

1993-94 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

➤ Miscellaneous ... Misc

➤ 93hrJC-Fi_Misc_pt55

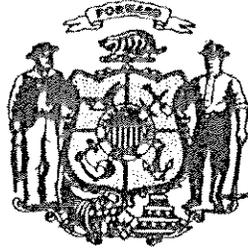
➤ Record of Comm. Proceedings ... RCP

➤ **

State of Wisconsin

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JOINT COMMITTEE ON FINANCE

June 9, 1994

TO: Mr. James R. Klauser, Secretary
Department of Administration

FROM: Senator Joe Leean
Representative Barbara J. Linton
Co-Chair, Joint Committee on Finance

We have reviewed the request from the Department of Administration dated May 19, 1994 under s. 16.515 and 16.505(2) pertaining to the request from the Wisconsin Technical College System Board.

There were no objections to this request and accordingly it has been approved.

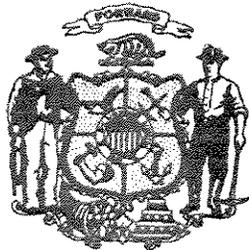
JL:BJL:ns

cc: Roger Grossman
Bob Lang

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JOINT COMMITTEE ON FINANCE

May 19, 1994

TO: JOINT COMMITTEE ON FINANCE MEMBERS

FROM: Senator Joe Leean
Representative Barbara J. Linton
Co-Chair, Joint Committee on Finance

Attached is a copy of a request from the Department of Administration dated May 19, 1994 pertaining to a request from the Wisconsin Technical College System Board.

Please review this item and notify Senator Leean's office not later than Monday, June 6, 1994 if you have any concerns about the request or would like the Committee to meet formally to consider it.

Also, please contact us if you need additional information.

JL:BJL:ns

Attachments

CORRESPONDENCE/MEMORANDUM

**STATE OF WISCONSIN
Department of Administration**

Date: May 19, 1994

To: Honorable Joseph Leraan, Co-Chair
Honorable Barbara J. Linton, Co-Chair

From: James R. Klauser
Secretary
Department of Administration

James R. Klauser

Subject: s. 16.515/16.505(2) Requests

Enclosed are requests which have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>1993-94</u>		<u>1994-95</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
W.T.C.S.B. 20.292(2)(g)	Educational Approval Board	\$ 23,300		\$ 32,000	

As provided in s. 16.515, this request will be approved on June 10, 1994 unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about this request.

Please contact Roger Grossman at 266-1072, or the analyst who approved the request in the Division of State Executive Budget and Planning, if you have any additional questions.

Attachments:

CORRESPONDENCE MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: May 12, 1994

To: James R. Klauser, Secretary
Department of Administration

From: Orlando Canto
Education Team



Subject: S. 16.515 Request for the Wisconsin Technical College System Board.

Request:

Under the statutory provisions of s. 16.515 the Wisconsin Technical College System Board (WTCSB) is requesting increased PRS expenditure authority of \$23,300 in FY94 and \$32,000 in FY95 in appropriation s. 292 (2)(g). The increased expenditure authority will be used support the on-going operation of the Educational Approval Board (EAB).

Analysis:

Until last year EAB received, free of charge, space and support services from the WTCSB. Last year a federal Department of Education (DOE) audit advised WTCSB that it must charge EAB for the services it provides. DOE objects to WTCSB paying for EAB overhead from its federal education grants. The EAB budget does not have sufficient spending authority to absorb the additional costs for space rental and the FY94 indirect service charge of 6% established by WTCSB in response to the DOE audit. In addition, the EAB also requires additional expenditure authority for increased LTE expenditures resulting from assistance provided to students from the Technology Institute of Milwaukee and the Milwaukee Business College. These two schools closed abruptly leaving approximately 500 students without any means of obtaining transcripts or resolving pending financial issues.

EAB is requesting an increase of \$23,300 in FY94 in appropriation s. 292 (2) (g). The increase covers: a) \$8,300 for annual space rental (\$690 per month); b) \$10,200 indirect service charge (6% of total appropriation); and c) \$4,800 for LTEs. In addition, EAB will also require increased expenditure authority of \$32,000 in FY95 to cover: a) \$8,300 for space rental; b) \$12,300 indirect service charge (7% of total appropriation); and c) \$11,400 from a master lease arrangement to acquire a new computer system for the agency.

