

**Committee Name:**  
**Joint Committee – Finance**  
**(JC–Fi)**

**Appointments**

99hr\_JC–Fi\_Appt\_pt00

**Committee Hearings**

99hr\_JC–Fi\_CH\_pt00

**Committee Reports**

99hr\_JC–Fi\_CR\_pt00

**Clearinghouse Rules**

99hr\_JC–Fi\_CRule\_99–

**Executive Sessions**

99hr\_JC–Fi\_ES\_pt00

**Hearing Records**

99hr\_ab0000

99hr\_sb0000

**Misc.**

99hr\_JC–Fi\_\_Misc\_\_s.13.10\_pt10c2

**Record of Committee Proceedings**

99hr\_JC–Fi\_RCP\_pt00

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

TOMMY G. THOMPSON  
GOVERNOR

GEORGE LIGHTBOURN  
ACTING SECRETARY



VIII

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

**Date:** December 15, 1999

**To:** Members, Joint Committee on Finance

**From:** George Lightbourn, Acting Secretary  
Department of Administration

A handwritten signature in cursive script, appearing to read "George Lightbourn".

**Subject:** Section 13.10 Requests from the Department of Agriculture, Trade, and Consumer Protection for Permanent Funding of the Integrated Pest Management in Schools Pilot Program

### Request

The department requests position authority for 1.0 FTE SEG permanent position and a supplement of \$34,000 SEG in fiscal year 1999-2000 and \$117,300 SEG in fiscal year 2000-2001 from the Committee's appropriation under s. 20.865(4)(u) to the department's pesticide regulation and administration of agricultural chemical cleanup program appropriation under s. 20.115 (7)(u). The request provides permanent funding for an Integrated Pest Management (IPM) program in elementary and secondary schools.

### Revenue Sources

The department is authorized to use revenue collected from various pesticide license fees and surcharges deposited in the agrichemical management fund to support pesticide regulatory oversight and cleanup. In 1999 Wisconsin Act 9, the fund provided \$2.2 million in appropriation s. 20.115 (7)(u) for pesticide regulation and the administration of agricultural chemical cleanup program and has an estimated ending balance of \$3.0 million at the end of fiscal year 2001. Adequate resources from the fund are available to fund the request.

### Background

Public concern over the use of pesticides in school buildings and on school grounds and its long-term health risks to children resulting from pesticide exposure have increased significantly in the past few years. Based on a survey conducted by DATCP, 30% of public school personnel apply pesticides indoors and 47% of public school personnel apply pesticides outdoors. Half of the school personnel who apply pesticides have no formal training in pesticide application. Pesticide use, while an effective pest

management strategy, can be harmful to humans and the environment. Improper pesticide applications can expose students, teachers, and others using school facilities and grounds to harmful toxic chemicals and increase their vulnerability to long-term health risks. As such, many parents, health organizations, and environmental groups are advocating other means of pest control as well as the elimination of pesticide use in schools.

In 1998, DATCP received federal funding from the US Environmental Protection Agency (EPA) to implement an Integrated Pest Management (IPM) in Schools pilot program to address pesticide use in schools. The program assists Wisconsin's public and private K-12 schools in developing better pest management practices and provides training to school staff on ways to minimize harmful pesticide exposure to children. Additional federal funds from EPA were provided in 1999 to continue the IPM in Schools pilot program through March 31, 2000. DATCP is currently applying for continued federal funding for the period April 1, 2000, to September 30, 2001. A state match of 15% (\$32,100) is required.

According to DATCP, approval of the federal grant request is uncertain given other priority requests from surrounding states. DATCP and the UW-Extension have also attempted to obtain funding for the program from two other grant sources but were unsuccessful. Currently, the department has no resources to permanently fund the IPM in Schools program. As such, DATCP is requesting state resources for this purpose.

### **Analysis**

While it can be argued that improper pesticide application in schools increases health risks for both school children and staff, the extent of such risks is unclear and the practice has existed for years. According to DATCP, there has been no report of illnesses resulting from current pesticide use practices in schools and the risk of pesticide exposure is low. Nevertheless, a program that assists schools to improve pest management practices and minimize pesticide exposure to school children and personnel can be considered proactive.

The main goal of the program is to help schools develop an integrated pest management program. To achieve this goal, a team of specialists from UW Extension and DATCP visits pilot schools participating in the program and conducts a complete review of each school's pesticide use, pest problems, and sanitation practices. Training and education on how to appropriately apply pesticides, use alternative methods to control pests (e.g., better sanitation and special food storage methods), and develop a comprehensive pest management policy are then provided to improve each school's pest management practices. Finally, an evaluation is done to assess each pilot school's progress in implementing the integrated pest management program.

As suggested by its title, an integrated pest management program uses a comprehensive solution that advocates appropriate pesticide use, improved sanitation and continual education and outreach. Because this integrated program addresses public health issues and utilizes education and outreach in its overall program strategy, DATCP could explore existing resources at the state Departments of Health and Family Services and Public Instruction and local public health agencies to support its efforts in the development of a permanent IPM in Schools program. Financial and technical resources from these agencies may be available to support the education and public health aspects of the IPM in Schools program.

While DATCP is responsible for the enforcement of pesticide regulations and uses, it is each school district's responsibility to develop pest management policies and to ensure that its staff adhere to these policies when conducting daily operations. It is also each school district's responsibility to ensure that school maintenance staff are trained to apply pesticides appropriately so as to minimize harmful pesticide exposure to children and people who use its facilities. As the current proposed IPM in Schools program addresses several areas of local responsibility, an argument could be made that issues related to pesticide use in schools should be addressed by the local school board and that funding for integrated pesticide management programs should be provided by local school districts, if the issue is important enough.

Based on the amount of state match identified in DATCP's federal grant application, the department has some resources that could be reallocated and used to continue the pilot program, albeit at a lower level, through fiscal year 1999-2000. Additional funds would be needed to continue the pilot program through fiscal year 2000-2001 if the federal grant is denied. As such, it could be argued that this proposal does not constitute an emergency at this time. Furthermore, a more complete analysis of possible options is better conducted during the 2001-2003 biennial budget, including a review of available federal, state, and local resources.

**Recommendation**

Deny the request.

Prepared by: Manyee Wong  
266-7597



State of Wisconsin  
Tommy G. Thompson, Governor

VIII

**Department of Agriculture, Trade and Consumer Protection**  
Ben Brancel, Secretary

**DATE:** November 15, 1999

**TO:** The Honorable Brian Burke, Senator  
Co-Chair, Joint Committee on Finance

The Honorable John Gard, Representative  
Co-Chair, Joint Committee on Finance

**FROM:** Ben Brancel, Secretary *Ben Brancel*  
Department of Agriculture, Trade and Consumer Protection

**SUBJECT:** S. 13.10 Request for permanent funding of the Department of Agriculture, Trade and Consumer Protection's Program for Integrated Pest Management in Wisconsin Schools.

**Request:**

The Department of Agriculture, Trade and Consumer Protection requests an increase in expenditure authority for appropriation 20.115(7)(u) of \$34,000 (and 1.0 FTE) SEG in FY2000 and \$117,300 (and 1.0 FTE) SEG in FY2001. These funds (and position) are needed to continue and expand the department's program to develop, implement and evaluate an integrated pest management program in Wisconsin K-12 schools with the objective of further reducing the risk for pesticide exposure to children and staff.

**Background:**

**Authority**

The department regulates pesticide use under authority of s. 94.67 – 94.71, Wis. Stats., and chapters ATCP 29 and 30, Wis. Admin. Code. These provisions include requirements for licensing of commercial applicators and certification as to competency by the department of all commercial applicators and all applicators of pesticides classified as restricted-use.

**School Pesticide Use Survey**

There are approximately 2000 public schools in 426 school districts and 1000 private K-12 schools in Wisconsin. In 1998, the department surveyed these schools to determine current pesticide use practices. Survey results indicated that pesticides were used indoors at 771 (83%) of the 924 schools that responded and used outdoors at 611 (66%) of the schools. While many schools hire professional pesticide applicators, a significant percentage of these applications are made by school maintenance staff. Many of these school staff have not received formal training

related to pesticide use. Fewer have received training in IPM which puts primary emphasis on non-chemical pest management tools, e.g. physical barriers, increased sanitation, while relying on less toxic pesticides as a last resort when other methods have failed to control pests.

### **School IPM Pilot Project**

In April, 1998, the department initiated a pilot project, with funding assistance from the US Environmental Protection Agency (USEPA), to develop and implement Integrated Pest Management (IPM) programs in Wisconsin's public and private K-12 schools. Objectives of the program included distributing information and implementing programs that provided needed pest management while minimizing pesticide use and risks in school buildings and on school grounds.

A draft IPM manual was developed and is currently being tested and implemented in 21 schools. Six of these schools have received hands-on assistance through on-site visits of an IPM team made up of staff specialists from the department and University of Wisconsin - Extension. The remaining schools have received limited assistance from the department's IPM specialist and are attempting to implement IPM programs themselves. The pilot manual has been posted on a website maintained by the University of Wisconsin - Extension.

Annual cost of the pilot program has been \$63,430. Pilot program funding was provided through a grant of \$52,420 from USEPA. The department expended \$11,010 from appropriation 20.115 (7)(u) for the remaining costs of the pilot.

### **Analysis:**

#### **The Problem**

School staff involved in the pilot program have met with the department and provided recommendations to continue and expand the program with modifications to the approach for providing assistance and minor changes to the manual. School staff suggested that hands on visits and training provided by the IPM specialists were important in successful implementation of IPM programs, but fewer visits could accomplish the same objective.

The pilot program directly reached 21 schools during the year. There are more than 3000 public and private schools in Wisconsin. Current funding for the program continues through March 31, 2000. The department does not have funding available that can be reallocated to this program. The department has applied for additional federal funding from USEPA. One application has already been rejected and one proposal is pending. It is unlikely that USEPA will again be able to provide funding given other priority requests from surrounding states.

### **Proposed Expanded School IPM program**

Department staff have worked with representatives from the Wisconsin Association of School Building Officials (WASBO) to develop a plan to provide needed IPM training to larger numbers of school officials in a shorter period of time. Following is the proposed program plan:

- The pilot IPM manual will be revised and posted on a website in early 2000. Hardcopy versions of the manual will be published and distributed at cost (e.g. \$15) to schools requesting it.
- Daylong IPM seminars will be held for school building and grounds managers at ten locations during June/July of each year. Both public and private school officials will be invited. These sessions will be held at schools to afford the opportunity for hands-on type presentations and examples. Presenters will include the department/university-extension IPM team, school officials and other pest management specialists.
- School districts will be identified from the participants in the seminars to receive additional "hands-on" training and assistance from the IPM team. The IPM team will provide this training during one visit to each district during August – October, of each year.
- The department's IPM specialist will visit additional schools and provide assistance as requested. The IPM team will provide phone assistance to schools as requested.
- Each year's participants will be surveyed and asked to evaluate the IPM program at the end of the year in terms of effective pest management, measured changes in pesticide use (amounts and kinds), and other indications of further reducing exposure, e.g. effective exclusion of persons from treated areas for specified time periods, effective mechanisms for providing pre-application notification.
- IPM team members will continue to provide information and training at conferences and workshops sponsored by the Wisconsin Association of School Building Officials (WASBO) to school facility managers and staff.
- Program success will be evaluated based on discussion with and surveys of participating school districts. Data will be collected on measured changes in the amounts and kinds (lower toxicity) and formulations (baits vs. sprays) of pesticides used. Data will also be collected using other indicators that the potential for exposure to children and staff has been reduced, e.g. methods of application (crack and crevice vs. aerosols), effective exclusion of persons from treated areas for specified time periods, effective mechanisms for providing pre-application notification.
- A second pesticide use survey of all public and private schools will be conducted during the July/August, 2001 to try to identify statewide changes in pest control practices relative to findings of the 1998 Pesticide Use in Wisconsin Schools Survey.

### Estimated Budget for the Expanded Program

	<u>99/00</u>	<u>00/01</u>
FTE Salary (4/1/00 – 6/30/01)	7,100*	28,500
Fringe benefit	2,900	11,500
Contract Services for University Specialists	18,000	55,000
Travel/Training	2,500	10,600
Supplies/Other	<u>3,500</u>	<u>11,700</u>
Total	\$34,000	\$117,300

\*federal funding available through March 31, 2000

### Consequences of Not Providing the Requested Funding

The department will be unable to continue and expand this cooperative program without approval of the requested resources.

### Alternatives

1. Rely on schools to develop IPM programs on their own.

School officials have indicated that they do not have the needed information and training to develop and implement IPM programs in schools without the help and support of the department/university IPM team. The pilot program indicated that IPM program implementation was far greater in schools that received assistance from the IPM team than in schools that were provided only with the IPM manual.

2. Reallocate other department resources to fund this program.

The department is unable to reallocate resources from other programs without adversely impacting other priority issues.

3. Rely on other commercial sources to provide assistance to Wisconsin schools.

The department is not aware of other existing sources of this information and assistance. Even if it existed, it is doubtful that most schools would have the additional funding available for this assistance.



### **How the Request Meets Statutory Criteria [s.13.101(3) and (4)]**

The department does not have the resources to continue and expand the school IPM program beyond March 31, 2000. The program is needed to assist in the development and implementation of IPM in Wisconsin's public and private schools with the objective of further reducing the risks of pesticide exposure to children and staff.

The pilot program has received a positive evaluation from participating school officials, including the Wisconsin Association of School Building Officials who have been directly involved in developing the proposed expanded program to allow and foster greater and faster implementation of IPM in schools. School officials are interested in pursuing IPM approaches at the present time.

The department is responsible under ss. 94.68-94.71, Wis. Stats., and ATCP 29 and 30, Wis. Admin. Code, for enforcing the state regulations on pesticide use to assure that use of these products will not result in harm to persons, property or the environment. The department provides pesticide storage, use and disposal information to users as a compliance assistance tool. The department also works cooperatively with university extension staff to develop training materials for pesticide applicators

#### **Department Representative:**

Ned Zuelsdorff will represent the Department at the 13.10 meeting.

cc: S. Buroker

B-2 BUDGET FUNDING REQUEST (B-2)

DIN#	0	Program Element	10		
Program	07	Program Element	10		
Subprogram	01	Numeric		767	
1100 CCS		Permanent Salary		7,100	28,500
1300 PPS		Project Salary		0	0
1161 LTE		LTE Salary		0	0
1930 FBE		Fringe		2,900	11,500
2740 CSE		Professional Services		18,000	55,400
2250 DNC		Data Network Charges		0	800
2600 DPS		Data Processing State		0	1,900
3860 FOD		Supplies-Food			
2450 HJS		Housekeeping/Janitorial			
3180 ICA		Indirect Cost			
3420 INS		Insurance		0	300
3170 IRE		Inmate Earnings			
2730 LSE		Laboratory Services			
3870 LSU		Laboratory Supplies			
2460 MDP		M&R DP Equipment			
3730 MES		Minor Equip & Software			
2420 MLS		Maint & Repair--St Owned			
3630 MNS		Maintenance Supplies			
3110 MPF		Mailing/Postage/Freight		0	750
2480 MRE		M&R Other Equipment			
2470 MRV		M&R Vehicles			
2200 NST		Non State/STS Calls		0	600
3300 OAO		Other Admin & Operating		0	1,300
3550 PRT		Printing		0	300
2360 RLE		Rent/Lease Equipment			
2340 RLV		Rent/Lease Vehicles			
2320 RPS		Rental of Space-Private			
2310 RSS		Rent-State Owned Space		1,000	4,000
3740 SPL		Mat & Supplies - Other		2,500	1,000
2240 STS		STS Calls		0	350
2260 TCM		Other Communications			
2100 TIS		Travel & Training/In State		2,500	1,200
2120 TOS		Travel & Training/Out State			
2140 TTE		Travel & Training/Other		0	9,400
2500 UTE		Utilities			
TOTAL SUPPLIES & SERVICES				24,000	77,300
4200 FXE		Permanent Property			
5100 LOC		Local Assistance			
5700 AIO		Aids			
6000 UAR		Unallotted Reserve			
8000		One-Time Financing			
TOTAL BUDGET				34,000	117,300
POSITIONS		Project Positions		0.00	0.00
		Classified Positions		1.00	1.00
		Unclassified Positions			

IX. University of Wisconsin System – Katherine C. Lyall, President

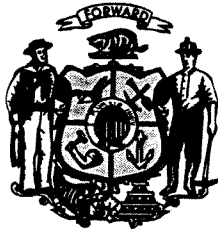
The UW System Board of Regents requests the approval of their plan to increase enrollment by 1,000 students throughout the System in the 2000-2001 academic year. The Board further requests the release of \$3.8 million GPR in fiscal year 2000-2001 from the Committee's supplemental appropriation under s. 20.865(4)(a) to the UW System's appropriation for general program operations under s. 20.285(1)(a). The funding is to be used for increasing enrollment and for facilitating distance education-based strategies for increasing access to the UW System, as directed by the Governor. The Board also requests 101.00 FTE GPR positions to meet the on-going staffing needs of serving 1,000 additional students.

