



STATE OF WISCONSIN Assembly Journal

Ninety-Fourth Regular Session

FRIDAY, July 28, 2000

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

ADMINISTRATIVE RULES

Assembly Clearinghouse Rule 98–138

Relating to eligibility criteria for children with disabilities.

Submitted by Department of Public Instruction.

Report received from Agency, July 11, 2000.

To committee on **Education**.

Referred on July 28, 2000.

Assembly Clearinghouse Rule 99–122

Relating to the design and construction of public swimming pools.

Submitted by Department of Commerce.

Report received from Agency, July 12, 2000.

To committee on **Tourism and Recreation**.

Referred on July 28, 2000.

Assembly Clearinghouse Rule 99–123

Relating to the state uniform plumbing code.

Submitted by Department of Commerce.

Report received from Agency, July 10, 2000.

To committee on **Labor and Employment**.

Referred on July 28, 2000.

Assembly Clearinghouse Rule 00–002

Relating to safe drinking water.

Submitted by Department of Natural Resources.

Report received from Agency, July 18, 2000.

To committee on **Environment**.

Referred on July 28, 2000.

Assembly Clearinghouse Rule 00–030

Relating to establishing river protection grants.

Submitted by Department of Natural Resources.

Report received from Agency, July 18, 2000.

To committee on **Environment**.

Referred on July 28, 2000.

Assembly Clearinghouse Rule 00–074

Relating to the administration of the forest crop law and the managed forest law.

Submitted by Department of Natural Resources.

Report received from Agency, July 18, 2000.

To committee on **Rural Affairs and Forestry**.

Referred on July 28, 2000.

Assembly Clearinghouse Rule 00–094

Relating to authorized special groups.

Submitted by Department of Transportation.

Report received from Agency, July 11, 2000.

To committee on **Transportation**.

Referred on July 28, 2000.

SPEAKER'S APPOINTMENTS

July 1, 2000

Mr. Roger L. Pulliam, Ph.D.

413 South Ventura Lane

Whitewater, WI 53190

Dear Dr. Pulliam:

As Assembly Speaker, it is my pleasure to appoint you to the state Council on Affirmative Action. The council evaluates affirmative action programs throughout the classified service, seeks compliance with the state and federal regulations, and recommends improvements in the state's affirmative action efforts. Your appointment is effective July 1, 2000 and will expire on July 1, 2003. Thank you in advance for your service.

If you have any questions, please contact Adam Peer in my office. Thank you again for your service to the people of Wisconsin and the State Assembly.

Sincerely,
SCOTT R. JENSEN
Assembly Speaker

REFERRAL OF AGENCY REPORTS

State of Wisconsin
Department of Health and Family Services
Madison

July 17, 2000

To the Honorable, the Assembly:

Pursuant to Section 50.04(5)(fr), Wis. Stats., effective June 17, 1998, the Department is required to submit an annual report to the Legislature related to Class A violations

committed by nursing homes (including facilities for the developmentally disabled) and forfeitures assessed on nursing homes for those violations.

The Department issued 27 Class A violations to nursing homes between June 1, 1999 and May 31, 2000. The attached chart details these Class A violations, including their original forfeiture amount assessed and the status of their payment.

Two Class A violations were not assessed state forfeitures in accordance with Section 50.04, but were assessed a federal Civil Money Penalty for a parallel federal deficiency. Southdale Health Care Services and Muskego Nursing Home were assessed and paid Civil Money Penalties totaling \$12,285.

Due to their Medicaid certification status, Section 49.498 prohibits the state from levying sanctions to a nursing home for violations under both certification standards (Chapter 49) and state licensure standards (Chapter 50).

As a result of their payment to the Medicaid Civil Money Penalty fund, no state forfeitures were assessed to either of these nursing homes.

Sincerely,
JOE LEEAN
Secretary

Referred to committee on **Health**.

AGENCY REPORTS

Southeast Wisconsin
Professional Baseball Park District
Milwaukee

July 12, 2000

To the Honorable, the Legislature:

Enclosed please find the Miller Park Monthly Progress Report for the month of June 2000 for your review and consideration. As the enclosed report indicates, Miller Park continues to develop with the District Board's objectives of building the premier baseball facility in the country; scheduled for play on Opening Day 2001; within budget; and with meaningful community participation.

As always, please feel free to contact me if you should have any questions or comments regarding the enclosed report.

Very truly yours,
MICHAEL R. DUCKETT, P.E., R.L.S.
Executive Director

State of Wisconsin
Legislative Audit Bureau
Madison

July 28, 2000

To the Honorable, the Legislature:

We have completed a review of Maximus, Inc., as part of our comprehensive audit of the statewide implementation of the Wisconsin Works (W-2) program, which is required by Wisconsin Statutes. To address recent concerns about Maximus' administration of the W-2 program in Milwaukee, we reviewed time spent by its W-2 staff on projects outside of Wisconsin; Maximus' use of a temporary employment agency, MaxStaff; its personnel practices; and the appropriateness of its W-2 program expenditures.

We found that improved oversight of time reporting is needed, especially for Maximus staff who travel and work on out-of-state projects. From September 1997 through March 2000, 46 staff in the Milwaukee office also worked on other Maximus projects that were unrelated to W-2. In total, 724 hours for these staff were incorrectly billed to the W-2 program, resulting in overcharges of \$51,300.

In addition, we found that 72.7 percent of the selected accounting transactions we reviewed, which had resulted in charges of \$1.6 million to the W-2 program, lacked sufficient supporting documentation for reimbursement. We identified \$138,840 in unallowable costs and questioned an additional \$276,407 in expenditures charged to the W-2 program. In total, these costs represent 3.2 percent of all direct costs that were not related to staffing. Unallowable and questioned transactions include entertainment expenditures for Maximus employees; donations to various not-for-profit organizations; and expenditures that appear to be excessive or unreasonable. For example, we found that Maximus spent substantially more on advertising—\$1.1 million from 1997 through 1999—than other W-2 agencies did. At least some of these advertising costs appear to have promoted company interests rather than to have provided information to assist prospective W-2 program participants.

The Department of Workforce Development has provided inadequate guidance and oversight to Maximus and other W-2 agencies with which it has contracted; we have included recommendations for the Department to improve its efforts in these areas. We have also included recommendations for Maximus to improve its accounting practices by better recording and documenting stated business purposes for W-2 expenditures.

Finally, we found that the creation and use of MaxStaff is an allowable activity and that indirect costs of \$6.6 million that Maximus charged to the W-2 program through 1999 appear to have been allocated based on a reasonable method.

We appreciate the courtesy and cooperation extended to us by Maximus during the course of our review. Maximus cooperated fully and provided access to all of the records we requested.

Respectfully submitted,
JANICE MUELLER
State Auditor