

THE STATE OF WISCONSIN

A

SENATE CHAIR
BRIAN BURKE

316-S Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

315-N Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

January 19, 1999

Secretary Mark Bugher
Department of Administration
101 E. Wilson Street, 10th Floor
Madison, WI 53702

Dear Secretary Bugher:

On January 11, 1999, you were notified that an objection had been raised to a request, dated December 15, 1998, pursuant to s. 16.515/16.505, Stats., pertaining to a 1.0 FTE Dane County District Attorney project position.

That objection has now been withdrawn. Therefore, the request is approved.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John G. Gard in black ink.

JOHN G. GARD
Assembly Chair

BB:JG:dh

cc: Members, Joint Committee on Finance
Robert Lang, Legislative Fiscal Bureau
Vicky LaBelle, Department of Administration

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JOINT COMMITTEE ON FINANCE

January 11, 1999

Secretary Mark Bugher
Department of Administration
101 East Wilson Street, 10th Floor
Madison, Wisconsin 53705

Dear Secretary Bugher:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your request, dated December 15, 1998, pursuant to s. 16.515/16.505, Stats., pertaining to requests from the Department of Financial Institutions for funding for the corporate registration information system and UCC lien filing system and the Department of Administration on behalf of the Milwaukee and Dane County District Attorney Offices for assistant district attorney positions.

With respect to the Department of Financial Institutions funding and the 0.5 FTE Milwaukee County District Attorney project position, the request is approved. However, an objection has been raised concerning the 1.0 FTE Dane County District Attorney project position. Therefore, that request is not approved at this time. The Committee will schedule a meeting to further consider the request.

Should you have any questions or concerns, please feel free to contact us.

Sincerely,

Handwritten signature of Brian Burke in black ink.

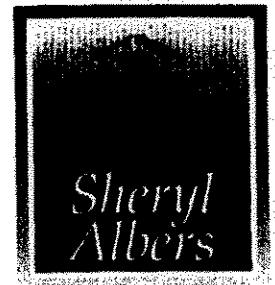
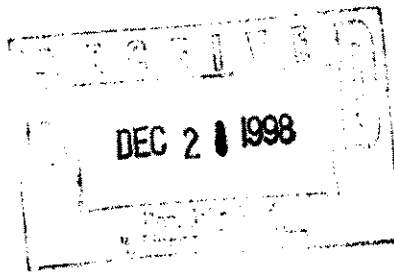
BRIAN BURKE
Senate Chair

Handwritten signature of John G. Gard in black ink.

JOHN GARD
Assembly Chair

BB/JG/js

cc: Bob Lang, Legislative Fiscal Bureau
Vicky LaBelle, Department of Administration



December 21, 1998

Senator Gary Drzewiecki
19 South, State Capitol
Madison, WI 53703

Representative John Gard
315 North, State Capitol
Madison, WI 53703

Dear Senator Drzewiecki and Representative Gard,

I am writing regarding the information that was sent around to Joint Finance Committee offices dated December 16, 1998, specifically that dealing with the request of the Department of Administration on behalf of the Dane County District Attorney's Office and the Milwaukee County District Attorney's Office.

I oppose granting Dane County the requested release of funds for the position. Although the request states the position would attempt to increase the number of successful prosecutions of drugged drivers and of drivers with multiple OWI convictions, the paper fails to assure me that the position would not be used to assist Dane County and Kathryn Falk in pursuing obstructionist tactics to further delay construction of Highway 12. The paper also fails to assure me that the courts can move any more cases through the Dane County Court system. Additionally, the paper fails to assure me of the District Attorney's relationship with the sheriff's department and we know that investigations and reports by sheriff's personnel are a critical component of any successful conviction. Perhaps some of this essential information was outlined in the grant application request?

If you have any questions, please give me a call.

Sincerely,

Sheryl K. Albers
State Representative
50th Assembly District



Legislative Fiscal Bureau

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

January 5, 1999

TO: Members
Joint Finance Committee

FROM: Bob Lang, Director

SUBJECT: Department of Financial Institutions—Section 16.515 Requests

This memorandum provides information regarding two December 9, 1998, requests submitted to the Committee under s. 16.515 of the statutes for supplementation of program revenue for the Department of Financial Institutions (DFI). DFI requests \$348,000 PR in 1998-99 to rewrite and replace the Corporation Registration Information System (CRIS) and \$736,600 PR in 1998-99 to implement a modern Uniform Commercial Code (UCC) lien filing system. Under section 16.515, the requests will be approved on January 11, 1999, unless the Co-chairs of the Committee notify the Secretary of the Department of Administration that a meeting has been scheduled to review them. The following sections briefly outline the requests and the impact of the requests on the state general fund.

Corporation Registration Information Systems (CRIS)

CRIS is the database system used by DFI to maintain records of Wisconsin corporations and other entities as required under Wisconsin statutes. CRIS currently resides on a mainframe computer at DOA's Division of Information Technology Services. Under 1997 Wisconsin Act 27 (the 1997-99 biennial budget), DFI received \$150,000 to develop a plan to convert the CRIS system to a local area network. DFI has completed the study and developed a plan to convert the CRIS system.

In the past, programming support for CRIS was available through the Department of Health and Family Services, Bureau of Information Systems (BIS). As of July 1, 1998, BIS no longer supports the CRIS application, and no legislative or other changes can be accommodated in the system.

DFI requests increased expenditure authority of \$348,000 to rewrite and replace the CRIS system. The request includes \$288,000 for development costs, and \$60,000 for equipment. The request identifies additional development costs of \$171,000 in 1999-00 and annual maintenance costs in subsequent years of \$40,000 per year.

Uniform Commercial Code (UCC) Lien Filing System

The UCC lien filing system is a system to maintain a statewide database of all UCC filings, whether filed in the state UCC office or filed in a county Register of Deeds (ROD) office. The system is operating on an unreliable Wang mainframe computer that has experienced extensive downtime. There is only one individual available to do repair work on the mainframe. An additional concern is that many of the terminals in the 72 ROD offices are not Year 2000 compliant.

DFI is required by statute to process UCC filings within limited timeframes. When the system is down, no filings can be entered. It has been difficult for DFI to stay within the required timeframes due to problems with the system.

Under Act 27, DFI was provided \$40,000 to fund a study of the feasibility of converting the UCC lien system application from the mainframe to a local area network. Act 27 also provided \$114,000 annually to upgrade computer equipment used by the RODs. The study has been completed, and a modern, efficient, user-friendly host system has been identified.

DFI requests increased expenditure authority of \$736,600 in 1998-99 to implement a new UCC host system that would communicate with project-funded workstations in all 72 counties. Through the project, all UCC host system and the ROD computer terminals would be made Year 2000 compliant. Hardware and software, which would be purchased through the Master Lease program, would be used for other DFI applications as well. The project would also include services to provide Internet access for all county RODs.

In addition to the increased expenditure authority of \$736,600 in 1998-99, the request identifies subsequent costs of \$709,500 in 1999-00 and ongoing annual costs of \$852,400 in 2000-01 and thereafter. Any additional expenditure authority in future years would be approved through the 1999-01 biennial budget process.

Impact on the General Fund

The DFI requests include a total increase of \$1,084,600 in expenditure authority for 1998-99 for CRIS and the UCC lien filing system under appropriation 20.144(1)(g) –general program operations. The sources of revenue for this appropriation are fees and assessments paid to DFI. In 1997-98, over \$27.8 million was collected in this appropriation and only \$12.6 million was expended by DFI.

Chapter 20 of the Wisconsin Statutes provides that at the end of each fiscal year, any balance in appropriation 20.144(1)(g) exceeding 10% of the previous fiscal year's expenditures lapses to the general fund. Therefore, while program revenue is the funding source of appropriation 20.144(1)(g), increases in expenditures under this appropriation have a direct impact on year-end lapses to the general fund.

Approval of the two DFI requests would reduce the 1998-99 year-end lapse to the general fund by \$1,084,600, the total of the two requests. In addition, since year-end lapses are based on both the balance in the appropriation and on the prior year's expenditures, the 1999-00 year-end lapse would be reduced by \$108,500, which is 10% of the 1998-99 request. The total reduction in lapses to the general fund would be \$1,193,100. This figure only reflects the additional expenditures in 1998-99. Increased expenditure authority for the two projects in future years would also impact the state's general fund.

It should be noted that DFI believes that replacement of the CRIS system would result in lower costs for overtime and LTE staff in future years because the Department would no longer need to microfilm corporate records. The Department estimates that these costs would be reduced by \$150,000 annually beginning in 1999-00. In addition, savings would accrue because the Department would not need to purchase new equipment for storing data. The Department estimates that equipment costs would be reduced by \$35,000 in 1998-99 and by \$20,000 annually beginning in 1999-00.

DFI indicates that modernization of the UCC lien system would result in additional program revenue of \$250,000 per year beginning in 1999-00 from an additional fee on electronic filers. The Department has also identified two areas in which it believes that the new UCC lien filing system would result in avoided costs: (1) an estimated \$205,000 in 1998-99 that would otherwise be necessary to achieve Year 2000 compliance for the terminals in the ROD offices; and (2) an estimated \$35,000 in 1998-99 and \$140,000 annually beginning in 1999-00 in network costs currently paid to the Department of Administration. If these cost savings and increased revenues materialize, they would partially offset the general fund impact of the requests in future years.

cc: Secretary Bugher, Department of Administration
Secretary Dean, Department of Financial Institutions

THE STATE OF WISCONSIN

SENATE CHAIR
GARY DRZEWIECKI

19-S Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-5670



ASSEMBLY CHAIR
JOHN GARD

315-N Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

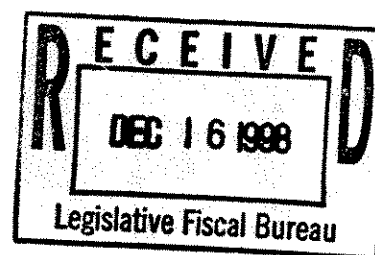
MEMORANDUM

To: Members
Joint Finance Committee

From: Senator Gary Drzewiecki
Representative John Gard
Co-Chairs, Joint Committee on Finance

Date: December 16, 1998

Re: 16.515/16.505, Stats. Request



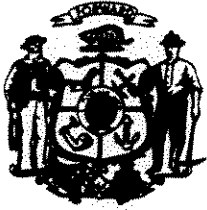
Attached is a copy of a request from the Department of Administration, dated December 15, 1998, pursuant to 16.515/16.505(2), Stats., pertaining to requests from the Department of Financial Institutions and from the Department of Administration on behalf of the Dane County District Attorney's Office and the Milwaukee County District Attorney's Office.

Please review the material and notify **Senator Drzewiecki** or **Representative Gard** no later than **Friday, January 8, 1999**, if you have concerns about the request or if you would like to meet formally to consider it.

Also, please contact us if you need further information.

Attachment

GD:JG:dh



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

Mailing Address:
 Post Office Box 7864
 Madison, WI 53707-7864




TOMMY G. THOMPSON
 GOVERNOR
 MARK D. BUGHER
 SECRETARY

Date: December 15, 1998

To: The Honorable Gary Drzewiecki, Co-Chair
 Joint Committee on Finance

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

From: Mark D. Bugher, Secretary
 Department of Administration 

Subject: S. 16.515/16.505(2) Requests

Enclosed are requests that have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

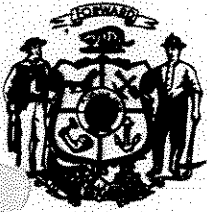
AGENCY	DESCRIPTION	1997-98		1998-99	
		AMOUNT	FTE	AMOUNT	FTE
DFI 20.144(1)(g)	Corporate registration information system			\$ 348,000 *	
DFI 20.144(1)(g)	UCC lien filing system			\$ 736,300 **	
DAs 20.475(1)(h)	Gifts and grants				1.00 ***
DAs 20.475(1)(h)	Gifts and grants				0.50 ****

- * Includes one-time financing of \$60,000.
- ** Includes \$287,800 in one-time expenditure authority.
- *** Project position from 1/1/99 through 9/30/99.
- **** Project position from 1/1/99 to 12/31/99.

As provided in s. 16.515, the requests will be approved on January 11, 1999, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Vicky LaBelle at 266-1072, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments



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

Mailing Address:
Post Office Box 7864
Madison, WI 53707-7864



TOMMY G. THOMPSON
GOVERNOR
MARK D. BUGHER
SECRETARY

Date: December 9, 1998

To: Mark D. Bugher, Secretary
Department of Administration

From: Kerry Holden *KH*

Subject: Request Under s. 16.515 from DFI for a Corporation Registration Information System

REQUEST:

The Department of Financial Institutions requests \$348,000 PR in fiscal year 1998-99 to replace and rewrite the Corporation Registration Information System (CRIS). Ongoing programming and development costs of the project will be \$171,000 in fiscal year 1999-2000 and \$40,000 per year thereafter.

REVENUE SOURCES FOR APPROPRIATION(S):

DFI requests increased expenditure authority in appropriation 20.144(1)(g) - General Program Operations - to implement the project. The source of revenue for this appropriation is fees paid by filers of documents for corporations, partnerships, limited liability companies, and other entities as defined in state statutes. In fiscal year 1997-98, over \$9 million was collected in this appropriation and only \$3 million expended.

BACKGROUND:

When DFI was created by 1995 Wisconsin Act 27, it acquired responsibility for maintaining records of Wisconsin corporations and other entities under Chapters 157, 178-183, 187-188, and 226 of the Wisconsin Statutes. These records are maintained on a database referred to as the Corporation Registration Information System (CRIS), which maintains records for more than 157,000 entities and processes over 150,000 charter and amendatory documents and annual reports annually.

The CRIS currently resides on a mainframe computer at the Division of Information Technology Services. In the past, computer programming was obtained through the Department of Health and Family Services, Bureau of Information Systems (BIS). However, as of July 1, 1998, BIS no longer supports the CRIS application. As a result, no legislative or other changes can be accommodated in the system. For example, new entities created in Chapters 178 and 183, covering partnerships and limited liability companies, have yet to be accommodated in the application.

The budget act that created DFI also eliminated 10 FTE positions that existed prior to the consolidation of agencies. These positions were eliminated under the assumption that a new modern system would allow the Department to operate more efficiently. In the absence of more modern technology and processes, DFI currently relies on overtime and limited term employees to meet statutorily required deadlines and accomplish the manual work required under the current system.

