

WHEREAS, effective management and fiscal restraint requires careful evaluation and review of all expenditure priorities; and

WHEREAS, the State of Wisconsin has increasingly utilized federal programs' funds as a means of supplementing existing state and local funds; and

WHEREAS, increasingly federal funds are being allocated to the state and local governments on a "block grant" basis; and

WHEREAS, increasingly federal program direction has been transferred to state and local governments;

NOW, THEREFORE, I, PATRICK J. LUCEY, Governor of the State of Wisconsin by virtue of the authorities granted to the Governor by Article V, Section 4 of the Wisconsin Constitution, Chapter 14.03 and Chapter 16.54 of the Wisconsin Statutes, direct that the following procedures relative to federal funds applied for, received and expended and state plans developed by state agencies be in force effective June 1, 1975, unless otherwise specifically provided.

A. Federal Aid Applications--Prior Review and Approval

Whenever a state agency or institution intends to apply for a federal grant or contract from an agency or unit of the federal government, a notification of intent shall be submitted to the Executive Services Division, Department of Administration for review and processing to the Office of the Governor. Notification of intent shall be submitted by means of the "Prior Review and Notifications of Federal Grant-In-Aid Application" form (AD-MBA-31), (revised 9-71) and be described as fully as pre-project planning and cost estimation will permit.

Submission of an adequately described "Prior Review and Notification. . ." form will preclude the need for sending completed final application documents to the Governor for approval except when federal regulations require the Governor's signature on the actual application document, in which case the documents should accompany submission of the forms.

Exception: Applications for research type grants conducted by personnel of the University of Wisconsin System involving annual project expenditures not in excess of \$50,000 need not request prior approval. These applications shall be reported periodically in list format upon their approval by the Board of Regents.

B. Annual Plans

State agency annual plans and plan amendments submitted by state agencies to federal agencies, in compliance with conditions for receipt of federal funds, all statewide plans requiring A-95 process approval and all plans requiring the Governor's approval or review shall be submitted (with AD-MBA-31) to the Executive Services Division, Department of Administration for review and processing through the Office of the Governor.

C. Intra-Interagency Contracts

All contracts, agreements or understandings where any federal funds whatsoever are involved in payment for services rendered by one state agency for another or from the state or agency thereof for a municipality (as defined in Chapter 66.30 of the statutes) or any other such organizational entity as the state may render services to, shall be submitted to the Executive Services Division for review and processing through the Office of the Governor.

All such contracts submitted shall be accompanied by an AD-ES-01 (Interagency Contract Approval), with notations as to appropriations affected, dollar and position amounts, and a brief justification of need. All such contracts must be approved by the Governor, or his delegate, to be in effect.

D. Federal Grant-In-Aid Reporting

1. All state agencies shall report to the Governor through the Executive Services Division all receipts of federal grants-in-aid.
2. All agencies responsible for the administration of a federal grant-in-aid program shall advise the Executive Services Division whenever a federally assisted program funding arrangement is altered to the extent that the program would have to be conducted with state funds or increased state funds as a result of federal funding curtailment, termination or redirection.

3. Agency Reporting

Federal funding reporting requirements as enumerated in Chapters 13.095 (federal fund withdrawal), 16.50(3) (positions approved above budget levels), 16.54(5) (pre-applications approved by the Governor), 16.54(8) (funds received or positions created above budget levels), 20.002(10) (excess state matching funds), shall be the responsibility of the Executive Services Division and transmitted to the Governor and the appropriate Legislative Committees. All state agencies shall assist the division in developing such reports.

E. Federal-State Policy Coordination

In order to provide effective coordination and development of state policy, each state agency is requested to provide to the Governor via the Executive Services Division copies of all written communications with federal agencies and members of the U.S. Congress and its committees relative to policy positions of the agency, reactions to and comments on existing federal laws and regulations and/or on pending and proposed laws and regulations. Copies of communications with national



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representative organizations in which the state holds membership on the matters listed above should also be copied to the Governor via the Executive Services Division.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Wisconsin to be affixed. Done at the Capitol in the City of Madison, this 3rd day of June in the year of our Lord one thousand nine hundred and seventy-five.



Patrick J. Lucey
PATRICK J. LUCEY
GOVERNOR

By the Governor:

Douglas La Follette
DOUGLAS LA FOLLETTE
Secretary of State