



# STATE OF WISCONSIN Assembly Journal

## Ninety-Fifth Regular Session

FRIDAY, April 12, 2002

The Chief Clerk makes the following entries under the above date:

### CHIEF CLERK REPORTS

The Chief Clerk records:

**Assembly Bill 327**  
**Assembly Bill 354**  
**Assembly Bill 655**

Presented to the Governor on Monday, April 8.

The Chief Clerk records:

**Assembly Bill 488**  
**Assembly Bill 588**  
**Assembly Bill 615**  
**Assembly Bill 737**

Presented to the Governor on Wednesday, April 10.

The Chief Clerk records:

**Assembly Bill 251**  
**Assembly Bill 507**

Presented to the Governor on Friday, April 12.

*PATRICK E. FULLER*  
Assembly Assistant Chief Clerk

### EXECUTIVE COMMUNICATIONS

State of Wisconsin  
Office of the Governor  
Madison

April 11, 2002

To the Honorable Members of the Assembly:

The following bills, originating in the Assembly, have been approved, signed and deposited in the office of the Secretary of State:

<u>Bill Number</u>	<u>Act Number</u>	<u>Date Approved</u>
<b>Assembly Bill 655</b> . . . . .	59 . . . . .	April 10, 2002

<b>Assembly Bill 327</b> . . . . .	60 . . . . .	April 10, 2002
<b>Assembly Bill 354</b> . . . . .	61 . . . . .	April 10, 2002

Respectfully submitted,  
*SCOTT MCCALLUM*  
Governor

April 11, 2002

To the Honorable Members of the Assembly:

The following bills, originating in the Assembly, have been approved, signed and deposited in the office of the Secretary of State:

<u>Bill Number</u>	<u>Act Number</u>	<u>Date Approved</u>
<b>Assembly Bill 737</b> . . . . .	68 . . . . .	April 11, 2002
<b>Assembly Bill 488</b> . . . . .	69 . . . . .	April 11, 2002
<b>Assembly Bill 615</b> . . . . .	70 . . . . .	April 11, 2002
<b>Assembly Bill 588</b> . . . . .	71 . . . . .	April 11, 2002

Respectfully submitted,  
*SCOTT MCCALLUM*  
Governor

### COMMUNICATIONS

State of Wisconsin  
Office of the Secretary of State  
Madison

To Whom It May Concern:

Acts, Joint Resolutions and Resolutions deposited in this office have been numbered and published as follows:

<u>Bill Number</u>	<u>Act Number</u>	<u>Publication Date</u>
<b>Assembly Bill 655</b> . . . . .	59 . . . . .	April 23, 2002
<b>Assembly Bill 327</b> . . . . .	60 . . . . .	April 23, 2002
<b>Assembly Bill 354</b> . . . . .	61 . . . . .	April 23, 2002
<b>Assembly Bill 737</b> . . . . .	68 . . . . .	April 25, 2002
<b>Assembly Bill 488</b> . . . . .	69 . . . . .	April 25, 2002
<b>Assembly Bill 615</b> . . . . .	70 . . . . .	April 25, 2002
<b>Assembly Bill 588</b> . . . . .	71 . . . . .	April 25, 2002

Sincerely,  
*DOUGLAS LA FOLLETTE*  
Secretary of State

## REFERRAL OF AGENCY REPORTS

State of Wisconsin  
Public Service Commission  
Madison

April 4, 2002

To the Honorable, the Legislature:

The enclosed audit report on Wisconsin Energy Corporation and its impact on the operations of Wisconsin Electric Power Company was prepared as required by Wis. Stats. § 196.795 (7)(ar) for distribution to the Legislature under Wis. Stats. § 13.172 (2).

Sincerely,  
*LYNDA L. DORR*  
Secretary to the Commission

Referred to committee on **Energy and Utilities**.

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## AGENCY REPORTS

State of Wisconsin  
Legislative Audit Bureau  
Madison

March 29, 2002

To the Honorable, the Legislature:

We have completed our financial and compliance audit of the State of Wisconsin, as requested by state agencies to meet the audit requirements of the federal Single Audit Act of 1984, as amended, and the provisions of federal Office of Management and Budget Circular A-133. Our audit covered the period July 1, 2000 through June 30, 2001. In addition to satisfying federal audit requirements, the audit assists us in meeting state audit requirements under s. 13.94, Wis. Stats.

The audit procedures performed at the larger state agencies that administer federal financial assistance programs, including the University of Wisconsin System, consisted of gaining an understanding of the internal controls at the agencies, assessing the propriety of revenues and expenditures, and testing compliance with laws and regulations related to the administration of federal grant programs. For the smaller agencies and selected University of Wisconsin campuses, our audit procedures were limited to verifying information included in the federally required State

of Wisconsin Schedule of Expenditures of Federal Awards and following up on prior-year audit findings. Our review focused on the 29 federal grants that either exceeded the \$19.4 million threshold used to define major grants or were below this threshold but were selected for review based on the risk-based assessment criteria established by the federal government.

The first section of our report contains the auditor's reports on compliance and internal control. Next are the agency narratives that contain our comments on internal control deficiencies related to the administration of federal grants, findings of noncompliance for each agency, and the results of our follow-up to prior audit findings. A summary schedule of findings and questioned costs for the current year's audit is also provided, as well as a summary of the status of findings included in our prior audit report for the State of Wisconsin (report 01-8). We note that, overall, state agencies have complied with federal grant requirements and have taken steps to address findings included in the prior year's single audit report. However, we report internal control deficiencies and several areas of noncompliance, and we identify \$124,829 in questioned costs. This amount represents a small portion of the \$7.2 billion in federal financial assistance to the State of Wisconsin.

Also included in this report is the State of Wisconsin Schedule of Expenditures of Federal Awards for the audited period, and related notes. Our audit opinion on the schedule is unqualified.

The federal government will resolve the findings and questioned costs included in our report. Federal agencies are expected to contact state agencies regarding resolution. To assist federal officials in their efforts, state agency contact information is provided in appendices to this report.

In addition to the comments and recommendations included in our report, management letters will be issued to the larger state agencies addressing technical accounting and internal control issues, including those relating to the preparation of the State's financial statements.

We appreciate the courtesy and cooperation extended to us by agency staff during our audit. Agencies' comments on individual findings, along with their corrective action plans to address our concerns, are included within the agency narratives.

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor