

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_pt40

➤ Record of Comm. Proceedings ... RCP

➤ **

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN



ASSEMBLY CHAIR
BEN BRANCEL

Room 119 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253

Room 107 South, State Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

December 29, 1995

Mr. James Klauser, Secretary
Department of Administration
101 East Wilson Street
P.O. Box 7864
Madison, WI 53707-7864

*approved
no letter rec'd from Klauser*

Dear Secretary Klauser:

On December 8, 1995, two requests under s. 16.505/.515 were forwarded to the Joint Committee on Finance for approval related to: (a) a two-year project assistant district attorney position for Milwaukee County; and (b) funding and positions for the Department of Corrections contracted probation and parole services.

On the assistant district attorney project position, your office recommended approval of the additional position with the condition that the approval does not constitute the commitment of current or future GPR funding for this position. With this understanding, the Committee has no objection to the DOA recommendation.

On the Department of Corrections request for \$269,700 PR and 10 positions in 1995-96 and \$695,400 PR and 18 positions in 1996-97, associated with contracted probation and parole services, your office recommended approval of the request. It is our understanding that the current contract is effective through June 30, 1996. Prior to entering into a new contract, or renewing or extending the current contract, we believe that review by the Joint Committee on Finance is important. We will, therefore, approve the current s. 16.505/515 request for the Department of Corrections with the understanding that any future contract or modifications will be submitted to the Committee for review and comment at least 20 working days prior to signing an agreement.

Secretary James R. Klauser

December 29, 1995

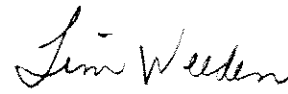
Page 2

The Committee will consider the DOC request modified to conform with this letter, unless we receive notification from you by January 8, 1996, that you want a meeting scheduled to review the request.

Sincerely,



BEN BRANCEL
Assembly Chair



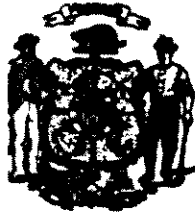
TIM WEEDEN
Senate Chair

BB/TW/dr

cc: Members, Joint Committee on Finance

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN



ASSEMBLY CHAIR
BEN BRANCEL

Room 119 South, State Capitol
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Madison, WI 53708-8952
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JOINT COMMITTEE ON FINANCE

*FB sending
letter to members.
Dwb Jan 2, 1996*

December 11, 1995

TO: Joint Finance Members

FROM: Representative Ben Brancel
Senator Tim Weeden
Co-Chairs, Joint Committee on Finance

RE: 16.505/515 Request

Attached is a copy of a request from the Department of Administration dated December 8, 1995 pursuant to s.16.505/515 (2) pertaining to requests from the Milwaukee County District Attorney's Office and the Department of Corrections.

Please review these items and notify Senator Tim Weeden's office office not later than December 28, 1995 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 further information.

BB:TW:kc

Attachment

DEC 08 1995

CORRESPONDENCE MEMORANDUM

**STATE OF WISCONSIN
Department of Administration**

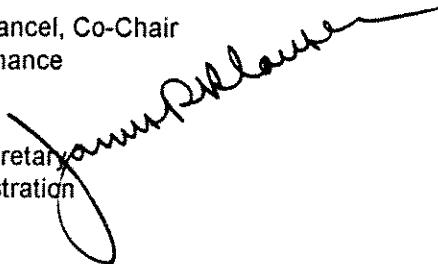
Date: December 8, 1995

To: The Honorable Tim Weeden, Co-Chair
Joint Committee on Finance

The Honorable Ben Brancel, Co-Chair
Joint Committee on Finance

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>1995-96 AMOUNT</u>	<u>FTE</u>	<u>1996-97 AMOUNT</u>	<u>FTE</u>
DA's 20.475(1)(h)	Gifts and Grants				1.0*
DOC 20.410(1)(ge)	Administrative and Minimum Supervision	\$269,700	10.0	\$695,400	18.0

*Two-Year Project Position

As provided in s. 16.515, this request will be approved on January 2, 1996, 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 Linda Nelson at 266-3330, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

CORRESPONDENCE MEMORANDUM

**STATE OF WISCONSIN
Department of Administration**

Date: December 6, 1995

To: James R. Klauser, Secretary
Department of Administration

From: Michael Heifetz, ^{MH} Executive Policy Analyst
State Budget Office

Subject: Request under s. 16.505 for 1.0 FTE assistant district attorney position in Milwaukee County.

REQUEST:

The Department of Administration, on behalf of the Milwaukee County District Attorney's Office, requests approval of 1.0 FTE assistant district attorney (ADA) position authorized under s. 20.475(1)(h), Gifts and Grants, in order to prosecute felony drug cases in Milwaukee County.

REVENUE SOURCES FOR APPROPRIATIONS:

The source of revenue deposited in the appropriation under s. 20.475 (1)(h), gifts and grants, is a grant awarded to the Milwaukee Metropolitan Drug Enforcement Group (Milwaukee Task Force) by the Governor's Law Enforcement and Crime Commission. The grant is a combination of federal, penalty assessment surcharge and local funds.

BACKGROUND:

The Governor's Law Enforcement and Crime Commission, the primary body for law enforcement planning and policy development, has awarded the Milwaukee Task Force an OJA grant of \$1,327,313 for calendar year 1996. This amount consists of federal, state match (provided by the penalty assessment surcharge) and local matching funds as follows:

<u>Fund Source</u>	<u>Dollars</u>	<u>Pct.</u>
Federal:	\$995,485	75%
State match:	\$199,097	15%
<u>Local match:</u>	<u>\$132,731</u>	<u>10%</u>
TOTAL:	\$1,327,313	100%

As part of the plan approved by the Governor's Law Enforcement and Crime Commission, a portion of these funds (\$66,200 FED), pending approval of DOA and the Joint Committee on Finance (JCF), will be used to fund an additional 1.0 ADA FTE in the Milwaukee County District Attorney's Office. The position, funded entirely with federal funds, will be used to prosecute felony drug cases. Any other expenses related to this position are the responsibility of Milwaukee County; the state is only required to provide salary and fringe benefit costs.

The Milwaukee County district attorney's office currently has 94 FTEs (including the elected district attorney). Seven of these FTE are primarily funded from federal and penalty assessment funds administered by OJA, including four FTE that are funded from competitive grants awarded to drug enforcement groups around the state.

Since 1991, Milwaukee County has operated a Speedy Drug Trial Project, which has significantly reduced the time it takes to prosecute drug crimes from an average of 307 days to 68 days. The project is currently staffed by nine ADA FTE; approval of this request would increase this to ten FTE.

ANALYSIS:

Milwaukee County is requesting an additional 1.0 permanent ADA FTE to address a significant increase in drug-related cases. As illustrated in the following table, the number of adult felony drug case filings has risen dramatically since 1993:

<u>Year</u>	<u>Felony Drug Case Filings</u>	<u>% Increase Over Previous Year</u>
1991	1,190	--
1992	1,155	-3.0%
1993	1,199	3.7%
1994	1,379	15.0%
1995	1,591	15.4%

This increase may be linked to many economic and social forces, as well as an increase in the number of law enforcement officers fighting the war on drugs in Milwaukee County. Regardless of the cause, it is necessary and appropriate to authorize 1.0 ADA FTE to ensure that drug prosecutions continue to be completed efficiently and effectively. However, given the uncertain nature of federal funding, the position should be authorized as a two-year project position, rather than a permanent position.

While the OJA grant will pay Milwaukee County for the position, the County will be required to reimburse the state through agency 475 because ADAs are state employees. Approval of this request will require additional expenditure authority in s. 20.475(1)(h) of \$66,200 PRO annually (\$49,800 salary; \$16,400 fringe benefits) in state fiscal years 1996 and 1997. Since this is a continuing appropriation, approval of the JCF is required for only the position authorization.

RECOMMENDATION:

Approve the request for 1.0 FTE assistant district attorney as a two-year project position (January 1, 1996, to December 31, 1997), to be paid for by Milwaukee with federal anti-drug funds administered by OJA. This approval does not constitute the commitment of current or future GPR funding for this position. Such approval can only be obtained through the biennial budget process.

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

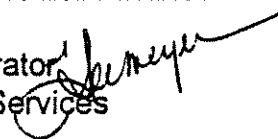
TOMMY G. THOMPSON
GOVERNOR
JAMES R. KLAUSER
SECRETARY



Mailing Address:
Post Office Box 7869
Madison, WI 53707-7869

DATE: November 20, 1995

TO: Rick Chandler, Administrator
Division of Executive Budget and Finance

FROM: Linda Seemeyer, Administrator 
Division of Administrative Services

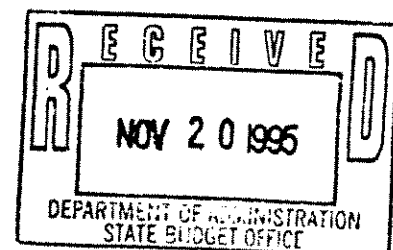
SUBJECT: **REQUEST FOR AUTHORIZATION FOR DEPARTMENT 475:
DISTRICT ATTORNEYS**

On behalf of the Milwaukee County District Attorney's Office, I am submitting the attached request for authorization of one program revenue position under s. 16.505.

If you have any questions on this request, please contact Stuart Morse, Director of the State Prosecutors Office, DOAS, or Richard Wagner, Budget Analyst, DOAS.

Attachments

cc: Stuart Morse
Richard Wagner



**DEPARTMENT OF ADMINISTRATION REQUEST UNDER S. 16.505/.515 FOR
POSITION AND EXPENDITURE AUTHORIZATION**

I. REQUEST

The Department of Administration requests under s. 16.505 the authorization of 1.0 FTE PR prosecutorial position in appropriation 20.475(1)(h) for the Milwaukee County District Attorney's (DA) Office.

II. BACKGROUND

On November 16, 1995, the Milwaukee DA Office was awarded a grant by the Governor sufficient to fund one additional full-time assistant district attorney (ADA) position (1.0 FTE) for the period from January 1, 1996 through December 31, 1996 and \$66,248 to fund it. The Governor's decision follows the recommendation of his Law Enforcement and Crime Commission. The funds are provided via the Office of Justice Assistance (OJA). OJA already funds 4.0 FTE previously approved PR ADA positions in the Milwaukee DA office via competitive grants. Milwaukee seeks to fill the new position as soon as possible after January 1, 1996 once authorization is received.

III. ANALYSIS

This position is in furtherance of the State's policy to fight drug crime. The Governor's Law Enforcement and Crime Commission recommended to the Governor that this new position be funded and the Governor approved that recommendation. The funding is from federal anti-drug funds for the purpose of supporting "multi-jurisdictional task force programs that integrate Federal, State and/or local drug law enforcement agencies and prosecutors for the purpose of enhancing interagency coordination and intelligence and facilitating multi-jurisdictional investigations."

IV. FISCAL ANALYSIS

The funds allocated for the position are based upon costs of an experienced ADA. The grant totals \$66,248.

V. REVENUE SOURCE FOR APPROPRIATION

The source of grant funds is 20.505(6)(pb) which is provided by the federal government to OJA for use in developing anti-drug crime mechanisms including the funding of prosecutorial staff. The funds are awarded to Milwaukee County. The County will reimburse salary and fringe benefit costs for the state paid ADA position in the Department of District Attorneys.

State of Wisconsin



OFFICE OF JUSTICE ASSISTANCE

Tommy G. Thompson
GovernorSteven D. Sell
Executive Director

November 16, 1995

District Attorney E. Michael McCann, Project Director
Milwaukee County Drug Task Force Unit
Milwaukee County District Attorney's Office
821 West State Street, Room 412- Safety Building
Milwaukee, WI 53233-1425

Dear District Attorney McCann:

RE: OJA Grant #DB-95-MM-0040

Congratulations! Based on the recommendation of the Governor's Law Enforcement and Crime Commission, Governor Thompson has approved Milwaukee County's application for funds available to local units of government under the Anti-Drug Abuse Act of 1988.

We are indeed pleased and honored to also have the Governor personally present this award today. Doing so, I feel further demonstrates Governor Thompson's commitment to drug law enforcement.

We encourage you to issue a press release advising Milwaukee County residents of Governor Thompson's recent award. OJA staff have prepared a sample press release for your consideration.

You will note that any changes from the original application are described in detail on Attachment A of the Grant Award. If the award is subject to any special conditions, they are enumerated on Attachment B.

If the chief elected official (County Board Chair, County Executive, Mayor, etc.) is unable to sign the Grant Award at today's ceremony, please have them sign and return one of the enclosed copies to indicate acceptance. The grant will be effective on the date of their signature. The signed award document must be returned to the Office of Justice Assistance (OJA) within 20 days of the date of this letter or the award may lapse. No funds can be released until this document is received.

Also enclosed is an Acknowledgement Form, the final page of the grant document, which refers to the special instructions and materials required for this project. This must be signed by the Project Director and returned to OJA.

Please review all the materials carefully and distribute them to the appropriate members of your organization. We look forward to a close and complementary working relationship with you. If we may be of further assistance, please feel free to call us at (608)266-3323.

Sincerely,

Handwritten signature of Steven D. Sell.

STEVEN D. SELL
Executive Director

Enclosures

STATE OF WISCONSIN
OFFICE OF JUSTICE ASSISTANCE

222 State Street

Second Floor

Madison, WI 53702-0001

ANTI-DRUG ABUSE GRANT AWARD

The Office of Justice Assistance (OJA) hereby awards to Milwaukee County (hereinafter referred to as the Grantee) the amount of \$ 1,327,313 for programs or projects pursuant to the federal Anti-Drug Abuse Act of 1988.

This grant may be used until December 31, 1996 for the programs enumerated in Attachment A to this grant award, subject to any limitations or conditions set forth in Attachments B and C to this grant award.

The Grantee shall administer the programs or projects for which this grant is awarded in accordance with the applicable rules, regulations, and conditions of the Office of Justice Assistance.

This grant shall become effective, and funds may be obligated (unless otherwise specified in Attachment A and B) when the Grantee signs and returns one copy of this grant award to the Office of Justice Assistance.

BY: 

TOMMY G. THOMPSON
Governor
State of Wisconsin

Date

The (Grantee) Milwaukee County hereby signifies its acceptance of the above-described grant on the terms and conditions set forth above or incorporated by reference therein.

GRANTEE: Milwaukee County

BY: F. Thomas Ament

NAME: F. Thomas Ament

TITLE: County Executive

11-17-95

Date

Completion of this form is required by State Statutes. No federal funds shall be dispersed until this signed grant award is received by OJA, within 30 days of the date of award.

OFFICE OF JUSTICE ASSISTANCE
ATTACHMENT A

Grantee: Milwaukee County

Project Title: Task Force Operation

Grant Period: From January 1, 1996 To December 31, 1996

Grant Number: DB-95-MM-0040 Program Area: 02

APPROVED ANTI-DRUG BUDGET

	Federal	OJA State Match	Local Match
Personnel	\$ <u>797,162</u>	\$ <u>196,462</u>	\$ <u>132,731</u>
Travel	\$ _____	\$ <u>360</u>	\$ _____
Equipment	\$ <u>34,492</u>	\$ _____	\$ _____
Supplies/Operating Expenses	\$ <u>17,583</u>	\$ <u>2,275</u>	\$ _____
Consultants/Contracts	\$ _____	\$ _____	\$ _____
Confidential Funds	\$ <u>80,000</u>	\$ _____	\$ _____
Unallotted	\$ <u>66,248</u>	\$ _____	\$ _____
 FEDERAL TOTAL	 \$ <u>995,485</u>		
OJA STATE MATCH		\$ <u>199,097</u>	
LOCAL MATCH			\$ <u>132,731</u>

TOTAL APPROVED ANTI-DRUG BUDGET \$ 1,327,313

FUNDING SOURCE

Federal Share	\$ <u>995,485</u>
OJA State Share	\$ <u>199,097</u>
Local Share	\$ <u>132,731</u>
 Total Approved Funding Source	 \$ <u>1,327,313</u>

Special Notes

1. The 1988 Anti-Drug Abuse Act requires a 25% cash match. The State of Wisconsin is providing 15% and recipient agencies must generate at least the remaining 10%. Recipient agencies may contribute more than the 10% match if they so choose.
2. Subgrantees may not reduce or eliminate current appropriation level of matching funds during the grant period.
3. Budget changes in excess of 10% of the approved Anti-Drug line item amount and any increases for personnel compensation not included in the approved budget require approval of the Fiscal Officer of the Office of Justice Assistance.
4. To be allowable under a grant program, costs must be paid or obligated for services provided during the grant period. If obligated by the end of the grant period, payment must be made within 60 days of the grant period ending date.
5. Subgrantees acknowledge that failure to submit an acceptable Equal Employment Opportunity Plan (if required to submit one pursuant to 28 CFR 42.302) that is approved by the Federal Office of Civil Rights, is a violation of its Certified Assurances and may result in the suspension of the grant.

WISCONSIN OFFICE OF JUSTICE ASSISTANCE
SPECIAL CONDITIONS
Attachment B

Milwaukee County
Task Force Operation
DB-95-MM-0040

Acceptance of this grant award assures that:

- Funding of \$66,248 requested for an additional Assistant District Attorney position to prosecute felony drug cases in Milwaukee County will remain in unallotted pending legislative review and approval.

OFFICE OF JUSTICE ASSISTANCE

Date November, 1995

Grantee: Milwaukee County Grant No. DB-95-MM-0040

Project Task Force Operation

The following regulations and obligations (referenced, below) apply to your grant award.

DRUG OFFENSE DATA must be submitted on the following dates:

3-12-96 6-12-96 9-12-96 12-12-96

FINANCIAL REPORTS serve two functions: to report fiscal status and to request funds. Reports may be submitted monthly but, at a minimum, are due to OJA on:

3-12-96 6-12-96 9-12-96 12-12-96

2-28-97 Final

A supply of Forms G-2, enclosed, should be routed to your Financial Officer.

NOTE: Reports due 03/12 includes December, January and February activity and expenses.
Reports due 06/12 includes March, April and May activity and expenses.
Reports due 09/12 includes June, July and August activity and expenses.
Reports due 12/12 includes September, October and November activity and expenses.

Complete and return copy of FIDELITY BONDING, enclosed.

SEMIANNUAL PROGRESS REPORTS must be submitted on 6/12/96 (covering December, 1995 through May, 1996) and 12/12/96 (covering June through November, 1996).

ACKNOWLEDGEMENT

The materials referenced above were received and reviewed by the appropriate members of this organization. I also acknowledge receipt of the Grant Award and any attached Special Conditions, as well as receipt of the General Conditions which were previously provided in the Instructions for Filing an Application. I understand that this grant is awarded subject to our compliance with all Conditions, Regulations and Obligations described in the above materials.

11/17/95
Date

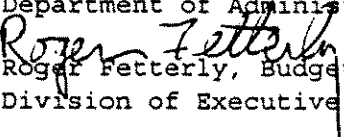
E Michael McLean, Project Director
Signature

CORRESPONDENCE MEMORANDUM

**STATE OF WISCONSIN
Department of Administration**

Date: December 6, 1995

To: James R. Klauser, Secretary
Department of Administration

From: 
Roger Fetterly, Budget Analyst
Division of Executive Budget and Finance

Subject: S. 16.505/515 Request from the Department of Corrections

REQUEST

The Department of Corrections (DOC) requests an increase in expenditure authority of \$269,700 PR and 10.0 PR FTE positions in FY96 and \$695,400 PR and 18.0 PR FTE positions in FY97 in appropriation s. 20.410(1)(ge), Administrative and Minimum Supervision, to provide a central monitoring unit to implement and operate a program which utilizes a vendor for supervision of probation and parole clients under minimum and administrative supervision.

REVENUE SOURCES FOR APPROPRIATION

The sources of revenue for appropriation s. 20.410(1)(ge), as it relates to this request, are all monies received from contracted vendors who are supervising and collecting fees from probation and parole clients under minimum or administrative supervision.

BACKGROUND

Effective January 1, 1996, section 301.08(1)(c) of Wisconsin Statutes, created under 1995 Wisconsin Act 27, authorizes DOC to contract with public, private or voluntary vendors for the supervision of probation and parole clients who are under minimum or administrative supervision.