Governor's Recommendation

- (1) Approve the UW System Board of Regents' plan to increase enrollments by 1,000 FTE students in the 2000-01 academic year.
- (2) Release the \$3.8 million GPR to UW System's appropriation for general program operations (20.285 (1)(a)).
- (3) Approve 67 additional GPR FTE.

TOMMY G. THOMPSON  
GOVERNOR

GEORGE LIGHTBOURN  
ACTING SECRETARY



IX

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

**Date:** December 15, 1999

**To:** Members, Joint Committee on Finance

**From:** George Lightbourn, Acting Secretary  
Department of Administration *George Lightbourn*

**Subject:** Section 13.10 Request from the UW System Board of Regents for Approval of Plan to Increase Enrollment and Release of GPR Funds.

### Request

The UW System Board of Regents requests the approval of their plan to increase enrollment by 1,000 students throughout the System in the 2000-2001 academic year. The Board further requests the release of \$3.8 million GPR in fiscal year 2000-2001 from the Committee's supplemental appropriation under s. 20.865(4)(a) to the UW System's appropriation for general program operations under s. 20.285(1)(a). The funding is to be used for increasing enrollment and for facilitating distance education-based strategies for increasing access to the UW System, as directed by the Governor. The Board also requests 101.00 FTE GPR positions to meet the on-going staffing needs of serving 1,000 additional students.

### Background

Wisconsin 1999 Act 9 (the 1999-2001 Biennial budget) provides \$3.8 million in fiscal year 2000-01 to increase enrollment by 1,000 students throughout the System in the 2000-01 academic year. The funding is held in the Committee's appropriation for general program supplements, to be released upon the Committee's approval of the Board's plan to increase enrollment.

As passed by the Legislature, the 1999-2001 budget bill included \$4.8 million for this purpose, and stipulated that 300 of the 1,000 students would have to be enrolled at UW-Madison. The Governor partially vetoed \$1 million of the funding, as well as the requirement that UW-Madison increase enrollment by 300 (to avoid setting enrollment targets for individual campuses). However, UW System Administration agreed that 300 of the additional 1,000 students would be enrolled at UW-Madison.

The Governor also directed the Board to use \$1 million of the \$3.8 million for distance education-based strategies to increase access to the UW System. In addition, the Governor indicated that the resources provided under this initiative should be

combined with the \$1 million in new funding provided in 1999 Wisconsin Act 9 for System's Plan 2008 Diversity initiative, to increase both access and diversity at the UW System.

According to System Administration, the plan needs to be approved as soon as possible because institutions are currently well into the process of admitting new freshmen and transfer students, and thus must be informed of the additional enrollments for which they will be responsible. Furthermore, in order to serve the additional students next fall, institutions must initiate the hiring of new instructional and support staff in January 2000.

### **Analysis**

#### *Plan for Increased Enrollment*

The UW System proposes to distribute the 1,000 additional Full Time Equivalent (FTE) student enrollments as follows:

- 850 FTE students through enrollment increases at UW institutions
- 150 FTE students through distance education, via UW Learning Innovations

#### *850 On-Campus FTEs*

The 850 FTE increase at UW institutions will be allocated throughout the System (see Table 1, attached). The \$4.8 million figure originally approved by the Legislature was based on an estimate of the state's share of the cost of student instruction for the 2000-01 academic year. This estimate was calculated using the weighted-average cost per student for all students in the System. For this reason, System Administration proposes that 225 (27%) of the 850 on-campus FTEs will be new freshmen. The remaining 625 on-campus FTEs would come into the System as transfer students and other enrollments.

Per agreement with the Governor, 300 of these FTEs will be allocated to UW-Madison. System Administration assigned the remaining 550 FTEs to institutions based on a number of variables, including planned enrollment expansion at some institutions during the next phase of enrollment management (2001-06), new programs, current enrollments over target and student demand.

UW-Green Bay and UW-La Crosse were not assigned additional FTEs because enrollments at these campuses are expected to decrease during the next phase of System's Enrollment Management. Because demand at UW-Parkside is less certain than at other UW institutions, System did not assign Parkside additional FTEs to avoid setting an enrollment target that the institution may not be able to meet.

The preliminary information for Fall 1999 indicates that total enrollment in the System is already above the Fall 1999 and Fall 2000 enrollment targets set forth in

System's Enrollment Management III (EM III) plan<sup>1</sup>:

- Fall 1999 FTE Enrollment<sup>2</sup>: 130,190
- Fall 1999 EM III Target: 128,156
- Fall 2000 EM III Target: 128,445

System Administration indicates that 3,443 new freshmen applicants and 601 transfer applicants were denied admission in Fall 1999, due to capacity constraints. The fact that Systemwide enrollments have been above EM III targets for the past two years, and that the UW has had to turn away a substantial number of applicants due to lack of space, suggests that demand is sufficiently high to allow System to enroll 1,000 additional students above Fall 1999 enrollment levels, without altering admissions criteria.

*150 Distance Education FTE*

System Administration will follow the Governor's directive to spend \$1 million on distance education-based strategies for increasing access by allocating 150 additional FTEs to distance education courses. System Administration notes that while some of the 150 FTEs participating in distance education courses may be new freshmen, it is not possible to predict exact numbers. The distance education enrollment goal will be met through Learning Innovations (LI) partnerships with UW-Platteville, UW-Green Bay and the colleges, as well as other collaborative programs. LI is a national distance education program of the UW System that works with System institutions, private sector corporations and businesses to deliver on-line courses. LI provides faculty training, courseware development, marketing, some student services and other technical assistance to assist institutions in on-line delivery.

While the funding allocated for distance education represents approximately 25% of the total funding provided for increasing access to the System, the FTEs allocated to distance education represent only 15% of the additional FTE students to be served. System Administration indicated that it did not use a cost-per-student estimate to determine the allocation of 150 FTEs to distance education courses. According to UW budget staff:

- The 150 FTEs represent the number of additional students that LI believes it can reasonably accommodate in the 2000-01 academic year.
- The \$1 million will act as seed money, allowing LI to invest in the infrastructure necessary to expand its distance education offerings in 2000-01 and beyond. UW budget staff indicates that the funding will be used for:
  - ♦ Professional software licenses
  - ♦ Presentation materials and software
  - ♦ Hardware (servers, client work stations and network expansion boards)

---

<sup>1</sup> EM III is the third phase of a plan to bring enrollments in line with state resource allocations to the UW System.

<sup>2</sup> While final enrollment data for Fall 1999 will not be available until January 2000, the final total enrollment system-wide varies little from the November projections.

- ♦ Consultants, including programming analysts, applications developers, Web developers, advertising agents and marketing firms
- ♦ Rent, travel and advertising

In general, System converts enrollments from a headcount to an FTE count using a ratio of 1.2:1. For distance education students, System uses a ratio of 5:1. The higher ratio for distance education students reflects the fact that students' distance education (on-line) course loads tend to be lighter than traditional classroom course loads. Given System's plan to enroll an additional 150 FTEs via distance education as a part of the access initiative, approximately 750 additional students would be served by distance education services in the 2000-01 academic year.

#### *Use of Funding for Diversity Initiative*

To comply with the Governor's veto message, System's plan to increase access also includes \$330,000 of the \$1 million GPR in new funding provided for its Plan 2008 Diversity initiative. The remainder of the Diversity funding would be used to diversify the existing student population, as was originally intended. System Administration notes that because the funding for its Diversity initiative will not be available until fiscal year 2000-01, the funding will not affect recruitment for Fall 2000 (which occurs during this year). However, the Diversity funding will be used for the Fall 2001 recruitment and beyond. According to System Administration, the effectiveness of the allocation of the Diversity funding will be reviewed periodically, to determine whether reallocation is necessary.

#### *GPR Positions to Serve Additional Students*

While the general expectation is that UW will use most of the \$3.8 million to pay for the salaries and fringe benefits of additional faculty and staff, no new position authority was provided as a part of the access initiative. According to the UW's October 1, 1999 Position Control Report, the system-wide GPR vacancy rate is, in effect, 0.0% (0.6 FTE). However, in a separate, unrelated item, UW received one-time (1999-2001 biennium) authority to increase GPR positions by up to 1% above statutory levels (183 additional FTE), upon approval of the secretaries of the Department of Administration (DOA) and the Department of Employment Relations (DER). These new positions would be funded through base resource reallocation.

In its original request, System Administration stated that, due to the extremely low GPR position vacancy rate, it would be necessary to request that a portion of the positions created under the 1% GPR position authority provision be used, in order to meet staffing needs associated with serving 1,000 additional students.

System administration has subsequently amended its request to ask for 101 additional GPR FTE positions to implement the access initiative. In submitting its amended request, UW argues that the 1% position flexibility initiative was intended to meet current staffing needs, not provide staff support for new initiatives. System bases the requested 101 additional FTE positions on a Systemwide goal of 17

instructional and 17 support staff FTE for every FTE student (according to UW budget staff, the current Systemwide ratio is 17.53:1). The 101 additional GPR positions would be divided evenly between instructional and support staff (50.5 FTE each).

The total funding available to the UW in fiscal year 2000-01 to pay for additional faculty and staff is approximately \$5.3 million (\$2.8 million GPR from the access initiative and \$2.5 million in tuition revenues from the 850 additional on-campus students). After the ongoing expenses related to the additional students (\$300/FTE) are subtracted, approximately \$5 million remains to cover expenses related to new faculty and staff positions.

Based on the average salary for instructional and support staff at UW-Madison and Systemwide (inflated for Fall 2000), and the estimated fringe benefit, on-going supplies and services and one-time start up costs, 51 FTE instructional staff positions, as allocated in UW System's plan, would total approximately \$4.1 million. The remaining \$900,000 would cover approximately 16 FTE support staff positions, based on the estimated salary, fringe benefit, on-going supplies and services and one-time start up costs (provided by UW budget staff).

UW System staff indicates that the difference between new revenues (GPR and tuition) and expenditures on new faculty and staff would be funded through the reallocation of base resources. Considering only the additional revenue from GPR and tuition, UW System could support 67 new FTEs (51 instructional and 16 support staff positions), assuming that the priority is on hiring instructional staff.

At this time, it seems more prudent to provide position authority equivalent to what can be supported with the additional revenues. This reduces the risk of UW needing both additional GPR revenues in the future for these positions, and the ongoing costs related to pay plan.

#### *Conclusion*

The 1,000 additional FTEs represents an increase of 0.8% over the current enrollment level. System Administration notes the difficulty of projecting enrollments at individual campuses for a Systemwide increase of less than 1%. For this reason, the actual distribution of enrollments may vary somewhat from the numbers presented in System's plan. However, given that demand appears to be high and that UW institutions have been growing over the last few years, it seems reasonable that UW System's plan, as proposed in this request, will increase enrollment by at least the required 1,000 students.

While concerns could be raised that it is too early in the biennium for the UW System to be able to guarantee that enrollment increases will meet the 1,000 student target, System Administration makes a strong case that the funds need to be released in the near future in order to ensure that staff can be recruited and hired by the beginning of the 2000-01 academic year. In the event that the System fails to meet the increased enrollment targets for individual campuses, the President and the Board will



“deallocate” the associated increment of funding and notify the Committee in Fall 2000.

Since the additional \$3.8 million was provided primarily to support staff costs related to increased enrollment, it is reasonable to provide UW with additional position authority. However, it is also appropriate to provide only the position authority that can be funded within the additional revenues.

**Recommendation**

- (1) Approve the UW System Board of Regents' plan to increase enrollments by 1,000 FTE students in the 2000-01 academic year.
- (2) Release the \$3.8 million GPR to UW System's appropriation for general program operations (20.285 (1)(a)).
- (3) Approve 67 additional GPR FTE.

Prepared by: Erin Kalinosky  
6-2843

**Table 1**

<b>Institution Enrollments</b>	<b>Pipeline Effect*, Transfers, etc.</b>	<b>New Freshmen</b>	<b>Total</b>
Eau Claire	15	0	15
Madison	225	75	300
Milwaukee	145	30	175
Oshkosh	50	0	50
Platteville	25	15	40
River Falls	25	25	50
Stevens Point	0	20	20
Stout	30	0	30
Superior	20	0	20
Whitewater	15	35	50
Colleges	75	25	100
<b>Total Enrollments</b>	<b>625</b>	<b>225</b>	<b>850</b>

\*Pipeline Effect refers to increases in overall enrollments that occur as smaller graduating classes are replaced with larger freshmen classes admitted over the last few years and as retention rates increase.



Office of the President

1720 Van Hise Hall  
1220 Linden Drive  
Madison, Wisconsin 53706-1559  
(608) 262-2321  
(608) 262-3985 Fax

email: [klyall@uwsa.edu](mailto:klyall@uwsa.edu)  
website: <http://www.uwsa.edu>

IX

December 7, 1999

To: Senator Brian Burke, Co-Chair  
Joint Committee on Finance

Representative John Gard, Co-Chair  
Joint Committee on Finance

From: Katharine C. Lyall, President  
University of Wisconsin System

A handwritten signature in cursive script, appearing to read "K. Lyall", written over the printed name.

Subject: Amendment to s. 13.10 Request for Release of 1999 Act 9 Funds for Increased Enrollment – Request for 101 GPR FTE Positions

The UW System wishes to amend its request for release of funds submitted to the Co-Chairs of the Joint Committee on Finance on November 26, 1999 to include a request for 101 new instructional and support staff positions.

1999 Act 9 (the biennial budget act) allowed the UW System to increase its authorized FTE that are funded, in whole or in part, by GPR by 1% (or 183 FTE). This provision was included to help UW System manage its staffing needs. It was approved prior to the Act 9 provision requiring UW System to increase enrollment by 1,000 students for 2000-01.

Under its original s. 13.10 request, the UW System proposed using 101 FTE of the 183 FTE that the UW System is allowed under the 1% provision to staff the additional 1,000 students. However, upon consultation with the Chancellors and review of the System's staffing needs, we are reluctant to commit 101 of these FTE to serve the new students provided under Act 9. Using these FTE would not serve the purpose for which they were intended, which was to meet current staffing needs. In addition, if the positions provided under Act 9 are used for this new purpose, UW System would still have inadequate staff to meet existing needs (System reported 0.6 GPR position vacant out of 18,250.94 FTE authorized in the October, 1999 report.). Therefore, it would be more effective if the 183 FTE were used for the original purpose to provide additional instructional and support staff to meet the needs of the larger student body.

