



## Legislative Fiscal Bureau

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May 27, 2015

Joint Committee on Finance

Paper #110

### **Provider of All Information Technology Services for Certain Agencies (DOA -- Transfers)**

[LFB 2015-17 Budget Summary: [Page 30, #2; Page 65, #2; Page 67, #4;  
Page 70, #5; Page 139, #5; Page 157, #7; Page 192, #4; Page 195, #3;  
Page 251, #5; Page 255, #7; Page 285, #2; Page 376, #6; Page 397, #5;  
Page 401, #7; Page 421, #4; Page 424, #4; Page 431, #5; and Page 537, #4]

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#### **CURRENT LAW**

The Department of Administration (DOA), which administers its information technology (IT) services through its Division of Enterprise Technology (DET), has broad authorities and responsibilities relating to IT services currently established under state statute.

These include:

- a. ensuring that all executive branch agencies (other than the Board of Regents of the University of Wisconsin System) make effective and efficient use of the IT resources of the state;
- b. establishing IT services policies, procedures, and planning processes in cooperation with agencies, which executive branch agencies must follow and which address the needs of agencies to carry out their functions;
- c. developing and maintaining IT resource planning and budgeting techniques at all levels of state government;
- d. developing and maintaining procedures to ensure IT resource planning and sharing between executive branch agencies;
- e. developing review and approval procedures which encourage timely and cost-

effective hardware, software, and professional services acquisitions, and reviewing and approving the acquisition of such items and services under those procedures;

f. providing advice and assistance during budget preparation concerning IT resource plans and capabilities;

g. gathering, interpreting, and disseminating information on new technological developments, management techniques, and IT resource capabilities and their possible effect on current and future management plans to all interested parties;

h. ensuring that all executive branch agencies develop and operate with clear guidelines and standards in the areas of IT systems development and that they employ good management practices and cost-benefit justifications;

i. requiring each executive branch agency (other than the Board of Regents of the University of Wisconsin System) to adopt and submit to DOA, in a form specified by DOA, a strategic plan for the utilization of IT to carry out the functions of the agency in the succeeding fiscal year for review and approval by March 1 of each year;

j. requiring each executive branch agency (other than the Board of Regents of the University of Wisconsin System) that receives funding under a biennial budget bill for an IT development project to file with DOA an amendment to its strategic plan for the utilization of IT, no later than 60 days after the enactment of the budget act;

k. assisting in the coordination and integration of the plans of executive branch agencies relating to IT into a statewide strategic plan for the use and application of IT, to be revised on a biennial basis;

l. maintaining an IT resource center to provide appropriate technical assistance and training to small agencies;

m. charging executive branch agencies for IT development and management services provided to them by DOA;

n. providing technical services to agencies in making hardware acquisitions to be used for computer services;

o. acquiring, operating, and maintaining any IT equipment or systems required by DOA to carry out its functions, and provide IT development and management services related to those IT systems;

p. assessing executive branch agencies (other than the Board of Regents of the University of Wisconsin System) for the costs of equipment or systems acquired, operated, maintained, or provided, or services provided relating to the IT equipment or systems in accordance with a methodology determined by DOA;

q. assuming direct responsibility for the planning and development of any IT system in

the executive branch outside of the University of Wisconsin System that DOA determined to be necessary to effectively develop or manage the system, with or without the consent of any affected executive branch agency;

r. establishing master contracts for the purchase of materials, supplies, equipment, or contractual services relating to IT or telecommunications for use by agencies, authorities, local governmental units, or entities in the private sector; and

s. requiring any executive branch agency (other than the Board of Regents of the University of Wisconsin System) to make any purchases of materials, supplies, equipment, or contractual services relating to IT or telecommunications under a master contract established by DOA pursuant to the terms of the contract.

The Department's appropriation for IT services to state agencies has adjusted base funding of \$101,737,900 PR annually in 2015-17 and is authorized 218.15 PR positions annually. Of these positions, 162.35 positions have an information systems position classification type. For the Department as a whole, including its IT services to state agencies appropriation, 238.4 positions (7.5 GPR, 6.9 FED, and 224.0 PR positions) have an information systems position classification type.

## **GOVERNOR**

Require DOA to provide all information technology services for the following agencies: Board of Commissioners of Public Lands; Board on Aging and Long-Term Care; Board for People with Developmental Disabilities; Educational Communications Board; Department of Financial Institutions or its successor agency; Government Accountability Board; Higher Educational Aids Board; State Historical Society; Public Service Commission; Department of Safety and Professional Services or its successor agency; Office of the Secretary of State; State Fair Park Board; Technical College System Board; Department of Tourism; Office of the Governor; Office of the Lieutenant Governor; and Office of the State Treasurer.

Provide \$4,873,000 PR and 43.0 PR positions annually to DOA. In addition to the agencies listed above, DOA would provide information technology services to the Office of State Employment Relations (which is administratively attached to DOA and would be converted under the bill to a Division of Personnel Management within DOA). Under the provision, 12 agencies are allocated position reductions as shown in the table below.

<u>Agencies by Fund</u>	<u>Annual FTE Positions</u>	<u>Annual Reallocation</u>
<b>GPR</b>		
Educational Communications Board	-3.34	\$293,300
Higher Educational Aids Board	-3.00	218,700
Historical Society	-6.00	673,400
Technical College System	-2.00	203,700
Tourism	<u>-3.00</u>	<u>203,900</u>
Total GPR Positions	-17.34	\$1,593,000
<b>FED</b>		
Historical Society	-1.00	\$69,900
Technical College System	-4.00	369,200
Tourism	<u>-1.00</u>	<u>77,400</u>
Total FED Positions	-6.00	\$516,500
<b>PR</b>		
Board of Commissioners of Public Lands	-1.00	\$82,100
Board on Aging and Long-Term Care	-0.50	39,600
Educational Communications Board	-0.66	54,900
Financial Institutions	-11.00	1,269,100
Office of State Employment Relations	-1.00	79,600
Public Service Commission	-9.00	876,800
Safety and Professional Services	-1.78	167,700
State Fair Park	<u>-1.00</u>	<u>106,100</u>
Total PR Positions	-25.94	\$2,675,900
<b>SEG</b>		
Public Service Commission	-1.00	\$94,100
Agencies Total	-50.28	\$4,879,500
<b>Administration</b>		
PR	<u>43.00</u>	
Subtotal Administration	43.00	
Net Total Position Adjustments	-7.28	

On the effective date of the bill, specify that the assets and liabilities of the agencies identified in the bill which are related to information technology, as determined by the Secretary of DOA, would become the assets and liabilities of DOA. In addition, specify that all tangible personal property, including records, relating to information technology would transfer to DOA. Further, all information technology contracts entered into by the agency would remain in effect and would transfer to DOA. [The bill does not specify that any positions or incumbent employees would be transferred from the specified agencies to DOA under the provision.]

## **A. OVERVIEW**

1. The administration indicates that the purpose of the provision is to reduce inefficiency associated with duplicative IT services by clearly establishing that DOA would have the responsibility of providing all IT services to the agencies specified in the bill. According to the administration, "Ambiguity in the statutes as to whether DOA can provide certain IT services and functions for shared services agencies could lead to conflicts with agencies that are more reluctant to transition to DET IT services." Further, the administration indicates that if statutory language does not clearly specify that DOA would provide all IT services to the agencies, DOA "could still provide IT services to the agencies identified as shared services IT agencies, but it would largely be under agreement with the agencies."

2. As of this writing, the administration has not provided specific examples of agencies performing or purchasing duplicative or otherwise inefficient IT services. Further, the administration indicates that agency-specific analysis was not conducted, plans have not been developed, and an inventory of agency IT services, assets, and contracts has not yet been performed. Rather, the administration argues that all IT services would be more efficiently and effectively managed by DET because centralized planning and provision of all IT services is more efficient and effective than decentralized, locally managed services. The administration argues that DET can better determine what IT services state agencies need, and how those services should be provided.

3. Below is a general discussion of the IT services provision that discusses the issues as they generally apply to DOA and the agencies specified under the bill. Following the general overview, general alternatives are offered for the Committee's consideration. If the Committee wishes to make a decision under the general overview alternatives, no further action is needed. If the Committee wishes to consider circumstances specific to each of the affected agencies, individual agency sections and alternatives are provided following the general overview. The attachment to this paper lists all alternatives provided in each of the sections of the paper.

### **Transition Plans and Errata**

4. The administration has indicated that plans for the transition of IT services from each agency to DOA have not yet been developed. The provision initially would have been effective July 1, 2015, or on the effective date of the budget bill, whichever is later. In response to a request for transition plans, the administration indicated that, "Discussions with each of the agencies regarding the transitions and individual, detailed planning for each agency are expected to ramp up in the time between the Joint Committee on Finance reaching a decision on the shared services pilot program and the effective date of the shared services IT provisions."

5. Subsequent to the introduction of the bill, the administration submitted to the Committee an errata letter on April 13, 2015. The letter indicated that the shared agency services initiative (and the associated IT services initiative under discussion) should be delayed until July 1, 2016, due to the timing of the initiative coinciding with the deployment of the finance and procurement modules of the state's enterprise resource planning system, otherwise known as the State Transforming Agency Resources (STAR) Project. The administration indicated that additional time was needed "to ensure the successful implementation of this initiative and to ensure the STAR

implementation also continues on budget and on schedule."

6. Modifying the effective date of the provision in accordance with the errata letter would allow DOA additional time to prepare transition plans for providing IT services to the agencies specified. However, with regard to providing the authority to exempt agencies or positions, the provision in the bill requires DOA to provide these services. Providing DOA the authority to exempt agencies is not consistent with requiring DOA to provide such services to the specified agencies. Further, providing DOA the authority to recreate positions that the Legislature has eliminated would be inconsistent with legislative determination of position authority in general under state statute. If the administration has not determined at this time whether it wishes to proceed with the provision for all agencies and positions specified in the bill, the Committee may wish to consider deleting the provision so that the administration may study the matter further. The administration could prepare and submit a more detailed proposal for inclusion in the 2017-19 budget.

### **DOA IT and the STAR Project**

7. The Department's main IT services to state agencies appropriation, to which expenditure and position authority would be provided under the proposal, is one of six appropriations under DOA with statutorily authorized forestalling authority. The Department's PR appropriation for the enterprise resource planning system (the STAR Project) is also given forestalling authority. This authority allows DOA to spend in excess of the revenues received, to the extent that the non-depreciated assets under the appropriation offset the excess expenditures. In this case, assets such as IT equipment that have a multiple year expected value are depreciated over the expected life of the equipment.

8. Adjusted base funding for the IT services to state agencies appropriation under the bill is \$101,737,900 PR annually. In 2013-14, the fiscal year closed with an appropriation deficit (unexpended revenue less encumbrances) of -\$27.6 million PR. Plans for addressing unsupported appropriation overdrafts must be submitted by DOA to the Joint Committee on Finance for approval. However, in the case of the IT services to state agencies overdraft, the value of assets associated with the appropriation was sufficient to offset the deficit. It should be noted that under the bill, the assets and liabilities of the agencies identified in the bill which are related to IT would become the assets and liabilities of DOA. The value of transferred assets would then be available to DOA to offset future PR overdrafts in this appropriation.

### **Analysis**

9. Current law provides DOA with various authorities regarding IT. For example, under s. 16.971(2)(L) of the statutes, all executive branch agencies (other than the Board of Regents of the University of Wisconsin System) are required, on an annual basis, to adopt and submit to DOA a strategic plan for the utilization of IT to carry out the functions of the agency in the following fiscal year for review and approval by DOA. The plans must address the business needs of the agency and identify all proposed IT development projects that serve those needs, the priority for undertaking the projects, and the justification for each project, including the anticipated benefits of the project.

10. The bill would require DOA to provide all IT services to the agencies specified. However, a comparison of DET service offerings with the IT services performed by the staff of each agency specified, as well as the IT services purchased contractually, shows that there are a number of IT services which DET does not offer as standard services. In addition, many of the specified agencies have IT needs that are particular to individual agency functions, programs, and services, and could not be considered duplicative. The administration indicates that contractual services utilized by agencies would be evaluated by DET to determine "whether it is a better use of resources to utilize an existing DOA contract for the same purpose; have DET staff perform the work currently done under contract; or continue with the contract because it is the best use of resources to accomplish that particular IT need of a shared services agency." If DET determined that the contract should continue, DOA would assume responsibility for managing the existing contract agreement.

11. The proposal seeks to eliminate ambiguity under current law by specifying that "all IT services" must be provided by DOA. However, the bill does not provide a definition of IT services. Current law provides wide-ranging IT authorities for DOA. In addition, according to the administration's explanation regarding contractual services above, DOA would not in practice provide all IT services.

12. In response to inquiries regarding the estimated cost to provide IT services to the agencies specified, the administration indicated that until DET has reviewed the services needed by each agency, an estimate cannot be determined, but that DET rates may exceed current agency costs to provide services directly or purchase services contractually. In particular, DOA indicates that "in some cases smaller agencies are not providing a comprehensive approach to enterprise security, desktop control, server management, network operations, applications modernization, business continuity and disaster recovery. As a result, DET providing certain IT services may cost the individual agency more than their current spend, but the service received from DET will be more robust and current."

