

1995-96 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

➤ 95hrJC-Fi\_Misc\_pt24

➤ Record of Comm. Proceedings ... RCP

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# State of Wisconsin

SENATE CHAIR  
JOE LEEAN

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ASSEMBLY CHAIR  
BARBARA J. LINTON

Room 127 South, State Capitol  
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Phone: 266-7690

## JOINT COMMITTEE ON FINANCE

March 10, 1994

Secretary James R. Klauser  
Department of Administration  
101 East Wilson, 10th Floor  
Madison, WI 53702

Dear Secretary Klauser:

On January 28, 1994, a request under ss. 16.505/16.515 of the Wisconsin Statutes relating to the Department of Health and Social Services (H&SS) for additional funding and staff increases for juvenile correctional, aftercare and alternate care services, as approved by your Department, was forwarded to the Joint Committee on Finance. Upon receiving objections to this request, the Committee further reviewed the request on March 2, 1994. Based on that review, the request is approved with several modifications, as indicated below.

With respect to the proposed, one-time increase of \$426,500 PR and 30.0 PR positions requested for the juvenile correctional institutions in 1993-94, including 27.0 youth counselor positions for additional coverage in the cottages during the 3 p.m. to 11 p.m. shift and 3.0 teacher positions, the Committee approves the request for \$426,500 PR in increased expenditure authority with the following modifications:

- Of the total, additional funding provided in 1993-94, \$280,000 PR in 1993-94 is placed in unallotted reserved, subject to release by DOA, for salary and fringe benefit costs associated with funding an additional 27.0 youth counselors and 3.0 teachers at the institutions;

Secretary James R. Klauser

March 9, 1994

Page 2

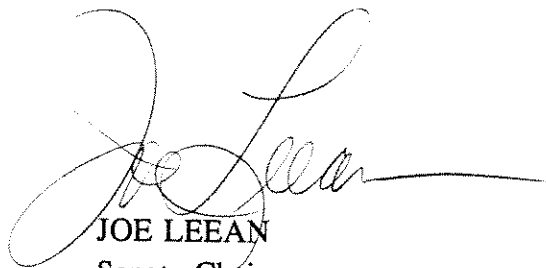
- No additional position authorization is provided with the understanding that H&SS will reallocate currently authorized positions at the juvenile correctional institutions to provide a total of 27.0 youth counselor positions and 3.0 teacher positions at the institutions; and

- Beginning in June, 1994, H&SS will report quarterly on the date required for s. 13.10 requests to the Joint Committee on Finance regarding: (1) the number and type of positions hired and vacant at the juvenile correctional institutions during that quarter; (2) the amount expended and projected to be expended during that quarter and for the remainder of the fiscal year for overtime and LTE costs at the institutions; and (3) the types of activities for which overtime was authorized and the use of salary and fringe benefit funding of positions that are held vacant during that quarter.

With respect to the proposed, one-time increase of \$676,400 PR in 1993-94 for overtime and LTE costs, the Committee approves the request and provides an additional \$172,900 PR in 1993-94, for a total increase of \$849,300 PR in 1993-94 for overtime and LTE costs.

With respect to the proposed, one-time increase of \$38,000 PR and 3.0 PR positions, beginning on March 1, 1994, for aftercare, the Committee approves the request with one modification. Due to the timing of the request and length of the hiring process, a total of \$29,300 PR in 1993-94 is provided to support 3.0 PR aftercare positions, beginning on April 1, 1994, for the remainder of 1993-94.

With respect to the proposed, one-time increase of \$402,900 PR in 1993-94 for alternate care, the request is approved.



JOE LEEAN  
Senate Chair

Sincerely,



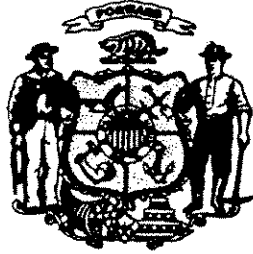
BARBARA J. LINTON  
Assembly Chair

JL/BJL/ns

# State of Wisconsin

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## JOINT COMMITTEE ON FINANCE

February 17, 1994

Secretary James R. Klauser  
Department of Administration  
101 East Wilson Street, 10th Floor  
Madison, WI 53702

Dear Secretary Klauser:

Several agency requests were submitted on January 28, 1994, to the Joint Committee on Finance for its review under s. 16.515 and s. 16.505(2) of the statutes.

With respect to the request by the Office of the Commissioner of Insurance (OCI) for a supplementation of \$108,700 PR in 1993-94 to its s. 20.145(8)(hg) appropriation for additional costs relating to the transfer of the Office of Health Care Information to that agency from the Department of Health and Social Services, we have been advised by Commissioner Musser in a February 17, 1994 letter, that OCI has now withdrawn that request. Consequently, this matter is deemed no longer to be before the Committee for its review.

A request was also submitted for \$1,140,900 PR in 1993-94 and 33.0 PR positions, beginning March 1, 1994, for the juvenile correctional institutions, overtime and aftercare. In addition, a total of \$402,900 PR in 1993-94 was requested for alternate care. We have received objections to this request and, therefore, this request is not approved at this time and will be reviewed by the Committee.

The Director of State Courts, on behalf of the Supreme Court, has requested expenditure authority of \$18,500 in 1993-94 and \$40,800 in 1994-95 and 1.0 position for the Board of Bar Examiners. While, the Committee has no objection to that request, the DOA and Supreme Court letters indicate that a one dollar increase in the \$8.50 assessment charged to Wisconsin lawyers would be needed to fund the ongoing costs of the position. However, based on our review, we believe an increase in the fee would not be needed.

Secretary James R. Klauser  
February 17, 1994  
Page 2

We have no objection to the request from the Department of Industry, Labor and Human Relations and that request is approved.

Sincerely,



BARBARA J. LINTON  
Assembly Chair



JOE LEEBAN  
Senate Chair

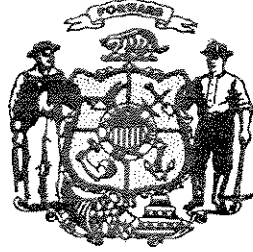
JL/BJL/ns

cc: Members, Joint Committee on Finance  
Bob Lang

# State of Wisconsin

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## JOINT COMMITTEE ON FINANCE

2/14

January 28, 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 January 28, 1994 pertaining to requests from the Office of the Commissioner of Insurance, the Department of Health and Social Services, the Department of Industry, Labor and Human Relations and the Supreme Court.

Please review these items and notify Senator Leean's office not later than Monday, February 14, 1994 if you have any concerns about the requests or would like the Committee to meet formally to consider them.

Also, please contact us if you need additional information.

JL:BJL:ns

Attachments



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tommy G. Thompson  
Governor

Josephine W. Musser  
Commissioner

121 East Wilson Street  
P.O. Box 7873  
Madison, Wisconsin 53707-7873  
(608) 266-3585

1-800-947-3529 Hearing/Speech Impaired Only

February 17, 1994

SENATOR JOSEPH LEEAN CO-CHAIR  
JOINT COMMITTEE ON FINANCE  
113 S STATE CAPITOL  
MADISON WI 53702


REPRESENTATIVE BARBARA LINTON CO-CHAIR  
JOINT COMMITTEE ON FINANCE  
127 S STATE CAPITOL  
MADISON WI 53702

RE: S.16.515 REQUEST FOR THE OFFICE OF THE COMMISSIONER OF INSURANCE

Dear Senator Leean and Representative Linton:

I am withdrawing the 16.515 request submitted by my office for increasing the expenditure authority for the Office of Health Care Information. Recent expenditure reports reflect the need to further analyze the budget needs for the office for the remainder of the fiscal year. We intend to complete this analysis shortly and resubmit the request to the Department of Administration.

