

STATE OF WISCONSIN  
**Senate Journal**  
Ninety–Fifth Regular Session

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WEDNESDAY, August 14, 2002

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

**PETITIONS AND COMMUNICATIONS**

**State of Wisconsin  
Department of Administration**

August 5, 2002

The Honorable, The Legislature:

Chapter 34. Laws of 1979, requires that when the Department of Administration maintains an office in Washington, DC, for the purpose of promoting federal/state cooperation, it should submit a report detailing the activities of the office and reporting the status of federal legislation of concern to the Legislature and other state agencies (Wis. Stats. 16.548(2)).

The report for the period April, 2002, through June, 2002, is attached.

Sincerely,

GEORGE LIGHTBOURN  
Secretary

**State of Wisconsin  
Department of Health and Family Services**

August 6, 2002

The Honorable, The Senate:

As required in Section 227.485 (9) of the Wis. Stats., I am submitting the report concerning decisions and resulting payments of attorney fees and related legal costs. Attorney fees and other legal costs are to be paid whenever the opposing party to an agency's Chapter 227 hearing prevails and it is determined the agency's position was not substantially justified. Payments for SFY 2002 are shown on the attached schedule.

In addition, under 814.245(10) of the Wis. Stats., the Department is required to report any awards granted to the Department regarding frivolous motions brought against this Department. In SFY 2002, no motions of opposing parties were found to be frivolous. Consequently, the Department has no awards to report.

Sincerely,

PHYLLIS J. DUBE  
Secretary

**State of Wisconsin  
Legislative Audit Bureau**

August 13, 2002

The Honorable, The Legislature:

As required by s. 13.94(1)(dg), Wis. Stats., we have completed a limited-scope fiscal and compliance review of the dental clinics grant provided by the Department of Health and Family Services to the Marquette University School of Dentistry for fiscal year (FYs) 1999-2000 and 2000-01. Under this grant,

Marquette University received general purpose revenue funding of \$2.8 million in each year to provide dental services to low-income individuals at clinics in various locations throughout Wisconsin.

Overall, we found Marquette University has developed and implemented adequate procedures to help ensure compliance with statutory and grant requirements. In addition, we found state funds were expended for services normally considered a part of comprehensive general dental treatments.

However, we note that because the Marquette Dental School clinics have expanded their services, and because of a change in the way that Marquette University allocates costs, dental clinic expenditures exceeded revenues by \$3.1 million in FY 1999-2000 and nearly \$4.3 million in FY 2000-01. Marquette University absorbs the deficit each year with revenue generated from other sources, such as tuition. Nevertheless, because the State provides support to Marquette University through various means, including tuition aid payments, we believe it is important that these annual deficits be monitored.

The clinics' future financial condition may be affected by three factors: the construction of a new Marquette Dental School facility the continued expansion of services, and increasing patient fees. Marquette University began construction on a new \$30 million facility in March 2001. When construction is complete, the dental clinics' operating costs will likely increase as new dental equipment is purchased and additional faculty members are hired. Within the last two years, Marquette Dental School also began providing community-based outreach services on the Oneida Indian Reservation in Green Bay and within the Elder Care Program of Dane County. Although these services and other outreach programs planned for the future allow Marquette Dental School to fulfill its community service mission and treat more patients, they do not generate revenue and, therefore, contribute to the overall clinic deficit. Marquette University staff have indicated they plan to increase clinic fees in FY 2002-03 to help offset their operating costs, but at this time, they are uncertain how much the fees will increase.

We appreciate the courtesy and cooperation extended to us by the Marquette University staff during our review.

Sincerely,

JANICE MUELLER  
State Auditor

**State of Wisconsin  
Legislative Audit Bureau**

August 13, 2002

The Honorable, The Legislature:

As required by s. 39.15(2), Wis. Stats., we have completed our review of the Medical College of Wisconsin, Inc., for fiscal years (FYs) 1999-2000 and 2000-01. During this biennium, state general purpose revenue funds paid to the Medical College for tuition aid totaled approximately \$8.0 million, and the Medical College received an additional \$6.7 million in general

purpose revenue for the development and operation of its family practice residency program.

Overall, we found that the Medical College was in compliance with statutory requirements related to tuition aid. Students for whom the Medical College claimed tuition aid were certified by the Higher Educational Aids board as Wisconsin residents and were eligible to receive this state aid. We also found that the Medical College gave preference in admissions to Wisconsin residents, and promoted minority student access.