13. Under the proposal, there would be a transition period for DET to learn the IT needs of the agencies as well as to train staff for the provision of IT services particular to each agency. Because IT staff costs of DOA are funded from assessments to state agencies, it is likely that agencies would pay for a portion of position costs including salary and fringe during this transition period.

14. According to information provided by the administration, in order to determine what agencies' IT needs are, DET would solicit information from agencies on an ongoing basis through a decision-making model and governance process consisting of multiple administrative structures. The Division would lead IT Strategic Planning Sessions, create agency IT Steering Committees, assign a Business Relationship Manager and Applications Supervisor, and establish monthly portfolio and project reporting requirements to DET management. In addition, DET would "assign Directors, Chiefs and a[n] Agency Relationship Manager to manage the relationship," in addition to developing and managing service level agreements. Given the creation of new staff assignments, meetings, decision-making groups, and paperwork, it could be argued that this could result in less efficient provision of services. In addition, under the service model, DOA staff could not be held

directly accountable to agencies for failure to provide efficient or effective IT services, as can currently be done with many agencies that directly manage IT staff or contracts with IT service providers.

15. According to DET, for some agencies the IT positions affected would remain on-site to continue providing services to the agency. The Division explains that the reason some employees would remain on-site is that this may be the most efficient way of providing services. Under the proposal, such employees would become DOA employees and the agency would pay DOA assessments for the services the employees provide. The Division notes, however, that assessments would be based on rates established by DET, which may differ from current agency expenditures. For IT positions that would remain on-site, the positions would be budgeted under and managed by DOA.

16. Further, although the stated goal of the services model is improved allocation of resources, it is unclear at this time whether the intent of the provision is limited to improvements in efficiency and effectiveness. Specifically, DET indicates that under the proposal, portfolio and project management would be provided "to do the right project" and "to do projects right." According to the administration, DET would develop plans and roadmaps for agencies to enable business change, and a transition plan would be created based upon priority areas determined jointly by DET and agencies. This would suggest that an additional goal of the provision is more centrally focused prioritization of agency functions, both programmatic and operational.

17. The administration argues that the proposal to require DOA to provide all IT services to the 17 state agencies specified would result in more efficient provision of IT services because centralized planning and provision of all IT services is more efficient and effective than decentralized, locally managed services. The administration argues that DET can better determine what IT services state agencies need, and how those services should be provided. Therefore, the Committee could approve the Governor's recommendation, as modified by the errata letter, to require DOA to provide all IT services to these agencies effective July 1, 2016; provide \$4,873,000 PR and 43.0 PR positions in 2016-17 to DOA's IT services to state agencies appropriation; delete 17.34 GPR positions, 6.0 FED positions, 25.94 PR positions, and 1.0 SEG position in 2016-17 from the agencies specified; and reallocate funding associated with the deleted positions from salaries and fringe benefits to supplies and services to pay DOA assessments for IT services. Under this alternative, on July 1, 2016, the assets and liabilities of the agencies identified in the bill which are related to IT, would become the assets and liabilities of DOA. [Alternative A1]

18. On the other hand, there are several issues to consider in deciding whether to approve the proposal in whole or in part, including: (a) DOA has broad authority with regard to IT under current law; (b) no specific examples have been provided of agencies performing or purchasing duplicative or otherwise inefficient IT services; (c) agency-specific analyses were not conducted; (d) transition plans have not been developed; (e) an inventory of agency IT services, IT assets, and IT contracts of the agencies has not been performed; (f) the administration wishes for the Secretary of DOA to be granted authority to exempt agencies, functions, and positions from the proposal; (g) DOA would not, in practice, provide all IT services to the agencies specified; (h) IT staff of DOA would not be directly accountable to agency management in the agencies to whom they provide



services; (i) DET would employ additional staff and methods of communicating with agencies and managing agency projects through a steering committee, business relationship manager, applications supervisor, monthly reporting requirements, directors, chiefs, agency relationship managers, and service level agreements; and (j) DOA-directed prioritization of IT projects and resources could produce results that differ from legislative intent. More broadly, the assumption of IT services requires significant planning and investment of time for a transition to be successful. For any of these reasons, the Committee could choose to delete the provision. Under this alternative, statutory changes would be deleted, positions would be restored to the agencies specified, funding for the restored positions would remain allocated to salaries and fringe benefits, and funding and position authority provided to DOA would be deleted. [Alternative A2]

**A. Alternatives -- Overview**

1. Approve the Governor's recommendation, as modified by the errata letter, to require DOA to provide all IT services to the 17 agencies specified in the bill, effective July 1, 2016; provide \$4,873,000 PR and 43.0 PR positions in 2016-17 to DOA's IT services to state agencies appropriation; delete 17.34 GPR positions, 6.0 FED positions, 25.94 PR positions, and 1.0 SEG position in 2016-17 from the agencies specified; and reallocate funding associated with the deleted positions from salaries and fringe benefits to supplies and services to pay DOA assessments for IT services. Specify that on July 1, 2016, the assets and liabilities of the agencies identified in the bill which are related to IT, as determined by the Secretary of DOA, would become the assets and liabilities of DOA.

ALT A1	Change to Bill
PR	- \$4,873,000

2. Delete provision.

ALT A2	Change to Bill	
	Funding	Positions
GPR	\$0	17.34
FED	0	6.00
PR	- 9,746,000	- 17.06
SEG	<u>0</u>	<u>1.00</u>
Total	- \$9,746,000	7.28

**B. BOARD OF COMMISSIONERS OF PUBLIC LANDS**

**Discussion Points**

1. The Board of Commissioners of Public Lands (which consists of the Secretary of State, the State Treasurer, and the Attorney General) was established to accept public lands granted to Wisconsin by the federal government. Most of the 3.7 million acres in original trust lands were

sold, with proceeds used to establish the school trust funds. The trust funds include the Common School Fund (with a balance of approximately \$960 million on June 30, 2014), the Normal School Fund (closing fiscal year 2013-14 balance of approximately \$26 million), University Fund (\$234,000 balance) and Agricultural College Fund (\$305,000 balance). Income from the trust funds is used to support public school libraries (\$35.5 million in 2014-15) and the UW System.

2. Under current law, the Board is authorized to invest the assets of any of the trust funds in certain statutorily specified fixed income debt instruments and is also authorized to loan moneys under its control to certain statutorily specified entities (primarily municipalities and school districts).

3. Currently, BCPL has 9.5 authorized positions. The bill would delete 1.0 PR comprehensive services specialist position from the Board's general program operations appropriation, to transfer responsibility for all information technology services to DOA. The Legislature created this full-time position in the 2007-09 biennial budget. The IT systems were at that time managed by an individual who had been on staff full-time since 2003 as a "double" LTE (an LTE may only work 1,040 hours per year), and the Board had transferred funding from supplies each year to pay the salary of this person. Board officials indicated at the time that the person's experience and expertise with its automated systems would be difficult to replace but that, as an LTE the employee did not receive full state benefits and had limited job security. The Legislature provided 1.0 full-time position and re-allocated existing supplies funding for the position.

4. BCPL estimates the comprehensive services specialist spends less than 20% of their time on activities that qualify as strictly standard information technology (IT) position tasks including: infrastructure and enterprise management (desktop, laptop, printer and software installation and support, departmentwide software upgrades and product changes); and data management.

5. Overall, BCPL estimates that over 80% of the comprehensive services specialist's time is spent on non-standard IT tasks including: 25% on trust lands management working with land purchase data which requires extensive knowledge of the public land survey system, cartography, geographic information system (GIS) data layers, and forest vegetation data; 15% on agency land records support (updating records and maintaining databases); 15% on trust fund management and trust fund loan support (custom software creation, maintenance and support for accounting, loans and land management, including technology support for loan billing and bond orders); at least 10% on non-standard software support related to specialized software used by BCPL for land analysis (such as sophisticated reporting tools, GIS, and GPS software); at least 5% on data management related to investment portfolio management; and 10% for staff training and other activities.

6. According to BCPL, the agency has utilized the following DOA Division of Enterprise Technology Services offerings: desktop support, help desk, personal computer ordering and installation, server configuration and support, email, security, domain account services, and network configuration and support. DOA bills BCPL for these services. However, BCPL indicates that DOA does not currently offer the types of specialized services performed by the comprehensive services specialist. The agency notes that this position was created because agency management determined that the most cost effective way to obtain the necessary information technology and systems support

for the agency was to develop in-house services. For example, the specialized support needs would likely require using multiple vendors, and given that timely responses are a necessity for support for financial transactions (loan funding and bond purchases), BCPL indicates they would potentially pay a premium for expedited services from outside the agency.

7. Given the agency-specific nature of the duties currently performed by BCPL staff proposed for deletion under the bill, the Committee could restore the 1.0 PR position. [Alternative B2]

**B. Alternatives -- Board of Commissioners of Public Lands**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 1.0 PR position in 2016-17 to transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the position (\$82,100 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete provision.

<b>ALT B2</b>	<b>Change to Bill</b>
	<b>Positions</b>
PR	1.00

**C. BOARD ON AGING AND LONG-TERM CARE**

**Discussion Points**

1. The Board on Aging and Long-Term Care (BOALTC) is tasked with advocating for the interests of the state's long-term care consumers, informing those consumers of their rights, and educating the public at large about health care systems and long-term care. The Board operates the state's long-term care ombudsman program, the volunteer ombudsman program, the Medigap Helpline and the Medigap Part D & Prescription Drug Helpline, and assists in the resolution of complaints and concerns relating to long-term care services. The Board is currently authorized 37.0 positions, and is funded from GPR, PR from transfers from the Office of the Commissioner of Insurance for operation of the helplines, federal funds received for operation of the helplines, and PR transfers from the Department of Health Services for the operation of the ombudsman program. In 2013-14, the Board expended approximately \$2.85 million (all funds).

2. Under the bill, DOA would be required to provide all IT services to BOALTC. As part of this proposal, 0.5 PR positions would be deleted from BOALTC and provided to DOA, although the bill does not specify that incumbents must be transferred. The current funding level for salary and fringe benefits for the 0.50 PR positions is approximately \$39,600, although no funding for these positions would be transferred to DOA. Instead, the bill would reallocate this funding within

BOALTC to the agency's supplies and services budget to pay DOA for charges related to DOA-provided IT services.

3. The BOALTC position is responsible for managing the ACCESS Medigap database, as well as the ACCESS Medicaid Assistance reporting system. The Board notes that the position does not perform functions other than IT functions, and that the ACCESS system will be eliminated upon adoption of the new People Soft system.

4. The Board currently uses DET services for its IT needs, including procurement, setup, maintenance of personal workstation computers, and agency computer infrastructure. The Board also contracts with non-state sources for two software packages, which are web-based data collection and processing systems designed to meet the needs of the two federally-funded programs operated by the Board: the ombudsman program and the Medigap Helpline. The Board indicates that it contracts with non-state sources because it allows the Board to collect local data and deliver it directly to the federal agency portal in the format required by the federal agency portal. The estimated annual cost of these contracts is approximately \$28,100, and BOALTC would continue to contract for these services externally under this provision.

5. The Board has no concerns related to the proposal, except for the potential impact on the personnel involved. The Board indicates that it provided an at-risk layoff letter to the employee in mid-February.

6. Because the Board already receives significant IT services from DOA, the Committee could choose to adopt this provision. [Alternative C1] Given that the agency indicated concerns related to the incumbent employee, and this incumbent possesses experience for the work that would be done by DOA, the Committee could choose to transfer 0.5 incumbent employees relating to this function to DOA with all of that employee's current employment status. [Alternative C2] On the other hand, because the Board will continue to contract for services related to its federally-funded programs, the Committee could choose to delete the provision for this agency. [Alternative C3]

### **C. Alternatives -- Board on Aging and Long-Term Care**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete a 0.5 PR position in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the position (\$39,600 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to specify that the incumbent employee would be transferred to DOA with all of that individual's current employment status.

3. Delete provision.

<b>ALT C3 Change to Bill</b>	
Positions	
PR	0.50

## **D. BOARD FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES**

### **Discussion Points**

1. The Board for People with Developmental Disabilities (BPDD) is charged with advocacy, capacity building, and systems change to benefit individuals with developmental disabilities. The Board's mission is to promote a consumer and family-directed system of services and informal supports that enable people with developmental disabilities to exercise self-determination and be independent, productive, and integrated in the community. The main responsibilities of the Board include reviewing and analyzing available services, developing a state plan for advocacy and systems change, advising the Department of Health Services, the Governor, and the Legislature, advocating for persons with developmental disabilities, strengthening a statewide self-advocacy organization, and supporting opportunities for people with developmental disabilities to participate in coalitions and develop leadership skills. The Board is authorized 6.75 FTE and receives funds from the U.S. Department of Health and Human Services, Administration on Developmental Disabilities. In 2013-14, the Board expended approximately \$1.75 million (all funds).

2. The Board indicates that it currently contracts with DOA for most IT-related services, including email, desktop support, internal directory, and IT security. The Board also works with DOA procurement on contracts that it needs in addition to DOA-provided services. The Board does not have an internal IT position. Rather, the Board's office manager coordinates the agency's IT-related questions and needs with DOA, and coordinates internal staff training regarding IT. BPDD paid approximately \$17,100 to DOA in 2013-14 for IT-related services.