The 1997-99 budget provided \$150,000 PR funding in fiscal year 1997-98 to study and develop a plan to convert the CRIS system to operate on a local area network system. As a result of the study, DFI identified a new system that will accommodate the new record types created in Chapters 178 and 183, provide enhanced searches, produce reports more efficiently, and provide a means to accommodate law changes without extensive and expensive programming modifications. The new system will also provide for document imaging and database access through the Internet.

DFI also anticipates that the new system will reduce long-term costs by reducing or eliminating the workload associated with microfilming all of the corporate records for public use and security, as well as reduce use of overtime and limited-term employees. The new system will also eliminate anticipated data storage needs that will occur if the current system remains in operation.

ANALYSIS:

The request for funding in fiscal year 1998-99 is \$348,000 and includes \$288,000 in program development costs and \$60,000 for one-time purchases of two scanning stations and a microfiche scanner. The requested amount assumes approval of additional spending authority to purchase the network server and Internet hardware and software requested in the 16.515 request for a new UCC lien filing system.

In fiscal year 1998-99, the DFI appropriation affected by this request had an existing budget authority of approximately \$3 million for supplies and services and permanent property. As of the November 31, 1999, DFI had already obligated 58.2 percent of this spending authority, leaving approximately \$1.3 million available for supplies and services and permanent property expenditures in the remaining seven months of the fiscal year.

If full funding of \$348,000 for this request is approved, this request would account for approximately 27 percent of the unobligated spending authority in the supplies and services and permanent property lines. However, it appears reasonable that funding requested for the two scanning stations and microfiche scanner could be provided as either one-time financing or absorbed by the base budget of the affected appropriation.

Legislative or other changes cannot be accommodated in the current system, including the addition of new entities created in Chapters 178 and 183. It thus appears that the current system is insufficient to accomplish the purpose for which it was created, which is to maintain the records of Wisconsin corporations and other entities under Chapters 157, 178-183, 187-188, and 226 of the Wisconsin Statutes..

Mark D. Bugher, Secretary
December 11, 1998
Page 3

RECOMMENDATION:

Approve the request but provide \$60,000 in one-time financing.



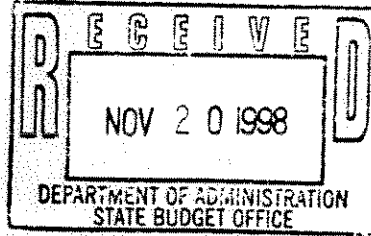
State of Wisconsin
Department of Financial Institutions

Tommy G. Thompson, Governor

Richard L. Dean, Secretary

CC JK
KN

DATE: November 20, 1998
TO: Richard G. Chandler
State Budget Director
FROM: Richard L. Dean
Secretary
RE: Request for increase to program revenue appropriation under s. 16.515 –
Corporation Registration Information System



Attached is a request for an increase in funding under s. 16.515 to implement a new Corporation Registration Information System (CRIS) at the Department of Financial Institutions. This funding is critical for the Department to proceed with the re-engineering of the CRIS system, which maintains records of corporations and other entities in the state. When the Department took over this function, ten positions were eliminated with the expectation that technology would accommodate the reduced staffing level. Re-engineering of the system is necessary for that to happen. In addition, we have lost the programming support needed to make changes to the application, including legislative changes.

Funding for a study to review the system was provided in the first year of the 1997-99 biennial budget, with the expectation that additional funding would be requested upon completion. After extensive analysis, we are at the point of implementation, and therefore, are requesting the necessary funding at this time.

Thank you for your consideration and review of our request. I am happy to answer any questions you may have.



Request

Under the provisions of s. 16.515 Wis. Stats., the Department of Financial Institutions (DFI) requests an increase in funding in appropriation 20.144(1)(g) – General Program Operations. This funding will enable the agency to replace and rewrite the Corporation Registration Information System (CRIS). Funding requested is \$348,000 in fiscal year 1999, \$171,000 in fiscal year 2000, and \$40,000 on-going. Certain equipment costs necessary for this system were requested in DFI's 16.515 request for implementation of the UCC Lien System.

Background and Analysis

When the Department of Financial Institutions was created by 1995 Wisconsin Act 27, one of the functions that the new Department acquired was that of maintaining records of Wisconsin corporations and other entities under Chapters 157, 178-183, 187-188, and 226 of the Wisconsin Statutes. These records are maintained on a database referred to as the CRIS system. The CRIS system is a workhorse application, maintaining records of over 157,000 entities with approximately 16,000 new entities added each year. In addition, over 27,000 charter and amendatory documents are processed annually through the system, as well as 124,000 annual reports. This information is accessed constantly, through mail requests and telephone inquiries.

The budget act which created the Department eliminated 10 positions from the Corporations function. The intent when the Department was created was to convert this very labor intensive program to one that is technologically streamlined. Prior to implementing a new system, the Department has been relying on overtime and limited term employees (LTE's) to meet statutorily required deadlines and accomplish the work.

The Department's 1997-99 budget, submitted shortly after becoming a new agency, requested funding to replace the old system. Instead, we were funded \$150,000 in the first year to "study and develop a plan to convert the CRIS system" to the local area network, with the intention that additional funding would be requested when a study was completed.

The CRIS application currently resides on the mainframe computer at Infotech. In the past, programming was obtained through the Department of Health and Family Services, Bureau of Information Systems (BIS). As of July 1, 1998, BIS is no longer supporting the CRIS application. This means that no legislative or other changes can be accommodated in the system. New entities created in Chapters 178 and 183, covering partnerships and limited liability companies, have yet to be accommodated in the application.

Current expenditure authority in this appropriation is not sufficient to cover the costs of implementing this new system. It is anticipated that the new system will reduce costs over the long-term from the elimination or reduction in the workload associated with

microfilming all of the corporate records for public use and security as well as reduced overtime and LTE costs. We will avoid the need to purchase new equipment for storing the data.

Revenue Source for Appropriation

The sources of revenue deposited in the appropriation under s.20.144(1)(g) general program operations for the purpose of administering the corporations program are fees paid by filers of documents for corporations, partnerships, limited liability companies, and other entities, under Chapters 178-183. Fees received are more than sufficient to cover the cost of the system. In fiscal year 1997-98, over \$9 million was collected with \$3 million expended.

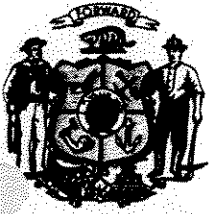
Project Summary

An extensive analysis of the system has now been conducted and the Department is anxious to proceed with the implementation of a new system. As planned, the new CRIS system will accommodate the new record types created in Chapters 178 and 183; provide enhanced searches, produce reports more efficiently, and provide a means to accommodate law changes without dramatic and expensive programming modifications. It will also provide for imaging of documents and access to the database through the internet.

The request for funding is for \$ 459,000 in program development costs, plus \$40,000 on-going for maintenance of the system . This is based on the study that indicated approximately 5,400 person hours will be required to complete the project at a rate of \$85/hour. This request assumes the approval of the server and internet hardware and software identified in the UCC 16.515 request submitted. This system will utilize that same equipment. In addition, two network scanners and a fiche scanner are required to process the imaging.

