

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

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S. 13.10 ~~REPUTING~~

~~BURD~~ ~~AMENDMENTS~~

September 14, 2000 S. 13.10



Agency: Department of Revenue -- Cigarette Tax Tracking System

Recommendations:

Agenda Item I: Alternative 5 (deny the request)

Comments: As part of the big cigarette settlement, states are supposed to track sales of different manufacturers to make sure non-participating companies don't benefit at the expense of participants. DOR insisted in April that it needs to add 2.5 full timers and spend heavily on computer consultants to develop a tracking system capable of distinguishing individual brands. After withdrawing the April request, the department returns with a few revisions. DOA in April had expressed doubt about the need for funding in this fiscal year. But DOR says it is itching to sign a contract and get started this year.

Possible Questions: Why now and not in next budget? Why doesn't this fit in with the Integrated Tax System the department is supposed to be developing? Why is Wisconsin spending much more than surrounding states (JoAnna says North Dakota's efforts consist of sending a letter. Other states are adding maybe one or two people -- and no contractor windfall)?

Given the Department's consistent partisan tone on use value, it is especially tempting to deny this request on general principle. But the state does need to make a good faith effort to uphold the terms of the settlement. For now, this can still be accomplished manually, by existing staff. The committee could ask DOR to come back when they approach the committee for release of additional money for the Integrated Tax System, with the instruction to demonstrate coordination and cost savings between the two projects.

Alternative 5 denies the request.

Prepared by: Bob



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September 14, 2000

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Revenue: Section 13.10 Request for 2.5 Permanent GPR Positions and Supplemental Funding for a Cigarette Excise Tax Tracking System -- Agenda Item I

The Department of Revenue (DOR) requests authorization of 2.5 GPR positions and supplemental funding of \$288,100 GPR in 2000-01 from the Joint Committee on Finance's supplemental appropriation under s. 20.865 (4) (a) to the Department's general program operations appropriation under 20.566 (1) (a). The requested funding and positions would be used to implement and administer a cigarette excise tax tracking system related to provisions of 1999 Act 122 pertaining to the Master Settlement Agreement between tobacco manufacturers and states.

BACKGROUND

The Master Settlement Agreement (MSA) from the multi-state lawsuit against certain tobacco manufacturers contains a provision to protect the tobacco manufacturers that participated in the settlement ("participating manufacturers") from losing market share as a result of the settlement. Under the provision, the settling states may enact a "qualifying statute" that would prevent the tobacco manufacturers that did not participate in the agreement ("nonparticipating manufacturers") from increasing their share of the tobacco market as a result of the agreement's provisions. The MSA includes a model statute, which if enacted without substantive changes, would serve as a qualifying statute. 1999 Act 122 was enacted to qualify as a "model statute."

Under the provisions of Act 122, any tobacco product manufacturer selling cigarettes to consumers within the state, whether directly or through a distributor, retailer or similar intermediary, is required to do one of the following: (a) become a participating manufacturer and generally perform its financial obligations under the MSA; or (b) annually place into a qualified escrow fund certain specified amounts per unit sold. Money can be released from escrow to the respective tobacco product manufacturers only under the following circumstances: (a) to pay a judgment or settlement on any released claim brought against that tobacco product manufacturer by

the state or any releasing party located or residing in the state; (b) when there are excess monies because the amount the tobacco manufacturer was required to place in escrow in a particular year was greater than the state's allocable share of total payments that the manufacturer would have been required to make in that year under the MSA had it been a participating manufacturer; and (c) 25 years after the date on which the tobacco product manufacturer placed money in the escrow, any monies that remained after releases would revert to the tobacco product manufacturer.

Act 122 requires tobacco product manufacturers that elect to place money into escrow to annually certify to the Attorney General that the manufacturer is in compliance with the escrow procedure. The Attorney General could bring a civil action on behalf of the state against any tobacco product manufacturer that fails to place the required monies into escrow. Tobacco product manufacturers that failed to place the required funds into escrow would be subject to various penalty provisions, depending upon the circumstances.

Act 122 requires DOR to promulgate rules to ascertain each year the amount of Wisconsin excise tax paid on the cigarettes of each tobacco manufacturer that places funds into escrow. DOR has promulgated an emergency administrative rule that requires all tobacco manufacturers that sell cigarettes in Wisconsin to submit a schedule to the Department each month. The schedule must include specific information to enable the Department to determine the amount of cigarette taxes paid for each brand of cigarettes sold by all manufacturers. Manufacturers are required to maintain certain supporting records of these sales for four years after each schedule was submitted. The rule also requires every nonparticipating manufacturer to certify to DOR and the Attorney General, by April 15 of each year, the amounts placed in a qualified escrow account and other related information. Nonparticipating manufacturers that fail to place sufficient funds in a qualified escrow account are subject to civil action and penalties. The Department is in the process of promulgating a permanent rule that includes these provisions. A public hearing on the rule has been scheduled for September 18 in Madison.

ANALYSIS

Act 122 did not provide DOR with any additional resources to conduct activities to determine the excise taxes paid by nonparticipating tobacco manufacturers. DOR indicates that, while it currently tracks cigarette excise taxes collected, it does not collect enough data to determine the cigarette excise taxes paid on cigarettes for which escrow payments must be made. Department regulations will require cigarette distributors to report the number of cigarettes that are stamped for sale in Wisconsin by each manufacturer. In addition, because some manufacturers sell brands that are covered by the MSA and other brands that are not, the Department will be required to track the sales of nonparticipating manufacturers by brand. DOR currently does not track cigarette sales by brand.

DOR will be required to obtain more detailed sales information than is currently collected in order to determine the amount of cigarette excise taxes paid by nonparticipating manufacturers.

Consequently, DOR has requested funding to develop a new automated cigarette tax administration and enforcement system, including an electronic filing process. The new system would be used to administer all phases of collecting cigarette taxes such as tax processing, tax computation, auditing file maintenance and producing reports. The Department would contract with a vendor to develop an automated system over a two-year period. The costs for the contractor would be paid through a masterlease. A total of \$160,000 in 2000-01 would be required for these masterlease payments. Supporting costs of \$41,100 in 2000-01 would be incurred for computer equipment (masterleased), furniture, telephone service, office supplies and InfoTech charges.

DOR also requests funding of \$87,000 (\$130,000 ongoing cost) and 2.5 positions beginning in 2000-01 to administer the automated cigarette processing and enforcement system and for audit activities. As noted, the new automated system would track more information than is currently collected for the cigarette tax. The system would store data for an estimated 750,000 transactions collected over a four-year period and would require funding of \$62,000 (\$92,500 ongoing cost) and 1.5 permanent positions beginning in 2000-01 for application, data, network and business support and system maintenance. (Funding for positions for 2000-01 is for 8 months.)

The request also includes funding of \$25,000 (\$37,500 ongoing cost) and 1.0 auditor position in 2000-01. The position would conduct audit and enforcement activities related to nonparticipating manufacturers and all other manufacturers and distributors subject to the cigarette tax. Reports would be audited to ensure the Department is collecting the required brand information. The position would also audit cigarette tax returns, investigate transaction discrepancies and verify adjustments generated by the new cigarette tax system. The auditor would provide assistance to relevant parties, including manufacturers, distributors, and state and federal agencies, regarding the state cigarette and tobacco product tax law. The following table summarizes the components of the request for the 1999-01 biennium and the total estimated costs over the term of the masterlease.

Estimated Costs of Development and Support of the Cigarette Enforcement Program

<u>Expenses</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>
Salaries & Fringe Benefits	\$87,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000
Contract Programming										
Masterlease Allocations	160,000	159,800	129,000	155,100	155,100	155,100	155,100	131,100	71,000	17,500
Server/4PC Masterlease	25,500	25,500	25,500	25,500	25,500	25,500	25,500	25,500	25,500	25,500
Furniture	10,000	0	0	0	0	0	0	0	0	0
Infotech Charges, Telephone Service & Office Supplies	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>
Total	\$288,100	\$320,900	\$290,100	\$316,200	\$316,200	\$316,200	\$316,200	\$292,200	\$232,100	\$178,600

In reviewing DOR's request, it should be noted that the Department, with the assistance of the Attorney General's office, has submitted an application to the National Association of Attorneys

General for a one-time grant from the States' Antitrust/Consumer Protection Tobacco Enforcement Fund. The fund was established under the Master Settlement Agreement to provide a source of funding to states for implementing and enforcing the terms of the agreement. Grants from the fund are limited to \$200,000 and may not be used to pay the salary or ordinary expenses of any permanent employe. DOR has requested a one-time grant of \$196,000 from the fund to be used in 2000-01 to pay: (a) masterlease costs to a vendor to develop an automated system; (b) masterlease costs for personal computers and a server; and (c) the purchase of furniture. Given the potential for this additional funding, the Committee may wish to modify the Department's request and provide \$196,000 GPR in 2000-01 only if the Department does not receive the one-time grant. Permanent funding for masterlease costs would have to be included in the Department's 2001-03 biennial budget request. The Committee could approve 2.5 GPR positions and the remaining supplemental funding of \$92,100 GPR in 2000-01. This would provide the Department with resources that would not be funded with the one-time grant. At this writing, DOR does not know if its grant application has been approved.

The essential components of DOR's request are funding and staff to develop, implement and administer an automated cigarette tax processing and enforcement system. Funding for contract programming and 1.5 positions (\$62,000 in 2000-01) is viewed by DOR as the minimum level of support needed to monitor cigarette tax payments of nonparticipating manufacturers, as required under Act 122. The auditor position (\$25,000 in 2000-01) would further improve the Department's ability to monitor tax payments by auditing reports filed by nonparticipating manufacturers. However, the auditor's activities would not be entirely focused on nonparticipating manufacturers but would also track and audit information and reports from all manufacturers and distributors. Since the audit position activities would be mostly related to the general administration of the cigarette tax, the Committee may wish to delete the auditor and related funding of \$25,000 in 2000-01.