3. The Board also maintains a central content management system known as the Databank, which it uses to disseminate communications to individuals by location and manage event registrations, among other functions. The Board also maintains several external websites and uses an external web content management system for those sites. BPDD indicates that it paid approximately \$21,000 to external contractors for IT-related services and \$4,100 directly for telecommunications in 2013-14.

4. Under this provision, on the effective date of the bill, the assets and liabilities of BPDD related to IT, as determined by the Secretary of DOA, would become the assets and liabilities of DOA. In addition, on the effective date of the bill, all tangible personal property related to IT, including records, would transfer to DOA. Further, all IT contracts would remain in effect and would transfer to DOA. The Board indicates that it does not anticipate any of the rates currently charged by DOA for IT services to change under this provision. BPDD also anticipates that it may need to continue a small number of external IT contracts for specific services, but has no concerns related to the provision.

5. Given that BPDD already receives many IT services from DOA and has not identified any issues related to this provision, the Committee could choose to adopt the Governor's recommendation, as modified by the errata letter, to transfer responsibility for all IT services to DOA. [Alternative D1] On the other hand, given that BPDD will continue to maintain certain external IT contracts for services, the Committee could choose to delete the provision for BPDD. [Alternative D2]

#### **D. Alternatives -- Board for People with Developmental Disabilities**

1. Approve the Governor's recommendation, as modified by the errata letter, to transfer responsibility for all IT services to DOA, effective July 1, 2016. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete provision.

#### **E. EDUCATIONAL COMMUNICATIONS BOARD**

##### **Discussion Points**

1. The Educational Communications Board (ECB) is charged with planning, constructing, developing, and maintaining the state's radio and television broadcasting systems for the presentation of educational, informational, public service, and noncommercial instructional programs. ECB partners with the UW-Extension's Division of Broadcasting and Media Innovations to provide Wisconsin Public Radio (WPR) and Wisconsin Public Television (WPT). In general, UW-Extension is responsible for providing WPR and WPT programming and ECB is responsible for broadcasting that programming statewide. ECB also develops and disseminates Wisconsin-specific materials for use in K-12 classrooms and purchases other instructional materials on behalf of K-12 schools statewide through the Wisconsin Media Lab. ECB's adjusted base funding is \$19,919,700 and 56.68 authorized positions which includes \$7,970,700 GPR and 35.12 authorized GPR positions.

2. Under 2005 Act 25, 1.52 positions were deleted from ECB related to the consolidation of IT server and network support within DOA. DOA's Division of Enterprise Technology (DET) is currently responsible for providing email and database hosting, file storage services, and basic network services to ECB. ECB retained four IT positions whose functions are specific to the agency. The bill would delete those four positions and transfer responsibility for all informational technology (IT) related to ECB to DOA. The positions that would be deleted include a 1.0 GPR IS data services specialist (data administrator), a 0.84 GPR and 0.16 PR IS technical services professional (webmaster), a 1.0 GPR IS technical services senior position, and a 0.5 GPR and 0.5 PR IS technical services specialist (IT generalist).

3. According to information provided by ECB, the data administrator is primarily responsible for the content management and web delivery systems for the Wisconsin Media Lab.

Similarly, the webmaster maintains the web-based portal through which K-12 educators access ECB's educational resources and provides technical support to teachers and students using those resources. The IS technical service senior position, which became vacant in October, 2014, would be repurposed from a helpdesk position to perform additional web development functions related to the Wisconsin Media Lab.

4. Through a prior action, the Committee deleted the GPR appropriation that funds the Wisconsin Media Lab and eliminated the development and procurement of instructional materials for use in K-12 classrooms from ECB's duties. Due to this action, it would be reasonable to also delete the data administrator, webmaster, and IS technical services senior positions as these positions are primarily related to the Wisconsin Media Lab.

5. The IT generalist position implements and supports ECB's computer systems, provides desktop and user support, participates in the procurement of software and hardware, and serves as the liaison to DOA for ECB's telecommunications needs. In addition to these generic duties, the incumbent also performs several functions that are specific to ECB. These functions include servicing ECB's broadcast equipment and maintaining the servers used to store the financial data of the Wisconsin Public Broadcasting Foundation (WPBF), a nonprofit corporation organized and maintained by ECB under current law.

6. Servicing ECB's broadcast equipment requires a specialized skill set and knowledge base that is unlikely to be efficiently replicated within DET making it likely that DOA would contract for these services as well. In addition, the Corporation for Public Broadcasting, the nonprofit organization through which ECB receives federal funding, requires that donor information remain private which would prohibit DET from storing WPBF's financial data. In the case that the IT generalist position were deleted, DOA would most likely contract for broadcast equipment servicing and the storage of WPBF's financial data on behalf of ECB. It is estimated that contracting for these services could cost \$50,000 annually with the hosting of WPBF's financial data costing \$35,000 alone. This would reduce any potential savings generated from consolidating the additional functions performed by this position in DET and, depending on the amount DET assesses ECB for providing these services, may result in an increase in costs to ECB. Therefore, the Committee could choose to restore the IT generalist position and delete the requirement that DOA provide all IT services to ECB. [Alternative E2]

7. If the Committee wishes to control the cost of these services to ECB, the Committee could specify that DET may not assess ECB for functions currently performed by the IT generalist in an amount that exceeds the difference between the salary and fringe benefit costs for that position (\$87,400) and the amount ECB is charged by DOA for broadcast equipment servicing and the storage of WPBF's financial data. [Alternative E3] Alternatively, the Committee could delete the provision. [Alternative E4]

#### **E. Alternatives -- Educational Communications Board**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 4.0 positions (3.34 GPR and 0.66 PR positions) in 2016-17, transfer responsibility for all IT services to

DOA effective July 1, 2016, and reallocate funding associated with the position (\$293,300 GPR and \$54,900 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete the provision that would require DOA to provide all IT services for ECB. In addition, restore 1.0 position (0.5 GPR and 0.5 PR position), and reallocate funding associated with the position (\$43,700 GPR and \$43,700 PR) from supplies and services to salaries and fringe benefits.

<b>ALT E2</b>	<b>Change to Bill Positions</b>
GPR	0.50
PR	<u>0.50</u>
Total	1.00

3. Modify the provision to specify that the Division of Enterprise Technology in DOA could not assess ECB for functions currently performed by the IT generalist in an amount that exceeds the difference between the salary and fringe benefit costs for that position and the amount the ECB is charged for broadcast equipment servicing and the storage of WPBF's financial data.

4. Delete provision.

<b>ALT E4</b>	<b>Change to Bill Positions</b>
GPR	3.34
PR	<u>0.66</u>
Total	4.00

## **F. FINANCIAL INSTITUTIONS**

### **Discussion Points**

1. The Department of Financial Institutions (DFI) regulates state-chartered banks, savings and loan associations, savings banks, and certain operations of the securities industry. The Department also reviews and files charters, articles of incorporation, and other documents of business organizations and registers and oversees the mortgage banking industry.

2. DFI collects a number of fees and assessments which are deposited as program revenue into its general program operations appropriation and used to pay for the Department's operating expenses. At the end of each fiscal year, unencumbered program revenue from this appropriation is lapsed to the general fund. The bill as introduced would transfer all DFI functions, funding, and positions to the Department of Financial Institutions and Professional Standards (DFIPS). DFI's base budget includes \$18,381,400 PR and 141.54 positions.



3. The bill would delete 11.0 PR positions from DFI's general program operations appropriation for DOA provided IT services. Funding associated with the positions (\$1,269,100 PR annually) would not be reduced, but rather would be reallocated to supplies and services to pay for IT related charges assessed by DOA.

4. DFI currently uses DOA DET services for enterprise e-mail, server co-location, directory management, broadband access, and print services. According to DFI, a mix of service level options (in-house, DOA provided, and consultant provided) would provide the most benefit to internal and external Department customers. Specifically, DFI has stated that purchasing DOA's IT services works best for "commodity services" such as e-mail management, file servers, and security. The Department has stated that in-house IT services providers work best for application development and support, while consulting services are appropriate to acquire expertise not available within the Department or DOA.

5. Of the eleven positions identified for deletion under the bill, two positions provide the type of services that could be best classified as "commodity services." The IS Network Services Specialist serves as DFI's e-mail, server and network administrator as well as the agency security officer. The IS Technical Services Specialist provides website, desktop, office machine (scanners, copiers, fax machines) support, IT purchasing, and is a telecommunications and software license manager.

6. One position identified for deletion is a financial examiner position with an emphasis in examining information systems at credit unions. Although the position title is IS Business Automation Senior, this is a 100% non-IT position. According to the Department, this position functions as a Credit Union Technology Examiner – Field Examiner in the Office of Credit Unions and monitors and assesses risk of credit unions information systems and technology with a focus on evaluating electronic financial services provided. The Department does not currently have the internal resources to perform these functions if the position is deleted. Because this is a 100% non-IT position, the Committee could choose to restore this position and associated funding. [Alternative F2]

7. Of the remaining positions identified for deletion, eight of these positions could best be described as providing the types of services that DFI would prefer to remain in-house. Of these eight positions, five positions work with application development, one position with application architecture, one in industry-specific data analysis, and one as an Information Manager/IT Director. The Information Manager position has been vacant since September 20, 2014.

8. Given the stated importance of retaining application development positions within DFI, the possibility that ongoing modernization projects could be interrupted, and concern over loss of staff knowledgeable of the financial industry, the Committee could choose to modify the provision to delete 9.0 fewer positions and transfer \$1,073,700 less funding to supplies and services. [Alternative F3]

9. DFI staff has emphasized the importance of any transition of IT services to be managed so as to avoid gaps in service to internal and external Department customers. This includes completion of projects that would enable the agency to comply with initiatives in the budget such as

mandatory on-line filing of documents. According to DFI, additional work remains to upgrade and modernize on-line filing systems and there is a need to have continued access to appropriate resources in order to implement these projects. Furthermore, the Department has stated that it has been successful in recruiting and maintaining talented IT staff that are knowledgeable about financial business areas and concerns. The Committee may choose to acknowledge these arguments and decide against shifting IT positions to DOA. [Alternative F4]

**F. Alternatives -- Financial Institutions**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 11.0 PR positions in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$1,269,100 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to restore 1.0 PR position and reallocate funding associated with the position (\$96,100 PR) from supplies and services to salaries and fringe benefits.

<b>ALT F2</b>	<b>Change to Bill</b>
	Positions
PR	1.00

3. Modify the provision to restore 9.0 PR positions and reallocate funding associated with the positions (\$1,073,700 PR) from supplies and services to salaries and fringe benefits.

<b>ALT F3</b>	<b>Change to Bill</b>
	Positions
PR	9.00

4. Delete provision.

<b>ALT F4</b>	<b>Change to Bill</b>
	Positions
PR	11.00

**G. GOVERNMENT ACCOUNTABILITY BOARD**

**Discussion Points**

1. The Government Accountability Board administers elections, ethics, and lobbying laws and is provided base resources of \$6,639,900 and 48.75 positions annually (\$2,836,200 GPR, \$3,287,600 FED, \$516,000 PR, and \$100 SEG and 19.3 GPR, 26.0 FED, and 3.45 PR positions).

Currently, the GAB administers its own program-specific IT services, such as development, testing, implementation, maintenance and training for its various IT applications, through a combination of state staff and contractual services. Under the IT services provision, DOA would be required to provide all IT services to the GAB. Although no positions were identified relating to IT, the GAB would be required to pay any assessments charged by DOA for all IT services DET determines it would provide.

2. Currently, the Board purchases many infrastructural and other standard IT services from DET, including: (a) server management services (managed application services, storage management, backup services, network management, and directory services); (b) platform services (distributed database management, internet information server and JAVA management, Websphere, team foundation service, and website hosting service); (c) file and print services (file hosting services and file transfer protocol); (d) SharePoint management; (e) application services (anti-spam and anti-virus services, Exchange e-mail, and list manager hosting); (f) distribution services; (g) telecommunications services (local telephone service, long-distance telephone service, mobile device service, and wireless services and devices); and (h) support services (consulting services, desktop support, and mobile device support).

3. According to staff of the Board, over the past five years, the agency has developed an IT team of five individuals who work as contractors to develop IT applications specific to the agency's services. For example, the team of contractors developed BADGER Voters (a web-based application through which users may request, purchase, and download voter registration and election participation data from the statewide voter registration system), MyVote Wisconsin (a website that permits electors to initiate a new voter registration and provides the general public with access to information about their personal voter registration and voting history, local polling place and clerk contact information, offices on their ballot at upcoming elections, and allows military and overseas voters to request and receive their ballot electronically), and a felon audit dashboard. Staff indicate that the IT model in use by the GAB was developed over time, based on the agency's experience relying on DET to meet its IT needs, and that the model was developed with DET's encouragement and support.