The contract shall authorize the vendor to charge a fee to the probation and parole clients to cover the cost of supervision and administration of the contract. Appropriation s. 20.410(1)(ge) was also created to receive funds from vendors for supervision of probation and parole clients and for DOC's costs associated with the contract.

These provisions were enacted under Act 27 as one budget efficiency measure which reduced GPR spending by \$3.0 million and deleted 100 GPR FTE positions annually. The budget bill assumed that PR funding and positions would be requested at such time as an actual contract for services was signed.

DOC has contracted with BI Incorporated of Boulder Colorado for automated caseload management and collection of supervision fees from clients enrolled under the contract for minimum and administrative supervision. Supervision will be conducted utilizing a 1-900 telephone number for client reporting and collection of fees.

ANALYSIS

DOC is requesting the following PR positions and funding for a central monitoring unit to administer a probation and parole client supervision program using an automated caseload management system provided by BI Incorporated.

Table 1

Item	FY96		FY97	
	\$	FTE	\$	FTE
Corrections Field Supervisor	18,000	1.0	36,000	1.0
Probation and Parole agents	82,800	6.0	252,500	11.0
Program Asst Supervisor			15,200	1.0
Program Assistant	26,700	3.0	88,400	5.0
Fringe	48,600		148,900	
Turnover	-3,600		-11,900	
Supplies and services	17,800		57,700	
Rent @ \$200 per month per FTE	11,800		39,000	
One-time @ \$6,100 per FTE	61,000		48,800	
Internal support services	600		2,000	
Vehicle lease (5 vehicles)	6,000		18,800	
Total	269,700	10.0	695,400	18.0

This monitoring unit will be similar to existing probation and parole offices with a unit supervisor, Probation and Parole (P&P) agents and clerical staff. The unit, which will be located in Milwaukee, will provide services to clients statewide. Providing supervision under automated management will still require staff to perform non-automated functions consisting of enrolling clients at face-to-face meetings at locations throughout the state, reviewing monitoring reports from the vendor, enforcing terms of supervision, monitoring restitution, initiating revocations and reclassifying or discharging clients.

The average caseload under this type of supervision will be approximately 550 clients per agent compared to approximately 60 clients per agent under normal supervision. To accommodate the much larger caseload, the proposed clerical staff ratio would be 2 agents for every program assistant to help manage the expected clerical workload.

The expenditures shown in table 1 will cover the typical operating costs of a probation and parole office including an initial one-time workstation cost, rent for office space, supplies and services to cover extensive travel to all parts of the state and funds to lease 5 vehicles.

DOC has enrolled 3,100 clients under the contract to begin supervision on January 1, 1996. It is anticipated that the total population eligible and enrolled will increase to 6,000 by June 30, 1997. Clients will be billed

James R. Klauser
December 5, 1995
Page 3

\$20 per month by the vendor, \$12 of which will be transmitted to DOC to cover the cost of staffing and operating the central monitoring unit.

The revenue projections from fees are expected to cover all of the expenses of the monitoring unit plus a 10% balance by the end of first full fiscal year as follows:

	<u>FY96</u>	<u>FY97</u>
Opening balance	\$0	\$6,300
Revenue	276,000	772,200
Less:		
Expenditures	<u>269,700</u>	<u>695,400</u>
Closing balance	\$6,300	\$83,100

Experience from other states using automated caseload management shows a collection rate exceeding 95% of billings. Clients failing to pay fees are returned to non-automated supervision where they are still required to pay a fee, based on a variable scale which could be higher, collected by the agent. After the 2nd month of operation, revenues are expected to exceed expenditures on a monthly basis. Expenditures and filling of positions will be monitored to avoid exceeding revenues.

SUMMARY

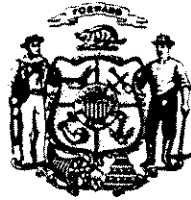
This request is the result of one of the efficiency measures approved in the 1995-97 Biennial Budget that provided a savings of \$3.0 million GPR and a reduction of 100 GPR FTE positions annually. Under this proposal, the supervision of all minimum and administrative supervision clients will be a self-supporting PR funded program.

RECOMMENDATION

Approve as requested.

Tommy G. Thompson
Governor

Michael J. Sullivan
Secretary



Mailing Address
149 East Wilson Street
Post Office Box 7925
Madison, WI 53707-7925
Telephone (608) 266-2471

State of Wisconsin Department of Corrections

November 9, 1995

M E M O R A N D U M

TO: James R. Klauser, Secretary
Department of Administration

FROM: Michael J. Sullivan, Secretary
Department of Corrections

SUBJECT: S. 16.515 (1) Request for Appropriation
20.410 (1)(ge)
Numeric Appropriation 185

The Department of Corrections requests expenditure authority in Appropriation s.20.410 (1)(ge)(185) for \$269,700 and 10.00 PRS FTE in FY 96 and \$695,400 and 18.00 PRS FTE in FY 97 to implement departmental supervision of probation and parole offenders who are classified as requiring minimum or administrative supervision. These offenders will be participating in a new process authorized in s.301.08(1)(c), requiring them to pay fees to a vendor for supervision.

Background

1995 Wisconsin Act 27, Section 6359 authorized the department to contract with public, private or voluntary vendors for the supervision of probationers and parolees who require minimum or administrative supervision, and also provided that any money collected by the department from a vendor be credited to the appropriation account under s.20.410(1)(ge).

Revenue Sources for Appropriation

The sources of revenue deposited in the appropriation under s.20.410(1)(ge)(185) are a portion of the fees for supervision paid by probation and parole offenders who have been classified as requiring minimum or administrative supervision.

Justification

Offenders will be reporting to a private vendor at required intervals via a special telephone number. Programmed questions

Memorandum
page 2

will be asked concerning such items as change of address, change of job, or contact with the law. Department staff will review each report, and take any action that may be needed. The department plans to establish a central monitoring unit to accomplish these tasks, and requests expenditure authority and positions to staff this unit.

Revenue projections indicate that the department will receive \$12 per month from each offender phone call. In January, 1996, the Department expects to have 3,000 offenders enrolled in the program, which will generate \$36,000 per month. It is anticipated that enrollment by June, 1997 will be approximately 6,000, yielding a monthly revenue of \$72,000.

The central monitoring staff will be expected to carefully review each report generated from the phone calls and take any action that may be required.

Examples of incidents that require follow-up include failure of an offender to call in, any violations of probation, information about the offender received from an external source, or any other problem where direct contact by an agent is indicated. These central unit monitoring agents will need to maintain contact with DPP staff located in all regions of the state. Some portion of the contacts/reports may reveal serious problems which could lead to revocation. It is estimated that by June, 1997, 18.00 FTE will be needed to monitor the program, at a total annual cost of \$709,200. The staff will be hired as justified by enrollment increases.

Summary

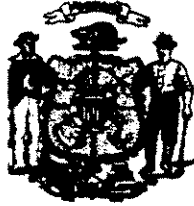
The Department of Corrections requests expenditure authority of \$269,700 and position authority for 10.00 PRS FTE in FY 96 and \$695,400 and 18.00 FTE in FY 97. These funds will be used for salary, fringe, supplies and services and one-time costs related to the department's monitoring of the program for supervision of offenders who require minimum or administrative supervision. In each year, the department anticipates sufficient revenues to meet or exceed projected expenditures.

cc: Ave M. Bie, Deputy Secretary, DOC
Dean Stensberg, Executive Assistant, DOC
Pamela Brandon, Administrator, DOC
Eurial Jordan, Administrator, DOC
Mary Cassady, Director, OBP, DOC
Barbara Carlson, OBP, DOC
Roger Fetterly, DOA, OBP

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

Room 119 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

Room 107 South, State Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

January 9, 1996

Secretary James R. Klauser
Department of Administration
110 East Wilson Street
Madison, WI 53702

Dear Secretary Klauser:

This is to inform you that the members of the Joint Committee on Finance has reviewed the 16.515.505(2) requests regarding the Department of Industry, Labor & Human Relations and the Department of Justice.

No objections to these requests have been raised. Accordingly, the funding allocations are approved.

Sincerely,

Handwritten signature of Tim Weeden in cursive.

TIM WEEDEN
Senate Chair

Handwritten signature of Ben Brancel in cursive.

BEN BRANCEL
Assembly Chair

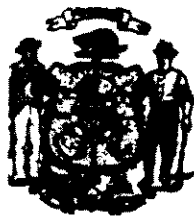
TW:BB:dr

cc: Members, Joint Committee on Finance
Roger Grossman
Robert Lang

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

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ASSEMBLY CHAIR
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JOINT COMMITTEE ON FINANCE

December 18, 1995

TO: Members
Joint Committee on Finance

FROM: Representative Ben Brancel
Senator Tim Weeden
Co-Chairs, Joint Committee on Finance

RE: 16.505/515 Request

Attached is a copy of a request from the Department of Administration dated December 15, 1995 pursuant to 16.505/515 (2) pertaining to requests from the Department of Industry, Labor and Human Relations and the Department of Justice.

Please review these items and notify Senator Tim Weeden's office not later than Monday, January 8, 1995 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 further information.

BB:TW:kc

DEC 15 1995

CORRESPONDENCE MEMORANDUM

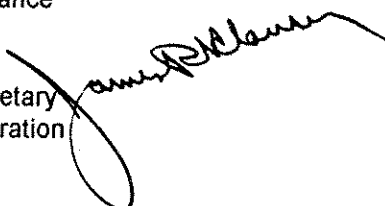
**STATE OF WISCONSIN
Department of Administration**

Date: December 15, 1995

To: The Honorable Tim Weeden, Co-Chair
Joint Committee on Finance

The Honorable Ben Brancel, Co-Chair
Joint Committee on Finance

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>1995-96 AMOUNT</u>	<u>FTE</u>	<u>1996-97 AMOUNT</u>	<u>FTE</u>
DILHR 20.445(1)(j)	Safety and Buildings Operations	\$ 542,300			
DOJ 20.455(2)(j)	Law Enforcement Training Fund--Local Assistance	\$1,678,700		\$ 52,300	
DOJ 20.455(2)(ja)	Law Enforcement Training Fund--State Operations	-\$ 262,400		-\$326,200	

As provided in s. 16.515, this request will be approved on January 9, 1996, 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 Linda Nelson at 266-3330, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

Date: December 11, 1995

To: James R. Klauser
Secretary

From: Jacqueline Jugenheimer
Division of Executive Budget and Finance

Subject: Section 16.515 (1) Request from the Department of Industry, Labor and Human Relations for Funding Code Development Activities.