DOR requests that \$288,100 GPR in 2000-01 be transferred from the Committee's supplemental appropriation under s. 20.865(4)(a) to the Department's general program operations appropriation under s. 20.566(1)(a) for the development and operation of the cigarette excise tax tracking system. No supplemental funding in the Committee's appropriation has been reserved for this purpose. Funding, therefore, would be provided from the unreserved portion of the Committee's supplemental appropriation or from funds reserved for other purposes. To date, the Committee has a total of \$40,700 GPR in unreserved supplemental funding for the remainder of the 1999-01 biennium. The Committee should note, however, that there is currently \$18,050,500 GPR placed in reserve in the Committee's appropriation for Department of Corrections' prison contract bed funding. Corrections has indicated that it does not currently expect to request release any of these funds in 2000-01 for the purpose of additional contract beds. However, Corrections currently has requests before the Committee for consideration at the September 14, 2000, s. 13.10 meeting to use \$4,171,300 of monies originally reserved for contract bed facilities. If all of Corrections' requests were approved in full, \$13,879,200 GPR reserved for contract beds would remain in the Committee's appropriation. Therefore, funding for the development and operation of the cigarette excise tax tracking system in 2000-01 could be transferred from the amounts reserved for prison contract beds in 2000-01.

If supplemental funding is not provided to implement and administer a cigarette excise tax tracking system, DOR would require distributors to file monthly reports which included information related to cigarette taxes paid for nonparticipating brands. Currently, 90 distributors sell cigarettes from 12 manufacturers in Wisconsin. Department staff would be required to manually compile information from the monthly reports and provide the appropriate data to the Attorney General's office to monitor the escrow payments and accounts of nonparticipating manufacturers. Currently, 8.1 FTE positions perform activities related to administration of the cigarette and tobacco products tax. These activities include office and field audits, stamp sales and accounting, retailer inspections and investigations, taxpayer assistance, computer programming, training, supervision, and delinquent tax collection. DOR has argued that it has insufficient staff to perform the administrative responsibilities required by Act 122 on a regular and timely basis, in addition to its workload from administering and auditing the cigarette and tobacco products tax. As a result, staff might have to be reallocated from other administrative responsibilities.

However, to meet its administrative responsibilities, DOR is required to determine the amount of excise taxes paid only on nonparticipating brands. An estimated 98% of cigarette sales are from participating manufacturers and brands. Department staff would be required to compile data from remaining 2% of sales. Creating a spreadsheet on a personal computer and keying in sales information for nonparticipating manufacturers and brands from the monthly reports could accomplish this. In this regard, it should be noted that DOR submitted a similar request at the Committee's April meeting under s. 13.10 for funding and positions to develop a cigarette excise tax tracking system. However, the Department withdrew the request before the Committee took action. This could be viewed as an indication that DOR believed it could meet the requirements of Act 122 without additional positions and supplemental funding. If DOR receives the one-time grant of \$196,000 from the State's Antitrust/Consumer Protection Tobacco Enforcement Fund, it will still have to request permanent funding in its 2001-03 biennial budget. The Department could request the permanent positions and associated funding in the budget as well. In addition, DOR has base level funding of \$5.7 million GPR for an integrated tax system (ITS). The ITS involves the use of technology to comprehensively modernize, upgrade and reorganize the Department's tax administration personnel, activities and systems into functional components. An automated cigarette excise tax processing system is scheduled to be implemented as a component of ITS beginning in 2005-06. Therefore, funding is already included in DOR's budget for development of a cigarette excise tax tracking system. Consequently, the Committee may wish to deny this request.

ALTERNATIVES

1. Approve the Department of Revenue's request for 2.5 GPR positions beginning in 2000-01 and supplemental funding of \$288,100 GPR in 2000-01 from the Joint Committee on Finance's supplemental appropriation under s. 20.865 (4) (a) to the Department of Revenue's general program operations appropriation under s. 20.566 (1) (a) for a cigarette tax processing and enforcement system and audit staff. Transfer funding from the amounts reserved for the Department of Corrections for prison contract beds in 2000-01.

2. Authorize 2.5 positions beginning in 2000-01 and supplemental funding of \$92,100 GPR in 2000-01 from the Joint Committee on Finance's supplemental appropriation under s. 20.865 (4) (a) to the Department of Revenue's general program operations appropriation under s. 20.566 (1) (a) for a cigarette tax processing and enforcement system and audit staff. Transfer funding from amounts reserved for the Department of Corrections for prison contract beds in 2000-01. Under this alternative, the Department's request would be modified to delete the funding that may be received as a one-time grant from the State's Antitrust/Consumer Protection Tobacco Enforcement Fund.

3. Authorize 1.5 positions beginning in 2000-01 and supplemental funding of \$62,000 GPR in 2000-01 from the Joint Committee on Finance's supplemental appropriation under s. 20.865 (4) (a) to the Department of Revenue's general program operations appropriation under s. 20.566 (1) (a) for a cigarette tax processing and enforcement system and staff. Transfer funding from amounts reserved for the Department of Corrections for prison contract beds in 2000-01. Under this alternative, the Department's request would be modified to delete the funding that would be received as a one-time grant from the State's Antitrust/Consumer Protection Tobacco Enforcement Fund and also to delete the auditor position.

4. Modify the Department's request to provide funding of \$196,000 GPR in 2000-01 from the Joint Committee on Finance's supplemental appropriation under s. 20.865(4)(a) to the Department of Revenue's general program operations appropriation under s. 20.566(1)(a) for a cigarette tax processing and enforcement system only if the Department of Revenue does not receive a grant from the State's Antitrust/Consumer Protection and Tobacco Enforcement Fund.

5. Deny the request.

MO# AH 5

BURKE	Y	N	A
1 DECKER	Y	N	A
2 JAUCH	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
COWLES	Y	N	A
DARLING	Y	N	A
GARD	Y	N	A
PORTER	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUBER	Y	N	A
RILEY	Y	N	A

AYE _____ NO _____ ABS _____

MO# AH 5 3 + 4

BURKE	Y	(N)	A
DECKER	Y	(N)	A
JAUCH	Y	(N)	A
MOORE	Y	(N)	A
SHIBILSKI	Y	(N)	A
PLACHE	Y	(N)	A
COWLES	(Y)	N	A
DARLING	(Y)	N	A
GARD	(Y)	N	A
PORTER	(Y)	N	A
KAUFERT	(Y)	N	A
ALBERS	(Y)	N	A
DUFF	(Y)	N	A
WARD	(Y)	N	A
HUBER	Y	(N)	A
RILEY	Y	(N)	A

AYE 8 NO 8 ABS 0

AGENDA ITEM II

Department of Administration: Release of Reserved Funds for Operation Fresh Start Replication Projects

Support the conclusion and release \$238,500 to DOA for payments to designated agents appropriation to fund Operation Fresh Start replication projects in 2000-01.

It's a successful program and DOA has met their requirement of obtaining funding commitments totaling \$2,000,000 from all sources to continue this program.

Staff: Cindy



Legislative Fiscal Bureau

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September 14, 2000

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Administration: Section 13.10 Request for the Release of Reserved Funds for
Operation Fresh Start Replication Projects -- Agenda Item II

The Department of Administration (DOA) is requesting the release of the \$238,500 GPR in 2000-01 that is currently reserved in the Committee's s. 20.865(4)(a) appropriation to be used to fund the next Operation Fresh Start replication projects grant cycle. The Department requests that the funding be released to DOA's s. 20.505(7)(c) appropriation for payments to designated agents.

BACKGROUND

The Operation Fresh Start (OFS) program replication initiative is based on a long-running Madison program of the same name that is designed to provide at-risk young people with education, employment skills and career direction leading to economic self-sufficiency. The purpose of the replication effort is to establish comparable projects throughout the state using the Madison program as the model.

The Madison OFS program is aimed at increasing the self-esteem and self-sufficiency of youths and young adults (ages 16 to 24) who evidence alcohol and other drug abuse problems; poor health and nutrition; low educational achievement; poor employment history; physical, sexual and emotional abuse or criminal histories. The program offers an educational component where participants complete classes leading to a high school equivalency diploma and a vocational component where participants learn basic home construction, rehabilitation and remodeling skills. An additional focus of the work component of the program is to rehabilitate substandard housing into well-built, mechanically sound and affordable dwellings for low- and moderate-income homeowners. In the case of the Madison program, the sale of the rehabilitated housing stock has allowed major portions of the program to become largely self-supporting.

In a pilot effort to expand the OFS program to other venues in the state during the 1998-99 fiscal year, the Governor directed DOA's Division of Housing and Intergovernmental Relations to commit base level resources to fund at least two replication projects. The Division subsequently allocated \$530,000 from monies available under the federal Home Investment Partnership (HOME) program and from the Wisconsin Housing and Economic Development Authority (WHEDA) monies available to the Division to fund two new OFS-type projects, one in the Eau Claire area and one in Waushara County.

Subsequently, as a part of the Governor's 1999-01 biennial budget recommendations, \$232,000 GPR annually was provided to the Division to support a portion of the costs of funding up to ten OFS replication projects per year statewide. This recommended funding was to be used in conjunction with at least \$1,768,000 (all funds) of other new or currently available funding from a variety of sources such that a minimum of \$2,000,000 annually would be available to support ten competitive grants of \$200,000 each. Grantees would be expected to provide a local match of \$51,250.

During the Committee's biennial budget deliberations, it was determined that in addition to the \$232,000 GPR being proposed by the Governor for OFS replication projects, the Division had firm commitments from other funding sources only for an additional \$660,000 annually. As a result, the Committee placed the \$232,000 GPR annually recommended for additional OFS projects in the Committee's s. 20.865(4)(a) supplemental appropriation. These funds were to be reserved for possible future release to the Division under s. 13.10 procedures, once the total additional funding commitments each year for the replication projects were known and had been secured.