Initial negotiations with Legislators on the provision for the 1,000 additional students were made with the understanding that the funding provided under the provision would be accompanied by FTE authority. However, Act 9 only provides the funding. We noted in our request that this diversion of 101 of the 183 FTE meant that the remaining FTE authority would likely be exhausted before the end of the biennium. Upon further review, it is clear that we need to respond to institutions' current staffing needs, as well as those that the additional students will bring in 2000-01. We therefore request this amendment in order to meet the original intent of the 1% flexibility to address our current staffing needs and to meet the additional responsibilities of increasing enrollment.



Office of the President

1720 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin 53706-1559
(608) 262-2321
(608) 262-3985 Fax
email: klyall@uwsa.edu
website: http://www.uwsa.edu

To: Senator Brian Burke, Co-Chair
Joint Committee on Finance

November 26, 1999

Representative John Gard, Co-Chair
Joint Committee on Finance

From: Katherine C. Lyall, President
University of Wisconsin System

[Handwritten signature: K. Lyall]

Subject: Release of 1999 Act 9 Funds for Increased Enrollment

The UW System Board of Regents requests release of the \$3.8 million GPR from s. 20.865 (4)(a) to s. 20.285 (1) (a) in 2000-01 to increase enrollments in the University of Wisconsin System by 1,000 additional students for academic year 2000-01, and to facilitate the work of UW Learning Innovations (LI).

Learning Innovations is a national innovative Distance Education program of UW System that works with UW System institutions and private sector corporations and businesses to deliver on-line courses. LI provides faculty training, courseware development, marketing, some student services and other technical assistance to assist institutions in on-line delivery. Per the Governor's veto message, at least \$1.0 million of the \$3.8 million is to be spent on "distance education based strategies" to increase access.

Background

1999 Act 9 provides \$3.8 million to increase enrollment in the University of Wisconsin System by 1,000 students for academic year 2000-01. The funding was placed in the Joint Committee on Finance appropriation to be released upon the Board of Regents' demonstration that enrollment in the University of Wisconsin System will increase by 1,000 students in 2000-01.

Under Assembly Bill 133, the Legislature had approved a total of \$4.8 million to increase System enrollments by 1,000 students with 300 of those at UW-Madison. The Governor vetoed \$1 million of the funding. In his veto message, the Governor indicated that \$1 million of the remaining \$3.8 million in funding be used to increase access to the UW System through distance learning. The Governor also vetoed the requirement that 300 of the additional students be at UW-Madison so as not to set enrollment targets for individual campuses in the statutes. However, an agreement was made that 300 of the additional 1,000 FTE would enroll at UW-Madison. Finally, the Governor's veto

message indicated that the increased access be coordinated with the \$1.0 million in Plan 2008 funding provided under the budget act.

It is essential to have action on the release of this funding for the year 2000-01 at the December s. 13.10 meeting rather than the March, 2000 quarterly meeting for the following reasons: 1) institutions are well underway in their Fall 2000 admissions process for freshmen and transfer students, and must know the additional enrollments for which they responsible; and 2) if institutions are to serve the additional students next fall, they must initiate hiring of new faculty and instructional staff positions in January, given the faculty recruitment season, course, registration and timetable planning requirements.

UW System is most appreciative of the state funding for access and is dedicated to providing the additional enrollments in Fall of 2000 if this funding is released. The number of high school graduates in Wisconsin will grow over the next several years, and demand is at a level for traditional and distance education access that should clearly make the additional 1,000 enrollments possible. If, for any reason, the System fails to make the target, which is considered extremely unlikely, the President and Board of Regents will deallocate the associated increment of funding and so indicate to the Committee one year from now. Given the fact that institutions exceeded target by over 2,000 students in Fall of 1999, it should not be difficult to grow by another 1,000 in total enrollments next Fall.

## **UW System Enrollments**

Since 1987, the UW System has set enrollment targets for each System institution in order to match resources to institutions' ability to offer a quality education. Many variables affect enrollment levels: number of applications, number of acceptances, number of enrollees, number of transfer students, retention rates and graduation rates, among others. As a result, enrollment is difficult for institutions to project with precision. Over the years, however, institutions have typically been within one or two percent of their target levels. The current Enrollment Management Plan (EM 3) includes academic years 1995-96 to 2000-01, and serves 31% of immediate Wisconsin high school graduates.

Preliminary information for Fall 1999 indicates total enrollment of 130,190 FTE students in UW System institutions. While final enrollment data will not be available until January, final total enrollments system-wide typically vary little from November projections. Enrollment by institution is shown below.

**Table 1**  
**Fall, 1999 FTE Enrollment**

UW-Eau Claire	9,318
UW-Green Bay	4,366
UW-La Crosse	8,603
UW-Madison	35,404
UW-Milwaukee	16,369
UW-Oshkosh	9,085
UW-Parkside	3,511
UW-Platteville	4,895
UW-River Falls	5,193
UW-Stevens Point	7,749
UW-Stout	6,860
UW-Superior	2,176
UW-Whitewater	8,990
UW-Colleges	7,671
 Total	 130,190

This enrollment is 2,034 FTE above the enrollment target for this year and 1,745 above the final EM 3 target of 128,445 FTE scheduled for Fall 2000. Prior to the additional access funding provided under the budget act, institutions were scheduled to reduce enrollments of new freshmen for Fall 2000 in order to achieve the final EM 3 target for 2000-01, and to bring enrollment levels back into alignment with available resources at each institution.

The provisions under 1999 Act 9 will increase the UW System Fall 2000 enrollment to 131,190. These 1,000 additional students will be distributed across all four years of undergraduate study, reflecting the assumptions provided in the funding for the provision.

## **Proposal**

UW System Administration has worked out a plan with the institutions to assign the 1,000 FTE. This plan will be acted upon by the Board of Regents at its December 9<sup>th</sup> meeting. This proposal will allow institutions to go forward with their planning to increase Fall, 2000 admissions, and to ensure that the resources are in place to serve the additional students.

The UW System, subject to the Board's approval on December 9th, proposes to distribute the 1,000 additional student enrollments as follows:

**Table 2**

UW System Learning Innovations	150 FTE
Institution Enrollment Increases	850 FTE
Total Increased Access Under 1999 Act 9	1,000 FTE

The 850 FTE enrollments at UW System institutions will be allocated as shown below.

**Table 3**

<b>Institution Enrollments</b>	Pipeline, Transfers etc.	New Freshmen	Total
UW-Eau Claire	15	0	15
UW-Madison	225	75	300
UW-Milwaukee	145	30	175
UW-Oshkosh	50	0	50
UW-Platteville	25	15	40
UW-River Falls	25	25	50
UW-Stevens Point	0	20	20
UW-Stout	30	0	30
UW-Superior	20	0	20
UW-Whitewater	15	35	50
UW-Colleges	75	25	100
Total Campus Enrollments	625	225	850

The \$4.8 million figure that was originally approved by the Legislature assumed that one quarter of the new positions would be freshmen. Therefore, this proposal assumes that 225 FTE of the 850 non-distance education enrollments will be new freshmen. The remaining increases will be a result of the pipeline effect, additional transfer students, additional distance education enrollments and other enrollments. The pipeline effect refers to increases in overall enrollments that occur as smaller graduating classes are replaced with larger freshmen classes admitted over the last few years, and as retention rates increase.

The proposed distribution includes 150 FTE distance education students through Learning Innovations (LI) partnerships with UW-Platteville, UW-Green Bay and UW-Colleges, as well as, other collaborative programs. (A portion of these enrollments may also be freshmen, but it is impossible to predict this.) 300 additional FTE are allocated to UW-Madison, per agreement with the Governor. The remaining 550 additional students are assigned to institutions based on a number of variables including planned enrollment expansion at some institutions during the next phase on enrollment management, new programs, current enrollments over target, and student demand.

The 1,000 additional students represent an increase of 0.8% over the current enrollment level. As mentioned previously, projecting enrollments to the precision of less than one percent is impossible. Therefore, the actual distribution of these students next fall may vary from the above numbers. However, given the demand and the fact that institutions have been growing over the last few years, we are confident that System will be able to enroll 1,000 additional students with marginal changes in their admissions processes. In fact, some institutions will probably exceed these targets in order to ensure access to the required number of additional students. While it is not expected, if an institution does not achieve the above target, 2002-03 funding will be reallocated to institutions that exceed their targeted levels. The UW System Board of Regents will report back to the Department of Administration and the Joint Committee on Finance one year from now with the actual distribution of the additional students.

## **Funding**

Release of funding associated with these additional students is critical. The Governor vetoed \$1.0 million of the funding provided by the Legislature. In addition, in his veto message, the Governor directed that \$1.0 million of the remaining funding be used to increase access via distance education. Upon agreement between the UW System President and the Governor, this funding will be used to support Learning Innovations activities in expanding distance education offerings. As a result, \$2.8 million of the access funding will be available to institutions to support the additional 850 on-campus enrollments. This will provide \$3,294 GPR per FTE (compared to the current average GPR cost per student of \$4,882 for resident undergraduates). Release of this funding is needed in order to serve these additional students and maintain the quality of education for all students.

## **Coordination With Diversity Funding**

In accordance with the Governor's veto message to explore ways to combine resources under this initiative with the funding provided for diversity under Plan 2008, UW System will use \$330,000 of the total \$1.7 million in diversity funds to recruit a more diverse student body (most of the rest of the Plan 2008 funding is directed to increase pre-college programming). This allocation is from funding provided by the budget act beginning in the second year of the biennium; therefore, it will not affect the Fall 2000 recruitment of



new students, but will affect recruitments beginning in Fall 2001. The President of UW System is allocating these funds with a review of their effectiveness after a few years. At that time, funding may be reallocated to institutions that demonstrate that they can use it most effectively.

### **GPR Positions to Serve Additional Students**

No positions were provided with the funding under this provision, to serve the additional non-distance education students. The UW System will allocate 101 of the 183 GPR FTE which it received under its position flexibility initiative, to serve the 850 additional campus-based students (excluding the enrollees via distance education, where other economies should be possible). The allocation of 101 FTE positions to staff the additional 850 campus-based enrollments is based on the UW System's standard 17:1 allocations for instructional and support staff. The proposed position allocation is shown below.

**Table 4**

#### **Allocation of 101 Staff and Faculty FTE**

UW-Eau Claire	2
UW-Madison	35
UW-Milwaukee	21
UW-Oshkosh	6
UW-Platteville	5
UW-River Falls	6
UW-Stevens Point	2
UW-Stout	4
UW-Superior	2
UW-Whitewater	6
UW-Colleges	12
Total	101

In tandem with this s.13.10 request, we seek release of these FTE by the Department of Administration and the Department of Employment Relations, per statutory requirement. The other 82 FTE will be allocated as follows: 43 to the campuses to help cover current over-enrollment and other needs (approved budget initiatives which did not receive positions with funding and were covered by reallocation and driving down of a healthy operating vacancy rate; emerging needs at the campus level as new programs and services come on line, etc.); and 39 to be held in Systemwide reserve to manage the vacancy rate and future position needs at the campus level. The UW System GPR vacancy rate for the October 1999 report was, in effect, zero (0.6 FTE). A pool of 39 positions Systemwide to manage emerging needs is likely to be exhausted before the end of the biennium.

While UW System agrees to devote more than half of our position flexibility allocation to the increased enrollments, we would propose this allocation with the understanding that these 101 FTE will be covered for fringe benefits and compensation increases in future biennia (we will cover them for the year 2000-01). This was not the stipulation resulting from the veto of a section of the non-statutory provisions related to the additional 183 GPR FTE authorized as part of our flexibility initiative. However, the 1,000 additional students will permanently increase our enrollments, and should be served by faculty and staff who receive full fringe benefits and compensation adjustments in the future. If released, we will include these positions in our base reconciliation with DOA next summer.

X. State Historical Society – George Vogt, Director

The State Historical Society requests (a) the transfer of \$55,800 GPR and 1.00 FTE GPR classified position from the archives and research general program operations appropriation under s. 20.245(1)(a) to the executive and administrative services general program operations appropriation under s. 20.245(4)(a) to create a technology director position; (b) the creation of 1.00 FTE GPR library consultant classified position in the library services general program operations appropriation under s. 20.245(1)(am); and (c) the transfer of \$13,000 GPR and 0.25 FTE GPR classified position from the archives and research general program operations appropriation under s. 20.245(1)(a) to the executive and administrative services general program operations appropriation under s. 20.245(4)(a) to combine with an existing 0.25 FTE GPR position in the executive and administrative services general program operations appropriation under s. 20.245(4)(a).

Governor's Recommendation

Approve the permanent transfer of \$55,800 GPR and 1.00 FTE GPR classified position from s. 20.245(1)(a) to s. 20.245(4)(a) to create a technology director position and the permanent transfer of \$13,000 GPR and 0.25 FTE GPR classified position from s. 20.245(1)(a) to s. 20.245(4)(a). In addition, to address concerns that the Society's large number of appropriations leads to unnecessary requests requiring Legislative action, require the Society to submit a proposal in its biennial budget request to collapse its appropriation structure.

TOMMY G. THOMPSON  
GOVERNOR

GEORGE LIGHTBOURN  
ACTING 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

**Date:** December 15, 1999

**To:** Members, Joint Committee on Finance

**From:** George Lightbourn, Acting Secretary  
Department of Administration

**Subject:** Section 13.10 Request from the State Historical Society of Wisconsin for transferring positions and funding between appropriations.

**Request**

The State Historical Society requests (a) the transfer of \$55,800 GPR and 1.00 FTE GPR classified position from the archives and research general program operations appropriation under s. 20.245(1)(a) to the executive and administrative services general program operations appropriation under s. 20.245(4)(a) to create a technology director position; (b) the creation of 1.00 FTE GPR library consultant classified position in the library services general program operations appropriation under s. 20.245(1)(am); and (c) the transfer of \$13,000 GPR and 0.25 FTE GPR classified position from the archives and research general program operations appropriation under s. 20.245(1)(a) to the executive and administrative services general program operations appropriation under s. 20.245(4)(a) to combine with an existing 0.25 FTE GPR position in the executive and administrative services general program operations appropriation under s. 20.245(4)(a).

**Background**

This request from the State Historical Society (SHS) consists of three parts:

- Create a Technology Director position at SHS by transferring 1.00 GPR FTE and \$55,800 GPR from the Society's Division of Archives appropriation to its Division of Executive and Administrative Services appropriation. In recent years, SHS has placed an emphasis on incorporating information technology (IT) into the Society's strategic plan. This includes examining how to store electronic records, transferring archival documents into electronic formats and changing from traditional card catalogs to an electronic card catalog. The Society does not have a position that is responsible for ensuring that the many IT initiatives at the Society are compatible, however. The Technology Director would direct future Society IT projects and manage existing IT programs.