	<u>FY 1999</u>	<u>FY 2000</u>	<u>Ongoing</u>
Development Costs: Contract Developer	\$288,000	\$171,000	\$40,000
Two (2) Scanning Stations @ \$15,000	30,000		
Fiche Scanner	30,000		
Total	\$348,000	\$171,000	\$40,000

Contacts:
 Budget – Susan Dietzel 267-0399
 IT – John Amundson 267-1714



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

Mailing Address:
Post Office Box 7864
Madison, WI 53707-7864



TOMMY G. THOMPSON
GOVERNOR
MARK D. BUGHER
SECRETARY

Date: December 7, 1998

To: Mark D. Bugher, Secretary
Department of Administration

From: Kerry Holden *KH*

CK
12/11/98

Subject: Request Under s. 16.515 from DFI for a UCC Lien Filing System

REQUEST:

The Department of Financial Institutions requests \$736,600 PR in fiscal year 1998-99 to implement a modern Uniform Commercial Code (UCC) lien filing system. Ongoing costs of the project will be \$709,500 in fiscal year 1999-2000 and \$852,400 in ongoing operational and lease payment expenses thereafter.

REVENUE SOURCES FOR APPROPRIATION(S):

DFI requests increased expenditure authority in appropriation 20.144(1)(g) - General Program Operations - to implement the project. The source of revenue for this appropriation is deposits from the county register of deeds offices and from the state UCC office for filings under s. 409.403(5)(a)(3), Wisconsin Statutes.

BACKGROUND:

Section 409.410(3), Wisconsin Statutes requires DFI to establish a statewide Uniform Commercial Code (UCC) Lien Filing System to maintain a statewide database of all UCC filings, whether filed in the state UCC office or filed in one of the 72 Register of Deeds offices. The UCC Lien Filing System contains filings of financing statements submitted by banks, credit unions, small businesses, service companies, and other lending institutions to perfect their interest in secured transactions. The UCC lien system database currently holds approximately 2 million records, and it processed over 125,000 transactions in 1997.

The current system operates on a Wang mainframe computer that experiences extensive downtime. DFI is increasingly concerned about the ability to obtain repair service and replacement parts, and the Department asserts that the current system is vulnerable to a disastrous situation as the stability of the system deteriorates and the ability to repair becomes increasingly difficult. For example, because of difficulties in obtaining replacement parts and service, the system was recently non-operational for a full two-week period. This downtime resulted in huge backlogs at both the state and county offices because no filings could be entered, searched, or reviewed anywhere in the state.

In addition to problems with repairing and servicing the current UCC lien filing system, many county Register of Deeds offices are operating on UCC equipment that is not Year 2000 compliant. If the UCC lien filing system is not replaced at this time, DFI will have to correct the Year 2000 problem to avoid crises in the counties, as well as adjust the Wang mainframe. DFI believes this process is too time consuming to accomplish if the project must be included in the FY99-01 budget process.

The 1997-99 biennial budget provided funding in fiscal year 1998-99 for a feasibility study on the development of a new UCC system. However, DFI conducted the analysis a year earlier than intended because the current system was considered unstable and the need for replacement found to be more urgent than originally understood in the 1997-99 biennial budget process.

DFI has identified a new UCC lien filing system that the Department believes will meet the needs of the State of Wisconsin, the County Register of Deeds offices, and frequent public users of the system. In addition, the new system will support the use of electronic signatures, as authorized by 1997 Wisconsin Act 306. The use of this technology should be available in July 1999, and the new UCC system will enable DFI and its customers to take advantage of the new technology as soon as it becomes available for electronic commerce.

The Department's request also includes funding for establishing a host system that communicates with project-funded workstations in all 72 counties. The request includes hardware, software, and services to provide Internet access for all county offices as the primary method for communicating with DFI. The proposed Internet equipment and software includes extensive security features for both the data and the network.

ANALYSIS:

The current UCC lien filing system is considered to be outdated and labor intensive, and the computer system unstable because of problems in obtaining repair service and replacement parts on the Wang mainframe system. In addition, DFI is concerned that waiting until the next biennium to replace the system will result in additional costs because in the absence of pursuing this project, the Wang mainframe system and 72 computer terminals at the county Register of Deeds offices will need to be made Year 2000 compliant. Waiting until passage of the FY99-01 budget will not likely allow adequate time for a new UCC lien filing system to be replaced and operational by the beginning of calendar year 2000.

In fiscal year 1998-99, the Department estimates the costs of the project to be \$850,600. These costs include:

- \$448,800 in master lease payments for hardware and software;
- \$331,800 for one-time equipment purchases and migration of current records; and
- \$70,000 in additional supplies and services costs.

The Department also estimates that \$114,000 of the project is already funded, thereby reducing the amount requested in fiscal year 1998-99 to \$736,600. It

Mark D. Bugher, Secretary
December 7, 1998
Page 3

appears the additional supplies and services costs and a portion of the one-time equipment costs can be funded by this pre-existing amount. It thus appears the Department's request for fiscal year 1998-99 includes \$448,800 for the master lease payments and \$287,800 in one-time equipment costs, for a total of \$736,600.

RECOMMENDATION:

Approve the request for \$736,600 in additional spending authority in fiscal year 1998-99, but provide the additional spending authority as \$448,000 in supplies and services and \$287,800 in one-time financing. Since the current UCC lien filing system is failing and a new system implemented in fiscal year 1998-99 will also eliminate expenses to make the current system Year 2000 compliant, it appears prudent that the request for additional spending authority be approved at this time. Implementing a new UCC lien filing system in fiscal year 1998-99 will allow the State and the counties to process lien filings more efficiently, as well as resolve Year 2000 compliance problems that are anticipated under the current system at both the State and county level.



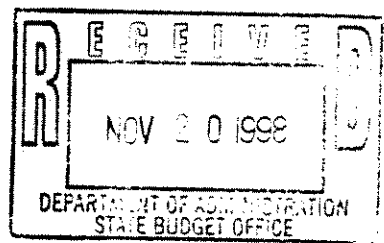
State of Wisconsin
Department of Financial Institutions

Tommy G. Thompson, Governor

Richard L. Dean, Secretary

cc JK
KW

DATE: November 20, 1998
TO: Richard G. Chandler
State Budget Director
FROM: Richard L. Dean
Secretary



RE: Request to increase program revenue appropriation under s. 16.515 – UCC lien filing system

Attached is a request to increase funding under s. 16.515 to implement a modern, efficient, user-friendly Uniform Commercial Code (UCC) lien filing system. The Department of Financial Institutions acquired the responsibility for the UCC lien system when the new agency was created by 1995 Wisconsin Act 27. At the time the Department acquired the system, it was already out of date, had substantial problems with reliability, did not meet the needs of the counties, and did not accommodate modern business procedures. Obtaining repair for the system is becoming extremely tenuous. Neither the host system, nor the equipment located at counties throughout the state is Year 2000 compliant. The process to upgrade or replace county equipment and software is too time consuming to accomplish if we wait until the passage of the 1999-2001.

The 1997-99 biennial budget provided funding for a study covering the development of a new system in fiscal year 1999. However, because of the great need to upgrade the system, we conducted a study in fiscal year 1998, and hope to implement a new, stable, Year 2000 compliant system in the current fiscal year. We have identified a vendor that will meet the needs of the State, the County Register of Deeds Offices, and the public.

I appreciate your review of our request and am happy to respond to any questions.