By late 1999, the Division had assembled funding commitments from a variety of different sources that initially totaled \$1,985,600 (all funds), including the \$232,000 GPR in the Committee's supplemental appropriation. At the Committee's December, 1999, meeting under s. 13.10 of the statutes, DOA requested the release of the reserved \$232,000 GPR in 1999-00 to permit the funding of awards of \$242,635 each (all funds) to seven OFS grantees. These seven grants committed \$1,698,400 (all funds) of the total available 1999-00 funding. A residual balance remained available for a potential second 1999-00 grant cycle. Based on the detailed budgets of the seven grantees, the Committee released \$225,500 GPR for 1999-00 for the OFS replication projects. The remaining \$6,500 GPR in 1999-00 was held in balance for possible future release in connection with any 2000-01 OFS grant funding. As a result of this \$6,500 reduction, a total of \$280,700 (all funds) remained available from all sources for a second series of OFS grants in 1999-00.

Additional residual monies remaining from the 1998-99 OFS pilot program were subsequently reallocated and added to the uncommitted OFS grant balance of \$280,700 (all funds) in 1999-00. The resulting total of \$465,000 (all funds) was used to award three additional OFS grants of \$165,000 each in Milwaukee, Jackson and Ashland Counties, bringing the total number of projects supported in 1999-00 to ten. Table 1 summarizes the OFS grant awards made during the 1999-00 fiscal year.

TABLE 1

**Wisconsin Fresh Start Program Grantees
(1999-00 Grant Cycle)**

<u>Agency</u>	<u>Year First Funded</u>	<u>Participant Recruitment Counties</u>	<u>Housing Projected Location</u>	<u>Current Grant Award</u>
ADVOCAP, Inc.	1999	Fond du Lac	City of Fond du Lac	\$242,635
Ashland County Housing Authority	2000	Ashland and Price	Town of Glidden	165,000
CAP Services, Inc.	1998	Waushara	City of Wautoma	242,635
Harambee Ombudsman Project, Inc.	2000	Milwaukee	City of Milwaukee	165,000
Indianhead Community Action Agency	1999	Sawyer	City of Hayward	242,635
Milwaukee Community Services Corps	1999	Milwaukee	City of Milwaukee	242,635
Renewal Unlimited, Inc.	1999	Columbia	City of Portage	242,635
Wausau Area Hmong Mutual Association	1999	Marathon	City of Wausau	242,635
Western Dairyland Economic Opportunity Council, Inc.	1998	Eau Claire and Trempealeau	City of Augusta	242,635
Western Dairyland Economic Opportunity Council, Inc. (II)	2000	Jackson	To be determined	<u>165,000</u>
		Total Grants		\$2,193,445

ANALYSIS

The Division of Housing and Intergovernmental Relations has secured total funding commitments amounting to \$2,177,500 (all funds) in 2000-01, assuming the Committee's release of the requested \$238,500 GPR. These funding sources are identified in Table 2.

TABLE 2**Operation Fresh Start Funding Commitments for 2000-01**

<u>Agency</u>	<u>Program Providing Funds</u>	<u>Instrument of Agreement</u>	<u>Amount</u>
Administration	Federal HOME Program	Included in State Consolidated Plan	\$439,000 FED
Health & Family Services	IV-E Independent Living	Memorandum of Understanding	200,000 FED
Wisconsin Conservation Corps	Enrollee Operations	Memorandum of Understanding	200,000 GPR
Administration	General Fund	Pending s. 13.10 Release Request	238,500 GPR
Corrections	Community Corrections	JCF July, 2000, s. 13.10 Earmark and Budgeted Funds	300,000 GPR
National Community Services Board	AmeriCorps Grant	Award Letter	500,000 FED
WHEDA	Dividends Plan	August, 2000, WHEDA Board Action	<u>300,000</u> PR
Total Funding Commitments (All Funds)			\$2,177,500

Some of the OFS funding resources identified in Table 2 are subject to specific limitations with respect to the types of activities that the monies be used to support or the areas of the state in which the funds may be expended. Other funding identified in Table 2 is unrestricted in how or where it may be expended. Further, several of these funding sources may be available to the Division in future fiscal years for continuation funding for the OFS replication project, while other funding sources appear to be one-time in nature. Each of these funding sources is reviewed below.

Federal HOME Program Funds. The Division of Housing and Intergovernmental Relations would allocate \$439,000 FED of annual HOME funding from the federal Department of Housing and Urban Development (HUD) to support housing construction, administration and labor project costs. Under current federal requirements, these funds cannot be used for OFS projects in any of the following areas of the state that receive direct HOME entitlement funding from HUD: the cities of Eau Claire, Green Bay, Kenosha, La Crosse, Madison, Milwaukee and Racine, as well Milwaukee County and a consortium comprised of Jefferson, Ozaukee, Washington and Waukesha Counties.

JFC Funding Release. The \$238,500 GPR in 2000-01 reserved in the Committee's supplemental appropriation for the OFS replication projects are unrestricted with respect to the purpose for which they may be used or the areas of the state in which they may be expended.

However, release of the funding was originally premised on the Division securing at least \$2,000,000 (all funds) annually in funding commitments for a total of ten replication projects.

Department of Corrections Funding. The Department of Corrections (DOC) has committed \$300,000 GPR for 2000-01 from its purchased services for offenders appropriation to provide direct training and support services for OFS participants who are subject to DOC's jurisdiction. Of this total, \$150,000 GPR was originally appropriated in the biennial budget and the DOC, by letter, has targeted its use in 2000-01 for OFS. Another \$150,000 GPR in 2000-01 was transferred by this Committee at its July, 2000, meeting under s. 13.10 of the statutes to the DOC's purchased services for offenders appropriation from the 1999-00 balances remaining in the pharmacological treatment of certain child sex offenders appropriation. These transferred funds were earmarked for OFS project funding for 2000-01.

Health and Family Services Funding. The Department of Health and Family Services (DHFS) and DOA have entered into a memorandum of understanding (MOU) under which DHFS will make \$200,000 FED available in 2000-01 on a one-time basis from residual federal IV-E Independent Living funds to OFS. These residual funds result from counties having under-spent their contracted service level commitments under the former Foster Care Independent Living Initiative authorized under Title IV-E of the Social Security Act. Title IV-E was superseded in December, 1999, by the new federal Foster Care Independence Act. The remaining federal IV-E funds would be targeted to OFS participants up to the age of 21 who were in foster care until age 18 and who are likely to need additional assistance to live successfully on their own.

Wisconsin Conservation Corps Funding. The Wisconsin Conservation Corps (WCC) is making a one-time transfer of \$200,000 GPR in 2000-01 to promote human services activities as authorized under s. 106.215(2)(d) of the statutes. The WCC is developing a MOU with DOA under which OFS participants who fit the enrollment requirements of WCC corps enrollees could receive funding. The OFS participants would have to engage in projects designed to promote the social well-being of children, the elderly, persons with disabilities, and persons with low incomes. Under s. 106.215(5) of the statutes, the WCC may approve funding for projects that are sponsored by state agencies or nonprofit organizations that provide employment opportunities and consist of conservation activities or human services activities.

AmeriCorps Funding. The Corporation for National Service, a federal agency, has awarded the state an additional \$500,000 FED in 2000-01 from funding available from a set-aside within the federal AmeriCorps program for Governors' initiatives. The funding will be available to develop a community services program for nontraditional AmeriCorps enrollees. Under the terms of the award, a total of 160 part-time AmeriCorps members must be served annually. Enrollees will serve approximately 30 to 35 hours a week on an OFS project with 80% of their time spent on the rehabilitation work and 20% spent on enrollee development activities. The AmeriCorps funding would support staff salaries, materials and general operational funding for the OFS projects. Enrollee stipends and living allowances would be provided from other AmeriCorps funding sources. The state will have the option of renewing this level of AmeriCorps funding for an additional year.

13.10 Meeting
September 14, 2000
Agenda Item III

Issue: Corrections: Milwaukee Secure Detention Facility

Recommendation: Alternative 3a and 4

Comments:

Alternative 3a. (*Alternative 2a is 2nd choice*)

Modifies DOC's request by utilizing cost factors for 2000-01 (rather than the 2001-03 biennium), corrects the salary amounts for requested positions, applies the new post shift analysis to all the previously approved and newly-requested correctional officer positions, and deletes the requested central office positions because the increased needs should be addressed in the next budget.

Alternative 4. Transfers the difference between the amount currently budgeted for the MSDF and the cost of the staffing alternative selected by JFC to the Committee's appropriation for future release for any salary shortfalls in Corrections. While the Department anticipates a salary shortfall in 2000-01 as it had in 1999-00, DOC currently does not have an estimate of the potential salary shortfall.

Prepared by: Deb



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September 14, 2000

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Corrections: Section 13.10 Request Related to Milwaukee Secure Detention Facility --
Agenda Item III

The Department of Corrections requests the creation of 157.39 GPR positions in 2000-01 to: (a) staff the expansion of the Milwaukee Secure Detention Facility that is scheduled to open in August, 2001 (148.89 GPR positions); and (b) provide staff increases associated with human resources, training and procurement in its central office (8.5 GPR positions). In addition, Corrections requests that funding transfers be made between appropriations to internally fund the request. While not specified in the request, the Department has indicated that the following transfers between appropriations are needed to fund the staffing request:

<u>Appropriation to transfer from</u>	<u>Appropriation to transfer to</u>	<u>Amount</u>
Services for community corrections (s. 20.410 (1)(b))	General program operations (s. 20.410 (1)(a))	\$232,200
Institutional repair and maintenance (s. 20.410 (1)(aa))	General program operations (s. 20.410 (1)(a))	86,000
Institutional repair and maintenance (s. 20.410 (1)(aa))	Energy costs (s. 20.410 (1)(f))	49,000

BACKGROUND

On May 21, 1998, the Building Commission approved \$49.8 million in general fund supported borrowing for the construction of a 600-bed medium-security facility in Milwaukee to house: (a) probation and parole violators (400 beds); and (b) an alcohol and other drug abuse

facility for state inmates (200 beds). This facility was initially known as the P&P Hold/AODA Facility.

