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Below, we provide both short-term recommendations focusing on how the current pilot program might be modified, and longer-term recommendations focusing on statewide program approaches for the multifamily sector.

Short-Term Recommendation # 1: Enhance program marketability by carefully and consistently cultivating relationships with local heating and cooling contractors, clarifying program purpose and organizational structure, and assisting with funding of equipment purchases throughout the program delivery process.

Short-Term Recommendation # 2: Provide energy-savings recommendations which are specific to the requirements of individual buildings.

Short-Term Recommendation # 3: Provide additional documentation of savings and cost estimates.

Short-Term Recommendation # 4: Work closely with contractors to put them in a position to "close the deal" on energy efficiency equipment when equipment failures occur.

Short-Term Recommendation # 5: Offer training to participants during the facility assessment process.

Short-Term Recommendation # 6: Strongly consider eliminating the long-term goal of providing on-going equipment and energy tracking.

Short-Term Recommendation # 7: Reduce the per building program delivery cost by streamlining both the audit and the collection of detailed metering data (gas, electric, water).

Longer-Term Recommendation # 1: Seek to develop additional program approaches for statewide multifamily program implementation, possibly through competitive solicitations.

Longer-Term Recommendation # 2: Carefully consider the extent to which programs targeting the multifamily sector should focus on resource acquisition versus market transformation.

Longer-Term Recommendation # 3: If resource acquisition is chosen as the primary program goal, consider coupling resource acquisition components with a longer-term effort to involve local contractors in an effort to impact ROF decision making.

Commercial Program

The Commercial Program recruits commercial building owners to participate in a Wisconsin program, Wisconsin Energy Initiative-2 Program (WEI-2), and two federal programs, ENERGY STAR® Buildings and ENERGY STAR® Small Business. The Commercial Program also provides free additional technical services designed to guide some participants through the implementation process. Marketing for the program consists of a variety of traditional approaches supplemented by intensive one-on-one marketing. The centerpiece of the recruiting effort is a signed Memorandum of Understanding (MOU) whereby the participant agrees to a specific set of actions through the state or federal program involved.

The program theory addresses internal processes within participating businesses, as well as the relationships between participants and trade allies. The program is designed to provide technical assistance for improving those internal processes that enable them to implement energy efficiency projects in the future. The program was also designed to foster relationships between trade allies and participants to build a market infrastructure that can carry energy efficiency projects forward and result in the marketing of new projects.

The evaluation of the Commercial Program addresses market effects, implementation (process) issues, and energy savings. Data for the evaluation are being gathered in baseline and exit interviews with participating customers and trade allies, as well as interviews with key staff. Participant interviews will identify changes in business attitudes and practices that were inspired by the program and will also gauge how effectively the program encouraged relationships with trade allies.

The first interim report emphasized that the program's theory included a substantial role for trade allies but that their role in the program at that point in time had been minimal. The report also pointed out that the program implementation team's emphasis on signing up new participants might be limiting its ability to follow up with existing participants. Since the first interim report, the implementation team has obtained its MOU goals and is turning more attention to the trade ally portion of the program and to assisting existing participants. Program staff report they are now in regular contact with both customers and trade allies, helping to establish these relationships.

Because the changes in program emphasis have been made in recent months, the evaluation activities designed to measure the effectiveness of the changes have not yet produced results. This has limited the evaluation team's ability to provide feedback on the program's theory in time for this report. Many evaluation activities are linked to specific program activities. When the activities do not occur according to the original plan, the corresponding evaluation activities are also delayed. The critical program activities are follow-up assistance for participants (which affects the follow-up evaluation interviews) and the involvement of the trade allies (which affects the trade ally follow-up interviews).

Since the first interim evaluation report was issued, the program has surpassed its Phase 1 goals. These goals include 10 participants enrolled in the Technical Services Component, 20 Energy Star Buildings participants and 27 WEI-2 participants in 22 counties. Program staff are also working to enlist additional participants to meet Phase 2 goals by year-end.
On the one hand, the program appears to be offering the kind of services that commercial customers value. Customers report the program generally meets their expectations. They had remarkably few suggestions as to how the program could be improved or how program staff could serve them better. On the other hand, the program has not yet produced evidence that can support conclusions about the full theory of the program. Customers find value in a free technical audit program that is well run by competent, knowledgeable technical support. But it is too early to answer the most important question: Is it possible to encourage the development of

relationships between private-sector trade allies and commercial customers to the extent that such a program can continue under its own momentum?

Obtaining increased trade ally involvement in the market seems critical for producing sustainable market transformation for this commercial program. Trade ally activities have increased since the previous interim evaluation report but they did not advance to the point where the program theory about trade ally involvement could be thoroughly tested in time for this interim evaluation report. The evaluation did confirm the program staff's experience that customers are fairly reluctant to work with trade allies they do not already know. However, customers also appear to need the help these trade allies can offer. If the program is implemented statewide, it may be advisable to ramp up slowly so that the role of trade allies can be tested more thoroughly and the program's strategy adjusted to reflect greater knowledge of the trade allies' role.

Financing does not appear to be an obstacle for the Commercial Program, particularly among governmental participants. Various forms of program marketing were used through the pilot program.

Direct marketing, either by mail, in person or through seminars, was found to be far more effective than general advertising for commercial customers.

The evaluation's follow-up interviews with participants and trade allies will provide key pieces of evidence on the validity of the program's theory. Since these interviews are linked to the program's schedule, only 8 of the planned 40 participant interviews were completed in time for this report and the trade ally interviews had not yet been initiated. Half of the respondents to the participant follow-up interviews had installed some of the measures recommended through the program. It is too soon to tell what percentage of the participants will go on to implement recommendations, although many stated an intention to do so. The energy, economic, and environmental impacts of the Commercial Program are still being evaluated and will be submitted in the next Interim Report to the DOA.

Industrial Program

The Industrial Program markets the EPA Climate Wise program to industrial firms in the pilot area. The program marketing includes a variety of traditional approaches, supplemented by intensive one-on-one marketing. The centerpiece of the recruiting effort is a signed Memorandum of Understanding (MOU) whereby the participant agrees to a specific set of actions through Climate Wise.

The program theory aims to help participants adopt the Climate Wise process and develop relationships between their firms and trade allies. The program is designed to provide participants with technical assistance for improving those internal processes that will enable them to implement energy efficiency projects in the future. The program was also designed to foster relationships between trade allies and participants to build a market infrastructure that is able to carry energy efficiency projects forward and result in the marketing of new projects.

In many respects, the focus, methods, status and interim results for the evaluation of the Industrial Program parallel those for the Commercial Program. For example:

Data for the evaluation are being gathered in baseline and exit interviews with participating customers and trade allies, and interviews with key staff. Participant interviews will identify changes in business attitudes and practices that were inspired by the program and will also gauge how effectively the program encouraged relationships between participating companies and trade allies.

- Similarly to the Commercial Program, data for the evaluation are being gathered in baseline and exit interviews with participating customers and trade allies, and interviews with key staff.
- As with the Commercial Program, our first interim report found that efforts to work with trade allies and to work intensively with participants had been limited, but the Program Administrator has since turned to these tasks. However, it is too early for us to be able evaluate the results, or to form reliable conclusions about the viability of the program concepts.
- Like the Commercial Program, the Industrial Program appears to be meeting customer expectations and providing them with services that they value, but it is not yet clear whether the program can meet its objective of encouraging the development of relationships between private-sector trade allies and commercial customers.
- All eight participants in the follow-up interviews had installed at least some of the recommended measures, and many had plans in place to undertake additional energy efficiency improvements.
- For the same reasons as for the Commercial Program, if the Industrial Program is implemented statewide, it may be advisable to ramp up slowly so that the role of trade allies can be tested more thoroughly and the program strategy can be adjusted to reflect greater knowledge of the trade allies' role.

Energy Efficiency Performance Program

The EEP program is designed to encourage energy service providers to expand their electric and gas energy-efficiency offerings and market share by pursuing performance-based relationships with new and existing customers. The EEP evaluation is devoting a high level of effort to market effects and process evaluation; a medium level of effort to measurement and verification (M&V) and energy savings; and a minimal level of effort to tracking and database management.

The EEP program has overcome a slow start-up and succeeded in committing most of the available funds. However, most projects implemented under the program are still at a relatively early stage of implementation. This limits the ability of the evaluation to draw reliable conclusions about the program effectiveness. For example, we can complete case studies of individual projects only after project contracts have been signed. Few contracts had been signed by the time the draft of this report was prepared, thus limiting the number of case studies that could be conducted. In the absence of more conclusive evaluation results, we must look for very early indications as to whether the program seems likely to ultimately accomplish its objectives.

A core objective of the EEP Program is to expand the market for performance contracting services. We can identify at least three early indicators as to the likelihood that this objective will ultimately be met: (1) by encouraging energy efficiency service providers who have not previously entered into performance-based transactions to enter into this market; (2) by encouraging end-users who have not entered into such transactions to begin doing so; and (3) by increasing the diversity of the types of projects being performed under performance-based arrangements. Strictly speaking it is not necessary for the program to accomplish all three of these outcomes in order to meet its core objectives; any one might suffice. However, in general, we believe that the more of these outcomes the program appears to be achieving at this relatively early stage, the more likely it is to ultimately succeed.

The early results regarding the ability of the program to achieve the outcomes identified above appear somewhat mixed. Specifically:

- *New Types of Vendors*: Somewhat less than half of the sponsors (participating vendors) had prior experience in performance contracting.

- *New Types of Customers*: On one hand, most participating customers were found not to have had previous experience in performance contracting. On the other, in many respects, participants to date resemble those firms that traditionally have been attracted to performance contracting programs: they tend to be relatively large, energy intense firms, with an over-representation of institutional facilities.

- *New Types of Projects*: Traditionally, performance contracting-oriented programs have tended to be dominated by lighting measures, for which both installation and verification is usually relatively straightforward. For the Focus I implementation period, roughly half of the EEP projects were composed of lighting measures. This result is comparable to what has been experienced in some other performance contracting-oriented programs, suggesting that, at least in the early stages, the program may not be expanding the performance contracting market beyond the usual types of projects installed. However, early results for the Focus II period suggest that the percent of savings from lighting measures may be decreasing significantly.

Overall, we believe these results paint a picture of a glass that could be viewed as being either half empty or half full. In each case, there are some tentative indications that the program may be achieving the desired outcomes, but also some indications that it may not.

Another source of early evidence as to the viability of the program is the extent to which evaluation results bear out the program's underlying theory regarding the nature of the market barriers at work in the market for non-residential energy efficiency services. Here, too, the early evidence appears to be mixed. Interviews with vendors provide some support for the program theory that inability of service providers to define a clear business case, value proposition, or return on investment to help customers justify energy efficiency investments poses a major market barrier. However, vendors also report a wide range of other market barriers that seem less likely to be addressed by the program. In addition, non-participating vendors appear to be less likely to cite market barriers that are likely to be ameliorated by the program than do participating vendors, suggesting possible limits to the size of the potential clientele for the EEP program.

In our first interim report, we suggested that the EEP program may have a challenging course to steer between Measurement and Verification (M&V) requirements that are too stringent to attract new vendors and customers to performance contracting, vs. too lax to protect participating customers' interests. New evaluation results suggest that this is likely to continue to be a challenge. Our review of M&V procedures for a small number of the earliest participants found some problems, although these did not appear to be leading to significant overall biases in savings estimates. In recent months the Program Administrator has been stepping up M&V requirements somewhat, in part in response to the results of our review. We believe it is now important to monitor whether this increase in M&V requirements impedes the ability of the program to continue attracting vendors and customers who are new to the concept of performance contracting.

On balance, we believe the limited evaluation results that are available at this time call for a certain amount of caution regarding expansion of the program. While the program appears to have been effectively administered, we do not believe it is far enough into the implementation process, or that the early evaluation results are sufficiently heartening, to conclude that it has shown itself to be capable of meeting its longer-term objectives in a cost-effective manner. For these reasons, we continue to recommend that the state neither withdraw support from the program nor implement it full-scale, statewide until there is more conclusive evidence as to its effectiveness. However, if DOA concludes, as the Program Administrator has argued, that the relatively low population density of the FOE pilot area is impeding a good test of the program concept, this could be addressed by expanding the program to include southeast Wisconsin or by implementing it statewide with limited funding.

Marketing Program

Every energy efficiency program struggles with the need to promote awareness and understanding of the needs it is intended to serve, the nature of its offerings, and the benefits they can provide. An umbrella program such as the Focus on Energy must also grapple with issues of centralization or dispersion of marketing efforts among individual programs and the relative emphasis to be placed on program support relative to that placed on broad public information and education activities.