Request

The Department of Department of Industry, Labor and Human Relations (DILHR) is requesting an increase of expenditure authority of \$542,300 for FY 1995-96 in appropriation s. 20.445 (1)(j) - Safety and Buildings Operations.

Revenue Sources for Appropriation(s)

Appropriation s. 20.445 (1)(j) - Safety and Buildings Operations contains funding for activities of the Division of Safety and Buildings (S&B), such as development and implementation of general industry regulations, building codes, inspections of electrical construction and certification of master electricians. Fee revenues are generated from licensing and certification of plumbers, soil testers, municipal building inspectors, private sewage, plumbing and commercial building reviewers; and boiler, elevator, plumbing, private sewage and commercial building inspection services.

Background

In 1995 Wisconsin Act 27 (Act 27), the Division of Safety and Buildings was transferred from DILHR to the Department of Commerce (Commerce), effective July 1, 1996. As passed by the Legislature, the budget bill provided for the transfer of 8.5 PR-O FTE code development positions and \$542,300 PR-O associated with the positions, prior to July 1, 1996. However, the Governor vetoed this provision, leaving the 8.5 PR-O FTE code development positions in DILHR, but without expenditure authority to fund them.

Analysis

Current revenue forecasts for appropriation under s. 20.445 (1)(j) indicate that sufficient resources are available to grant an increase in expenditure authority of \$542,300 PR-O. The requested expenditure authority constitutes a technical correction necessary for the implementation of Act 27. Without the requested increase, insufficient expenditure authority exists to support all S&B positions.

Recommendation

Approve the request.

Tommy Thompson
Governor

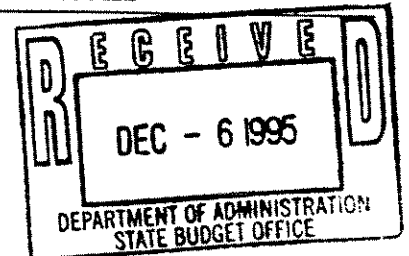
Carol Skornicka
Secretary



OFFICE OF THE SECRETARY
201 East Washington Avenue
P.O. Box 7946
Madison, WI 53707-7946
Telephone: (608) 266-7552
FAX: (608) 266-1784

State of Wisconsin
Department of Industry, Labor and Human Relations

November 22, 1995



Mr. Richard G. Chandler
State Budget Director
10th Floor, Administration Building
Madison, Wisconsin 53702

Dear Mr. Chandler:

The Department of Industry, Labor and Human Relations (DILHR) and the Department Of Development (DOD) request approval by the Department of Administration and the Joint Committee on Finance under ss. 16.515(1) of \$542,300 in additional funding authority for appropriation 20.445(1)(j), Safety and Buildings Operations in SFY96.

The Governor vetoed the section of Act 27 which would have transferred 8.50 FTEs from DILHR to the Department of Development prior to 7/1/96 when the entire Division of Safety and Buildings will move to DOD to form the new Department of Commerce. Act 27 leaves the positions unfunded in SFY96. The requested funding is to support these positions in DILHR through the current fiscal year. They are fully funded in the Department of Commerce beginning 7/1/96.

More information related to this request is enclosed. Should you or your staff have questions about this request, please contact Mike Mahoney at 266-7895.

Sincerely,

Carol Skornicka
Carol Skornicka
Secretary, Department of Industry,
Labor and Human Relations

William J. McCoshen
William J. McCoshen
Secretary, Department of Development

Enclosure

✓cc: Orlando Canto

**Department of Industry, Labor and Human Relations
Safety and Buildings Division**

**Supplemental Funding Request
under s. 16.515**

November, 1995

REQUEST

The Department of Industry, Labor and Human Relations (DILHR) requests an increase of \$542,300 in appropriation s. 20.445 (1)(j) Safety and Buildings Operations to support 8.50 FTE permanent code development positions added to DILHR without commensurate funding as a result of a Governor's veto of a portion of Act 27. The vetoed section transferred the 8.5 positions from DILHR to the Department of Development (DOD) prior to 7/1/96 when the entire Division of Safety and Buildings will move to DOD to form the new Department of Commerce..

REVENUE SOURCES FOR APPROPRIATION

Revenues deposited in this appropriation are program revenue fees charged by the Safety and Buildings Division (S&B) in accordance with Chapter ILHR2. Fees are paid for licensing and certification of plumbers, soil testers, municipal building inspectors; private sewage, plumbing and commercial building plan review; and boiler, elevator, plumbing, private sewage and commercial building inspection services.

The original B-3 (Revenue and Balances Form) submitted with the 95-97 Biennial Budget projected a \$1,866,900 balance at the end of the biennium. Projected expenditures for the same period included all costs associated with the 8.5 FTE. Interim revenue projections reflect even higher balances due to continued growth in the construction industry.

PROBLEM

DILHR requires an increase in allotment authority to support the 8.50 FTE code development positions. The budget shortfall is the result of the following biennial budget actions:

- DILHR's original budget, as proposed by the Governor, included funding for 9.50 code development positions.
- The Joint Committee on Finance (JCOF) passed motion #617 which provided for early transfer of 9.5 code development positions and associated funding from DILHR to DOD on September 1, 1995 instead of July 1, 1996.

- Later, JCOF passed motion #688 which transferred 7.5 positions to DOD on September 1, 1995, leaving the other 2.0 to transfer with the rest of the division on July 1, 1996.
- The Assembly added 1.0 position back to the early transfer group for a total of 8.5 transferring on September 1, 1995.
- The Senate made no further changes to the provision.
- The Governor vetoed the early transfer of code development positions, thus returning to a July 1, 1996 transfer. Since it was not possible to reinstate the appropriate spending authority during veto action, DILHR seeks to have that authority reinstated at this time.

RATIONALE

This is a technical action needed to restore funding for the authorized positions that perform the code work required of the Division of Safety and Buildings by statute.

Failure to restore the funds will require the DILHR to eliminate at least 8.5 positions from its payroll in order to avoid a deficit at the end of the fiscal year. Positions eliminated this fiscal year would be fully funded again on July 1, 1996.


SUMMARY

This is a technical correction required because of veto action on the Biennial Budget Bill. The correction is necessary in order for the planned code development work to be performed in SFY 1995-96.

CORRESPONDENCE/MEMORANDUMSTATE OF WISCONSIN
Department of Administration

Date: December 13, 1995

To: James R. Klauser, Secretary

From:  Michael Heifetz, Executive Policy Analyst

Subject: Request under s. 16.515 from the Department of Justice for expenditure authority adjustments in two Law Enforcement Training Fund appropriations and review of a plan submitted under s. 16.513 to manage a deficit in the Law Enforcement Training Fund.

REQUEST:

The Department of Justice (DOJ) requests the following PRO expenditure authority adjustments relating to the Law Enforcement Training Fund (LETF):

1. LETF - Local Assistance [s. 20.455 (2)(j)]: Increased PRO expenditure authority of \$1,678,700 in FY96 and \$52,300 in FY97 in the LETF - Local Assistance appropriation under s. 20.455(2)(j) to cover reimbursements to local law enforcement agencies for training expenses that were incurred in FY95 but not yet reimbursed and for costs that will be incurred during the 1995-97 biennium.
2. LETF - State Operations [s. 20.455 (2)(ja)]: Decreased PRO expenditure authority of \$262,400 in FY96 and \$326,200 in FY97 to reflect the transfer of seven FTE from the LETF - State Operations appropriation under s. 20.455 (2)(ja) to the Terminal Charges appropriation [s. 20.455 (2)(h)] per DOJ's February 24, 1995 request under s. 16.505.

DOJ acknowledges that there is insufficient revenue to cover the requested increase in expenditure authority; therefore, DOJ also requests a passive approval of this request as their plan for managing this deficit, as required under s. 16.513.

Also included in this request is the transfer of FTE and expenditure authority among other appropriations. However, these transfers are not germane to the LETF issues; therefore, they should be addressed in a separate request.

REVENUE SOURCES FOR APPROPRIATIONS:

The source of revenue for the appropriations under s. 20.455 (2)(j) and s. 20.455 (2)(ja) is the *Penalty Assessment Surcharge, Receipts* appropriation under s. 20.455 (2)(I). The *Penalty Assessment Surcharge, Receipts* appropriation receives revenue from the penalty assessment surcharge, as described below.

BACKGROUND:General:

Under current law, a penalty assessment in the amount of 23% of court fines or forfeitures is imposed for a violation of a state law, municipal or county ordinance under s. 165.87(2)(a). A portion (49.9%) of the total revenue is deposited into a program revenue account in the Department of Justice to fund the following: 1) reimbursements to local units of government for the costs of mandated basic and recertification training [as required by s. 165.85 (5)(b)] and other specialized training for local law enforcement and jail officers; and 2) purchase of equipment for the state crime labs. This account constitutes the LETF. The remaining 50.1% of the penalty assessment surcharge revenue is distributed to

five other state agencies to fund such items as prosecutor training for district attorneys and assistant district attorneys and training for State Public Defender staff attorneys.

DOJ reimburses local law enforcement agencies from the *LETF - Local Assistance* appropriation [s. 20.455 (2)(j)] and state law enforcement agencies from the *LETF - State Operations* appropriation [s. 20.455 (2)(ja)]. The *LETF - State Operations* appropriation also provides funds for District Attorney staff training and administrative expenses. DOJ is required to reimburse state and local law enforcement agencies for the following expenses:

- The first 400 hours of basic training for law enforcement and the first 120 hours of basic training for jail officers.
- At least \$160 of the costs of the mandated annual recertification training.
- DOJ may also distribute funds to local law enforcement officers for attendance at other specialized training. While not mandated under current statutes, DOJ considers the provision of specialized training a critical part of its training program because it provides one way in which statewide standards can be assured.