On June 24, 1999, the Building Commission approved the release of \$19.95 million in general fund supported borrowing (pending approval of the 1999-2001 capital budget) for construction of two additional probation and parole hold floors and a transportation unit at the Milwaukee facility to take newly sentenced offenders from the Milwaukee area to the assessment and evaluation center at the Dodge Correctional Institution in Waupun. Total capacity of the facility was increased to 1,048 beds (210 AODA beds, 800 probation and parole hold beds and 38 transportation beds). The facility will also contain a 50-bed segregation unit. Only the 210-bed AODA portion of the facility will increase Corrections' prison system capacity. As a result of the expansion of the project, opening of the facility was delayed from January, 2001, to August, 2001.

In the 1999-01 biennial budget, funding and positions were requested and provided to operate the Milwaukee facility as originally designed. In total, Act 9 provided \$13,592,700 GPR and 270.36 GPR positions in 2000-01 for the 600-bed facility. As a result of the delay in the completion of the Milwaukee facility, Corrections has estimated that it will not need to fully utilize all funding provided for operations of the facility in 2000-01. On two separate occasions, the Joint Committee on Finance has, at the Department's request under s. 13.10, transferred a total of \$2,072,000 GPR in 2000-01 from funds budgeted for the facility to the Department's purchased services for community corrections offenders appropriation. Total funding currently budgeted for the Milwaukee facility is \$11,520,700 GPR and 270.36 GPR positions in 2000-01. The total cost of the request in 2000-01 for the additional 157.39 GPR positions is \$8,954,200 GPR.

ANALYSIS

According to the Department's program statement, the P&P Hold/AODA facility (now known as the Milwaukee Secure Detention Facility) will:

"house offenders who need to be detained because they have violated conditions of their supervision or offenders who are awaiting transport to begin serving a sentenced prison term. This population will include, but not be limited to, offenders with mental health problems, a history of absconding and/or violent/assaultive behaviors. It is assumed that most of the population will come from the southeastern part of the state, Milwaukee in particular, and will return to their home community upon release or be transferred to another facility. Average length of stay in the secure detention area of this facility is estimated to be approximately 30 days but individual stays can be much shorter or longer depending on the reason for the stay and the investigative process. Offenders awaiting transport to another facility will average stays of two or three days. The AODA program offenders will participate in ...programming with lengths of stay from 16 weeks up to nine months."

By its design, the nine-story Milwaukee Secure Detention Facility (MSDF) will have a high inmate turnover rate which will be unique to Corrections, and more similar to a county jail. Once admitted to the facility, inmates will remain in assigned housing units with limited or no movement. Since the facility will be multiple stories tall, all food will need to be brought up to inmate housing units in an elevator. All inmate programming and exercise will take place in the housing unit. Likewise, visiting will take place via television monitors to the housing units with visitors at television monitors on the second floor public area.

The Department's August 25, 2000, s. 13.10 request currently before the Committee seeks increased position authorization (148.89 GPR positions for the MSDF and 8.5 GPR positions for central office procurement, personnel and training staff) and funds the positions using funding initially budgeted for the January, 2001, opening of the facility. In addition, the request: (a) applies an updated correctional officer staffing formula to all newly-requested and previously-approved security positions at the MSDF; (b) uses current salaries for all newly-requested and previously-approved positions; (c) revises the number of months for which certain positions are staffed; and (d) applies funding factors for the upcoming 2001-03 biennial budget to the 2000-01 fiscal year. Of the total funding currently budgeted for the MSDF (\$11,520,700 GPR in 2000-01), the Department's request would utilize \$8,954,200 GPR in 2000-01. The remaining funding (\$2,566,500 GPR) would be held to partially offset an anticipated deficit in salary funding for Department in 2000-01.

The increased position authority at MSDF is attributed to: (a) the new correctional officer staffing formula, 13.55 GPR positions; (b) staffing to address the additional two floors, the new transportation unit and to address additional inmate intake and booking, internal movement and administrative hearings, 92.34 GPR positions; (c) additional food service and maintenance staffing as a result of an increased number of inmates, 13.0 GPR positions; (d) additional social worker and program assistant staffing for the increased number of inmates being received at intake and booking, and staffing the special management unit, 4.0 GPR positions; (e) 1.0 GPR chaplain position; (f) creation of an educational staff to assist with inmate literacy and job readiness training, 7.0 GPR positions; (g) additional internal inmate classification staff to assign incoming inmates to the appropriate units in the facility, 4.0 GPR positions; and (h) increased administrative work associated with the additional inmate population, 14.0 GPR positions. The additional administrative positions include 1.0 additional inmate complaint investigator, 1.0 treatment director, 1.0 nursing consultant to monitor the facility's health services contract, 2.0 financial specialists, 3.0 offender records assistants, 1.0 secretary for the business office and 5.0 program assistants.

In addition to increased staff at the MSDF, the Department also requests: (a) 2.5 GPR positions in human resources to address the increase in workload attributed to an increase in the number of positions the Department must hire and rehire with the opening of new and expanded correctional facilities; (b) 5.0 correctional officer positions to replace positions the Department reallocated to create an additional training team to train new officers; and (c) 1.0 procurement

position to address an increase in the number of purchasing contracts that are bid and rebid on a regular basis.

The majority of the requested positions are being funded for one month beginning in June, 2001. The annualized cost for the MSDF would increase by approximately \$7.6 million as a result of the requested 157.39 positions.

While the total number of correctional employees has increased as new or expanded correctional facilities have opened, personnel, training and procurement staff have remained unchanged. The Department indicates that a staff of 11.0 human resource specialists currently conducts examination development, position description development, classification, recruitment and reclassification services for all of Corrections. Further, Corrections anticipates hiring an additional 1,647 employees to staff new or expanded facilities by June, 2002. The majority of the new hires (57%) will be security-related staff. In order to train new staff and provide for current security staff training needs, Corrections has already reallocated 5.0 correctional officer positions from other correctional institutions to provide a second, five-member training team. The request currently before the Committee would make the second team permanent by replacing the reallocated positions at the other correctional institutions. Finally, Corrections indicates that while the total number of departmental employees has increased by 79% since 1992, the procurement staff in central office (5.0 purchasing agents) has remained unchanged.

The Department indicates that its request related to the MSDF is before the Committee at this time in order to allow for as much time as possible to recruit and train employees. According to the Department, while the facility does not open until after the beginning of the next biennium (August, 2001), the recruitment and training process necessary to open a new facility takes a significant amount of time. Further, since the operation of the facility is unique for the Department (operation of a high rise, urban, secure detention facility with high inmate turnover), Corrections seeks to have the facility fully staffed at the time of its opening. If positions are not provided until the 2001-03 biennial budget, the Department indicates that it would have to delay staffing parts of the facility. This, in turn, would not allow the facility to be opened as quickly as currently planned and would delay the receiving of probation and parole hold offenders from the Milwaukee County Jail and the Racine Correctional Institution.

In reviewing the Department's request, the following should be noted:

- The Department's request utilizes a number of cost factors (vaccines, supplies and services costs for positions, one-time costs, risk management costs and overtime costs) that are applicable to budgeted costs in the 2001-03 biennium, rather than to 2000-01. Also, the Department's request miscalculates the hourly salary for some of the requested positions.

- In order to staff one officer post 24 hours per day, seven days per week, more than three positions are necessary to account for weekends, vacations and holidays, sick leave and training. Corrections has recently revised its post shift analysis based on actual 1999 data and

taking into account contractual changes that have occurred since the last post shift analysis was conducted in the early 1990s. Under the revised post shift formula, a 24-hour a day, seven day per week officer post would require 5.15 positions, compared to 4.89 positions under the existing formula. In the MSDF request, Corrections has applied the new post shift analysis to all the previously-approved and newly-requested correctional officer positions. The analysis appears to accurately reflect the number of positions necessary to staff an officer post. However, use of a revised formula could have ramifications in terms of staffing and costs at all existing correctional institutions, not just the MSDF. While use of the revised formula could result in future requests department-wide for increased staff and funding, Corrections has indicated that it has no immediate plans to apply the analysis retroactively to existing posts, but will only use the new formula for future staffing requests. According to Corrections, a consequence of not using the revised formula would be increased overtime costs needed to cover staffing shortages.

Because of the potential department-wide impact of using the revised formula, alternatives to this paper are presented using both the existing and revised formulas. It should also be noted that in its request, Corrections rounded position amounts rather than using the actual figures calculated under the new post shift analysis. Alternatives in the paper using the revised formula use actual, not rounded, post shift staffing calculations.

If the new post shift analysis is used and the positions are adjusted to reflect actual, rather than rounded, officer staffing, the request can be reduced by 4.81 GPR positions in 2000-01. As a result of this reduction and adjusting the cost factors for 2000-01, Corrections' estimated cost for 2000-01 could be reduced by \$138,700 GPR to \$8,815,500 GPR. In addition, funding available to offset any salary deficit in 2000-01 would increase by a corresponding \$138,700 GPR to \$2,705,200 GPR. By contrast, if the existing post shift analysis is used, the request can be reduced by 18.36 GPR positions in 2000-01 and the cost for 2000-01 reduced by \$281,400 GPR to \$8,672,800 GPR. Using the existing post shift analysis, funding available to offset any salary deficit in 2000-01 would increase by a corresponding \$281,400 GPR to \$2,847,900 GPR.

- Based on the design, operation and programming of the facility, the manner in which the facility was initially staffed and in comparison to other correctional facilities, the requested staffing for the MSDF appears to be appropriate.