- Create a 1.00 GPR FTE library consultant position to provide digitization services. The 1995-97 Biennial Budget provided funding and positions for a state government records appraisal project. The 1997-99 Biennial Budget included a provision that required the Society to submit a budget request that would transfer this funding to the Division of Library Service at the conclusion of the project on December 31, 1999 and delete the positions. The request was approved and the 1999-01 Biennial Budget transferred \$102,500 GPR in FY00 and \$205,000 GPR in FY01 from the Division of Archives to the Division of Library Services. The new position would concentrate on converting photographs, books, journals, newspapers and historical records to digital formats and making the records available over the Internet.
- Transfer of 0.25 GPR FTE from its Division of Archives appropriation to the Division of Executive and Administrative Services appropriation. An employee in the Archives recently requested that her position be decreased from 1.00 GPR FTE to 0.75 GPR FTE. SHS currently has 0.50 FTE position in its mailroom that is equally funded by PRO and GPR. The Society is proposing to replace the 0.25 PRO FTE with the 0.25 GPR FTE transferred from the Archives. The mailroom position was partially funded with PRO from membership fees because approximately half of its time was devoted to membership program mailings. According to the Society, the position does not spend half of its time on membership activities, it is no longer appropriate to fund the mailroom position from this revenue.

### **Analysis**

The Society has an extremely complicated appropriation structure. While the Society is not a very large agency in terms of permanent positions or funding, the Society's many responsibilities have resulted in a number of very program specific appropriations. This appropriation structure makes it very difficult for SHS to effectively manage position authority and has resulted in the Society submitting s.13.10 requests to accomplish what agencies with simpler appropriation structures are able to do internally. In the current request, the transfer of 0.25 GPR FTE from the Archives appropriation to Executive and Administrative Services appropriation for a mailroom position is an example of position reallocation that may have been possible without legislative action if the Society had a simpler appropriation structure. The requested transfer is reasonable.

The Society's request to create a Technology Director by transferring 1.00 GPR FTE is reasonable. A January 1999 Gartner Group study of the Society's IT programs cites a number of concerns regarding the Society's oversight of IT. According to the report, there is a lack of cohesive Society-wide IT policies. A number of users are on non-standard systems because, when the Society's program managers choose IT systems, they may not consider compatibility with other systems in the Society. A technology director would help the Society address IT needs strategically as opposed to the

current piecemeal approach. Since the deputy archivist position that SHS is proposing to transfer has been vacant for almost two years, it would be appropriate to use this position to create an IT manager.

The creation of 1.00 GPR FTE for a library consultant position is an item that would be more appropriate in a biennial budget request than in a s.13.10 request. While the Society is being proactive in requesting the creation of the library consultant position, one important criteria to be considered in a s.13.10 request is whether an emergency exists. Since the Society would be capable of pursuing digitization activities either by hiring consultants or using LTEs, it does not appear that an emergency exists. The Society's objection to this proposal is that it will pursue additional funding for this purpose through grants and that it would be more advantageous for the Society to have a permanent employe working on this issue instead of consultants. However, since the Society will be able to pursue digitization through other means, this objection does not require immediate action.

### **Recommendation**

Approve the permanent transfer of \$55,800 GPR and 1.00 FTE GPR classified position from s. 20.245(1)(a) to s. 20.245(4)(a) to create a technology director position and the permanent transfer of \$13,000 GPR and 0.25 FTE GPR classified position from s. 20.245(1)(a) to s. 20.245(4)(a). In addition, to address concerns that the Society's large number of appropriations leads to unnecessary requests requiring Legislative action, require the Society to submit a proposal in its biennial budget request to collapse its appropriation structure.

Prepared by: Joshua Hummert  
264-8259



# State Historical Society of Wisconsin

816 State Street ♦ Madison, Wisconsin 53706-1482 ♦ 608/264-6400 ♦ Fax: 264-6404

*Office of the Director*  
608/264-6440 ♦ Fax: 608/264-6542

X

DATE: December 9, 1999

TO: Dan Caucutt  
State Budget Office  
Department of Administration

FROM: George Vogt, Director  
State Historical Society

SUBJECT: Withdrawal of Part of s. 13.10 Request

I would like to withdraw item X. (b) from the agenda for consideration at the December 21, 1999 meeting of the Joint Committee on Finance under s. 13.10 of the Statutes. That request related to the transfer of an unclassified position to create an Executive Assistant for the Society. We would like the other three requests we submitted considered.

cc: Josh Hummert  
Ruth Hardy  
Erica Mair



# State Historical Society of Wisconsin

816 State Street ♦ Madison, Wisconsin 53706-1482 ♦ 608/264-6400 ♦ Fax: 264-6404

Office of the Director  
608/264-6440 ♦ Fax: 264-6542

DATE: November 26, 1999

TO: Senator Brian Burke, Senate Chair  
Representative John Gard, Assembly Chair  
Members, Joint Committee on Finance

FROM: George Vogt, Director  
State Historical Society

SUBJECT: Requests to Move GPR Dollars and Positions Between Appropriations and Create a GPR Position

## Brief Summary of the Request

The Society requests (a) the transfer of \$55,800 GPR and a 1.00 GPR classified position from the appropriation under section 20.245(1)(a) to the appropriation under section 20.245(4)(a) for the creation of a Society Technology Director, (b) the transfer of \$104,900 GPR and a 1.00 GPR unclassified position from the appropriation under 20.245(1)(am) to the appropriation under 20.245(4)(a) for the creation of an Executive Assistant, (c) the creation of a 1.00 GPR Library Consultant position in the appropriation under section 20.245(1)(am) to establish a digital collections program in the Library and Archives and (d) the transfer of \$12,000 GPR and a 0.25 GPR position from the appropriation under section 20.245(1)(a) to the appropriation under section 20.245(4)(a) to substitute for 25% of a mail room position funded with PRO by the membership program.

## Background of the Request

Over the last two years, the Society has been heavily involved with strategic planning. Among other things, that effort has resulted in the need for a greater focus on Society audiences – both understanding what services they want and how service delivery should be improved to meet their needs. As a result of those discussions, several high priority positions the Society presently is not authorized were identified. In an attempt to address these needs, difficult decisions about doing business differently have been proposed and vacant positions have been considered for reallocation rather than requesting new ones.

### a. Technology Director

Following the departure of the Deputy State Archivist, that GPR position has been kept vacant for possible reallocation. The Society's management team identified the creation of a position to head the agency's information technology (IT) program as the top reallocation priority. That conclusion followed a GartnerMeasurement study finalized in January, 1999, and discussions about the state of planning and support for the Society's



IT program. Although the Society has some 320 IT users and 225 workstations (about 90% in the Madison area), the agency only has two IT staff – well under any benchmark of staffing. As with many other state agencies, IT is an integral and critical part of daily service internally and externally – since the Society is predominantly an “information” agency. The Society has huge public databases of several million items in the Library, Archives, Museum and Historic Sites collections and of historic and archeological properties the responsibility of Historic Preservation. Among other things, the Technology Director would coordinate Society-wide IT planning, the development of e-commerce opportunities, the increased usage of the agency’s web site (which has grown and continue to grow rapidly) and the provision of other IT services.

b. Executive Assistant

Following the departure of the State Historical Librarian, that position was left open while an evaluation was undertaken to consider the possible merger of the Archives and Library operations. The Society has committed to that merger (which has been approved by the Board of Curators), and a formal merger request is being prepared for the Department of Administration and Governor. Approval of that request would allow the unclassified State Historical Librarian position to be used for a high priority need.

During the last year, the Society has been working on a number of major issues. Among others, they include a three-year strategic plan, preliminary work for a capital campaign, the possible incorporation of a new State Historical Museum into a building being planned by a private developer, efforts to establish a National History Day program and the Heritage Trust program, the development of the H. H. Bennett photographic studio as a new historic site and the construction of an additional Society public access building in the Madison area. The addition of another position in the Director’s Office would greatly assist with these and other such projects. The need for such a position will become even more important as the Director has to devote an increasing amount of his time in the preparation for and implementation of the Society’s first comprehensive capital campaign.

c. Library Consultant Digitization Position

The 1999-2001 budget bill provided that \$205,000 GPR in the Archives program funding a state government records appraisal project (first initiated in July, 1995) was to be shifted permanently to the Library program on July 1, 2000, at the conclusion of the appraisal project. In light of the above-mentioned proposal to merge the Archives and Library operations, the State Archivist (who would head the new division if the merger is approved), has been considering how best to program the use of the \$205,000. As the result of Society strategic planning discussions and user feedback from both programs, a strong demand for more digital services was identified. Examples include converting collections of photographs, books, journals, newspapers and historical records to digital formats and placing them on the Internet.

The Society considered hiring a consultant with a portion of the \$205,000 to plan, coordinate and implement projects that would create digital versions of information about Society collections and computerized access tools to them. Since this need is expected to

continue, the creation of a permanent position is proposed. The position would also coordinate the preparation of grant applications on digitization to leverage the state investment. Since the Society already has funding which could be used for the position and LTE assistance (estimated to use \$84,000 in total), the Society only requests the creation of a GPR Library Consultant position.

d. Substitute Funding for a Mail Room Position

Recently, an opportunity presented itself to rectify a funding problem in the Society's mailroom, which includes 1.5 positions. The half-time position is funded 25% GPR and 25% PRO (with membership monies). The latter FTE was assumed to represent the position's time devoted to membership program mailings. That has not been the case for a long time. The request is to substitute 0.25 GPR of an Archives program position freed up as a result of the same corresponding permanent reduction in the employee's FTE. Consequently, the Society requests the transfer of \$13,000 GPR and a 0.25 GPR position from the Archives to the Administrative Services program.

How the Requests Meet Statutory Criteria

The three transfers fall under section 13.101(4). The transfers to create the Technology Director and Executive Assistant positions address long-term, critical position needs without asking for new position authority – therefore, more efficient and effective ways of deploying them. Positions to reallocate for the Technology Director and the Executive Assistant (assuming approval of the proposed merger) are available and needed as soon as possible. The transfer of the 0.25 FTE GPR Archives position will correct a funding issue.

The creation of the Library Consultant falls under section 13.101(2) and represents the delayed programming of a portion of the funding to be transferred from the Archives to the Library. The request is made now to allow recruitment with a fill date of July 1, 2000, when the funding shift is effective.

The Society will be represented at the second quarterly meeting by myself and the Associate Director, Bob Thomasgard.

XI. Department of Workforce Development – Orlando Canto, Deputy Secretary

The department requests the release of \$9,700,000 FED in fiscal year 1999-2000 and \$10,000,000 FED in fiscal year 2000-2001 from the Committee's supplemental appropriation under s. 20.865(4)(m) to be transferred to the department's federal block grant aids appropriation under s. 20.445(3)(md) to establish the Workforce Attachment and Advancement (WAA) program. This program will provide services promoting job retention and advancement to individuals eligible for Temporary Assistance for Needy Families (TANF).

Governor's Recommendation

Approve the request.

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

TOMMY G. THOMPSON  
GOVERNOR

GEORGE LIGHTBOURN  
ACTING 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

**Date:** December 15, 1999  
**To:** Members, Joint Committee on Finance  
**From:** George Lightbourn, Acting Secretary  
Department of Administration *George Lightbourn*  
**Subject:** Section 13.10 Request from the Department of Workforce Development for Workforce Attachment and Advancement.

**Request**

The department requests the release of \$9,700,000 FED in fiscal year 1999-2000 and \$10,000,000 FED in fiscal year 2000-2001 from the Committee's supplemental appropriation under s. 20.865(4)(m) to be transferred to the department's federal block grant aids appropriation under s. 20.445(3)(md) to establish the Workforce Attachment and Advancement (WAA) program. This program will provide services promoting job retention and advancement to individuals eligible for Temporary Assistance for Needy Families (TANF).

**Background**

1999 Wisconsin Act 9 (the 1999-2001 biennial budget) created in the Department of Workforce Development (DWD) the WAA program to promote job retention and advancement for individuals eligible for TANF. This program targets two types of individuals. The first are those persons who are working but who might also need additional support and training in order to retain that job and to advance to positions with higher wages. The second group includes individuals who recently became unemployed and who need services to reenter the workforce. Act 9 also allows agencies to provide services to employers to help them retain and recruit TANF-eligible employees. The intent in the program is to have Wisconsin Works (W-2) agencies and Workforce Development Boards (WDBs) provide or contract for these services utilizing the job centers system.

At the time of the passage of the budget, the department had not completed a plan for the implementation of WAA. Consequently, the final budget placed the funds for WAA into the JCF supplemental appropriation to be released under s. 13.10 upon the Committee's approval of the program's specific design and implementation plan. Act 9 defined what services WAA should provide, how funds should be allocated throughout the program, what persons should be eligible for

services, and what performance standards DWD should measure.

### **Analysis**

WAA Services: Act 9 specifies WAA must provide 5 types of services to individuals eligible for TANF:

- (a) Job readiness training and job training services to unemployed persons;
- (b) Basic job skills development to unemployed or recently employed persons;
- (c) Services to assist recently employed persons with job retention;
- (d) Incumbent worker training to promote job advancement; and
- (e) Services to employers to assist in the retention of workers and worker advancement.

The department's proposal meets this requirement by requiring each W-2 agency and WDB to specify how such services will be provided to WAA participants. The plan would allow agencies, through the job center system, to provide services in individualized programs such as case management or in group settings such as job training. Moreover, agencies have the flexibility to emphasize certain types of services and to target populations within its community.

The department's proposal emphasizes the need for service coordination at the local level between W-2 agencies, WDBs and job centers. Both W-2 agencies and WDBs must specify to the department how they will coordinate with other agencies to avoid duplication of services and to ensure continuity for WAA participants.

Resource Allocation: Act 9 specifies how funds should be divided between W-2 agencies and WDBs as well as how individual agency or WDB allocations should be determined. One-half of WAA funds are to be allocated to W-2 agencies and the other half to WDBs. W-2 agencies are guaranteed a minimum allocation, to be set by the department, and remaining funds should be distributed amongst agencies using a formula that accounts for those agencies' respective case management caseload, food stamp employment and training cases, diversions, noncustodial parents, and child care cases. WDB allocations are to account for the percentage of the population of the area served by the WDB with an income below 200% of the poverty line, labor force participation rates, and the unemployment rate of the area.

The department's WAA allocations conform to these guidelines. The proposal allocates over the biennium \$9,850,000 FED to W-2 agencies and \$9,850,000 FED to WDBs. W-2 agencies are guaranteed a minimum allocation of \$10,000 over the biennium and remaining funds are distributed based on public assistance caseloads. Finally, in the WDB allocations the department gave equal weight to each of the factors specified in Act 9.

*Participant Eligibility:* Act 9 requires WAA funds to be available for TANF-eligible individuals. Federal regulations require an income eligibility test for any individual receiving services that promote job preparation or work, if those services are funded by the TANF block grant. Since no eligibility criteria are specified in the act, DWD has defined TANF eligibility for WAA as a family with an annual gross income below 200% of the federal poverty line. This definition is consistent with other language in Act 9. For example, allocations for WDBs are to be based in part on the percentage of the population below 200% of the federal poverty line.

Many of the families who will be eligible for WAA services have been served at some time by W-2. One goal in WAA, however, is to extend services to populations not widely eligible for services under W-2, one such population being noncustodial parents (NCPs). The department's proposal would base noncustodial parents' TANF eligibility on the TANF eligibility of their children. That is, a NCP would only be eligible for WAA services if his or her children live in a TANF-eligible household. One might interpret Act 9 more broadly and allow agencies to base NCP eligibility on the individual's, not the children's, TANF eligibility. While a broader eligibility criteria could potentially allow agencies to service a larger population of participants, the criteria DWD employed ensures that WAA resources will be devoted to families where there are needy children and meets the Act 9 requirements.

*Performance Standards* Act 9 requires agencies receiving WAA funds to meet performance standards based on employment placement for unemployed persons, job retention rates of WAA participants, increased earnings of participants, and increased child support collections from NCP participants. The proposal demonstrates the department's intention to measure these different performance indicators, though specific detail on how different rates will be calculated has yet to be specified. DWD will use the performance standards to monitor contract compliance, though WAA performance measures will not impact the amount of WAA funds distributed to W-2 agencies or WDBs during the 1999-2001 biennium. Performance outcomes will assist DWD, rather, in evaluating the effectiveness of the WAA program.

