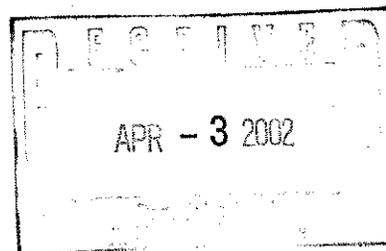




State of Wisconsin  
**Department of Health and Family Services**

Scott McCallum, Governor  
Phyllis J. Dubé, Secretary

March 29, 2002



The Honorable John Gard  
Joint Committee on Finance, Co-Chair  
Room 308 East Capitol  
Madison, WI 53702

Dear Representative Gard:

Thank you for your letter of March 20, 2002 requesting the Department to submit its plan for the use of federal bioterrorism funds to the Joint Committee on Finance for review and approval before the plan is submitted to the federal Department of Health and Human Services.

The Department has worked closely with the Governor and the Legislature on a variety of budget issues that we face and we will continue to do so. The Department fully understands the Committee's concern about the current state budgetary situation and the advantages of offsetting state GPR costs with federal bioterrorism grant monies. We have attempted to meet this goal to the degree that is possible within the restrictions of the federal grant. DHFS anticipates that GPR costs that could not be addressed within the limitations of the federal bioterrorism grants, may best be addressed by an upcoming federal FEMA grant application. I assure the Committee of our intent to fund several budget reform proposals with federal funds, to the extent that these items would be eligible under the federal provisions.

As you are aware the bioterrorism grant proposal must be submitted to the federal Department of Health and Human Services by April 15, 2002. The federal government provided a very short window of February 15 to April 15 to write this grant proposal. DHFS has utilized the maximum stakeholder input for the grant application through 14 workgroups with each containing 5 to 20 local health department representatives providing us a statewide perspective. In addition, numerous public and private organizations have been involved in the development of the grant. A first draft of the application will not be available for my review until sometime next week. Due to the extremely tight time frame imposed on us by the federal government, I do not feel that it would be feasible to complete a review by the Committee as well as the required Governor's review before the due date of the proposal.

When the grant proposal is completed and approved by the Department of Administration and the Governor's Office, I will send JFC a copy. We would be happy to meet with you and detail how DHFS will address the Committee's goal of funding a portion of the GPR costs of the budget reform proposals under the grant provisions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Phyllis J. Dubé". The signature is fluid and cursive, with a large initial "P".

Phyllis J. Dubé  
Secretary

For

# STATE OF WISCONSIN

SENATE CHAIR  
BRIAN BURKE

317-E Capitol  
P.O. Box 7882  
Madison, WI 53707-7882  
Phone: 266-8535



ASSEMBLY CHAIR  
JOHN GARD

308-E Capitol  
P.O. Box 8952  
Madison, WI 53708-8952  
Phone: 266-2343

## JOINT COMMITTEE ON FINANCE

March 20, 2002

DHFS Secretary Dubé  
1 West Wilson Street, Room 650  
Madison, WI 53707

Dear Secretary Dubé

It is the understanding of the Joint Committee on Finance that the state expects to receive approximately \$19.3 million from the federal government to support a variety of bioterrorism preparedness activities. It is possible that these federal funds could be used to support some of the activities for which the Governor had proposed additional GPR funding as part of the 2001-03 budget reform bill (SS AB 1).

During its deliberations on the Governor's bill, the Committee reduced or eliminated GPR funding for several of these items and included provisions that would direct DHFS to include, in the plan DHFS is required to submit to the U.S. Department of Health and Human Services (DHHS), proposals to fund several items with these federal funds, to the extent that these items would be eligible for funding under the federal program, including:

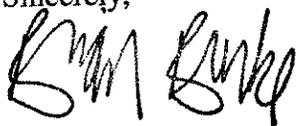
- Up to \$3,600,000 for: (a) communications equipment; (b) safety or protective equipment for law enforcement officers, fire fighters, emergency medical technicians, first responders or local emergency response team members who respond to emergencies; (c) training related to investigation or prevention of, or response to, acts of terrorism that pose a threat to the environment; (d) information systems, software or computer equipment for investigating acts of terrorism that pose a threat to the environment; (e) training for specific special events where heightened security exists; (f) hazardous materials response teams; and (g) and volunteer emergency entities that are short-staffed or in need of additional training;
- 2.5 positions to perform surveillance of, and respond to, communicable and infectious diseases and biological and chemical potential threats to the state;

- Funding to support the development and implementation of the statewide trauma system; and
- 1.0 position for the state laboratory of hygiene and all bioterrorism related laboratory expenses.

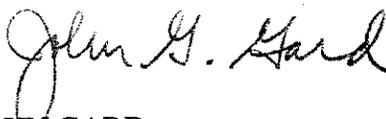
In addition, the Committee included a provision in the budget reform bill that would direct DHFS to submit its plan for the use of the federal bioterrorism funds to the Committee for review and approval before DHFS submits the plan to DHHS.

Although the budget reform bill may not be signed into law before the April 15, 2002 (the deadline for submittal of the plan to DHHS), the Committee requests that DHFS comply, with the intent expressed in these budget amendments.

Sincerely,



BRIAN BURKE  
Senate Chair



JOHN GARD  
Assembly Chair

BB:JG:dh

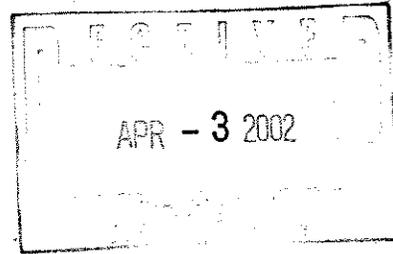
cc: Members, Joint Committee on Finance  
Secretary George Lightbourn, DOA



State of Wisconsin  
Department of Health and Family Services

Scott McCallum, Governor  
Phyllis J. Dubé, Secretary

March 29, 2002



The Honorable John Gard  
Joint Committee on Finance, Co-Chair  
Room 308 East Capitol  
Madison, WI 53702

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As you are aware the bioterrorism grant proposal must be submitted to the federal Department of Health and Human Services by April 15, 2002. The federal government provided a very short window of February 15 to April 15 to write this grant proposal. DHFS has utilized the maximum stakeholder input for the grant application through 14 workgroups with each containing 5 to 20 local health department representatives providing us a statewide perspective. In addition, numerous public and private organizations have been involved in the development of the grant. A first draft of the application will not be available for my review until sometime next week. Due to the extremely tight time frame imposed on us by the federal government, I do not feel that it would be feasible to complete a review by the Committee as well as the required Governor's review before the due date of the proposal.

When the grant proposal is completed and approved by the Department of Administration and the Governor's Office, I will send JFC a copy. We would be happy to meet with you and detail how DHFS will address the Committee's goal of funding a portion of the GPR costs of the budget reform proposals under the grant provisions.

Sincerely,

*Phyllis J. Dubé*  
Phyllis J. Dubé  
Secretary

For

Wisconsin.gov

# STATE OF WISCONSIN

SENATE CHAIR  
BRIAN BURKE

317-E Capitol  
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Madison, WI 53707-7882  
Phone: 266-8535



ASSEMBLY CHAIR  
JOHN GARD

308-E Capitol  
P.O. Box 8952  
Madison, WI 53708-8952  
Phone: 266-2343

## JOINT COMMITTEE ON FINANCE

March 20, 2002

DHFS Secretary Dubé  
1 West Wilson Street, Room 650  
Madison, WI 53707

Dear Secretary Dubé

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During its deliberations on the Governor's bill, the Committee reduced or eliminated GPR funding for several of these items and included provisions that would direct DHFS to include, in the plan DHFS is required to submit to the U.S. Department of Health and Human Services (DHHS), proposals to fund several items with these federal funds, to the extent that these items would be eligible for funding under the federal program, including:

- Up to \$3,600,000 for: (a) communications equipment; (b) safety or protective equipment for law enforcement officers, fire fighters, emergency medical technicians, first responders or local emergency response team members who respond to emergencies; (c) training related to investigation or prevention of, or response to, acts of terrorism that pose a threat to the environment; (d) information systems, software or computer equipment for investigating acts of terrorism that pose a threat to the environment; (e) training for specific special events where heightened security exists; (f) hazardous materials response teams; and (g) and volunteer emergency entities that are short-staffed or in need of additional training;

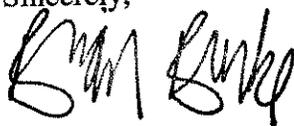
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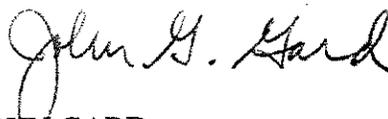
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Although the budget reform bill may not be signed into law before the April 15, 2002 (the deadline for submittal of the plan to DHHS), the Committee requests that DHFS comply, with the intent expressed in these budget amendments.

Sincerely,



BRIAN BURKE  
Senate Chair



JOHN GARD  
Assembly Chair

BB:JG:dh

cc: Members, Joint Committee on Finance  
Secretary George Lightbourn, DOA

# STATE OF WISCONSIN

SENATE CHAIR  
**BRIAN BURKE**

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ASSEMBLY CHAIR  
**JOHN GARD**

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P.O. Box 8952  
Madison, WI 53708-8952  
Phone: 266-2343

## JOINT COMMITTEE ON FINANCE

April 10, 2002

Mr. Eric O. Stanchfield, Secretary  
Department of Employee Trust Funds  
P. O. Box 7931  
Madison, WI 53707-7931

Dear Secretary Stanchfield:

The Joint Committee on Finance has received and reviewed your request for a supplementation totaling \$3,053,600 SEG in 2001-02 and \$3,219,500 SEG in 2002-03 from the Committee's s. 20.865(4)(u) appropriation to the Department's ss. 20.515(1)(t) and (w) appropriations to fund the first two years of a projected three-year benefit payment system redesign undertaking. Under provisions of s. 9116(1mk) of 2001 Wisconsin Act 16, the Department was authorized to submit a supplementation request for the release of funds under a 14-day passive review mechanism, once a final project budget had been developed.

At the time the Committee addressed the Department's initial funding request for the benefits payment system redesign during the biennial budget process, a total of \$2,631,200 SEG in 2001-02 and \$2,887,300 SEG in 2002-03 was reserved in the Committee's appropriation for the project. The Department is now requesting the release of all of these reserved funds, as well as an additional \$422,400 SEG in 2001-02 and \$332,200 SEG in 2002-03. These additional funds are for application development tools (\$90,000 SEG in 2001-02) and contractual services expenses related to project monitoring (\$332,400 SEG in 2001-02 and \$332,200 SEG in 2002-03).

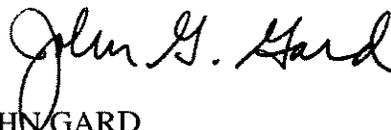
Under the s. 9116(1mk) passive review authority granted by Act 16, we believe that the Committee may release only the \$2,631,200 SEG in 2001-02 and \$2,887,300 SEG in 2002-03 specifically reserved in its s. 20.865(4)(u) appropriation for this project. No objections have been raised to the release of these reserved funds, and the release of these funds is hereby approved.

We do not believe that the Committee has the authority to provide an additional supplementation of \$422,400 SEG in 2001-02 and \$332,200 SEG in 2002-03 as a part of this 14-day passive review process. We understand that the additional funding for applications development and project monitoring activities is critical to the overall success of the project. To the extent that the Department is unable to implement these additional activities during the current biennium utilizing the funding that has now been approved for release, the Committee would entertain a subsequent supplementation request under standard s. 13.101(3) procedures.