The Department of Administration determined that, for this pilot effort, it would centralize the marketing function in a single administrator, a role for which Knupp & Watson (K&W) was selected. The Department further opted for an overall "branding" strategy along with support for individual programs and a general public information and education (PI&E) effort. More recently, the Department appears to have stressed the importance of the Marketing Administrator providing direct support to individual program administrators. Given this direction and the limited budget available (both because of the total allocation for marketing and the front loading of those activities), little PI&E activity was possible in recent months.

Given the variety of program activities conducted by K&W, we determined that the evaluation resources available could be best allocated to a detailed examination of support for one program, as a case study, at least initially. We selected a review of marketing for the renewables program as most suitable, because of the timing of the program rollout and the initial wave of promotional support. The kickoff of the renewables program in Fall 1999 permitted us to conduct a baseline assessment of customer awareness (i.e., before any advertising of renewables on the part of the Focus on Energy), as well as the degree to which earlier FOE advertising might be leveraged on behalf of that program.

Thus, the initial interim evaluation centered on the results of two surveys of residential customers using a before-after research design. The current interim evaluation leverages the results of a third survey, which included a panel of respondents who had participated in the second survey, following an additional wave of advertising for the renewables program in May 2000.

The survey data indicate that significantly more residents of the Focus territory report awareness of the Focus on Energy name in May 2000 than did so in November 1999. Moreover, significantly more residents claim to be aware of the renewables concept. However, the survey evidence does not indicate any increase in the ability of customers to explain the renewables concept or to provide relevant examples. Furthermore, in a less stringent test of concept understanding—the ability to distinguish between true examples of a renewable technology (e.g., the use of solar panels) and false examples (e.g., nuclear plants)—customers show considerable room for improvement.

The data also indicate that, on average, most respondents believe their level of knowledge about energy efficiency in the home is greater than the level needed for their decision-making comfort. This finding represents a drop in the apparent interest of customers in the messages offered by the Marketing Administrator on behalf of individual programs and the Focus effort as a whole. Not surprisingly, then, respondents showed little interest in looking for more information about renewables or considering the use of renewables in the next few months.

This current interim report also includes some preliminary results from focus groups conducted in an effort to learn more about customer use of promotional information. Specifically, six focus groups were conducted with customers in the Focus territory, to discuss responses to advertising for household appliances, particularly that developed and placed by K&W in support of the ENERGY STAR® products program. This target was chosen, rather than renewables, because the call to action—purchasing—was more direct and it was easier to identify customers who are "in the market," for whom such advertising might be particularly salient.

As indicated in the earlier interim report and detailed more fully below, we believe the Marketing Administrator is working under extremely difficult conditions. The budget is limited; many diverse programs must be promoted; and little support is available for broad PI&E activities, for market research to develop and test advertising tactics, or for other advertising infrastructure development. Moreover, as just described, the audience appears to believe it has little new to learn about the topic.

This review suggests that the Department of Administration should carefully review the objectives for the Marketing Administrator and the direction provided to them. It seems reasonable to allow individual program administrators to work with the Marketing Administrator to direct the promotional support for those programs. However, it may also be appropriate for the Department of Administration to assume a greater role in determining the importance and the potential for public information and education programs. Furthermore, the Department should either direct more resources or a greater proportion of the current promotional budget toward those activities or it should minimize those objectives. It may also be useful for the Department to work with other administrators to set priorities that fit the promotional budgets, using realistic expectations of the *effects* that advertising can achieve rather than measures of advertising activity and outputs.

Education and Training Program

The evaluation for the Education and Training Program emphasizes the measurement of market effects. Data for the market effects evaluation are being gathered from pre- and post-training surveys of attendees of seven ECW education and training events. The seven events were selected because they were deemed the most useful for testing the theory of the related program. Pre-training surveys are administered as attendees arrive at the training and are collected before the training officially begins. Post-training surveys are administered via mail approximately 3 to 4 months after the training event. This time interval assures sustainable knowledge gains as well as allows time for attendees to implement practices they may have learned at the training.

The evaluation is also focusing on process issues. The goal of the process evaluation is to improve the overall training event as well as its specific role in FOE. Data for the process evaluation are being gathered by reviewing the evaluation forms administered by ECW staff at training events and by conducting interviews with ECW staff as well as program administrators delivering their own training.

As of September 2000, the pre-training/post-training evaluation survey cycle had been completed for six events. The six evaluated events are:

- Wisconsin ENERGY STAR® Homes: Principles of Building Science
- Daylighting Goes Mainstream: How to Daylight Every School
- Advanced HVAC Systems Training Series
- New Trends in Commercial Lighting
- Building a High Performance Home 2000 Conference
- Advanced Air Compressor Systems Training

The evaluation results indicate that education and training are successful components of the Focus pilot. The education and training administrator's recruiting efforts have resulted in well-attended events that receive positive ratings from attendees. The pre/post training questionnaires find that the training events are resulting in sustainable market effects by positively impacting energy efficiency knowledge and behavior. We strongly recommend, based on the success of Focus training events, that education and training be a strong component of any statewide expansion of conservation programs and a required part of program plans.

A statewide expansion of conservation programs should take into account the following issues identified during the Focus I pilot:

- Greater collaboration is needed between those implementing the education and training events (in Focus, this was an independent education and training administrator) and those responsible for achieving the program's market transformation objectives (in Focus I, these were the individual program administrators).

- If the above suggested increase in collaboration is achieved it will help to better integrate training and education into the program's design and implementation. Given the success of education and training in the Focus pilot, these two elements should play an important future role in program design and implementation. Training and education should be viewed as a "central" piece of a program as opposed to a periphery support mechanism.

- Better coordination with program administrators is needed for recruiting the various market actors for training events.

- The various event-related factors that limit participation in training should continue to be addressed (e.g., the timing of marketing efforts, the location of the training, length of training, etc.).

- The role of education and training in overall market transformation and in supporting various program goals and objectives should be emphasized more in program plans.

Demand-Side Applications of Renewable Energy Program (DSARE)

DSARE, the only FOE program administered directly by the DOA, encompasses a broader set of initiatives than most other FOE programs. All told, DSARE includes 17 discrete activities intended to address the needs of two distinct markets: demand-side renewable energy applications in general, and daylighting. Categories of activities targeting the renewables market in general include: (1) training, information, education, and research; (2) business marketing assistance; (3) technical assistance; (4) financing and demonstration; and (5) publicity and marketing. Under the daylighting component, DSARE supports the efforts of the Daylighting Collaborative, which include: (1) training, (2) demonstrations, (3) technical (design) assistance and (4) marketing and publicity.

We designed the evaluation of DSARE to look for initial indications of market effects at an overall level, and also conducted a process evaluation. Data collection activities included pre-program and post-program surveys of renewable suppliers and building designers, surveys of program participants, and in-depth interviews with program staff. We summarize the interim evaluation results by presenting a series of issues, and for each issue, presenting our conclusions and recommendations.

Issue: The market effects evaluation investigated two key program hypotheses[4], and also sought evidence of program induced market effects by comparing the overall supply-side characteristics of Wisconsin renewables markets before and after the program. The first hypothesis to be tested is that renewable energy businesses are mostly small firms that need help developing business management and marketing plans, as well as marketing/sales materials and skills.

Conclusions: The evaluation supports this hypothesis. However, suppliers' ratings of the helpfulness of DSARE activities declined precipitously between October 1999 and August 2000. Building designers' ratings of the helpfulness of Daylighting Collaborative activities increased slightly between October 1999 and August 2000.

Recommendations: Program administrators should explore suppliers' needs more fully, and consider concentrating support on the services with the highest helpfulness ratings: project facilitation assistance, demonstrations, and financing assistance.

Issue: The second market effects hypothesis to be tested is that customers lack awareness and knowledge of current renewable energy/daylighting technologies, and the benefits of these technologies.

Conclusions: The evaluation supports this hypothesis. In turn, this lack of knowledge imposes high information (search) costs and high hassle (transaction costs) on consumers, as well as high transaction costs on suppliers when they consider using renewables. Most respondents gave the renewable energy and daylighting information sources, workshops, and training programs good ratings.

Recommendations: Program administrators should continually monitor target audiences' needs and adjust materials and course content as appropriate. Audiences want current information on renewable energy technologies and applications, available program support, and other support available. Workshops should expand opportunities for attendees to make informal contacts with each other.

Issue: Have the characteristics of the renewable and daylighting markets changed over the first program year?

Conclusions: While suppliers report continuing growth in markets for renewable energy products and for daylighting, their firms have not changed significantly. The suppliers' views of customers concerns have not changed. However, participants rate the daylighting training highly, report they have learned from this training, and are applying what they learned. Surveys following two waves of advertising show increases in consumers' awareness of the Focus program and of the general renewables concept.

[4] A third program hypothesis was that cost-sharing grants would be an effective way to provide businesses with marketing and technical assistance, and support demonstrations of renewable technology. Because only nine of thirty-three grants were completed when the second interim evaluation was performed, we examine only process evaluation findings for this hypothesis.

Recommendations: Future programs should apply selected activities appropriate to the time frame for implementation and evaluation. Although one goal of DSARE was to "try many things" and then continue the successful ones, the lack of clearly defined goals for specific activities and the short duration of the pilot program prevented identifying differences in success.

Issue: In the process evaluation, both applicants and recipients of market development grants noted the need for process improvements.

Conclusions: Grant applicants and recipients want clear, specific requirements and directions, someone to call with questions (via an 800 number), and more time to prepare proposals. They want quick notice of awards and faster issuance of contracts. They also want longer periods to perform the work supported by grants, and easier invoicing and reimbursement.

Recommendations: Procedural improvements could increase participation and results from the grant program.

Issue: The multi-faceted program approach, employing a large number of separate activities, requires coordination across activities.

Conclusions: Given the short time available during the FOE pilot, most program administrators and staff appear to have concentrated on their own programs. Improved communications and coordination among DSARE program activities, other Focus on Energy programs, and with other parts of state government are needed.

Recommendations: Discussions should be conducted at several levels within FOE to determine policies, implementation strategies, and tactics for coordinating the information that will be presented across programs.

Issue: Preliminary indications of the contributions of program planning and development to program success may be observed across activities within DSARE.

Conclusion: Program planners should develop more thorough and detailed plans. More involvement with key stakeholders is critical. Specific, measurable goals provide both program implementers and evaluators with a greater likelihood of success. More complete market information for renewables and daylighting is needed to support program planning and evaluation. Addressing a limited number of program activities to selected targets may produce program interventions whose effectiveness can be determined within the available time horizon.

Recommendations: To be more effective, program plans should (1) be based upon market characterization information and consultation with key stakeholders; (2) state specific, measurable goals; and (3) focus program efforts on carefully selected targets within promising markets.

OVERALL CONCLUSIONS AND RECOMMENDATIONS

In the remainder of this Report Summary, we use the findings presented above for individual programs to develop some overall conclusions and recommendations regarding the FOE pilot to date. Our analysis consists of two primary components: a series of observations regarding the overall implications of the pattern of findings for individual programs presented in the preceding section, and a table providing a systematic set of recommendations regarding possible statewide implementation of the FOE pilot programs.

Implications of the Pattern of Findings for Individual Programs

We believe the pattern of findings for individual programs presented in the preceding section suggests the following overall conclusions regarding the FOE pilot to date.

1. *Some tensions continue to be evident between the market transformation and resource acquisition goals initially laid out for FOE programs – and more broadly, between shorter-term and longer-term program objectives.* In our first interim report, we observed what we interpreted as signs of tensions between the twin objectives of resource acquisition, or the achievement of timely and reliable energy savings, and market transformation, or the achievement of lasting improvements in the structure and functioning of energy efficiency markets. Specifically, we noted that some implementers appeared to be responding to the relatively short timeline of the pilot by focusing on shorter term objectives at the expense of longer term ones.

   We believe these tensions continue to make themselves evident. For example, the initial program designs for the Commercial, Industrial, and EEP programs all called for significant one-on-one customer assistance and education of trade allies as significant program components aimed at facilitating market transformation. While all three of these programs are now providing such one-on-one assistance as originally planned, in all three cases implementation of these services was delayed as the program administrator focused first on acquiring the number of participants it had promised. In a fourth case, the Multifamily program, we believe some of the key longer-range components of the program that were initially envisioned have yet to be implemented. As discussed in our first interim report, we believe these outcomes highlight the importance of explicitly balancing and reconciling the sometimes competing, sometimes complementary policy objectives of resource acquisition and market transformation. Our understanding is that DOA is already attempting to do this moving forward, but we believed the issue was worth highlighting nonetheless.