4. The Board maintains several IT systems and Internet websites which could be considered related to information technology, including: (a) the campaign finance information system (a web-based reporting system that allows candidates and other political committees to report contributions and expenses, allows staff to audit those statutorily required reports, and allows the public access to view the information); (b) the statewide voter registration system (an election management system used by state and local election officials to process and update voter registration files, share data with other agencies while registering voters to detect potential voter fraud, create and print updated poll books, complete and document various election administration tasks, and track information about candidates and absentee ballots); (c) customer relationship management applications adapted to perform statutory duties such as matching data with the Department of Corrections, conducting audits of felons who have voted, tracking the status of provisional ballots and outstanding absentee ballots, and conducting post-election voter record maintenance of registered voters who have not voted in the past four years; (d) MyVote Wisconsin (described previously); (e) the canvass reporting system (a web-based database which is used by

county clerks to report election results to the Board); (f) the Wisconsin Electronic Data Collection System, through which clerks submit election statistics and costs of conducting elections to the Board electronically; (g) BADGER Voters (described previously); (h) an application that tracks accessibility audits of polling places and provides a web-based portal through which local clerks may view and process audit findings related to their local polling places; (i) a web-based reporting system that allows lobbyists and lobbying principals to submit statutorily required reports, allows these reports to be publicly viewable, and allows staff to conduct audits; (j) a website that permits the general public to view financial relationships with specific businesses or organizations that are reported by state public officials; and (k) the Contract Sunshine website that provides the general public with access to information about every state contract, purchase, and solicitation of bids or proposals that involves a biennial expenditure of \$10,000 or more.

5. Several IT projects performed by DOA staff in the past for the GAB (or its precursors, the State Elections Board and State Ethics Board) have resulted in cost overruns, operational dysfunction resulting from coding and other errors, and multiple-year delays in the estimated date of delivery of functional products. Two of the IT projects that were managed by DOA that experienced one or more such challenges were the development of the statewide voter registration system and the rebuild of the lobbying system.

6. Staff of the agency indicate that program-specific IT solutions of the GAB allow the agency to maintain a relatively small number of full-time equivalent positions while operating efficiently and effectively. The individuals who currently provide IT services to the agency work closely with GAB staff on-site and are therefore familiar with the subject matter and program needs for various IT applications. Several of the applications require ongoing support to process requests, monitor compliance with tasks and data entry, and troubleshoot problems that arise. In addition, the IT contractors are directly accountable to GAB management with regard to the development of immediate fixes and long-term solutions to technical problems, and adjustments can be made as needed to comply in a timely manner with changes in state statute and federal regulations as they occur.

7. According to staff of the GAB, improvements in IT applications of the agency in recent years are due primarily to a shift away from DET-managed development of IT applications, towards a model based on a small team of contracted IT employees that work with the GAB on an ongoing basis. To the extent that DET is unable to provide application development services that meet the GAB's program needs efficiently and effectively, in comparison to services provided by privately contracted staff with program-specific experience, the IT proposal under consideration could degrade the quality and timeliness of services provided to GAB customers. It is also possible that the cost of IT services for the agency could increase if provided by DET rather than contracted IT staff, as has been the experience of GAB staff in the past.

8. Users of GAB applications and websites, other than agency staff, that could be affected by a change in management of IT services include: (a) candidates, political committees, and other users of the campaign finance information system; (b) local election officials and other users of the statewide voter registration system; (d) electors (especially military and overseas voters), members of the general public, and other users of the MyVote Wisconsin website; (e) county clerks who use

the canvass reporting system to report election results to the Board; (f) clerks who submit election statistics and costs of conducting elections to the Board through the Wisconsin Electronic Data Collection System; (g) users who request, purchase, and download voter registration and election participation data from the statewide voter registration system; (h) local clerks who use the Access Elections application to track accessibility audits of polling places and view and process audit findings related to their local polling places; (i) lobbyists and lobbying principals who submit statutorily required reports, and users who wish to view such reports; (j) members of the general public who wish to view financial relationships with specific businesses or organizations that are reported by state public officials; and (k) users of the Contract Sunshine website that provides access to information about every state contract, purchase, and solicitation of bids or proposals that involves a biennial expenditure of \$10,000 or more.

9. The GAB manages a large number of complex, specific IT applications that voters, clerks, candidates, lobbyists, and the general public use to obtain and transmit information. It could be argued that a proposal to change the manner in which IT services would be provided in these areas should be deleted from the budget. [Alternative G2]

#### **G. Alternatives -- Government Accountability Board**

1. Approve the Governor's recommendation, as modified by the errata letter, to transfer responsibility for all IT services to DOA, effective July 1, 2016. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete provision.

#### **H. HIGHER EDUCATIONAL AIDS BOARD**

##### **Discussion Points**

1. The Higher Educational Aids Board (HEAB) administers most of the state's student financial aid programs including the Wisconsin Grant, talent incentive grant, Wisconsin covenant scholars grant, and academic excellence scholarship programs. HEAB is also responsible for the state dental education contract with the Marquette School of Dentistry, the Minnesota-Wisconsin student reciprocity agreement, and for reimbursing the UW System and the technical college district boards for tuition and fee remissions granted to veterans and certain dependents. The GPR-funded programs administered by HEAB total \$141.3 million. HEAB's adjusted base funding for administration is \$934,900 GPR with 11.0 authorized GPR positions. The Governor's budget would delete the following three IT positions from HEAB related to this provision: (a) IS professional -- senior (programmer); (b) IS operations support tech -- senior; and (c) IS comprehensive services -- senior (database administrator).

2. The programmer position is responsible for all of HEAB's mainframe programming. This includes modifying existing programs to conform with changes in the data provided by the

U.S. Department of Education, to reflect changes in the formulas used to calculate Wisconsin Grants, and to provide additional data to institutions when requested. This position is responsible for testing programs, analyzing errors, and resolving program failures. New programs may be created by the programmer in response to requests from organizations conducting research projects related to student financial aid. This position is also responsible for updating the programs run in SAS that HEAB's grant specialists use to monitor the grant programs for which they are responsible. In the past, HEAB has hired contractors to do additional programming work as needed.

3. The IS operations support tech -- senior position is responsible for running the weekly notification job, which identifies students who are eligible for financial aid based on data downloaded from the U.S. Department of Education, and the vouchering program, which provides financial aid funds to schools. When the notification and voucher jobs are completed, the resulting data is placed in the secure area where it can be accessed by institutional financial aid officers. If there are problems with the data or if an institution does not receive or is unable to access its data, it is the responsibility of the IS operations support tech -- senior position to identify and correct the problem. This position also provides monthly trainings for financial aid administrators and works with the programmer to identify program modifications to improve the efficiency of the notification and vouchering processes.

4. The database administrator position is responsible for the design, development, and maintenance of HEAB's website and the agency's web and database applications. Recent projects performed by this position include the development of a new form for the academic excellence and technical excellence scholarship programs due to the phase-out of the Forms Central program offered by Adobe and the creation of a database for the new technical excellence scholarship program.

5. It could be argued that the work performed by the database administrator position is not specific to HEAB and could be performed by someone outside of the agency. Similarly, the mainframe and SAS programming could also be done by someone outside of HEAB. However, identifying students who are eligible for financial aid and providing financial aid funds to institutions, both of which are done by the IS operations support tech -- senior position through the weekly notification and vouchering processes, and working with institutions to resolve data issues are clearly core functions of the agency. Because this work is central to HEAB's administration of state financial aid programs, the Committee may wish to delete the language that would require all IT services for HEAB be provided by DOA, restore the IS operations support tech -- senior position, and reallocate the related funding from supplies and services to salaries and fringe benefits. [Alternative H2]

6. Although someone outside the agency could do the mainframe and SAS programming required by HEAB, HEAB staff have questioned whether a programmer who does not work with HEAB programs continuously would be able to diagnose and resolve programming problems in a timely manner. In addition, HEAB's current programmer works with the IS operations support tech -- senior position and the grant specialists, who are the users of HEAB programs, to identify problems with those programs and needed updates. For these reasons, the Committee may wish to delete the language that would require all IT services for the HEAB be provided by DOA, restore

both the IS operations support tech -- senior and programmer positions under HEAB, and reallocate the related funding from supplies and services to salaries and fringe benefits. [Alternative H3]

7. HEAB currently contracts for IT support services and website hosting. Prior to 2001, HEAB purchased these services from DOA but due to increases in DOA charges and inadequate service, the decision was made to contract with a private company. HEAB staff indicate that they are very satisfied with the service that they receive from their current IT support and webhosting provider. HEAB staff has expressed concern regarding the timeliness of service if DOA were to be made responsible for providing IT services to HEAB. As a result, the Committee could consider deleting the Governor's recommendation. [Alternative H4]

## H. Alternatives -- Higher Educational Aids Board

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 3.0 GPR positions in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$218,700 GPR) from salaries and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to delete language that would require all IT services for the HEAB be provided by DOA. In addition, restore 1.0 GPR position (IS operations support tech -- senior position) and reallocate funding associated with the position (\$66,400 GPR) from supplies and services to salaries and fringe benefits.

<b>ALT H2</b>	<b>Change to Bill Positions</b>
GPR	1.00

3. Modify the provision to delete language that would require all IT services for the HEAB be provided by DOA. In addition, restore 2.0 GPR positions (1.0 IS operations support tech - - senior and 1.0 IS professional -- senior) and reallocate funding associated with the positions (\$145,400 GPR) from supplies and services to salaries and fringe benefits.

<b>ALT H3</b>	<b>Change to Bill Positions</b>
GPR	2.00

4. Delete provision.

<b>ALT H4</b>	<b>Change to Bill Positions</b>
GPR	3.00

## I. HISTORICAL SOCIETY

### Discussion Points

1. The Wisconsin Historical Society (WHS) is responsible for collecting and disseminating information about the history of Wisconsin and the surrounding region. Its activities include collecting and preserving the state's archival records, operating the Wisconsin Historical Museum and ten other museums or historic sites around the state, documenting and assisting in the preservation of historic properties, and publishing historical texts, including textbooks and curriculum support materials for school-aged children and teachers. WHS indicates that in the 2014 calendar year, approximately 304,500 individuals visited museums and historical sites operated by WHS, 336,000 individuals visited the WHS archives and 13 area research centers supported by WHS, and volunteers completed approximately 250,000 hours of volunteer labor.

2. Adjusted base level funding for WHS totals \$22,148,400, including \$14,330,500 GPR, \$2,768,600 PR, \$1,271,500 FED, and \$3,777,800 SEG. The Society's authorized base level FTE position count totals 129.04, including 93.65 GPR positions, 16.25 PR positions, 7.86 FED positions, and 11.28 SEG positions. In addition, WHS employs a large number of LTEs, ranging from 265 to as many as 450 during each May-October tourist season. WHS indicates that the number of hours worked by LTE employees in 2014 is equivalent to 216 FTEs. WHS also hires approximately 110 work-study students each year. Based on these figures, it is estimated that WHS employs an average of approximately 500 to 650 individuals at any given time. Therefore, it could be the case that the Society's staffing level is greater than what was intended to be included under the IT consolidation proposal, which includes only agencies with fewer than 150 FTEs.

3. The proposal would delete 7.0 positions from the following appropriations of the Wisconsin Historical Society to transfer responsibility for all information technology services to DOA: (a) general program operations (6.0 GPR positions); and (b) general program operations -- federal funds (1.0 FED position). The positions include the IT director, three positions that form the Society's web team, one position related to IT network and infrastructure, and two positions performing specialized tasks. Funding associated with the positions (\$673,400 GPR and \$69,900 FED annually) would be reallocated to supplies and services to pay charges by DOA for information technology services.

4. WHS staff indicates that IT services play an important role in fulfilling the Society's mission and statutory responsibilities. The Society's Internet site provides online access to WHS records and online collections and provides citizens across the state with access to WHS resources regardless of whether they are located near one of its historic sites or area research centers. The Society's main webpage receives over 15 million page views per year from 2.3 million unique visitors, and searchable databases include more than 8.5 million historical records, including vital records, the Wisconsin Register of Historic Places, and the Wisconsin Historic Library Online Catalog. In addition, WHS is required by statute to be the ultimate depository of the official state archives. An increasing number of large and complex government records are either originally created as digital files, or are reformatted from paper to digital files, requiring the capacity to accept, store, manage, and preserve digital information.



5. WHS currently maintains an IT contract with UW-Madison's Division of Information Technology (DoIT), which provides computer technology services to UW-Madison, the UW System, and other units of state government. Services provided to WHS by DoIT include the following: (a) network services and monitoring, including routers, switches, firewalls, and wireless access points; (b) hardware maintenance, replacement, upgrades, and expansion as needed; (c) training for delegated administrators; (d) academic support services for hardware and software, including Apple computers and products; (e) UW library computers for public areas of the WHS library; (f) access to the UW general library system to complete library acquisitions, cataloging, and retrieval, available only through the DoIT network; and (g) hosting for the digital repository, including storing over 70 terabytes of the Society's digital collections.

6. DoIT also provides WHS with access to reduced price software and hardware through its connection to the University. Through DoIT, WHS can qualify for academic pricing from most software vendors, which WHS staff indicates is typically 40-75% less than government pricing. WHS also participates in campus-wide purchasing agreements and can access server hardware at UW's academic bulk pricing rates. WHS staff anticipates that although bulk purchasing would be available through DOA procurement, prices would be higher than the academic pricing available through UW.