HISTORY:

On February 24, 1995 DOJ submitted a request under s. 16.515 for increased PRO expenditure authority of \$1,039,600 in FY95 in the *LETF - Local Assistance* appropriation under s. 20.455 (2)(j). In addition, in order to free up revenues and to cover anticipated expenses in the *LETF - State Operations* appropriation under s. 20.455 (2)(ja), DOJ requested the transfer of 7.0 FTE from the *LETF - State Operations* appropriation to the Terminal Charges (Time system) appropriation under s. 20.455 (2)(h). Upon analysis of these requests, it was discovered that there were insufficient revenues to cover the appropriated expenditure authority in FY95 in the *LETF - Local Assistance* appropriation under s. 20.455 (2)(j). Therefore, the Department of Administration (DOA) denied the DOJ request for additional expenditure authority and requested DOJ to submit a plan for managing the deficit as required under s. 16.513.

In its plan, DOJ cited three factors contributing to the need for additional expenditure authority and the corresponding deficit: (1) 1993 Wisconsin Act 16 (the 1993-95 biennial budget act) increased the statutory minimum state reimbursement rate for annual recertification training from \$123 to \$160 per officer; (2) 1993 Wisconsin Act 16 increased the penalty assessment surcharge from 20% to 22%, but reduced the percentage that is allocated to the *LETF* from 55% to 49.9%; and (3) the number of officers increased by 23% over the previous biennium, from approximately 13,000 to 16,000.

DOJ submitted a four point plan to manage this deficit: (1) reestimate penalty assessment surcharge revenues; (2) reduce administrative expenses; (3) convene a study to evaluate revenue collection of the penalty assessment surcharge; and (4) increase the share of the penalty assessment surcharge revenues that are allocated to the *LETF*. Ultimately, the first three parts of DOJ's plan and the transfer of seven FTE from the *LETF - State Operations* appropriation to the Terminal Charges appropriation were approved by DOA and by the Joint Committee on Finance (JCF) to temporarily resolve the FY95 situation. No action could be taken by DOA or the JCF on the fourth part of DOJ's plan, because changing the share of the penalty assessment surcharge revenues that are allocated to the *LETF* would require the action of the full Legislature.

ANALYSIS:

LETF - Local Assistance: 1995 Wisconsin Act 27 (the 1995-97 biennial budget act) appropriates \$3,190,600 PRO annually for the *LETF - Local Assistance* appropriation. However, as illustrated in the following table, this will be insufficient to cover current obligations and significant carryover from FY95:

	<u>FY96</u>	<u>FY97</u>
Carryover obligations	\$1,650,400	\$0
Basic training	\$683,700	\$683,700
Recertification training	\$2,298,400	\$2,322,400
<u>Specialized training</u>	<u>\$236,800</u>	<u>\$236,800</u>
 TOTAL	 \$4,869,300	 \$3,242,900
Current expenditure authority	\$3,190,600	\$3,190,600
Difference - Requested supplement	(\$1,678,700)	(\$52,300)

The supplemental expenditure authority requested in FY96 is almost entirely linked to the carryover obligations from FY95; if approved and the carryover problem eliminated, the necessary supplement for FY97 will be relatively small. If the supplement is denied, DOJ indicates that it will have used all of FY96 expenditure authority by January 1, 1996. As a result, technical schools, hotels and other vendors who provide training and related services will not receive payments that are owed to them.

LETF - State Operations: Because state training costs have effectively stabilized (no new officers are expected in the 1995-97 biennium) and there is a much smaller carryover from FY95 than in the LETF - Local Assistance appropriation, DOJ believes there is more than sufficient expenditure authority to cover anticipated expenditures:

	<u>FY96</u>	<u>FY97</u>
Carryover obligations	\$63,800	\$0
Basic training	\$100,000	\$100,000
Recertification training	\$269,600	\$269,600
Specialized training	\$45,100	\$45,100
Administrative expenses	\$1,660,700	\$1,660,700
<u>District Attorney Training</u>	<u>\$123,900</u>	<u>\$123,900</u>
TOTAL	\$2,263,100	\$2,199,300
 Current expenditure authority	 \$2,525,500	 \$2,525,500
Difference - Excess	\$262,400	\$326,200

The excess expenditure authority is the result of seven FTE being transferred from the State Operations appropriation to the Terminal Charges (TIME system) appropriation as part of DOJ's February 24, 1995 request under s. 16.505/515. At that time it was determined that the LETF - State Operations appropriation required the expenditure authority associated with the seven transferred FTE in order to meet its obligations, and that the Terminal Charges appropriation had sufficient expenditure authority to enable it to absorb the expenses of the seven transferred FTE. Therefore, no reduction in expenditure authority was made to the LETF - State Operations appropriation. However, as demonstrated above, there is now excess expenditure authority and it is appropriate to reduce the expenditure authority accordingly.

While this request, if approved, will resolve the shortage of expenditure authority in the LETF - Local Assistance appropriation, there will not be sufficient revenues available to support this request in the short run. The next table indicates the projected expenditures, projected revenues and revenue shortfall in the LETF for the 1995-97 biennium:

	FY96	FY97
LETf -Local Assistance	\$4,869,300	\$3,242,900
LETf - State Operations	\$2,263,100	\$2,199,300
<u>Crime Labs</u>	<u>\$376,300</u>	<u>\$376,300</u>
TOTAL Expenditures	\$7,508,700	\$5,818,500
Projected LETf revenue	\$6,161,600	\$6,416,500
<u>Opening revenue balance</u>	<u>(\$117,700)</u>	<u>(\$1,464,820)</u>
TOTAL Available revenue	\$6,043,900	\$4,951,700
Difference - revenue shortfall	(\$1,347,100)	(\$866,800)

As illustrated above, the revenue shortfall declines significantly from the end of FY96 to the end of FY97. DOJ expects that trend to continue into the 1997-99 biennium, and projects that the revenues will balance with expenditures in FY99. This will be possible due to four factors:

1. FY95 Carryover: Since this is a one-time problem that will be resolved under this request, the required expenditure authority for FY96 will decline in future years.
2. Administrative Action: DOJ has implemented a number of cost saving measures to its administration of the LETf, including: limiting specialized training (for which DOJ is not statutorily required to reimburse law enforcement agencies) to \$200,000 annually, reducing staff assigned to this area and increasing auditing of compliance with recertification requirements.
3. Revenue Estimates: DOJ is projecting that penalty assessment surcharge revenue will increase by 2% annually. [Actual annual revenue growth over the last six fiscal years has averaged 3.8%. Revenue received during the first four months of FY96 indicate that revenue in FY96 will increase almost 7% over FY95.]
4. Governor's Act 27 Veto: 1995 Wisconsin Act 27 increased the penalty assessment surcharge from 22% to 23% and directed that the additional 1% be used for the District Attorney computer network. However, the Governor exercised his veto authority to retain the 1% increase in the penalty assessment surcharge while also retaining the current law distribution of penalty assessment revenue. This results in additional revenue for the LETf of approximately \$400,000 during the 1995-97 biennium and \$500,000 in future biennia. The Governor's action alone makes significant progress towards resolving the deficit.

Combined, these steps will balance the LETf, ensure that statutory obligations are met in a timely manner and reaffirm the state's commitment to law enforcement.

RECOMMENDATION:

Approve the request to *increase* PRO expenditure authority by \$1,678,700 in FY96 and \$52,300 in FY97 in the *LETf - Local Assistance* appropriation under s. 20.455(2)(j) to cover reimbursements to local law enforcement agencies for training expenses that have been carried over from FY95 and that will be incurred during the 1995-97 biennium. The FY97 increase will be built into the base budget of the appropriation.

Also approve the request to *decrease* PRO expenditure authority by -\$262,400 in FY96 and -\$326,200 in FY97 in the *LETf - State Operations* appropriation under s. 20.455(2)(ja) to reflect the transfer of seven FTE from this appropriation to the Terminal Charges appropriation [s. 20.455 (2)(h)] per DOJ's February 24, 1995 request under s. 16.505. The FY97 decrease will be built into the base budget of the appropriation.

Finally, recognize this request as the DOJ plan for managing the deficit in the LETf, as required under s. 16.513, and approve the plan as submitted.



STATE OF WISCONSIN
DEPARTMENT OF JUSTICE

JAMES E. DOYLE
ATTORNEY GENERAL

Burneatta L. Bridge
Deputy Attorney General

123 West Washington Avenue
P.O. Box 7857
Madison, WI 53707-7857

Andrew Cohn
Executive Assistant
608/266-0425

November 10, 1995

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

Dear Secretary Klauser:

As provided for under sec. 16.515, Wis. Stat., the Department of Justice requests increases (or decreases) in three appropriations, as follows:

1. \$1,678,745 is requested in FY '96 and \$52,345 in FY '97, for the "Law Enforcement Training Fund, Local Assistance" appropriation (sec. 20.455(2)(j)).
2. \$122,881 is requested in FY '96 and FY '97, for the "Criminal History Searches" appropriation (sec. 20.455(2)(gm)).
3. Decreases of \$262,415 and \$326,180, respectively, are requested in FY '96 and FY '97, for the "Law Enforcement Training Fund, State Operations" appropriation (sec. 20.455(2)(ja)).

The amounts appropriated will not be enough to reimburse local law enforcement training expenses, primarily because of obligations which had to be carried over from FY '95. Some revenues can be freed up for this purpose, by shifting the costs of seven training positions from the state operations portion of the Law Enforcement Training Fund to the TIME System and Criminal History Searches appropriations.

Under sec. 16.513, Wis. Stat., the Department requests recognition and approval of this request as our plan for addressing the revenue shortfall which will occur in the Law Enforcement Training Fund. Elements of this plan are recognizing that revenues are growing, maintaining certain cost controls, permanently transferring costs of seven training officers, and allowing the shortfall to be covered early in FY '99.

Background

Sec. 165.85, Wis. Stat., requires us to reimburse at least \$160 in approved recertification training costs annually, for every local or state law enforcement officer in Wisconsin. Certain costs

Mr. James R. Klauser, Secretary
November 10, 1995
Page 2

of recruit and specialized training are also covered. Reimbursements are paid from the Law Enforcement Training Fund (LETF, or "the Fund").