2. *The results to date bear out our expectation that market transformation takes years to accomplish, and that these programs should not be expected to cause immediate improvements to the structure and functioning of energy efficiency markets.* As we argued in our initial evaluation plan for FOE as well as in our first interim report, market transformation is a policy objective that usually takes years to accomplish, and thus the FOE pilot programs for the most part should not be expected to achieve measurable overall changes in the structure and functioning of energy efficiency markets within the pilot period. We believe the evaluation findings to date generally bear out this expectation. While many

of the programs appear to be generating initial market responses that are quite consistent with what was called for under the initial program theory, few have generated overall market changes thus far. *We do not regard this as an indictment of the programs.* Instead, we regard it as confirmation that market transformation is a long-term process. We continue to believe that, due to this fact, what is most important in evaluating market transformation initiatives is that: (1) program designers have a specific theory about the causal mechanisms by which it is hoped that the program will ultimately generate beneficial market effects, and (2) evaluation efforts focus on providing timely feedback on whether early program results appear to be consistent with this theory.

3. *Some FOE programs that were initially framed primarily as market transformation initiatives appear thus far to be functioning primarily as resource acquisition efforts. Time will tell whether these programs will ultimately be able to also accomplish their market transformation-related objectives.* For example, in the case of the Commercial and Industrial programs, early results suggest that while participating customers are adopting many of the measures recommended by the program administrator, for the most part they are not as of yet changing their behavior in any more lasting fashion. (As noted above, however, some elements of these programs that were intended to play a central role in generating such longer-term changes, notably working intensively with participants on a one-on-one basis following the initial audit and attempting to connect trade allies with participants, have only recently begun to be implemented.)

4. *In general, we are in a better position at this point to assess the viability of the original program concepts for the residential and cross-cutting programs than the non-residential ones.* For a majority of the FOE pilot programs, we believe we have enough evidence at this point to reach at least some tentative conclusions about the viability of the underlying program concepts. However, the Commercial, Industrial, and Energy Efficiency Performance programs are important exceptions. This is due in large part to the long decision-making cycles of non-residential customers, which makes it difficult at this relatively early date to reliably assess the behavioral effects of the non-residential programs on participating customers and trade allies. It is also due, to some extent, to the delays in implementing some program components that are discussed above.

5. *The interim evaluation results appear to confirm the wisdom of trying to build on existing programming activities where appropriate.* Many of the programs and program elements that appear to be showing the strongest signs of early success are those for which DOA was able to build on pre-existing programming activities. Examples include the ENERGY STAR® Products Program, the Daylighting component of the Demand-Side Applications of Renewable Energy Program, and the Education and Training Program. We do not regard this as surprising, for, as we argued in our first interim report:

> The history of public interventions into energy efficiency markets over the past 25 years suggests that developing successful new energy efficiency programs – not just market transformation programs, but *any* programs – generally takes at least several years, and a significant amount of trial and error. This was true of the programs developed in response to the oil crisis in the early 1970s. It was also true of the large-scale rebate programs

developed in the heyday of Demand-Side Management in the 1980s and early 1990s. Early results from other states adopting market transformation as a key policy objective suggest that it will also hold true for market transformation initiatives.

We suspect that, to a large extent, the tendency of programs building on pre-existing programming activities to stand out may simply reflect the fact that it is these programs for which the underlying strategies and concepts have received the benefit of the most trial and error.[5]

6. *Some programs appear to be functioning in a manner that is quite consistent with the initial program theory, but not yet saving appreciable amounts of energy. We believe this is appropriate and to be expected given the long-term nature of market transformation as a policy objective.* For example, while the Energy Star Homes program appears to be making good progress toward its market transformation objectives, because both the number of participants to date and the average savings per house are relatively small, this program has resulted in little energy savings to date. We believe one important corollary of the fact that market transformation is a long-term process is that market transformation initiatives generally should not be expected to yield substantial energy savings immediately.

7. *Interestingly, there are some early indications that a few programs may be accomplishing what they were intended to accomplish, but through somewhat different mechanisms than originally envisioned. This suggests that some revisions to program theories might be called for.* For example, while the current program theory for the Energy Star Products program focuses primarily on making it easier for appliance purchasers to identify efficient units, there are some early indications that this program may achieve beneficial market effects through behavioral changes on the part of manufacturers and distributors who are taking the program's promotions and incentives as a cue to change their behavior. Similarly, in the case of the Energy Star Homes program, there are some early indications that promotional efforts targeted at homebuyers may directly affect the behavior of builders. Generally, the current theories for these programs do not anticipate these kinds of direct supply-side responses to marketing efforts targeted primarily at consumers.

8. *All in all, we believe that DOA's experience in administering the FOE pilot to date has provided many valuable results to inform implementation of the state-wide public benefits mechanism.* These results take the form both of general policy, administrative and program design implications, and of some specific programs that can be expanded to go statewide.

In preparing this interim report, we have kept foremost in our minds the need for DOA to decide relatively soon which FOE programs should and should not be implemented state-wide. While in a few cases we believe it is too early for us to make informed recommendations on this issue, in a majority of cases we feel comfortable at this point making such recommendations. Our recommendations regarding implementation of FOE

[5] It is worth noting that the same line of reasoning suggests that it is also valuable to run some programs that are entirely new and do not build on existing programming activities – for if only programs building on existing approaches are implemented, the process of trial and error, which we have argued is a critical element of success, is likely to slow or even stop. In short, a balance is needed.

programs on a statewide basis are summarized in Table 2, and discussed at greater length in the summary sections on individual programs, as well as in the associated program chapters. In general, our recommendations tend to fall into three broad categories, albeit with significant individual variations: (1) implement statewide, in most cases with some revisions to program design; (2) continue to run as a pilot program, in order to reach more reliable conclusions about program viability; and (3) do not implement statewide. More detailed discussions of the rationale for our recommendations can be found in the individual program chapters.

Table 2. Summary of Recommendations Regarding Statewide Implementation of FOE Pilot Programs.

Program	Recommendations Regarding Statewide Implementation
WISCONSIN ENERGY STAR® Homes	Implement statewide. However, program should be changed to: (1) significantly increase per-unit energy savings; (2) expand marketing efforts to customers and non-participating builders; and (3) more formally integrate other Energy Star programs, particularly appliances and lighting.
ENERGY STAR® Products	Implement statewide. To continue to hold the confidence and long-term cooperation of upstream market actors and maintain any momentum in advertising to consumers, it is critical that program support be consistent and that the effort to build a network of program participants be maintained and nurtured. However, continue to explore additional program activities, which might include initiatives intended to help convert customer awareness and understanding of the ENERGY STAR brand into perceived value and a guide to action, and efforts to further encourage and leverage support by manufacturers and dealers. Interim results suggest that, while the program is successful, some specific revisions to the program theory may be called for.
Residential Water Heater Conversion	Do not implement statewide. Instead, support research planned by FOE residential program administrator for the second half of 2000 (with the cooperation of the FOE evaluation administrator) that is intended to lay the groundwork for an alternate statewide water heater conversion program. Evaluation findings suggest some possible additions to the research activities that have been planned to date. In terms of an alternate statewide program design, evaluation results suggest the following: (1) attempting to sticker electric water heaters in order to encourage conversion upon failure may not be a particularly effective program approach; (2) it may make sense to focus more on accelerating conversions than on encouraging conversion upon failure; and (3) coordination with other residential programs, cooperation with other entities interested in water heater conversion, financial incentives, and customer education may all be important program elements.
Multifamily Asset Management	Do not implement statewide. Instead, shape remaining implementation of program in FOE pilot territory to assess whether there are specific program components that can be incorporated into a statewide program targeting the multifamily sector. Carefully consider the extent to which programming efforts in the multifamily sector should focus on resource acquisition vs. market transformation. Conduct a comprehensive review or what has and has not worked in the multifamily sector elsewhere in the country, and consider holding an open solicitation for new, innovative ideas on how to approach this sector.
Commercial and Industrial	Programs have not advanced far enough yet for the evaluation to be able to provide any specific recommendation for or against statewide implementation. However, if these programs are implemented statewide, it may be advisable to ramp up slowly so that the role of trade allies can be tested more thoroughly and the program strategies can be adjusted to reflect greater knowledge of trade allies' role.
Energy Efficiency Performance	Do not implement statewide. Instead, continue to operate as a pilot until there is sufficient evidence to draw more reliable conclusions about program viability. To the extent that DOA believes limitations on the eligible market under the current pilot are impeding a test of the program concept, it might make sense to expand the program in a limited fashion, either to include the more densely populated area of South-eastern Wisconsin, or to include the entire state, but at a limited funding level that reflects the pilot status of the program.
Marketing	Implement statewide marketing efforts, but review marketing objectives and the direction provided to the marketing agent or agents. Reassess the importance and the potential for public information and education programs, and either direct more resources or a greater proportion of the current promotional budget toward those activities or minimize those objectives. It may also be useful for the Department to work with program administrators to set marketing priorities that fit the promotional budgets, using realistic expectations of the *effects* that advertising can achieve rather than measures of advertising activity and outputs.
Education and Training	Implement statewide, making education and training a core component of state-level programs. Improve coordination between education and training efforts and the design and implementation of other program components.
Demand-side Applications of Renewable Energy	Implement statewide, but employ more targeted marketing approach, based on detailed market data and using a more systematic program planning process. Consider concentrating support on project facilitation assistance, demonstrations, and financing assistance. Improve coordination with other programs. To be effective, program plans should 1) be based upon quantitative market characterization information; 2) state specific, measurable, actionable, realistic, time-constrained goals; and 3) focus their efforts on carefully selected targets within promising markets. The Daylighting component may be a good model for future programming efforts.

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

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

October 25, 2000

The Honorable Brian Burke, Co-Chair
Joint Committee on Finance
316 South, State Capitol
Madison, WI 53702

RECEIVED
OCT 26 2000
BY:

The Honorable John Gard, Co-Chair
Joint Committee on Finance
315 North, State Capitol
Madison, WI 53702

Dear Senator Burke and Representative Gard:

Under the provisions of s. 79.10 (11), each October the Department of Administration must submit to the Joint Committee the department's estimate of the total funds available for distribution under the lottery credit.

The department estimated on October 13 that $90,203,500 would be available for distribution in December 2000. Ensuing discussions with the Legislative Fiscal Bureau and Department of Revenue staff have produced agreement regarding our estimates of ticket sales and prizes. However, a cooperative review suggests small changes in estimates for interest earnings and projected Lottery general program operations expenditures. As a result, our revised estimate of the amount available for distribution through the Lottery Credit in December 2000 is $89,669,200. A more detailed calculation of the department's estimate is attached for your review.

Following the committee's approval or revision of this estimate, DOA will inform the Department of Revenue of the total amount available for distribution under the lottery credit and DOR will calculate the estimated fair market value necessary to distribute the total amount of revenue available.

Sincerely,

George Lightbourn

George Lightbourn
Secretary

cc: Members, Joint Committee on Finance
Cate Zeuske, Secretary of Revenue

Lottery Fund Condition Statement		Projected 2000-01
Fiscal Year Opening Balance	*$*	*(4,127,900)*
OPERATING REVENUES		
Ticket Sales		
Instant Scratch Games	$	237,595,000
Pull-tab Games		6,535,200
On-Line Games		164,948,400
Total Ticket Sales		409,078,600
Retailer Fees and Miscellaneous		128,400
GROSS REVENUES	$	409,207,000
EXPENDITURES		
Appropriation to DOJ	$	235,200
Appropriation to DOR		195,200
Prizes		234,192,200
Basic Retailer Compensation		28,999,400
Vendor Payments		12,369,500
General Program Operations		22,063,700
Employee Comp Reserves		-
HI Reserves		-
Other Reserves		-
TOTAL EXPENDITURES	$	298,055,200
NET PROCEEDS	$	111,151,800
OPERATING TRANSFERS IN (Gaming Revenue)	$	3,009,000
INTEREST EARNINGS	$	2,292,500
*Total Available for Tax Relief ***	*$*	*112,325,400*
APPROPRIATIONS FOR TAX RELIEF		
Farmland Tax Relief Credit	$	15,000,000
Lottery Property Tax Credit		89,669,200
Lottery Credit Local Administrative Costs		-
Total Appropriations for Tax Relief	*$*	*104,669,200*
Gross Closing Balance	*$*	*7,656,200*
Reserve (2% of Gross Revenues)	*$*	*8,184,100*
Change in Encumbrance Balance	*$*	*527,900*
Net Closing Balance	*$*	*-*

STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

316 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-8535

ASSEMBLY CHAIR
JOHN GARD

315 North, State Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-2343

JOINT COMMITTEE ON FINANCE

November 1, 2000

Mr. George F. Lightbourn, Secretary
Department of Administration
101 E. Wilson Street, 10th Floor
Madison, WI 53703

Dear Secretary Lightbourn:

On October 13, 2000, the Department of Administration (DOA), pursuant to s. 79.10(11)(b) of the statutes, provided the Committee with an estimate of total funds available for distribution under the lottery and gaming credit for property taxes levied in 2000 (paid in 2001). On October 25, 2000, DOA provided the Committee with a second letter, which includes a revised lottery and gaming credit estimate that reflects certain corrections. With these modifications, the amount available for the lottery and gaming credit would total $89,669,200. The Committee is authorized to revise the DOA estimate and may do so at a meeting that takes place before November 1, 2000. If the Committee chooses to accept the DOA estimate, no Committee action is required.