Best regards,

  
Josephine W. Musser  
Commissioner of Insurance

JWM:HN:cb

cc - Dan Caucutt  
Tony Mason  
Cindy Archer

**CORRESPONDENCE/MEMORANDUM**

**STATE OF WISCONSIN  
Department of Administration**

Date: Jan. 28, 1994

To: Honorable Joseph LEEAN, Co-Chair  
Honorable Barbara J. LINTON, Co-Chair

From: James R. Klauser  
Secretary  
Department of Administration



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>
O.C.I. 20.145(8) (hg)	OHCI Transfer/ Move Costs	\$ 108,700			
D.H.S.S. 20.435(3) (hm)	Juv. Correctional Services	1,140,900	33.0		
D.H.S.S. 20.435(3) (ho)	Juv. Residential Aftercare	402,900			
D.I.L.H.R. 20.445(1) (ka)	School-to-Work Grant Proj. Psn.		1.0*		1.0*
Sup. Crt. 20.680(3) (g)	Board of Bar Examiners		1.0		1.0

\* One year project position.

As provided in s. 16.515, this request will be approved on Feb. 18, 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* January 25, 1994*To:* James R. Klauser, Secretary  
Department of Administration*From:* Steven C. Little, Executive Policy Analyst  
Division of Executive Budget & Planning*Subject:* s. 16.515 Request for the Office of the Commissioner of Insurance**REQUEST:**

The Office of the Commissioner of Insurance (OCI) under s.16.515, requests an increase of \$292,900 in expenditure authority in s. 20.145 (8) (hg), the Office of Health Care Information's (OHCI) general program operations appropriation. This request is being made to adjust the FY94 expenditure authority level which was allotted to OCI to cover the operational costs for the OHCI.

**BACKGROUND:**

Pursuant to 1993 Wisconsin Act 16, the 1993-95 Biennial Budget, OHCI was transferred from the Department of Health and Social Services (DHSS) to OCI. The transfer was effective October 1, 1993. A total of \$951,600 PRO in FY94 and \$1,360,900 PRO in FY95 and 19.0 positions, were transferred to OCI. To support OHCI for the first quarter of FY94 while still a part DHSS, \$451,700 PRO was appropriated to DHSS under 20.435 (1)(hg) Assessments; Office of Health Care Information. Among other provisions regarding the transfer, the Joint Committee on Finance converted the OHCI s. 20.435 (1)(hg) appropriation which was a program revenue continuing appropriation funded by assessments on hospitals and ambulatory surgery centers to a program revenue annual appropriation.

In November 1993, OCI initially estimated that OHCI had expended \$158,800 PRO in expenditure authority for the first quarter of FY94. When subtracted from the \$451,700 appropriated to DHSS for the first quarter of FY94, that amount left a balance of \$292,900 PRO in unexpended expenditure authority remaining in DHSS. However, as a result of the conversion from a continuing to an annual appropriation in OCI (s. 20.145 (8)(hg)), OHCI is not able to expend the unused expenditure authority in s. 20.435 (1)(hg). OCI is now requesting an increase in s. 20.145 (8)(hg) so the department can cover the operational OHCI's costs as well as the move related costs associated with the OHCI transfer. The anticipated cost of the move from DHSS to OCI is \$209,000 PRO. The move related costs include the purchase of furniture, remodeling costs, and computer wiring costs associated with the move. OHCI will be moving to OCI in February, 1994.

**ANALYSIS:**

In determining the appropriate split for funding between DHSS and OCI for the transfer of OHCI in FY94, DHSS retained approximately 25% of the permanent salary, fringe, permanent property lines. In addition to a 25% allocation for supplies and services expenditure authority, DHSS was allotted an additional \$100,000 PRO for severity of illness reporting which was to be completed by OHCI during the first quarter of FY94. Table I illustrates the DHSS first

quarter budget for OHCI per Act 16 and the actual expenditures by line for the first quarter of FY94.

**TABLE I**  
**OHCI BUDGET AND EXPENDITURES FOR THE 1<sup>ST</sup> QUARTER OF FY94**

EXPENDITURE ITEMS	1 <sup>ST</sup> QUARTER BUDGET	1 <sup>ST</sup> QUARTER ACTUAL EXPENDITURES
PERMANENT SALARIES	38,900	55,100
LTE SALARIES	0	3,500
FRINGE BENEFITS	13,600	18,700
SUPPLIES & SERVICES	357,100	222,500
UNALLOTTED RESERVE	1,000	0
INTERNAL SERVICES	39,000	2,400
RENT	2,100	21,800
ENCUMBRANCES <sup>1</sup>	0	26,100
ACCOUNTS PAYABLE <sup>2</sup>	0	31,100
DOA INFORMATION TECHNOLOGY/ DHSS BUR. OF INFO. SERVICES <sup>3</sup>	0	5,000
<b>TOTAL</b>	<b>\$451,700</b>	<b>\$386,200</b>

<sup>1</sup>These encumbrances represent outstanding purchase orders as of December 31, 1993.

<sup>2</sup>The accounts payable represent costs charged to OHCI by DHSS for expenses such as rent from October 1993 through February 1994 and DHSS' Bureau of Information Services charges for services rendered but which have not yet been paid.

<sup>3</sup>The \$5,000 has been allotted to cover any additional Information Technology or Bureau of Information Services charges since July 1993.

These expenditures represent all known and anticipated charges to DHSS 20.435 (1)(hg) Assessments; Office of Health Care Information appropriation as of January 13, 1994.

By subtracting OHCI's actual expenditures from the first quarter Act 16 budget for OHCI in Table I, the actual amount of expenditure authority which is currently available to be transferred to OCI is \$65,500 PRO. The requested \$292,900 PRO for transfer to OCI does not account for costs such as increased salary and fringe costs, computer programming time, and supplies purchased by OHCI while still located in DHSS. In addition, the original amount of \$292,900 PRO does not cover outstanding purchase orders incurred by OHCI and charged against accounts in DHSS. These additional costs increased the amount expended by OHCI and charged to DHSS by \$227,400 PRO. Based on these additional costs, the original amount of \$292,900 PRO requested to be transferred to OCI should be reduced to \$65,500.

The DHSS Chapter 20 amount of \$451,700 PRO, was based on prior year expenditures and does not provide for costs associated with the OHCI move from DHSS to OCI. The revised transfer amount of \$65,500 PRO will not leave OHCI with sufficient expenditure authority to cover their anticipated move costs and cover the operational costs of running the office. Transferring this amount without providing for an increase in OHCI's expenditure authority will result in OCI having to submit another s.16.515 request in FY94 to cover the office's operational costs. Therefore, in addition to the transfer amount of \$65,500 PRO, OCI indicates that an additional supplement of \$43,200 PRO in expenditure authority will be sufficient to cover the anticipated move costs as well as OHCI's operational costs.