Revenues are generated for the Fund by a Penalty Assessment Surcharge (PAS) imposed on fines and forfeitures. Sec. 165.87 (2)(a), Wis. Stat., requires a 23% surcharge to be paid when fines or forfeitures are imposed for violations of state laws or local ordinances. Clerks of court send surcharge revenues to the State Treasurer. Ch. 165, Wis. Stat., requires that these revenues be allocated to six different appropriations. One of these six appropriations is the Law Enforcement Training Fund under sec. 20.455(2)(i), which receives 49.09% of the receipts. This Fund pays for training reimbursements, for the administration of the State's law enforcement training provisions, and for state crime laboratory equipment and related supplies. In FY '95, the Fund received \$5,939,069 in revenues.

On February 24, 1995, we submitted a request under sec. 16.515, to increase the local training appropriation (sec. 20.455(2)(j)), and to transfer seven positions from the Fund to the TIME System. On April 21, 1995 you requested a plan for dealing with the projected deficit in this appropriation, which we submitted on May 5, 1995. Our plan had four parts. First, revenues were reestimated in anticipation of receiving \$400,000 more in the Fund. Second, we proposed that an independent agency study the revenue collection mechanisms involved in this area. Third, we recommended statutory revisions to restore the 55% share of PAS revenues going to the Fund, as it had been prior to 1993 Wisconsin Act 16. Fourth, we reduced our spending estimate by \$250,000. On June 8, 1995, you forwarded our plan to the co-chairs of the Joint Committee on Finance, with your approval (except for the portion requiring legislative action). On June 12, 1995 you forwarded our request to transfer seven positions between funding sources, which the Committee approved on June 29, 1995.

Unfortunately, our request for additional spending authority was not approved. Consequently, we began FY '96 owing well over \$1 million for training reimbursements which would otherwise have been paid last year. In fact, the problem has grown more serious since we submitted our original request last February.

Analysis

We must address two main problems regarding training reimbursements. First, the amount appropriated for local training will fall far short of the amount needed in FY '96. Second, there are not likely to be enough revenues to cover FY '96 expenditures from the Fund. The issue is complicated by the fact that the

Mr. James R. Klauser, Secretary
November 10, 1995
Page 3

appropriation needing the budget increase is only one of the three appropriations receiving moneys from the Fund.

A. Budget Issues

The budget problem has three causes. First, there are now more than 16,000 law enforcement officers in Wisconsin--approximately 14,365 employed by local jurisdictions and 1,685 by the State. This represents an increase of nearly 25% over the 13,000 local and state officers estimated in recent projections. Second, 1993 Act 16 increased the statutory minimum reimbursement for recertification training from \$123 to \$160 per officer--a 30% increase. Third, because training budgets have not kept pace with training costs which we are obligated to pay, we have had to carry over a larger and larger amount of unpaid reimbursement claims from one fiscal year to the next.

1. Local Training

1995 Act 27 appropriates \$3,190,600 for local training reimbursements in FY '96. However, this will not cover even **current** year training, let alone paying any of the amount owed for the prior year. We could spend nearly \$4.9 million in FY '96 for local training, as follows:

\$ 683,665	'96 Recruit Training
2,535,280	'96 Recertification and Specialized Training
<u>1,650,400</u>	Training Costs Carried Over from Previous Years
\$4,869,345	Total for Local Training

These estimates reflect the following assumptions. For **recruit** training, we anticipate paying out the same amount as in FY '95--\$575,665--plus costs associated with 60 new officers. **Recertification** training for 14,365 officers will cost \$2,298,400. **Specialized** training is budgeted at \$200,000, including \$168,000 for local officers (and \$32,000 for state employes). In addition, excerpts of the statutes are provided to all law enforcement officers, at a cost of \$82,000 (\$68,880 local, \$13,120 state). **Carryover** is the amount payable in FY '95, but charged to FY '96, due to a shortage of spending authority in FY '95. Having reviewed actual invoices, we know that \$1,900,400 in local training costs were carried over from FY '95. Based on experience, we believe that about \$250,000 of this total could not have been paid, even if we had enough spending authority, because some payable claims were submitted too late to be processed. Consequently, the "net" amount of local carryover to be paid is \$1,650,400.

The difference between the \$4,869,345 in costs which we expect to incur in FY '96, and the \$3,190,600 already appropriated, is

Mr. James R. Klauser, Secretary
November 10, 1995
Page 4

\$1,678,745. This is the increase we request for FY '96. We assume that an additional 150 local officers will require recertification in FY '97, resulting in local training costs of \$3,242,945. If the carryover problem is fully resolved this fiscal year, then a much smaller increase, of \$52,345, will be needed for FY '97.

2. State Training

State training costs have not grown as dramatically, and the carryover problem is much smaller, than on the local side. The appropriation used for state reimbursements also pays for some District Attorney training, as well as administrative costs of the local and state law enforcement training program.

The appropriation under sec. 20.455(2)(ja) authorizes \$2,525,500 for state training and related operations in each year of this biennium. This will be more than enough to cover the \$2.3 million we expect to spend in FY '96, estimated as follows:

\$ 100,000	'96 Recruit Training
314,720	'96 Recertification and Specialized Training
63,765	Training Costs Carried Over from Previous Years
123,900	Training for District Attorneys
<u>1,660,700</u>	Administration of Local and State Training
\$2,263,085	Total State Training Costs

These figures reflect recent actual expenditures for recruit, recertification and specialized training, adjusted for growth in the number of state officers, and limits placed on the "specialized" category. The budget for District Attorney training is held to the amount provided for several years. Administrative costs are reduced by transferring seven training positions to other funding sources (as described in the next paragraph). Assuming that there is no increase in the number of state officers, and that carryover costs will be fully addressed this year, then FY '97 costs will be approximately \$2,199,320. Consequently, this appropriation can be decreased by \$262,415 in FY '96 and \$326,180 in FY '97, to reflect these adjustments.

Our request from last February included the transfer of seven Training Officer positions from PAS funding to the TIME System. This was approved for FY '95. As a slight modification, we now request that five of these positions be charged to the TIME System and two to Criminal History Searches, on a permanent basis. This change more appropriately reflects the fact that these seven positions provide training in both areas, and should be funded accordingly. Annual costs would increase by \$253,558 for the TIME System and \$122,881 for Criminal History Searches. While we believe these expenses can be absorbed by the TIME System,

Mr. James R. Klauser, Secretary
 November 10, 1995
 Page 5

increases are needed for the Criminal History Searches appropriation.

B. Revenue Issues

Increasing costs appeared at the same time as revenues began to level off. Based on the Governor's 1993-95 budget bill, 1993 Act 16 ultimately made three significant changes relating to revenues and allocations. First, it decreased the share of PAS revenues available to the Fund, from 55% to 49.09%. Second, it gave a share of PAS revenues to the Office of State Public Defender, and increased the amount appropriated for the Office of Justice Assistance. Third, it increased the Penalty Assessment Surcharge from 20% to 22%. Despite the increase in the surcharge rate, FY '94 revenues received by the Fund were essentially the same as in the two previous years--\$5.6 million. However, FY '95 revenues were \$5.9 million, or more than 5% above FY '94 receipts.

We have reason to expect revenues to continue to grow over the next few years. As noted above, revenues grew last year under a 22% surcharge. With the surcharge increased to 23% by the 1995-97 budget act, even more revenues can be expected. FY '96 revenues will increase to nearly \$6.2 million, if "base" revenues grow by 2% over the prior year, and because the Fund will receive nearly half of the new revenues from the higher surcharge. (If we use actual receipts from the first quarter of FY '96 as a basis for projecting revenues for the entire year, then we could receive as much as \$6.4 million.)

These revenues will cover current, "normal" costs, but they will not address our carryover problem in the short run.

		<u>FY '96</u>	
<u>Costs</u>		<u>Revenues</u>	
\$4,869,345	Local Training	-\$ 117,679	Opening Balance
2,263,085	State Training	<u>6,161,589</u>	'96 Revenues
<u>376,300</u>	Crime Labs	\$6,043,910	Net '96 Revenues
\$7,508,730	Expenditures		

By these estimates, FY '96 spending may exceed revenues by \$1,464,820. If it were not for the carryover problem, there would be no revenue shortfall.

		<u>FY '97</u>	
<u>Costs</u>		<u>Revenues</u>	
\$3,242,945	Local Training	-\$1,464,820	Opening Balance
2,199,320	State Training	<u>6,416,510</u>	'97 Revenues
<u>376,300</u>	Crime Labs	\$4,951,690	Net '97 Revenues
\$5,818,565	Expenditures		

Mr. James R. Klauser, Secretary
November 10, 1995
Page 6

By the end of this biennium, the gap between revenues and expenditures would be reduced to about \$867,000. However, we expect this shortfall to be completely resolved early in FY '99, for three reasons. First, the carryover problem is a one-time expenditure item. If this request is approved, we will be able to dispose of the problem. Second, we have implemented a number of changes in the management of training programs, which will continue to generate savings. Examples include limiting specialized training to \$200,000 annually and reducing staff assigned to this area; more auditing of compliance with recertification requirements; and, instituting tighter controls on certain types of payments for training. Third, our revenue estimates assume only 2% annual growth.

If all of the additional revenue generated by increasing the surcharge rate to 23% went to the Law Enforcement Training Fund, and not just 49.09% of the increase, then the shortfall would be addressed even more quickly. The Governor used his veto authority, in signing 1995 Assembly Bill 150, to "direct additional penalty assessment revenue to DOJ's law enforcement training fund to offset a deficit in s. 20.455(2)(i)." The Department of Administration, the Governor, and the Department of Justice should sponsor statutory language on behalf of Wisconsin law enforcement, to direct that all of the revenue resulting from the additional 1% in the surcharge rate be allocated to the Fund.

Summary of the Request

Under sec. 16.515, we request adjustments in three appropriations. First, increases of \$1,678,745 in FY '96 and \$52,345 in FY '97, in the appropriation under sec. 20.455(2)(j), to cover an unmanageable carryover in prior year costs. Second, increases of \$122,881 in each fiscal year in the appropriation under sec. 20.455(2)(gm), to cover the costs of two positions being transferred from PAS funding. Third, decreases of \$262,415 and \$326,180 respectively, in each fiscal year, to reflect savings resulting mostly from the transfer of five positions to the TIME System and two to Criminal History Searches.

This would leave a revenue shortfall of approximately \$867,000 in the Fund as of June 30, 1997, which we fully expect will be corrected early in FY '99. Under sec. 16.513, we request approval of our plan to address this shortfall. The plan has four elements, all described above under expenditure and revenue discussions. If revenues grow as we estimate they will, certain cost controls are maintained, and the transfer of the seven training positions is made permanent, then the shortfall will be covered early in FY '99.