7. Some of the Society's current software is not compatible with that of DOA. WHS imaging laboratories use Apple technology to manage high resolution images, including photographs, large maps, and other documents, and WHS executive leadership staff also use Apple products. WHS staff indicates that WHS maintains over 3 million historical images, approximately 80,000 of which are currently digitized, and 25,000 maps and atlases. While Apple products are supported by DoIT, it is not known if DOA would be able to provide support for these systems because the state's computing systems are exclusively Microsoft-based.

8. Additionally, use of DET services would require modifications to WHS hardware at a significant initial cost. WHS connects to DoIT for telecom services using optical fibers rather than the circuits required by DOA, and would therefore be required to install circuits before contracting with DET. The transition would also require WHS to upgrade the network wiring at its headquarters building, which is currently supported by DoIT but not by DET. DoIT staff have estimated that the transition, including required infrastructure changes and the transfer of a large amount of data, would cost approximately \$2.5 million over the 2015-17 biennium. No funding for the transition is provided under the bill.

9. WHS currently contracts with DET to provide email hosting and maintenance. WHS first entered this contract in 2006, prior to the introduction of DoIT's centralized email service. WHS staff indicates that higher than average costs are assessed for the services provided by DET, compared to costs to other agencies for similar services, because the Society's DoIT network requires DET to customize its services at an additional expense. WHS staff indicates that prior to the release of the budget proposal, WHS was pursuing a transfer of these functions to DoIT at a projected annual savings of \$40,000, with the transition estimated to cost less than \$40,000.

10. Under the proposal, the 3.0 FTEs that comprise the Society's web team would be eliminated. The web team maintains websites for each of the 10 historic sites as well as the

Wisconsin History Museum, the WHS Press, the Wisconsin History Tour, and the Wisconsin Historical Foundation. In addition to providing access to the Society's online collections and databases and information for individuals planning to visit a historic site, WHS websites include an online store and online membership and donation capability that serve as a source of earned income. Approximately 100 staff members participate in updating web content, including staff at historic sites across the state. The web team supports this work by training staff, providing support if problems arise, creating and publishing new webpages, producing analytics and quarterly reports, and monitoring feedback from site users. Without knowledge of WHS sites and programs, DOA may not have the ability to provide the same level of service to off-site staff who update material on the website, or to maintain high-quality websites specific to each museum or historic site. Additionally, WHS staff have expressed concern that the tasks performed by their web team are not included on the list of services currently provided by DET. It is not known whether DOA staff would fulfill the responsibilities performed by the WHS web team, or whether WHS would be required to contract out for these services.

11. One web team position that would be eliminated under the proposal is currently vacant. WHS staff indicates that recruitment to fill this position was paused in February, 2015, following the release of the budget proposal.

12. The proposal would delete the position of the IT Director, who provides leadership and guidance related to technology as well as serving on the Society's management team and strategic planning team. WHS staff indicates that approximately 80% of the duties associated with this position are not basic IT functions and would not be performed by DOA, including leading short- and long-range strategic planning efforts and aligning technology projects with the Society's mission. Because IT services are a significant component of the Society's mission, the IT Director is an important part of the strategic planning team, and the Society's organizational planning would likely be weakened by the absence of IT expertise. Additionally, the IT Director serves as the Society's liaison to DOA and DoIT, and the elimination of this position would require other WHS staff to fill the liaison role.

13. An additional position that would be deleted under the proposal is classified as an IS business automation specialist, but requires knowledge of library and archives practices in addition to information systems. The position is responsible for specialized functions including appraising and managing sound and videotape collections, managing technology used to oversee and preserve the Society's digital collections, supervising audio duplication functions, and developing the Wisconsin service hub, which will aggregate data about digital primary materials from 140 libraries, archives, and museums across the state. WHS staff have indicated that it is unlikely that a DET employee would have the specialized knowledge required to perform these duties.

14. The proposal also deletes a GIS specialist who is based in the State Historic Preservation Office. This position provides training and support to external customers in the use of the Wisconsin Historic Preservation database, fulfills data requests by state and federal agencies and individuals who need customized data to prepare project reports required under state and federal law, develops applications and customized maps, and supports WHS staff who digitize historic information as part of the Wisconsin Historic Preservation Database. WHS staff have indicated that

it is unlikely that DOA would be able to provide the specialized services required for this position. Additionally, the position is funded with a federal grant from the National Park Service that is restricted to historic preservation activities authorized under the Historic Preservation Act of 1966. The grant's requirements restrict the use of these funds such that they could not be used to contract for services provided by DET.

15. WHS is currently planning a new Wisconsin History Center to be located in Madison. The new complex is expected to provide approximately 210,000 square feet to be shared by the Historical Museum and the Department of Veterans Affairs' Veterans Museum and is expected to open in 2019, with design of the building and exhibits beginning in 2015. IT staff are involved in this initiative through their support of the Society's fundraising efforts through online membership and donation capabilities, which provide some of the earned income necessary to complete the project. The Society's websites will also be of particular importance during the time that the WHS museum is closed during construction of the new complex, when the public's primary means of access to materials usually available at the History Center will be through online collections.

16. Given that the IS business automation position requires specialized knowledge of library and archives practices, the Committee could choose to modify the provision to retain 1.0 GPR position and the associated funding of \$117,400 GPR in salary and benefits funding [Alternative I2a]. Given that the GIS specialist position performs specialized duties and is funded through a specialized federal grant, the Committee could choose to modify the provision to retain 1.0 FED position and the associated funding of \$69,900 FED in salaries and fringe benefits [Alternative I2b]. In addition, the Committee could choose to retain the IT Director to serve as a liaison between DOA and WHS and to perform strategic planning functions. This would restore 1.0 GPR position and \$156,000 GPR in salary and benefits funding [Alternative I2c]. The Committee could also choose to maintain the 3.0 GPR positions that make up the Society's web team and the associated \$292,200 in funding, given the role the web team plays in fulfilling the Society's mission and the uncertainty regarding the web-related tasks that would be performed by DET [Alternative B2d]. On the other hand, one could argue that the Society's partnership with DoIT already represents a consolidation of the kind envisioned by the Administration under the proposal, and that it may be preferable for WHS to continue to collaborate with DoIT rather than DET, given the Society's location and academic mission. Given the success of the Society's current partnership with DoIT, the extensive costs and agency disruption that would be associated with the transition to DET, and the role of WHS IT staff in fulfilling the mission of the Society, the Committee could choose to delete the provision for the agency [Alternative I3].

## **I. Alternatives -- Historical Society**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 7.0 positions (6.0 GPR and 1.0 FED) in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$673,400 GPR and \$69,900 FED) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to do one or more of the following:

a. Restore 1.0 GPR position and transfer the associated \$117,400 GPR from supplies and services back to salaries and fringe benefits funding to maintain a position performing specialized tasks related to library and archives practices.

<b>ALT I2a</b>	<b>Change to Bill</b>
	Positions
GPR	1.00

b. Restore 1.0 FED position and transfer the associated \$69,900 FED funding from supplies and services back to salaries and fringe benefits to maintain a position that performs specialized GIS duties and is funded through a federal grant.

<b>ALT I2b</b>	<b>Change to Bill</b>
	Positions
FED	1.00

c. Restore 1.0 GPR position and transfer the associated \$156,000 GPR funding from supplies and services back to salaries and fringe benefits to maintain a position that serves as a liaison between DOA and WHS and performs strategic planning functions.

<b>ALT I2c</b>	<b>Change to Bill</b>
	Positions
GPR	1.00

d. Restore 3.0 GPR positions and transfer the associated \$292,200 GPR funding from supplies and services back to salaries and fringe benefits to maintain the Society's web team.

<b>ALT I2d</b>	<b>Change to Bill</b>
	Positions
GPR	3.00

3. Delete provision.

<b>ALT I3</b>	<b>Change to Bill</b>
	Positions
GPR	6.00
FED	<u>1.00</u>
Total	7.00

## **J. OFFICE OF STATE EMPLOYMENT RELATIONS**

### **Discussion Points**

1. The Office of State Employment Relations (OSER) is provided base funding of \$6,107,800 PR and 49.95 PR positions, as follows: (a) \$5,426,400 PR and 46.95 PR positions for general program operations; and (b) \$681,400 PR and 3.0 PR positions in other program revenue appropriation accounts relating to small employment relations programs. The OSER appropriation account for general program operations is funded from moneys received from state agencies for employment relations materials and services provided by OSER.

2. The Office is responsible for administering Chapter 230 of the statutes (state employment relations), representing the executive branch in its role as an employer under Chapter 230 and representing the state as the employer in collective bargaining activities under subchapter V of Chapter 111 of the statutes (state employment labor relations). Other duties include administering the state's classified service system, providing support to other state agencies in human resources management, determining employee performance and training needs, setting standards for and ensuring compliance with agency affirmative action plans, and recommending to the Joint Committee on Employment Relations proposed compensation plans for non-represented employees and tentative collective bargaining agreements for represented employees.

3. Under AB 21/SB 21, OSER would be eliminated and its functions transferred to a new Division of Personnel Management under DOA. In addition to transferring the functions of the Office, 6.95 PR positions and associated funding of \$824,300 PR annually would be deleted. The reduction of 6.95 FTE represents a 14% reduction in positions dedicated to carrying out the duties of the Office. [On May 12, 2015, the Committee adopted the Governor's recommendation to consolidate OSER into DOA.]

4. In addition to the 6.95 PR position reduction, an additional 1.0 information technology position annually would be deleted from OSER and the funding associated with the position (\$79,600 PR annually) would be transferred to supplies and services to permit the Division of Personnel Management under DOA to pay shared agency services charges assessed by DOA. Including the 1.0 IT position, SB 21/AB 21 would reduce OSER staffing by 16%. The deleted OSER IT position would not be recreated under DOA.

5. The duties of the 1.0 IT position that would be deleted include: (a) managing and maintaining OSER IT systems and equipment; (b) coordinating computer equipment planning, acquisition, and installation; (c) serving as data custodian and providing technical support to OSER's Division of Compensation and Labor Relations, including managing and maintaining data for OSER use from a variety of sources including mainframe data extractions; (d) serving as data custodian and managing the grievance and arbitration case tracking system, including maintaining and managing data in the database, entering data, and compiling and distributing statistical reports on arbitration caseload; (e) revising and updating state collective bargaining agreements; and (f) performing purchasing and automated accounts payable functions. The Office has indicated that the position's non-IT duties related to the grievance and arbitration case tracking system, revising and updating labor agreements, and performing purchasing and automated accounts payable functions

account for approximately 45% of the position's time.

6. The administration indicates that, "the IT position that currently exists in OSER was deleted because it is intended that regardless of whether OSER exists as a standalone office or the Division of Personnel Management [DPM in DOA], OSER/DPM would be included in the entities that receive budget, finance, HR, payroll, procurement, and IT services from DOA under the shared services initiative. Even as a standalone office, with fewer than 150 FTE, OSER would meet the threshold established for agencies to be included in shared services. Consistent with the treatment of other shared services agencies, OSER's IT position was deleted and included in staffing estimates for additional positions to DOA's Division of Enterprise Technology [DET] to reflect that it would receive all IT services from DET." If the Committee decides to have OSER receive all of its IT services from DOA, the Committee could adopt the recommendation. [Alternative J1]

7. On the other hand, OSER would experience a 16% reduction in staffing under the budget bill while maintaining all of its current law responsibilities. Further, the current IT position performs a substantial amount of non-IT functions associated with OSER. In addition, under the recommendation, all of the annual funding associated with the deleted IT position (\$79,600 PR annually) would be transferred to supplies and services to pay shared agency services charges assessed by DOA. As there are no budgeted cost savings associated with the recommendation, and the Division of Personnel Management in DOA could end up paying more for IT services under the recommendation than with the current position (depending on the ultimate level of DOA assessments and keeping in mind that 45% of the position's current duties are non-IT related), the Committee could consider restoring the 1.0 IT position to the Division of Personnel Management under DOA. [Alternative J2]

#### **J. Alternatives -- Office of State Employment Relations**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 1.0 PR position in 2016-17 and reallocate funding associated with the position (\$79,600 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to provide 1.0 PR position in 2016-17 to the Division of Personnel Management in DOA, associated with the OSER position. Reallocate funding associated with the position (\$79,600 PR) from supplies and services to salaries and fringe benefits.

<b>ALT J2</b>	<b>Change to Bill Positions</b>
PR	1.00

## **K. PUBLIC SERVICE COMMISSION**

### **Discussion Points**

1. The Public Service Commission (PSC) is an independent regulatory agency that works to ensure that adequate and reasonably priced service is provided to utility customers in the absence of competition. Its jurisdiction extends to over 1,100 entities, as it regulates electric, natural gas, steam, water, and combined sewer and water utilities and certain aspects of local telephone service. In general, these utilities must obtain Commission approval before changing rates or service terms, issuing stocks or bonds, or undertaking major construction projects, such as power plants, water wells, natural gas distribution facilities, and electricity transmission lines. The Office of the Commissioner of Railroads is attached to the PSC for administrative purposes. The Office conducts formal investigations, holds public hearings, and issues orders relating to rail crossing safety.