Sincerely,



BRIAN BURKE  
Senate Chair



JOHN GARD  
Assembly Chair

BB:JG:dh

cc: Members, Joint Committee on Finance  
Dan Caucutt, Department of Administration

# THE STATE OF WISCONSIN

SENATE CHAIR  
**BRIAN BURKE**

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ASSEMBLY CHAIR  
**JOHN GARD**

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Phone: (608) 266-2343

## JOINT COMMITTEE ON FINANCE

### MEMORANDUM

To: Members  
Joint Committee on Finance

From: Senator Brian Burke  
Representative John Gard

Re: 14-Day Passive Review Approval of Department of  
Employee Trust Funds Request

Date: March 25, 2002

*Under separate cover, you have received a copy of a letter, dated March 25, 2002, and attachments from the Department of Employee Trust Funds. The letter requests release of funds from the Joint Committee on Finance's appropriation under s. 20.865 (4)(u) to fund the Benefit Payment System Project. In addition, DETF is requesting segregated funding for application development tools and Project Monitoring contractual services from the Public Employee Trust Fund.*

The request is subject to 14-day passive review and approval by the Joint Committee on Finance.

Please review the material your office received from the Department of Employee Trust Funds and notify **Senator Burke** or **Representative Gard** no later than **Wednesday, April 10, 2002**, if you have any concerns about the DETF request or if you would like the Committee to meet formally to discuss it.

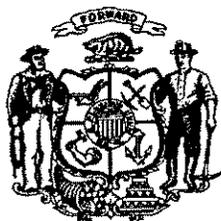
Also, please contact us if you need further information.

BB:JG:dh

# THE STATE OF WISCONSIN

SENATE CHAIR  
BRIAN BURKE

317-E Capitol  
P.O. Box 7882  
Madison, WI 53707-7882  
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ASSEMBLY CHAIR  
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## JOINT COMMITTEE ON FINANCE

### MEMORANDUM

To: Members  
Joint Committee on Finance

From: Senator Brian Burke  
Representative John Gard

Re: 14-Day Passive Review Approval of Department of  
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Also, please contact us if you need further information.

BB:JG:dh



STATE OF WISCONSIN

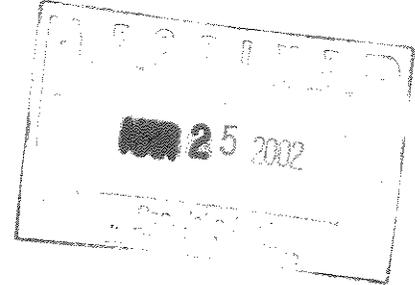
**Department of Employee Trust Funds**

**Eric O. Stanchfield**  
*Secretary*  
801 West Badger Road  
P.O. Box 7931  
Madison, WI 53707-7931

March 25, 2002

The Honorable Brian Burke  
Co-Chair, Joint Committee on Finance  
State Senate  
Room 317 East, State Capitol  
Madison, WI 53702

The Honorable John Gard  
Co-Chair, Joint Committee on Finance  
State Assembly  
Room 308 East, State Capitol  
Madison, WI 53702



RE: 14-Day Passive Review Request for the Benefits Payment System Project under 2001 WI Act 16 for the Department of Employee Trust Funds

Dear Senator Burke and Representative Gard:

The Department of Employee Trust Funds (DETF) is requesting release of \$2,631,200 SEG in 2001-02 and \$2,887,300 SEG in 2002-03 from the Joint Committee on Finance's appropriation under s. 20.865 (4)(u) to fund the Benefit Payment System (BPS) project as specified in 2001 WI Act 16, section 9116 (1mk). In addition, DETF is also requesting an increase in one-time funding of \$90,000 SEG for application development tools, and \$332,400 SEG in 2001-02 and \$332,200 SEG in 2002-2003 for Project Monitoring contractual services. DETF funding is from the segregated Public Employee Trust Fund. For more detailed information, refer to Attachment 1 – Budget By Cost Allocation and Appropriations.

DETF requested funding in the biennial budget to replace and redesign its annuity, lump sum, accumulated sick leave conversion credit and disability payment systems. This system was developed in 1977 and has become obsolete over time because the architecture is incompatible with DETF's information technology infrastructure. Every modification compounds the system's complexity making ongoing maintenance difficult, costly and increases the risk of system errors. In addition, it is impossible to provide online access to member accounts within the existing systems. The Joint Committee on Finance placed the funding for this project in its supplemental appropriation for future release under a 14-day passive review process once a detailed implementation plan for the project was completed. Please refer to Attachment 2 – Summary and Detailed Project Plans for more information.

The Honorable Brian Burke  
The Honorable John Gard  
March 25, 2002  
Page 2

After a very competitive procurement process that took place over the past several months, DETF has selected Covansys as its consulting partner to design and implement the BPS project for a fixed price contract of \$4,199,875. Covansys has extensive experience with other public retirement systems on projects similar in scope to our BPS project. They are currently working with the Michigan Office of Retirement Services on designing and implementing a system similar to BPS in functionality and infrastructure. Covansys will be able to leverage the knowledge transfer from this application to DETF's BPS project.

In addition to the funding for the Covansys contract, DETF is requesting one-time funding of \$90,000 SEG in 2001-02 to fund developmental and modeling tools for the BPS project. The tools were identified as part of the contract negotiation process to ensure the efficient and effective use of resources to increase the probability that the BPS project is successful.

Also, DETF issued a Request for Services for a Project Monitor. The specific objectives of acquiring a project monitor are to: identify and minimize project risks; effectively apply project controls; perform a third party independent review of the project; and provide appropriate project feedback (written and oral) including written recommendations to ensure the project is on time, within budget and architecturally sound. The use of an independent project monitor is a standard in the private sector and a best practice for public retirement systems. Project monitoring contractual services are necessary to minimize the risk associated with large IT projects by keeping projects on time and within budget.

DETF has selected Maximus as the Project Monitor from a competitive field of candidates, pending approval of the funding. Maximus has extensive experience with monitoring projects for other public retirement systems. Maximus is currently the project monitor for the Minnesota Teacher's Retirement Association on a project that is similar to the BPS project. The experience gained on the Minnesota project will add value to our BPS project. Maximus also provides expert resources for the BPS project in system architecture design, coding review, and test plan development.

Thank you for consideration of this request. If you have any questions or need further information, please contact Joanne Cullen, Budget Director, at 266-3960.

Sincerely,



Eric O. Stanchfield  
Secretary

Enclosures: Attachment 1: Budget by Cost Allocation and Appropriations  
Attachment 2: Summary and Detailed Project Plans

cc: Members, Joint Committee on Finance  
Bob Lang, Legislative Fiscal Bureau  
Dan Caucutt, State Budget Office

100% SEG	Appropriation	2001-2002	2002-2003	Total	2003-2004 *
<b>Project Development</b>					
Local Contract Programmer	188	\$ 128,500	\$ 171,400	\$ 299,900	\$ 42,800
Consulting Partner	161	\$ 1,594,700	\$ 2,126,200	\$ 3,720,900	\$ 479,000
DEG IT Charges	188	\$ 48,000	\$ 144,000	\$ 192,000	\$ 12,000
Contingency Funding	161	\$ 265,700	\$ 366,200	\$ 631,900	\$ 88,300
<b>Total</b>		<u>\$ 2,036,900</u>	<u>\$ 2,807,800</u>	<u>\$ 4,844,700</u>	<u>\$ 622,100</u>
<b>Database Architecture Modification/Training</b>					
Training	176	\$ 240,000		\$ 240,000	
Development Tools	188	\$ 200,000		\$ 200,000	
Developer PC's	188	\$ 96,000		\$ 96,000	
<b>Total</b>		<u>\$ 536,000</u>	<u>\$ -</u>	<u>\$ 536,000</u>	<u>\$ -</u>
<b>DETF Administrator</b>					
Salary	176	\$ 36,900	\$ 49,100	\$ 86,000	
Fringe	176	\$ 13,200	\$ 17,600	\$ 30,800	
S&S	176	\$ 900	\$ 1,200	\$ 2,100	
PC for new position	188	\$ 4,300	\$ -	\$ 4,300	
Project positions S&S	176	\$ 3,000	\$ 3,000	\$ 6,000	
Thompson ACH Updates	188	\$ -	\$ 8,600	\$ 8,600	
<b>Total</b>		<u>\$ 58,300</u>	<u>\$ 79,500</u>	<u>\$ 137,800</u>	<u>\$ -</u>
<b>Total To Be Released by Joint Finance</b>		\$ 2,631,200	\$ 2,887,300	\$ 5,518,500	\$ 622,100
<b>Additional Funding</b>					
Contract Monitor	161	\$ 332,200	\$ 332,400	\$ 664,600	\$ -
2.5 FTE Project Positions	176	97100	97100	194200	
<b>Totals</b>		<u>\$ 3,060,500</u>	<u>\$ 3,316,800</u>	<u>\$ 6,377,300</u>	

\* Need to Request in the 2003-2005 Biennial Budget

Benefit Payment System (BPS)  
Project Plan Summary

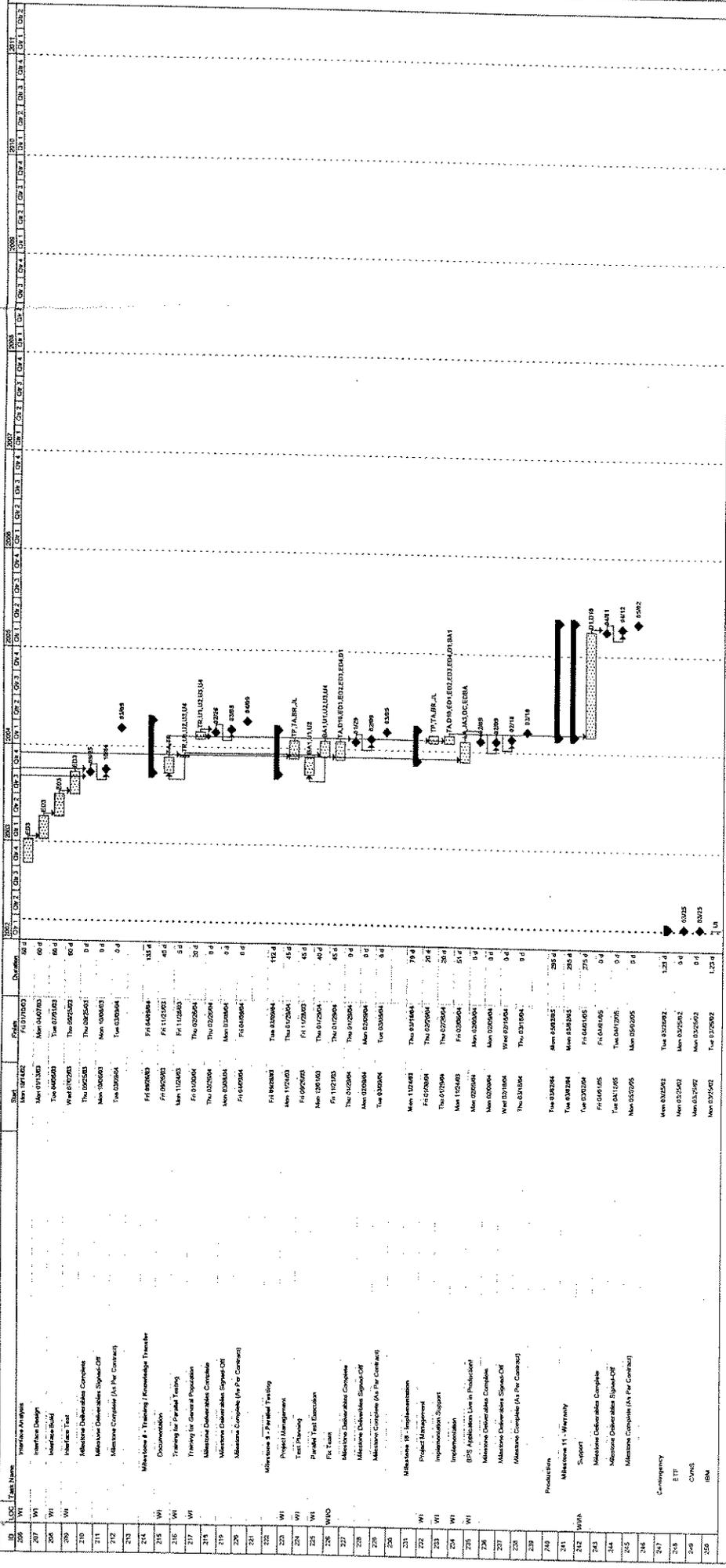
ID	LOC	Task Name	Start	Finish	Duration	Work	2002				2003				2004				2005			
							Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2		
0		<b>Benefit Payment System (BPS)</b>	<b>Mon 03/25/02</b>	<b>Mon 05/02/05</b>	<b>784 d</b>	<b>79,356.99 h</b>																
1		Inception	Mon 04/08/02	Fri 04/19/02	10 d	1,048 h																
2		Milestone 0 - Startup	Mon 04/08/02	Fri 04/19/02	10 d	1,048 h																
3		Elaboration	Mon 04/22/02	Tue 10/15/02	123 d	10,057.6 h																
4		Milestone 1 - Requirements	Mon 04/22/02	Mon 07/01/02	49 d	2,676 h																
5		Milestone 2 - Analysis	Mon 05/06/02	Tue 09/03/02	83 d	6,613.6 h																
6		Milestone 3 - Design	Wed 05/22/02	Tue 10/15/02	101 d	768 h																
7		Construction	Fri 07/05/02	Mon 01/05/04	377 d	49,686.4 h																
8		Milestone 4 - Data Clean-Up and Conversion	Fri 07/05/02	Wed 03/19/03	476 d	18,894.4 h																
9		Milestone 5 - Workflow	Tue 02/11/03	Fri 11/14/03	195 d	24,976 h																
10		Milestone 6 - Construction and Function Testing	Tue 05/20/03	Mon 01/05/04	137 d	5,816 h																
11		Transition	Mon 10/14/02	Fri 04/09/04	375 d	13,355.18 h																
12		Milestone 7 - Acceptance & Performance Testin	Mon 10/14/02	Tue 03/09/04	352 d	5,824 h																
13		Milestone 8 - Training / Knowledge Transfer	Fri 09/26/03	Fri 04/09/04	135 d	816 h																
14		Milestone 9 - Parallel Testing	Fri 09/26/03	Tue 03/09/04	112 d	4,203.98 h																
15		Milestone 10 - Implementation	Mon 11/24/03	Thu 03/18/04	79 d	2,511.2 h																
16		Production	Tue 03/02/04	Mon 05/02/05	295 d	3,519.8 h																
17		Milestone 11 - Warranty	Tue 03/02/04	Mon 05/02/05	295 d	3,519.8 h																
18		Contingency	Mon 03/25/02	Tue 03/26/02	1.23 d	1,690 h																