Request

Under the provisions of s. 16.515 Wis. Stats, the Department of Financial Institutions, (DFI) requests an increase in funding in appropriation 20.144 (1)(g) – General Program Operations - to implement a modern, efficient, user-friendly Uniform Commercial Code (UCC) lien filing system. Funding requested is \$736,600 in fiscal year 1998-99, \$709,500 in fiscal year 1999-2000; and \$852,400 for on-going operations and lease payments.

Background and Analysis

When the Department of Financial Institutions was created by 1995 Wisconsin Act 27, one of the functions that the new Department acquired was that of establishing and maintaining a statewide Uniform Commercial Code (UCC) Lien System, s. 409.410(3), Wis. Stats. The purpose of the system is to maintain a statewide database of all UCC filings, whether filed in the state UCC office or filed in one of the 72 Register of Deeds Offices (ROD). The UCC Lien Filing System contains filings of financing statements submitted by banks, credit unions, small businesses, service companies and other lending institutions. The filings are filed by a security holder to perfect their interest in secured transactions. The UCC lien system database currently has approximately 1.5 to 2 million records. In 1997, over 86,500 filings and 24,000 terminations were filed, and over 15,000 requests for information were processed.

The system inherited by DFI is operating on an unreliable Wang mainframe computer that has experienced extensive downtime and is vulnerable to a disastrous situation, as the stability of the system deteriorates and the ability to repair becomes increasingly difficult.

In addition to the mainframe, terminals are located in the 72 Register of Deeds Offices. At one point, the system was non-operational for a full two-week period, creating huge backlogs at both the state office and the county offices, as well as preventing public access. We are under statutory requirements to process UCC filings within limited timeframes, and we were perilously close to having multiple lawsuits filed. We were fortunate to be able to repair that situation, but concern over obtaining repair service and parts is growing, as Wang sub-contracts repair work to a local service organization, which may or may not have the part needed and may or may not be able to perform the work. In the past, only two individuals were available to perform the repair work, and recently, one of those individuals has become no longer available. When the system is down, no filings can be entered, or searches conducted anywhere in the State. The new system will use fault tolerant hardware and will have access to DFI's planned offsite backup server in the event of a physical disaster at DFI's main office.

The 1997-99 biennial budget provided funding in fiscal year 1998-99 for a feasibility study covering the elimination of the Wang computer and the development of a new UCC system. Because of the instability of the system and the need to convert as soon as possible, analysis began a year earlier, in 1997-98. The budget request for the 1997-99 biennium was submitted when the agency was less than three months old. Had we known at the time that the system would be as unstable as it is, we would have requested

funding for this project then. The emergency nature of this situation is such that waiting for the next biennial budget is not a desirable option.

The Department has been very involved in an interagency group looking at the equipment and systems that the various state agencies require county offices to place in their offices. A new UCC lien system will eliminate the need for the counties to maintain the single purpose "dumb" terminals required for connection to the Wang mainframe that houses the UCC lien system.

Many counties are now operating on UCC equipment that is not Year 2000 compliant. This project will resolve that problem, not only for DFI applications, but also for access to vital statistics, DWD, and planned DOR applications. These sharable, state standard workstations are the foundation of the multi-agency effort to address county complaints about inefficiencies in support and the use of county office space that can result when each agency implements different hardware and software. If we do not proceed with this project now, we will need to correct the Year 2000 problem to avoid crisis in the counties, as well as adjust the Wang mainframe. The process to correct this situation is too time consuming to accomplish if we wait until passage of the 1999-2001 budget.

Revenue Source for Appropriation

The source of revenue deposited in the appropriation under s.20.144(1)(g) are deposits from the county register of deeds offices and from the state UCC office for filings under s. 409.403(5)(a)(3), Wis Stats. In addition, fees received from UCC customers choosing to file documents electronically will also serve to fund the updated UCC system.

Project Summary

DFI has identified an operational UCC system that will meet the needs of the State of Wisconsin, the County Register of Deeds offices, and frequent public users of the system. This is a state of the art system that offers flexibility and stability with accurate and real time access to lien information.

The system supports the use of electronic signatures, which is authorized by 1997 Wisconsin Act 306. Currently, a Commission on the Use of Electronic Signatures is studying the use and regulation of digital signatures in the state. The use of this technology should be available July 1999. The new UCC system will enable DFI and its customers to take advantage of the new technology as soon as it becomes available for electronic commerce.

Our request includes funding for establishing a host system that communicates with project funded NT workstations in all 72 counties. The request includes appropriate hardware, software, and services to provide internet access for all county RODs as the primary method for communicating with DFI. The proposed Internet equipment and software includes extensive security features for data and the network itself. This equipment and software will be used for other DFI applications as well.

The request assumes funding is provided using a three-year master lease for county equipment and a four-year master lease for the application software. Some funding for equipment replacement already exists and certain expenditures related to the Wang equipment will no longer be necessary. On-going maintenance, programming, telecommunication, training, travel, and project lead costs are also included in the request. Six months of support and maintenance is included with the software purchase.

Funding requested for fiscal year 1999 totals \$736,600; for fiscal year 2000, \$709,500; and \$852,400 on-going. Because the full revenue stream will not be available as the system is being developed, the anticipated shortage in fiscal year 1999 will be covered within four years through revenue from UCC filings. Please see the attachment for the detailed fiscal effect.

Contacts:

Budget – Susan Dietzel

IT – John Amundson

**DEPARTMENT OF FINANCIAL INSTITUTIONS
UCC PROJECT DETAIL - FISCAL EFFECT**

	Master Lease Purchases	FY 1999 Funding	FY 2000 Funding	FY 2001 & On-Going
Host software	345,000			
Migration of current records		75,000		
System maintenance and support (\$10,000/month)			60,000	120,000
Requested programming changes @ \$120/hour (future legislative)				60,000
Hardware, etc:				
Compaq 7000 server		65,000		
Internet Information Server, Firewall, & Router		44,000		
T1 line installation		3,800		
T1 monthly charges (\$750/month)			9,000	9,000
Server License & Maintenance			2,000	2,000
County Register of Deeds:				
Software (\$11,250 per county)	810,000			
Training (\$1,500/day*72*5)				54,000
System maintenance & support (\$100/month)			43,200	86,400
Hardware (\$9,750*110) Includes PC, printer, scanner, hub, warranty	1,072,500			
Internet access for counties (\$100 per county per month)			86,400	86,400
Equipment set-up (\$2,000 per county)		144,000		
Other:				
Contract project lead		40,000	40,000	20,000
Travel, mailings, materials, supplies, etc		20,000	20,000	10,000
Client Software		10,000	20,000	10,000
Total Equipment/Service Costs	2,227,500	401,800	280,600	457,800
Hardware Master Lease Payments		198,842	397,683	397,683
Software Master Lease Payments		250,000	259,192	259,192
TOTAL COST OF PROJECT		850,642	937,475	1,114,675
Anticipated Cost Savings:				
Microfiche and microfilm savings			34,350	68,700
Software & hardware maintenance			57,100	57,100
Infotech savings			4,800	4,800
LTE savings			17,700	17,700
Total Cost Savings			113,950	148,300
Net Costs of Project		850,642	823,525	966,375
Already Funded		-114,000	-114,000	-114,000
Funding Requested		736,642	709,525	852,375
Resources Available:				
UCC Lien System Deposits from Register of Deeds & State Office		200,000	610,000	625,000
Electronic Filers/Searchers			250,000	250,000
UCC State Fees		100,000	100,000	100,000
Other DFI Revenue for internet server & firewall		44,000	0	0
Total revenue anticipated		344,000	960,000	975,000
Net		-392,642	250,475	122,625

CORRESPONDENCE MEMORANDUM

**STATE OF WISCONSIN
Department of Administration**

Date: July 14, 1998

To: Mark D. Bugher, Secretary
Department of Administration

From: Andrew J. Statz, Budget Analyst
State Budget Office

Subject: Request under s. 16.505 for 1.0 FTE project assistant district attorney (ADA) positions to prosecute drugged and intoxicated driving cases.