- While the Department provides evidence that the increased personnel, training and procurement activities in the Department necessitate the increase in staff, an argument can be made that central office staff needs should be addressed in the 2001-03 biennial budget. The increased demands on staff have been known by the Department as additional or expanded institutions have opened. Further, the Department has addressed its most immediate needs for training additional correctional officers by reallocating staff from existing institutions. While the reallocations have resulted in the utilization of overtime to cover the positions, the Department's training needs are being addressed. Therefore, it may be more appropriate to address the Department's central office staffing in conjunction with a biennial budget request. If these 8.5 positions were not approved, in conjunction with the other changes identified above, 144.08 GPR positions would be provided at a

cost of \$8,519,100 GPR using the new post shift analysis, and 130.53 GPR positions would be provided at a cost of \$8,376,300 GPR using the existing post shift analysis.

At the July 12, 2000, s. 13.10 meeting, the Committee approved the release of \$2.7 million GPR to Corrections to cover unfunded salary costs in 1999-00 as the result of higher employee salary costs, overtime costs to address crowding issues at state facilities and additional contractually-provided leave time for correctional officers which had not been taken into account in budgeting for officer positions. Corrections has indicated that a similar situation will occur in 2000-01. As a result, in the MSDF request, Corrections indicates that the difference between the funding necessary to support MSDF costs in 2000-01 and the amount currently budgeted (\$11,520,700 GPR) will be held by the Department for the projected salary deficit. Corrections does not, however, currently have an estimate of the potential 2000-01 salary shortfall. If the Committee wishes, the difference between the amount currently budgeted for the MSDF (\$11,520,700 GPR) and the cost of any alternative selected by the Committee could be transferred to the Committee's appropriation for future release for any salary shortfalls in Corrections.

ALTERNATIVES

1. Approve the Department of Corrections' request to create 157.39 GPR positions in 2000-01 to: (a) staff the expansion of the Milwaukee Secure Detention Facility (148.89 GPR positions); and (b) provide central office staff increases associated with human resources, training and procurement (8.5 GPR positions). In addition, transfer funding as follows between appropriations within the Department to fund the staffing request: (a) \$232,200 GPR from services for community corrections (s. 20.410 (1)(b)) to general program operations (s. 20.410 (1)(a)); (b) \$86,000 GPR from institutional repair and maintenance (s. 20.410 (1)(aa)) to general program operations (s. 20.410 (1)(a)); and (c) \$49,000 GPR from institutional repair and maintenance (s. 20.410 (1)(aa)) to energy costs (s. 20.410 (1)(f)).

2. Modify the Department's request by: (a) utilizing cost factors for 2000-01, rather than the 2001-03 biennium; (b) correcting the salary amounts for the requested positions; and (c) modifying the post shift formula as selected below. Adjust the amount of funding transferred between appropriations to reflect the selected alternative.

a. New Post Shift Formula. Provide 152.58 GPR positions in 2000-01 for the Department of Corrections to: (a) staff the expansion of the Milwaukee Secured Detention Facility (144.08 GPR positions); and (b) provide central office staff increases associated with human resources, training and procurement (8.5 GPR positions). Under this alternative, 4.81 correctional officer positions would be deleted to reflect actual, not rounded, post shift needs using the new post shift formula.

b. Existing Post Shift Formula. Provide 139.03 GPR positions in 2000-01 for the Department of Corrections to: (a) staff the expansion of the Milwaukee Secured Detention Facility (130.53 GPR positions); and (b) provide central office staff increases associated with human

resources, training and procurement (8.5 GPR positions). Under this alternative, 18.36 correctional officer positions would be deleted to reflect the existing post shift formula.

3. Modify the Department's request by: (a) deleting 8.5 central office positions; (b) utilizing cost factors for 2000-01, rather than the 2001-03 biennium; (c) correcting the salary amounts for the requested positions; and (d) modifying the post shift formula as selected below. Adjust the amount of funding transferred between appropriations to reflect the selected alternative.

a. *New Post Shift Formula.* Provide 144.08 GPR positions in 2000-01 for the Department of Corrections to staff only the expansion of the Milwaukee Secure Detention Facility. Under this alternative, 4.81 correctional officer positions would be deleted to fund actual, not rounded, post shift needs using the new post shift formula, and 8.5 central office positions would be deleted.

b. *Existing Post Shift Formula.* Provide 130.53 GPR positions in 2000-01 for the Department of Corrections to staff only the expansion of the Milwaukee Secure Detention Facility. Under this alternative, 18.36 correctional officer positions would be deleted to fund the existing post shift formula, and 8.5 central office positions would be deleted.

4. In addition to any of the above alternatives, transfer the difference between the amount of funding currently budgeted for the Milwaukee Secure Detention Facility (\$11,520,700 GPR) and the staffing alternative selected by the Committee to the Committee's appropriation (s. 20.865 (4)(a)) for future release for any salary shortfalls in the Department of Corrections in 2000-01. [The following total amounts would be transferred: (a) under Alternative 1, \$2,566,500 GPR in 2000-01; (b) under Alternative 2a, \$2,705,200 GPR in 2000-01; (c) under Alternative 2b, \$2,847,900 GPR; (d) under Alternative 3a, \$3,001,600 GPR; and (e) under Alternative 3b, \$3,144,400 GPR.]

5. Deny the Department's request.

Prepared by: Jere Bauer

MO# 264

2	BURKE	(Y)	N	A
	DECKER	(Y)	N	A
	JAUCH	(Y)	N	A
	MOORE	(Y)	N	A
	SHIBILSKI	(Y)	N	A
	PLACHE	(Y)	N	A
	COWLES	(Y)	N	A
	DARLING	(Y)	N	A
	GARD	(Y)	N	A
	PORTER	(Y)	N	A
	KAUFERT	(Y)	N	A
	ALBERS	(Y)	N	A
	DUFF	(Y)	N	A
	WARD	(Y)	N	A
	HUBER	(Y)	N	A
	RILEY	(Y)	N	A
	AYE	16	NO	0
			ABS	0

13.10 Meeting
September 14, 2000
Agenda Item IV

Issue: Corrections: Staffing and Funding for the Burke and Ellsworth Correctional Centers and the Fox Lake Correctional Institution

Recommendation: Alternative A3a, B3a, C2, D2a, E1

Comments:

This request primarily seeks to accomplish the Governor's goal to bring all women inmates back to Wisconsin by the end of the year, as announced in his state-of-the-state address.

Robert E. Ellsworth Correctional Center

Alternative A3a. (alternative A2a is 2nd choice)

Staffs the new health services unit in a manner similar to the Taycheedah Correctional Institution, although proportionally higher because female inmates with greater medical needs will be located at Ellsworth. Modifies the request by:

- ✓ Staffing the expansion based on actual, rather than rounded, post shift needs using the new post shift formula.
- ✓ Deleting the requested building and grounds position since it is not related to bringing female inmates back to Wisconsin and should be requested as part of the 2001-03 budget.
- ✓ Deleting the requested medical transportation position and one of the four requested vans for medical transport since having the health services unit on site will reduce the need for medical and dental care outside of the center and the center currently provides medical transportation as necessary.

Fox Lake Correctional Institution Staffing

Alternative B3a (alternative B2a is 2nd choice)

Uses the new post shift analysis and the positions are adjusted to reflect actual, rather than rounded, post shift needs. Deletes the requested physician and program assistant positions since they are not specific to delivering health care to the returning women inmates.

Fox Lake Correctional Institution Overtime Funding

Alternative C2 (alternative C1 is 2nd choice)

Denies the request since it is premature since Corrections may be able to manage these costs in the ten months remaining in the fiscal year. DOC can submit a request at the June, 2001 meeting if overtime expenditures exceed the operating budget.

John C. Burke Correctional Center

Alternative D2a

Modifies DOC's request by staffing the center based on actual, rather than rounded, post shift needs using the new post shift formula.

Out-of State Correctional Agreements

Alternative E1

Reduces the authorized number of out-of-state prison beds to appropriately reflect the return of female inmates to Wisconsin.

Prepared by: Deb



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September 14, 2000

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Corrections: Section 13.10 Request Related to Staffing and Funding for the Burke and Ellsworth Correctional Centers and the Fox Lake Correctional Institution -- Agenda Item IV

The Department of Corrections requests the creation of 100.25 GPR positions in 2000-01, the release of \$1,985,900 GPR in 2000-01 from funding reserved in the Joint Committee on Finance's supplemental appropriation (s. 20.865 (4)(a)) for prison contract beds and the transfer of \$3,306,200 GPR from the Department's correctional contracts and agreements appropriation (s. 20.410 (1)(ab)) to: (a) staff a 100-bed expansion of the minimum-security Robert E. Ellsworth Correctional Center for women; (b) convert the barracks at the medium-security Fox Lake Correctional Institution to a minimum-security facility; and (c) staff and fund the conversion of the minimum-security John C. Burke Correctional Center from a male to a female facility. In 2000-01, positions would be created in, and funding transferred to, the following appropriations: (a) general program operations (s. 20.410 (1)(a)), \$3,026,800 GPR and 38.75 GPR positions; (b) services for community corrections (s. 20.410 (1)(b)), \$2,108,900 GPR and 61.50 GPR positions; (c) purchased services for offenders (s. 20.410 (1)(d)), \$138,900 GPR; (d) energy costs (s. 20.410 (1)(f)), \$10,100 GPR; and (e) institutional repair and maintenance (s. 20.410 (1)(aa)), \$7,400 GPR.

BACKGROUND

On January 26, 2000, the Governor, in his state of the state address, indicated that "we plan to bring all women inmates back to Wisconsin by year's end." In order to accomplish this goal, the State Building Commission has approved: (a) the renovation of a vacant wing at the Robert E. Ellsworth Correctional Center in Union Grove to add an additional 100 beds to the center which currently houses approximately 250 inmates; (b) the creation of a stand-alone production kitchen at the Ellsworth Correctional Center; and (c) the renovation of the toilet/shower facilities at the John C. Burke Correctional Center in Waupun to allow the facility to be converted from a facility for

male inmates to a facility for female inmates. Further, the Building Commission has approved projects for the creation of health services units at the Ellsworth Center and the renovated Burke Center. In addition to the Ellsworth and Burke projects, Corrections has also started to place male inmates who were formerly at the Burke Center in two barracks at the medium-security Fox Lake Correctional Institution. The barracks are being converted to minimum-security.