### **Recommendation**

Approve the request.

XI

Tommy G. Thompson  
Governor

Linda Stewart, Ph.D.  
Secretary



State of Wisconsin

Department of Workforce Development

OFFICE OF THE SECRETARY  
201 East Washington Avenue  
P.O. Box 7946  
Madison, WI 53707-7946  
Telephone: (608) 266-7552  
Fax: (608) 266-1784  
<http://www.dwd.state.wi.us/>  
e-mail: [DWDSEC@dwd.state.wi.us](mailto:DWDSEC@dwd.state.wi.us)

November 18, 1999

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:

The Department of Workforce Development (DWD) requests approval of the Joint Committee on Finance under s. 13.10 to transfer \$9,700,000 FED in 1999-00 and \$10,000,000 FED in 2000-01 from the Committee's appropriation under s. 20.865(4)(m) to the Department's appropriation under s. 20.445(3)(md) for the Workforce Attachment and Advancement (WAA) program. The WAA program was approved in 1999 Wis. Act 9 and the TANF funds allocated under s. 49.175, but the funds were placed in the Committee's program supplements appropriation for release under s. 13.10 upon approval of the specifics regarding the program's design and planned implementation.

The WAA program provides an opportunity to develop new service strategies to stabilize low-income workers, provide skill training to persons so they can advance to higher-paying employment, and help employers to retain and upgrade the skills of employees. The WAA program will give local agencies resources to work collaboratively with employers, training providers, educational institutions, organized labor and other partners in the employment and training service delivery system to develop innovative new services and improve the quality of Wisconsin's workforce.

The Department will implement the WAA program in accordance with the statutory direction provided under the new s. 49.173. The program will be focused on creating upward mobility paths for low-income families and noncustodial parents eligible for TANF services by providing skills training and other services to promote job retention and advancement to higher earning. The Department has sought public input on the WAA program and has developed the attached program description paper (Attachment 1) that outlines how the program will operate.

The budget language specifies that the \$19.7 million of TANF funds be allocated in two tracks, with half (Track 1) going to Wisconsin Works (W-2) agencies and the other half (Track 2) going to Workforce Development Boards (WDBs). The Department will issue the \$19.7 million as a single contract covering a two-year period. In accordance with the statutory direction, the attached specific allocations to local agencies (Attachment 2) are computed as follows:

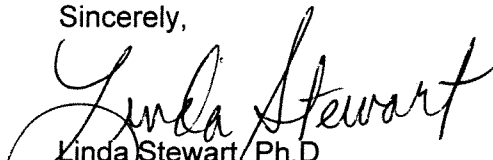
**Track 1:** W-2 agencies will be given a minimum allocation of \$10,000 plus a formula allocation based on W-2 cases (both employment position and case management-only cases), Food Stamp Employment and Training (FSET) cases, W-2 diversion cases, W-2 noncustodial parent cases, and Child Care program cases. The caseload figures used are from the month of August, 1999, with the exception of the estimated noncustodial parent figures which were previously used for the CY 2000-2001 allocations for the W-2 program. The diversion figures reflect applications for the W-2 program that were withdrawn by applicants or denied by W-2 agencies. The Child Care figures are unduplicated counts of persons receiving Child Care services only. The caseload figures are equally weighted in the formula.

**Track 2:** WDBs will be given a formula allocation based on three factors including population under 200% of poverty, labor force participation and an unemployment rate factor. The 200% of poverty figures are from census data, the labor force figures are current counts for the civilian labor force, and the unemployment figures used are counts of adjusted substantial unemployment (ASU). The ASU factor identifies pockets of high unemployment and is currently used to allocate Job Training Partnership Act training funds (Workforce Investment Act funds effective July 1, 2000) to WDBs to serve the economically disadvantaged adult population. The three-factor formula results in Track 2 allocations to WDBs that are similar to their share of JTPA/WIA adult training funds.

The Department is proceeding with a local planning process to implement the WAA program. Planning instructions will be issued to W-2 agencies and WDBs with direction that they work together to develop integrated local programs that comply with the requirements of the statutory language and TANF requirements. The Department will receive the local plans beginning in January 2000. Following the release of the WAA funds by the Committee and Department approval of the local plans, agencies will be given authority to begin operation of their WAA programs. Further direction can be provided to agencies as needed.

Mr. Orlando Canto, Deputy Secretary will represent the Department at the s. 13.10 meeting.

Sincerely,



Linda Stewart, Ph.D  
Secretary

Attachments:

1. WAA Program Description Paper
- 2a. Track 1 Allocation Table
- 2b. Track 2 allocation Table
- 2c. Allocation Summary by WDA



**Workforce Attachment and Advancement (WAA) Program  
Program Description Paper**

**Department of Workforce Development**

**November 16, 1999**

Table of Contents:

Section 1	Background of WAA Program	Page 2
Section 2	Program Overview	Page 3
Section 3	Program Outreach and Enrollment	Page 4
Section 4	Program Services	Page 7
Section 5	Program Coordination	Page 11
Section 6	Data Collection	Page 14
Section 7	Performance Standards	Page 15
Section 8	Program Planning	Page 16
Section 9	Funding Allocations	Page 17
Section 10	Grants and Contracts	Page 18
Section 11	Fiscal Management	Page 21
Section 12	Statutory Language	Page 22

Note: This program description paper will form the basis for a forthcoming program guide that will provide more information about operation of the WAA program. Comments on the issues covered in this paper and other issues related to the WAA program are welcomed by DWD. Please send comments to:

John Tuohy  
Department of Workforce Development  
201 E. Washington Ave., Room 203  
P.O. Box 7972  
Madison, WI 53707  
Phone 608-267-4553  
Fax 608-267-2392  
Email [tuohyjo@dwd.state.wi.us](mailto:tuohyjo@dwd.state.wi.us)

For more information check the WAA program website: [www.dwd.state.wi.us/dwewaa](http://www.dwd.state.wi.us/dwewaa)

## 1. Background of the WAA Program

The low-income working population faces many challenges to retaining employment and increasing their earnings. The challenges include personal barriers to employment and inadequate skills to advance beyond entry-level employment. The challenges also include the lack of career paths with individual employers and within industries to provide opportunities for career advancement. Employers are also finding it more difficult to fill jobs that require skilled labor due to the tight labor market. As the skill requirements for new jobs continue to grow and employers encounter increasing difficulty finding skilled workers, it becomes more important to help low-income workers improve their skills, which will both increase their earning capacity and address the shortage of skilled labor.

Welfare reform efforts, including the Wisconsin Works (W-2) program, have been successful at helping persons who might otherwise be dependent on public assistance to participate in the workforce. Many persons, however, face frequent changes in employment and are limited in their earning capacity due to low skill levels. Addressing job retention and skill deficiencies are the next steps toward improving stability of employment and advancement to higher wage levels. Other persons in the low-income working population, including working families who are only slightly above the poverty level and noncustodial parents (NCPs) of low-income children, also need help with job retention and career advancement. Providing additional skill training to persons once they are attached to the workforce is critical to increasing earning capacity.

The Workforce Attachment and Advancement (WAA) program will address upward mobility by providing services to assist low-income families and NCPs remain attached to the workforce and advance to higher-paying employment. The program will provide training to prepare persons for higher-paying employment and help develop career paths to increase the earning capacity of entry-level workers. The program will provide services to employers to improve job retention of employees and meet the need for skilled workers. In addition, the program can also improve the job readiness and basic skills of low-wage workers, stabilize persons in the workforce and assist persons to find new employment if they become unemployed.

The WAA program is authorized in the state budget bill, 1999 Wis. Act 9, and will be implemented beginning in calendar year (CY) 2000. The enabling legislation specifies that the WAA program can provide training to incumbent workers, job retention services, services to employers, job readiness and placement, basic skills development. Other employment and training programs typically have job placement as the primary outcome and the programs are limited under federal or state law in the extent of services that can be provided to persons after placement. The WAA program will provide services to low-income persons who are currently working or seeking work and thus may be unable or ineligible to participate in other existing programs. The WAA program will also provide services to persons who previously participated in intensive job placement programs to ensure persons remain attached to the workforce and advance to progressively higher levels of employment.

## 2. WAA Program Overview:

**Target Population:** Low-income families and NCPs who meet the state TANF income eligibility level of being under 200% of poverty are eligible. Federal TANF eligibility requirements apply and NCPs are eligible based on TANF eligibility of their children. The eligible population includes persons who have previously participated in the W-2 program and other employment programs. Participation in the WAA program is voluntary. Serving employers is a major emphasis of the WAA program as well.

**Funding Amount:** The state budget bill, 1999 Wis. Act 9, provides \$9.7 million TANF in SFY 2000 and \$10 million TANF in SFY 2001. The total \$19.7 million will be distributed through allocations to local agencies, with funds being made available through a two-year contract beginning in January 2000. Release of the funds is contingent on legislative approval by the Joint Committee on Finance of the WAA program implementation plan.

**Program Services:** The WAA program is designed to promote upward mobility among low-income workers by creating innovative approaches to help persons retain employment, acquire new skills and increase their earning capacity. Advancement to high-paying employment is the primary focus of the program. Specifically the program can provide 1) skills training for incumbent workers to promote job advancement and increased earnings; 2) services to assist persons with job retention; 3) services to employers to retain workers and provide advancement paths; 4) job readiness and placement services to unemployed persons; and 5) basic skills development. Support services related to workforce attachment and advancement are allowable, but no services that count as TANF financial assistance payments can be provided using WAA program funds.

**Program Operators:** The WAA program will be implemented using the existing structure of W-2 agencies and Workforce Development Boards (WDBs), with the services delivered through the statewide Job Center system. Allocations will be made to both groups of service providers with the expectation that agencies will collaborate to operate an integrated program at the local level.

**Program Objectives:** The expected program outcomes are improved skills, increased earnings and more stable employment for participants. Program performance will be specifically measured based on job placement rates, job retention rates and increased earnings. For NCPs, program participation should lead to increased earning capacity, which will generate increased child support payments.

**Program Coordination:** Coordinated planning will be done at the local level to ensure the services are delivered in an integrated manner that does not duplicate existing services. Program services will be customer-focused and services delivered consistent with the strategic direction outlined in the Workforce Investment Act (WIA). WAA program services will build on existing programs, including W-2, Food Stamp Employment and Training (FSET), Children First (for NCPs), Welfare to Work (WtW), and Job Training Partnership Act (JTPA) /Title 1 under the Workforce Investment Act (WIA), by continuing to support individuals placed in employment by those programs and by helping individuals to move to higher-paying employment.

### 3. Program Outreach and Enrollment

#### A. Eligibility Requirements:

Persons served with WAA funds must meet TANF eligibility requirements of having family incomes below 200% of the poverty level and the other basic TANF eligibility requirements under federal law. For a family of three, the 200% of poverty income level is \$27,760 per year. The TANF income level is similar to the income limits for other programs, including Child Care, BadgerCare, Healthy Start and school lunch programs. There is no asset limit for the program and no non-financial eligibility requirements beyond the federal TANF requirements.

WAA services are limited to adults, as there are other existing programs and new TANF Community Youth Grants to provide services to youth. To be TANF eligible, adults must be pregnant or have a minor child, i.e., the child must be under age 18 or age 18 if the child is attending school and expected to graduate before age 19. Persons must also be a citizen or qualified alien to be eligible for WAA services.

NCPs are eligible for WAA services if their children meet TANF eligibility criteria, i.e., that the children are part of a TANF-eligible family or the children are otherwise low income. NCPs of children in alternate care settings and children receiving child-only payments such as Kinship Care will also be eligible for WAA services to the extent possible under the federal TANF regulations.

The WAA program and other TANF services related to education and employment are defined as "non-assistance" services under the federal TANF regulations. DWD is structuring non-assistance programs so that the eligibility of the NCP is linked to the children being TANF-eligible. Different eligibility criteria may apply to TANF programs that provide services related to formation of two-parent families or pregnancy prevention.

Eligibility requirements will be kept simple - limited information on family members, income and other data necessary for participant reporting. Documentation of TANF eligibility and income sources is required only for persons who receive individualized services that involve direct expenditures on their behalf. For group services, agencies will need to demonstrate that the services benefit the TANF-eligible population. Additional direction will be provided by DWD regarding procedures for the determination of family income for the WAA program.

The objective of the WAA program is to provide workforce attachment and advancement services to the low-income working population. As such, participants in the program must be working or seeking work in order to receive services. Self-employment counts as working if it will viably lead to self-sufficiency. There is no minimum number of hours to meet the work/job search requirement and WAA funds can be used to help unemployed persons find employment.

While WAA funds can be used for support services, persons who need support services unrelated to employment should be served under other programs. WAA funds can be used to provide support services necessary for WAA program activities.

There is no limit on the length of time that persons can receive WAA services provided the services are needed for job retention and advancement purposes. Eligibility and service plans will be redetermined at six-month intervals. Participants receiving individualized services will be expected to notify WAA program providers of changes in income and family status, but persons will be allowed to complete their six-month WAA service plan if their situation changes.

## B. Program Participant Tracks

The WAA program has two tracks for allocating funds to W-2 agencies and WDBs. Track 1 funds go to W-2 agencies and allocations are based on counts of persons who receive services from the W-2 (both employment positions and case management-only cases), Food Stamp Employment and Training (FSET), Child Care and W-2 NCP programs along with persons diverted from the W-2 program. Track 2 funds go to WDBs and allocations are based on a formula that includes the total TANF-eligible population, labor force and unemployment factors.

The track concept is primarily for allocation of funds. All TANF-eligible persons and employers can be served with funds from either track. Funds are provided to both groups of agencies to allow those agencies to provide workforce attachment and advancement services to populations they are currently working with as well as address the needs of the overall community. The delivery of WAA services in an integrated manner through Job Centers should make the track concept "invisible" to individuals and employers seeking services. Agencies will have local flexibility to take customer preference and local partner areas of expertise into account in delivering WAA services.

Continuity of case management, customer preference and local flexibility in handling cases are important elements of the WAA program. Persons should be given the option to continue their relationship with their previous case manager (W-2, FSET, JTPA, WtW, etc.), to the extent local program staffing permits, as continuity of case management will increase the effectiveness of services. Customer choice with respect to service provider is also integral to the WAA program and service plans should reflect the personal goals of program participants.

Agencies can target their approaches for participant outreach and intake so WAA resources can be focused and agencies avoid duplication of services and confusion over which participants to serve. Participants will need to be assigned to a track for purposes of recording eligibility for individualized service and managing WAA program services. The program performance of agencies will be measured based on the participants assigned to their agencies. Funds from both tracks can be used to serve the same person and agencies can pool their WAA funds if they wish. The services funded by W-2 agencies and WDBs can be determined locally through the coordinated WAA local program planning process.

W-2 agencies are required to use W-2 program funds to provide the types of W-2 and FSET services required under their W-2 and Related Programs contracts. This includes using W-2 program funds for required W-2 follow-up services for persons previously in a W-2 employment position (i.e., CMF cases) and required FSET services. WAA funds

cannot be used in place of W-2 program funds to meet W-2 contract obligations, but WAA funds can be used to provide job retention and advancement services to supplement FSET and W-2 case management-only cases while persons are enrolled in those programs. Persons initially enrolled in FSET and W-2 case management can continue to be served under the WAA program to provide further workforce attachment and advancement services after their participation in the W-2 case management and FSET programs is completed. W-2 agencies are otherwise not limited in whom they can serve with WAA funds provided the person is TANF eligible.

