

STATE OF WISCONSIN
Senate Journal
Ninety–Third Regular Session

WEDNESDAY, October 28, 1998

The Chief Clerk makes the following entries under the above date.

PETITIONS AND COMMUNICATIONS

**State of Wisconsin
Legislative Audit Bureau**

October 23, 1998

The Honorable, The Legislature:

We have completed a review of Career Youth Development (CYD), as directed by the Joint Legislative Audit Committee. CYD is a nonprofit agency that provides a variety of services to youth in Milwaukee County, including substance abuse prevention and treatment programs, alternative schooling, and mental health services. CYD is funded primarily by grants from governments and other agencies. It spent approximately \$3.5 million on programs in 1997.

Recent audits conducted by the state Department of Health and Family Services, Milwaukee County, and Milwaukee Public Schools have questioned \$361,000 in charges CYD made in five of its grants. Our review of agency records for 1997 and the first six months of 1998 confirmed the problems identified in earlier audits and found they exist in other grants as well. Most of the agency's 31 grant programs have unreliable financial records. In addition, we found inadequate financial management and inadequate procedures to safeguard cash and other assets.

CYD has recently taken some steps to improve its financial operations, including engaging an accounting firm to develop financial controls and provide interim financial management, hiring a program compliance manager, expanding the size of its governing board, and increasing fund-raising efforts. Because most of these efforts have just begun, we could not determine whether they will be sufficient to correct all of the problems identified. Consequently, we have included a number of recommendations to improve financial control and reporting. In addition, because CYD's expenditures have exceeded revenues in three of the past four years by a total of \$231,400, we include a number of suggestions for addressing the agency's deteriorating financial condition in the future.

Sincerely,

JANICE MUELLER
State Auditor

**REFERRALS AND RECEIPT OF
COMMITTEE REPORTS CONCERNING
PROPOSED ADMINISTRATIVE RULES**

Senate Clearinghouse Rule 98–098

Relating to revising requirements for Medicare supplement policies to comply with recent federal and state laws.

Submitted by Office of the Commissioner of Insurance.

Report received from Agency, October 23, 1998.

Referred to committee on **Insurance**, October 28, 1998.

Senate Clearinghouse Rule 98–103

Relating to NFPA standards in the building code.

Submitted by Department of Commerce.

Report received from Agency, October 26, 1998.

Referred to committee on **Business, Economic Development and Urban Affairs**, October 28, 1998.

Senate Clearinghouse Rule 98–107

Relating to the issuance and use of administrative warnings.

Submitted by Department of Regulation and Licensing.

Report received from Agency, October 21, 1998.

Referred to committee on **Business, Economic Development and Urban Affairs**, October 28, 1998.

Senate Clearinghouse Rule 98–132

Relating to real estate appraisers.

Submitted by Department of Regulation and Licensing.

Report received from Agency, October 21, 1998.

Referred to committee on **Business, Economic Development and Urban Affairs**, October 28, 1998.

The committee on **Business, Economic Development and Urban Affairs** reports and recommends:

Senate Clearinghouse Rule 97–117

Relating to environmental analysis and review procedures for department actions.

No action taken.

Senate Clearinghouse Rule 98–030

Relating to the registration and regulation of architects, landscape architects, professional geologists, professional engineers, designers and land surveyors.

No action taken.

Senate Clearinghouse Rule 98–075

Relating to credential applications and examination requirements for individuals applying for a license to practice optometry.

No action taken.

Senate Clearinghouse Rule 98–077

Relating to dentists and dental hygienists.

No action taken.

Gary Drzewiecki
Chairperson