: 1-800-228-2115
Fax: 608-267-0304

District:
300 W. St. Joseph Street
Green Bay, WI 54301-2328
920-448-5092
Fax: 920-448-5093

-more-

Fleet Audit
Page Two

- Spent \$1.9 million in 2002, purchasing 82 vehicles and increasing their fleet to 453 at the end of that year. This was a 58% increase over 2001.
- 2002 purchases included 24 GMC Sierras, 12 Dodge Rams, eight Ford Taurus, five Dodge Caravans, and three GMC Yukons.
- Spent \$1.2 million in 2001 (then a record high) and was 127 percent higher than the \$836,069 the agency spent in 1993.
- 2001 purchases included two Chevrolet Suburbans, three Caravans, five Taurus, three Ford Expeditions and three Jeep Cherokees.

“At a time when we are seeing record gas prices and state budget deficits, the state was buying a ton of fuel-inefficient, expensive vehicles,” said Cowles. “Was this the best use of our resources?”

Senator Cowles is a member of the Joint Legislative Audit Committee, and has submitted a request for an audit of the state fleet by the nonpartisan Legislative Audit Bureau.

#30#

Wisconsin State Journal April 10, 2004

State asked to audit vehicle use

Lawmaker responds to DNR actions

By Phil Brinkman
Wisconsin State Journal

The state has been asked to take a critical look at how it manages its vehicle fleet in light of recent purchases, budget cuts and the misuse of a state vehicle by state Attorney General Peg Lautenschlager.

Sen. Robert Cowles, R-Green Bay, asked the nonpartisan Legislative Audit Bureau to audit the fleet after learning the Department of Natural Resources recently purchased several "fuel-inefficient, expensive vehicles."

He also asked for an update on a Department of Administration plan to consolidate management of various departments' fleets. The project was required under the 1999-01 state budget and is expected to save millions of dollars.

The Lakeland Times of Minocqua reported this week the

Northern Region of the DNR spent more than \$10 million on vehicle purchases over the past decade.

DNR officials said they need the vehicles, which include dozens of SUVs and pickup trucks, for field operations including fire protection and operating state parks and fish and wildlife projects.

In February, Administration Secretary Marc Marotta asked agency heads to respond to a survey on vehicle use, assignments and future needs. Noting cutbacks in agency spending and recent layoffs of state workers, Marotta said it is "essential that we become acutely aware of how all state resources are utilized."

Results of the survey weren't complete by Friday.

Management of the vehicle fleet has come under renewed scrutiny after revelations that Lautenschlager failed to reimburse the state for personal use of her state car.

In a settlement with the state Ethics Board last week, Lautenschlager agreed to reimburse the state \$672 and pay a \$250 forfeiture. Her deputy, Dan Bach, agreed to pay back \$513 for personal miles and paid a forfeiture.

The Capital Times April 10, 2004

...cont. from prev. page

\$30.6 million," Rayburn said. But disposals brought in income of \$3.6 million for the past five years, which brings the net cost down, he added.

Rayburn also said that the DNR exceeds DOA mileage guidelines before it replaces light trucks and passenger cars. Those guidelines are 90,000 miles for light trucks and vans and 85,000 for cars, he said.

E-mail: aweier@madison.com

DNR vehicle report

Year	DNR Purchases	Cars	Light Trucks	Heavy Trucks	SUV	Acquisition Cost
2003	32	14	0	18	0	\$1,694,197
2002	277	74	164	11	28	\$ 6,114,911
2001	203	50	104	7	42	\$4,249,469
2000	183	50	107	15	11	\$3,849,329
1999	186	49	113	13	11	\$3,901,649
1998	154	34	103	1	16	\$3,129,691
1997	89	19	54	7	9	\$1,935,940
1996	78	10	50	11	7	\$1,698,612
1995	33	2	21	3	7	\$717,238
1994	95	1	71	18	5	\$2,115,812
1993	55	0	40	14	1	\$1,191,277
5 year total	881	237	488	64	92	\$19,809,555
10 year total	1,385	303	827	118	137	\$30,598,125

Source: DNR