US	LOC / Task Name	Start	Finish	Duration	Work	Resource Initials	Predecessors
182	Support Development Environment	Thu 09/25/03	Thu 09/25/03	1d	0 d	US	180
183	Milestone Deliverables Complete	Mon 10/06/03	Mon 10/06/03	0 d	0 d		183FS+7 d
184	Milestone Complete (As Per Contract)	Fri 11/14/03	Fri 11/14/03	0 d	0 d		
185							
186							
187	Milestone 7 - Acceptance & Performance Testing	Mon 01/05/04	Mon 01/05/04	157 d	5,818 h	TP, TA, BR, JL	177
188	Project Management	Fri 09/25/03	Fri 09/25/03	40 d	1,669 h	U1, U2, U3, U4, TA	180FS-907 d
189	Performance Test Planning	Thu 05/22/03	Thu 05/22/03	90 d	1,098 h	U1, U2, U3, U4, TA	180, 180
190	Performance Test Execution	Wed 07/02/03	Wed 07/02/03	60 d	832 h	U3, U4, U1, ED2	180, 180
191	Integration Testing	Fri 09/26/03	Fri 09/26/03	40 d	1,669 h	D10, ED3, ED4, ED8A	191, 192
192	Performance Testing	Fri 09/26/03	Fri 09/26/03	40 d	1,669 h	D10, ED3, ED4, ED8A	191, 192
193	Fix Team	Fri 09/26/03	Fri 09/26/03	40 d	1,669 h	D10, ED3, ED4, ED8A	191, 192
194	Milestone Deliverables Complete	Thu 11/21/03	Thu 11/21/03	0 d	0 h		
195	Milestone Deliverables Signed-Off	Fri 11/21/03	Fri 11/21/03	0 d	0 h		
196	Milestone Complete (As Per Contract)	Tue 12/02/03	Tue 12/02/03	0 d	0 h		
197		Mon 01/05/04	Mon 01/05/04	0 d	0 h		
198							
199							
200	Transition	Mon 10/14/02	Fri 04/09/04	375 d	13,355.18 h		
201	Milestone 4 - Data Clean-Up and Conversion	Mon 10/14/02	Tue 03/09/04	352 d	5,824 h	DA, ED4	134, 158
202	Conversion Analysis	Fri 11/15/02	Fri 11/15/02	35 d	364 h	DA, ED4	201
203	Conversion Design	Mon 01/20/03	Mon 01/20/03	90 d	576 h	ED4	202
204	Conversion Build	Mon 05/12/03	Mon 05/12/03	90 d	576 h	ED4	203
205	Conversion Test	Tue 05/13/03	Tue 05/13/03	95 d	608 h	ED4	203
206	Conversion Data	Mon 05/19/03	Mon 05/19/03	150 d	2,400 h	U1, U2, U3, U4	198
207	Interface Analysis	Mon 10/14/02	Fri 03/14/03	60 d	364 h	ED3	207
208	Interface Design	Mon 10/14/02	Mon 04/07/03	60 d	364 h	ED3	207
209	Interface Build	Mon 01/13/03	Tue 07/01/03	60 d	364 h	ED3	207
210	Interface Test	Tue 04/08/03	Tue 04/08/03	60 d	364 h	ED3	207
211	Milestone Deliverables Complete	Wed 07/02/03	Wed 07/02/03	60 d	364 h	ED3	207
212	Milestone Deliverables Signed-Off	Mon 08/04/03	Mon 08/04/03	0 d	0 h		
213	Milestone Complete (As Per Contract)	Tue 03/09/04	Tue 03/09/04	0 d	0 h		
214	Milestone 8 - Training / Knowledge Transfer	Fri 09/26/03	Fri 04/09/04	135 d	816 h	TA, TR	216SS-40 d
215	Documentation	Fri 09/26/03	Fri 11/21/03	40 d	112 h	TR, U1, U2, U3, U4	191, 192
216	Training for Parallel Testing	Mon 11/24/03	Mon 11/24/03	5 d	48 h	TR, U1, U2, U3, U4	215, 217
217	Training for General Population	Thu 01/09/04	Thu 02/26/04	20 d	48 h		218FS+7 d
218	Milestone Deliverables Complete	Mon 03/08/04	Mon 03/08/04	0 d	0 h		
219	Milestone Deliverables Signed-Off	Mon 03/08/04	Mon 03/08/04	0 d	0 h		
220	Milestone Complete (As Per Contract)	Fri 04/09/04	Fri 04/09/04	0 d	0 h		
221							
222	Milestone 9 - Parallel Testing	Fri 09/26/03	Tue 03/09/04	112 d	4,203.98 h	TP, TA, BR, JL	188
223	Project Management	Mon 11/24/03	Thu 01/29/04	45 d	972 h	BA1, U1, U2	225SS-45 d
224	Test Planning	Fri 09/26/03	Fri 11/28/03	45 d	607.98 h	BA1, U1, U2	216
225	Parallel Test Execution	Mon 12/01/03	Thu 01/29/04	45 d	698 h	BA1, U1, U2, U3, U4	193
226	Fix Team	Thu 11/21/03	Thu 01/29/04	45 d	1,728 h	TA, D10, ED1, ED2, ED3, ED4, ED1, D1	225
227	Milestone Deliverables Complete	Mon 02/09/04	Mon 02/09/04	0 d	0 h		
228	Milestone Deliverables Signed-Off	Tue 03/09/04	Tue 03/09/04	0 d	0 h		
229	Milestone Complete (As Per Contract)	Tue 03/09/04	Tue 03/09/04	0 d	0 h		227FS+7 d
230							
231	Milestone 10 - Implementation	Mon 11/24/03	Thu 03/18/04	79 d	2,511.2 h	TP, TA, BR, JL	223
232	Project Management	Fri 01/30/04	Thu 02/26/04	20 d	432 h	TA, D10, ED1, ED2, ED3, ED4, D1, BA1	228, 225
233	Implementation Support	Thu 01/29/04	Thu 02/26/04	20 d	698 h	U1, U2, U3, U4	192
234	Implementation	Mon 11/24/03	Fri 02/06/04	51 d	1,637.2 h	U1, U2, U3, U4, ED8A	234FF+1 d
235	BPS Application Live in Production	Mon 02/09/04	Mon 02/09/04	0 d	0 h		235
236	Milestone Deliverables Complete	Wed 02/18/04	Wed 02/18/04	0 d	0 h		235
237	Milestone Deliverables Signed-Off	Thu 03/18/04	Thu 03/18/04	0 d	0 h		235FS+7 d
238	Milestone Complete (As Per Contract)						
239							
240	Production	Mon 05/02/05	Mon 05/02/05	295 d	3,519.8 h		
241	Milestone 11 - Warranty	Tue 03/02/04	Mon 05/02/05	295 d	3,519.8 h		233
242	Support	Tue 03/02/04	Fri 04/01/05	275 d	3,519.8 h	D1, D10	242
243	Milestone Deliverables Complete	Fri 04/01/05	Fri 04/01/05	0 d	0 h		
244	Milestone Deliverables Signed-Off	Tue 04/12/05	Tue 04/12/05	0 d	0 h		
245	Milestone Complete (As Per Contract)	Mon 05/02/05	Mon 05/02/05	0 d	0 h		
246							
247	Contingency	Mon 03/25/02	Tue 03/25/02	1.23 d	1,690 h	UE	243FS+7 d
248	ETMS	Mon 03/25/02	Mon 03/25/02	0 d	0 h	UC	
249	CMAS	Mon 03/25/02	Mon 03/25/02	0 d	0 h	UC	
250	RM	Mon 03/25/02	Tue 03/25/02	1.23 d	1,690 h	UI	