### C. Program Participation

Participation in the WAA program is voluntary on part of individuals and does not preclude them from participating in any other programs for which they are eligible. Co-enrollment in other programs will be allowed, although services should be coordinated. If persons are eligible for services from other programs, agencies receiving WAA funds are expected to take advantage of those other services for WAA participants to maximize other resources and avoid duplication of service.

There is no minimum number of hours of participation in the WAA program. Self-employed, part-time and full-time workers can receive services as well as unemployed persons who need to find new employment. The services should be customer driven, as little or as much service as the person needs within the program limits and whatever local parameters are set by agencies. WAA services should also be tailored to individual needs, based on personal assessments, individual career goals, local labor market conditions and requests from employers.

Agencies will have discretion to establish specific local target groups for either track. Local targeting could include identifying specific target populations with special needs, language barriers, disabilities and other factors. Agencies will also be allowed to target specific industrial classifications or occupations for development of retention strategies and career ladders.

Individualized services will be managed through employability plans that address employment stability and career progression service needs. Service plans will be done on a six-month basis, including a review of TANF eligibility and the service strategy for the participant. Persons will be allowed to complete service plans once approved if their TANF eligibility situation changes. Service plans should address long term objectives, but service commitments will be made for only six months at a time. Services can be continued on a long-term basis as long as the person remains TANF-eligible and participation in the WAA program is beneficial to the person.

In the event that WAA program resources are not sufficient to serve everyone who requests service, persons who are at risk of welfare dependence and NCPs of children in families receiving TANF assistance payments are the priorities for service.

## D. Outreach Strategies

As a voluntary program, expansive outreach and promotional efforts will be necessary to recruit participants for the WAA program. In addition, since the eligible population consists of persons who are already working, persons will need to be made aware of the services available under the WAA program and how the program can help them to increase their earning capacity. Employers will also need to be made aware of the services they can receive under the WAA program.

In doing outreach, agencies should look not only at persons already engaged in targeted employment and training programs, but also at persons who may be receiving support services such as Medicaid/BadgerCare, Food Stamps, Child Care, housing subsidies, and other support services. Persons can be made aware of the services available under the WAA program in the course of their eligibility reviews.

The WAA program can be an important resource to persons who are facing crisis points in their life. Examples include persons who have lost jobs but are not eligible for unemployment insurance or other assistance, local jail populations needing to find employment as a condition of work release, and participants in county social service programs such as substance abuse treatment and family reconciliation where stable employment is a key factor in successfully completing the programs.

In reaching out to the noncustodial parent population, W-2 agencies and WDBs should develop referral linkages with child support agencies and Children First programs. New paternity and child support cases are ideal referrals to the WAA program to help persons develop stable incomes so they can pay support on a regular basis and not develop child support arrearages.

Outreach to employers can be directed at individual firms that are experiencing retention problems or shortages of skilled labor as well as industrial sectors or occupational categories to develop broad-based retention and advancement strategies. Employers can be asked about the need for WAA services as part of Job Center employer relations activities, including processing job orders and facilitating recruitment efforts.

## 4. Program Services

### A. General Program Requirements

The WAA program can provide several types of services and agencies can tailor their WAA programs to the needs of their communities. The primary objective of the program is to promote upward mobility through training that prepares persons for higher-paying employment and developing career paths that increase the earning capacity of entry-level workers. The WAA program can provide services to employers to improve job retention of employees and meet employer needs for skilled workers. In addition, services can be provided to individuals to stabilize their employment situation, assist them find new employment if they become unemployed, and improve basic work skills to promote workforce attachment and advancement.



The enabling language for the WAA program allows agencies to provide several types of services, including 1) job readiness and placement services; 2) basic skills development; 3) services to assist with job retention; 4) skills training for incumbent workers; and 5) services to employers for employee retention and advancement. While WAA program resources can be used for any and all of these service categories, the primary emphasis of the program is on services that help persons advance to higher paying employment. As such, skills training, job retention, and employer services are the priorities for WAA program resources.

WAA funds cannot be used to provide any services that count as TANF financial assistance, thus, receiving WAA services will not affect the lifetime limit on TANF financial assistance. Financial assistance must be provided under the W-2 program or other assistance programs.

WAA services should be designed to promote sustained employment and improvement of skills to promote job advancement. Services can be provided individually or in group settings. Eligibility determinations must be performed for persons who receive individualized services that involve expenditures on their behalf. Persons receiving individualized services should have a personal service plan that addresses job retention and advancement. Group services include self service activities, group workshops and services that require limited assistance from staff. Persons receiving group services would typically not have a personal service plan. Agencies must demonstrate that group services benefit the TANF-eligible. Persons receiving individualized services can participate in group services as well.

## B. Skills Training

Skills training is a major emphasis of the WAA program because improving the skills of low-income workers is essential to persons becoming firmly attached to the workforce and advancing to higher-paying employment. Training services can be provided to incumbent workers, and for purposes of the WAA program, incumbent workers means individual workers as well as groups of workers with a single employer. Persons working part-time are eligible for training services.

Training services can include classroom training, other occupational skills training, customized training and on-the-job training (OJT) with employers, and other worksite-based training. Innovative means of delivering training may be needed to allow persons to receive training around or as part of their work schedules. Training should help persons acquire competencies in the skills they need for more advanced employment.

The WAA program will allow services designed to promote self-employment and entry of persons into apprenticeship programs, including pre-apprenticeship activities. Training can also be provided to help persons advance with their current employer or within their occupation or industry.

Training is an individualized WAA program service and eligibility determinations must be performed for all persons who receive training services. Job retention and support services can be provided to persons during their training.

### C. Job Retention Services

This includes activities to assist persons retain employment or obtain more stable employment. Mentoring, job coaching, crisis intervention, and counseling are but a few examples of allowable services. Job retention services should also help meet the needs of employers as well as the program participants. Eligibility determinations must be performed for persons who receive individualized services that involve expenditures on their behalf. In addition, once stabilized, other WAA program services can be provided to help persons advance in the workforce.

Support services can be provided to help persons retain employment, although extended support services are not a primary emphasis of the WAA program. Support services that are monetary in nature should be clearly related to employment and brief in duration.

### D. Job Readiness and Placement Services

This includes activities to prepare persons for work and to assist persons find work. The WAA program should assist unemployed persons to find new employment. The goal is not to find any job for persons, but rather to place persons in more stable employment at wages higher than they have previously received. Job readiness and placement services can be provided in a group or individually. To assist job placements, agencies can purchase work tools and clothes and make vehicle repairs for TANF-eligible persons as an individualized service. In addition, once employed, other WAA program services can be provided to help persons advance in the workforce.

Extensive job readiness and placement services are currently available through Job Centers. WAA resources should be used only to the extent these services are not otherwise available. The expectation is that job readiness and placement services will account for a small share of total WAA program expenditures.

Job placement services can include the use of wage subsidies to create job openings with employers that commit to retaining the employees. Wage subsidies are an individualized service and should be provided only for new hires. WAA wage subsidies are limited to a maximum of \$300/month for a period of three months, the same limit as W-2 Trial Jobs and the WtW program. WAA wage subsidies do not count as TANF assistance payments (W-2 Trial Jobs are defined as assistance under state law). WAA wage subsidies should not be provided to persons who are currently participating in the W-2 program (use Trial Jobs for W-2 participants). The total wage subsidy for any individual is limited to \$300/month for 3 months, so WAA funds cannot be used to increase the amount of a W-2 or WtW wage subsidy nor can WAA funds be used to extend the wage subsidy beyond three months.

### E. Basic Skills Development

This includes activities to develop basic work skills, basic education and literacy services, and other services designed to improve the "employability" of persons who have difficulty finding and retaining employment. As with job readiness and placement services, the goal for basic skills services is to help persons find employment at wages

higher than they have previously received. Basic skills services can be provided in a group or individually. Eligibility determinations must be performed for persons who receive individualized services that involve expenditures on their behalf

Many types of basic skills services are currently available through Job Centers and other service providers. WAA resources should be used only to the extent these services are not otherwise available. The expectation is that basic skills services will account for a small share of total WAA program expenditures.

#### F. Support Services

Support services can be provided to participants in the WAA program as part of the job placement, basic skills, job retention or skills training components. All support services should be related to the WAA program activity of the participants. Support services are not an emphasis of the WAA program and other resources, including W-2 Community Reinvestment funds, can be used to address support service needs.

Due to TANF requirements on what constitutes financial assistance, support services with a monetary value can be provided on a regular basis to unemployed persons for only a few months. Support services can be provided to employed persons for longer periods. Eligibility determinations must be performed for persons who receive individualized services that involve expenditures on their behalf. Persons needing long-term employment support services should receive those benefits under the Child Care, Food Stamps and Medicaid/Badger Care programs.

Child care for working persons and persons attending school should be provided by the Child Care program to the extent allowed under the Child Care program requirements. WAA funds can be used if necessary to provide child care as a support service on a temporary basis. The Child Care program requirements and exemptions relating to the use of regulated child care providers apply to WAA (and other TANF) funds that are used to pay for child care services.

#### G. Services to Employers

Both W-2 agencies and WDBs are expected to offer workforce attachment and advancement services to employers as part of their WAA programs and make employer services a major part of their WAA programs. Examples of employer services that can be provided under the WAA program include:

- job development and placement
- assisting employers with recruitment
- work site mentoring and job coaching services
- workplace assessments of employee training needs
- arranging training for incumbent workers
- developing worksite training programs
- employee retention activities not otherwise available through the employer
- arranging support services such as child care, health care and transportation
- developing upward mobility programs for their workers.

Services can be provided to any employer, but since the services are TANF-funded, employer services must benefit the TANF-eligible population. It is not necessary to determine the extent of TANF-eligible persons within the employer's workforce to serve the employer and agencies can serve employers regardless of whether any individual employees are formally enrolled in the WAA program. Agencies must demonstrate, however, that employer services result in increased employment opportunities, improved job retention and/or career advancement paths for TANF-eligible individuals. WAA resources invested in employer services should be commensurate with employment outcomes, such as new hires and promotions, with those employers that benefit the TANF-eligible population.

Agencies can work with employers to address workforce attachment and advancement needs, with a focus on low-income workers. For individual employees to receive training or other individualized services requiring an expenditure of WAA funds on their behalf, the persons must be enrolled in the WAA program.

The outcomes of employer services will not be tracked for formal performance measurement purposes at the state level. Agencies should keep track locally of the employer services provided under the WAA program and the outcomes they achieve. Agencies will be required to submit periodic program progress reports to DWD in which they could be asked to describe the volume of employer services. WAA employer services can be part of overall Job Center employer relations activities and WAA resources used jointly with other resources to provide employer services, although proper cost allocation must be done.

Agencies can record their WAA employer service activity in the Employer Records System (ERS) so that other partner agencies are aware of the services being provided to employers. DWD will explore developing ERS system reports that can help meet the WAA program progress report requirement.

## 5. Program Coordination

### A. General Coordination of Services

W-2 agencies and WDBs need to coordinate their WAA program services to avoid duplication in how the two tracks of funds are used. WAA program services should also be integrated into the existing Job Center service delivery systems so that the net impact of the WAA program resources is to expand services and fill gaps in existing services.

Agencies must avoid duplication of services already provided under other programs, including the W-2, FSET, Children First, JTPA (Title 1 under WIA), WtW and Child Care programs. The WAA program can be used to fill gaps where other programs leave off. The WAA program should also have the capability to provide eligible individuals with continued services as needed to keep them in the workforce and move individuals into higher-paying employment.

Agencies will also be expected to coordinate WAA program services with other Job Center partner programs, including labor exchange services provided by Job Service, the Vocational Rehabilitation program, and education and training programs operated by technical colleges. Agencies will be expected to address program coordination through partner agency involvement in the local planning process.

#### B. Coordination with Existing Programs

Persons currently in a W-2 employment position receive comprehensive services from the W-2 program and WAA program resources should not be used for current participants in W-2 employment position. For participants in the W-2 case management-only, FSET and Children First programs, WAA services should supplement the services available under those programs and allow agencies to continue working with individuals after they cease participating in those programs for purposes of helping them advance in the workforce. WAA services can be provided to former W-2, FSET and Children First participants to help them with job retention and advancement.

WAA funds can be used to address the job retention and advancement service needs of persons who use other services provided by W-2 agencies. WAA funds can also be used to address job retention and advancement service needs of individuals who receive extended support services such as Medicaid/Badger Care, Food Stamps and Child Care.

For persons currently in the JTPA/WIA Title 1 training program, WAA funds can be used to create comprehensive service packages for eligible individuals and allow agencies to continue working with individuals after they cease participating in the JTPA program. WAA funds can be used to address service needs of eligible individuals who may not meet eligibility requirements of JTPA and other programs administered by WDBs or are unable to participate in those programs due to limited resources.

#### C. WtW Program

For the Welfare to Work (WtW) program, coordination with the WAA program is particularly important given the emphasis of WtW on job retention and advancement and the restrictive eligibility requirements of the WtW program. The WtW and WAA programs are very similar in terms of the allowable services, ability to serve NCPs and expected program outcomes. The eligibility requirements for WtW result in the program being able to serve only a small subset of the total TANF-eligible population (those still receiving assistance payments) and match is required to use the WtW funds.

WAA and WtW can be viewed as being "parallel" programs and agencies operating WtW programs are encouraged to operate WtW in conjunction with their WAA programs as part of an overall approach to workforce attachment and advancement services. Under this approach, WAA funds can provide most of the services and WtW funds be used to serve those persons who are WtW-eligible. WAA funds can be used to address the service needs of persons who do not meet WtW eligibility requirements or are unable to participate in WtW due to limited resources.

Both W-2 agencies and WDBs are encouraged to integrate the WAA and WtW funding sources as much as possible. The funding source for services can be made “invisible” to the program participants, using WtW funds on WtW-eligible individuals and the TANF WAA funds on other TANF-eligible individuals. This approach may help agencies meet WtW program expenditure requirements as persons who are short-term TANF recipients (30%) cases for WtW could be served using WAA funds. This approach may also help efforts by agencies to raise match funds to fully utilize the federal WtW funds. (Note: WAA funds cannot be used as match for WtW.)

Example: Agencies may wish to publicize Workforce Attachment and Advancement as an overall program rather than a specific funding source. The overall program, with the combined funding sources, can be promoted to employers, partner agencies and the local community. As individuals go through the intake/enrollment process, persons who are WtW eligible can be enrolled as WtW cases and WtW funds spent on their behalf. Other TANF eligible individuals can be enrolled as WAA cases and TANF funds spent on their behalf. The funding source is invisible to the person, similar to the way that the W-2 and FSET programs are funded out of the same contract.

Integration of the WAA and WtW programs will also help agencies to develop more effective referral mechanisms with child support agencies to serve NCPs. Child support agency staff and court staff could refer persons to the overall program rather than making referrals to the individual WtW and WAA programs. Referral mechanisms already in place for the Children First program could be expanded to promote referrals to the Workforce Attachment and Advancement program.

#### D. Other Aspects of Coordination

Both tracks of WAA services should be available through the local Job Center service delivery system, with flexibility provided to W-2 agencies and WDBs on how to structure the services to best meet local needs. The WAA funds will help agencies support the Job Center system as many workforce attachment and advancement services can be ideally delivered in a Job Center environment. Customers should be able to access WAA services, including having eligibility determined and service plans developed, on site at Job Centers and related service sites.