Revenue Sources for Appropriations

We are requesting adjustments in three Program Revenue appropriations, and a fourth appropriation is also affected. As the Department of Administration now requires, this section identifies the revenue sources which are involved:

1. Law Enforcement Training Fund, Local Assistance (sec. 20.455(2)(j))--Moneys are transferred to this appropriation from the "Penalty Assessment Surcharge, Receipts" appropriation (sec. 20.455(2)(i)), in amounts specified in sec. 165.87(1). Revenues are derived from a 23% surcharge on court fines and forfeitures.
2. Terminal Charges (sec. 20.455(2)(h))--These revenues come from payments made by law enforcement agencies for equipment rentals, terminal fees and related charges associated with the Transaction Information for Management of Enforcement (TIME) System--Wisconsin's law enforcement data system.
3. Criminal History Searches (sec. 20.455(2)(gm))--Sec. 165.82(1) authorizes specific fees to be collected from parties requesting criminal records checks. Where only a records check is requested, the fees are \$2 for nonprofit agencies, \$5 for governmental agencies, and \$13 for any other requester. Where a fingerprint check is involved, nonprofit or governmental agencies pay \$10.
4. Law Enforcement Training Fund, State Operations (sec. 20.455(2)(ja))--The revenue source is the same as that for the appropriation under sec. 20.455(2)(j), described above.

Summary

Because of changes in 1993 Act 16, and a growing number of law enforcement officers, we do not have enough spending authority to pay for training reimbursements. Costs have grown because of a 25% increase in the number of certified officers in Wisconsin, and a 30% increase in the statutory minimum reimbursement to be paid for recertification training. After a few years of only minimal growth, the revenue picture has been improving for the last year or so, which makes this request for additional spending authority a viable one.

We requested a resolution of these problems last year, and were only partially successful. The problem is even more serious now. We expect to spend the amount appropriated for local reimbursements earlier this fiscal year than ever before. Reimbursement obligations carried over from one fiscal year to the

Mr. James R. Klauser, Secretary
November 10, 1995
Page 8

next have grown well beyond an acceptable level, and are now nearly \$2 million. Because our February 24, 1995 request was not approved, much of what we have paid for so far in FY '96 involves FY '95 claims which we could not pay last year.

We must fulfill our obligation to reimburse law enforcement training costs. In order to do so, we must have more spending authority this fiscal year. If this request is not approved soon, then FY '96 reimbursements will come to a halt, forcing as much as six months worth of transactions to be postponed into FY '97. This means that local law enforcement agencies and vendors will be denied payments which they have every right to expect. This situation can and must be avoided.

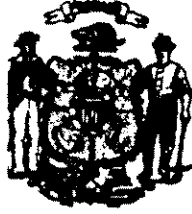
Sincerely,



Andrew Cohn
Executive Assistant

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN



Room 119 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253

ASSEMBLY CHAIR
BEN BRANCEL

Room 107 South, State Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

December 27, 1995

Secretary George E. Meyer
Department of Natural Resources
101 South Webster Street
Madison, WI 53707-7921

Dear Secretary Meyer:

We have reviewed the Department's request pursuant to SECTION 9142(9p) of 1995 Act 27, pertaining to the release of \$86,200 SEG in 1995-96 from unallotted reserve for licensing automation. There were no objections to this request during the 14-day review period and, accordingly, the Department's request has been approved.

We request that you keep the Committee informed as to the actual costs incurred in contracting for the development of the design specifications that are required to create the request for proposals associated with an automated licensing system. In addition, please submit to the Committee a summary of the request for proposals submitted, including cost estimates, and the Department of Natural Resources' recommendations on how to finance the development, testing and implementation of the automated system.

We would like to thank you in advance for your attention to our request.

A handwritten signature in cursive script that reads "Ben Brancel".

BEN BRANCEL
Assembly Chair

Sincerely,

A handwritten signature in cursive script that reads "Tim Weeden".

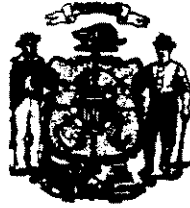
TIM WEEDEN
Senate Chair

BB/TW/dr

cc: Members, Joint Committee on Finance
James Klauser, Secretary, DOA
Richard Chandler, Director, DOA

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN



ASSEMBLY CHAIR
BEN BRANCEL

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JOINT COMMITTEE ON FINANCE

December 18, 1995

respond by 12-26-95

TO: Members
Joint Committee on Finance

FROM: Senator Timothy Weeden, Senate Chair
Representative Ben Brancel, Assembly Chair

SUBJECT: Passive Review of the Request to Release Funds for Licensing Automation

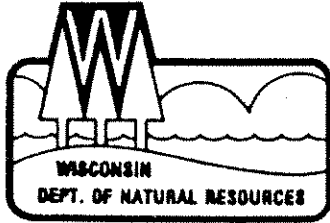
Our offices received a request from the Department of Natural Resources (DNR) in December to release \$86,200 SEG in 1995-96 from unallotted reserve. A copy of this request is attached for your review. 1995 Act 27 specified that DNR could not spend \$100,000 SEG provided in 1995-96 for licensing automation unless DNR received the approval of the Joint Committee on Finance under a 14-day passive review process similar to that used under s. 16.505/16.515.

DNR indicates that it will use these funds to contract for the development of the design specifications that are required to create the request for proposals associated with an automated licensing system. 1995 Act 27 did not fund the development, testing and implementation of such a system.

Please review this item and notify ^{*Senator Tim Weeden's*} ~~Representative Ben Brancel's~~ office not later than December 26, 1995, 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 further information.

TW:BB:dr
Attachment



George E. Meyer
Secretary

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

101 South Webster Street
Box 7921
Madison, Wisconsin 53707-7921
TELEPHONE 608-266-2621
TELEFAX 608-267-3679
TDD 608-267-6897

November 15, 1995

Senator Joseph Lean, Co-chair
Room 115 South, State Capital Building
Joint Committee on Finance
State Capital Building
Madison, Wisconsin 53707-7882

Representative Ben Brancel, Co-Chair
Room 107 South, State Capital Building
Joint Committee on Finance
State Capital Building
Madison, Wisconsin 53708-8952

SUBJECT: Release of \$100,000 from Unallotted Reserve for Licensing Automation

Dear Senator Lean and Representative Brancel:

The Department of Natural Resources is requesting release of \$86,200 of the \$100,000 SEG currently in unallotted reserve in Appropriation 20.370(1)(mu) in FY 1996.

A total of \$100,000 was awarded in the 1995-97 biennial budget, 1995 Act 27. Funding is provided for system design work as a part of a planned systematic overhaul of the Department's infrastructure and business systems that support the sale of hunting and fishing licenses. However, as provided in Sec. 9142(9p) of Act 27, the Department may not encumber or expend these moneys for the purpose of licensing automation without first notifying and receiving approval from the Joint Committee on Finance.

BACKGROUND

The Department of Natural Resources' licensing and registration section is responsible for issuance of approvals under chapter 29 of the statutes, which includes administration and distribution of license and permits as well as boat, snowmobile and ATV registration and titling. The FY 1996 budget for license administration totals \$2,255,700 and 19.5 FTE. Included in this total is \$100,000 SEG to continue development of an automated licensing system.

The Department formally initiated planning efforts as a result of 1993 Act 16 which created a nine-member committee to recommend a streamlined, more cost-effective and functional licensing system to the DNR Secretary. The committee included representatives from the Wisconsin Counties Association, Conservation Congress, Department of Transportation, DOA's Information Technology Services,

Wisconsin Merchants Federation, and internal DNR staff. In its September 1994 report, the Committee advanced four recommendations: (1) DNR should move forward in designing and implementing an improved point-of-sale retail sales system for issuing hunting and fishing licenses; (b) there should be a direct relationship between the retail vendors and DNR; (c) the portion of the issuance fee now paid to county clerks should be redirected to support an improved system; and (d) further efforts should be made to simplify the number and types of licenses, including consideration of multiple-year licenses.

The Department requested supplemental funding in its 1995-97 budget request to proceed with the next phase of licensing automation, which is contracting for the design specifications of the system. The Legislature approved the \$100,000 SEG requested by the Governor for design specifications but placed the funding in unallotted reserve.

CURRENT STATUS

Our licensing automation effort has been titled the Point of Sale (POS) Project to reflect the fact that the new system will feature automated "point-of-sale" devices at license sales locations. The project is divided into two phases: (1) development of the technical specifications and the associated request for proposals, which will outline the technical requirements the final design must meet; and (2) systems design, development and implementation. We are currently in the initial stages of Phase 1 and require that the funds in unallotted reserve be transferred to the supplies and services line in order to complete Phase 1.

The Department has made significant progress to date. A Project Team and an Executive Steering Committee have been formed within DNR to oversee Phase 1. Cutler/Williams Incorporated has been tentatively chosen as the Project Leader. The overall project plan, the project methodology, and the project budget have been developed or are in development at this time (see Attachment 1).

PLANNED WORK SCHEDULE

Assuming the Department receives legislative support to continue this project, the POS overall project life cycle is anticipated to be as follows:

Phase One (FY 95, FY 96):

November 95	Form Project Team, Project Team Orientation
December 95-March 96	POS Business Area Analysis
March 96-June 96	POS Request for Proposal
June 96-August 96	RFP Evaluation, POS vendor selection, Business Case development, Implementation Planning.

Phase Two (Begins FY 97)

September 96-June 97	97-99 Budget initiative to proceed with actual implementation
May 97-May 98	POS Implementation

Upon release of the funds in unallotted reserve, we anticipate issuing the request for proposals no later than the end of June 1996. All proposals will be due approximately six weeks later, and we hope to complete reviews of all proposals by the end of August 1996. By the end of August, we expect to have a recommended vendor proposal, a new business case which identifies cost of the current and proposed systems, and an implementation plan. Approval of these deliverables will constitute the completion of Phase 1.

ANTICIPATED COST

At this time, the total estimated costs to complete Phase 1 are \$76,800. Break-out of these costs by month by task are shown in Attachment 2.