ID	LOC	Task Name	Start	Finish	Duration
0		Benefit Payment System (BPS)	Mon 03/18/02	Mon 03/18/02	1d
1		Begin	Mon 03/18/02	Mon 03/18/02	1d
2		Identify & Scope	Mon 03/18/02	Mon 03/18/02	1d
3		Project Start	Mon 03/18/02	Mon 03/18/02	1d
4		Project Status	Mon 03/18/02	Mon 03/18/02	1d
5		Project Planning	Mon 03/18/02	Mon 03/18/02	1d
6		Develop Initial Consultant Project Plan components including Scope and Schedule	Mon 03/18/02	Mon 03/18/02	1d
7		Project Kickoff	Mon 03/18/02	Mon 03/18/02	1d
8		Analyze Environment (incl. configuration, etc.)	Mon 03/18/02	Mon 03/18/02	1d
9		Project Kickoff	Mon 03/18/02	Mon 03/18/02	1d
10		Project Kickoff	Mon 03/18/02	Mon 03/18/02	1d
11		Project Kickoff	Mon 03/18/02	Mon 03/18/02	1d
12		Milestone Complete	Mon 03/18/02	Mon 03/18/02	1d
13		Elaboration	Mon 03/18/02	Mon 03/18/02	1d
14		Elaboration	Mon 03/18/02	Mon 03/18/02	1d
15		Elaboration	Mon 03/18/02	Mon 03/18/02	1d
16		Milestone 1 - Requirements	Mon 03/18/02	Mon 03/18/02	1d
17		Project Management	Mon 03/18/02	Mon 03/18/02	1d
18		Develop RIM (Requirements, EDD and RFS)	Mon 03/18/02	Mon 03/18/02	1d
19		Complete Consultant Project Plan (CPTP) and sign-off	Mon 03/18/02	Mon 03/18/02	1d
20		Schedule Project Team Assignments/Training	Mon 03/18/02	Mon 03/18/02	1d
21		Project Meeting	Mon 03/18/02	Mon 03/18/02	1d
22		Project Status Reporting / Team Meetings	Mon 03/18/02	Mon 03/18/02	1d
23		Architecture Analysis and Definition	Mon 03/18/02	Mon 03/18/02	1d
24		Architecture Analysis and Definition	Mon 03/18/02	Mon 03/18/02	1d
25		Analyze and Define Technical Architecture (TE, User Requirements)	Mon 03/18/02	Mon 03/18/02	1d
26		Analyze and Define Areas and Content Manager Migration	Mon 03/18/02	Mon 03/18/02	1d
27		Analyze and Define Standards, Guidelines and Policies	Mon 03/18/02	Mon 03/18/02	1d
28		Review and Clarify Requirements (Environment)	Mon 03/18/02	Mon 03/18/02	1d
29		Define Development Environment & Prerequisites	Mon 03/18/02	Mon 03/18/02	1d
30		Define Architecture Performance Model	Mon 03/18/02	Mon 03/18/02	1d
31		Define and Model Architecture Role	Mon 03/18/02	Mon 03/18/02	1d
32		Define and Model Architecture Role	Mon 03/18/02	Mon 03/18/02	1d
33		Functional Requirements Gathering	Mon 03/18/02	Mon 03/18/02	1d
34		Review EDD, current systems, data requirements	Mon 03/18/02	Mon 03/18/02	1d
35		Document discrepancies between EDD and RFS, and write EDD	Mon 03/18/02	Mon 03/18/02	1d
36		Identify User Roles/Paradigms	Mon 03/18/02	Mon 03/18/02	1d
37		Document state of BPS requiring further analysis	Mon 03/18/02	Mon 03/18/02	1d
38		Document User/Interface requirements analysis	Mon 03/18/02	Mon 03/18/02	1d
39		Document Analysis Issues	Mon 03/18/02	Mon 03/18/02	1d
40		Develop Business Flow Documentation Standards	Mon 03/18/02	Mon 03/18/02	1d
41		Develop Business Process Modeling Tool Standards	Mon 03/18/02	Mon 03/18/02	1d
42		Develop Business Process Change Guidelines	Mon 03/18/02	Mon 03/18/02	1d
43		Develop Related Role Tools Standards (User-Centric, Business-Centric, SQA)	Mon 03/18/02	Mon 03/18/02	1d
44		Develop Use Case Standards	Mon 03/18/02	Mon 03/18/02	1d
45		Develop Use Case Standards	Mon 03/18/02	Mon 03/18/02	1d
46		Develop Use Case Standards	Mon 03/18/02	Mon 03/18/02	1d
47		Milestone Deliverables Sign-off	Mon 03/18/02	Mon 03/18/02	1d
48		Milestone Deliverables Sign-off	Mon 03/18/02	Mon 03/18/02	1d
49		Milestone Complete (As Per Contract)	Mon 03/18/02	Mon 03/18/02	1d
50		Milestone 2 - Analysis	Mon 03/18/02	Mon 03/18/02	1d
51		Project Management	Mon 03/18/02	Mon 03/18/02	1d







**WISCONSIN DEPARTMENT OF  
ADMINISTRATION**

SCOTT McCALLUM  
GOVERNOR  
GEORGE LIGHTBOURN  
SECRETARY  
Office of the Secretary  
Post Office Box 7864  
Madison, WI 53707-7864  
Voice (608) 266-1741  
Fax (608) 267-3842  
TTY (608) 267-9629

**Date:** March 29, 2002  
**To:** Members, Joint Committee on Finance  
**From:** George Lightbourn, Secretary  
Department of Administration *George Lightbourn*  
**Subject:** Section 13.101 (3) Request from the Department of Employee Trust  
Funds for Release of Funds Under Passive Review for the Benefits  
Payment System Project

**REQUEST:**

The Department of Employee Trust Funds (DETF) requests the release of \$2,631,200 SEG in FY 2001-2002 and \$2,887,300 SEG in FY 2002-2003 from the Joint Committee on Finance's appropriation under s. 20.865 (4)(u) to fund the Benefit Payment System (BPS) project as specified in 2001 WI Act 16, section 9116 (1mk). In addition, the department also requests additional one-time funding of \$90,000 SEG for application development tools in FY 2001-2002 and \$332,400 SEG in FY 2001-2002 and \$332,200 SEG in FY 2002-2003 for project monitoring contractual services in its s. 20.515 (1)(t) - Automated Operating Systems appropriation.

**BACKGROUND:**

DETF requested funding in the biennial budget to replace and redesign its annuity, lump sum, accumulated sick leave conversion credit, and disability payment system. The request was approved at a reduced level and funding was placed in the Joint Committee on Finance's (JCF) appropriation under s. 20.865 (4)(u) for release under a passive review process once a detailed project plan was submitted. Section 9116 (1mk) of 2001 Wisconsin Act 16 (nonstatutory provisions - DETF) specifies this 14 day passive review process.

During the contract negotiation process it was determined that \$90,000 was required to fund development and modeling tools for the BPS project. In addition, DETF determined that procuring the services of an independent project monitor was necessary to minimize the risk associated with large complex information technology projects. The cost of the project monitor will be \$332,400 in FY 2001-2002 and \$332,200 in FY 2002-2003.

**ANALYSIS:**

The two key issues associated with this request are 1) the appropriateness of the submitted plan and 2) the additional funding requested for the project monitor and application tool development.

DETF utilized a competitive procurement process to identify and select a vendor capable of implementing the BPS project on a fixed price basis. The selected vendor, Covansys, has extensive experience with developing major IT systems for public retirement systems and will be able to leverage this experience in the BPS project.

Application tools development associated with the \$90,000 request was identified as part of the contract negotiations referenced in the preceding paragraph. According to the DETF, these tools will ensure the efficient and effective use of resources to increase the probability that the BPS project is successful.

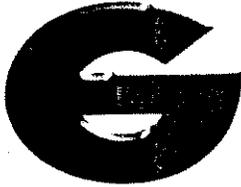
The project monitor, Maximus, will be used to minimize project risks, apply project controls, perform independent review of the project, and provide feedback to ensure the project remains on schedule, within budget, and architecturally sound. The use of an independent project monitor is considered a best practice for public retirement systems and it is a standard practice in the private sector.

The Department of Electronic Government (DEG) has reviewed this request and fully supports the plan as submitted, including the use of an independent project monitor. In addition, DEG concurs with DETF that the selected vendors have proven track records for delivery of similar projects. See DEG correspondence attached.

**RECOMMENDATION:**

Approve the request.

Prepared by: Jon Kranz  
(608) 266-8777



Wisconsin Department of  
**ELECTRONIC  
GOVERNMENT**

SCOTT McCALLUM  
GOVERNOR

REBECCA L. HEIDPRIEM  
SECRETARY

Phone: (608) 264-9502  
Fax: (608) 267-0626

Rebecca.Heidepriem@deg.state.wi.us  
WISCONSIN.GOV

March 25, 2002

Mr. David Schmiedicke  
State Budget Director  
Department of Administration  
101 East Wilson Street  
Madison, WI 53707

RE: Fourteen day passive review request for the Department of Employee Trust Funds -  
Benefits Payment System Project under 2001 WI Act 16

Dear Mr. Schmiedicke:

I am writing to you in support of the release of funding for the Department of Employee Trust Funds (DETF) - Benefits Payment System (BPS) project including funding for an independent project monitor. This project will enable the DETF to replace its current Wisconsin Retirement System (WRS) benefits payment system.

During the 2001-2003 biennial budget process, the Department of Electronic Government (DEG) supported the BPS project with object-oriented design methodology, using JAVA and Websphere at our mainframe computer center. Additionally, we reviewed the Request for Services for the consulting partner and served on the evaluation panel. We support the choice of vendor selected to implement the BPS project. Covansys has extensive experience in retirement systems and has partnered with IBM to assist in the implementation.

DEG also evaluated the use of an independent project monitor to mitigate the risk inherent in large-system conversions. Project monitors are an industry standard in the private sector and are considered a best practice for retirement systems. DETF issued a Request for Services for a project monitor and selected Maximus. Maximus is a leader in providing project monitoring for retirement systems and has partnered with nVISIA, a technology firm whose only line of business is designing and implementing large-scale systems in the selected infrastructure.

Both Covansys and Maximus have proven track records for delivery of similar projects. Recently, the State of Michigan selected Covansys as its consulting partner and Maximus as the project monitor for a similar BPS project using the same infrastructure that DETF has selected. We believe that DETF will be able to leverage what has been learned in Michigan's project to its BPS project.

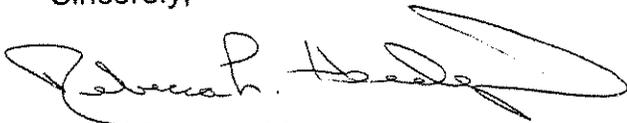
March 25, 2002

Page 2

The knowledge, skills, and experience gained in DETF's BPS project will promote the knowledge transfer to other planned State of Wisconsin projects using this technology and assist in delivering on-line services to the citizens of Wisconsin.

DEG is fully supportive of DETF's BPS project as outlined in its BPS s.13.101 request, dated March 17, 2002. Pam Lorenz of my staff is DETF's Client Account Manager. Please contact her at 266-5057 for further information.

Sincerely,

A handwritten signature in black ink, appearing to read "Rebecca L. Heidepriem", with a large, stylized flourish at the end.

Rebecca L. Heidepriem  
Secretary

cc: Bob Lang, Legislative Fiscal Bureau  
Dan Caucutt, State Budget Office  
Eric Stanchfield, DETF

# THE STATE OF WISCONSIN

SENATE CHAIR  
BRIAN BURKE

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



ASSEMBLY CHAIR  
JOHN GARD

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

## JOINT COMMITTEE ON FINANCE

April 24, 2002

Secretary George Lightbourn  
Department of Administration  
101 E. Wilson Street, 10<sup>th</sup> Floor  
Madison, WI 53702

Dear Secretary Lightbourn:

We are writing to inform you that the Joint Committee on Finance has reviewed your request, originally received March 20, 2002, pursuant to s. 16.515/16.505(2), Stats., pertaining to two requests from the Department of Corrections.

On April 9, 2002, an objection was made to the two requests. The Department of Corrections was notified that the requests were not approved and that a meeting would be held to further discuss the requests.

On April 19, 2002, the Department of Corrections submitted a revision to the requests and the objection was withdrawn.

No further objections have been raised to these requests. Therefore, the requests are approved.

Sincerely,

A handwritten signature in black ink that reads "Brian Burke".

BRIAN BURKE  
Senate Chair

A handwritten signature in black ink that reads "John G. Gard".

JOHN G. GARD  
Assembly Chair

BB:JG:dh

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

# THE STATE OF WISCONSIN

SENATE CHAIR  
BRIAN BURKE

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Madison, WI 53708-8952  
Phone: (608) 266-2343

## JOINT COMMITTEE ON FINANCE

### MEMORANDUM

To: Members

From: Senator Brian Burke  
Representative John Gard  
Co-Chairs, Joint Committee on Finance

Date: April 19, 2002

Re: Department of Corrections Request/Withdrawal of Objection

On April 9, 2002, an objection was made to two requests submitted pursuant to s. 16.505/.515, Stats., by the Department of Corrections. The agency was notified that the requests were not approved and that a meeting would be held to further discuss the requests.

On April 19, 2002, the Department of Corrections submitted the attached revision to the requests and the objection was withdrawn.

Please review the revised request and notify **Senator Burke** or **Representative Gard** no later than **12 noon on Wednesday, April 24, 2002**, if you have any questions about this request or would like the Committee to meet formally to consider it. If no objections are heard by that date, the request will be approved.

Also, please contact us if you need further information.

Attachment

BB:JG:dh

Scott McCallum  
Governor

Jon E. Litscher  
Secretary



State of Wisconsin  
Department of Corrections

Mailing Address

3099 E. Washington Av  
Post Office Box 7925  
Madison, WI 53707-79  
Telephone (608) 240-50  
Fax (608) 240-331

April 19, 2002

The Honorable Brian Burke, Co-Chair  
Joint Committee on Finance  
Room 317 East, State Capitol  
Madison, WI 53702

The Honorable John Gard, Co-Chair  
Joint Committee on Finance  
Room 308 East, State Capitol  
Madison, WI 53702

Dear Senator Burke and Representative Gard:

On March 21, 2002, the Department of Corrections (DOC) submitted a 16.515/16.505 request for an increase in expenditure authority of \$2,942,900 PR-S and 7.0 PR-S FTE in FY02 and \$427,100 PR-S and 7.0 PR-S in FY03 related to additional funding for the Bureau of Correctional Enterprises.