**RECOMMENDATION:**

Deny the request to transfer \$292,900 PRO in expenditure authority from the Department of Health and Social Services to the Office of the Commissioner of Insurance. Instead, recommend that \$65,500 PRO in expenditure authority be transferred from DHSS to OCI. Provide an additional increase of \$43,200 PRO in FY94 in appropriation s. 20.145 (8)(hg) to enable OCI to meet the projected move costs for OHCI.



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tommy G. Thompson  
Governor

Josephine W. Musser  
Commissioner

121 East Wilson Street  
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Madison, Wisconsin 53707-7873  
(608) 266-3585

November 24, 1993

1-800-947-3529 Hearing/Speech Impaired Only

MR JAMES KLAUSER SECRETARY  
DEPARTMENT OF ADMINISTRATION  
101 S WEBSTER 8TH FL  
MADISON WI 53703

NOV 20 1993

Dear Secretary Klauser:

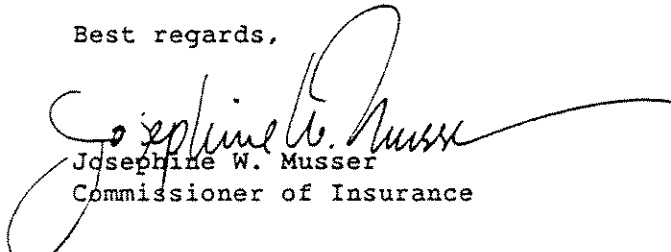
I am requesting budget authorization under s. 16.515, Wis. Stat., for an increase of \$292,900 spending authority for the Office of Health Care Information (OHCI) in its "supplies and services" line. This request is necessary to correct an error made in establishing spending authority for the Department of Health and Social Services (DH&SS) and the Office of the Commissioner of Insurance (OCI). Of the total \$1,403,100 spending authority in the OHCI budget, the split between the two departments as a result of Senate Bill 44 was as follows: \$451,700 in DH&SS and \$951,600 spending authority in OCI.

The intent of this 32/68% split in funding authority was to allow encumbering funds during the first quarter of the fiscal year for moving the office to OCI. Since the appropriation was continuing at the time this decision was made, no problems were anticipated should the monies not be encumbered. Senate Bill 44, however, also resulted in changing the continuing appropriation to an annual appropriation.

Of the total spending authority of \$451,700 in DH&SS, only \$158,767 was expended prior to the October transfer date of OHCI to OCI. The difference between these figures is the requested \$292,900 supplement. Without this additional spending authority, OCI will be unable to pay for its February move to 121 East Wilson Street and its anticipated training and data processing needs for the remainder of the year.

Please call me at 266-0102 or Hilde Neujahr at 266-5673 if you have any questions. I appreciate your assistance in this matter.

Best regards,



Josephine W. Musser  
Commissioner of Insurance

JWM:HN:sf  
2964Q

cc: Hilde Neujahr  
Steve Little  
Ann Agnew

**CORRESPONDENCE/MEMORANDUM**STATE OF WISCONSIN  
Department of Administration

**Date:** January 25, 1994  
**To:** James Klauser, Secretary  
**From:** Susan Jablonsky, Budget Analyst S>  
**Subject:** S. 16.505/515 Request for the Division of Youth Services (DYS)

Request

On December 23, 1993, the Department of Health and Social Services (DHSS) submitted a request for an expenditure authority increase of \$1,290,300 PR in appropriation s.20.435(3)(hm), Juvenile Correctional Services, and 35.0 PR FTE in FY94 for the juvenile institutions, for aftercare, and for the Office of Juvenile Offender Review to allow DYS to manage an increased number of youth in these programs and to maintain security at the institutions. DHSS also requests an expenditure authority increase of \$402,900 PR in FY94 in s.20.435(3)(ho), Juvenile Residential Aftercare, to pay for an increased number of youth placed in alternate care facilities following their release from the juvenile correctional institutions.

Analysis

During the last several years, it has been extremely difficult to predict populations for all juvenile correctional programs--institutions, alternate care, and aftercare and, as a result, numerous requests under Chapter 16 and under s. 13.10 have been necessary to provide increased expenditure authority for all three programs to address population growth. Also, because populations at the schools increased significantly since January of 1993 after the Governor's biennial budget was released, the Legislature approved very sizable expenditure and position increases to deal with the larger populations for all juvenile correctional programs for 1993-95.

DYS is once again being faced with populations in the juvenile schools which far exceed the average daily population (ADP) budgeted. For FY94, the budget was based on a population of 766 and 801 for FY95. For December, 1993 the ADP was already 808 youth. As a result, the populations have been reestimated for ADPs of 820 in FY94 and 848 in FY95, after adjusting for the effect of the corrective sanctions program.

A population reestimate for FY95 is being recommended in the Governor's January Budget Adjustment Bill. However, because the population pressure is creating immediate security concerns at the schools for both the staff and the youth incarcerated, DHSS is requesting resources now under Chapter 16 so that staff can be added more quickly than would be possible with the enactment of an Adjustment Bill in late April.

Institutional Staffing and Supplies

Traditionally, staffing needs are determined based on the ADP and staffing ratios for different types of positions which were developed by DHSS, the Department of Administration and the Legislative Fiscal Bureau. If this

method were used, DYS would require an additional 38.0 FTE--26 youth counselors, 5 teachers, 3 social workers, 3 institutional support staff and 1 program assistant--to handle a population increase of 54 youth over the budgeted level. However, due to the urgent nature of this request based on security concerns, DYS is requesting 30.0 FTE for the institutions--27 youth counselors and 3 teachers. DHSS staff believe that this minimum number of FTE will allow them to get through this fiscal year maintaining a safe environment. Auxiliary staff which are needed according to agreed upon staffing ratios, such as institutional support staff, are being requested in the Adjustment Bill for FY95.

The addition of 27 youth counselors will allow DYS to deal with immediate overcrowding concerns by adding one additional youth counselor to each of 16 cottages during the 3 p.m. to 11 p.m. shift when the youth are not in school or sleeping. Due to the way in which positions are budgeted to insure continuous coverage by accounting for time away from the job, such as vacation, 1.65 FTE are needed to provide the equivalent of one person for each cottage.

DYS is also requesting 3 new teachers, which is slightly below the 5 positions generated by the strict application of the ratio, but staff believe the addition of this number of FTE is workable for this year. This minimum number of staff will also insure that federal educational requirements are met, such as having a speech and language teacher available.

This staff request appears to be a reasonable balance between adding a maximum number of staff and meeting minimum security needs. Addition of the 30.0 FTE, assuming a March 1 start date, will result in staffing costs of \$280,000 PR. This cost is less than the requested amount since it is based on four-month funding rather than 6 months, and not all positions requested have been approved.

The increase in the population also generates additional supply costs for each youth. Using standard costs per youth for an additional 54 youth results in increases for food (\$59,900), variable non-food (\$71,300) and supplies (\$8,100). Lincoln Hills has also requested \$7,200 for the purchase of 6 hot food carts because the increased population has made it more difficult to make sure that meals are hot when served to youth.

#### Overtime

Because the growth in the juvenile correctional institutions' populations impacts heavily on the use of overtime and LTEs, DHSS is requesting \$644,900 for these purposes. Due to the stress associated with working in overcrowded institutions and the sharp increase over the last year in the number of staff assaults and injuries, turnover has been very high. This results in overtime for current staff since someone must always be on duty. In addition, new youth counselors are away from their assignments when they receive their initial training and someone must cover their assignments. The institutions have had to hold nondirect service positions vacant to generate savings to cover some of the increased overtime and LTE costs. However, not having the full complement of institutional support staff also negatively affects an already difficult situation. Since the population growth and turnover are beyond the control of the institutions and there must always be coverage, these funds should be approved. A more recent DHSS estimate than that prepared in December indicates that \$676,400 will be required.

### Aftercare

Increases in institutional populations also raise the number of youth released from the institutions to supervision on aftercare. As a result, the aftercare population is projected to increase from 345 to 369. Using a ratio of one agent for every 10 youth, 37 agents would be required versus the 34 currently budgeted. An increase of three agents results in a cost of \$38,000, assuming a March 1 start date.

### Alternate Care

Youth released from an institution are frequently placed in an alternate care setting--a child caring institution (CCI), a group home or a foster home. As with aftercare, the alternate care population typically rises with the institutions'. Since the alternate care population represents about 20% of the institutional population, DHSS projects an increase of 6 youth in CCIs and 3 youth in group homes at a cost of \$402,900 which was calculated using statutory rates.

A review of population data for these two types of facilities shows that populations are lower than budgeted levels. These declines in census are clearly not related to any institutional population declines. Rather, they are due to differences between the statutorily prescribed daily rate and the actual rates paid to facilities, particularly for CCIs. For example, the statutory rate for CCIs, which is the rate paid by the counties, for the last six months of 1993 was \$131.65 per day. However, there are many CCIs which are currently charging actual rates over \$150 per day. Because so many youth exhibit such complex mental and behavioral problems, the higher-cost facilities are frequently used due to the variety and intensity of services provided, and DHSS is obliged to pay the established rate. To ensure that placement in these facilities is possible for an increased number of youth, these additional costs should be approved.

### Office of Juvenile Offender Review (OJOR)

Finally, DHSS requests additional staff for OJOR, which is the entity responsible for reviewing a youth's background and proposed treatment plan on admission, conducting progress reviews, and making a final analysis upon release. Typically, youth are reviewed four times during an average seven-month stay. As a result, the reviewers' workload also increases as populations rise, and DHSS proposes one new reviewer and a program assistant to help with the increased paperwork. Again, standards have been developed based on the ability of one reviewer to conduct 675 reviews per year. Certainly a population increase will result in more required reviews. However, application of this standard does not show the need this fiscal year for an additional reviewer and therefore, the request for 2.0 FTE for OJOR should be denied.

Summary

The following FY94 costs are recommended for approval:

Institutional Staff (30.0 FTE) and Supplies	\$426,500
Overtime/LTE	\$676,400
Aftercare (3.0 FTE)	\$38,000
Alternate Care	<u>\$402,900</u>
 Total	 \$1,543,800

The OJOR positions should be denied.

Revenues to support this request should be sufficient since they are projected to exceed current expenditure authority by \$1.6 million in FY94. No additional funding is required for Youth Aids because the addition of more youth to the population does not result in a daily rate change.

Recommendation

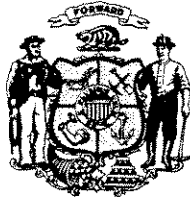
Approve modified amounts for institutional staff and supplies, for overtime/LTEs and for aftercare. Approve the amount requested for alternate care. Deny the request for new OJOR positions. Provide \$1,140,900 PR and 33.0 PR FTE in s.20.435(3)(hm) for the institutions, overtime and aftercare and \$402,900 PR in s.20.435(3)(ho) for alternate care. The expenditure authority and staff will allow DYS to manage higher than anticipated populations while maintaining a secure environment.

cc: Rick Chandler




R  
M  
CC RC

Tommy G. Thompson  
Governor  
Gerald Whitburn  
Secretary



Mailing Address:  
1 West Wilson Street  
Post Office Box 7850  
Madison, WI 53707-7850  
Telephone (608) 266-3681

## State of Wisconsin Department of Health and Social Services

DATE: December 23, 1993  
TO: Richard Chandler  
Department of Administration  
FROM: Dick Forang,   
Deputy Secretary

12 28 93

SUBJECT: s. 16.505/515 Request for s. 20.435(3)(hm) - Juvenile Services and  
s. 20.435(3)(ho) Juvenile Residential Aftercare for Fiscal Years  
1991-92 and 1992-93

The Department of Health and Social Services (DHSS) requests an increase of \$1,290,300 in expenditure authority and 35.0 PR FTE in FY 94 for s.20.435(3)(hm) - Juvenile Correctional Services, numeric appropriation 322 - Juvenile Aftercare and numeric appropriation 323 - Juvenile Operations.

The Department also requests an expenditure authority increase of \$402,900 PR in FY 94 in s.20.435(3)(ho) - Juvenile Residential Aftercare, numeric appropriation 324.

### Background

1993 Act 16 (the biennial budget bill) budgeted the average daily population (ADP) for the juvenile schools at 766 in FY 94 and 801 for FY 95. Actual populations during the first five months of this fiscal year have been running higher than anticipated. More recent projections based on actual populations are 820 (54 over the budgeted level) for FY 94 and 870 (69 over the budgeted level) for FY 95 (adjusting for the corrective sanctions program). Recent actual ADPs were: October, 774 and November, 800. The actual ADPs are currently generating sufficient revenue to cover the requested increases in expenditure and position authority. Revenue is projected to exceed expenditures by \$1.6 million in FY 94.

Higher than projected juvenile populations are the result of several factors. These include:

- \* Juveniles are exhibiting increasingly serious behaviors in the community. For the five years 1988-1992, arrests for violent crimes rose by almost 94%. Such aggressive and assaultive behaviors, of necessity, must be dealt with in a secure juvenile setting.

- \* Organized juvenile gangs are becoming more criminally oriented resulting in the need for secure juvenile placements.

The number of individual youth admitted to the institutions has increased at a much faster rate than the ADP, due to successful efforts to limit the average length of stay. The 1991 ADP was 600; admissions numbered 959, releases - 968. In 1992, the ADP was 636; admissions numbered 1089, releases - 1005. While the ADP increased 6%, admissions increased 13.6%. Required paperwork, reviews and court related requirements must be completed for each admission and release regardless of the length of stay. More youth also necessitate more escorted trips, to court for example, leaving posts at the institutions that must be covered.

### Request

#### Juvenile Schools

\$1,290,300 PR in FY 94

The 1993-94 budgeted ADP is 766 for the juvenile institutions. It is estimated that the actual ADP will be 820, or 54 greater than the budgeted ADP. Based on those projections, the Department is requesting the following:

Overtime and LTE funding (\$644,900). The use of overtime has significantly increased in the past year due to higher than projected population levels. Staff turnover causing vacancies has been higher than projected, and indications are that the high turnover is due to the increasingly violent behavior of juveniles as well as stress related to overcrowding.

In addition, new youth counselors receive three weeks of training and then "double up" with experienced youth counselors during orientation. This level of training is comparable to that provided by the Department of Corrections and has become increasingly important due to the type of youth currently being incarcerated. There were 145 staff assaults and injuries in 1992 and 108 through August 1993. Training of current staff also generates additional overtime because posts must be covered while youth counselors are away from those posts for training. The increased population has also generated higher than normal overtime due to additional trips to court and parole violation pick-ups.