*OK
12/11/98*

REQUEST:

The Department of Administration, on behalf of the Dane County District Attorney's office, requests approval of 1.0 FTE PR project assistant district attorney (ADA) position authorized under s. 20.475(1)(h) *Gifts and Grants* in order to prosecute drivers under the influence of drugs and alcohol. Position authorization is requested from January 1, 1999, to September 30, 1999. These dates correspond to passive approval by the Joint Committee on Finance and the funding cycle of federal fiscal year 1999.

REVENUE SOURCES FOR APPROPRIATION:

The revenue source for the appropriation under s. 20.475 (1)(h) *Gifts and Grants* is a federal grant awarded by the National Highway Traffic Safety Administration (HTSA) and administered by the Wisconsin Department of Transportation (WISDOT).

BACKGROUND:

WISDOT received the federal HTSA grant and has awarded a portion of the total grant to the Dane County DA's office on a non-competitive basis. The goal of this award is to increase the number of successful prosecutions of intoxicated drivers with multiple OWI charges and drivers under the influence of drugs.

ANALYSIS:

WISDOT has awarded Dane County up to \$96,000 for the creation of 1.0 FTE ADA position. The salary and benefits related to the 1.0 FTE totals \$38,400 if hired at the minimum. The award amount is sufficient to cover an experienced ADA in this position. The 1.0 FTE project position will be 100% federally funded. The HTSA grant may be approved for two additional years through September 30, 2001.

While federal funds will pay for the positions, the county will be required to reimburse the state through agency 475 (District Attorneys) because ADAs are state employees. Approval of this request will require total additional expenditure authority in s. 20.475(1)(h) of \$38,400 PRO. The exact amounts for each state fiscal year will be determined through the DOA allotment

Mark D. Bugher, Secretary
December 7, 1998
Page 2

process. Since this is a continuing appropriation, approval of the Joint Committee on Finance is required only for the position authorization.

RECOMMENDATION:

Approve the request for 1.0 FTE assistant district attorney (ADA) project position in Dane County (from January 1, 1999, to September 30, 1999). If continuing federal HTSA grant funding is available for this position, annual extensions could be granted for up to two additional years (through September 30, 2001) at the discretion of the Department of Administration (DOA).

This approval does not constitute the commitment of current or future GPR funding for these positions. Such approval can only be obtained through the biennial budget process.



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

Mailing Address:
Post Office Box 7869
Madison, WI 53707-7869



TOMMY G. THOMPSON
GOVERNOR
MARK D. BUGHER
SECRETARY

STATE PROSECUTORS OFFICE -----MEMORANDUM/CORRESPONDENCE
Telephone No.: (608) 267-2700 ----- E-Mail Address: morses@mail.state.wi.us ----- Fax No.: (608) 264-9500

CCCA
AS

DATE: November 17, 1998

TO: Rick Chandler, Administrator
Division of Executive Budget and Finance

FROM: Charles E. McDowell, Administrator *per S.M.*
Division of Administrative Services

SUBJECT: **REQUEST UNDER S. 16.505 FOR DEPARTMENT 475: DANE
DISTRICT ATTORNEY'S OFFICE**

On behalf of the Dane County District Attorney's Office, I submit the attached request for PR position authority for Department 475, District Attorneys.

If you have any questions, please direct them to Stuart Morse, Director, State Prosecutors Office (7-2700) or to Dick Wagner, Budget Analyst (6-0653).

Thank you for your attention to this matter.

Attachment

cc: Stuart Morse
Dick Wagner

**DEPARTMENT OF ADMINISTRATION REQUEST UNDER S.16.505 FOR
POSITION AUTHORIZATION**

I. REQUEST

The Department of Administration requests, under s.16.505, the authorization of 1.0 FTE Program Revenue (PR) prosecutorial position in appropriation s.20.475(1)(h). This position will be located in the Dane County District Attorney's Office. The position funded by a grant approved by the Wisconsin Department of Transportation (WIDOT) for the federal fiscal year 99, October 1, 1998 through September 30, 1999. The grant may be approved for two additional years through September 30, 2001

- 1) Grant the Dane County DA Office position authorization for 1.0 FTE PR WIDOT funded position through September 30, 2001, subject to continued funding by the WIDOT.

II. BACKGROUND

The Wisconsin DOT received federal grant funds from the Federal National Highway Traffic Safety Administration (HTSA). WIDOT has awarded a portion of these funds to the Dane County District Attorney's Office for the period October 1, 1998 through September 30, 1999. The grant has several goals. As regards the additional assistant district attorney position, its goal is to increase the number of successful prosecutions of drugged drivers and of drivers with multiple operating while intoxicated convictions.

III. ANALYSIS

This position is in furtherance of the State's policy to eliminate drugged and intoxicated driving.

IV. FISCAL ANALYSIS

The salary and fringe benefit costs of the ADA were determined based upon the anticipated costs of an ADA hired at the minimum. The Wisconsin DOT grant to the Dane DA Office contains sufficient funds for the 1.0 FTE position. Total salary and fringe benefit cost is estimated at \$38,400 for the period January through September 1999 if an ADA is hired at the minimum. The funds are sufficient to have an experienced ADA serve in this position. The program revenue appropriation is continuing and will be reestimated based on actual experience.

V. REVENUE SOURCE FOR APPROPRIATION

The source of grant funds is s.20.395(1)(ex) which is provided by the federal government to the Wisconsin DOT for use in developing anti-alcohol and drugged driving efforts, including the funding of prosecutorial staff.

VI. SPECIAL INFORMATION

The co-chairs of the Joint Committee on Finance, in a letter to the Department of Administration Secretary dated June 12, 1996, set forth four additional items of information that should be included in a s.16.505 request for additional positions in the DA program.

- 1) *An explanation of the effect of the positions on weighted caseload for the requesting counties (the LAB methodology is suggested).*

Table 1 indicates the standard LAB methodology's results without the 15% reduction and highlights the impact of the new position requested on the Dane DA Office. The table uses the most current court data available (1995-97) and the positions authorized as of November 16, 1998. It is important to note that the position need shown in the LAB methodology is a general need responding to all duties of a DA office and is not specific to a particular type of activity or caseload such as that covered by this grant.

- 2) *An assessment of similar caseload problems in counties not addressed by the request.*

Detailed data on drugged drive and OWI drivers with which to make such an analysis are not available.

- 3) *An explanation of why the request has greater priority than similar needs existing in other counties.*

The WIDOT receive these incentive grant funds from the USDOT. The Dane DA Office contacted the WIDOT with a proposal for using these funds to increase and improve its as well as the state as a whole's drunk and drugged driving prosecutions. The WIDOT used its discretion to award this grant to the Dane DA Office on a non-competitive basis.