This letter is to notify you that the Committee did not meet to reestimate the amount available for the lottery and gaming credit; DOA may, therefore, notify the Department of Revenue that the amount available for distribution under the lottery and gaming credit is $89,669,200.

The Legislative Fiscal Bureau analysis of lottery sales and expenses and other gaming-related revenues is in agreement with the DOA estimate. The Fiscal Bureau concludes that the certified amount of $89,669,200 would support an estimated average lottery and gaming credit of $68. For your information, the Fiscal Bureau memorandum dated October 25, 2000, relating to this analysis, is attached.

Sincerely,

Brian Burke

BRIAN BURKE
Senate Chair

John G. Gard

JOHN GARD
Assembly Chair

BB:JG:dh

Attachment

cc: Members, Joint Committee on Finance

Legislative Fiscal Bureau
One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

October 25, 2000

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Estimate of Available Funds for the 2000(01) Lottery and Gaming Credit

On October 13, 2000, the Department of Administration (DOA), pursuant to s. 79.10(11)(b) of the statutes, provided the Committee with an estimate of total funds available for distribution under the lottery and gaming credit for property taxes levied in 2000 (paid in 2001). The Department of Revenue (DOR) must be notified of the total amount available for distribution under the lottery and gaming credit by November 1, 2000. This estimate provides DOR with the basis for calculating the fair market value, termed the credit base, necessary to distribute the lottery and gaming credit. The credits are calculated by multiplying the credit base by school tax rates.

The Committee is authorized to revise the DOA estimate and may do so at a meeting that takes place before November 1, 2000. If the Committee chooses to accept the DOA estimate, no Committee action is required.

In its letter, dated October 13, 2000, DOA estimated that a total of $90,203,500 would be available for the 2000(01) lottery and gaming credit. This amount was based on estimated 2000-01 lottery sales of $409.1 million. On October 25, 2000, DOA provided the Committee with a revised lottery fund condition statement that reflects an adjustment relating to the encumbrance balance of the lottery fund. With this modification, the amount available for the lottery and gaming credit would total $89,669,200. Our analysis agrees with this revised amount. Certification of this amount would result in an estimated average lottery and gaming credit of $68. The DOA letter of October 25, 2000, and the lottery fund condition for 2000-01, are provided as attachments to this memorandum. Please note that the attached Fiscal Bureau fund condition statement is formatted differently than the DOA fund condition statement. As a result, certain amounts appear to be at variance. However, these variances are not material and the amount estimated on the lottery and gaming credit is identical under both approaches.

Under 1999 Act 9, the 1999-01 biennial budget act, lottery sales were estimated at $421.8 million in 1999-00 and $427.3 million in 2000-01. Actual 1999-00 lottery sales totaled $406.7 million. The revised sales estimate of $409.1 million in 2000-01 was projected from computer models developed by DOR, and represents a 4.3% decline in lottery sales from the estimate made in Act 9. The following table shows actual sales by game type in 1999-00, and sales estimates made under Act 9 and the revised projection.

		Estimated Sales	
Game Type	Actual 1999-00	Act 9 2000-01	Revised Projection 2000-01
Scratch	$235,594,500	$244,400,000	$237,595,000
Pull-Tab	5,446,400	6,079,200	6,535,200
On-Line	165,629,300	176,800,000	164,948,400
Total	$406,670,200	$427,279,200	$409,078,600

Year-to-date sales data in 2000-01 (through the first 15 full weeks of the fiscal year) indicate average weekly sales of $7.4 million, about $34,000 less than average weekly sales during the same period of 1999-00. However, on-line sales of jackpot games like Powerball can boost sales quickly as jackpots grow larger. A 2000-01 sales estimate that is similar to 1999-00 actual sales appears reasonable at this time.

The certification of the lottery and gaming credit proceeds available for distribution in 2000(01) will require that this amount is paid to property owners. If the projected sales that support the distribution amount are not realized, the lottery fund includes a reserve (approximately $8.2 million) that can be utilized for credit payments. This reserve amount is adequate to support credit payments if actual sales are up to $27 million less than the projected $409.1 million. To the extent the reserve would need to be utilized, the effect would be to reduce the credit amount in the subsequent tax year. Similarly, if 2000-01 lottery sales exceed the $409.1 million projection, the additional funds would be available for distribution for 2001(02) property tax credits.

In summary, 2000-01 lottery sales of $409.1 million would result in $89,669,200 in lottery and gaming credits. This amount would result in an average credit of $68. Unless the Committee meets to certify another number before November 1, 2000, the $89,669,200 projection will be used by DOR to set the credit base for determining 2000(01) lottery and gaming credits.

Attachment

2000-01 Lottery Fund Condition Statement
October, 2000

Fiscal Year Opening Balance	-$4,127,900
Operating Revenues	
Ticket Sales	$409,078,600
Retailer Fees and Miscellaneous	128,400
Gross Revenues	$409,207,000
Expenditures	
Prizes	$234,192,200
Retailer Compensation	28,999,400
Vendor Payments	12,369,500
General Program Operations	21,535,800
Appropriation to DOJ	235,200
Appropriation to DOR	195,200
Total Expenditures	$297,527,300
Net Proceeds	$111,679,700
Interest Earnings	$2,292,500
Gaming-Related Revenue	3,009,000
Total Available for Tax Relief*	$112,853,300
Appropriations for Tax Relief	
Lottery and Gaming Credit	$89,669,200
Farmland Tax Relief Credit	15,000,000
Total Appropriations for Tax Relief	$104,669,200
Gross Closing Balance	$8,184,100
Reserve (2% of Gross Revenues)	$8,184,100
Net Closing Balance	$0

*Opening balance, net proceeds, interest earnings and gaming-related revenue.

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Brian Burke
Representative John Gard

Date: November 3, 2000

Re: General Obligation Bonds of 2000, Series E (Taxable)

Attached is a copy of a report from the Department of Administration, pursuant to s. 18.16 (7), Stats. The report specifies the reason for not complying with subsections (2) to (5) of the same section for a specific issue of debt.

The report is being provided for your information only. No formal action is required by the Committee. Please feel free to contact us if you have any questions.

Attachment

BB:JG:dh

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

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
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TTY (608) 267-9629

November 1, 2000

RECEIVED
NOV - 3 2000
BY:

The Honorable Brian Burke, Co-Chair
The Honorable John Gard, Co-Chair
Joint Committee on Finance
Madison, WI 53702

Dear Senator Burke, Representative Gard and Members:

This report is required by subsection (7) of Section 18.16 of the Wisconsin Statutes and specifies the reason for not complying with subsections (2) to (5) of the same section for a specific issue of debt.

On August 9, 2000, the Building Commission authorized the sale of $5,000,000 State of Wisconsin General Obligation Bonds of 2000, Series E (Taxable) (the "Bonds"). Pursuant to this authorization, the Capital Finance Director has sold these bonds directly to the State of Wisconsin Board of Commissioners of Public Lands. This was a private sale conducted pursuant to subsection (7) of Section 18.06 of the Wisconsin Statutes.

Since the Bonds will be sold directly to the State of Wisconsin Board of Commissioners of Public Lands, and without the participation of underwriters, compliance with subsections (2) to (5) of Section 18.16 of the Wisconsin Statutes is not possible.

Sincerely,

George Lightbourn
Secretary

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Brian Burke
Representative John Gard

Date: November 10, 2000

Re: General Obligation Bonds of 2000, Clean Water Fund Program Series A
General Obligation Extendible Municipal Commercial Paper of 2000
General Obligation Bonds of 2000, Series D

Attached are copies of three reports from the Department of Administration.

The reports, pursuant to s. 18.16 (7), Stats., specify the reasons for not complying with subsections (2) to (5) of the same section for three specific issuances of debt.

The reports are being provided for your information only. No formal action is required by the Committee. Please feel free to contact us if you have any questions.

Attachments

BB:JG:dh

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

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

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November 10, 2000

RECEIVED
NOV 1 0 2000
BY:

The Honorable Brian Burke, Co-Chair
The Honorable John Gard, Co-Chair
Joint Committee on Finance
Madison, WI 53702

Dear Senator Burke, Representative Gard and Members:

This report is required by subsection (7) of Section 18.16 of the Wisconsin Statutes and specifies the reason for not complying with subsections (2) to (5) of the same section for a specific issuance of debt. On October 24, 2000, the Building Commission authorized the sale of $10,000,000 State of Wisconsin General Obligation Bonds of 2000, Clean Water Fund Program Series A (the "Bonds"). The Bonds will be sold privately to the Environmental Improvement Fund pursuant to 18.06 (9) of the statutes.

Since the Bonds will be sold directly to the Environmental Improvement Fund, and without the participation of underwriters, compliance with subsections (2) to (5) of Section 18.16 of the Wisconsin Statutes is not possible. The Bonds will be held by the Environmental Improvement Fund as investments to provide cash flow to the State of Wisconsin Clean Water Revenue Bonds, 1999 Series 1. The Bonds will be issued in amounts sufficient to cover the difference between the below market interest rate on Clean Water Fund Program loans and the debt service requirement for the State of Wisconsin Clean Water Revenue Bonds, 1999 Series 1.

Sincerely,

George Lightbourn
Secretary

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

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

FORWARD

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

November 10, 2000

The Honorable Brian Burke, Co-Chair
The Honorable John Gard, Co-Chair
Joint Committee on Finance
Madison, WI 53702

Dear Senator Burke, Representative Gard and Members:

This report is required by subsection (7) of 18.16 of the Wisconsin Statutes and specifies the reason for not complying with subsections (2) to (5) of the same section for a specific issue of debt.

On October 24, 2000 the Building Commission authorized the issuance of $80,390,000 State of Wisconsin General Obligation Extendible Municipal Commercial Paper of 2000, Series C (the "Notes"). Extendible municipal commercial paper is not sold to underwriters through a public sale, it is placed by a remarketing agent or agents on a best efforts basis. Goldman, Sachs & Co. and Merrill Lynch & Co. are the firms selected to initially remarket the Notes. The Department of Commerce does not certify Goldman, Sachs & Co. nor Merrill Lynch & Co. as minority-owned firms.

Sincerely,

George Lightbourn
Secretary

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

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

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Post Office Box 7864
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November 10, 2000

The Honorable Brian Burke, Co-Chair
The Honorable John Gard, Co-Chair
Joint Committee on Finance
Madison, WI 53702

Dear Senator Burke, Representative Gard and Members:

This report is required by subsection (7) of 18.16 of the Wisconsin Statutes and specifies the reason for not complying with subsections (2) to (5) of the same section for a specific issue of debt.

On October 24, 2000, the Building Commission authorized the sale of $199,965,000 State of Wisconsin General Obligation Bonds of 2000, Series D (the "Bonds"). Pursuant to this authorization, on October 31, 2000, the Capital Finance Director conducted a public sale for and awarded the Bonds. This was a public sale conducted pursuant to Subchapter I of Chapter 18. The attached Official Notice of Sale, dated October 24, 2000, set the terms and conditions of the sale and was available to all potential bidders. The State received five bids for the Bonds.

The award was based on the lowest true interest cost rate to the State. The successful underwriters were a syndicate managed by Lehman Brothers. A list of the syndicate members is attached. There are no firms in the syndicate that are certified by the Department of Commerce as minority owned.

Underwriting participation by minority owned firms is encouraged. There is a section "Minority Participation" in the Official Notice of Sale and the attached list of the certified minority owned firms, which includes address, phone number, and contact person, was included in the bidding materials made available to each prospective bidder.

Sincerely,

George Lightbourn
George Lightbourn
Secretary

Enc.

$199,965,000
State of Wisconsin General Obligation Bonds of 2000, Series D

Underwriting Syndicate

Underwriters:

Book Running Manager:
Lehman Brothers

Member:
Merrill Lynch & Co.