For case tracking and performance measurement purposes, individuals enrolled in the WAA program will need to be designated as a track 1 or track 2 case. Local agencies will have discretion in determining which track to enroll person in, although to monitor expenditures, it is advisable that persons be enrolled in the track which funds the majority of the services they receive. If agencies pool their resources, they could enroll all cases in either track 1 or track 2. The local WAA program plan will provide an opportunity for agencies to describe how they will use the funding track concepts for participant enrollment.

## 6. Program Data Collection

The CARES data system will be used to record the participation of individuals in both tracks of the WAA program. The Department will modify the Work Programs subsystem of CARES to record WAA participants similar to the current use of the Work Programs subsystem for the WtW program and what is being developed for W-2 Community Reinvestment funds. The WAA modifications will probably be done in conjunction with the CARES modifications for W-2 Community Reinvestment services. Once ready, training will be offered to local agency staff on the new features in CARES.

The WAA program will not use the eligibility determination components of CARES. Eligibility determination for both tracks 1 and 2 will be done manually through a paper process. This type of manual process is currently being used for W-2 Community Reinvestment funds and the WtW program. Eligibility information will be entered into CARES using the Client Registration subsystem and cases will be referred to the Work Programs subsystem for enrollment and establishing service plans. WAA program reports will be available through the EOS reports system.

The WAA eligibility determination forms will be made available beginning with program implementation early in calendar year 2000 and agencies will track WAA program participants manually until the CARES modifications are ready. The timeframes for subsequently entering the manual information into CARES will be discussed with agencies in planning the rollout of the CARES modifications.

Agencies will be encouraged to use existing information in CARES to verify the TANF eligibility of low-income families and NCPs to the extent possible. Many families may have records in CARES for Food Stamps, Child Care and Medicaid purposes. In addition to CARES data, other information on family composition and income can also be used to determine TANF eligibility for the WAA program. Examples include information from school lunch programs and housing authorities. Documentation of TANF eligibility is only necessary for persons receiving individualized WAA services that require an expenditure on their behalf.

DWD will provide future direction to local agencies on the extent persons need to be formally enrolled and tracked through the CARES system, particularly in cases where multiple funding sources are used for services to individuals. If a person is receiving only group services under the WAA program, it is not necessary to track the person as a WAA case in CARES. In situations where persons are already enrolled in another program tracked in CARES, such as FSET or Children First, and WAA funds are used only to supplement services under that program, DWD will explore options to post the supplemental services in CARES as a component of the existing program rather than co-enrolling the person in both WAA and the other program. For reporting purposes, however, only cases enrolled in CARES as WAA cases will be included in WAA program caseload counts, so there is a balance between minimizing CARES workload and being able to show that people are being served under the WAA program.

Agencies will be required to submit periodic program progress reports in which they may be asked to describe the volume of WAA services to individuals not recorded in CARES and services to employers. DWD will seek input from local agencies in determining the frequency and format of these progress reports.

## 7. Program Performance Standards

The WAA program is expected to result in improved skills, increased earnings and more stable employment for participants. Program performance will be specifically measured based on job placement rates, job retention rates and increased earnings. For NCPs, program participation should lead to increased earning capacity, which will generate increased child support payments. Additional information will be collected through program progress reports to determine the effectiveness of WAA program services.

Skill enhancements and wage rates are not identified as a specific performance standard in the WAA enabling legislation, but agencies are expected to help individuals improve their skills and increase their earning capacity above what they earned in their previous employment. Agencies should establish objectives for individuals to complete training, achieve competencies in the desired skills, and obtain academic credits or trade certifications. Agencies should set wage objectives that will significantly improve the financial situation of program participants and promote upward mobility from entry-level employment.

Both W-2 agencies and WDBs will be measured on their program performance. The specific program performance measures under the WAA enabling legislation are:

- Employment placement for unemployed persons;
- Job retention rates for all persons served;
- Increased earnings for all person served; and
- Increased child support collections for NCPs.

These measures are consistent with the performance measures under WIA Title 1 and are the same as the performance measures for the WtW program.

DWD plans to measure WAA program performance using data on entered employments in the CARES data system (for placement and wage rate), cross matches with the Unemployment Insurance wage record data base (for job retention and earnings increase) and cross matches with the KIDS child support system (for child support collections). The UI wage record cross matches will be essentially the same as cross matches being developed for the WtW program and Title 1 of WIA. The KIDS cross match will be the same as what is being developed for the WtW program. Other methods may also be used for the performance measures, such as using the employment and wage results from the 180-day follow-up on entered employments, so following up on WAA program participants will be important to program performance.

Performance for the WAA program will be measured on only WAA participants receiving individualized services. The performance measures for the WAA program will not effect the performance expectations for other programs such as W-2 or Title 1 of WIA. The WAA program may help agencies meet their performance objectives for other programs to the extent WAA funds are used to provide supplemental services. WAA cases



tracked in the CARES system will be tracked separately from other programs using CARES, such as W-2 and FSET, so WAA participants will not be counted in measuring W-2 or FSET performance. If persons are co-enrolled in multiple programs, the outcomes (i.e., an entered employment) may apply to more than one program.

The WAA performance measures will not impact the amount of WAA funds distributed to W-2 agencies or WDBs. All funds from the 1999-2001 state budget will be distributed to agencies and no performance bonuses will be paid or penalties imposed for the initial implementation of the WAA program. Performance outcomes will be monitored by DWD and corrective action will be required of agencies that show poor WAA program performance. Depending on the availability of future TANF funding, if the WAA program is continued in the 2001-2003 state budget, poor performance may result in agencies not being funded or funded at reduced levels in future years.

#### 8. Program Planning Process

W-2 agencies and WDBs will participate in a coordinated planning process for the WAA program to ensure that the two tracks of funds are used in an integrated manner. From the coordinated planning process, agencies will have the discretion to submit individual plans, joint plans or a combined package of plans. Individual plans could include joint sections applicable to multiple agencies. Joint or combined plans will be encouraged in situations where agencies request to transfer resources between tracks (see fiscal section for more detail). The DES and DWE divisions of the Department will work jointly to collaborate on agency plan approvals. Each agency receiving WAA funds will need to obtain Department approval of its plan to begin spending the funds.

The Department will make both funding tracks available beginning calendar year 2000, and plan guidelines will be issued in November 1999. Agencies will be given 60 days to complete plans. Since the time frames for submitting agency plans may depend on the timing of factors such as certification of local WDB Boards to replace the current PIC Boards and local oversight board/committee review of program plans, the Department will accommodate local agency needs for flexibility regarding the plan submittal date. The Department will review and approve plans within 30 days, assuming the plan submitted is complete. Delays in submitting plans will result in delayed approval for agencies to incur costs, which could make it more difficult to meet spending targets for the WAA program.

In the course of preparing WAA program plans, agencies should seek input from their W-2 Community Steering Committees, Local Collaborative Planning Teams (LCPTs), and Job Center partner agencies. Sharing the plans for review and comment will be encouraged. The 1999 Coordination Plans prepared by LCPTs are a good starting point to identify job seeker and employer service needs that the WAA program can address. To obtain employer input on employer services and incumbent worker training, agencies will be asked to describe discussions with employers in their WAA plans. This could be done with the business members of W-2 Community Steering Committees, local chambers of commerce and other means.

Local agencies will have to identify if there are specific populations or industries/occupations that will be targeted for WAA program services. While the extent of targeting is discretionary on the part of agencies, targeting will help to use the WAA program resources effectively and fill gaps in current services.

Local agencies will also be encouraged to identify how the WAA program will fit into their local Job Center networks. Agencies will have discretion to use practices that will be put in place for their WIA Title 1 program, such as the use of individual training accounts for training services, for their WAA program services as well.

## 9. Funding Allocations

The enabling language for the program specifies that one half of the WAA funds must be distributed to W-2 agencies and the other half of the funds distributed to WDBs. All funds must be distributed through local allocations and services managed at the local level, so DWD will not fund any WAA services directly.

The allocation methodologies for the two tracks are specified in the budget bill language. The Department will issue a single two-year contract (for CY 2000 and CY 2001) to agencies that includes funds from both fiscal years in the budget. There is no guarantee of continued funding beyond the initial two-year period. The TANF program must be reauthorized at the federal level by 2001 and future allocations of TANF funds at the state level must be addressed through the 2001-2003 budget process.

Track 1 funds will be allocated to W-2 agencies (separate allocation to each W-2 county/region/tribe) in accordance with the following caseload figures:

- W-2 cases (both employment position and case management-only),
- FSET cases,
- Child Care program cases (Child Care only),
- W-2 diversion cases (as recorded in CARES), and
- W-2 NCP cases.

These case counts are a proxy for the potential demand for WAA services from W-2 agencies. The caseload figures used for the Track 1 allocations are from August 1999, except that the NCP caseload figures are the same as the figures used for W-2 program allocations in the May 1999 W-2 and Related Programs RFP. Each W-2 agency is given a minimum \$10,000 amount of WAA funds plus an additional formula amount based on the caseload figures. The formula share of the allocation is based on the case counts for the five types of cases, with each type of case having an equal weight in the formula.

Track 2 funds will be allocated to WDBs based on a three-part formula including:

- Population under 200% of poverty,
- Labor force participants, and
- An unemployment factor.

For the unemployment factor, DWD is using a factor that identifies pockets of high unemployment. This adjusted substantial unemployment (ASU) factor is used for JTPA and WIA Title 1 funding allocations.

The allocations must be approved by the legislative Joint Committee on Finance before agencies can begin to use WAA funds. The allocations given to agencies for planning purposes are tentative, contingent on Joint Finance approval through the "13.10" process. The Department anticipates review of the WAA allocations by Joint Finance in December 1999. Local agencies can work on their WAA program plans based on the allocations from DWD.

## 10. Grant and Contract Procedures

### A. Contracts and Exchange of Funds

Track 1 funds will be issued by DES to W-2 agencies through an addendum to the W-2 and Related Programs contract. The W-2 agencies that have the W-2 contract for the CY 2000-2001 period will get the WAA funds. W-2 consortiums will get the WAA contract addendum on a consortium basis also. Fiscal reporting will be done through the CARS system, as an addendum to the W-2 contracts. For track 1, the WAA funds are in addition to the base W-2 Program allocations and W-2 Community Reinvestment funds. WAA expenditures will be tracked separately from other DES programs.

Track 2 contracts will be issued by DWE to WDBs as separate grants. Contracts will be done by Workforce Development Area (WDA). Fiscal reporting will be done through the DWE grant reporting system. For track 2 contracts to WDBs, WAA funds are in addition to JTPA (Title 1 under WIA) and WtW program contracts. WAA expenditures will be tracked separately from other DWE programs.

Local agencies will be given the option to exchange funds between tracks. This can be accomplished in several ways:

- Agencies can contract with each other to provide services. For example, W-2 agencies could manage basic skills services to participants in both tracks and the WDB manage training services to participants in both tracks. Subcontracts will not require DWD approval, although agencies must keep DWD notified of subcontracts.
- Agencies can exchange funds and modify their contract amounts. Exchanges can be done between W-2 agencies within a WDA and between W-2 agencies and WDBs. Exchanges can be done for the start of the contract period through the local plan submission and also at the mid-point of the contract period as part of the reallocation process (see explanation below).
- A single agency, either W-2 agency or WDB, can administer both tracks. This can be done on a W-2 geographic area basis or for a WDA as a whole.

In situations where funds are formally exchanged between agencies, all of the agencies involved must mutually agree to the arrangement, including signing off on the local WAA program plan that describes the amount of the transfer. Contracts will be modified by DES and DWE based on the plan submissions. Agencies wishing to make formal transfers should submit their plans as a package so contracts can be modified at the same time. Once transfers are made, the contract amounts will be "locked in" and agencies will be responsible for meeting spending targets based on their contract amounts. Agencies that wish to exchange funds but preserve flexibility at the local level are advised to use the subcontract approach.

## B. Limitation on WDBs as WAA Service Provider

The role of WDBs under WIA is to develop the vision, goals, strategies and outcome measures for their local workforce development delivery systems. WIA establishes expectations for the delivery of employment and training services through an integrated system of one-stop Job Centers. WDBs will guide the development of system-wide approaches to achieve the workforce development objectives of their area, including defining the service needs of job seekers and employers and developing strategies to meet those needs. It is the Wisconsin vision that WDBs best achieve these objectives by not directly providing services under Title 1 of WIA. This limitation on WDBs not providing direct services also applies to the WAA program.

Consistent with this vision, WDBs will need to contract out for all WAA services funded under Track 2, including training, services that fit into the WIA "core" and "intensive" categories, and employer services. This requirement to contract out Track 2 services applies to all WDBs, including agencies who receive approval from DWD to provide WIA core and intensive services on an interim basis as those WDBs phase out their direct service operations. WDBs will be able to use Track 2 funds for administrative expenses associated with planning and managing the WAA program.

In contracting out for services, WDBs are not required to contract with W-2 agencies, although they can certainly choose to do so. The WDB board should establish the local policies for contracting out WAA program services.

## C. Procurement

Local agencies must follow their own procurement policies in issuing WAA program subcontracts to service providers. If allowed under local policies, agencies can expand existing contracts with service providers to include WAA funds. Agencies can also expand on existing Job Center resource sharing agreements with partner agencies.

W-2 agencies and WDBs will be encouraged to conduct coordinated procurements for subcontracted services so that potential subcontractors can make proposals for WDAs as a whole. This will make it easier for service providers to work with the overall WAA program population.

Similar to the W-2 RFP, W-2 agencies and WDA Boards will be encouraged to give subcontracts for WAA services to the Job Service. Job Center resource area staffing, intake/assessment, employment counseling and testing, job readiness and placement, job retention services, and employer services are all areas for potential subcontracts with Job Service.

#### D. Reallocation of Unspent Funds

The WAA funds must be spent on program services and agencies will not be able to retain any unspent funds from either track 1 or 2 at the end of the contract. DWE and DES will monitor the use of funds to ensure that the funds are being used by local agencies. Unspent funds at the end of the two-year contract period will lapse to the Department and agencies should assume there will be no carry forward of unspent funds should the WAA program be continued in the 2001-2003 state budget.

The intent of the WAA program is that funds should be used on a regular basis to serve individuals and provide employer services. While the Department will allow flexibility to use WAA resources to supplement other programs, the expectation is that agencies will provide services and incur costs over the life of the two-year contract. To ensure that the WAA funds are used effectively, the Department will establish spending targets for the program.

Contracts will be structured to establish an expenditure threshold at the mid-point of the contract period. For agencies that have not reached that threshold by the specified point in the contract period, the Department will have the option to unilaterally deobligate funds from those agencies. The amount deobligated will be the difference between the threshold and the actual expenditures. (Example: An agency's threshold is \$50,000 and the agency only spends \$30,000, so \$20,000 will be deobligated.) Any unused funds deobligated by the Department will be reallocated to other agencies that have reached their threshold if those agencies wish to receive additional funds. Reallocations will be done first within the WDA and then on a statewide basis.

Local agencies will have the opportunity to do reallocations at the local level prior to the Department deobligating funds. Local resolution of underspending is preferred to deobligations at the state level. Agencies can exchange WAA funds via subcontract at any time during the contract period. Agencies will also be able to make formal contract transfer at the midpoint of the contract period if they wish to do so. DES and DWE will monitor expenditures and may follow up with individual agencies showing a pattern of underspending.

The purpose of establishing spending targets is not to limit local flexibility in the use of WAA funds, but to ensure that funds are used effectively to meet the perceived great demand for workforce attachment and advancement services. With the ability to work with the broad TANF-eligible population, many employers facing recruitment and retention problems, and the ability to move funds across tracks, agencies should be able to identify service needs in their community that WAA resources can be used to meet.