I would like to also mention that the Department's initial assessment resulted in an estimate of \$125,000 to complete Phase 1. However, we have worked closely with our technical consultant, Cutler/Williams Inc., to reduce the initial cost estimate. We negotiated a reduced hourly rate for the project leader, assigned more of the work to department staff and negotiated a software loan from the Department of Health and Social Services. These changes resulted in a revised total cost estimate of \$78,400.

However, since costs are difficult to predict, we are requesting a 10% safety margin. This safety margin would bring the total request to \$86,200. If actual costs exceed our estimates or if there are unanticipated costs, we would like the opportunity to apply to the Joint Finance Committee for some or all of the remaining \$13,800 balance.

In conclusion, I would like to emphasize that we have been working closely with staff in DOA's Division of Technology Management. The Division of Technology Management is supportive of this project and is assessing opportunities for a statewide service bulletin for point-of-sale, which would enable DOA to use our request for proposal as a model to help other vendors respond to other types of point-of-sale requests.

If you have any questions, please contact Joy Stewart in the Bureau of Management and Budget at 266-2159. We will be happy to provide any assistance regarding this request as needed.

Sincerely,



George Meyer
Secretary

bcc: Herb Zimmerman - FN/1
Marilyn Davis - LN/GEF 3
Darrell Bazzell - ADM/5
Dan Shimeall - FN/1
Joe Polasek - MB/5
Susan Felker-Donsing - MB/5
Joy Stewart - MB/5*

Shelley Moore - DOA*
Dave Schmiedicke - DOA
Ronald Lonzo - DOA/DTM
Bob Soldner - LFB*
Paul Heinen - ADM/5

*cc should include attachments

ATTACHMENT 1

PHASE ONE METHODOLOGY

METHODOLOGY: The POS Phase One methodology draft below is a product of the Cutler/Williams Inc response to our Request for Information, negotiations with them and with Todd Wallace, the recommended project leader. The methodology is primarily an Information Engineering approach to development. Critical tasks from "Strategic Benchmarking" and TQM ("Total Quality Management") management methodologies are incorporated also.

The following codification has been established to categorize tasks and to help establish who has primary responsibility for the particular tasks and deliverables. As project leader, Todd Wallace will ensure the project stays on task and that deliverables meet WDNR's standards and performance expectations. In the event of a scope change or time slip, the steps detailed in the Project Change Management Plan will be followed to reach an agreement as to the resolution.

Work Categorization Codes:

IE - Information Engineering -- vendor has primary responsibility

AS - Administrative Steering -- POS Steering Committee action

PT - Departmental Project Team role -- the POS Project Team and various departmental work groups must produce

TASKS	DELIVERABLES
Project Charter/Project Orientation:	Application Baseline Document
Sponsorship and Scope Statement:	
- Project Initiation:	Project Charter, Purchase Requisition and Purchase Order
AS - Refine performance expectations, negotiation and contract Phase One consulting	
PT - Set-up IE workbench and network services	IE Workbench, VAX Account
PT - Begin formal Project Initiation (a Bureau of Information Management requirement)	Project Initiation
PT&IE - Project Leader orientation	Orientation binder
IE&PT - Establish Project Scope and Overall Project Time Line	
IE&PT - Complete Project Team identification and recruitment	Project Team and work plans
IE&AS - Verify executive sponsorship and management commitment	Management Document
IE&PT - Identify responsibilities, develop a concise statement of work	Roles and Expectations
IE&PT - Complete POS Project Team and Executive Steering Committee project and technical orientation (includes technological opportunities)	
IE - Define and document goals, objectives and critical success factors	
IE - Establish essential constraints and assumptions	
Develop a Project Management Plan:	
IE&AS - Finalize/negotiate Project Change Management Model	
IE&PT - Define strategic information requirements	High level workflow and entity relationship models
IE&PT - Develop "Object Counts" and metrics needed in Estimation and to complete Estimate(s)	
IE&AS - Develop formal decision making process	
IE&AS - Refine Schedule for Resource and Time Constraints, complete the Schedule	The Project Schedule
IE&AS - Presentation and acceptance of deliverables	
* Information is gathered through Project Leader's orientation, interviews and meetings with the Project Team and Executive Steering Committee.	

BAA (Business Area Analysis) Phase:

Document Existing System (concurrent with next subphase):

IE&PT - Complete preparations for modeling

IE&PT - Identify and survey critical internal and external stakeholders

- Document existing system:

PT - Workflows

IE - Data and Process Models

IE - Context level Data Flow Diagrams

IE&PT - Interfaces and constraints

PT - Budget, resources and costs

PT - Opportunities (intra and inter-departmental, intra and inter-state)

IE - Gather/formalize critical functional requirements

IE&PT - Present/review and validate

Workflow Diagrams, Time Based Analysis

Entity Relationship and Process Decomposition Diagrams

Organizational, Cultural and Opportunities Assessment (concurrent with 1st BAA subphase):

PT - Complete current organizational and technological capacities initial assessment

PT - Analyze POS trends, identify best in class (who is doing) and worst in class

PT - Presentation of trends, best and worst in class

IE&PT - Formalize "expectations" for The New System Requirements

IE&PT - Complete organizational and technological needs identification

New System Requirements:

IE&PT - Document new system strategic information needs, high level workflows, technology strategies, interfaces, constraints, scope, dependencies and issues

IE&PT - Develop new system conceptual design (workflow, data models, process decomposition and DFDs)

IE&PT - Develop and present external prototypes, present best in class POS models, business case and tentative stakeholder roles

IE - Reassess POS business strategy and technological goals and objectives

IE - Cross reference with WDNR's and State's Strategic Plans

IE&ES - Present findings, gain Executive Steering Committee approvals

Technology Architecture Plan/Requirements:

IE - Define externals (on-line, batch and manual functions, records management practices, stakeholder and public information access)

IE&PT - Document DBMS and application software requirements (State's standards, performance expectations, availability and reliability, back-up and recovery, retention, administration, agency tools, etc.)

IE - Develop environment requirements for various user roles (system administrator, user, developer, support)

IE&PT - Develop Technical Support and Change Management Model (equipment, application builds, materials, training, technology

and administrative help, POS news, etc.)

- PT - Develop hardware, communications and technical support requirements, known alternatives and opportunities
- IE&PT - Develop integration plan, interfacing and supporting external services plan
- IE - Develop quality assurance measures, performance expectations criteria and constraints
- * IE - Present plans and requirements, gain Executive Steering Committee approvals

- * An Information Management technical review will be conducted at this time also.

Cultural Change Blueprint (Model new methods, technologies, attitudes and measurements includes):

- IE&PT - Policies and Procedures
- IE - Skill Requirements
- IE - Cultural Print Management
- IE&PT - Workflow Assessments
- IE - Communication Plan
- IE - Infrastructure Requirements
- IE - Knowledge Transfer (Data Administration Plan)
- IE&PT - Present CCB, gain Executive Steering Committee approvals

Request for Proposal:

Project Preparation:

- IE&PT - Finalize RFP charter (team, roles, time line)
- IE&PT - Assess current "boiler plate" and complete procurement procedures orientation

Vendor Identification:

- PT - Validate and expand vendor list

RFP Development/Issuance:

- IE&PT - Assemble/complete technical specifications, draft POS RFP
- IE&PT - Develop Evaluation Criteria and Weighting
- PT - Gain approvals and issue RFP
- PT - Conduct vendor conference(s), follow-up and "addendumize" as needed

Vendor Evaluation:

IE&PT - Accept and evaluate Vendor Proposals:

- RFP Compliant
- Capability review
- Develop reference check questions, conduct reference checks

IE&PT - Develop Evaluation Team Findings, Recommendations and new Business Case draft

IE&PT - Finalize the Phase Two, Implementation Plan:

- IE - Finalize "Proof-of-Performance Prototype" Acceptance Test Plan

IE - Define Test Cases and Evaluation Criteria for:

- Useability assessment
- Requirements compliance
- Interfacing systems and services

Business Systems Test Scenario

IE&PT - Present Findings, Recommendations, Business Case and
Implementation Plan
PT - Gain Executive Steering Committee approvals

Phase Transition:

IE&PT- Export/import critical design deliverables
IE&PT -Deinstall IE Workbench

ATTACHMENT 2 PHASE ONE, POINT OF SALE PROJECT

What follows is a summation of Phase One of the Point of Sale (POS) project. This summation includes the budget, tentative Overall Project Life Cycle, a summation of the Phase One contractor hours and cost estimates and the tentative Phase One Project Methodology which supports the hour and cost estimates.

Project Budget As of November 1, 1995

POS Phase One Project Leader (1,000 hours).....	\$70,000
Information engineering, other desktop software..	1,500
Workflow software.....	500
Technical CASE consultant (160 hours).....	6,400
TOTAL PHASE ONE.....	\$78,400

POS Overall Project Life Cycle:

Phase One (FY9596):	
Nov. '95	Form Project Team, Project Team Orientation
Dec. '95 - Mar. '96	POS Business Area Analysis
Mar. '96 - Jun. '96	POS Request for Proposal (RFP)
Jun. '96 - Aug '96	RFP Evaluation, POS vendor selection, Business Case development, Implementation Planning
Phase Two (Begins FY9697):	
Sept. '96 - Jun. '97	Budget Initiative
May '97 - May '98	POS Implementation

Phase One Contractor Cost Estimates:

The following cost analysis and tentative project time line for planning, Business Area Analysis and development of RFP is derived from the Cutler/Williams Inc. (C/WI) response to the RFI and from follow-up negotiation. See the attached Phase One Methodology draft for a detailed list of tasks and deliverables.

Senior Proj. Manager Project Leader

NOVEMBER -- Project Charter/Project Orientation (Application Baseline Document):

Senior Project Leader	20	
Project Leader		120

BAA (Business Area Analysis) Phase:

DECEMBER -- Document Existing System:

Senior Project Leader	20	
Project Leader		160

JANUARY - APRIL -- New System Requirements:

Senior Project Leader	120	
Project Leader		540

APRIL - JUNE -- Request for Proposal:

Senior Project Leader	20	
Project Leader		160
JUNE -- Phase Transition:		
Project Leader		20
<hr/>		
TOTAL HOURS	220	1,000
HOURLY RATE	NC	\$70/hour
<hr/>		
TOTAL	NC	\$70,000
<hr/>		

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