The department has decided to make a change in the request due to the decision to lease instead of purchasing a semi-truck. The semi-truck will be used to transport laundry between the Milwaukee Secure Detention Facility and the Oshkosh Correctional Institution laundry.

This change results in a reduction in expenditure authority of \$85,300 PR-S in FY02 and an increase of \$4,100 PR-S in FY03. The total request for DOC should now equal \$2,857,600 PR-S and 7.0 PR-S FTE in FY02 and \$431,200 PR-S and 7.0 PR-S in FY03.

Thank you for consideration of this request.

Sincerely,

A handwritten signature in black ink that reads "Jon E. Litscher". The signature is written in a cursive style with a large initial "J".

Jon E. Litscher  
Secretary

**Scott McCallum**  
Governor

**Jon E. Litscher**  
Secretary



Mailing Address

3099 E. Washington Av  
Post Office Box 7925  
Madison, WI 53707-79  
Telephone (608) 240-50  
Fax (608) 240-331

## State of Wisconsin Department of Corrections

April 19, 2002



The Honorable Brian Burke, Co-Chair  
Joint Committee on Finance  
Room 317 East, State Capitol  
Madison, WI 53702

The Honorable John Gard, Co-Chair  
Joint Committee on Finance  
Room 308 East, State Capitol  
Madison, WI 53702

Dear Senator Burke and Representative Gard:

On March 21, 2002, the Department of Corrections (DOC) submitted a 16.515/16.505 request for an increase in expenditure authority of \$2,942,900 PR-S and 7.0 PR-S FTE in FY02 and \$427,100 PR-S and 7.0 PR-S in FY03 related to additional funding for the Bureau of Correctional Enterprises.

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Thank you for consideration of this request.

Sincerely,

A handwritten signature in black ink that reads "Jon E. Litscher". The signature is written in a cursive style with a large initial "J".

Jon E. Litscher  
Secretary

# STATE OF WISCONSIN

SENATE CHAIR  
BRIAN BURKE

317-E Capitol  
P.O. Box 7882  
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Phone: 266-8535



ASSEMBLY CHAIR  
JOHN GARD

308-E Capitol  
P.O. Box 8952  
Madison, WI 53708-8952  
Phone: 266-2343

## JOINT COMMITTEE ON FINANCE

April 9, 2002

Mr. George Lightbourn, Secretary  
Department of Administration  
101 East Wilson Street, 10<sup>th</sup> Floor  
Madison, WI 53703

Dear Secretary Lightbourn:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your requests, dated March 20, submitted pursuant to s. 16.505/.515 Stats., and pertaining to requests from the Department of Corrections.

A meeting of the Committee will be scheduled to act on these requests. Therefore, the requests are not approved at this time.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE  
Senate Chair

Handwritten signature of John Gard in black ink.

JOHN GARD  
Assembly Chair

BB:JG:dh

cc: Members, Joint Committee on Finance  
Secretary Jon E. Litscher, Department of Corrections  
Vicky LaBelle, Department of Administration

# THE STATE OF WISCONSIN

SENATE CHAIR  
**BRIAN BURKE**

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ASSEMBLY CHAIR  
**JOHN GARD**

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

## JOINT COMMITTEE ON FINANCE

### MEMORANDUM

To: Members  
Joint Committee on Finance

From: Senator Brian Burke  
Representative John Gard  
Co-Chairs, Joint Committee on Finance

Date: March 20, 2002

Re: s. 16.515/16.505, Stats. Request

Attached is a copy of a request from the Department of Administration, received March 20, 2002, pursuant to s. 16.515/16.505(2), Stats., pertaining to requests from the Department of Corrections.

Please review the material and notify **Senator Burke** or **Representative Gard** no later than **Monday, April 8, 2002**, if you have any 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

BB:JG:dh

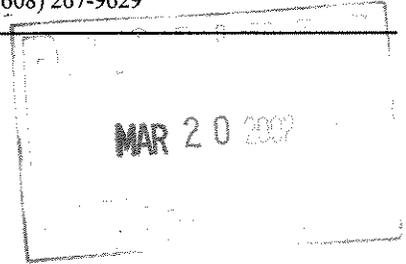


**WISCONSIN DEPARTMENT OF  
ADMINISTRATION**

**SCOTT McCALLUM  
GOVERNOR**

**GEORGE LIGHTBOURN  
SECRETARY**

Office of the Secretary  
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Madison, WI 53707-7864  
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Fax (608) 267-3842  
TTY (608) 267-9629



**Date:** March 20, 2002  
**To:** The Honorable Brian Burke, Co-Chair  
Joint Committee on Finance  
The Honorable John Gard, Co-Chair  
Joint Committee on Finance  
**From:** George Lightbourn, Secretary  
Department of Administration  
*George Lightbourn*  
**Subject:** S. 16.515/16.505(2) Request(s)

Enclosed are request(s) 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:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	2001-02		2002-03	
			<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>	<u>FTE</u>
DOC						
20.410(1)(km)	Prison industries	\$2,865,800*	5.00*	\$ 297,800*	5.00*	
20.410(1)(kc)	Correctional institution enterprises; inmate activities and employment	77,100**	2.00**	129,300**	2.00**	

\* 5.0 FTE each year with an increase in expenditure authority of \$2,865,800 in fiscal year 2001-02; ongoing increase of \$297,800 in fiscal year 2002-03.

\*\* 2.0 FTE each year with an increase in expenditure authority of \$77,200 in fiscal year 2001-02; ongoing increase of \$129,300 in fiscal year 2002-03.

As provided in s. 16.515, the request(s) will be approved on April 10, 2002, 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



**WISCONSIN DEPARTMENT OF  
ADMINISTRATION**

SCOTT McCALLUM  
GOVERNOR

GEORGE LIGHTBOURN  
SECRETARY

Division of Executive Budget and Finance  
Post Office Box 7864  
Madison, WI 53707-7864  
Voice (608) 266-1736  
Fax (608) 267-0372  
TTY (608) 267-9629

**Date:** March 12, 2002

**To:** George Lightbourn, Secretary  
Department of Administration

**From:** Jana D. Steinmetz, Budget Analyst  
Executive Budget Office

**Subject:** Request under s. 16.515/505(2) from the Department of Corrections for an increase in expenditure and position authority for the Bureau of Correctional Enterprises.

**REQUEST:**

The Department of Corrections requests 5.0 FTE PR-S in each year and an increase in expenditure authority of \$2,865,800 PR-S in fiscal year 2001-02 and an ongoing increase of \$297,800 PR-S in fiscal year 2002-03 to pay salaries and fringe benefits and purchase raw materials and equipment for Prison Industries.

The department also requests 2.0 FTE PR-S and increased expenditure authority of \$77,100 PR-S in fiscal year 2001-02 and an ongoing increase of \$129,300 in fiscal year 2002-03 to pay salaries and purchase equipment.

**REVENUE SOURCES FOR APPROPRIATION(S):**

The revenue for appropriation s. 20.410(1)(km), prison industries, is derived from receipts for products and services provided to customers of Prison Industries.

The revenue for appropriation s. 20.410(10)(kc), correctional institution enterprises; inmate activities and employment, is derived from receipts from correctional institution enterprises involving the activities of inmates.

**BACKGROUND:**

Prison Industries operates 15 industries and a computer recycling project and provides employment for 730 inmates at 15 correctional institutions and centers. Prison Industries is an important part of the correctional system, providing laundry services, textiles, printing and wood and metal furniture for use in institutions and other facilities. Each year the Bureau of Correctional Enterprises purchases

\$8,000,000 in goods and services from Wisconsin businesses, creating a positive economic impact on the state. Products and services are sold to state, local and federal government, non-profit organizations and the private sector.

**ANALYSIS:**

Racine Correctional Institution and Robert E. Ellsworth Correctional Center

DOC requests \$163,500 PR-S and 4.0 FTE PR-S in fiscal year 2001-02 and \$194,700 PR-S and 4.0 FTE PR-S in fiscal year 2002-03 to establish a copy and print shop at Racine Correctional Institution (RCI). Data entry is currently performed at RCI and Robert E. Ellsworth Correctional Center (REECC). Due to a significant decrease in demand for data entry services, the Department of Corrections (DOC) has decided to discontinue data entry and establish a copy/print shop at RCI. DOC anticipates the need for 1.0 FTE PR-S industries supervisor, 1.0 FTE PR-S industries specialist 1 and 1.0 FTE PR-S motor vehicle operator – light to operate the copy/print shop and expects to employ 27 inmates. DOC also requests 1.0 FTE PR-S operations support technician – entry to continue updating the BSI Website customers use to order products. The additional expenditure authority would also allow the department to purchase machinery for the copying process.

Milwaukee Secure Detention Facility

DOC requests \$116,200 PR-S and 1.0 FTE PR-S in fiscal year 2001-02 and \$103,100 PR-S and 1.0 FTE PR-S in fiscal year 2002-03 to transport laundry from the Oshkosh Correctional Institution (OSC) laundry to the Milwaukee Secure Detention Facility (MSDF). MSDF opened in October 2001 and requires laundry service five days per week to meet institution demands. DOC requests 1.0 FTE PR-S industries specialist 1 to transport the laundry between the main laundry at Oshkosh Correctional Institution and MSDF to replace a limited term employee who is currently providing this service. The additional expenditure authority will also allow the department to purchase a semi-truck and trailer in fiscal year 2001-02.

Prison Industries Raw Materials

DOC requests a one-time increase in expenditure authority of \$2,586,100 PR-S to meet anticipated sales for fiscal year 2001-02 to allow Prison Industries to pay salaries and purchase raw materials and equipment that are needed to meet sales projections.

Prison Industries requests \$755,000 PR-S for increased salary and fringe costs in fiscal year 2001-02. Due to large projects for the Department of Justice and the Department of Workforce Development, salary commissions have increased in

furniture sales. There are four salespeople who sell wood and metal furniture, printing and other products and earn a base salary plus straight commission based on the amount sold and a bonus commission based on the number of new customers. Salaries for limited term employees have also increased due to the need for immediate help with furniture installation.

DOC requests \$282,100 PR-S for the following capital equipment purchases:

- Three washing machines and a flat iron for the OSCI laundry (\$141,500)
- Racking, turrent narrow aisle truck and power pallet jacks for the Industries Distribution Center (\$103,400)
- Replacement tire compressor at Jackson Correctional Institution (\$7,500)
- Pad Printer press for TCI that will allow for printing on marketing products such as golf balls, mugs and pens (\$1,700)
- Cut off saw and table shaper for the Fox Lake Correctional Institution wood furniture industry (\$28,000)

The remaining additional expenditure authority will be used to purchase materials for systems furniture projects. Fiscal year 2001-02 sales are projected to \$25,101,300, an increase of \$1,000,000 over fiscal year 2000-01. DOC anticipates that supplies and services expenditure authority for Prison Industries will be exhausted in April 2002 if this request is not approved.

As shown below, DOC anticipates projected revenues and expenditures for fiscal year 2001-02 will be sufficient to support the one-time increase in expenditure authority in appropriation s. 20.410(1)(km).

<u>Revenue s. 20.410(1)(km) Prison Industries</u>	<u>FY02</u>
Opening Balance	\$ 4,043,000
Actual Revenue through 12/31/01	\$ 11,955,700
<u>Projected Revenue through 6/30/01</u>	<u>\$ 13,145,600</u>
Total Available Funding	\$ 29,144,300
<u>Expenditures</u>	
Actual expenditures	\$ 11,492,900
Projected Expenditures through 6/30/01	\$ 12,050,800
<u>Expenditure Authority Requested</u>	<u>\$ 2,865,800</u>
Total Projected Expenditures	\$ 26,409,500
Projected Balance	\$ 2,734,800

Redgranite Correctional Institution

DOC requests \$37,100 PR-S and 2.0 FTE PR-S in fiscal year 2001-02 and \$129,300 PR-S and 2.0 FTE PR-S in fiscal year 2002-03 to establish a recycling program at

Redgranite Correctional Institution. DOC currently operates recycling programs at Taycheedah Correctional Institution and Racine Youthful Offender Correctional Facility. Inmates dismantle old computers and recycle them to create new computers by replacing motherboards, installing more memory, faster processors and more current software. The refurbished computers are made available to preschools, daycare centers, W2 training programs, and the elderly, disabled or underprivileged. More than 2,500 computers have been distributed since the program began in 1997.