2. In 2014-15, 98.6% of the PSC's \$24.7 million budget is either PR (\$17.8 million) or SEG (\$6.5 million), and is funded through assessments on the utilities it regulates. Federal funding comprises the balance (\$346,200). Of its 146 authorized positions, 141 are PR, 4 are SEG, and 1 is FED. The Governor's budget proposes to eliminate 16.75 positions, or 11.5% of those currently authorized. The reduction includes three positions under the shared agency services initiative and 10 positions under the information technology initiative, or 13 positions under the two initiatives combined.

3. The information technology services initiative would delete 10 PSC positions (9.0 PR and 1.0 SEG). They include the Director of the Office of Information Technology (Chief Information Officer) and nine information systems (IS) positions: (a) data services - senior; (b) technical services consultant/administrator; (c) network support technician - senior; (d) comprehensive support professional; (e) two systems development services specialists; (f) network services - senior; and (g) two systems development services - senior positions. Funding for the ten positions totals \$970,900 annually (\$876,800 PR and \$94,100 SEG), and the proposal would transfer this amount from salaries and fringe benefits to supplies and services. All ten positions are filled. The positions are responsible for performing all information technology functions at the PSC.

4. Nine of the 10 positions perform functions identified in the information technology services proposal. These are the 9.0 PR positions. The SEG position, which is one of the systems development services - senior positions, spends 90% of his time working on non-traditional IT services and works as a team leader responsible for the analysis, development, implementation, testing, and maintenance of the enterprise management information system that supports the business functions of the Focus on Energy program. In support of the consultant hired to develop the system, the individual works directly with the Focus on Energy program administrator, implementers, evaluators, utilities, and PSC staff to identify and define business needs for the new enterprise system. In response to the development of this system, the PSC re-classified this position from a budget and policy analyst two years ago.

5. Each of the other nine positions also performs non-IT functions 10% to 15% of the time, in part, due to the unique nature of the PSC. PSC staff consist of highly technical staff, including engineers, economists, rate analysts, financial analysts, and attorneys. This allowed the

Commission to abandon all use of the mainframe system at DOA's Division of Enterprise Technology (DET) prior to 2000. Since then, some users continue to access the WiSmart system for budgeting or personnel reasons, but the PSC has little data or few applications stored on the mainframe. Instead, the Commission has shifted its focus to distributed computing in which personal computers and servers have been deployed using Microsoft software for applications. Over the past 15 years, PSC staff have stayed current with the latest software and hardware, and the Commission uses Microsoft components to create virtual servers. PSC programmers have developed custom applications using Windows development tools to provide users with systems for case management, customer complaints, annual reports, employee information, electronic filing, billable time reporting, and billing. The billing system is particularly unique because it bills the utilities whose applications the Commission reviews for the costs of PSC services in processing those applications. In addition, the PSC has implemented an electronic document management system in which all PSC documents and processes are stored. Consequently, nearly all internal processes are performed in a paperless fashion.

6. Due to the preceding activities, the PSC has used few of the contractual services from DET. When a new technology has been needed or a project has fallen outside of existing expertise, PSC staff have secured training in using the technology and have applied that training to meet the needs of PSC users. Of the 15 IT shared services currently offered by DET, the PSC currently participates in only four: (a) co-location of production server at the Femrite Data Center; (b) state wide area network; (c) e-mail; and (d) mainframe CPU and storage.

7. PSC staff maintain a number of specialized databases and applications. These include the Electronic Regulatory Filing system, case management system, and the utility name file-billable hours-billing system. With the PSC's document management systems, these systems allow the PSC to employ paperless processes and workflows. If the information technology services initiative is approved, DOA would need to acquire the expertise to maintain these systems.

8. Given the agency specific nature of the duties currently performed by PSC staff proposed for deletion under the bill, the Committee could restore the 10.0 (9.0 PR and 1.0 SEG) positions. [Alternative K2]

#### **K. Alternatives -- Public Service Commission**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 10.0 positions (9.0 PR and 1.0 SEG) in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$876,800 PR and \$94,100 SEG) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete provision.



<b>ALT K2</b>	<b>Change to Bill Positions</b>
PR	9.00
SEG	<u>1.00</u>
Total	10.00

## **L. SAFETY AND PROFESSIONAL SERVICES**

### **Discussion Points**

1. The Department of Safety and Professional Services (DSPS) is responsible for the regulation of professions formerly regulated by the Department of Regulation and Licensing, including issuing initial and renewal credentials, staffing the attached boards and councils responsible for overseeing professionals, and enforcing rules related to each profession. DSPS also has responsibilities related to certain building and safety programs formerly under the Department of Commerce. DSPS is currently authorized 262.60 positions, including 115.7 positions to support its professional credentialing functions, and 146.9 positions to support its building and safety functions and administrative services. The Department is funded from program revenue generated from fees related to its professional credentialing and examination functions, and revenues received from plan review, inspection, and credentialing fees related to its building and safety functions. In 2013-14, the agency expended approximately \$50.5 million (all funds).

2. DSPS indicates that it currently receives most IT services from DET. Under 2013 Wisconsin Act 20 (the 2013-15 biennial budget act) 10.0 IT positions and certain IT-related functions were transferred from DSPS to DET, effective July 1, 2013. Services provided by DOA include help desk services and desktop support, maintenance and development of DSPS IT programs and applications, recommendations related to computer equipment, including hardware and software, and support for IT modernization initiatives, for which separate funding was approved under the 2013-15 biennial budget act. The Department indicates that it spent approximately \$2.8 million on IT services in fiscal year 2013-14.

3. Under the bill, DOA would be required to provide all IT services to DSPS. In addition, on the effective date of the bill, the assets and liabilities, tangible personal property (including records), and contracts relating to IT, as determined by the Secretary of DOA, would transfer from the agency to DOA. As part of this proposal, 1.78 PR positions would be deleted from DSPS and provided to DOA, although the bill does not specify that incumbents must be transferred. The current funding level for salary and fringe benefits for the 1.78 PR positions is approximately \$167,800, although no funding for these positions would be transferred to DOA. Instead, the bill would reallocate this funding within DSPS to the agency's supplies and services budget to pay DOA for charges related to DOA-provided IT services.

4. The 1.78 FTE that would be eliminated perform the following functions: (a) 0.78 FTE supports the Division of Industry Services (DIS), including performing advanced functions related to management and support of DIS-specific hardware systems and applications software, planning

and implementing DIS online services and web pages, and serving as the division's authorized submitter for Help Desk tickets; and (b) 1.0 FTE serves as the DSPS Telecommunications Officer, whose responsibilities include providing Centrex system updates, processing invoice payments, supporting procurement system updates, managing call groups in the customer service center, forwarding to DET any agency network access requests, and serving as the agency informational technology security officer and integrated credentialing and enforcement application security manager. DOA indicates that the responsibilities of the Telecommunications Officer differ somewhat from the general IT functional category, and that this position's responsibilities will continue to be performed by other DSPS employees if this provision is adopted.

5. DSPS expects that its current relationship with DOA with respect to its IT needs would continue under this provision, and has expressed no concerns related to this change. As DSPS already receives most IT services from DOA and has not identified any issues related to this provision, the Committee could approve the Governor's recommendation, as modified by the errata letter, to transfer responsibility for all IT services and authority for 1.78 FTE from DSPS to DOA. [Alternative L1] Alternatively, the Committee could delete the provision for this agency. [Alternative L2]

**L. Alternatives -- Safety and Professional Services**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 1.78 PR positions in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$167,700 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete provision.

<b>ALT L2</b>	<b>Change to Bill Positions</b>
PR	1.78

**M. SECRETARY OF STATE**

**Discussion Points**

1. The Secretary of State (SOS) is responsible for issuing authentications and apostilles, recording municipal boundaries, and keeping a fair record of the official acts of the Legislature and state agencies. In accordance with Article VI of the State Constitution, the SOS must, when required, lay records of the Legislature and the Executive Department before either branch of the Legislature. Base funding for the SOS to perform these functions is \$513,500 PR and 4.0 PR positions. Under separate provisions of the bill, the recording of municipal boundaries would be transferred to DOA. In addition, funding and position authority for the SOS would be reduced to

\$268,400 PR and 2.0 PR positions, annually.

2. On the bill's effective date, all information technology services for the SOS would be provided by DOA. All assets and liabilities of the SOS related to information technology, as determined by the DOA Secretary, would become assets and liabilities of DOA. The bill would also transfer to DOA all tangible personal property, including records, relating to information technology. All information technology contracts would remain in effect and would transfer to DOA, however, the bill would not transfer any positions or incumbent employees of the SOS under this provision. The bill does not specify any additional monies that would be transferred to DOA under this proposal.

3. According to the SOS, most IT functions of the Office, such as equipment, procurement, installation, and maintenance, are performed by DOA and DET. The SOS has raised concerns regarding current external contracts with Northern Micrographics for: (a) scanning and digitizing newly filed municipal records and deeds; (b) ongoing website hosting, including maintenance, programming, and consulting; and (c) digitizing oaths and pardon documents. According to the SOS, these services were contracted with an external IT vendor because the vendor could provide these services to the Office faster, more responsively, more consistently, and at a lower price than DOA could provide. The SOS has expressed concern that DOA does not have sufficient knowledge of the electronic databases or operation of the Office's website to perform these functions. The website and electronic databases are routinely used by businesses and members of the public, and the SOS has noted that if DOA were to provide these services: (a) public access to these records may be compromised; (b) updates to the website may be delayed; (c) the quality of customer service provided to users would be diminished; and (d) these services would cost more.

4. According to DOA, the only IT services that the SOS procures independently through an external vendor (as described above) are specialized services that DET does not provide. Since DET does not provide these services, the administration does not expect the SOS's external contracts for website maintenance and servicing related to maintaining on-line databases accessible through the agency website to be significantly impacted by the consolidation of IT services. However, the administration notes that DET will evaluate whether the SOS should continue to procure these services from a third-party vendor, or if DET should provide them as in-house services. As noted, under separate provisions of the bill, the recording of municipal boundaries would be transferred to DOA. If the Committee chose to adopt that proposal, the SOS's current external IT contract for scanning and digitizing newly filed municipal records and deeds would be transferred to DOA. [Alternative M1] Alternatively, the Committee could delete the provision. [Alternative M2]

#### **M. Alternatives -- Secretary of State**

1. Approve the Governor's recommendation, as modified by the errata letter, to transfer responsibility for all IT services to DOA, effective July 1, 2016. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete provision.

## **N. STATE FAIR PARK**

### **Discussion Points**

1. State Fair Park is a 190-acre site located in West Allis and Milwaukee primarily associated with hosting the annual Wisconsin State Fair. Park grounds include the Milwaukee Mile racetrack, the Wisconsin Exhibition Center, dormitories and Park offices in the Tommy G. Thompson Youth Center, and several other agricultural barns and exhibition spaces. State Fair Park's operations are funded with revenues generated by the Wisconsin State Fair and other events at Park facilities throughout the year. Revenues mostly come from admissions and parking fees, facility rentals, and a percentage of sales made by vendors and food and beverage concessionaires. Receipts are deposited into program revenue continuing appropriations for general operations, capital improvements and debt retirement costs on certain Park facilities.

2. The Park is currently authorized 48.0 PR permanent positions, all of which are in the unclassified service. State Fair Park also employs approximately 1,800 limited-term employees (LTEs) throughout each year. The bill would delete 1.0 IT specialist under provisions that would transfer IT functions from mostly smaller agencies to DOA. Funding of \$106,100 would be reallocated from salary and fringe benefits to supplies and services, with reallocated funding being available to pay for DOA or outside vendor services.

3. State Fair Park's operations include standard information technology activities, such as maintaining staff computers, servers, peripherals, software and other accessories. In addition, the Park maintains several IT systems unique to its role in hosting public events, including: (a) programming and printing systems for ticketing for events at Park facilities; (b) security cameras to monitor crowd activities and traffic; and (c) networks for vendors and the Park to process transactions or provide Internet-based services to prospective customers. The Park also produces much of its own signage, marketing materials and graphics, which require significant data storage capacity and specialized hardware for production. State Fair Park contends its IT needs generally require an on-site presence to respond to outages or configure short-term services, such as ticketing or other kiosks, without which the Park's commercial activity could be disrupted. Staff persons with existing knowledge of Park systems are thought to be particularly advantageous to respond quickly to short-term IT needs or emergencies. State Fair Park also is in the process of planning utility upgrades, including maintenance and extensions of the Park's IT infrastructure. The Park contends it would be beneficial to have experienced staff on hand for these upgrades.

4. The IT position that would be deleted was approved for State Fair Park in February, 2013, under a 14-day passive review by the Joint Committee on Finance. Prior to the position authorization, State Fair had been using a combination of limited-term employees (LTEs) and DET services. The Park reports it continues to use LTEs for about 2,500 hours of IT-related services each year. However, the Park contends previous IT arrangements were untenable, as LTEs were prone to frequent turn over, and Park officials argued DET services were not cost-effective or sufficiently

reliable. For instance, the Park purchased a number of its own servers to house on-site and ensure continuous functionality, as occasional failures in Madison-based servers or the connections to them risked interruption of Park business.