However, when reviewing expenditures related to the family practice residency program, we identified \$13,420 in costs that could be considered excessive or inappropriate entertainment expenditures. Because the Medical College was not specifically prohibited from using state funds for these types of expenditures, we do not believe the Medical College can be required to repay the State for them. However, we encourage the Medical College to ensure that in the future, state-funded expenditures are reasonable, directly benefit the family practice residency program, and are consistent with general purchasing guidelines for state agencies. To ensure the reasonableness of costs, the Legislature may also wish to further define the program's objectives and allowable costs in state statutes.

We appreciate the courtesy and cooperation extended to us by staff within the Medical College of Wisconsin and the Higher Educational Aids Board during our review.

Sincerely,

JANICE MUELLER  
State Auditor

**State of Wisconsin  
Legislative Audit Bureau**

August 13, 2002

The Honorable, The Legislature:

We have completed a limited-scope review of the dental education contract between the State of Wisconsin and the Marquette university School of Dentistry for fiscal years (FYs) 1999-2000 and 2000-01. In each of these two years, the State provided \$1,167,000 in tuition aid to Marquette University for 100 Wisconsin residents enrolled in the undergraduate dental education program. Under [2001 Wisconsin Act 16](#), the per capita aid payments remain at \$11,670, but total program funding increased to \$1,342,100 in FY 2001-02 and \$1,517,100 in FY 2002-03 to enable more dental students to receive tuition aid.

Overall, we found that Marquette University was in compliance with its contract with the State and with requirements set forth in [s. 39.46](#), Wis. Stats. During our review, we found the students for whom Marquette University claimed tuition aid were certified by the Higher Educational Aids Board as Wisconsin residents and were eligible to receive this state aid. In addition, we found that Marquette University expended state funds only for the undergraduate dental school program, gave preference in admissions to Wisconsin residents, and promoted minority enrollment.

We appreciate the courtesy and cooperation extended to us by staff within Marquette University and the Higher Educational Aids Board during our review.

Sincerely,

JANICE MUELLER  
State Auditor

**State of Wisconsin  
Legislative Audit Bureau**

August 8, 2002

The Honorable, The Legislature:

As required by [s. 229.8273\(6\)](#), Wis. Stats., we have completed our first review of the Green Bay/Brown County Professional Football Stadium District's efforts to meet contracting and hiring goals for minorities and women in the Lambeau field reconstruction project. Statutes require the District to establish goals for contracts awarded to minority-owned and women-owned businesses. In addition, statutes require the contractors hired for the project to establish goals for the employment of minorities and women. To meet these objectives and facilitate the involvement of targeted businesses and individuals in the reconstruction project, the District required the creation of the Targeted Business Participation and Workforce Diversity Program. The Legislative audit Bureau is required to review these efforts on an annual basis.

Based upon our initial review, we believe that to date, the District has made a good-faith effort to meet its statutory goals. Through December 2001, measurable progress had been made toward:

- awarding 15 percent of the value of contracts that are financed by bond proceeds to minority-owned businesses, and 5 percent to women-owned businesses; and
- working to hire minorities and women related to the construction project so that 15 percent of the new employees hired specifically for the project are minority group members and 5 percent are women.

Through December 2001, a total of \$9.1 million in professional and construction contract dollars has been paid to targeted businesses. Of this amount, 13.4 percent was paid to minority-owned businesses and 3.4 percent was paid to women-owned businesses. These percentages are somewhat lower than the statutorily established goals of 15.0 percent and 5.0 percent, respectively. Of the 610 new hires working on the project 114 (18.7 percent) were minority group members, and 29 (4.8 percent) were women. This currently exceeds the statutory hiring goal for minorities and is slightly lower than the hiring goal for women.

We appreciate the courtesy and cooperation extended to us by the District and the project's contractors in conducting our review.

Sincerely,

JANICE MUELLER  
State Auditor

**REFERRALS AND RECEIPT OF  
COMMITTEE REPORTS CONCERNING  
PROPOSED ADMINISTRATIVE RULES**

**Senate Clearinghouse Rule 02-070**

Relating to reimbursement for treatment of chronic renal disease; to reimbursement for blood products and supplies used in the home care of hemophilia; and to reimbursement for treatment of persons with cystic fibrosis.

Submitted by Department of Health and Family Services.

Report received from Agency, August 12, 2002.

Referred to committee on **Health, Utilities, Veterans and Military Affairs**, August 14, 2002.

**Senate Clearinghouse Rule 02-082**

Relating to filing campaign finance reports in electronic format.

Submitted by Elections Board.

Report received from Agency, August 13, 2002.

Referred to committee on **Universities, Housing, and Government Operations**, August 14, 2002.

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The committee on **Universities, Housing, and Government Operations** reports and recommends:

**Senate Clearinghouse Rule 02-042**

Relating to mine safety fees.

No action taken.

Mark Meyer  
Chairperson