The expenditure authority and positions will provide 1.0 FTE PR-S industries supervisor and 1.0 FTE PR-S industries specialist 1 to expand the recycling effort to RGCI by establishing a program for recycling electronic equipment, including computers, televisions, video cassette recorders and wheelchairs. DOC has found the recycling program provides meaningful education for inmates and has diverted tons of equipment from landfills. DOC expects to employ 18 inmates through the project.

#### Racine Youthful Offender Correctional Facility

DOC requests a one-time increase in expenditure authority of \$40,000 PR-S in fiscal year 2001-02 for the purchase of equipment for the Racine Youthful Offender Correctional Facility (RYOCF). There is not sufficient lighting and insulation in the warehouse where a computer recycling project currently operates. The additional expenditure authority will allow sound levels and lighting to be improved, and allow inmates and staff to work more effectively.

As shown below, DOC anticipates projected revenues and expenditures for fiscal year 2001-02 will be sufficient to support the on-going increase in expenditure authority and positions in s. 20.410(1)(km) and (1)(kc).

<u>Revenue s. 20.410(1)(kc) Prison Industries</u>	<u>FY02</u>
Opening Balance	\$ 609,600
Actual Revenue through 12/31/01	\$ 749,800
Projected Revenue through 6/30/02	\$ 1,150,000
<u>Total Available Funding</u>	<u>\$ 2,509,400</u>
 <u>Expenditures</u>	
Actual expenditures through 12/31/01	\$ 525,200
Projected Expenditures through 6/30/02	\$ 1,621,900
<u>Expenditure Authority Requested</u>	<u>\$ 77,100</u>
<u>Total Projected Expenditures</u>	<u>\$ 2,224,200</u>
 Projected Balance	 \$ 285,200

March 12, 2002

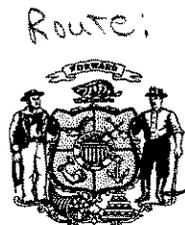
Page 5 of 5

**SUMMARY:**

The Department of Corrections requests 5.0 FTE PR-S in each year and an increase in expenditure authority of \$2,865,800 PR-S in fiscal year 2001-02 and an ongoing increase of \$297,800 PR-S in fiscal year 2002-03 in s. 20.410(1)(km), prison industries, to pay salaries and fringe benefits and purchase raw materials and equipment. In addition, DOC requests 2.0 FTE PR-S in each year and an increase in expenditure authority of \$77,100 PR-S in fiscal year 2001-02 and an ongoing increase of \$129,300 PR-S in s. 20.410(1)(kc), correctional institution enterprises, inmate activities and employment, to pay salaries and purchase equipment.

**RECOMMENDATION:**

Approve the request.



Route:

00A, David Schmiedicke - JJ  
LYB -

cc: JJ  
JB

Mailing Address

3099 E. Washington Ave.  
Post Office Box 7925  
Madison, WI 53707-7925  
Telephone (608) 240-5000  
Fax (608) 240-3300

Scott McCallum  
Governor

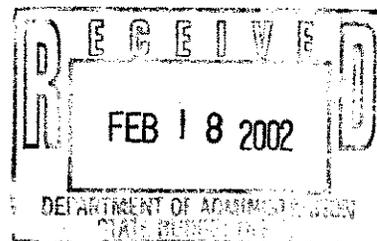
Jon E. Litscher  
Secretary

## State of Wisconsin Department of Corrections

DATE: February 6, 2002

TO: David Schmiedicke, Director  
Division of Executive Budget and Finance  
Department of Administration

FROM: Jon E. Litscher, Secretary  
Department of Corrections



SUBJECT: §16.515/16.505 Request – Additional Expenditure & Position Authority for the Bureau of Correctional Enterprises in the Division of Adult Institutions.

### Request

The Department of Corrections (DOC) requests an increase in expenditure authority of \$2,865,800 PR-S and 5.0 PR-S FTE in FY02 and \$297,800 PR-S and 5.0 PR-S FTE in FY03 in appropriation §20.410(1)(km), Prison Industries. DOC also requests an increase in expenditure authority of \$77,100 PR-S and 2.0 PR-S FTE in FY02 and \$129,300 PR-S and 2.0 PR-S FTE in FY03 in appropriation §20.410(1)(kc), Correctional Institution Enterprises.

### Revenue Sources for Appropriations

Revenue for appropriation §20.410(1)(km) is derived from receipts for products and services provided to customers of Prison Industries.

Revenue for appropriation §20.410(1)(kc) is derived from receipts from correctional institution enterprises involving the activities of inmates.

### Background

Traditional prison industries are an enterprise activity operating 15 industries and the computer-recycling project providing employment for 730 inmates at 15 correctional institutions and centers. Prison Industries are an important part of the correctional system, providing laundry, textiles, printing, and wood and metal furniture for use in institutions and other facilities. Traditional prison industries also provide similar products and services to other governmental agencies and limited products and services for non-profit organizations.

The Racine Correctional Institution (RCI) and Robert E. Ellsworth Correctional Center (REECC) are the two locations that currently perform data entry. Because of the significant decrease in

demand for data entry services, DOC has decided to discontinue data entry and begin a Copy/Print shop at RCI. The Department estimates that it will need 3.0 PR-S FTE to operate the Copy/Print shop at RCI. DOC is expecting to employ 27 inmates. The Department is also requesting 1.0 PR-S FTE at REECC to continue the updating of the Badger State Industries (BSI) website that customers use to order products.

The Industries Distribution Center (IDC) provides shipping and delivery services for Prison Industries. The Milwaukee Secure Detention Facility (MSDF) opened in September 2001 with an anticipated capacity of 1,048 inmates. This facility will require five days a week laundry service in order to meet institution demands. A full time driver is being requested to transport the laundry between the industries main laundry at Oshkosh Correctional Institution (OSCI) and MSDF. A Limited Term Employee (LTE) is currently providing this service.

DOC is currently operating recycling operations at Taycheedah Correctional Institution (TCI) and Racine Youthful Offender Correctional Facility (RYOCF). Currently at these institutions, inmates dismantle old computers and upgrade them with more memory, higher processing speed, software, and faster motherboards. These computers are then sold at discounted prices to childcare centers and non-profit organizations. Computers that cannot be used are then dismantled and the by-products recycled.

DOC is requesting to expand the recycling effort to Redgranite Correctional Institution (RGCI). This request would establish a smaller start-up program for recycling electronic equipment, including computers, TVs, VCRs, and wheelchairs. DOC has found that this program has provided a meaningful education for the inmates and has diverted tons of equipment that would otherwise be discarded. The 2.0 PR-S FTE requested would start the recycling program and begin to teach and supervise the inmates in this program. DOC is projecting that 18 inmates would be employed by this project.

DOC is also seeking one-time expenditure authority to meet anticipated sales for FY02. This request will allow Prison Industries to pay salaries and purchase raw materials and equipment that will be needed to meet sales projections. It is expected that supplies and services expenditure authority for Prison Industries will be exhausted in April 2002 if this request is not approved.

### Analysis

**Appropriation §20.410(1)(km):**

### ***RCI/REECC***

DOC is requesting \$163,500 PR-S and 4.0 PR-S FTE in FY02 and \$194,700 PR-S and 4.0 PR-S FTE in FY03 to establish a Copy/Print shop at RCI and to maintain the BSI website. The Copy/Print shop would perform tabbing and quick copy services for governmental agencies. The 3.0 PR-S FTE requested positions would help start-up the Copy/Print shop at RCI and would supervise the 27 inmates assigned to the shop. This request would also purchase machinery for the copying process.

***MSDF Laundry***

DOC is requesting \$116,200 PR-S and 1.0 PR-S FTE in FY02 and \$103,100 PR-S and 1.0 PR-S FTE in FY03. The requested position will transport and deliver laundry from the OSCI laundry to MSDF. MSDF is expected to produce up to 3,000 lbs. of laundry per day. This request also includes the purchase of a semi-truck and trailer in FY02. Processing the MSDF laundry has already employed an additional 30 inmates at OSCI.

***Additional Expenditure Authority***

As Table 1 below indicates, DOC is also requesting additional expenditure authority for Prison Industries.

***Table 1***  
**Additional Expenditure Authority Requested**  
**§20.410(1)(km)-Prison Industries**

Salary & Fringe	\$755,000
Capital	\$282,100
Raw Materials	<u>\$1,549,000</u>
<b>Additional Expenditure Authority</b>	<b>\$2,586,100</b>

***Salary & Fringe***

Prison Industries has experienced an increase in salaries and fringe costs. Due to large projects such as the Department of Justice and Department of Workforce Development, salary commissions have increased in furniture sales. Total LTE salaries have also increased because of the need for immediate help in installation of these projects.

***Capital***

DOC is requesting additional spending authority for the following:

- three washing machines and a flat iron for OSCI (\$141,500);
- racking, turrent narrow truck, and power pallet jacks for IDC (\$103,400);
- a replacement air compressor at Jackson Correctional Institution (JCI) (\$7,500);
- a pad printer press for Taycheedah Correctional Institution (TCI) which will be used to allow BSI to print on a variety of marketing products such as golf balls, mugs, and pens (\$1,700), and
- a cut off saw and table shaper for Fox Lake Correctional Institution (FLCI) (\$28,000).

Raw Materials

Prison Industries has experienced an increase in sales during the current year, requiring additional expenditures for raw materials to produce the products being sold. Prison Industries is projecting revenue of \$25,101,300 in FY02 an increase of \$1,000,000 over FY01. The additional expenditure will be used to purchase materials, such as wood materials and metal for desks.

As Table 2 indicates, the DOC has sufficient funding for this request.

**Table 2**  
**FY02 Fund Condition**  
**§20.410(1)(km)-Prison Industries**

<u>Revenues</u>	<u>FY02</u>
Opening Balance (July 1, 2001)	\$4,043,000
Actual Revenue (December 31, 2001)	\$11,955,700
Projected Revenues (June 30, 2002)	<u>\$13,145,600</u>
Total Available Funding	\$29,144,300
<u>Expenditures</u>	
Actual Expenditure (December 31, 2001)	\$11,492,900
Projected Expenditures (June 30, 2002)	\$12,050,800
<i>New Expenditure Authority Requested</i>	<u>\$2,865,800</u>
Total Expenditure Authority	\$26,409,500
<b>Projected Balance</b>	<b>\$2,734,800</b>

**Appropriation §20.410(1)(kc):**

***RGCI***

DOC is requesting \$37,100 PR-S and 2.0 FTE PR-S in FY02 and \$129,300 PR-S and 2.0 FTE PR-S in FY03 to establish a program for recycling electronic equipment including computers, TVs, VCRs, and power wheelchairs at RGCI. This program will be funded through the sales of the rebuilt equipment and de-manufactured parts to agencies for educational purposes. This program is anticipating employing 18 inmates.

***RYOCF***

DOC is requesting increased expenditure authority of \$40,000 PR-S in FY02 for the purchase of equipment for Racine Youthful Offender Correctional Facility (RYOCF). Currently RYOCF does not have sufficient lighting and insulation in the warehouse. This request will allow sound levels and lighting to be improved, so staff and inmates can work more effectively.

As Table 3 indicates, the DOC has sufficient funding for this request.

