



# STATE OF WISCONSIN

# Senate Journal

## Ninety-Fourth Regular Session

10:00 A.M.

THURSDAY, April 13, 2000

The Senate met.

The Senate was called to order by Senator Fred Risser.

The Chair, with unanimous consent, asked that the proper entries be made in the journal.

### PETITIONS AND COMMUNICATIONS

#### State of Wisconsin Legislative Audit Bureau

April 12, 2000

The Honorable, The Legislature:

At the request of the Department of Public Instruction (DPI), we have completed a limited-scope audit of federal reimbursements the Community Relations-Social Development Commission (SDC) received under the Child and Adult Care Food Program from March 1, 1997 through March 31, 1999. During our audit period, SDC received \$3.9 million in federal reimbursements for meals served to eligible children at 83 after-school, day care, and Head Start centers under its sponsorship.

Because SDC did not require the centers to maintain adequate meal service records and did not monitor them sufficiently, we found substantial noncompliance with state and federal documentation requirements. We questioned \$1,242,000, or almost 32 percent of the federal funds received under the food program during our audit period, for over 646,000 meals that were not adequately documented and almost 56,000 meals for which sufficient effort was not made to adjust quantities ordered to reflect anticipated absences. However, we also found that SDC was eligible for an additional \$3,000 in federal funding and has repaid DPI for \$154,000 in questioned costs. Therefore, the net amount questioned for the audited period is \$1,085,000.

Except for the absence of documentation that SDC did not require centers to maintain, we have no reason to believe that centers did not serve meals to children. However, our role as auditors is to question all meals for which attendance and other records were not available or for which centers did not appropriately adjust meal orders. It is DPI's responsibility to resolve our audit findings with SDC and the federal government. The actual amount SDC may be required to repay may be more or less than the amount we questioned. It should be noted that on April 5, 2000, after we had provided our audit report to the agency, SDC suggested additional attendance information for children may be available from Milwaukee County, which may have collected the information for other program purposes. DPI may wish to consider this new information in resolving SDC's questioned costs.

A recent federal audit also raised concerns about SDC's administration of the food program. We found that SDC has taken reasonable actions to address these concerns, although we note the need to credit food program accounts for an additional

\$2,276 for interest earned on program cash balances. In addition, at the request of DPI, we reviewed SDC's recording of work effort to the Child and Adult Care Food Program and the federal Summer Food Service Program. SDC has reasonable procedures to ensure work effort is fairly and accurately recorded between the two programs.

The attachment summarizes our findings regarding SDC's administration of the federal food program. A separate report to SDC's executive director, dated April 12, 2000, details the number of undocumented meals claimed by each participating child care center under SDC's sponsorship, as well as recommendations for improved control.

We appreciated the courtesy and cooperation extended to us by SDC staff.

Sincerely,

JANICE MUELLER  
State Auditor

### EXECUTIVE COMMUNICATIONS

#### State of Wisconsin Office of the Governor

April 12, 2000

To the Honorable, the Senate:

The following bill(s), originating in the Senate, have been approved, signed and deposited in the office of the Secretary of State:

<u>Bill Number</u>	<u>Act Number</u>	<u>Date Approved</u>
Senate Bill 276	Wisconsin Act 54	April 11, 2000
Senate Bill 378	Wisconsin Act 55	April 11, 2000
Senate Bill 291	Wisconsin Act 63	April 11, 2000
Senate Bill 398	Wisconsin Act 64	April 11, 2000
Senate Bill 144	Wisconsin Act 72	April 12, 2000
Senate Bill 264	Wisconsin Act 73	April 12, 2000
Senate Bill 450	Wisconsin Act 74	April 12, 2000
Senate Bill 481	Wisconsin Act 75	April 12, 2000

Sincerely,

TOMMY G. THOMPSON  
Governor

---

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

**Senate Clearinghouse Rule 00-009**

Relating to program revenue fees.

Submitted by Department of Commerce.

Report received from Agency, April 12, 2000.

Referred to committee on **Economic Development,  
Housing and Government Operations**, April 13, 2000.

---

**ADJOURNMENT**

Senator Risser, with unanimous consent, asked that the Senate adjourn until Tuesday, April 18 at 10:00 A.M..

Adjourned.

10:01 A.M.

---

**CHIEF CLERK'S REPORT**

The Chief Clerk records:

**Senate Bill 144**

**Senate Bill 264**

**Senate Bill 450**

**Senate Bill 481**

Presented to the Governor on April 12, 2000.