- 4) *If the request is intended to address a specific type of caseload, an explanation of why this type of caseload has a greater priority than other types.*

The DOT funds may not be used to address other types of caseloads.

**Table 1: DA Office Workload Analysis
1227 hrs, 3 yr. (1995-97) Ave. as of
11/16/98**

DA Office	FTE equivalent (=dif/1227) needed without new position	FTE equivalent (=dif/1227) needed with new position
Adams	0.42	0.42
Ashland	0.55	0.55
Barron	-0.31	-0.31
Bayfield	0.17	0.17
Brown	2.03	2.03
Buffalo	-0.20	-0.20
Burnett	0.65	0.65
Calumet	-0.18	-0.18
Chippewa	0.41	0.41
Clark	-0.14	-0.14
Columbia	1.49	1.49
Crawford	-0.26	-0.26
Dane	4.27	3.27
Dodge	0.12	0.12
Door	0.09	0.09
Douglas	-0.04	-0.04
Dunn	-0.17	-0.17
Eau Claire	2.27	2.27
Florence	-0.12	-0.12
Fond du Lac	1.17	1.17
Forest	0.48	0.48
Grant	0.61	0.61
Green	0.02	0.02
Green Lake	-0.42	-0.42
Iowa	-0.58	-0.58
Iron	-0.61	-0.61
Jackson	-0.62	-0.62
Jefferson	1.09	1.09
Juneau	0.07	0.07
Kenosha	-0.28	-0.28
Kewaunee	-0.43	-0.43
La Crosse	1.83	1.83
Lafayette	-0.49	-0.49
Langlade	0.26	0.26
Lincoln	0.16	0.16
Manitowoc	2.37	2.37
Marathon	2.99	2.99

**Table 1: DA Office Workload Analysis
1227 hrs, 3 yr. (1995-97) Ave. as of
11/16/98**

DA Office	FTE equivalent (=dif/1227) needed without new position	FTE equivalent (=dif/1227) needed with new position
Marinette	0.25	0.25
Marquette	0.13	0.13
Milwaukee	22.00	22.00
Monroe	0.99	0.99
Oconto	0.13	0.13
Oneida	1.07	1.07
Outagamie	2.08	2.08
Ozaukee	0.61	0.61
Pepin	-0.17	-0.17
Pierce	-1.51	-1.51
Polk	0.57	0.57
Portage	-0.10	-0.10
Price	-0.10	-0.10
Racine	1.38	1.38
Richland	-0.71	-0.71
Rock	4.27	4.27
Rusk	-0.44	-0.44
Saint Croix	-2.52	-2.52
Sauk	1.13	1.13
Sawyer	0.75	0.75
Shaw/Men	0.86	0.86
Sheboygan	2.34	2.34
Taylor	0.20	0.20
Trempealeau	-0.16	-0.16
Vernon	-1.16	-1.16
Vilas	-0.60	-0.60
Walworth	-0.22	-0.22
Washburn	0.44	0.44
Washington	0.32	0.32
Waukesha	-2.98	-2.98
Waupaca	-0.40	-0.40
Waushara	-0.24	-0.24
Winnebago	3.50	3.50
Wood	0.05	0.05

CORRESPONDENCE MEMORANDUMSTATE OF WISCONSIN
Department of Administration

OK
MS
12/11/98

MS

Date: July 14, 1998

To: Mark D. Bugher, Secretary
Department of Administration

From: Andrew J. Statz, Budget Analyst
State Budget Office

Subject: Request under s. 16.505 for 0.50 FTE project assistant district attorney (ADA) positions to handle CHIPS and TPR cases in Milwaukee.

REQUEST:

The Department of Administration, on behalf of the Milwaukee County District Attorney's office, requests approval of 0.50 FTE PR project assistant district attorney (ADA) position authorized under s. 20.475(1)(h) *Gifts and Grants* in order to handle Children in Need of Protective Services (CHIPS) and Termination of Parental Rights (TPR) cases in Milwaukee. Position authorization is requested from January 1, 1999, to December 31, 1999.

REVENUE SOURCES FOR APPROPRIATION:

The revenue source for the appropriation under s. 20.475 (1)(h) *Gifts and Grants* is a portion of the federal grant awarded to the Wisconsin Supreme Court under the Federal Adoption and Safe Families Act (FASFA) to assist the state in meeting mandates of that act.

BACKGROUND:

FASFA became federal law in 1997. In June 1998, the mandates of this act were incorporated into state law by 1997 Wisconsin Act 237. The purpose of the law is to move children in the Child Welfare System to permanent family situations at a faster pace. In Milwaukee, the DA's office is designated to handle all CHIPS cases and to determine whether to file and pursue TPR petitions in court.

ANALYSIS:

The Wisconsin Supreme Court has awarded Milwaukee County \$29,030 for calendar year 1999 for the creation of 0.50 FTE ADA position. The salary and benefits related to the 0.50 FTE totals \$29,030 if the ADA hired has two-and-a-half years seniority. The award amount is sufficient to cover an experienced ADA in this position. The 0.50 FTE project position will be 100% federally funded.

While federal funds will pay for the positions, the county will be required to reimburse the state through agency 475 (District Attorneys) because ADAs are state employees. Approval of this request will require total additional expenditure authority in s. 20.475(1)(h) of \$29,000 PRO. The exact amounts for each state fiscal year will be determined through the DOA allotment

Mark D. Bugher, Secretary

December 7, 1998

Page 2

process. Since this is a continuing appropriation, approval of the Joint Committee on Finance is required only for the position authorization.

RECOMMENDATION:

Approve the request for 0.50 FTE assistant district attorney (ADA) project position in Milwaukee County (from January 1, 1999, to December 31, 1999). If continuing federal FASFA grant funding is available for this position, annual extensions could be granted for up to three additional years (through December 31, 2002) at the discretion of the Department of Administration (DOA).

This approval does not constitute the commitment of current or future GPR funding for these positions. Such approval can only be obtained through the biennial budget process.



TOMMY G. THOMPSON
GOVERNOR
MARK D. BUGHER
SECRETARY

STATE PROSECUTORS OFFICE ----- MEMORANDUM/CORRESPONDENCE
Telephone No.: (608) 267-2700 E-Mail Address: stuart.morse@doa.state.wi.us Fax No.: (608) 264-9500

DATE: November 12, 1998

TO: Rick Chandler, Administrator
Division of Executive Budget and Finance

FROM: Charles E. McDowell, Administrator
Division of Administrative Services

SUBJECT: **REQUEST UNDER S. 16.505 FOR DEPARTMENT 475:
MILWAUKEE DISTRICT ATTORNEY'S OFFICE**

On behalf of the Milwaukee County District Attorney's Office, I submit the attached request for 0.5 FTE PR position authority for Department 475, District Attorneys.

If you have any questions, please direct them to Stuart Morse, Director, State Prosecutors Office or to Richard Wagner in the Division's Bureau of Financial Management.

Attachment

cc: Stuart Morse
Richard Wagner

**DEPARTMENT OF ADMINISTRATION REQUEST UNDER S.16.505 FOR
POSITION AUTHORIZATION**

I. REQUEST

The Department of Administration requests, under s.16.505, the authorization of 0.5 FTE Program Revenue (PR) prosecutorial position in appropriation s.20.475(1)(h). This position will be located in the Milwaukee County District Attorney's Office. The position is funded by a grant from the Supreme Court of Wisconsin for the January 1, 1999 through December 31, 1999 period.

- 1) Grant the Milwaukee County DA Office position authorization for 0.5 FTE PR Supreme Court funded position through December 31, 1999.

II. BACKGROUND

The Federal Adoption and Safe Families Act (FASFA) became law in 1997. In June 1998, this act's mandates were incorporated into Wisconsin law by 1997 Wisconsin Act 237. The thrust of the laws is to move children in the Child Welfare System to permanent family situations at a faster pace. In Milwaukee, the state has taken over responsibility for all child welfare functions from the County.

Act 237 created s.48.417 Wis. Stats. Which mandates that the agency designated under s. 48.09 file or join in a petition for termination of parental rights (TPR) if a child has been placed outside his or her home for 15 of the most recent 22 months. Further, the state act also creates a mandate for all of the children who are currently in out-of-home placement status and who have been in that status for at least 15 of the 22 most recent months. It mandates that one-third of them must have a TPR petition filed on their behalf by July 1, 1999; that the second one-third of these children have a TPR petition filed on their behalf by January 1, 2000 and that the final one-third of these children have a TPR petition filed on their behalf by July 1, 2000.

In Milwaukee County, the DA office is the agency designated to handle all CHIPS cases and to make the determination to file TPR petitions and to make and pursue these filings in court. The Milwaukee DA office has current staff of 1.0 ADA handling the CHIPS screening process and 4.0 handling the TPR cases. These staff are fully employed and thus do not have available time to accomplish the new mandates. The Wisconsin Supreme Court has received a grant under the FASFA to assist states in meeting these mandates. The Supreme Court in turn has awarded to the Milwaukee DA Office a grant that would permit it to hire an additional half-time prosecutor. The prosecutor would not carry a caseload and thus be freed to review the case backlog to determine which children meet

November 12, 1998 FASFA Grant s.16.505 request

the criteria for having CHIPS and TPR petitions filed and to meet the permanency placement criteria within the deadline periods noted above. This position would coordinate closely with the ADAs who are pursuing the CHIPS and TPR cases in court.

III. ANALYSIS

This position is in furtherance of the State's policy as set forth in Act 237. It is also in furtherance of the state's commitment to become responsible for and to improve the Milwaukee Child Welfare System.

IV. FISCAL ANALYSIS

The salary and fringe benefit costs of the ADA were determined based upon the anticipated costs of an ADA with 2.5 year seniority. The grant provides \$29,030 for the entire Calendar Year 1999. S.20.475(1)(h) is a continuing appropriation and will be re-estimated to include the expected funds.

V. REVENUE SOURCE FOR APPROPRIATION

The source of grant funds is s.20.680(2)(m) which contains funds provided by the federal government to the Wisconsin Supreme Court for its use in meeting the TPR mandates of the federal act.

VI. SPECIAL INFORMATION

The co-chairs of the Joint Committee on Finance, in a letter to the Department of Administration Secretary dated June 12, 1996, set forth four additional items of information that should be included in a s.16.505 request for additional positions in the DA program.

- 1) *An explanation of the effect of the positions on weighted caseload for the requesting counties (the LAB methodology is suggested).*

Table 1 indicates the standard LAB methodology's results without the 15% reduction and highlights the impact of the new position requested on the Milwaukee DA Office. The table uses the most current court data available (1995-97) and the positions authorized as of November 12, 1998. It is important to note that the position need shown in the LAB methodology is a general need responding to all duties of a DA office and is not specific to a particular type of activity or caseload such as that covered by this grant.

November 12, 1998 FASFA Grant s.16.505 request

- 2) *An assessment of similar caseload problems in counties not addressed by the request.*

Detailed data on the potential TPR status of children in each county are not available.

- 3) *An explanation of why the request has greater priority than similar needs existing in other counties.*

The state has removed the legal responsibility for Child Welfare services from Milwaukee County and assumed it itself. This grant will help assure that the state is able to meet its new responsibility.

- 4) *If the request is intended to address a specific type of caseload, an explanation of why this type of caseload has a greater priority than other types.*

The funds are limited to being used to meet the mandates of FASFA.

November 12, 1998 FASFA Grant s.16.505 request

**Table 1: DA Office Workload Analysis
1227 hrs, 3 yr (1995-97) ave as of 11/12/98**

DA Office	FTE equivalent (=dif/1227) needed without new position	FTE equivalent (=dif/1227) needed with new position
Adams	0.42	0.42
Ashland	0.55	0.55
Barron	-0.31	-0.31
Bayfield	0.17	0.17
Brown	2.03	2.03
Buffalo	-0.20	-0.20
Burnett	0.65	0.65
Calumet	-0.18	-0.18
Chippewa	0.41	0.41
Clark	-0.14	-0.14
Columbia	1.49	1.49
Crawford	-0.26	-0.26
Dane	4.27	4.27
Dodge	0.12	0.12
Door	0.09	0.09
Douglas	-0.04	-0.04
Dunn	-0.17	-0.17
Eau Claire	2.27	2.27
Florence	-0.12	-0.12
Fond du Lac	1.17	1.17
Forest	0.48	0.48
Grant	0.61	0.61
Green	0.02	0.02
Green Lake	-0.42	-0.42
Iowa	-0.58	-0.58
Iron	-0.61	-0.61
Jackson	-0.62	-0.62
Jefferson	1.09	1.09
Juneau	0.07	0.07
Kenosha	-0.28	-0.28
Kewaunee	-0.43	-0.43
La Crosse	1.83	1.83
Lafayette	-0.49	-0.49
Langlade	0.26	0.26
Lincoln	0.16	0.16
Manitowoc	2.37	2.37
Marathon	2.99	2.99

**Table 1: DA Office Workload Analysis
1227 hrs, 3 yr (1995-97) ave as of 11/12/98**

DA Office	FTE equivalent (=dif/1227) needed without new position	FTE equivalent (=dif/1227) needed with new position
Marinette	0.25	0.25
Marquette	0.13	0.13
Milwaukee	22.00	21.50
Monroe	0.99	0.99
Oconto	0.13	0.13
Oneida	1.07	1.07
Outagamie	2.08	2.08
Ozaukee	0.61	0.61
Pepin	-0.17	-0.17
Pierce	-1.51	-1.51
Polk	0.57	0.57
Portage	-0.10	-0.10
Price	-0.10	-0.10
Racine	1.38	1.38
Richland	-0.71	-0.71
Rock	4.27	4.27
Rusk	-0.44	-0.44
Saint Croix	-2.52	-2.52
Sauk	1.13	1.13
Sawyer	0.75	0.75
Shaw/Men	0.86	0.86
Sheboygan	2.34	2.34
Taylor	0.20	0.20
Trempealeau	-0.16	-0.16
Vernon	-1.16	-1.16
Vilas	-0.60	-0.60
Walworth	-0.22	-0.22
Washburn	0.44	0.44
Washington	0.32	0.32
Waukesha	-2.98	-2.98
Waupaca	-0.40	-0.40
Waushara	-0.24	-0.24
Winnebago	3.50	3.50
Wood	0.05	0.05