As of September 1, 2000, Wisconsin had 342 female offenders placed in out-of-state facilities (188 at a federal facility in Alderson, West Virginia, and 154 at the McCloud Correctional Services facility in McCloud, Oklahoma). On August 2, 2000, Corrections notified the Alderson and McCloud facilities that all Wisconsin inmates in these two facilities would be returned between approximately November 1, 2000, and December 31, 2000.

ANALYSIS

The Department of Corrections requests the following GPR funding and positions for each of the institutions.

Institution	Amount	Positions
Robert E. Ellsworth Correctional Center	\$2,542,900	61.00
Fox Lake Correctional Institution	1,868,000	20.75
John C. Burke Correctional Center	<u>881,200</u>	<u>18.50</u>
Total	\$5,292,100	100.25

Robert E. Ellsworth Correctional Center

On June 28, 2000, the Building Commission approved \$4.3 million in general fund supported borrowing to renovate a vacant wing of the Ellsworth Correctional Center for women and to upgrade the food service capacity of the center. The project will: (a) remodel existing rooms on the third floor to accommodate 100 additional inmates, consistent with previous renovations at the center; (b) add security measures such as officer stations and security cameras; (c) upgrade existing building systems (plumbing, fire suppression and electrical) to accommodate the additional inmates and staff; and (d) provide additional dining space for the facility. In addition, the project will create a new, stand alone production kitchen within the center's existing fence and connected to the center. In addition to this project, on August 8, 2000, the Building Commission approved \$435,000 in general fund supported borrowing to renovate space within the center to provide health and dental services for inmates at the facility. The additional housing space and the health services unit are scheduled to be complete by December, 2000; the kitchen project is scheduled to be done in May, 2001.

The Department's request would provide the following staff: (a) 10.5 correctional officers and 1.0 social worker for the new 100-bed wing; (b) 2.0 inmate program review staff to evaluate inmate programming; (c) 5.25 correctional officers for the existing housing units to provide

increased security; (d) 14.0 correctional officers for increased institutional security for firewatch, segregation and mailroom, inmate property and visiting; (e) 3.5 correctional officers to provide medical transportation; (f) 3.0 supervising officer positions to provide staff supervision; (g) 1.0 additional teacher; (h) 1.0 storekeeper; (i) 2.0 maintenance positions (1.0 facilities repair worker and 1.0 buildings and grounds superintendent for the correctional center system); (j) 1.0 program assistant for administration at the center; (k) 6.0 food production positions (5.0 food production assistants and 1.0 food services manager); and (l) 10.75 health services positions (5.75 nurse clinicians, 1.0 nurse practitioner, 1.0 nursing supervisor, 0.5 physician, 1.0 program assistant, 0.5 dentist, 0.5 dental assistant and 0.5 dental hygienist). The request includes funding for the following: (a) \$31,200 GPR for a contract psychiatrist; (b) \$145,300 GPR for one-time startup costs such as mattresses, linens, security items and clothes; (c) \$97,000 GPR for four vans to transport inmates for work release and medical trips; (d) \$168,400 GPR for inmate variable costs; and (e) \$46,800 GPR for purchased services for inmates. In total, \$562,300 GPR in one-time costs would be provided.

Health services at the Ellsworth Center are currently provided by contracted nursing staff and a limited-term employee physician (approximately ten hours per week). Dental services are provided by transporting inmates to the medium-security Racine Youthful Offender Correctional Facility for males. Provision of the additional 5.75 nurse clinicians would allow for nursing coverage at Ellsworth seven days per week, 16 hours per day. In addition, the Department's request would provide 0.5 physician at the facility, 1.0 nurse practitioner and 1.0 nursing supervisor. Further, dental services would be provided on-site by 0.5 dentist, 0.5 dental assistant and 0.5 dental hygienist. The request would staff the new health service unit in a manner similar to the Taycheedah Correctional Institution. It should be noted, however, that Taycheedah has 573 inmates compared to Ellsworth's anticipated population of 350 inmates. While this staffing is proportionally higher than Taycheedah, Corrections indicates that female inmates with greater medical needs will be located at Ellsworth. The Committee should note that the Legislative Audit Bureau is currently conducting an audit of correctional health services. A portion of the audit will address health services staffing.

The majority of the requested positions are being funded for six to eight months beginning in November, 2000. The annualized cost for the Ellsworth Correctional Center would be approximately \$3.5 million as a result of the request.

In reviewing the proposed staffing for the Ellsworth Correctional Center the following points should be made:

- In order to staff one officer post 24 hours per day, seven days per week, more than three positions are necessary to account for weekends, vacations and holidays, sick leave and training. Corrections has recently revised its post shift analysis based on actual 1999 data and taking into account contractual changes that have occurred since the last post shift analysis was conducted in the early 1990s. Under the revised post shift formula, a 24-hour a day, seven day per week officer position would require 5.15 positions, compared to 4.89 positions under the existing

formula. In the request, Corrections has applied the new post shift analysis to all newly-requested correctional officer positions. In addition, a post shift analysis was completed for nursing positions, and food production assistant positions have been staffed using the correctional officer analysis. The analysis appears to accurately reflect the number of positions necessary to staff an officer and nurse post. However, use of a revised formula could have ramifications in terms of staffing and costs at all existing correctional institutions, not just the current request. While use of the revised formula could result in future requests department-wide for increased staff and funding, Corrections has indicated that it has no immediate plans to apply the analysis retroactively to existing posts, but will only use the new formula for future staffing requests. According to Corrections, a consequence of not using the revised formula would be increased overtime costs needed to cover staffing shortages.

Because of the potential department-wide impact of using the revised formula, alternatives to this paper are presented using both the existing and revised formulas. It should also be noted that in its request, Corrections rounded position amounts rather than using the actual figures calculated under the new post shift analysis. Alternatives in the paper using the revised formula use actual, not rounded, post shift staffing calculations.

If the new post shift analysis is used and the positions are adjusted to reflect actual, rather than rounded, officer, nurse and food production assistant staffing, the request could be reduced by \$26,600 GPR and 0.91 GPR positions in 2000-01. Total one-time costs would be \$557,900 GPR. By contrast, if the existing post shift analysis is used for officers and nurses, and food production assistants are staffed as are other correctional centers, the request could be reduced by 5.01 GPR positions in 2000-01 and the cost for 2000-01 reduced by \$104,700 GPR, with total one-time costs of \$545,300 GPR.

- The buildings and grounds superintendent position is not specifically related to the operation of Ellsworth Center, but rather, according to Corrections, "will be located in the Wisconsin Correctional Centers (WCC) central business office and will coordinate construction projects at all of the centers. This position is needed because of the increasing number of center projects (inmate workhouses; etc.) and because there is currently no central point of contact for center construction projects." Since the position is not related to bringing female inmates back to Wisconsin or addressing the increasing populations at Ellsworth, the position could be addressed in conjunction with the 2001-03 biennial budget.

- Corrections requests that 3.5 correctional officer positions be created for medical transportation. While the medical transport officer positions would allow for multiple inmate medical transportation and, if not needed for transportation, would provide an additional officer in the facility on a utility basis, it should be noted that a health services unit (HSU) is being built at the center. Having the HSU on site will reduce the need for medical and dental care outside of the center. Further, the center currently provides medical transportation as necessary. As a result, the additional medical transportation positions could be deleted. Further, one of the four vans requested by Corrections for Ellsworth related to medical transportation could be deleted.

If the buildings and grounds superintendent position and the medical transportation post are not provided, the van for medical transportation deleted, the new post shift analysis used for all positions (correctional officers, nurses and food production assistants) and the posted positions are adjusted to reflect actual staffing, the request could be reduced by \$209,000 GPR and 5.34 GPR positions in 2000-01. Total one-time costs would be \$507,700 GPR. By contrast, if the same modifications are made but the existing post shift analysis is used for officers and nurses, and food production assistants are staffed as are other correctional centers, the request could be reduced by \$278,400 GPR and 9.27 GPR positions in 2000-01. Total one-time costs would be \$499,100 GPR.

Fox Lake Correctional Institution

In order to accommodate the remodeling and conversion of the minimum-security John C. Burke Correctional Center from a male facility to female facility, the Department of Corrections has removed all medium-security inmates from two 150-bed barracks units at the Fox Lake Correctional Institution, and is currently housing 85 minimum-security inmates in the units. A total of 300 minimum-security inmates will eventually be housed at Fox Lake. The Department is currently remodeling the barracks to allow for food service in the units. Additionally, in order to create a minimum-security facility which will allow for separate visiting, storage, programming and entrance, Corrections has two projects on the Building Commission's September 13, 2000, agenda:

- An increase in project costs of \$319,100 in general fund supported borrowing to an existing interior control fencing project to establish two new sallyports (secured entrances). Total project costs will increase to \$817,100.
- A project to: (a) construct a shower/dressing building and upgrade the septic system at the Waupun State Farm so that inmates working at the farm can clean and dress before returning to the barracks at Fox Lake; (b) construct a visiting/multi-purpose building with office, laundry and storage space adjacent to the Fox Lake barracks to provide visiting, educational and programming to inmates in the barracks without impacting the security of the medium-security portion of the institution; and (c) construct a parking area and access road to the barracks for staff and visitors so that visitors do not have to be escorted through the medium-security institution to have access to the minimum-security barracks.