In order to meet overhead costs, it has been necessary to keep 15 to 20 of the positions that do not generate overtime vacant. By delaying hiring of these positions, the Department has been able to save salary cost; funding for these costs can then be used to pay for overtime. However, this practice, although necessary, has an effect on programs in the institutions and limits the amount of resources available to residents of the institutions.

The increased use of LTEs in lieu of overtime is also the result of increased populations. LTE youth counselors, teachers and psychologists were hired to support the increased population.

Juvenile school staff (\$444,800 PR and 32.0 FTE). In the interest of the safety of both employes and residents of the institutions, the Department requests 27.0 Youth Counselors to provide extra coverage to overcrowded cottages. The additional positions would provide triple coverage on shifts with high activity. The period of high activity is usually the time of the day when school is not in session. The positions would reduce the staff/resident ratio and increase staff and resident security at the institutions.

In addition to the youth counselor positions, the Department requests 3.0 Teachers to deal with the educational needs of the increased population and to comply with federal educational requirements.

The Department also requests 1.0 Social Services Specialist 2 and 1.0 Program Assistant in the Office of Juvenile Offender Review (OJOR) to deal with the increased workload resulting from the higher than anticipated populations. The Program Assistant will deal with routine clerical tasks so that the OJOR reviewers can concentrate on meeting the deadlines required by the program. The increased populations will make it more difficult for the review staff to meet these deadlines unless sufficient clerical and professional help is available.

Food, variable, supplies and services (\$146,500). Food (\$3.04), variable non-food (\$3.62) and supplies and services (\$.41) cost \$7.07 per day per student. Increased expenditure authority of PR is requested (\$7.07 per student X 54 residents X 365 days). The Department also requests \$7,200 for the purchase of 6 hot food carts for Lincoln School, where the increased population has made it difficult for meals to be served warm and in a timely manner.

Juvenile aftercare services (\$54,100 PR and 3.0 FTE). Increase position/expenditure authority in FY 94 for juvenile aftercare services. Aftercare populations are projected to increase from 345 to 369 in 1993-94. Using a ratio of 1 agent to 10 youth, an additional 3.0 PR FTE aftercare workers are needed in SFY 94.

#### Juvenile Correctional Services - Summary

	1993-94	FTE
1. Overtime/LTE	644,900	
2. EAS/LHS position authority	404,100	30.0
3. OJOR position authority	40,700	2.0

4. Aftercare	54,100	3.0
5. Food, variable non-food, supplies & services	146,500	

**Juvenile Residential Aftercare Services**

The Department requests an increase of \$402,900 PR in FY 94 related to increased use of Child Caring Institutions (CCIs) and group homes. Populations for foster homes are projected to remain at the budgeted levels of 6. CCI populations are projected to increase from 92 to 98 for FY 94. Many of these youth exhibit complex behavioral needs and have committed serious crimes requiring a closely supervised living environment such as a CCI upon release from the institution. Group home populations are expected to increase from 57 to 60. The increase in spending authority is based on the projected increases in population and the legislated daily rates.

FY 94

	CCI	Group Homes				
Budgeted	92					57
Projected	<u>98</u>					<u>60</u>
	+ 6					+ 3

FY 94	Statutory rate	Days	Juveniles		=	
	\$131.65	X 182.5	X	6	=	\$144,200
CCIs	\$141.00	X 182.5	X	6	=	<u>154,400</u>
						298,600
Group Homes	\$ 92.03	X 182.5	X	3	=	50,400
	98.47	X 182.5	X	3	=	<u>53,900</u>
						104,300

SUMMARY OF REQUEST

	FY 94	FTE
Juvenile Correctional Services	\$1,290,300	35.0
Juvenile Residential Aftercare	402,900	

Please feel free to contact Ellen Hadidian (266-8155) if you have any questions regarding this request.

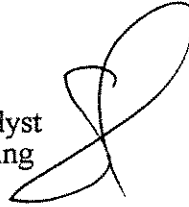
cc: Tilli de Boor  
Chuck Wilhelm  
Henry Dudek  
Sue Jablonsky  
Nancy Foss  
Roger Bean  
Don Warnke  
Ellen Hadidian

**CORRESPONDENCE/MEMORANDUM**STATE OF WISCONSIN  
Department of Administration

*Date:* January 24, 1994

*To:* James R. Klauser, Secretary  
Department of Administration

*From:* Steven C. Little, Executive Policy Analyst  
Division of Executive Budget & Planning



*Subject:* s. 16.505/515 Request for the Department of Industry, Labor and Human Relations

**REQUEST:**

The Department of Industry, Labor and Human Relations (DILHR) requests \$30,000 PRS and a one-year 1.0 project position in appropriation s. 20.445 (1)(ka), Interagency Agreements. The project position will begin on March 1, 1994, and will expire on February 28, 1995.

**BACKGROUND:**

On October 8, 1993, the Office of the Governor, along with the Department of Administration, the Department of Public Instruction, the Vocational, Technical and Adult Education Board (VTAE), and DILHR applied for a federal School-to-Work Opportunities Development Grant through the U.S. Department of Labor. This grant would allow the state to build a system that would:

- Provide school-based learning.
- Provide work-based learning.
- Improve the connecting activities at the local level by creating an integrated school-to-work system at the state level that would combine strategy, training, and technical assistance. This will allow for better integration of school and work-based activities while eliminating much of the confusion and duplication of activities that exists at the local level.

In January 1994, the U.S. Department Labor awarded a School-to-Work Planning and Development Grant to the State of Wisconsin in the amount of \$290,000. The Department of Administration is the administrator of the federal grant.

**ANALYSIS:**

The original amount requested for the grant was \$250,000. As part of the original grant proposal, \$10,000 was requested to address career information needs and \$130,000 was requested to provide Local Implementation Grants. The grant award of \$290,000 is \$40,000 more than the original grant proposal because the original proposal was submitted before a federal notice was sent to the states notifying each state of what it was authorized to request in grant funding. Upon receiving this notice, the grant was revised to provide additional funding to provide additional Local Implementation Grants (\$150,000) and to improve and expand the career information available to students and their families (\$30,000).

The requested \$30,000 PRS will fund for one year a program and planning analyst position in the Bureau of Workforce Policy and Information in DILHR's Jobs, Employment and Training Services Division. The request includes \$23,800 for salary and fringe benefits, \$6,050 for supplies and services, and \$150 in FICR (these amounts have been rounded). Approval of this position will allow DILHR to prepare a plan to improve the accessibility of labor market information for use in providing career counseling to youth. This position will also allow DILHR to design and build a data base of graduates by occupation from the training programs of the VTAE system, the University of Wisconsin-System, and the various apprenticeship programs around the state.

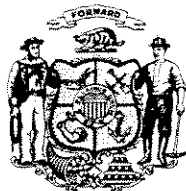
Because this grant award was for a specific purpose and based on the fact that this purpose is unlikely to be renewed at the end of the contract period, the request for \$30,000 PRS and a one-year 1.0 project position is appropriate.

**RECOMMENDATION:**

Approve the request.