MINORITY-OWNED UNDERWRITING FIRMS
CERTIFIED BY THE
WISCONSIN DEPARTMENT OF COMMERCE
October 2, 2000

Note: The following list of minority-owned underwriting firms is provided for the information of potential bidders on the Bonds and does not constitute a part of the Official Notice of Sale. Minority participation in bids is strongly encouraged by the State but is not a requirement for submitting a bid.

Mr Michael Yap
Americal Securities Inc
290 7th Ave
San Francisco CA 94118
415-666-0633

Mr Elton Johnson Jr
Amerivet Securities Inc
9800 S Sepulveda Blvd Ste 820
Los Angeles CA 90045
310-641-6284

Ms Caridad Ingco
AMI Risk Consultants Inc
11410 N Kendall Dr #208
Miami FL 33176-1031
305-273-1589

Mr Tim Lingenfeldert
Apex Securities Inc
333 Clay St Ste 1310
Houston TX 77002
713-650-1122

Ms Benita Pierce
B Pierce & Co Inc
12 Greene St #3
New York NY 10013
212-219-1114

Mr Sano Shimoda
Bio Science Securities Inc
2 Theatre Sq #210
Orinda CA 94563
925-253-9520

Mr Charles W Johnson
Blaylock & Partners LP
609 5th Ave
New York NY 10017
888-738-6633

Mr Bufus Outlaw
Boe Securities
225 S 15th St Ste 928
Philadelphia PA 19102
215-546-2300

Mr Samuel D Ewing Jr
Ewing Capital Inc
6630 16th St NW
Washington DC 20012
202-829-9450

Ms Sherlin Lee
First Honolulu Securities Inc
900 Fort St #950
Honolulu HI 96813
808-523-9422

Ms Gail M Pankey
Gail M Pankey
8 Broad St
New York NY 10005
212-425-0382

Ms Lenda P Washington
GRW Capital Corp
1004 Sixth St NW
Washington DC 20001
202-628-7090

Ms Laura J Janus
HCM Investments Inc
35 W Wacker Dr #3260
Chicago IL 60601-1614
312-553-1000

Mr Louis A Holland
Holland Capital Mgmt LP
35 W Wacker Dr Ste 3260
Chicago IL 60601
312-553-1000

Mr Eric H Pookrum
INNOVA Securities Inc
3703 Woodsman Court
Suitland MD 20746-1376
301-967-7368

Mr Ronald Jackson
Jackson Partners & Assoc Inc
381 Park Ave S #621
New York NY 10016
800-932-9863

Mr Samuel W Bacote
Jackson Securities Inc
100 Peachtree St NW Ste 2250
Atlanta GA 30303-1912
404-522-5766

Mr John Hsu
John Hsu Capital Group Inc
767 3rd Ave Fl 18
New York NY 10017-2023
212-223-7515

Mr Albert Grace Jr
Loop Capital Markets LLC
175 W Jackson Ste A635
Chicago IL 60604
312-913-4905

Ms Patricia Winans
MAGNA Securities Corp
60 E 42nd St Ste 2530
New York NY 10065
212-547-3740

Ms Patricia Senese
May Davis Group
1 World Trade Center Ste 8735
New York NY 10005
212-775-7400

Mr Philip Y Leung
Montrose Securities Intrntl
50 California St #3270
San Francisco CA 94111
415-399-9955

Mr Neil Lieberman
MR Beal & Company
67 Wall St
New York NY 10005
212-983-3930

Mr Hunter Reynolds
Omni Financial Group LLC
6575 W Loop South Ste 110
Bellaire TX 77401
713-349-9600

Mr David Ormes
Ormes Capital Markets Inc
55 Broadway Fl 10
New York NY 10006
212-361-1320

Mr Miguel Uria
Oro Financial Inc
4037 Tulane Ave #100
New Orleans LA 70119-6829
504-482-4116

Mr Malcolmn Pryor
Pryor Counts & Co Inc
1515 Market St #819
Philadelphia PA 19102
215-569-0274

MINORITY-OWNED UNDERWRITING FIRMS
CERTIFIED BY THE
WISCONSIN DEPARTMENT OF COMMERCE
October 2, 2000 Continued

Mr George W Graham
Ramirez & Co Inc
61 Broadway #2924
New York NY 10006
212-248-0500

Mr Dominic Antoniello
Redwood Securities Group Inc
600 California St Ste 1650
San Francisco CA 94108-2408
415-954-0678

Mr Eric L Small
SBK-Brooks Investment Corp
50 Public Sq 840 Terminal Twr
Cleveland OH 44113
216-861-6950

Ms Suzanne Shank
Siebert Brandford Shank & CO LLC
30 N Lasalle St Ste 2120
Chicago IL 60602
312-759-0400

Ms Barbara M Aaron
Sturdivant & Co Inc
223 Gibbsboro Rd
Clementon NJ 08021
856-627-4500

Ms Maria Markham Thompson
The Chapman Co
401 E Pratt St Fl 28
Baltimore MD 21202
410-625-9656

Mr Christopher J Williams
The Williams Capital Group LP
650 Fifth Ave Fl 10
New York NY 10019
212-830-4500

Mr Matthew Greene
Utendahl Capital Partners LP
30 Broad St Fl 31
New York NY 10004
212-797-2660

OFFICIAL NOTICE OF SALE
(Revised October 27, 2000–Changing the Sale Time)

$199,965,000

STATE OF WISCONSIN

GENERAL OBLIGATION BONDS OF 2000, SERIES D

SEALED AND ELECTRONIC PROPOSALS will be received by the Capital Finance Director, acting on behalf of the State of Wisconsin Building Commission **(Commission)**, at the Reception Area, Administration Building, 101 East Wilson Street – 10th Floor, Madison, Wisconsin, until **9:30 a.m.** (CST) on October 31, 2000, when they will be publicly opened and read, for the purchase of $199,965,000 State of Wisconsin General Obligation Bonds of 2000, Series D **(Bonds)** on the terms and conditions stated below. Sealed proposals must be delivered to the Reception Area. Electronic proposals must be submitted through Bloomberg Services, Dalcomp/Parity, or MuniAuction **(Approved Providers)**. Sealed proposals will be opened, electronic proposals retrieved, and all proposals publicly announced in the Reception Area shortly after the deadline for proposals.

Terms of Bonds. The Bonds will be dated November 1, 2000, and will be payable as to principal either through serial maturities or redemption from mandatory sinking fund payments (as specified by the successful bidder) on May 1 of each year, in the years and principal amounts as follows:

Year	Principal Amount
2012	$ 19,355,000
2013	20,315,000
2014	21,340,000
2015	22,445,000
2016	23,620,000
2017	24,870,000
2018	20,170,000
2019	19,190,000
2020	18,660,000
2021	10,000,000

Each bid must specify whether the principal amount of the Bonds payable on a particular date will be a payment at maturity of a serial bond or a mandatory sinking fund payment of a term bond. The mandatory sinking fund payments of each term bond shall be on one or more consecutive annual payment dates immediately preceding the maturity date of such term bond. The mandatory sinking fund payment (if any) so specified for any year must be equal to the full principal amount of Bonds listed in the table above as payable in that year. The same interest rate specified for the nominal maturity of a term bond must also be specified for all mandatory sinking fund payments of such term bond.

The Bonds will bear interest, payable on May 1, 2001 and semiannually thereafter on the first day of May and November, at such rate or rates per annum as are designated by the successful bidder in its bid. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

Optional Redemption. The Bonds are subject to redemption at the option of the Commission on May 1, 2011 or any date thereafter, in whole or in part, in integral multiples of $5,000. In the event of partial redemption, the Commission shall direct the maturity or maturities and the amount thereof so to be redeemed. The redemption price for Bonds redeemed prior to their stated dates of maturity shall be equal to 100% of the principal amount of the Bonds so redeemed, plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption. The Bonds of certain maturities will be subject to mandatory redemption prior to their respective stated maturity dates, in part, from mandatory sinking fund payments, to the extent the successful bidder so specifies in its bid. In such event, the redemption price shall be equal to 100% of the principal amount of the Bonds so redeemed, plus accrued interest to the date of redemption.

Book-Entry. The Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York **(DTC)**. DTC will act as securities depository of the Bonds. A single Bond certificate for each separate maturity will be issued to DTC and immobilized in its custody. Individual purchases will be made in book-entry-only form pursuant to the rules and procedures established between DTC and its participants, in the principal amount of $5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Bonds purchased. The Bond certificates will be deposited with DTC as a condition of the closing. The State of Wisconsin **(State)** will make payments of principal and interest on the Bonds on the dates set forth above, to DTC or its nominee as registered owner of the Bonds in same-day funds. Transfer of payments to participants of DTC will be the responsibility of DTC; transfer of payments to beneficial owners by DTC participants will be the responsibility of the participants and other nominees of beneficial owners, all as required by rules and procedures of DTC and the participants. No assurance can be given by the State that DTC, its participants, and other nominees of beneficial owners will make prompt transfer of the payments. The State assumes no liability for failures of DTC, its participants, or other nominees to promptly transfer payments to beneficial owners of the Bonds.

Notice to Securities Depository. Notices, if any, given by the State to the securities depository are redistributed in the same manner as are payments. The State assumes no liability for the failure of the securities depository, its participants, or other nominees of beneficial owners to promptly transfer said notices to the beneficial owners of the Bonds. The State is not responsible for supervising the activities or reviewing the records of the securities depository or its direct and indirect participants.

Successor to Securities Depository. In the event that the relationship with the current securities depository is terminated and the Commission does not appoint a successor securities depository, the Commission will prepare, authenticate, and deliver, at its expense, fully registered certificated Bonds in the denominations of $5,000 or any integral multiple thereof, in the aggregate principal amount of Bonds of the same maturities and interest rates then outstanding, to the beneficial owners of the Bonds as identified to the Commission by the securities depository and its participants.

Purpose and Pledge. The Bonds will be issued to finance the cost of various public improvements and grants to local units of government, and to fund a portion of outstanding general obligation commercial paper notes and extendible municipal commercial paper notes. The Bonds will be issued pursuant to Chapter 18 of the Wisconsin Statutes and resolutions adopted by the Commission on June 28, 2000 and October 24, 2000. The Bonds will be direct and general obligations of the State. The full faith, credit, and taxing power of the State will be irrevocably pledged to the payment of the principal of and interest on the Bonds, and there will be irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for the payment of the principal of and interest on the Bonds.

Minority Participation. It is the policy of the Commission to endeavor to ensure that 6% of the Bonds are underwritten by firms that are certified by the State as being minority owned. The Commission urges prospective bidders to obtain from the Commission a list of firms so certified and to include such firms in their bidding group. The Commission further encourages certified minority-owned firms to submit bids directly and to assemble bidding groups for the submission of bids. Minority-owned firms that are not yet certified by the State and wish to be, may contact the Wisconsin Department of Commerce, Bureau of Minority Business Development at 608.267.9550.

Offering of Securities. The State offers to sell these securities by competitive bid. In the jurisdictions of Georgia, Illinois, Louisiana, Nebraska, New York, North Dakota, and Vermont, the State's offer is limited to the following: brokers, dealers, banks, savings institutions, trust companies, insurance companies, investment companies, pension or profit sharing trusts, and other financial institutions.

No Bond Insurance. The award of the Bonds will be made with the understanding that no bond insurance will be used in connection with the primary offering of the Bonds. The successful bidder must certify, prior to the delivery of the Bonds, that no bond insurance policy has been obtained by or on behalf of it or any other member of its underwriting group (whether or not a member of the bidding group) during the "primary offering" of the Bonds (as such term is defined in paragraph (f)(7) of Rule 15c2-12 under the Securities Exchange Act of 1934). This requirement does not prohibit insuring the Bonds in secondary market transactions or with portfolio insurance.

Electronic Bidding. Bidders who intend to submit electronic proposals must submit a signed Agreement About Use of Electronic Bidding Service Provider to the Capital Finance Director prior to the bid opening. The Commission assumes no responsibility or liability for bids submitted through an Approved Provider. If any provisions in this Official Notice of Sale conflict with information provided by an Approved Provider, this Official Notice of Sale shall control. Further information about the electronic bidding service providers, including any fee charged and applicable requirements, may be obtained from:

- Bloomberg Services
  Bloomberg Business Park
  100 Business Park Road
  Skillman, NJ 08588-3629
  New Issues Desk, 609.279.3250
- Dalcomp/Parity
  395 Hudson Street, FLR 3
  New York, NY 10014
  Cheryl Horowitz, 212.806.3898
- MuniAuction
  Allegheny Building
  429 Forbes Ave., Suite 1800
  Pittsburgh, PA 15219
  David Hasenkopf, 412.391.7686

Official Bid Form and Award. Sealed proposals must be made using the Official Bid Form, and all electronic proposals shall be deemed to incorporate the provisions of the Official Bid Form. The Bonds will be awarded at the lowest true interest cost rate to the State. The true interest cost rate for each bid will be determined on the basis of present value by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments to November 1, 2000 and to the price bid. In the event two or more bids specify the same lowest true interest cost rate, then the award will be made to the bidder with the lowest true interest cost rate and the largest minority-owned firm participation, or if such bidders have an equal amount of minority-owned participation, then selection for award will be made among such bidders by the Capital Finance Director by lot.