The Department's request for the minimum-security portion of Fox Lake does not request additional housing staff. Rather, the requested staffing includes staff for work release coordination, work project crew supervision, internal security operations, food service, stores, business and records office operation and increased health services. Specifically, the request includes: (a) 1.0 correctional officer to serve as a work release coordinator; (b) 3.75 officers to supervise three inmate work crews; (c) 5.25 officers to provide patrol, escort and transportation related to the minimum-security inmates; (d) 1.75 officer positions for property/mail; (e) 1.75 supervising officer positions for security supervision; (f) 1.75 food production assistants to provide food service in the evenings seven days per week; (g) 1.0 storekeeper; (h) 2.0 records and business office positions;

and (i) 2.5 health services positions (1.0 nurse clinician, 0.5 physician and 1.0 program assistant). The recommendation includes: (a) \$129,500 GPR in startup costs; (b) \$291,100 GPR to purchase 11 vehicles (four vans for inmate work release, three vans for the three inmate work crews, two vans for staff transportation and work crew supervision, one emergency response vehicle and one food delivery vehicle to deliver food to the barracks from the medium security institution); (c) \$473,300 in inmate variable costs; and (d) \$244,000 GPR to fund increased overtime costs in 2000-01 to supervise an increased number of inmates anticipated to be at the facility until January, 2001. In total, \$536,000 GPR in one-time costs would be provided.

The majority of the requested positions are being funded for seven or eight months beginning in November, 2000. The annualized cost for the Fox Lake Correctional Institution would be approximately \$1.9 million as a result of the request.

In reviewing the Department's request for Fox Lake, the following should be noted:

- As indicated previously, in order to staff one officer post 24 hours per day, seven days per week, more than three positions are necessary to account for weekends, vacations and holidays, sick leave and training. In the request, Corrections has applied the new post shift analysis to all newly-requested correctional officer positions. In addition, a post shift analysis was completed for nursing positions, and food production assistant positions have been staffed using the correctional officer analysis. If the new post shift analysis is used and the positions are adjusted to reflect actual, rather than rounded, officer, nurse and food production assistant staffing, the request can be reduced by \$7,800 GPR and 0.25 GPR positions in 2000-01. Total one-time costs would be \$534,500 GPR. By contrast, if the existing post shift analysis is used for officers and nurses, the request can be reduced by 0.85 GPR positions in 2000-01 and the cost for 2000-01 reduced by \$27,900 GPR, with total one-time costs of \$530,300 GPR.

- Corrections' request provides 2.5 GPR positions for health services. The nurse clinician position would be housed in the barracks and provide health services for the minimum-security inmates. The provision of services in the barracks would reduce the need for minimum-security inmates to be brought into the medium-security institution. The physician and program assistant positions, however, would be placed in the medium-security institution and be used to increase general health care services staffing at Fox Lake as a whole, rather than being specifically associated with the minimum-security barracks. All male medium-security institutions, including Fox Lake, currently have 0.5 or 1.0 physician position to provide medical care at the facility. While the additional physician position is requested in conjunction with the current s. 13.10 request, the position is not associated with the return of female offenders from out-of-state. A similar argument may be made in regards to the program assistant position. If these 1.5 positions (1.0 program assistant and 0.5 physician) are not provided and the officer positions are adjusted using the new post shift analysis to properly reflect staffing, the request could be reduced by \$89,800 GPR and 1.75 GPR positions in 2000-01. Total one-time costs would be \$527,600 GPR. If the existing post shift analysis is used for officers and nurses and the 1.5 health service positions are deleted, the

request could be reduced by 2.35 GPR positions in 2000-01 and the cost for 2000-01 reduced by \$109,800 GPR, with total one-time costs of \$523,400 GPR.

- Corrections' request indicates that the population at the Fox Lake Correctional Institution will increase by 168 inmates until January, 2001, when the Redgranite Correctional Institution (RGCI) opens. At that time, inmates will be transferred to RGCI. In order to supervise the additional inmates, the Department indicates that staff working overtime will be utilized. The Department requests the transfer of \$244,000 GPR in 2000-01 to fund these costs. While the Department anticipates staffing the increased inmate population at Fox Lake using personnel on overtime, it can be argued that supplementing Corrections' overtime budget at this time is premature. Given that there are approximately ten months remaining in the fiscal year, Corrections may be able to manage these costs. If, by the end of the fiscal year, projected overtime expenditures exceed those that Corrections operating budget can accommodate, the Department may wish to submit a s. 13.10 request at the June, 2001, meeting. Therefore, the release of funds for this purpose could be denied at this time.

John C. Burke Correctional Center

On June 28, 2000, the Building Commission approved \$312,000 in general fund supported borrowing to renovate the existing toilet/shower area at the minimum-security John C. Burke Correctional Center to convert the facility from male facility to a female facility. In addition, the project would remodel existing space at Burke for use as a health services unit.

As a male facility, the focus of the Burke Correctional Center is work release (including the Waupun Correctional Farm) and pre-release preparation. The Center has no teacher positions. While the male inmates working at the farm will be moved to the minimum-security portion of the Fox Lake Correctional Institution, the Burke Center will continue to provide work release and pre-release preparation for female inmates. Corrections' request would also provide educational, social work and health services staff for the facility. Specifically, the Department requests: (a) 5.25 correctional officers to provide supervision of female inmates in posts to which bona fide occupational qualifications (BFOQ) apply (female officers supervising female inmates); (b) 3.5 officers for medical transportation of female offenders under BFOQ; (c) 1.0 supervising officer; (d) 2.0 teachers; (e) 0.5 psychologist; (f) 0.5 social worker; (g) 0.5 program assistant for center administration; and (h) 5.25 positions for the health services unit (3.0 nurse clinicians, 0.5 physician, 0.5 dentist, 0.25 dental hygienist, 0.5 dental assistant and 0.5 program assistant). The recommendation includes \$55,800 GPR for startup costs such as inmate clothing, educational supplies, security items and systems furniture. In total, \$161,100 GPR in one-time costs would be provided.

Health services at the Burke Center are currently provided by contracted nursing staff and a limited-term employee physician (approximately three to four hours per week). The Department's request would allow for nursing coverage at Burke seven days per week, 8 hours per day (two nurses during the week and one on the weekend). In addition, the Department's request would

provide 0.5 physician at the facility. Further, dental services would be provided at the adjacent Dodge Correctional Institution by 0.5 dentist, 0.5 dental assistant and 0.25 dental hygienist. Corrections indicates that additional medical staff are being requested because "studies show that women utilize health care services much more than men."

The majority of the requested positions are being funded for seven or eight months beginning in November, 2000. The annualized cost for the Burke Correctional Center would be approximately \$1.2 million as a result of the request.

Based on the proposed operation and programming of the Burke Correctional facility for women, the staffing appears appropriate. However, as indicated previously, in order to staff one officer post 24 hours per day, seven days per week, more than three positions are necessary to account for weekends, vacations and holidays, sick leave and training. In the request, Corrections has applied the new post shift analysis to all newly-requested correctional officer positions. In addition, a post shift analysis was completed for nursing positions. If the new post shift analysis is used and the positions are adjusted to reflect actual, rather than rounded, officer and nurse staffing, the request can be reduced by \$12,800 GPR and 0.33 GPR position in 2000-01. Total one-time costs would be \$159,300 GPR. By contrast, if the existing post shift analysis is used for officers and nurses, the request can be reduced by 0.81 GPR position in 2000-01 and the cost for 2000-01 reduced by \$29,300 GPR, with total one-time costs of \$156,100 GPR.

Request Funding and Out-of-State Contract Authority

In order to fund the request, Corrections is seeking the release of \$1,985,900 GPR in 2000-01 from funding reserved in the Joint Committee on Finance's supplemental appropriation (s. 20.865(4)(a)) for prison contract beds and the transfer of \$3,306,200 GPR from the Department's correctional contracts and agreements appropriation (s. 20.410 (1)(ab)). There is currently \$18,050,500 GPR placed in reserve in the Committee's appropriation for Department of Corrections' prison contract bed funding. Corrections has indicated that it does not currently expect to request release of any of these funds in 2000-01 for the purpose of additional contract beds. Therefore, funding is available. Further, based on estimated usage of out-of-state prison beds by female offenders in 2000-01, the Department's estimate of \$3,306,200 GPR to transfer from the correctional contracts and agreements appropriation to other appropriations is available.

Corrections currently has authorization to place 5,514 male and female inmates in approved out-of-state prison beds. The Committee should note that 357 of those authorized beds are associated with female offenders (200 at the federal facility at Alderson, West Virginia, and 157 at the McLoud, Oklahoma). Corrections indicates that the McLoud contract will not be renewed on December 22, 2000, and that the federal agreement under which inmates were placed in West Virginia would no longer be used for female inmates. As a result of returning female offenders to Wisconsin, the total number of inmates Corrections has authorization to place out-of-state would decrease to 5,157. However, a December 2, 1998, Joint Committee on Finance motion allows Corrections to modify the authorized number of beds at currently approved sites, without

certification of the Co-Chairs, as long as the number of out-of-state beds does not exceed the total number approved by the Committee, and with the requirement that the Department report any modification to the site-specific caps to the Committee within five working days. In order to appropriately reflect the return of female inmates to Wisconsin, the Committee may wish to specify that the authorized number of out-of-state prison beds is 5,157. This total is comprised of the following: (a) 4,803 beds with the Corrections Corporation of America; and (b) 354 with the federal Bureau of Prisons in Duluth, Minnesota.

In January, 2000, the Governor proposed returning all female offenders from out-of-state facilities by the end of 2000. Although this issue was not addressed in legislation, the Building Commission authorized the construction and remodeling projects currently in progress for this purpose and Corrections notified the federal and McCloud facilities on August 2, 2000, that Wisconsin inmates will no longer be placed in those facilities. In the 1999-01 biennial budget, the Legislature, through the appropriation for placement of inmates in contracted facilities, provided a means to house the estimated inmate population for 2000-01. While it can be argued that returning female inmates from out-of-state is an appropriate policy goal, it could be also argued that this request be considered as a part of 2001-03 biennial budget deliberations. If the request is not approved, Corrections indicates that the female inmates will still be returned, but that the necessary additional positions at Ellsworth, Fox Lake and Burke will be filled using employees on overtime, and that positions in the new health service units and kitchen would not be staffed.