Tommy G. Thompson  
Governor

Carol Skornicka  
Secretary



Mailing Address:  
201 East Washington Avenue  
Post Office Box 7946  
Madison, WI 53707-7946  
Telephone: (608) 266-7552  
Fax: (608) 266-1784

## State of Wisconsin Department of Industry, Labor and Human Relations

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January 12, 1994

JAN 19 1994

Mr. James R. Klauser  
Department of Administration  
10 Floor, DOA State Office Building  
Madison, Wisconsin 53702

Dear Secretary Klauser:

The Department of Industry, Labor and Human Relations requests approval by the Department of Administration and the Joint Committee on Finance under s.16.505/515 one (1.0) project position in appropriation 20.445 (1) (ka), Interagency agreements.

The Department of Administration recently received a planning grant from the United States Departments of Education and Labor for the School-to-Work Opportunities Planning and Development Program. Part of this planning grant will be subcontracted to the Jobs, Employment and Training Services (JETS) Division in DILHR for making available useable career information materials for students and their families.

The JETS Division no longer has any project position numbers. During the biennial budget process the Department of Administration indicated that project positions in JETS needed to be supported by specific Proposals, Letters of Intent or Contracts before positions could be authorized in this appropriation. The attached format was agreed to by Steven Little, our DOA Budget Analyst, and Kendra Bonderud of the Legislative Fiscal Bureau.

Information supporting this request is enclosed. Please contact Tom Dichraff (266-5745) with questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carol Skornicka".

Carol Skornicka  
Secretary

cc: Steven Little



Department of Industry, Labor and Human Relations  
Jobs, Employment and Training Services Division

Request for Project Positions/Funding under 16.505/15  
1/12/94

REQUEST

The Jobs, Employment and Training Services Division (JETS) requests 1 project position in:

s. 20.445 (1) (ka), Interagency Agreements (Appropriation 120),  
at \$30,000.

This position will start 03/01/94 and end 02/28/95.

This position will be funded under a contract with Department Of Administration to support School-to-Work transition initiatives and provide research into career information materials that are available, obtainable and/or purchasable.

This request is based on an approved planning grant for School-to-Work Transition funded by the U.S. Departments of Education and Labor. The grant will be administered by the Department of Administration. The Department of Administration will sub-contract the services described above to the JETS Division at \$30,000. The grant approval letter and the budget page from the grant are attached for your information:

POSITION REQUESTED

Program & Planning Analyst 3                      1.0 FTE

EXPENDITURE ITEMS	Budget
Salaries	\$17,150
Fringe Benefits	6,633
Supplies/Services	6,064
Permanent Property	0
Aids	0
FICR	<u>153</u>
TOTAL	\$30,000

This position request is for a 12 month full-time staff person. However, the resources available will not fund a full-time position for 12 months. Work hours will vary during the year to meet peak workloads.

BACKGROUND AND PROBLEM

Contracts that are renewed annually are staffed by permanent positions in the JETS Division.

JETS uses Project Positions to provide services under its employment and training services contracts with state and local agencies/organizations in two situations.

- (1) Contracts for specific projects that are unlikely to be renewed at the end of the contract period. Examples include: Dislocated Worker Contracts that serve individuals that are dislocated by a mass layoff or plant closing or Research/Demonstration projects that are expected to be funded on a one-time basis.
- (2) Contracts that are first-time opportunities that may not be renewed after the initial contract period. If the contract is renewed, and the division believes it will continue on an ongoing basis, Permanent positions will be requested at that time.

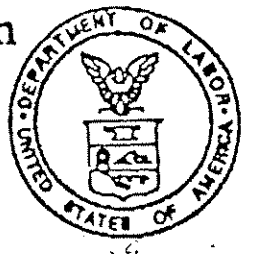
Currently the JETS Division has no project positions in appropriation 120.

END DATE	APPROPRIATION	TOTAL POSITIONS
	120	0
TOTAL	120	0

This request falls within category (1) above. The position is for a research project that is unlikely to be renewed at the end of the contract period. Approval will allow the JETS Division to respond to a requested need by DOA to provide services to the School to Work Transition initiatives. The project position will assist in the effort of making better and more usable career information available to students and their families.



The United States Department of Education  
The United States Department of Labor



MEMORANDUM FOR MEMBERS OF CONGRESS

FROM:

Kay Casstevens *KC*  
Assistant Secretary for Legislation and  
Congressional Affairs  
U.S. Department of Education

Geri Palast *Max for DP*  
Assistant Secretary for Congressional and  
Intergovernmental Affairs  
U.S. Department of Labor

SUBJECT:

School-to-Work Planning and Development Grant

We are pleased to inform you that the School-to-Work Opportunities Planning and Development grant submitted by your State has been approved by the United States Departments of Education and Labor. This grant will assist the State in developing a comprehensive statewide School-to-Work Opportunities system, eventually leading to full-scale program implementation.

Every State is eligible to receive a School-to-Work Planning and Development grant from funding appropriated for fiscal year 1994. Grant proposals have been reviewed in the order in which they were received and, with few exceptions, awards are being announced in that order. The exceptions have occurred in instances where additional information was required from the State.

The systems developed through these grants will offer America's youth the opportunity to combine classroom learning with work experience, helping them to develop the skills required for today's jobs.

We thank you for your support and look forward to your continued participation. If you have any questions, please call Alina Walker or Tim Jennings, Department of Labor, at 202-219-6141; or Ken Snyder, Department of Education, 202-401-1038.

SCHOOL-TO-WORK OPPORTUNITIES  
STATE DEVELOPMENT GRANTS

<u>AWARDEE</u>	<u>AMOUNTS</u>
State of South Dakota Department of Labor 700 Governors Drive Pierre, SD 57501	\$200,000
State of Utah Governor's Office State Capital Salt Lake City, UT 84114	\$210,000
State of Vermont Office of the Governor 109 State Street Montpelier, VT 05609	\$200,000
Commonwealth of Virginia Department of Education 200-202 North Ninth Street, Suite 603 Richmond, VA 23219	\$330,000
State of Washington Workforce Training and Education Coordinating Board Building 17, Airdustrial Park P.O. Box 43105 Olympia, WA 98504-3105	\$280,000
State of West Virginia Department of Education and the Arts State Capitol, Bldg. 1, R-151 Charleston, WV 25305	\$210,000
State of Wisconsin Department of Administration 101 East Wilson Street, 10th Floor Madison, WI 53707-7864	\$290,000

Revised Budget 11/1/93:

*Allen Hauer*  
*Revised*  
*Budget for*  
*Federal*  
*School-to-*  
*work Planning*  
*Grant*  
*made*


Wisconsin's grant submittal preceded the federal notice of state allocations and consequently the grant amount is \$40,000 less than what the state is authorized. The revised total grant award will be used to expand the connecting activities discussed in the original grant proposal. The additional funding will be used, in part, to expand planning efforts to make better and more usable career information available to students and their families. The remaining funds will be used to increase the size of implementation grants to localities.