5. State Fair Park maintains that internal management of its IT activities provides for stability and expertise in services in a cost-effective manner. The Park also argues it may have to account for higher IT costs of perhaps \$750,000 annually if such services were provided by DET. This calculation cannot be immediately verified, but State Fair Park's assumptions of DET per-unit chargebacks appear to be accurate based on 2014-15 DET rates. Further, State Fair Park reports it is not yet certain whether several of the Park-specific functions noted earlier would be sufficiently supported by DET, which may require the Park to provide for some, and perhaps all, of the support needed for these services using contract vendors or other existing resources. Incurring additional IT costs could impact the Park's operating budget and/or vendor or patron charges.

6. Although the bill does not provide for the transfer of incumbents in IT-related positions, the administration indicates it expects to consider current staff in its recruitment processes, were the provision retained. Further, the administration indicates it would retain IT staff at sites at which uniqueness of business operations dictates such a need. If such continuity were maintained for State Fair Park, it could address in part Park officials' concerns regarding an on-site staff presence and staff familiarity with systems.

7. Given that the administration intends to maintain on-site IT staff for agencies for which it is appropriate to do so, and given the Park incumbent may be considered to fill any DOA positions the bill may provide, it may be State Fair Park would realize few, if any, inconveniences in a consolidation of IT services. The Committee could consider adopting the Governor's recommendation, as modified by the errata letter. [Alternative N1] On the other hand, given potential higher costs and uncertainty around the timeliness and comprehensiveness of DOA IT services the Park may receive, the Committee could delete the provision for State Fair Park. [Alternative N2]

#### **N. Alternatives -- State Fair Park**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 1.0 PR position in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the position (\$106,100 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete provision.

<b>ALT N2</b>	<b>Change to Bill Positions</b>
PR	1.00

## O. TOURISM

### Discussion Points

1. The Department of Tourism is charged with promoting the state as a destination for state, national and international travelers, and with assisting the development of the state tourism industry. Tourism has annual base funding of approximately \$17.9 million and base position authority of 35.0 positions. Approximately \$12.5 million of this total is associated with marketing funds Tourism is budgeted for advertising and other grant programs to promote Wisconsin as a traveler destination. Current amounts also include: (a) \$922,000 with 4.0 positions for the Kickapoo Valley Reserve; and (b) \$1,563,900 with 4.0 positions for the Wisconsin Arts Board.

2. To administer its responsibilities, Tourism conducts seasonal advertising campaigns targeting audiences in Wisconsin and large metropolitan areas in neighboring states, including the Chicago and Twin Cities areas. The Department also maintains a website, TravelWisconsin.com, to assist the traveling public and prospective event planners with research on state destinations. Advertising campaigns and the Tourism website are augmented by various conferences Tourism arranges or in which Tourism participates. The Department also publishes and coordinates distribution for print materials to assist travelers or prospective travelers.

3. The bill would delete the following positions from Tourism under the proposal to transfer IT services to DOA: (a) 3.0 IS resources support technician-senior positions (2.0 GPR and 1.0 FED); and (b) 1.0 GPR IS network services-senior position. The bill would transfer \$203,900 GPR and \$77,400 FED annually from salary and fringe benefits for the position to supplies and services within Tourism's budget. In addition, separate provisions in the bill would: (a) provide 8.0 PR positions to create an Office of Marketing in Tourism, which would provide marketing and communications services to other state agencies and bill agencies for those services; and (b) delete 1.0 accountant position under a recommendation to consolidate budgeting, accounting and human resources functions of smaller agencies in DOA.

4. Tourism reports 2.0 GPR IS resources support technicians are collectively responsible for: (a) providing input for development of content and functions of the TravelWisconsin.com website, in conjunction with outside vendors providing Web development services; (b) assisting with conference planning or on-site management of Tourism's representation at industry shows; and (c) developing content for, and coordinating distribution of, print literature on Wisconsin destinations for travel centers throughout the state. One staff person also has responsibilities for providing backup support for invoicing and technology services for other departmental staff. Tourism reports it considers the positions almost entirely associated with the Department's communications and marketing functions and not associated with technical provision of IT services as the classification may suggest. Were one or both positions retained, Tourism reports it would seek to reclassify them from the IS category.

5. A 1.0 FED IS resource support technician-senior manages grants for Arts Board programs. The position administers electronic grant application and processing aspects, although Tourism and Arts Board staff indicate a majority of the position's workload is associated with grant administration tasks that are not necessarily of an IT nature. These include award or denial letters,

grant contracts, payment cataloging, final reporting by grantees and reporting to the National Endowment for the Arts, from which the Arts Board receives federal funds to distribute as grants. Arts Board grants are implemented in part using an electronic grant software platform of an outside vendor, for which the position has responsibility. DOA has indicated it would evaluate IT contracts currently used by agencies subject to the provision for those IT functions transferred. According to the administration, such functions may be continued, transferred to another DOA contract, or provided internally by DOA staff. Therefore, it is not clear whether the same platform would continue for Arts Board grant programs under the provision, or how grant administration services would be provided. However, as the bill would not change Arts Board grants programs themselves, it would be incumbent upon either DOA, other Arts Board staff or other Tourism staff to assume the responsibilities of administering Arts Board grant programs.

6. The 1.0 GPR network services-senior is responsible for various technical services such as: (a) maintaining networks and staff connectivity with IT systems; (b) providing staff with technical support on hardware or software issues; and (c) researching and executing purchases of IT products or services as Tourism may need. The position also is responsible for assisting with content updates to the TravelWisconsin.com website and assisting with deploying email communications to subscribers of Tourism's notification services. Tourism indicates a majority of the position's time (about 65%) is dedicated to marketing and communications activities, and not strictly the provision of technical IT services.

7. Tourism reports it receives several services from the DOA Division of Enterprise Technology, including: (a) server access; (b) email services; (c) information backup services; and (d) IT security services. Tourism reports it has not experienced any problems in responsiveness or quality of DOA IT services.

8. The Committee could consider restoring all positions other than 1.0 GPR network services-senior [Alternative O2]. This alternative would reflect the transfer of the Tourism position most clearly associated with IT services DOA would provide. On the other hand, as one could argue each of the 4.0 positions has significant responsibilities outside of administering technical IT services, the Committee could choose to delete the provision for the agency [Alternative O3].

## **O. Alternatives -- Tourism**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 4.0 positions (3.0 GPR and 1.0 FED) in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$203,900 GPR and \$77,400 FED) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to restore 3.0 positions (2.0 GPR and 1.0 FED) reallocate funding associated with the positions (\$130,600 GPR and \$77,400 FED) from supplies and services to salaries and fringe benefits.

<b>ALT O2</b>	<b>Change to Bill</b>
	Positions
GPR	2.00
FED	<u>1.00</u>
Total	3.00

3. Delete provision.

<b>ALT O3</b>	<b>Change to Bill</b>
	Positions
GPR	3.00
FED	<u>1.00</u>
Total	4.00

## **P. WISCONSIN TECHNICAL COLLEGE SYSTEM**

### **Discussion Points**

1. State law identifies the principal purposes of the Wisconsin Technical College System (WTCS) as providing occupational education, training and retraining programs, and customized training and technical assistance to business and industry. The System is divided into 16 districts with 48 main and satellite campuses. WTCS serves approximately 325,000 students, employs 20,000 staff, and contracts with 5,000 employers annually. Adjusted base level funding for WTCS totals \$557,264,700 annually, including \$519,336,500 GPR, \$32,661,400 FED, and \$5,266,800 PR. The majority of the GPR funding, or \$516,409,100 annually, consists of state aid distributed to technical college districts. The System's authorized base level FTE position count totals 64.5, including 23.25 GPR positions, 12.5 PR positions, and 28.75 FED positions.

2. Under the proposal, 6.0 positions would be deleted from the following WTCS appropriations to transfer responsibility for all IT services to DOA: (a) general program operations (2.0 GPR positions); and (b) federal aid -- state operations (4.0 FED positions). The positions that would be deleted include three programmers, one support position, and one infrastructure specialist, in addition to one position whose previous incumbent has retired but remains on payroll using accumulated leave balances. Funding associated with the positions (\$203,700 GPR and \$369,200 FED annually) would be reallocated to supplies and services to pay charges by DOA for information technology services.

3. The WTCS Board is responsible for planning and coordinating the System's programs and activities. As such, the Board and its authorized employees work with each of the 16 technical college districts. Therefore, although the identified positions do perform traditional IT duties, they also perform duties specific to post-secondary institutions and spend a significant portion of their time providing services and support directly to technical college districts. While the staffing level of the WTCS Board fits the criteria identified for participation in the IT consolidation under the bill,



the Board's administrative staff serves a much larger number of local government employees located at the district level. It is likely that functions that require specialized knowledge related to post-secondary education or that involve close contact with staff in each of the technical college districts could be difficult for DOA to perform.

4. WTCS uses a specialized IT portal that was developed by WTCS staff with funding from a \$2.2 million federal grant awarded in 2010 under the American Recovery and Reinvestment Act (ARRA), as part of a larger grant awarded for state longitudinal data systems. The portal manages all technical college state reporting databases used to maintain the financial accounting systems required under state law. The portal is also used to produce reports on topics including enrolled students, faculty certification, course and program approvals, veterans tracking, colleges' contract training, employer follow-up surveys, and fire service certification. WTCS staff indicate that the portal stores and processes a large number of data records, and is used to respond to approximately 6,000 data requests each month by internal staff, staff at each district, and other stakeholders.

5. Because the portal was developed specifically for use by WTCS, the system is not currently compatible with the IT systems used by DOA. WTCS staff indicate that significant programming changes would need to occur before the system could be migrated to DET, and the full transition would take approximately two years. This would likely incur costs to WTCS, particularly with regards to the programming time that would be required. Without additional funding to support this transition, it is likely that WTCS would not be able to devote sufficient staff time to completing the transition while also continuing to perform its current functions at the same level.

6. Each of the positions that would be eliminated under the proposal performs tasks in support of the portal and its reporting systems. The three programmers spend approximately 50% of their time completing coding related to the portal, with the remainder of their time spent completing data requests, performing database administration, and providing portal support. The support position performs portal user and security management in compliance with guidelines under the federal Family Educational Rights and Privacy Act (FERPA), manages online content with information about data systems and reporting for district level staff, and provides support related to the portal, internal IT systems, and WTCS infrastructure. The infrastructure specialist is the lead project manager for the portal and reporting systems and oversees the development and management of the portal, in addition to managing the security of WTCS data and completing necessary infrastructure-related tasks.

7. In recent years, WTCS has increased its emphasis on data to support decision-making and to improve System and college performance. For example, the formulas used to award performance-based funding to colleges beginning in 2014-15 require the use of data on a number of outcome measures from each of the colleges for three previous fiscal years. WTCS staff indicate that the current programming staff have both general IT expertise in addition to knowledge about WTCS colleges and data related to post-secondary education, which is integral in ensuring data integrity and accuracy. In particular, WTCS IT staff are required to perform data cross-validations unique to WTCS that could not be performed by an IT generalist, and frequently collaborate with

college staff and WTCS education directors to interpret data. The accuracy of data and data-driven reports is valuable to support System decision-making and to provide information for the colleges, state policymakers, researchers, and other stakeholders.

8. IT staff also perform duties related to grants and grant reporting, including providing data required for grant reports. Major federal grants are awarded to WTCS annually under the Adult Education and Family Literacy Act, the Carl D. Perkins Career and Technical Education Act, and the Trade Adjustment Assistance Community College and Career Training Grant Program, with additional funding provided through other state and federal grant programs. A delay in the completion of these reports or any disruption in the integrity or quality of the data used to prepare the reports could risk the continuation of these grants, which are important for agency operations.

9. The WTCS portal provides access to a large number of external users. In addition to System IT staff, approximately 100 users have direct access to the data in the system, and a total of 750 external users have the capacity to produce reports using the portal. Due to FERPA requirements, the System's IT team manages many different levels of access to data systems to ensure that data access is granted only to those positions that require access to certain data. It could be argued that because the System's IT infrastructure and staff support 16 local units of government with large numbers of employees who use WTCS IT systems, the System's IT needs may be outside of the scope of what was intended for this proposal.

10. WTCS does not currently use any services provided by DET. WTCS staff indicate that they have not been included in previous IT infrastructure consolidations because of the unique IT needs of the agency. In particular, the specialized data and reporting systems, the frequent need to produce and use data reports, and the many external users of the system have been considered too expansive for inclusion in previous consolidations.

11. Under FERPA, any educational agency or institution that receives funds from programs administered by the U.S. Department of Education must have permission from the student or the student's parent to release information from a student's education record in most cases. FERPA allows institutions to disclose education records to a contractor if the contractor meets the following criteria: (a) performs a function that would otherwise be performed by the institution's employees; (b) is subject to FERPA requirements for the redisclosure of personally identifiable information; and (c) is under the direct control of the institution with regards to the use and maintenance of records. Under the proposal, although DOA has indicated that agencies would retain ownership of their own data, DET staff would have access to data records that are protected under FERPA and would report directly to DOA rather than WTCS. WTCS staff have expressed concern that the proposal may conflict with FERPA if DET staff are not under the direct control of WTCS.