ALTERNATIVES

A. Robert E. Ellsworth Correctional Center

1. Approve the Department's request to create 61.0 GPR positions to staff the expansion of the Robert E. Ellsworth Correctional Center (12.75 in appropriation s. 20.410(1)(a) and 48.25 in appropriation s. 20.410 (1)(b)). Transfer \$2,542,900 GPR in 2000-01, of which \$562,300 GPR is one-time funding, as follows: (a) \$535,000 GPR from s. 20.865(4)(a) (Joint Finance reserve for prison contract beds) to s. 20.410(1)(a) (general program operations); (b) \$280,400 GPR from s. 20.410(1)(ab) (corrections contracts and agreements) to s. 20.410(1)(a) (general program operations); (c) \$1,663,200 GPR from s. 20.410(1)(ab) (corrections contracts and agreements) to s. 20.410(1)(b) (services for community corrections); (d) \$46,800 GPR from s. 20.410(1)(ab) (corrections contracts and agreements) to s. 20.410(1)(d) (purchased services for offenders); (e) \$10,100 GPR from s. 20.410(1)(ab) (corrections contracts and agreements) to s. 20.410(1)(f) (utilities); and (f) \$7,400 GPR from s. 20.410(1)(ab) (corrections contracts and agreements) to s. 20.410 (1)(aa) (institutional repair and maintenance).

2. Modify the Department's request by staffing the Ellsworth Correctional Center expansion based on actual, rather than rounded, post shift needs using the post shift formula selected below. Adjust the transfer of funding between appropriations to reflect the selected alternative.

a. *New Post Shift Formula.* Provide 60.09 GPR positions to staff the expansion of the Robert E. Ellsworth Correctional Center. Under this alternative, \$2,516,300 GPR (\$557,900 GPR in one-time costs) in 2000-01 would be transferred.

b. *Existing Post Shift Formula.* Provide 55.99 GPR positions to staff the expansion of the Robert E. Ellsworth Correctional Center. Under this alternative, \$2,438,200 GPR (\$545,300 GPR in one-time costs) in 2000-01 would be transferred.

3. Modify the Department's request by: (a) staffing the Ellsworth Correctional Center expansion based on actual, rather than rounded, post shift needs using the post shift formula selected below; (b) deleting 1.0 buildings and grounds superintendent position and 3.5 medical transportation correctional officer positions; and (c) deleting funding associated with a van for medical transportation. Adjust the transfer of funding between appropriations to reflect the selected alternative.

a. *New Post Shift Formula.* Provide 55.66 GPR positions to staff the expansion of the Robert E. Ellsworth Correctional Center. Under this alternative, \$2,333,900 GPR (\$507,700 GPR in one-time costs) in 2000-01 would be transferred.

b. *Existing Post Shift Formula.* Provide 51.73 GPR positions to staff the expansion of the Robert E. Ellsworth Correctional Center. Under this alternative, \$2,264,500 GPR (\$499,100 GPR in one-time costs) in 2000-01 would be transferred.

4. Deny the request.

B. Fox Lake Correctional Institution Staffing

1. Approve the Department's request to create 20.75 GPR positions in appropriation s. 20.410(1)(a) to staff the operation of a minimum-security facility at the Fox Lake Correctional Institution and fund overtime costs associated with a temporary increase in the institutional population. Transfer \$1,624,000 GPR in 2000-01, of which \$536,000 GPR is one-time funding, as follows: (a) \$1,065,500 GPR from S. 20.865(4)(a) (Joint Finance reserve for prison contract beds) to s. 20.410(1)(a) (general program operations); and (b) \$558,500 GPR from s. 20.410(1)(ab) (corrections contracts and agreements) to s. 20.410(1)(a) (general program operations).

2. Modify the Department's request by staffing the Fox Lake Correctional Institution expansion based on actual, rather than rounded, post shift needs using the post shift formula selected below. Adjust the transfer of funding between appropriations to reflect the selected alternative.

a. *New Post Shift Formula.* Provide 20.5 GPR positions staff the operation of a minimum-security facility at the Fox Lake Correctional Institution. Under this alternative, \$1,616,200 GPR (\$534,500 GPR in one-time costs) in 2000-01 would be transferred.

b. *Existing Post Shift Formula.* Provide 19.9 GPR positions staff the operation of a minimum-security facility at the Fox Lake Correctional Institution. Under this alternative, \$1,596,100 GPR (\$530,300 GPR in one-time costs) in 2000-01 would be transferred.

3. Modify the Department's request by: (a) staffing the Fox Lake Correctional Institution expansion based on actual, rather than rounded, post shift needs using the post shift formula selected below; and (b) deleting funding and position authority associated with 1.0 program assistant and 0.5 physician. Adjust the transfer of funding between appropriations to reflect the selected alternative.

a. *New Post Shift Formula.* Provide 19.0 GPR positions to staff the operation of a minimum-security facility at the Fox Lake Correctional Institution. Under this alternative, \$1,534,200 GPR (\$527,600 GPR in one-time costs) in 2000-01 would be transferred.

b. *Existing Post Shift Formula.* Provide 18.4 GPR positions to staff the operation of a minimum-security facility at the Fox Lake Correctional Institution. Under this alternative, \$1,514,200 GPR (\$523,400 GPR in one-time costs) in 2000-01 would be transferred.

4. Deny the request.

C. Fox Lake Correctional Institution Overtime Funding

1. Approve the Department's request to transfer \$244,000 GPR to appropriation s. 20.410 (1)(a) (general program operations) as follows: (a) \$160,100 GPR from S. 20.865(4)(a) (Joint Finance reserve for prison contract beds) to s. 20.410(1)(a) (general program operations); and (b) \$83,900 GPR from s. 20.410(1)(ab) (corrections contracts and agreements) to s. 20.410(1)(a) (general program operations).

2. Deny the request.

D. John C. Burke Correctional Center

1. Approve the Department's request to create 18.5 GPR positions to staff the conversion of the John C. Burke Correctional Center from a male facility to a female facility (5.25 in appropriation s. 20.410(1)(a) and 13.25 in appropriation s. 20.410 (1)(b)). Transfer \$881,200 GPR in 2000-01, of which \$161,100 GPR is one-time funding, as follows: (a) \$225,300 GPR from s. 20.865(4)(a) (Joint Finance reserve for prison contract beds) to s. 20.410(1)(a) (general program

operations); (b) \$118,100 GPR from s. 20.410(1)(ab) (corrections contracts and agreements) to s. 20.410(1)(a) (general program operations); (c) \$445,700 GPR from s. 20.410(1)(ab) (corrections contracts and agreements) to s. 20.410(1)(b) (services for community corrections); and (d) \$92,100 GPR from s. 20.410(1)(ab) (corrections contracts and agreements) to s. 20.410(1)(d) (purchased services for offenders).

2. Modify the Department's request by staffing the John C. Burke Correctional Center expansion based on actual, rather than rounded, post shift needs using the post shift formula selected below. Adjust the transfer of funding between appropriations to reflect the selected alternative.

a. *New Post Shift Formula.* Provide 18.17 GPR positions to staff the operation the John C. Burke Correctional Center as facility for female inmates. Under this alternative, \$868,400 GPR (\$159,300 GPR in one-time costs) in 2000-01 would be transferred.

b. *Existing Post Shift Formula.* Provide 17.69 GPR positions to staff the operation the John C. Burke Correctional Center as facility for female inmates. Under this alternative, \$851,900 GPR (\$156,100 GPR in one-time costs) in 2000-01 would be transferred.

3. Deny the request.

E. Out-of-State Correctional Agreements

1. Specify that the authorized number of out-of-state prison beds is decreased from 5,514 to 5,157, to reflect the return of all female inmates to Wisconsin.

2. Take no action.

Prepared by: Jere Bauer

MO# A-3a

2	BURKE	Y	N	A
1	DECKER	Y	N	A
	JAUCH	Y	N	A
	MOORE	Y	N	A
	SHIBILSKI	Y	N	A
	PLACHE	Y	N	A
	COWLES	Y	N	A
	DARLING	Y	N	A
	GARD	Y	N	A
	PORTER	Y	N	A
	KAUFERT	Y	N	A
	ALBERS	Y	N	A
	DUFF	Y	N	A
	WARD	Y	N	A
	HUBER	Y	N	A
	RILEY	Y	N	A

AYE 8 NO 8 ABS 0

MO# A-3b, B-3b, C-2, D-2b, E-1

2	BURKE	Y	N	A
	DECKER	Y	N	A
	JAUCH	Y	N	A
	MOORE	Y	N	A
	SHIBILSKI	Y	N	A
	PLACHE	Y	N	A
	COWLES	Y	N	A
	DARLING	Y	N	A
	GARD	Y	N	A
	PORTER	Y	N	A
	KAUFERT	Y	N	A
	ALBERS	Y	N	A
	DUFF	Y	N	A
	WARD	Y	N	A
	HUBER	Y	N	A
	RILEY	Y	N	A

AYE 16 NO 0 ABS 0

CORRECTIONS

Plan for Return of Inmates from Out-of-State Contract Beds
[Agenda Item IV]

Motion:

Move to require the Department of Corrections to develop a plan to return all inmates from out-of-state contract beds. Require that the plan: (a) provide a time table for the return of inmates; and (b) be submitted to the Joint Committee on Finance and the Governor by January 5, 2001.

MO#				
2	BURKE	Y	N	A
	DECKER	Y	N	A
1	JAUCH	Y	N	A
	MOORE	Y	N	A
	SHIBILSKI	Y	N	A
	PLACHE	Y	N	A
	COWLES	Y	N	A
	DARLING	Y	N	A
	GARD	Y	N	A
	PORTER	Y	N	A
	KAUFERT	Y	N	A
	ALBERS	Y	N	A
	DUFF	Y	N	A
	WARD	Y	N	A
	HUBER	Y	N	A
	RILEY	Y	N	A

AYE _____ NO _____ ABS _____