Grant Activities	Original Grant	Revised Grant
1. System Building		
Planning the system	15,000	15,000
System evaluation	20,000	20,000
2. School-based Learning		
Completing career majors design	10,000	10,000
3. Work-based Learning		
Skills portfolio	10,000	10,000
4. Connecting Activities		
Local implementation grants	130,000	150,000
Regional technical assistance grants	55,000	55,000
Career information needs	<del>10,000</del>	30,000
5. <b>Total</b>	<b>250,000</b>	<b>290,000</b>

**CORRESPONDENCE/MEMORANDUM**STATE OF WISCONSIN  
Department of Administration

*Date:* January 26, 1994

*To:* James R. Klauser, Secretary  
Department of Administration

*From:* Michael Heifetz, Policy Analyst   
State Budget Office

*Subject:* Request under s. 16.505/515 from the Director of State Courts for 1.00 FTE position for the Board of Bar Examiners to administer the new ethics and professional responsibility requirements mandated by the Supreme Court and to conduct character and fitness screening of lawyers seeking licenses to practice in Wisconsin.

**REQUEST:**

The Director of State Courts, on behalf of the Supreme Court, requests increased PRO expenditure authority of \$18,500 in FY94 and \$40,800 in FY95 under s. 20.680(3)(g), Board of Bar Examiners, and authorization for 1.00 FTE PRO position. This position is requested for the Board of Bar Examiners (the Board) to support the new ethics and professional responsibility requirement (0.5 FTE) and to investigate the credentials, character and fitness of lawyers applying for a license to practice in Wisconsin based on proof of their practice in other jurisdictions (0.5 FTE).

**BACKGROUND:*****Continuing Legal Education Requirement:***

The Board is charged with administering the Wisconsin mandatory continuing legal education (CLE) requirement. Under this requirement, approximately 13,000 lawyers attend courses and file a report on their attendance with the Board. In addition, thousands of courses are submitted to the Board annually for approval under the CLE requirement. Administration of the CLE requirement is funded through an annual assessment on licensed attorneys of \$8.50.

On December 10, 1992, the Supreme Court, in response to a petition by the State Bar Association (SBA), mandated that Wisconsin lawyers attend a minimum of 3 hours of continuing education on ethics and professional responsibility. This requirement was put into effect for the December 1993, reporting period. The Board had requested a position to administer this new requirement in its 1993/95 biennial budget request; however, the position was not included because the Supreme Court had not yet taken action on the SBA's petition. Funding the administration of this new CLE requirement will necessitate a \$1.00 (12%) increase in the annual assessment on licensed attorneys, effective July 1, 1994.

*Character and Fitness Screening:*

The Board is also charged with preparing and administering the Wisconsin Bar Examination twice annually and processing requests from lawyers from different jurisdictions who wish to practice in Wisconsin based on their practice in other states. There are 100 to 120 requests annually.

As part of the processing of these requests, character and fitness screening of the applicant is conducted. This screening is conducted by the National Conference of Bar Examiners (NCBE) in Chicago. NCBE charges \$200 per applicant for this screening. However, this function could be done by the Board if sufficient staff were available.

**ANALYSIS:**

The Director of State Courts, on behalf of the Supreme Court, is requesting expenditure authority of \$18,500 PRO in FY94. This includes salary costs of \$8,900 for 0.5 FTE course approval coordinator and 0.5 FTE character and fitness specialist, and fringe benefit costs of \$2,900. In addition, the request includes \$5,700 for supplies and services and permanent property. Ongoing costs of these positions in FY95 and thereafter will be \$40,800 PRO, funded in part from the proposed additional \$1.00 attorney assessment, and from \$20,000 in fees currently paid to NCBE. Approval of this request will increase the staff of the Board of Bar Examiners from 5.0 FTE to 6.0 FTE.

*Continuing Legal Education Requirement:*

Knowing that the ethics and professional responsibility mandate would lead to the development of additional CLE courses, the Board extended the hours of the course approval coordinator on a limited term employe (LTE) basis by .25 FTE.

The additional hours were not sufficient to meet the increased workload demand created by the new CLE requirement. Since this is a permanent workload increase, it is appropriate to increase the staff of the Board by .5 FTE to administer the new ethics and professional responsibility CLE requirement. Duties of this position include working with course sponsors and lawyers to approve specific course work and developing a reporting system that will track compliance with the new CLE requirement. Attorneys who fail to satisfy the ethics and professional responsibility requirement will be subject to license suspension. Therefore, it is important that the Board have the necessary staff to carefully process the compliance reports.

*Character and Fitness Screening:*

The Board firmly believes that the screening process currently conducted by NCBE should be done in-house. The Board is not entirely satisfied with the work of NCBE for two reasons:

James R. Klauser, Secretary

January 26, 1994

Page 3

First, the screening process conducted by the NCBE lacks sufficient depth. The reference checks and follow-ups are brief and do not contain sufficient information. Consequently, the Board often must duplicate the work that NCBE fails to complete. Second, the NCBE screening process is inefficient. Even routine applications containing no complications typically take at least 90 days to review.

As a result of a Supreme Court mandate, the Board will be required to conduct the character and fitness screening of persons admitted to practice law from the UW and Marquette law schools. In order to ensure accurate, efficient and consistent screening of all applicants, the Board should also conduct the screening for out-of-state applicants. The Board already has the computer capacity necessary to process the character and fitness screening, and the staff is trained to perform the investigations. However, the staff is unable to allocate the time necessary to perform this task. Increasing the staff of the Board by .5 FTE will permit a prompt and thorough screening process that will protect the consumer of legal services in Wisconsin.

**RECOMMENDATION:**

Approve the request.





# Supreme Court of Wisconsin

Director of State Courts

110 E. Main Street, Suite 430

Madison, Wisconsin 53703

Telephone (608) 266-3501  
Fax (608) 267-0911

Nathan S. Heffernan  
Chief Justice

Mary T. Rider  
Deputy Director for Management Services

J. Denis Moran  
Director of State Courts

**DATE:** January 6, 1994

**TO:** Richard Chandler, Director  
Division of State Executive Budget and Planning

**FROM:** J. Denis Moran, Director of State Courts  
Supreme Court of Wisconsin *JDM*

**SUBJECT:** Request under §. 16.505 for position authority and associated funding for 20.680 (3)(g).

## REQUEST

Under the provisions of § 16.505, the Director of State Courts, on behalf of the Supreme Court, requests 1.0 FTE in additional position authority and \$18,500 in FY94 and \$40,800 in FY95 for the Board of Bar Examiners, the organizational unit of the Supreme Court charged with administering the mandatory continuing legal education (CLE) requirement and with processing all requests for admission to practice law in Wisconsin by bar examination and on reciprocity from other jurisdictions.

This request relates to two separate functions of the Board of Bar Examiners which have been consolidated in this request. Briefly, one function is to support the ethics and professional responsibility (EPR) requirement that was mandated by the Supreme Court on December 10, 1992, and that is now effective. The other function is the investigation of the credentials, character, and fitness of applicants who seek to practice law based on proof of their practice in other jurisdictions. The activities undertaken by this position are fully funded by program revenues as specified under § 20.001 (2)(b).

## BACKGROUND

The Board of Bar Examiners has existed as a Supreme Court organization since 1978. (Its original name was the Board of Attorneys Professional Competence.) The Board is charged with administering the Wisconsin mandatory CLE requirement under which approximately 13,000 lawyers attend and report courses to it, and under which thousands of courses are submitted for approval determinations by the Board on an annual basis. In addition, the Board prepares and administers the Wisconsin Bar Examination twice each year and processes requests from lawyers who seek licenses to

practice law in Wisconsin based on their practice in other states (that is, without examination).