**Table 3**  
**FY02 Fund Condition**  
**§20.410(1)(kc)–Correctional Institution Enterprises**

<u>Revenue</u>	<u>FY02</u>
Opening Balance	\$609,600
Actual Revenue (December 31, 2001)	\$749,800
Projected Revenue (June 30, 2002)	<u>\$1,150,000</u>
Total Available Funding	\$2,509,400
<u>Expenditure</u>	
Actual Expenditure (December 31, 2001)	\$525,200
Projected Expenditure (June 30, 2002)	\$1,621,900
<i>New Expenditure Authority Requested</i>	<u>\$77,100</u>
Total Expenditure Authority	\$2,224,200
<b>Projected Balance</b>	<b>\$285,200</b>

**Summary**

The DOC is requesting an increase in expenditure authority of \$2,865,800 PR-S and 5.0 PR-S FTE in FY02 and \$297,800 PR-S and 5.0 PR-S FTE in FY03 in appropriation §20.410(1)(km), Prison Industries. The additional expenditure authority will be used for salaries, fringe benefits, raw materials, and equipment.

The DOC is also requesting an increase in expenditure authority of \$77,100 PR-S and 2.0 FTE PR-S in FY02 and \$129,300 PR-S and 2.0 FTE PR-S in FY03 in appropriation §20.410(1)(kc), Correctional Institution Enterprises. The additional expenditure authority will be used to pay salaries and purchase equipment.

Prepared By: Jason Gherke, Bureau of Budget and Facilities Management  
 240-5423

# THE STATE OF WISCONSIN

SENATE CHAIR  
BRIAN BURKE

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



ASSEMBLY CHAIR  
JOHN GARD

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

## JOINT COMMITTEE ON FINANCE

April 29, 2002

Jane Hojan-Clark  
Executive Secretary  
Higher Educational Aids Board  
131 W. Wilson St.  
Madison, Wisconsin

Dear Secretary Hojan-Clark:

We are writing to inform you that the Joint Committee on Finance has reviewed the administrative memorandum for the Minnesota-Wisconsin Interstate Tuition Reciprocity Program.

No objections to the memorandum have been raised. Accordingly, the memorandum 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

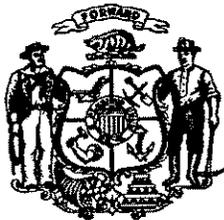
BB:JG:dh

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

# THE STATE OF WISCONSIN

SENATE CHAIR  
BRIAN BURKE

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ASSEMBLY CHAIR  
JOHN GARD

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## JOINT COMMITTEE ON FINANCE

### MEMORANDUM

To: Members  
Joint Committee on Finance

From: Senator Brian Burke  
Representative John Gard

Re: 14-Day Passive Review Approval

Date: April 10, 2002

*Under separate cover, you have received a copy of the administrative memorandum for the Minnesota-Wisconsin Interstate Tuition Reciprocity Program. The notice is pursuant to s. 39.47 (2g), Stats., which requires 14-day passive review and approval by the Joint Committee on Finance.*

Please review the material and notify **Senator Burke** or **Representative Gard** no later than **Friday, April 26, 2002**, if you have any concerns about the request or if you would like the Committee to meet formally to discuss it.

Also, please contact us if you need further information.

Attachment

BB:JG:dh



State of Wisconsin  
Higher Educational Aids Board

Scott McCallum  
Governor

P.O. Box 7885  
Madison, WI 53707-7885  
E-Mail: HEABmail@heab.state.wi.us

Telephone: (608) 267-2206  
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Web Page: <http://heab.state.wi.us>

Jane M. Hojan-Clark  
Executive Secretary

April 10, 2002

The Honorable Senator Brian Burke, Co-Chair  
The Honorable Representative John Gard, Co-Chair  
Joint Committee on Finance  
State Capitol  
Madison, WI 53702

Re: Administrative Memorandum for the Minnesota-Wisconsin Interstate Tuition Reciprocity Program

Dear Senator Burke, Representative Gard, and Members:

I have attached the Administrative Memorandum for the Minnesota-Wisconsin Interstate Tuition Reciprocity Program. Under S. 39.47(2g) it is required that this memorandum be submitted to the Joint Committee on Finance for its approval.

The memorandum essentially outlines administrative procedures for the program. It includes the application process, the procedure for computing interstate reimbursement, and tuition related information.

Sincerely,



Jane Hojan-Clark  
Executive Secretary  
Higher Educational Aids Board

**ADMINISTRATIVE MEMORANDUM FOR THE  
MINNESOTA-WISCONSIN INTERSTATE TUITION  
RECIPROCITY PROGRAM**

TO: All Interested and Concerned Parties

FROM: Robert Poch, Director  
Minnesota Higher Education Services Office  
and  
Jane Hojan-Clark, Executive Secretary  
State of Wisconsin Higher Educational Aids Board

SUBJECT: Administrative Memorandum for the Minnesota-Wisconsin Interstate  
Higher Education Agreement, 2002-2003 Academic Year

DATE: July, 2002

**INTRODUCTION**

In order to implement the statutory authority and the formal interstate agreement negotiated between the two states, this administrative agreement has been prepared to specify administrative procedures of the program.

**DURATION OF THE AGREEMENT AND PROCEDURES FOR MODIFICATION**

This memorandum is subject to the principles and conditions of the Minnesota-Wisconsin Public Higher Education Reciprocity Agreement and is to be effective July 1, 2002. The memorandum is subject to annual review by both administrative agencies.

**ADMINISTRATIVE PROCEDURES**

To insure procedural regularity and compatibility, the two administering agencies have agreed to follow the procedures outlined in this memorandum:

**1. Public Information**

After formal adoption of the agreement, each agency executive will direct a detailed written communication regarding the administration of the program to the institutions of post-secondary education, all secondary schools, and other

interested individuals, and organizations in his state. Prior to the start of each academic year, the two administering agencies will cooperatively develop and implement training workshops for personnel from participating institutions of higher education if such workshops are deemed necessary by both agencies.

2. **Application Form**

A common application and procedure will be used in both states. All students from each state will complete the same application and submit it to the respective administering agency in their home states. Both new and continuing students will use the same application. The application will require general and institutional information. Each administering agency will print a supply of applications on paper of a mutually agreed upon color for distribution to institutions of post-secondary education in its home state, and secondary schools in its home state. Either state may adopt a paperless application process, in lieu of or in addition to, the paper application. The student needs to complete one application. This application will provide reciprocity for the student in continuous attendance. Should the student not attend an institution for 365 days, the student must reapply for reciprocity. Should a change in the student's residence occur, the student and/or the institutions must notify the appropriate administering agency in writing of the change.

3. **Residency**

The administering agency in the student's home state will make a determination of residency based on the information provided by the student during the application process. The agency reserves the right to refuse eligibility if the information provided by the student does not substantiate the claim of residency.

4. **Approval and Certification Year**

Once eligibility is determined, it shall continue through the academic year for which certification has been granted. Should a student's residency status for fee assessment purposes change during the academic year, the originating state's responsibility to the student under the agreement will cease with the beginning of the first term following establishment of residency in the other state. The

certification year begins with the Fall of each academic year and ends with the last Summer session or workshop which begins before the first day of the Fall term of the succeeding academic year. The student that is in attendance and has earned credits during the 2002-2003 academic year, will automatically have reciprocity benefits renewed for the 2003-2004 academic year unless notification has been received by the administering agency of a change in residency.

5. **Application Deadline**

Applications must be postmarked or electronically submitted no later than the last day of scheduled classes of the first term for which the student expects to receive benefits under the agreement. Eligibility shall continue for the remainder of the academic/certification year. The administering agencies will cooperate in a mutual exchange of academic calendar information.

6. **Coordinative Procedures**

Periodically throughout the certification year, the administering agencies will exchange alphabetical listings of all residents of their respective states who are participating in the reciprocity program. The administering agencies will also provide alphabetical listings of their state's residents eligible for participation in the agreement to the designated institutions of post-secondary education in the other state. Nothing shall prohibit agencies from exchanging data in electronic format.

7. **Institutional Monitoring**

Each administering agency will be responsible for monitoring institutions in its home state for compliance with the provisions and spirit of the agreement.

**PROCEDURE FOR COMPUTATION OF INTERSTATE REIMBURSEMENT**

1. **Definition of Terms.**

Terminology used in the computation of the net state interstate reimbursement is described in the Agreement.

2. **Student Categories.**

In determining the net state interstate reimbursement obligation, the following

categories of student enrollment institutions and associated instructional costs will be used:

**A. Undergraduate Students**

1. Undergraduate students enrolled at the University of Wisconsin-Madison, the Minnesota-Twin Cities and the University of Minnesota-Morris.
2. Undergraduate students enrolled at the University of Wisconsin-Milwaukee and the University of Minnesota-Duluth.
3. Undergraduate students enrolled at the University of Wisconsin Comprehensive institutions and the Minnesota State Universities and the University of Minnesota-Crookston.
4. Undergraduate students enrolled at the University of Wisconsin System Colleges and the Minnesota Community Colleges.
5. Undergraduate students enrolled at consolidated Minnesota Community and Technical Colleges.

**B. Graduate Students**

1. Graduate students enrolled at the University of Wisconsin-Madison and the University of Minnesota-Twin Cities.
2. Graduate students enrolled at the University of Wisconsin-Milwaukee and the University of Minnesota-Duluth.
3. Graduate students enrolled at the University of Wisconsin Comprehensive institutions and the Minnesota State Universities.

**C. Professional Students**

1. Law school students enrolled at the University of Wisconsin-Madison and the University of Minnesota-Twin Cities.
2. Pharm D students enrolled at the University of Wisconsin-Madison and the University of Minnesota-Twin Cities.

The total costs and the reciprocity cost differentials for each of the categories of students and institutions listed in this section will be determined after each state's operating budget for public higher education systems has been finalized. These

cost differentials will be based on actual costs per student for the 2002-2003 academic year.

3. **Reciprocity Tuition.**

Institutions covered under this agreement will charge the following reciprocity tuition rates to students who are determined eligible to receive tuition reciprocity benefits during the 2002-2003 academic year.

Consistent with the agreement's treatment of other forms of direct and indirect student aid, students enrolled in courses, programs, and/or institutions that do not charge a nonresident tuition rate shall not be eligible, nor shall they be counted under the agreement unless they are enrolled in courses, or programs, or institutions in which they are recognized for purposes of State of Minnesota instructional appropriations.

**A. Undergraduate Students**

**UW-MADISON** (per semester term/per semester credit)

Minnesota residents attending UW-Madison will be charged the UM-Twin Cities undergraduate resident tuition rate. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

**UM-TWIN CITIES** (per semester term/per semester credit)

Wisconsin residents attending UM-Twin Cities will be charged the UW-Madison undergraduate resident tuition rate plus 25% of the difference between the UW-Madison undergraduate resident tuition rate and the UM-Twin Cities undergraduate resident rate. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit

over 18.

**UM-MORRIS** (per semester term/per semester credit)

Wisconsin residents attending UM-Morris will be charged the UW-Madison undergraduate resident tuition rate. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits will be charged the term rate plus the per credit rate for each credit over 18.

**UW-MILWAUKEE** (per semester term/per semester credit)

Minnesota residents attending UW-Milwaukee will be charged the UM-Duluth undergraduate resident tuition rate. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged by the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

**UM-DULUTH** (per semester term/per semester credit)

Wisconsin residents attending UM-Duluth will be charged the UW-Milwaukee undergraduate resident tuition rate. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

**WISCONSIN UNIVERSITY COMPREHENSIVE** (per semester term/per semester credit) Minnesota residents attending Wisconsin Comprehensives will be charged a weighted average of the undergraduate resident tuition rates for MN State Universities and UM-Crookston. Minnesota residents attending the University of Wisconsin-Eau Claire campus will be charged the weighted average plus the tuition differential rate in place at the University of Wisconsin-Eau Claire, the sum of which may not exceed the undergraduate tuition rate charged to Wisconsin residents attending this institution.