Each bid shall indicate an interest rate for each maturity and a purchase price for the Bonds. Each interest rate bid must be a multiple of 0.05%. A bid must be for all the Bonds and may be for any purchase price not less than 98.5% of the par amount of the Bonds ($196,965,525) nor greater than 101.5% of the par amount of the Bonds ($202,964,475). There shall be only one interest rate per maturity. The Bonds may not have an initial offering price less than 98.5% of par. The Capital Finance Director, acting on behalf of the Commission, may waive any informality or irregularity in any bid or condition of this Official Notice of Sale and reject any or all bids.

No later than one-half hour after verbal notification of being the apparent high bidder, the "when, as, and if issued" offering prices of all Bonds must be communicated to the Capital Finance Office. In the interest of price transparency in the market, the State encourages the successful bidder to promptly disseminate the initial offering prices for all Bonds.

Bid Deposit. A certified, official, or cashier's check must be provided, or a financial surety bond submitted, for each bid, payable to the order of the State of Wisconsin, in the amount of $4,000,000. If a check is provided, it must accompany the bid. If a financial surety bond is submitted, it must be from an insurance company licensed to issue such a bond in the State of Wisconsin and acceptable to the Capital Finance Director, and such bond must be submitted to the Capital Finance Office prior to the opening of the bids. The financial surety bond must identify each bidder whose deposit is assured by such bond. Each bidder submitting a financial surety bond should determine for itself that the financial surety bond is submitted prior to the bidding deadline. If the bid is awarded to a bidder that has submitted a financial surety bond, the bidder is required to provide the good-faith deposit in immediately available funds not later than 1:30 p.m. (CST) on November 1, 2000. A claim may be made under the financial surety bond in the event that the good-faith deposit is not timely. Bids shall be enclosed in a sealed envelope marked on the outside, in substance, ***Bid for State of Wisconsin General Obligation Bonds of 2000, Series D.***

Good-Faith Deposit. The good-faith deposit of the successful bidder will be cashed. All checks of unsuccessful bidders will be returned immediately upon award of the Bonds. No interest will be allowed on the amount of the good-faith deposit. The proceeds of the good-faith deposit of the successful bidder will be applied to the purchase price of the Bonds. In the event that the successful bidder should fail to take up and pay for the Bonds in compliance with the terms of its bid, the Commission, at its option, may retain the good-faith deposit as liquidated damages or, at its further option, may retain the good-faith deposit as partial payment of actual damages or as security for any other remedy available to the Commission. The amount of the good-faith deposit is to be returned to the successful bidder on the failure of the Commission to perform in accordance with the terms of this Official Notice of Sale and the bid. All bids shall remain firm for five hours after the time specified for the opening of bids, and an award of the Bonds, or rejection of all bids, will be made by the Capital Finance Director within said period of time.

Certification of Price. The successful bidder shall certify, prior to delivery of the Bonds, the "issue price" of the Bonds awarded to such bidder as defined in Section 1274 of the Internal Revenue Code of 1986, as amended.

Closing and Delivery. The closing will be at or about 9:30 a.m. (EST), on or about November 16, 2000. The Bonds will be delivered to DTC no later than the day prior to the closing. Payment for the Bonds must be made by wire in immediately available funds for credit at Firstar Bank, National Association at said date and time. Should delivery be delayed beyond 45 days from the date of sale for any reason beyond the control of the State except failure of performance by the successful bidder, the State may cancel the award or the successful bidder may demand return of its good-faith deposit and thereafter its interest in and liability for the Bonds will cease.

Bond Opinion. The legality of the Bonds will be approved by Foley & Lardner, bond counsel, whose unqualified approving opinion will be furnished to the successful bidder without cost upon the delivery of the Bonds. There will also be furnished upon the delivery of the Bonds the usual closing papers, including a certificate stating that there is no litigation pending or threatened affecting the validity of or security for the Bonds and a certificate to the effect that the Official Statement prepared in connection with the sale of the Bonds, as of the date of the Official Statement and as of the date of delivery of the Bonds, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Tax Exemption. Under existing law interest on the Bonds is excluded from gross income for federal income tax purposes. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

Continuing Disclosure. In order to assist bidders in complying with Section (b)(5) of Rule 15c2-12 under the Securities Exchange Act of 1934, the State has executed a Master Agreement on Continuing Disclosure and an Addendum Describing Annual Report for General Obligations and will execute a Supplemental Agreement specifically for the Bonds **(Continuing Disclosure Documents)**. The Continuing Disclosure Documents are available to prospective bidders and will be included in the closing papers.

CUSIP Numbers. The Bonds will contain CUSIP identification numbers, but such numbers shall not constitute a part of the contract for the purchase of the Bonds, and any error or omission with respect thereto shall not constitute cause for refusal by the purchaser to accept delivery of and pay for the Bonds in accordance with the terms of the purchaser's bid.

Bidding Documents. The Preliminary Official Statement, which is available electronically at the web site shown below, is in a form which the Commission "deems final" as of October 19, 2000 for purposes of Section (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934 but is subject to revision, amendment, and completion in a final official statement as defined in Section (e)(3) of such rule. The Preliminary Official Statement, Official Bid Form, Agreement About Use of Electronic Bidding Service Provider, and Continuing Disclosure Documents may be obtained from the world wide web at:

www.doa.state.wi.us/debf/capfin/pos.asp

Paper copies of these documents may be obtained from the Capital Finance Office, Department of Administration, Administration Building, 101 East Wilson Street – 10th Floor, Madison, Wisconsin 53702, 608.266.2305, 608.267.7399, or 608.267.0374.

Final Official Statements. The Commission will furnish to the successful bidder, without cost, up to 1,000 copies of the final Official Statement within seven business days after the award of the Bonds.

Dated: October 24, 2000

Frank R. Hoadley
Capital Finance Director

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

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

FORWARD

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

November 17, 2000

The Honorable Donald J. Schneider
Senate Chief Clerk
1 East Main Street, Suite 402
Madison, WI 53707

The Honorable Charles Sanders
Assembly Chief Clerk
1 East Main Street, Suite 402
Madison, WI 53708

Dear Chief Clerk Schneider and Chief Clerk Sanders:

This report is transmitted as required by sec. 20.002(11)(f), Wis. Stats. (for distribution to the appropriate standing committees under sec. 13.172(3), Wis. Stats.), and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative balances during the month of October 2000.

On October 1, 2000 the **Wisconsin Health Education Loan Repayment Fund** balance was -$5 thousand. This shortfall increased to -$7 thousand on October 19, 2000, decreased to -$2 thousand on October 24, 2000, and continued into the month of November. As of the date of this letter, it is expected to be resolved soon. This shortfall was due to the timing of revenues.

On October 1, 2000 the **Utility Public Benefits Fund** balance was -$2 thousand. This shortfall increased to -$905 thousand on October 24, 2000, to -$1.38 million on October 31, 2000, and continued into the month of November. This shortfall was due to the timing of revenues.

On October 26, 2000 the **University Trust-Income Fund** balance was -$61 thousand. This shortfall increased to -$91 thousand on October 30, 2000, and continued until October 31, 2000 when the balance reached $289 thousand.

The Wisconsin Health Education Loan Repayment Fund, Utility Public Benefits Fund, and University Trust-Income Fund shortfalls were not in excess of the statutory interfund borrowing limitation and did not exceed the balances of the Funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority.

Sincerely,

George Lightbourn
Secretary

DEPARTMENT OF ADMINISTRATION
FINANCE & PROGRAM MANAGEMENT
DOA-6039 (C4/90)

S.20.907(lm)

This Report must be filed on an annual basis no later than December 1 with the Joint Committee on Finance and the DOA, Division of Finance & Program Management, Bureau of Finance.

REPORT OF NON-FEDERAL GIFT AND GRANT EXPENDITURES

See reverse for complete reporting requirements.

FISCAL YEAR 00	CODES	TITLE Gifts and Grants
DEPARTMENT	225	Educational Communications Board
FUND	100	

PROGRAM/PURPOSE	FY 00 EXPENDITURES
Public Television	
Broadcasting	623,105
Programming	1,806,969
Promotion	114,883
Fundraising	309,573
Public Radio	
Broadcasting	381,903
Programming	1,649,812
Fundraising	43,906
TOTAL EXPENDITURES	$4,930,150

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IN-KIND CONTRIBUTIONS	IN-KIND CONTRIBUTIONS
Legal Services	
Accounting Services	
Car Rental	
Instructional TV Programming	
Services and Supplies from local CESA to support instructional programs	
Broadcast Services	

REPORT OF NON-FEDERAL GIFT AND GRANT EXPENDITURES

This section was created by 1989 Wisconsin Act 50.

SECTION 1. 20.907(lm) of the statutes is created to read:
20.907(lm) Reporting. State agencies shall, by December 1 annually, submit a report to the joint committee on finance and the department of administration on expenditures made by the agency during the preceding fiscal year from nonfederal funds received as gifts, grants, bequests or devises. The department of administration shall prescribe a form, which the department may modify as appropriate for the various state agencies, that each state agency must use to report its expenditures as required under this subsection. The form shall require the expenditures to be reported in aggregate amounts as determined by the department of administration. The report shall also include a listing of in-kind contributions, including goods and services, received and used by the state agency during the preceding fiscal year.

INSTRUCTIONS

This report must be submitted on an annual basis, no later than December 1, to the Joint Committee on Finance and to the Department of Administration, Division of Finance & Program Management.

Computer reports will be accepted providing the information is formatted as the form prescribes.

A separate form/report must be prepared for each fund.

PROGRAM is a broad category of similar services for an identifiable group or segment for a specific purpose.

PURPOSE is a breakdown of the program into units which identifies more specifically services or segments of the program.

PRIOR FY EXPENDITURES must reflect aggregate expenditures related to the program/purpose as listed in the first column.

IN-KIND CONTRIBUTIONS should be listed as they relate to a specific program/purpose. Values should not be listed for in-kind contributions.

"In-Kind Contributions" includes but is not limited to donations of appliances creations, animals, vehicles, equipment, contrivances, fixtures, furniture, materials, tools, supplies, fuels, utilities, rental fees, real property, buildings, structures, services such as training, supervision, administration, professional or technical support, transportation, or insurance liability coverage.

TOMMY G. THOMPSON
GOVERNOR
GEORGE LIGHTBOURN
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WISCONSIN DEPARTMENT OF
ADMINISTRATION

December 13, 2000

The Honorable Brian Burke, Co-Chair
The Honorable John Gard, Co-Chair
Members of the Joint Committee on Finance
113 South, State Capitol
Madison, Wisconsin 53702

Dear Senator Burke, Representative Gard, and Members:

In accordance with sec. 16.531(1), Wis. Stats., we are submitting a report for the next quarter on the use of the authorities conferred in sec. 16.53(10)(a), Wis. Stats., sec. 20.002(11)(a), Wis. Stats., and Subch. III of Chapter 18, Wis. Stats., related to cash flow management and the issuance of operating notes.

The following cash forecasts are based on the General Fund condition statement as estimated by the Legislative Fiscal Bureau in its January 24, 2000 letter adjusted for legislation subsequently enacted into law.

General Fund Cash Forecast
January - March 2001
($ in millions)

Month	Beginning Balance	Receipts	Disbursements
January	$ 467.8	$1,939.0	$1,196.5
February	1,210.3	1,387.2	1,231.1
March	1,366.4	1,550.0	2,192.2
April	724.2		

The General Fund will experience low balances during the period between December 4th and December 21st. During this period it may become necessary to exercise the authority granted under sec. 20.002(11)(a), Wis. Stats., pertaining to the temporary reallocation of certain eligible surplus moneys. It is not anticipated that the authority to delay payments, granted under sec. 16.53(10)(a), Wis. Stats., will be utilized.