The current computer system used by EAB is over ten years old and no longer serves the agency's needs. Acquiring a new system compatible with the system used by the WTCSB will not only increase EAB's capacity, but simplify maintenance (currently the two systems are incompatible). The costs of the master lease will be distributed 70/30 between EAB's federal (30%) and PR (70%) appropriations. The total cost of the system is

[James R. Klauser]
[May 12, 1994]
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\$45,200 over the six year life of the master lease arrangement. In FY95, master lease payments will total \$16,300. Appropriation s. 292 (2) (g) will be charged 70% of the system cost (\$11,400).

Status of s. 292 (2)(g):

Appropriation s. 292 (2) (g) has an unexpended cash balance of \$104,500 and can easily absorb the additional \$55,300 (1994-95 total) expenditure authority being requested.

Line Items	Chapter 20	Expenditures as of 4/30/94	Balance
Salary	\$102,300	\$88,515	\$13,785
LTE	1,800	6,619	-4,819
Fringe	32,400	29,697	2,703
Supply and Services	19,900	18,811	1,089
Total	\$156,400	\$143,642	\$12,758

Recommendation:

Approve the request for increased expenditure authority of \$23,300 in FY94 and \$32,000 in FY95 in appropriation s. 292 (2) (g). Appropriation s. 292 (2) (g) has the cash balance necessary to absorb the additional expenditure authority being requested.



State of Wisconsin

EDUCATIONAL APPROVAL BOARD

Joseph L. Davis, Ph.D.
Executive Secretary

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Madison, Wisconsin 53707
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310 Price Place
Madison, Wisconsin
FAX (608) 266-1690

May 10, 1994

MEMORANDUM

TO: Secretary James Klauser, DOA
FROM: J.L. Davis
RE: Request for Joint Finance s. 16.505/515 approval to Increase EAB Budget Authority in Supplies and Services and Increase Overall Spending Authority

This memorandum requests authorization from the Joint Committee on Finance for approval in accordance with s. 16.505/515 to permit the Educational Approval Board to 1) increase its budget authority in Supplies and Services and 2) spend unallocated Program Revenue funds carried over from previous years to fund the acquisition of a new computer network.

Background:

Until last year, the EAB received space and administrative/support service without charge from the Wisconsin Technical College System Board [WTCSB]. After a U.S. Department of Education Audit (in which DOE objected to having the WTCSB pay for EAB overhead without its federal education grants), the WTCSB was directed to begin levying charges for its support. The EAB budget does not have sufficient spending authority to absorb the additional costs for rent and the FY94 indirect service charge of 6% established by the WTCSB in response to the DOE audit.

In addition, the EAB also requires additional expenditure authority for increased LTE costs resulting from assistance provided to students from the Technology Institute of Milwaukee and, to a lesser extent, the Milwaukee Business College. These two schools closed abruptly leaving approximately 450-600 students without any means of obtaining transcripts or resolving pending and ongoing financial issues.

In addition, the board has had its range of responsibility grow in the past few years, including receiving new authority over out-of-state non-profit colleges this past year. These changes require the ability to work more efficiently and smarter, especially in the development and use of a comprehensive relational data base able to store information on all the schools were oversee. The EAB, however, has antiquated computer capability, not having had a major computer system upgrade for nearly a decade.

The EAB is making its acquisition of a computer in the most efficacious and cost effective manner possible: acquiring a system which is totally compatible with that of the Wisconsin Technical College Board so as to facilitate service by WTCSB staff -- thus avoiding a totally separate computer system and redundant staffing. At the present time the two computer systems are absolutely incompatible.

Analysis:

EAB is, therefore, requesting an increase of \$23,300 in FY94 in appropriation s. 292 (2)(g). The increase covers: a) \$8,000 in annual space rent (@ \$690/month); b)

\$10,200 indirect service charge (6% of total appropriation); and c) \$4,800 for LTEs. In addition, EAB will also require increase expenditure authority of \$32,000 in FY95 to cover: a) \$8,300 for space rental; b) \$12,300 indirect service charge (7% of total appropriation); and c) \$11,400 from a master lease agreement to acquire a new computer system as noted above. The costs of the master lease will be distributed 70/30 between EAB's federal (30%) and PR (70%) appropriations. The total cost of the system is \$45,200 over the six year life of the master lease agreement. In FY95, master lease payments will total \$16,300. Appropriations s. 292 (2)(g) will be charged 70% of the system cost (\$11,400).