The current Board staff includes 5.0 employees whose work responsibilities are split approximately equally between bar admissions and mandatory CLE. All positions are full time with the exception of the Deputy Director position, which is filled at 75% by the incumbent, with the 25% balance filled by an employee whose title is Course Approval Coordinator, reflecting the assignment of major course approval decision-making responsibilities to her position.

#### Mandatory CLE: Ethics and Professional Responsibility Component

On December 10, 1992, the Supreme Court acted favorably on a petition of the State Bar of Wisconsin to enact rules that compel Wisconsin lawyers to attend at least three hours on the subject of ethics and professional responsibility (EPR) during each two-year reporting period. The Court made the EPR requirement effective immediately; that is, lawyers whose reports were due in December 1993 were placed on immediate notice of the fact that three hours of course work on EPR topics that had been specifically approved by the Board would be required during the lawyers' current reporting period.

The EPR requirement created understandable stresses because in order to accomplish the Supreme Court's mandate, it was necessary for the Board to work with course sponsors and lawyers to approve specific EPR course work, to develop information storage systems that would maintain EPR approval information, and to develop a reporting system that would track EPR compliance along with the basic mandatory CLE compliance that has been in place for almost 18 years. (Lawyers who fail to satisfy the EPR requirement will be subject to license suspension, a serious sanction; therefore, the Board must take great care in processing reports of compliance.)

Because the Board knew that the EPR mandate would in turn foster the development of CLE courses to fill the niche that the new requirement created, and because the report collection stage of the cycle would not begin until fall 1993, an interim step was taken to extend, on an LTE basis, the work hours of the Course Approval Coordinator so that she was working 50% time instead of her usual 25% time. By October 1993 it was evident that these additional hours were insufficient to process the predictable surge of regular and EPR courses that are submitted during the season that lawyers comply with the requirement in addition to the newly-established EPR assignment.

As the EPR requirement is a permanent requirement with an established and predictable increase in quantity of labor, it is now appropriate to add position authority to meet the need created through a permanent employee rather than an LTE. The Board

believes that the addition of 0.5 position will be sufficient to assure that this assignment can be performed effectively.

The Board can quantify the decisions that have been made and the correspondence that has flowed from the requirement. Each course approval decision with regard to EPR is the result of the receipt of an inquiry, the opening of a file, the analysis of the course content, interim communications where necessary when the information submitted is incomplete, a written course approval memorandum, and a review process that may be set in motion any time a lawyer is displeased with the staff decision. These operations are independent from the existing course approval structure in many respects.

The Board can also accurately predict the impact of the requirement on the side of its work that is associated with collecting biennial reports from lawyers and from pursuing lawyers who fail to comply. At the close of every calendar year, one half of the lawyers who hold active law licenses are required to comply with the reporting requirement that now includes three hours of ethics course work in addition to twenty-seven other hours on any topic the lawyer chooses (subject to Board approval).

Auditors hired by the Board on an LTE basis will now also individually screen the approximately 6,500 forms that are collected to determine if the three required EPR hours reflecting attendance at approved activities have been reported; for those lawyers whose reports are deficient, a set of new notifications is being sent out, with a series of mailings to follow that are designed to encourage compliance before the sanction of suspension is imposed.

The mandatory CLE program is self-funding from an assessment of lawyers that is designed to fully cover the cost of administering the requirement. The EPR requirement, sought by the State Bar of Wisconsin, is funded through this assessment mechanism as well.

In summary, the Supreme Court has, with the EPR requirement, created a separate approval and compliance structure that of necessity requires staff to carry out the new function. The Court has the authority to regulate lawyers, and it has done so here by requiring that lawyers attend and report approved courses on the subject of lawyer ethics. The new requirement is up and running; that is, it is not speculative in any way and additional permanent position authority of 0.5 is demonstrably needed and appropriate.

#### Bar Admission: Character and Fitness Screening

Since the Board was created in 1978, applications submitted by lawyers from other jurisdictions who seek licenses in Wisconsin based on that practice (that is, who seek admission without taking

the bar examination) have been processed by having a background check completed by the National Conference of Bar Examiners (NCBE), an entity located in Chicago, at a charge that now stands at \$200 per applicant. The Board of Bar Examiners has firmly believed for some time that it would be better if these background checks were performed by the Board staff in Madison. The only impediment to having this done is that there is no one available on the Board staff to perform the checks on the 100 to 120 lawyers per year.

The Board has identified several compelling reasons to bring this work in-house now, understanding that additional position authority in the amount of 0.5 position must precede such an action. The reasons for bringing the work in-house are as follows:

1. The work that is presently done by NCBE is not of sufficient depth and quality to adequately protect Wisconsin consumers of legal services who may seek the services of these lawyers once they are licensed. The NCBE report that is generated is fairly superficial. It includes no follow-up work when the problem is newly identified; that is, follow-up is left to the jurisdiction. The letters of inquiry that are sent to employers, character references, and other entities are extremely brief and the responses that are received are often so cryptic as to be useless.
2. The NCBE service is inefficient and time-consuming and therefore the applications of worthy applicants are unnecessarily delayed. Just as the process, which ordinarily takes 90 days at NCBE from the date on which the file is opened, lacks depth and quality, it moves very slowly. As a result, strong applications presenting no discernible problems are also caught in a cumbersome process. The Board staff is better able to differentiate between problem applications and those that should progress smoothly. In this way, access to a license could be expedited for many. Understandably, many applicants are concerned at the time that the NCBE loop adds to the processing of their applications.
3. The Board has the computer capacity to process these background checks and lacks only the staff to run the investigations. The existing Board staff is trained to perform investigative operations but unable to allocate the time that would be necessary to add the NCBE screening job to existing responsibilities. The addition of a 0.5 FTE position would permit prompt and accurate file management and a more effective level of communication with references and applicants.
4. The Supreme Court has mandated that the Board will undertake the character and fitness screening of all

persons admitted to practice from the two Wisconsin law schools (UW and Marquette) effective in October 1995. Diploma admittees have previously been screened by the deans of the two Wisconsin law schools. The addition of this workload, although not the subject of this request, will mean that the Board's investigative responsibilities and its systems will double within two years. It is therefore preferable that the application files currently sent to NCBE be processed in-house as well. Consequently, all applicants will be subject to the same standards and process.

The costs associated with processing bar admission applications are borne entirely by the applicants. In the case of this request, the \$200 fee currently sent to NCBE (an aggregate of over \$20,000 per year) would be paid to the Board, with those funds available to underwrite the shift of the assignment to in-house.

#### Fiscal Effect

The requested position authority, with associated supplies and equipment, will require \$18,500 for the last four months of FY94 and \$40,800 in FY95 and on an annual basis. An eventual \$1.00 individual increase in the annual assessment to approximately 14,500 attorneys will be necessary to support the annual cost of \$17,700 for the CLE ethics component. No increase to the \$200 fee presently charged by the National Conference of Bar Examiners will be necessary to support the \$23,100 annual cost required for the character and fitness component. The fee will simply accrue to the Board rather than be passed on to the out-of-state organization.

#### SUMMARY

The mandated function of administering the new ethics and professional responsibility requirement and the opportunity to deliver more efficient and sounder investigative services to bar applicants and the Wisconsin public provide the justification for authorizing the Board to increase its position authority from 5.0 to 6.0 FTE at this time.