Sincerely,

George Lightbourn
Secretary

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BY:

WISCONSIN DEPARTMENT OF
ADMINISTRATION

TOMMY G. THOMPSON
GOVERNOR
GEORGE LIGHTBOURN
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December 13, 2000

Jt. Fin

The Honorable Donald J. Schneider
Senate Chief Clerk
1 East Main Street, Suite 402
Madison, WI 53707

The Honorable Charles Sanders
Assembly Chief Clerk
1 East Main Street, Suite 402
Madison, WI 53708

Dear Chief Clerk Schneider and Chief Clerk Sanders:

This report is transmitted as required by sec. 20.002(11)(f), Wis. Stats. (for distribution to the appropriate standing committees under sec. 13.172(3), Wis. Stats.), and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative balances during the month of November 2000.

On November 1, 2000 the **Wisconsin Health Education Loan Repayment Fund** balance was -$2 thousand. This shortfall increased to -$8 thousand on November 9, 2000, to -$9 thousand on November 15, 2000, and continued into the month of December. As of the date of this letter, it is expected to be resolved soon. This shortfall is due to the timing of revenues.

On November 1, 2000 the **Utility Public Benefits Fund** balance was -$1.38 million. This shortfall increased to -$2.40 million on November 14, 2000, to -$3.63 million on November 30, 2000, and continued into the month of November. As of the date of this letter, it is expected to be resolved soon. This shortfall is due to the timing of revenues. Dec

On November 1, 2000 the **University Trust-Income Fund** balance was -$40 thousand. This shortfall increased to -$131 thousand on November 3, 2000, and continued until November 6, 2000 when the balance reached $1.56 million. This shortfall was due to the timing of revenues.

The Wisconsin Health Education Loan Repayment Fund, Utility Public Benefits Fund, and University Trust-Income Fund shortfalls were not in excess of the statutory interfund borrowing limitation and did not exceed the balances of the Funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority.

Sincerely,

George Lightbourn
Secretary

R-1

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
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WISCONSIN DEPARTMENT OF
ADMINISTRATION

RECEIVED
DEC 14 2000
BY:

December 15, 2000

The Honorable Brian Burke
State Senate
316 South, State Capitol
Madison, WI 53702

The Honorable John Gard
State Assembly
315 North, State Capitol
Madison, WI 53702

Dear Senator Burke and Representative Gard:

Attached is our report as required under s. 16.50, Wisconsin Statutes, on the number of federally funded positions approved during the July 1 to September 30, 2000 quarter. Also shown are changes in positions approved by the UW-System and by the Legislature during the same period. There were 121.85 federal positions approved and 66.89 deleted for a net increase of 55.27.

Of the new federal positions created, the University of Wisconsin received 99.60 FTE, the Department of Health and Family Services received 16.75 FTE and the Department of Natural Resources received 3.0 FTE.

Also attached is our report on the surplus positions created for the same quarter.

We would be happy to answer any questions you may have on these reports.

Sincerely,

George Lightbourn
Secretary

Attachments (2)

REPORT ON POSITIONS AUTHORIZED - JULY 1 to SEPTEMBER 30, 2000

Agency	Budgeted Positions for FY00*6/30/2000	Approved Under s. 16.50 Adds	Approved Under s. 16.50 Deletes	UW Approved Adds	UW Approved Deletes	JFC or Misc. Leg.* Adds	JFC or Misc. Leg.* Deletes	Totals as of 09/30/2000
Administration	1,122.68							1,127.68
GPR	173.11							173.11
PRO/PRS	873.46							873.46
Federal	69.41							69.41
SEG	6.70					5.00		11.70
Adolescent Pregnancy Prevention and Pregnancy Services Board	1.50							1.50
GPR	1.50							1.50
Aging and Long-Term Care	27.90							27.90
GPR	10.65							10.65
PRO/PRS	17.25							17.25
Agriculture, Trade & Consumer Protection	734.16							734.16
GPR	292.61							292.61
PRO/PRS	298.97							298.97
Federal	68.33							68.33
SEG	74.25							74.25
Arts Board	12.75							12.75
GPR	5.00							5.00
PRO/PRS	1.75							1.75
Federal	6.00							6.00
Child Abuse & Neglect Prevention Board	4.00							4.00
PRO/PRS	4.00							4.00
Circuit Court	509.00							509.00
GPR	509.00							509.00

REPORT ON POSITIONS AUTHORIZED - JULY 1 to SEPTEMBER 30, 2000

Agency	Budgeted Positions for FY00*6/30/2000	Approved Under s. 16.50 Adds	Approved Under s. 16.50 Deletes	UW Approved Adds	UW Approved Deletes	JFC or Misc. Leg.* Adds	JFC or Misc. Leg.* Deletes	Totals as of 09/30/2000
Commerce	507.05							509.55
GPR	80.40							80.40
PRO/PRS	299.75	1.50						301.25
Federal	29.20							29.20
SEG	97.70					1.00		98.70
Corrections	8,866.95							9,116.47
GPR	7,418.30					243.02		7,661.32
PRO/PRS	1,444.65	6.50						1,451.15
FED	4.00							4.00
Court of Appeals	75.50							75.50
GPR	75.50							75.50
District Attorneys	397.60							404.05
GPR	375.60							375.60
PRO/PRS	22.00	6.45						28.45
Educational Communications Board	94.50							94.50
GPR	61.75							61.75
PRO	32.75							32.75
Elections Board	13.00							13.00
GPR	13.00							13.00
Employe Trust Funds	203.85							203.85
GPR	3.50							3.50
SEG	200.35							200.35
Employment Relations Commission	31.50							31.50
GPR	28.50							28.50
PR	3.00							3.00

REPORT ON POSITIONS AUTHORIZED - JULY 1 to SEPTEMBER 30, 2000

Agency	Budgeted Positions for FY00*6/30/2000	Approved Under s. 16.50 Adds	Approved Under s. 16.50 Deletes	UW Approved Adds	UW Approved Deletes	JFC or Misc. Leg.* Adds	JFC or Misc. Leg.* Deletes	Totals as of 09/30/2000
Employment Relations Department	86.00							86.00
GPR	80.05							80.05
PRO/PRS	5.95							5.95
Ethics Board	6.50							6.50
GPR	3.00							3.00
PRO/PRS	3.50							3.50
Financial Institutions	168.50							168.50
PR	168.50							168.50
Governor's Office	48.05							48.05
GPR	48.05							48.05
Health and Family Services	6,291.35							6,349.95
GPR	1,886.05					14.00		1,900.05
PRO/PRS	3,387.00					27.85		3,414.85
Federal	1,010.30	16.75						1,027.05
SEG	8.00							8.00
Higher Educational Aids Board	13.00							13.00
GPR	12.36							12.36
PR	0.00							0.00
SEG	0.64							0.64
FED	0.00							0.00

REPORT ON POSITIONS AUTHORIZED - JULY 1 to SEPTEMBER 30, 2000

Agency	Budgeted Positions for FY00*6/30/2000	Approved Under s. 16.50 Adds	Approved Under s. 16.50 Deletes	UW Approved Adds	UW Approved Deletes	JFC or Misc. Leg.* Adds	JFC or Misc. Leg.* Deletes	Totals as of 09/30/2000
Historical Society	180.73							181.73
GPR	144.75							144.75
PRO/PRS	26.13							26.13
Federal	6.60	1.00						7.60
SEG	3.25							3.25
Insurance	134.00							134.00
PRO	120.25							120.25
SEG	13.75							13.75
Investment Board	104.50							104.50
PRO	104.50							104.50
Judicial Commission	2.00							2.00
GPR	2.00							2.00
Justice	567.90							567.90
GPR	415.15						-2.75	412.40
PRO/PRS	137.25							137.25
Federal	15.50							15.50
SEG	0.00					2.75		2.75
Legislature	580.00							580.00
Legislators - GPR	132.00							132.00
Assembly Staff - GPR	253.50							253.50
Senate Staff - GPR	194.50							194.50
Legislative Technology Services- GPR	24.00							24.00
Retirement Committee - GPR	3.00							3.00
Revisor of Statutes - GPR	11.00							11.00

REPORT ON POSITIONS AUTHORIZED - JULY 1 to SEPTEMBER 30, 2000

Agency	Budgeted Positions for FY00*6/30/2000	Approved Under s. 16.50 Adds	Approved Under s. 16.50 Deletes	UW Approved Adds	UW Approved Deletes	JFC or Misc. Leg.* Adds	JFC or Misc. Leg.* Deletes	Totals as of 09/30/2000
Legislative Reference Bureau - GPR	56.00							56.00
Legislative Audit Bureau	89.80							89.80
GPR	68.00							68.00
PRS	21.80							21.80
Legislative Fiscal Bureau - GPR	35.00							35.00
Legislative Council - GPR	35.17							35.17
Lieutenant Governor's Office	7.75							7.75
GPR	7.75							7.75
Lower Wisconsin State Riverway Board	2.00							2.00
SEG	2.00							2.00
Military Affairs	386.53							386.53
GPR	121.65							121.65
PRO/PRS	28.60							28.60
Federal	236.28							236.28
Natural Resources	2,964.77							2,972.27
GPR	512.78							512.78
PRO/PRS	276.14							276.14
Federal	466.46	3.00						469.46
SEG	1,709.39					4.50		1,713.89
Personnel Commission	10.00							10.00
GPR	10.00							10.00
Public Defender	527.55							527.55
GPR	523.55							523.55
PRO/PRS	4.00							4.00

REPORT ON POSITIONS AUTHORIZED - JULY 1 to SEPTEMBER 30, 2000

Agency	Budgeted Positions for FY00*6/30/2000	Approved Under s. 16.50 Adds	Approved Under s. 16.50 Deletes	UW Approved Adds	UW Approved Deletes	JFC or Misc. Leg.* Adds	JFC or Misc. Leg.* Deletes	Totals as of 09/30/2000
Public Instruction	645.30							645.80
GPR	334.37							334.37
PRO/PRS	78.42							78.42
Federal	232.51	0.50						233.01
Public Lands	11.00							11.00
PR	11.00							11.00
Public Service Commission	192.50							192.50
PRO/PRS	191.50							191.50
Federal	1.00							1.00
Regulation and Licensing	137.50							137.50
PRO	137.50							137.50
Revenue	1,306.20							1,306.20
GPR	1,095.25							1,095.25
PRO/PRS	76.95							76.95
Federal	0.00							0.00
SEG	134.00							134.00
Secretary of State	8.50							8.50
PRO	8.50							8.50
State Fair Park Board	51.20							51.20
PRO	51.20							51.20
State Treasurer	18.50							19.50
GPR	1.00							1.00
PRO/PRS	15.50	1.00						16.50
SEG	2.00							2.00

REPORT ON POSITIONS AUTHORIZED - JULY 1 to SEPTEMBER 30, 2000

Agency	Budgeted Positions for FY00*6/30/2000	Approved Under s. 16.50 Adds	Approved Under s. 16.50 Deletes	UW Approved Adds	UW Approved Deletes	JFC or Misc. Leg.* Adds	JFC or Misc. Leg.* Deletes	Totals as of 09/30/2000
Supreme Court	196.50							196.50
GPR	111.50							111.50
PRO/PRS	79.00							79.00
SEG	5.00							5.00
FED	1.00							1.00
TEACH	6.00							6.00
GPR	6.00							6.00
Transportation	3,913.95							3,913.95
PRO/PRS	16.00							16.00
Federal	951.57							951.57
SEG	2,946.38							2,946.38
Tourism	62.25							62.25
GPR	58.25							58.25
PR	1.00							1.00
SEG	3.00							3.00
University of Wisconsin	28,359.66							28,540.31
GPR	18,326.94							18,326.94
PRO/PRS	6,321.65	9.00		137.29	-11.34			6,456.60
Federal	3,625.38			99.60	-66.89			3,658.09
SEG	85.69			49.27	-36.28			98.68
U.W. Hospitals & Clinic Board	1,556.71							1,556.71
PR	1,556.71							1,556.71
Veterans Affairs	905.30							905.30
GPR	8.80							8.80
PRO/PRS	744.24							744.24
SEG	146.76							146.76
FED	5.50							5.50