Minnesota residents attending the UW-Stout campus will be charged per credit tuition including the differential rate at UW-Stout or the weighted average plus the tuition differential rate if they are returning students that fall outside of the per credit program at UW-Stout. The sum of the rate charged plus the differential rate may not exceed the undergraduate rate charged to Wisconsin residents attending the institution. If the Minnesota weighted average tuition is larger than the undergraduate tuition rate charged to Wisconsin residents attending the University of Wisconsin Eau Claire and Stout campuses, only the Minnesota weighted average tuition will be charged. Students taking 12-18 credits per term will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

**MINNESOTA STATE UNIVERSITIES/UM-CROOKSTON** (per semester/per credit) Wisconsin residents attending Minnesota State Universities and UM-Crookston will be charged the weighted average Wisconsin Comprehensive undergraduate resident tuition rate. Students taking 12-18 credits will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

**UNIVERSITY OF WISCONSIN SYSTEM COLLEGES** (per semester term/per semester credit)  
Minnesota residents attending University of Wisconsin System Colleges will be charged the Minnesota Community College undergraduate resident tuition. Students taking 12-18 credits will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

**MINNESOTA COMMUNITY COLLEGES** (per semester term/per credit)  
Wisconsin residents enrolled at Minnesota Community Colleges will be

charged the University of Wisconsin System College undergraduate resident tuition rate. Students taking 12-18 credits will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

**MINNESOTA CONSOLIDATED COLLEGES** (per semester term/per credit)

Wisconsin residents enrolled at Minnesota Consolidated Colleges will be charged the University of Wisconsin System College undergraduate resident tuition rate. Students taking 12-18 credits will be charged the per term rate. Students taking 1-11 credits will be charged the per credit rate. Students taking more than 18 credits per term will be charged the term rate plus the per credit rate for each additional credit over 18.

**WISCONSIN TECHNICAL COLLEGES**

Minnesota residents attending Wisconsin Technical Colleges will be charged the Wisconsin Technical College undergraduate resident tuition rate.

**MINNESOTA TECHNICAL COLLEGES**

Wisconsin residents attending Minnesota Technical Colleges will be charged the Minnesota Technical College undergraduate resident tuition rate.

**B. Graduate Students**

**UW-MADISON**

**Graduate Rate** (per semester term/per semester credit) Minnesota residents attending UW-Madison will be charged the higher of the UM-Twin Cities or UW-Madison graduate resident tuition rate. Students taking 8+ credits will be charged the per term rate. Students taking 1-7 credits will be charged the per credit rate.

**Business Masters Rate** (per semester term/per semester credit) Minnesota residents attending UW-Madison Business Masters program will be charged the higher of the UM-Twin Cities or the UW-Madison Business Masters

resident tuition rate if they first enrolled in the program during the 1998-99 academic year or thereafter. Minnesota residents who enrolled in the UW-Madison Business Master program prior to the beginning of the 1998-99 academic year will be charged the UM-Twin Cities graduate school resident tuition rate. Students taking 8+ credits will be charged the per term rate. Students taking 1-7 credits will be charged the per credit rate.

#### **UM-TWIN CITIES**

**Graduate Rate** (per semester term/per semester credit) Wisconsin residents attending UM-Twin Cities will be charged the higher of the UW-Madison graduate resident tuition rate or the UM-Twin Cities graduate resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Twin Cities Graduate School. (Currently, students taking 6 - 14 credits are charged the term rate, students taking 1- 5 credits are charged the per credit rate and students taking more than 14 credits are charged the term rate plus the per credit rate for each additional credit over 14 credits. This is subject to any changes taking place for the 2002-2003 academic year.)

**Business Masters Rate** (per semester term/per semester credit) Wisconsin residents attending UM-Twin Cities will be charged the higher of the UW-Madison Business Masters resident tuition rate or the UM-Twin Cities Business Masters resident tuition rate if they first enrolled in the program during the 1998-99 academic year or thereafter. Wisconsin residents who enrolled in the UM-Twin Cities Business Master programs prior to the beginning of the 1998-99 academic year will be charged the UW-Madison Business Masters program resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Twin Cities Business Masters Program. (Currently, students taking 12 - 19 credits are charged the term rate, students taking 1- 11 credits are charged the per credit rate and students taking more than 19 credits are charged the term rate plus the per credit rate for each additional credit over 19 credits. This is subject to any changes taking place for the 2002-2003 academic year.) Those students enrolled prior to the first semester of the 1989-90 academic year will be charged the higher of the UW-Madison graduate resident tuition rate or the

UM- Twin Cities graduate resident tuition rate.

#### **UW-MILWAUKEE**

**Graduate Rate** (per semester term/per semester credit) Minnesota residents attending UW-Milwaukee will be charged the higher of the UW-Milwaukee graduate resident tuition rate or the UM-Duluth graduate resident tuition rate. Students taking 8+ credits per term will be charged the per term rate. Students taking 1-7 credits will be charged the per credit rate.

**Business Masters** (per semester term/per semester credit) Minnesota residents attending UW-Milwaukee will be charged the higher of the UW-Milwaukee Business Masters resident tuition rate or the UM-Duluth Business Masters resident tuition rate if they first enrolled in the program during the 1998-99 academic year or thereafter. Minnesota residents who enrolled in the UW-Milwaukee Business Master program prior to the beginning of the 1998-99 academic year will be charged the UM-Duluth graduate school resident tuition rate. Students taking 8+ credits will be charged the per term rate. Students taking 1-7 credits will be charged by the per credit rate.

#### **UM-DULUTH**

**Graduate Rate** (per semester term/per semester credit) Wisconsin residents attending UM-Duluth will be charged the higher of the UM-Duluth graduate resident tuition rate or the UW-Milwaukee graduate resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Duluth Graduate School. (Currently, students taking 6 - 14 credits are charged the term rate, students taking 1- 5 credits are charged the per credit rate and students taking more than 14 credits are charged the term rate plus the per credit rate for each additional credit over 14 credits. This is subject to any changes taking place for the 2002-2003 academic year.)

**Business Masters** (per semester term/per semester credit) Wisconsin residents attending UM-Duluth will be charged the higher of the UM-Duluth Business Masters resident tuition rate or the UW-Milwaukee Business Masters resident tuition rate if they first enrolled in the program during the 1998-99 academic year or thereafter. Wisconsin residents who enrolled in

the UM-Duluth Business Master programs prior to the beginning of the 1998-99 academic year will be charged the UW-Milwaukee Business Masters program resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Duluth Business Masters Program. (Currently, students taking 12 - 19 credits are charged the term rate, students taking 1- 11 credits are charged the per credit rate and students taking more than 19 credits are charged the term rate plus the per credit rate for each additional credit over 19 credits. This is subject to any changes taking place for the 2002-2003 academic year.) Those enrolled prior to the first semester of the 1989-90 academic year will be charged the higher of the UW-Milwaukee graduate resident tuition rate or the UM-Duluth graduate resident tuition rate.

#### **WISCONSIN UNIVERSITY COMPREHENSIVE**

**Graduate Rate** (per semester term/per semester credit) Minnesota residents attending Wisconsin University Comprehensives will be charged the higher of the Wisconsin University Comprehensive graduate resident tuition rate or the Minnesota State University graduate resident tuition rate. Students taking 9+ credits will be charged the per term rate. Students taking 1-8 credits will be charged by the per credit rate. Students attending UW-Stout will be charged on a per credit basis as per credit tuition is phased in.

**Business Masters** (per semester term/per semester credit) Minnesota residents attending Wisconsin University Comprehensive Business Masters will be charged the higher of the Wisconsin University Comprehensive Business Masters resident tuition rate or the Minnesota State University Business Masters resident tuition rate. Students taking 9+ credits will be charged the per term rate. Students taking 1-8 credits will be charged by the per credit rate.

#### **MINNESOTA STATE UNIVERSITIES**

**Graduate Rate** (per semester credit) Wisconsin residents attending Minnesota State Universities will be charged the higher of the Minnesota State Universities graduate resident tuition rate or the Wisconsin University

Comprehensive graduate resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the Minnesota State Universities graduate programs.

**Business Masters** (per semester credit) Wisconsin residents attending Minnesota State Universities Business Masters will be charged the higher of the Minnesota State Universities Business Masters resident tuition rate or the Wisconsin University Comprehensive Business Masters resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the Minnesota State Universities Business Masters program. Those students enrolled prior to the first semester of the 1989-90 academic year will be charged the higher of the Minnesota State Universities graduate resident tuition rate or the Wisconsin University Comprehensive graduate resident tuition rate.

### C. Professional Students

#### **UW-MADISON**

**Law** (per semester term/per semester credit) Minnesota residents enrolled at UW-Madison Law school will be charged the higher of the UW-Madison Law school resident tuition rate or the UM-Twin Cities Law school resident tuition rate. Students taking 12+ credits will be charged the per term rate. Students taking 1-11 credits will be charged by the per credit rate.

**Pharm.D.** (per semester term/per semester credit) **Minnesota** residents enrolled at UW-Madison Pharm.D. will be charged the higher of the UW-Madison Pharm.D. resident tuition rate or the UM-Twin Cities Pharm.D. resident tuition rate. Students taking 12+ credits will be charged the per term rate. Students taking 1-11 credits will be charged by the per credit rate.

#### **UM-TWIN CITIES**

**Law** (per semester term/per semester credit) Wisconsin residents who enrolled at the UM-Twin Cities Law school after the 1995-96 academic year will be charged the higher of the UM-Twin Cities Law School resident tuition rate or the UW-Madison Law school resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota -

Twin Cities Law School. (Currently, students taking 12 or more credits are charged the term rate and students taking 1- 11 credits are charged the per credit rate This is subject to any changes taking place for the 2002-2003 academic year.) Wisconsin residents who enrolled at the UM-Twin Cities Law School before or during the 1995-96 academic year will be charged the UW-Madison Law school resident tuition rate.

**Pharm.D.** (per semester term/per semester credit) Wisconsin residents attending UM-Twin Cities Pharm.D. will be charged the higher of the UM-Twin Cities Pharm.D. resident tuition rate or the UW-Madison Pharm.D. resident tuition rate. Tuition plateaus will be based on the banding mechanism in place for the University of Minnesota - Twin Cities College of Pharmacy. (Currently, students taking 12 or more credits are charged the term rate and students taking 1- 11 credits are charged the per credit rate. This is subject to any changes taking place for the 2002-2003 academic year.)

Eligible students enrolled in professional academic programs not available in their home state will be charged the resident tuition of the school attended.

#### 4. Institutional Procedures.

After each academic term, each administering agency will provide three copies of the cooperatively designed final certification (enrollment status) list to the other state's participating public institutions. The list will include the names of all students who have been certified as eligible for participation in the reciprocity agreement during that term. Using these lists, each institution will enter the number of credits carried by category (undergraduate or graduate) and the amount of the reciprocity tuition paid by each student certified. The institutions will cross out the names of these certified students who did not enroll or withdrew at any time during the period of that term for which the student is eligible for a tuition/fee refund. The institutions will certify by signature for correctness of this data and will send two copies of this completed certification list to the administering agency in their home states. Nothing shall prohibit participating schools and agencies from exchanging data in electronic format.

#### 5. Agency Procedures.

A. Each administering agency will be responsible for the timely return of the completed certification lists from the institutions in its home state. The administering agency will forward one copy of each institution's completed certification list to the administering agency in the other state.

B. The data provided by the institutions for each term on the certification lists will be balanced for each institution and any adjustments adequately documented for subsequent auditing.

C. Once the data for each term have been balanced, a copy of the results will be supplied to the agency in the other state, along with a report of the number of undergraduate and graduate students for whom nonresident tuition has been waived under the agreement. Each state will certify to the other state the number of students, the number of credits carried and the total amount of reciprocity tuition paid by each student at each institution. Student and credit hour totals for each institution will be grouped by category and the school and category totals will be grouped by each agency. This information will be used by each state to facilitate the computation of the net interstate reimbursement obligation and to monitor institutional reporting. The deadline for such reconciliation for each term shall be 90 days from the conclusion of that term. Subsequent changes to institutional certifications shall be only with consent of both agencies.

D. The net state reimbursement obligation will be calculated and paid in a manner described in the Agreement.

6. **Common Data Format and Coordinated Planning.**

To insure compatibility of information pertaining to the program, both agencies will adopt a common data format and share data maintenance and reporting responsibilities.

To improve the information about the program for purposes of research, planning and evaluation, both agencies agree to collect and maintain any mutually agreed upon data.