12. WTCS staff indicate that purchasing the same services from DET as are currently performed by agency staff would result in an increase in IT costs. In particular, because WTCS owns its own servers and other hardware, additional costs would be associated with paying DOA for the use of these items. Under the bill, the System's infrastructure assets, which WTCS staff indicate were purchased to support both current and future data needs, would be transferred to DOA. WTCS staff have estimated that DET would charge approximately \$802,000 annually for access to infrastructure that currently costs approximately \$95,200 each year to maintain. As data

needs grow, the storage space required is expected to increase by an estimated 5% each year, which would require WTCS to request funding increases in each biennial budget to support expanding infrastructure needs. An additional cost would be associated with using DET staff for IT projects. DET bills agencies \$156,000 for each FTE consultant annually, which is substantially more than the \$80,500 to \$116,400 annually per FTE that WTCS currently pays for salaries and fringe benefits for these positions.

13. WTCS staff indicate that the federal funding related to IT positions (\$369,200 FED annually) is provided through federal grants. Under the grants, salary costs are allowable as a direct grant expense for state employees reporting directly to a state education agency if the employee uses time sheets to document how much time is spent on work directly related to the grant. The services that would be provided by DOA would be considered an indirect expense, and could not be charged directly to a federal grant, and under federal rules, a maximum of \$25,000 in contractor costs are allowable in the determination of the indirect cost pool. Therefore, the majority of the payments related to DET contracts would be required to be made out of GPR dollars.

14. One IT position that would be deleted under the proposal is currently filled by an incumbent that has retired, but is still on payroll using accumulated leave balances. WTCS staff indicate that the position will be reassigned under the state's classified service procedures to another area within the System office that is understaffed and will replace a position currently occupied by a limited-term employee (LTE).

15. Given the amount of time that would be required to transfer WTCS IT functions to DET, the Committee could choose to modify the provision to delay implementation for WTCS for two years, until July 1, 2017 [Alternative P2]. On the other hand, given the large volume of unique data managed by WTCS IT staff, the important role of the data in WTCS decision making, and the significant cost increases associated with the change, the Committee could choose to delete the provision for the agency [Alternative P3].

#### **P. Alternatives -- Wisconsin Technical College System**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 6.0 positions (2.0 GPR and 4.0 FED) in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$203,700 GPR and \$369,200 FED) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the bill to delay the deletion of IT positions from WTCS and the reallocation of salary and fringe benefit costs until July 1, 2017.

<b>ALT P2</b>	<b>Change to Bill Positions</b>
GPR	2.00
FED	<u>4.00</u>
Total	6.00

3. Delete provision.

<b>ALT P3</b>	<b>Change to Bill Positions</b>
GPR	2.00
FED	<u>4.00</u>
Total	6.00

## **Q. OTHER CONSTITUTIONAL OFFICES**

### **Discussion Points**

1. The administration did not respond to requests for information relating to IT services provided to the Office of Governor, Office of Lieutenant Governor, or Office of State Treasurer. However, state accounting system data show that in 2013-14, the Office of Governor expended \$83,400 GPR to purchase contractual IT services from private companies. Given that the Office of Governor purchases contractual IT services from private companies, the Committee could delete the provision for one or more of the three Constitutional offices for which the administration did not provide information. [Alternative Q2a, Q2b, or Q2c]

### **Q. Alternatives -- Other Constitutional Offices**

1. Approve the Governor's recommendation, as modified by the errata letter, to transfer responsibility for all IT services for the Office of Governor, Office of Lieutenant Governor, and Office of State Treasurer to DOA, effective July 1, 2016. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete the provision with regard to:
  - a. Office of Governor.
  - b. Office of Lieutenant Governor.
  - c. Office of State Treasurer.

Prepared by: Rachel Janke  
Attachment

## ATTACHMENT

### Paper #110 Alternatives

#### A. OVERVIEW

1. Approve the Governor's recommendation, as modified by the errata letter, to require DOA to provide all IT services to the 17 agencies specified in the bill, effective July 1, 2016; provide \$4,873,000 PR and 43.0 PR positions in 2016-17 to DOA's IT services to state agencies appropriation; delete 17.34 GPR positions, 6.0 FED positions, 25.94 PR positions, and 1.0 SEG position in 2016-17 from the agencies specified; and reallocate funding associated with the deleted positions from salaries and fringe benefits to supplies and services to pay DOA assessments for IT services. Specify that on July 1, 2016, the assets and liabilities of the agencies identified in the bill which are related to IT, as determined by the Secretary of DOA, would become the assets and liabilities of DOA.

<b>ALT A1</b>	<b>Change to Bill</b>
PR	-\$4,873,000

2. Delete provision.

	<b>ALT A2</b>		<b>Change to Bill</b>	
		Funding		Positions
GPR		\$0		17.34
FED		0		6.00
PR		- 9,746,000		- 17.06
SEG		0		1.00
Total		-\$9,746,000		7.28

#### B. BOARD OF COMMISSIONERS OF PUBLIC LANDS

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 1.0 PR position in 2016-17 to transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the position (\$82,100 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete provision.

<b>ALT B2</b>	<b>Change to Bill</b>
	Positions
PR	1.00

**C. BOARD ON AGING AND LONG-TERM CARE**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete a 0.5 PR position in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the position (\$39,600 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.
2. Modify the provision to specify that the incumbent employee would be transferred to DOA with all of that individual's current employment status.
3. Delete provision.

<b>ALT C3 Change to Bill</b>	
Positions	
PR	0.50

**D. BOARD FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES**

1. Approve the Governor's recommendation, as modified by the errata letter, to transfer responsibility for all IT services to DOA, effective July 1, 2016. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.
2. Delete provision.

**E. EDUCATIONAL COMMUNICATIONS BOARD**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 4.0 positions (3.34 GPR and 0.66 PR positions) in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the position (\$293,300 GPR and \$54,900 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.
2. Delete the provision that would require DOA to provide all IT services for ECB. In addition, restore 1.0 position (0.5 GPR and 0.5 PR position), and reallocate funding associated with the position (\$43,700 GPR and \$43,700 PR) from supplies and services to salaries and fringe benefits.

<b>ALT E2</b>	<b>Change to Bill</b> Positions
GPR	0.50
PR	<u>0.50</u>
Total	1.00

3. Modify the provision to specify that the Division of Enterprise Technology in DOA could not assess ECB for functions currently performed by the IT generalist in an amount that exceeds the difference between the salary and fringe benefit costs for that position and the amount the ECB is charged for broadcast equipment servicing and the storage of WPBF's financial data.

4. Delete provision.

<b>ALT E4</b>	<b>Change to Bill</b> Positions
GPR	3.34
PR	<u>0.66</u>
Total	4.00

## **F. FINANCIAL INSTITUTIONS**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 11.0 PR positions in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$1,269,100 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to restore 1.0 PR position and reallocate funding associated with the position (\$96,100 PR) from supplies and services to salaries and fringe benefits.

<b>ALT F2</b>	<b>Change to Bill</b> Positions
PR	1.00

3. Modify the provision to restore 9.0 PR positions and reallocate funding associated with the positions (\$1,073,700 PR) from supplies and services to salaries and fringe benefits.

<b>ALT F3</b>	<b>Change to Bill</b> Positions
PR	9.00

4. Delete provision.

<b>ALT F4</b>	<b>Change to Bill Positions</b>
PR	11.00

**G. GOVERNMENT ACCOUNTABILITY BOARD**

1. Approve the Governor's recommendation, as modified by the errata letter, to transfer responsibility for all IT services to DOA, effective July 1, 2016. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete provision.

**H. HIGHER EDUCATIONAL AIDS BOARD**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 3.0 GPR positions in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$218,700 GPR) from salaries and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to delete language that would require all IT services for the HEAB be provided by DOA. In addition, restore 1.0 GPR position (IS operations support tech -- senior position) and reallocate funding associated with the position (\$66,400 GPR) from supplies and services to salaries and fringe benefits.

<b>ALT H2</b>	<b>Change to Bill Positions</b>
GPR	1.00

3. Modify the provision to delete language that would require all IT services for the HEAB be provided by DOA. In addition, restore 2.0 GPR positions (1.0 IS operations support tech - - senior and 1.0 IS professional -- senior) and reallocate funding associated with the positions (\$145,400 GPR) from supplies and services to salaries and fringe benefits.

<b>ALT H3</b>	<b>Change to Bill Positions</b>
GPR	2.00

4. Delete provision.



<b>ALT H4</b>	<b>Change to Bill</b>
	<b>Positions</b>
GPR	3.00

## **I. HISTORICAL SOCIETY**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 7.0 positions (6.0 GPR and 1.0 FED) in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$673,400 GPR and \$69,900 FED) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to do one or more of the following:

a. Restore 1.0 GPR position and transfer the associated \$117,400 GPR from supplies and services back to salaries and fringe benefits funding to maintain a position performing specialized tasks related to library and archives practices.

<b>ALT I2a</b>	<b>Change to Bill</b>
	<b>Positions</b>
GPR	1.00

b. Restore 1.0 FED position and transfer the associated \$69,900 FED funding from supplies and services back to salaries and fringe benefits to maintain a position that performs specialized GIS duties and is funded through a federal grant.

<b>ALT I2b</b>	<b>Change to Bill</b>
	<b>Positions</b>
FED	1.00

c. Restore 1.0 GPR position and transfer the associated \$156,000 GPR funding from supplies and services back to salaries and fringe benefits to maintain a position that serves as a liaison between DOA and WHS and performs strategic planning functions.

<b>ALT I2c</b>	<b>Change to Bill</b>
	<b>Positions</b>
GPR	1.00

d. Restore 3.0 GPR positions and transfer the associated \$292,200 GPR funding from

supplies and services back to salaries and fringe benefits to maintain the Society's web team.

<b>ALT I2d</b>	<b>Change to Bill</b>
	Positions
GPR	3.00

3. Delete provision.

<b>ALT I3</b>	<b>Change to Bill</b>
	Positions
GPR	6.00
FED	<u>1.00</u>
Total	7.00

## **J. OFFICE OF STATE EMPLOYMENT RELATIONS**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 1.0 PR position in 2016-17 and reallocate funding associated with the position (\$79,600 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to provide 1.0 PR position in 2016-17 to the Division of Personnel Management in DOA, associated with the OSER position. Reallocate funding associated with the position (\$79,600 PR) from supplies and services to salaries and fringe benefits.

<b>ALT J2</b>	<b>Change to Bill</b>
	Positions
PR	1.00

## **K. PUBLIC SERVICE COMMISSION**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 10.0 positions (9.0 PR and 1.0 SEG) in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$876,800 PR and \$94,100 SEG) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete provision.

<b>ALT K2</b>	<b>Change to Bill Positions</b>
PR	9.00
SEG	<u>1.00</u>
Total	10.00

**L. SAFETY AND PROFESSIONAL SERVICES**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 1.78 PR positions in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$167,700 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.
2. Delete provision.

<b>ALT L2</b>	<b>Change to Bill Positions</b>
PR	1.78

**M. SECRETARY OF STATE**

1. Approve the Governor's recommendation, as modified by the errata letter, to transfer responsibility for all IT services to DOA, effective July 1, 2016. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.
2. Delete provision.

**N. STATE FAIR PARK**

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 1.0 PR position in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the position (\$106,100 PR) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.
2. Delete provision.

<b>ALT N2</b>	<b>Change to Bill Positions</b>
PR	1.00

## O. TOURISM

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 4.0 positions (3.0 GPR and 1.0 FED) in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$203,900 GPR and \$77,400 FED) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the provision to restore 3.0 positions (2.0 GPR and 1.0 FED) reallocate funding associated with the positions (\$130,600 GPR and \$77,400 FED) from supplies and services to salaries and fringe benefits.

<b>ALT O2</b>	<b>Change to Bill</b>
	Positions
GPR	2.00
FED	<u>1.00</u>
Total	3.00

3. Delete provision.

<b>ALT O3</b>	<b>Change to Bill</b>
	Positions
GPR	3.00
FED	<u>1.00</u>
Total	4.00

## P. WISCONSIN TECHNICAL COLLEGE SYSTEM

1. Approve the Governor's recommendation, as modified by the errata letter, to delete 6.0 positions (2.0 GPR and 4.0 FED) in 2016-17, transfer responsibility for all IT services to DOA effective July 1, 2016, and reallocate funding associated with the positions (\$203,700 GPR and \$369,200 FED) from salary and fringe benefits to supplies and services. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Modify the bill to delay the deletion of IT positions from WTCS and the reallocation of salary and fringe benefit costs until July 1, 2017.

<b>ALT P2</b>	<b>Change to Bill</b>
	Positions
GPR	2.00
FED	<u>4.00</u>
Total	6.00

3. Delete provision.

<b>ALT P3</b>	<b>Change to Bill Positions</b>
GPR	2.00
FED	<u>4.00</u>
Total	6.00

**Q. OTHER CONSTITUTIONAL OFFICES**

1. Approve the Governor's recommendation, as modified by the errata letter, to transfer responsibility for all IT services for the Office of Governor, Office of Lieutenant Governor, and Office of State Treasurer to DOA, effective July 1, 2016. Transfer assets, liabilities, tangible personal property, records, and contracts relating to IT, as determined by the Secretary of DOA, to DOA effective July 1, 2016.

2. Delete the provision with regard to:
  - a. Office of Governor.
  - b. Office of Lieutenant Governor.
  - c. Office of State Treasurer.