REPORT ON POSITIONS AUTHORIZED - JULY 1 to SEPTEMBER 30, 2000

Agency	Budgeted Positions for FY00*6/30/2000	Approved Under s. 16.50 Adds	Approved Under s. 16.50 Deletes	UW Approved Adds	UW Approved Deletes	JFC or Misc. Leg.* Adds	JFC or Misc. Leg.* Deletes	Totals as of 09/30/2000
Wisconsin Technical College System	82.05							82.05
GPR	39.40							39.40
PRO/PRS	12.00							12.00
Federal	30.65							30.65
Workforce Development	2,443.70							2,444.70
GPR	301.17							301.17
PRO/PRS	681.32							681.32
Federal	1,453.71	1.00						1,454.71
SEG	7.50							7.50
TOTALS	64,833.86	46.70	0.00	286.16	-114.51	298.12	-2.75	65,347.58
GPR	33,910.41	0.00	0.00	0.00	0.00	257.02	-2.75	34,164.68
PRO/PRS	17,263.69	24.45	0.00	137.29	-11.34	27.85	0.00	17,441.94
Federal	8,213.40	22.25	0.00	99.60	-66.89	0.00	0.00	8,268.36
SEG	5,444.36	0.00	0.00	49.27	-36.28	13.25	0.00	5,470.60

REPORT ON SURPLUS POSITIONS AUTHORIZED
JULY 1 to SEPTEMBER 30, 2000

Agency	C Unclassified Service Leaves	D, E Medical, Education or Personal Leaves	A, B, I, X Double-filled Positions	Reason for Double-fill
Commerce				
GPR		+1.0		Leave of Absence
Corrections				
GPR			+2.0	Sebbatical; Medical Leave
PR			+1.0	Understudy
District Attorneys				
GPR		+3.0		Leave of Absence
Health and Family Services				
GPR			+2.0	
PR			+10.0; -1.0	
FED			+2.0	
Historical Society				
GPR			+1.0	Retirement Training
Natural Resources				
GPR			-1.0	
PR				
SEG				
Public Instruction				
GPR			-1.0	
Transportation				
SEG			+4.0	Training
Veteran's Affairs				
GPR			+1.0	Retirement

REPORT ON SURPLUS POSITIONS AUTHORIZED

JULY 1 to SEPTEMBER 30, 2000

Agency	C Unclassified Service Leaves	D, E Medical, Education or Personal Leaves	A, B, I, X Double-filled Positions	Reason for Double-fill
Workforce Development				
GPR				
FED			+1.0	Retirement training

Pool Code Types

A= Understudy, 3 months or longer.

B= Overlap replacement, less than 3 months for on-the-job training.

C= Leave of absence replacement. Temporary hire during permanent employe's authorized leave to unclassified service.

D= Leave-of-absence designation when permanent employe's authorized leave is less than 12 months.

E= Leave-of-absence replacement. Temporary hire during permanent employe's authorized leave which is expected to last more than 12 months.

I= Extended illness or worker's compensation (employe using accumulated sick leave or being paid through worker's compensation).

X= DOA approved hire in anticipation of attrition (high turnover positions).

TOMMY G. THOMPSON
GOVERNOR
GEORGE LIGHTBOURN
SECRETARY
Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
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WISCONSIN DEPARTMENT OF
ADMINISTRATION

December 21, 2000

The Honorable Brian Burke, Co-Chair
Joint Committee on Finance
316 South State Capitol
Madison, WI 53702

The Honorable John Gard, Co-Chair
Joint Committee on Finance
315 North State Capital
Madison, WI 53702

Dear Senator Burke and Representative Gard:

Re: Report on Wisconsin Energy Initiative-Energy Conservation Audits and Construction Projects

In accordance with Wisconsin Statutes s. 16.858(4), attached is a report on construction work (underway and/or anticipated) and estimated energy cost savings expected to be realized by the State.

Questions regarding this report and future anticipated energy cost savings should be directed to David P. Schmiedicke, Administrator, Division of Facilities Development at (608) 266-1031.

Sincerely,

George Lightbourn
Secretary

Attachment

cc: David P. Schmiedicke

DOA STATUS REPORT	11/08/2000		WISCONSIN ENERGY INITIATIVE						
HONEYWELL INC,									
NAME OF PROJECT	PROJECT COST	COSTS COMPLETED TO DATE	ANNUAL LEASE PAYMENT	ON-GOING SERVICE COSTS	FIRST PAYMENT DATE	TERM OF LEASE CONTRACT	ESTIMATED (*) ANNUAL SAVINGS	ANNUAL MMBTU SAVINGS	ANNUAL WATER SAVINGS (GALS. IN MIL)
Northern Wisconsin Center (DHFS) I	$ 295,404	$ 295,404	$ 33,880	$ -	09/01/1998	12yr	$ 33,880	2150	
UW Eau Claire I	$ 1,312,442	$ 1,312,442	$ 150,280	$ -	09/01/1998	12yr	$ 150,280	7500	
UW Marshfield	$ 237,200	$ 237,200	$ 23,341	$ 1,754	03/01/1999	15yr	$ 25,095	3431	
UW Barron County (1)	$ 189,830	$ 189,830	$ 9,864	$ 9,690	09/01/1999	15yr	$ 19,554	4333	
State Patrol Academy (DOT)	$ 259,746	$ 259,746	$ 28,932	$ 1,118	09/01/1999	12yr	$ 30,050	4509	0.87
Camp Williams (DMA)	$ 65,492	$ 65,492	$ 8,436	$ 1,643	09/01/1999	10yr	$ 10,079	471	
Northern Wisconsin Center (DHFS) II	$ 467,652	$ 467,652	$ 44,460	$ 8,730	09/01/1999	15yr	$ 53,190	9777	
UW Marathon County	$ 331,190	$ 331,190	$ 31,506	$ 7,454	09/01/1999	15yr	$ 38,960	9159	
UW River Falls	$ 1,034,653	$ 1,034,653	$ 97,884	$ 5,418	09/01/1999	15yr	$ 103,302	4485	19.1
UW Stout	$ 881,124	$ 881,124	$ 85,985	$ 3,837	03/01/2000	15yr	$ 89,822	4082	15.2
UW Stevens Point	$ 977,977	$ 977,977	$ 96,495	$ 2,766	03/01/2000	15yr	$ 99,261	7016	18.4
UW Superior	$ 1,633,452	$ 1,633,452	$ 163,601	$ 18,050	03/01/2000	15yr	$ 181,651	17529	8.6
Lincoln Hills School (DOC)	$ 371,264	$ 371,264	$ 37,179	$ 2,190	03/01/2000	15yr	$ 39,369	1770	
UW Richland Center	$ 120,254	$ 120,254	$ 12,273	$ 1,153	03/01/2000	15yr	$ 13,426	2375	
UW Platteville	$ 1,678,089	$ 1,675,000	$ 167,009	$ 4,612	09/01/2000	15yr	$ 171,621	18337	19.9
UW Eau Claire II	$ 1,104,717	$ 1,104,717	$ 111,995	$ 8,341	09/01/2000	15 yr	$ 120,336	6430	27.6
UW Marathon County II (2)	$ 280,968	$ 275,000	$ 17,011	$ 4,093	09/01/2000	15yr	$ 21,104	3212	
Totals	$ 11,241,454	$ 11,232,397	$ 1,120,131	$ 80,849			$ 1,200,980	106566	109.67

(*)Estimated annual utility savings includes the savings necessary to fund any on-going support service and M&V costs
(1) The UW Barron County project includes an $82,542 capital contribution from the County
(2) Includes $118,000 capital contribution from the County

WEI III Projects in Approval Process		Comments
UW Lacrosse	$ 325,000	Revised project in local review proceess. Meeting at site on 7/10/00 with facilities personnel
Jackson Correctional	$ 85,232	ICC has been signed locally awaiting final sign-off from Bob Brandherm
Totals	$ 410,232	

New WEI III Site Visits	
Dept. of Administration	Commenced site survey and solution development at DOA buildings in Eau Claire and Lacrosse
UW Eau Claire-co-firing boilers	Commenced field feasability study.Visited NSP site in Ashland,WI.

DOA STATUS REPORT   October 1, 2000   WISCONSIN ENERGY INITIATIVE

JOHNSON CONTROLS

NAME OF PROJECT	INVESTMENT	COMPLETED TO DATE	LEASE PAYMENT YEARLY*	FIRST PAYMENT DATE	TERM OF LEASE CONTRACT	ANNUAL DOLLAR SAVINGS**	ANNUAL MMBTU SAVINGS
UW-Rock	$221,260	$221,260	$24,432	Sep-99	10 yr	$24,764	stipulated
UW-Parkside	$ 1,726,000	$1,726,000	$ 172,383	01-Mar-00	15 yr	$ 172,383	19,401
Waupun Correctional	$ 1,192,500	$1,117,800	$ 122,194	01-Mar-00	15 yr	$ 122,194	20,717
UW-Milwk 1	$1,840,200	1,653,677	$187,893	Sep-00	15 yr	$187,893	30,895
UW-Madison Biotron	$373,000	74,600	$38,149	Sep-00	15 yr	$38,149	4,905
UW-Madison Charter I	$2,847,000	1,505,400	$281,195	Mar-01	15 yr	$312,000	stipulated
UW-Madison Charter II	$7,250,000	4,000,000	$716,074	Sep-00	15 yr	$730,000	stipulated
UW-Milwk II	$2,507,600	866,340	$247,673	Mar-00	15 yr	$247,673	43,668
Winnebago Mental Health	$680,600	196,307	$67,222	Mar-00	15 yr	$67,222	stipulated
UW-Milwk III	$1,743,000	587,939	$172,207	Mar-00	15 yr	$172,207	27,081
UW-Milwk IV	$1,347,500	0	$137,500	Sep-01	15 yr	$142,728	7,537
UW-Waukesha	$394,414	0	$40,245	Sep-01	15 yr	$40,245	stipulated
TOTALS	$ 22,123,074					$ 2,257,458	

*semi-annual payments have been annualized for this report. Exact lease payment figures need to be verified with DOA Capital Finance

**based on energy rates at time of proposal acceptance

AUDIT PROJECTS

UW-Oshkosh

Mendota Mental Health

UW Health

WISCONSIN DEPARTMENT OF
ADMINISTRATION

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
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TTY (608) 267-9629

RECEIVED
JAN 04 2001
BY:

December 22, 2000

The Honorable Brian Burke, Co-chair
Joint Committee on Finance
316 South, State Capitol
Madison, WI 53702

The Honorable John Gard, Co-chair
Joint Committee on Finance
315 North, State Capitol
Madison, WI 53702

Dear Senator Burke and Representative Gard:

As you are aware, the Joint Committee on Finance at its July 12, 2000, meeting under s. 13.10, approved use of $2,000,000 General Fund Supported Borrowing for rehabilitation of the Milwaukee Amtrak Depot/Office Building. This funding will match federal grant funds in support of the $3,978,500 rehabilitation project. Subsequently, on October 24, 2000, the State Building Commission approved purchase of the depot as part of the rehabilitation project. The Commission authorized a purchase price of $1,400,000.

State and federal funds remaining after purchase of the building will be utilized for renovation of the facility in support of rail passenger service.

On behalf of the State Building Commission, I appreciate your acceptance of this notification. If you have any questions regarding this matter, please contact David Schmiedicke, Administrator, DOA Division of Facilities Development.

Sincerely,

George Lightbourn
George Lightbourn
Secretary

Enclosures

Cc: Members, Joint Committee on Finance
Bob Lang

State of Wisconsin \ BUILDING COMMISSION

Tommy G. Thompson
Governor

Robert N. Brandherm
Secretary

101 E. WILSON ST.
P.O. BOX 7866
MADISON, WISCONSIN 53707

NOTICE:

STATE OF WISCONSIN BUILDING COMMISSION

Additional Item
December 20, 2000

OTHER BUSINESS

14. Milwaukee Amtrak Depot/Office Building – Approval of a notification to the Joint Committee on Finance concerning the use of funds for purchase and renovation of the Milwaukee Amtrak Depot/Office Building. At its July 12, 2000, meeting, the Committee approved use of $2,000,000 General Fund Supported Borrowing to match federal funding for rehabilitation of the depot. The Building Commission, at its October 24, 2000, meeting authorized purchase of the facility as part of the rehabilitation project. The Legislative Fiscal Bureau has recommended that the Commission formally notify the Committee of this action.

Building Commission Minutes of October 24, 2000

25. Milwaukee Amtrak Depot/Office Building - Request authority to purchase the Amtrak Depot/Office Building located at 433 W. St. Paul Avenue in Milwaukee from CMC Heartland Partners at a purchase price of $1,400,000 General Fund Supported Borrowing. An appraisal valued the property at $1,200,000 in its current condition. The appraisal also determined that the current value of the property would be $1,600,000 after renovation. The purchase price is the average of the two dollar values in the appraisal. MOVED BY GOVERNOR THOMPSON, SECONDED BY MR. STYZA TO APPROVE THE REQUEST. MOTION CARRIED.	Deferred to the Full Commission.	Approved the request. 7-0-1 Senator Wirch was not in attenance.