#### 11. Fiscal Management

Agencies receiving grants will be allowed to spend up to 15% (general federal TANF limit) of the funds on program administration. Information technology costs will be included in the administration limit. Costs related to support of WDB boards and W-2 Community Steering Committees can be included as WAA administrative expenses. Compliance with the 15% administration limit will be based on actual expenditures, not

contract amounts. Of the 85% or more of the funds that must be spent on program services, agencies will be required to report costs in certain categories. The cost categories will be the same for both tracks.

For cost allocation purposes, costs charged to the WAA grant must be for services to TANF-eligible individuals or for activities which benefit the TANF-eligible population (i.e. group services and employer services). Agencies will need to demonstrate that general activities benefit the TANF-eligible population and document this through surveys or other means on a periodic basis. Agencies will have to allocate costs to their WAA grants in a manner consistent with their current agency cost allocation plans. This includes the use of WAA funds to cover shared Job Center costs.

Doc = WAA paper9.doc

Language from 1999-2001 Budget Bill, 1999 Wis. Act 9

Section 1277v. 49.173 of the statutes is created to read:

**49.173 Workforce attachment.** (1) The department shall distribute funds to Wisconsin works agencies and to local workforce development boards established under 29 USC 2832 to provide all of the following to any person who is eligible for the federal temporary assistance to needy families program under 42 USC 601 et. seq.:

- (a) Job readiness training and job placement services to unemployed persons.
- (b) Basic job skills development to unemployed or recently employed persons.
- (c) Services to assist recently employed persons with job retention.
- (d) Incumbent worker training to promote job advancement and increased earnings.
- (e) Services to employers to assist them in retaining workers and providing workers with position advancement.

(2) (a) The department shall allocate a portion of the amount to be distributed under sub. (1) and shall distribute that portion in equal amounts among all of the Wisconsin works agencies.

(b) The department shall distribute the amount that remains after the distribution under par. (a) to each Wisconsin works agency and local workforce development board based on the criteria specified in sub. (3).

(3) (a) The department shall allocate and distribute funds under sub. (2) (b) to Wisconsin works agencies based on the number of persons in all of the following case categories served by that Wisconsin works agency:

1. Case management.
2. Food stamp employment and training.
3. Diversion, as defined by the department.
4. Noncustodial parents.
5. Child care.

(b) The department shall allocate and distribute to each local workforce development board funds under sub. (2) (b) based on a formula that takes into account all of the following:

1. The percentage of the population of the area served by the local board with an income at or below 200% of the poverty line.
2. Labor force participation.
3. The unemployment rate of the area served by the local board.

(4) The department shall require recipients of the funds distributed under this section to meet performance standards that are based on employment placement for unemployed persons, job retention rates of the persons served by the fund recipients, increased earnings of the persons served by the fund recipients, and increased child support collections for noncustodial parents served by the fund recipients.

**Section 1278g.** 49.175 of the statutes, as affected by 1997 Wisconsin Act 27, is repealed and recreated to read:

(u) Workforce attachment. For services specified under s. 49.173, \$9,700,000 in fiscal year 1999-2000 and \$10,000,000 in fiscal year 2000-01. The department may not distribute moneys allocated under this paragraph unless the joint committee on finance approves the distribution.

Note: Workforce attachment allocation is one of several allocations under s.49.175.

## TANF Workforce Attachment and Advancement Funds - Track 1 to W-2 Agencies

WDA	County by WDA	W2 Cash	W2 non Cash	FSET	Diversions from W2	N-C Parents	Child Care Only	WAA Allocation Basis	Percent of Total	Track 1 Allocation	Share of State	
1	Southeast											
	Kenosha	157	130	244	84	24	411	1,050	3.07%	288,370		
	Racine	107	16	77	106	25	609	940	2.75%	259,207		
	Walworth	23	19	31	67	5	119	264	0.77%	79,990		
	Subtotal									\$627,567	6.37%	
2	Milwaukee											
	Region 1	796	429	376	70	74	494	2,239	6.55%	603,590		
	Region 2	825	428	446	69	83	450	2,301	6.73%	620,027		
	Region 3	1,220	514	325	84	126	654	2,923	8.55%	784,928		
	Region 4	1,140	503	602	106	118	803	3,272	9.57%	877,452		
	Region 5	1,113	401	581	117	139	1,001	3,352	9.81%	898,662		
	Region 6	1,171	634	713	113	118	754	3,503	10.25%	938,694		
Subtotal										\$4,723,352	47.95%	
3	WOW											
	Ozaukee	3	0	1	14	2	117	137	0.40%	46,321		
	Washington	17	13	21	33	5	191	280	0.82%	84,232		
	Waukesha	29	13	57	97	11	369	576	1.69%	162,706		
Subtotal										\$293,258	2.98%	
4	Fox Valley											
	Calumet	7	7	6	11	2	54	87	0.25%	33,065		
	Fond du Lac	28	25	57	92	8	209	419	1.23%	121,083		
	Green Lake	4	2	18	7	1	35	67	0.20%	27,763		
	Outagamie	53	56	25	42	6	255	437	1.28%	125,855		
	Waupaca	17	22	14	30	2	50	135	0.40%	45,790		
	Waushara	0	0	19	17	3	64	103	0.30%	37,307		
	Winnebago	44	38	58	84	10	388	622	1.82%	174,901		
Subtotal										\$565,763	5.74%	
5	Bay Area											
	Brown	17	7	69	98	16	602	809	2.37%	224,477		
	Door	7	7	12	18	2	51	97	0.28%	35,716		
	Florence	1	5	3	3	1	5	18	0.05%	14,772		
	Kewaunee	4	2	4	3	1	21	35	0.10%	19,279		
	Manitowoc	2	0	7	10	2	114	135	0.40%	45,790		
	Marinette	0	2	23	26	2	61	114	0.33%	40,223		
	Menominee	6	4	7	8	3	25	53	0.16%	24,051		
	Oconto	2	2	11	19	2	87	123	0.36%	42,609		
	Shawano	13	5	17	18	4	65	122	0.36%	42,344		
	Sheboygan	26	8	29	33	5	145	246	0.72%	75,218		
	Onieda Tribe	8	7	4	8	1	41	69	0.20%	28,293		
	Subtotal										\$592,772	6.02%
6	North Central											
	Adams	3	3	6	15	2	42	71	0.21%	28,823		
	Forest	4	1	1	6	1	28	41	0.12%	20,870		
	Langlade	12	5	26	23	3	51	120	0.35%	41,814		
	Lincoln	2	1	18	17	2	76	116	0.34%	40,753		
	Marathon	45	20	78	25	11	259	438	1.28%	126,120		
	Oneida	6	2	28	41	3	81	161	0.47%	52,683		
	Portage	12	4	19	33	4	141	213	0.62%	66,469		
	Vilas	1	4	9	21	1	15	51	0.15%	23,521		
	Wood	32	11	74	25	8	189	339	0.99%	99,874		
	Lac du Flambeau Tribe	Not a W-2 agency for CY 2000.									0	
	Subtotal										\$500,926	5.09%
7	Northwest											
	Ashland	3	2	6	21	2	85	119	0.35%	41,549		
	Bayfield	2	0	5	17	1	22	47	0.14%	22,460		
	Burnett	4	2	14	9	1	21	51	0.15%	23,521		
	Douglas	32	7	122	35	11	194	401	1.17%	116,311		
	Iron	0	1	0	8	1	14	24	0.07%	16,363		



## TANF Workforce Attachment and Advancement Funds - Track 1 to W-2 Agencies

WDA	County by WDA	W2 Cash	W2 non Cash	FSET	Diversions from W2	N-C Parents	Child Care Only	WAA Allocation Basis	Percent of Total	Track 1 Allocation	Share of State
	Price	4	1	20	9	2	48	84	0.25%	32,270	
	Rusk	2	2	14	5	1	45	69	0.20%	28,293	
	Sawyer	2	13	5	15	3	102	140	0.41%	47,116	
	Taylor	3	1	10	24	1	31	70	0.20%	28,558	
	Washburn	3	4	7	26	1	44	85	0.25%	32,535	
	Bad River Tribe	5	1	5	3	2	32	48	0.14%	22,725	
	Subtotal										
8	West Central										
	Barron	5	2	13	53	3	150	226	0.66%	69,916	
	Chippewa	8	8	7	47	6	170	246	0.72%	75,218	
	Clark	1	2	33	35	2	23	96	0.28%	35,451	
	Dunn	16	26	16	28	4	57	147	0.43%	48,972	
	Eau Claire	16	14	49	61	11	337	488	1.43%	139,376	
	Pepin	1	0	7	7	1	12	28	0.08%	17,423	
	Pierce	4	4	6	24	2	77	117	0.34%	41,018	
	Polk	3	9	23	7	3	93	138	0.40%	46,586	
	St. Croix	6	3	8	48	2	70	137	0.40%	46,321	
	Subtotal									\$520,280	
9	Western										
	Buffalo	3	2	3	11	2	16	37	0.11%	19,809	
	Crawford	1	1	0	15	1	38	56	0.16%	24,846	
	Jackson	0	1	67	19	3	21	111	0.32%	39,428	
	Juneau	17	18	13	18	3	39	108	0.32%	38,632	
	La Crosse	26	29	62	41	12	441	611	1.79%	171,985	
	Monroe	18	3	26	20	4	93	164	0.48%	53,479	
	Trempealeau	5	1	14	8	2	82	112	0.33%	39,693	
	Vernon	7	0	13	33	2	47	102	0.30%	37,042	
	Subtotal									\$424,913	
10	South Central										
	Columbia	7	12	8	35	2	85	149	0.44%	49,502	
	Dane	307	140	252	254	43	1,023	2,019	5.91%	545,265	
	Dodge	20	19	20	45	5	183	292	0.85%	87,413	
	Jefferson	6	10	6	64	2	96	184	0.54%	58,781	
	Marquette	0	1	3	21	1	37	63	0.18%	26,702	
	Sauk	8	5	37	21	4	112	187	0.55%	59,576	
	Subtotal									\$827,239	8.40%
11	Southwest										
	Grant	4	3	9	43	2	73	134	0.39%	45,525	
	Green	1	3	15	24	2	78	123	0.36%	42,609	
	Iowa	4	1	7	14	1	51	78	0.23%	30,679	
	Lafayette	2	2	7	7	1	26	45	0.13%	21,930	
	Richland	5	8	5	11	1	38	68	0.20%	28,028	
	Rock	70	54	29	165	12	362	692	2.02%	193,459	
	Subtotal									\$362,230	
	<b>STATE TOTAL</b>	<b>7,588</b>	<b>3,765</b>	<b>5,082</b>	<b>3,044</b>	<b>1,001</b>	<b>13,694</b>	<b>34,174</b>	<b>100.00%</b>	<b>\$ 9,850,000</b>	

Method: Allocation based on minimum allocation of \$10,000 per W-2 agency plus an additional amount based the area's share of current caseload data (August 1999), except NCP case counts which are from 4/99 W-2 RFP. Thus, \$790,000 is distributed through the minimum allocation and the remaining \$9.06 million through the caseload formula. Per the statutory language in the budget bill, the allocation amounts are based on a simple total of the caseload numbers with no weighting (weighting is done for the W-2 contract allocations). Child care case count reflects unduplicated count of child care only cases (excludes W-2 participants receiving child care).

## TANF Workforce Attachment and Advancement - Track 2 to WDA Boards

WDA#	WDA	Labor Force	% of Total	200% of Poverty	% of Total	ASU	% of Total
1	Southeast	223,330	7.58%	93,995	7.03%	3,691	13.75%
2	Milwaukee Co.	485,970	16.50%	302,186	22.59%	8,467	31.55%
3	W-O-W	319,871	10.86%	52,768	3.94%	0	0.00%
4	Fox Valley	324,426	11.02%	118,273	8.84%	1,446	5.39%
5	Bay Area	338,981	11.51%	146,913	10.98%	2,081	7.75%
6	North Central	220,201	7.48%	113,321	8.47%	1,644	6.12%
7	Northwest	91,499	3.11%	69,741	5.21%	3,539	13.19%
8	West Central	223,282	7.58%	121,538	9.08%	1,418	5.28%
9	Western	147,620	5.01%	89,503	6.69%	1,444	5.38%
10	South Central/Da	415,015	14.09%	147,781	11.05%	1,287	4.80%
11	Southwest	154,368	5.24%	81,870	6.12%	1,817	6.77%
		2,944,563	100.00%	1,337,889	100.00%	26,834	100.00%

**Factors:**

Labor Force	Current labor force participants, 1999 data
200% Poverty	Number of persons under 200% poverty, 1990 Census data
ASU	Adjusted substantial unemployment, JTPA allocation factor , updated 1999 data

WDA#	WDA	Lbr Force	200% Pov	ASU	Share	Allocation
1	Southeast	7.58%	7.03%	13.75%	9.45%	\$931,275
2	Milwaukee Co.	16.50%	22.59%	31.55%	23.55%	\$2,319,470
3	W-O-W	10.86%	3.94%	0.00%	4.94%	\$486,171
4	Fox Valley	11.02%	8.84%	5.39%	8.42%	\$828,926
5	Bay Area	11.51%	10.98%	7.75%	10.08%	\$993,113
6	North Central	7.48%	8.47%	6.12%	7.36%	\$724,735
7	Northwest	3.11%	5.21%	13.19%	7.17%	\$706,255
8	West Central	7.58%	9.08%	5.28%	7.32%	\$720,697
9	Western	5.01%	6.69%	5.38%	5.70%	\$560,998
10	South Central/Da	14.09%	11.05%	4.80%	9.98%	\$982,933
11	Southwest	5.24%	6.12%	6.77%	6.04%	\$595,427
	<b>State Total</b>					<b>\$9,850,000</b>

### Total Workforce Attachment and Advancement Program Allocations by WDA

WDA #	WDA	Track 1	Track 2	Total
1	Southeast	\$627,567	\$931,275	\$1,558,842
2	Milwaukee Co.	\$4,723,352	\$2,319,470	\$7,042,822
3	W-O-W	\$293,258	\$486,171	\$779,429
4	Fox Valley	\$565,763	\$828,926	\$1,394,689
5	Bay Area	\$592,772	\$993,113	\$1,585,885
6	North Central	\$500,926	\$724,735	\$1,225,661
7	Northwest	\$411,700	\$706,255	\$1,117,955
8	West Central	\$520,280	\$720,697	\$1,240,977
9	Western	\$424,913	\$560,998	\$985,911
10	South Central/Dane	\$827,239	\$982,933	\$1,810,172
11	Southwest	\$362,230	\$595,427	\$957,657
	<b>State Total</b>	<b>\$9,850,000</b>	<b>\$9,850,000</b>	<b>\$19,700,000</b>

Track 1 shows the combined allocations to W-2 agencies. Each agency will receive an individual Track 1 allocation.

Track 2 shows the allocations to Workforce Development Boards.

XII. Department of Health and Family Services – Tom Alt, Division Administrator,  
Division of Care and Treatment Facilities

The department requests the release of \$233,000 GPR in fiscal year 1999-2000 from the Committee's supplemental appropriation under s. 20.865(4)(a) to be transferred to the Division of Care and Treatment's general operations appropriation under s. 20.435(2)(a) for the purchase of a body alarm system for the Mendota Mental Health Institute (MMHI). Because MMHI is split-funded between GPR and PR depending on the type of patient, the department also requests an increase of \$87,000 PR in expenditure authority under s. 16.515 in s. 20.435(2)(gk), the institutional operations appropriation, to support the balance of the purchase of the alarm system.

Governor's Recommendation

Approve the request.