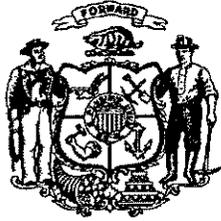


THE STATE OF WISCONSIN

J

SENATE CHAIR
BRIAN BURKE

17-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

June 18, 2002

Secretary George Lightbourn
Department of Administration
101 East Wilson Street, 10th Floor
Madison, Wisconsin 53703

Dear Secretary Lightbourn:

We are writing to inform you that the Joint Committee on Finance has reviewed the State Building Commission request, pursuant to the provisions of s. 13.48 (d)(4), Stats., for the sale of the office building at 1313 Midway Road in Menasha for \$250,000 to John W. Seidel/Data One Computer Services, Inc.

No objections to this request have been raised. Accordingly, the request is 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

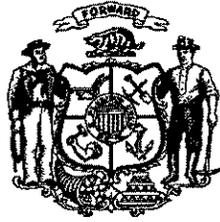
BB:JG:dh

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

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

317-E Capitol
P.O. Box 7882
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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

Date: May 31, 2002

Attached is a copy of a letter from the Department of Administration, received on May 31, 2002, which requests approval of the sale of the office building at 1313 Midway Road in Menasha, which has housed the local offices of the Unemployment Insurance and Workforce Solutions Divisions of the Department of Workforce Development.

The request is pursuant to s. 13.48(14)(d) 4., 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 **Tuesday, June 18, 2002**, if you have any concerns about the request or if you would like the Committee to meet formally to discuss it.

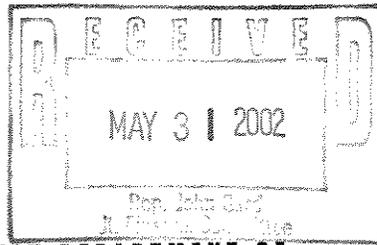
Also, please contact us if you need further information.

Attachment

BB:JG:dh



**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

May 21, 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:

RE: Sale of Building at 1313 Midway Road – Menasha, Wisconsin

This request is submitted pursuant to s. 13.48(14)(d)4, Stats., as notification of the intent to sell the office building located at 1313 Midway Road in Menasha which has housed the local offices of the Unemployment Insurance (UI) and Workforce Solutions Divisions.

The building was purchased with federal Reed Act Funds. The proposed sale is part of a long-term plan by the Department of Workforce Development to sell Reed Act Buildings, which are no longer large enough to meet program needs. The building will be sold for \$250,000 to John W. Seidel/Data One Computer Services, Inc. The property had been on the market for over a year and a half. The net proceeds from the sale will be returned to the United States Department of Labor.

The State Building Commission approved this transaction on May 15, 2002. A copy of the agency request is attached for additional background information.

We understand that s. 13.48(14)(d) 4., Stats., provides 14 working days for review by the Joint Committee on Finance and we would appreciate a letter approving the sale or scheduling a hearing on this matter so that, if approved, the Department and purchaser can proceed with the closing. Please feel free to call me or John E. Rothschild, the Department's Chief Legal Counsel at 267-0202, if you have any questions regarding this matter.

Sincerely,


George Lightbourn
Secretary

cc: Robert Lang, Legislative Fiscal Bureau
Eugene Lillge, Workforce Development
Robert Cramer, Division of Facilities Development

Agency Request for
State Building Commission Action

May 15, 2002

Project No. 02D2K

Agency:

Department of Workforce Development

Request:

Request approval to sell the federally owned Employment Security (Reed Act) building at 1313 Midway Road, Menasha, Wisconsin which has housed the local offices of the Unemployment Insurance (UI) and Workforce Solutions Divisions for \$250,000, which is \$15,000 below the average of two appraisals.

Source of Funds:

Only federal funds are involved.

Explanation:

The Department's Division of Workforce Solutions (DWS) had most recently occupied the building. Prior to 1996, the building was also used by Division of Unemployment Insurance staff to take UI claims.

With the Department's 1996 change to handle claims for UI via a sophisticated telephone/computer system referred to as Telephone Initial Claims, there is no longer a need for most UI offices in the state.

The building being sold was constructed in 1971 – solely with federal funds. Proceeds from the sale, less Department expenses, will be returned to the federal government. Approval to sell the building has been received from the United States Department of Labor.

The sale of this building is part of a long-term plan by the Department to sell all but one of its remaining Reed Act buildings constructed primarily in the 1960s and 1970s with federal funds. Generally, the buildings are no longer large enough to meet program needs of co-locating DWD services with other agencies in "one-stop" Job Centers, and are no longer needed for taking unemployment insurance claims. In addition, most of the buildings selected for sale would require substantial renovations to replace aging and failing HVAC systems. The Department has already sold its buildings in Janesville, Kenosha, LaCrosse, Madison, Manitowoc, Racine, Wausau and Eau Claire. Buildings in Ashland and Superior are in the process of being sold.

The Department has followed State of Wisconsin procedures to sell this property.

The property was offered for sale to local and other State governmental agencies in the Summer of 1999. None expressed an interest in purchasing the property.

The property was then listed for sale with a commercial real estate firm, The Rifken Group, which was selected as part of a state-wide procurement process. The property has been on the market since November of 2000.

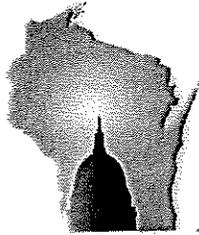
The proposed sale is to John W. Seidel/Data One Computer Services Inc.

The department obtained independent appraisals by MAI appraisers. The estimated market value established by two of the appraisers is as follows:

Appraisal Firm and Appraiser	Estimated Market Value
Harvey Appraisal Services, Inc., Germantown, Wisconsin (Mark A. Harvey, MAI, SRA)	\$230,000
Barnard & Associates, Green Bay, Wisconsin (Detlaf H. Weiler, MAI)	\$290,000 - \$310,000

The average of the two appraisals is about \$265,000. The property has been on the market for nearly a year and a half. The offer from John W. Seidel/Data One Computer Services Inc. is \$250,000.

The Department has accepted, pending approval by the Wisconsin State Building Commission and the State Legislature's Joint Committee on Finance, the John W. Seidel/Data One Computer Services Inc. offer for \$250,000.

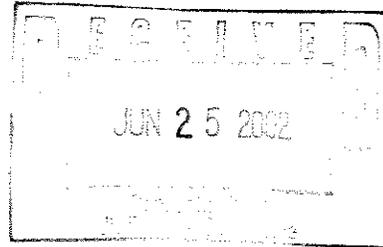


**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

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

June 24, 2002

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



Dear Senator Burke, Representative Gard and Members:

Pursuant to section 16.63 of the Wisconsin Statutes, the State has sold its right to receive certain Tobacco settlement revenues under the Tobacco settlement agreement to the Badger Tobacco Asset Securitization Corporation (the "Corporation"). The Corporation has notified me that it has issued bonds secured by Tobacco settlement revenues.

The attached report is submitted to you pursuant to the requirements of subsection 16.63 (3m)(b) of the Wisconsin Statutes. The report was provided to me pursuant to section 16.63 (3m)(a) of the Wisconsin Statutes and includes information on the distribution of proceeds resulting from the Corporation's sale of bonds.

Sincerely,


George Lightbourn
Secretary

Enc.

NOTICE TO SECRETARY OF THE DEPARTMENT OF ADMINISTRATION

To: Mr. George Lightbourn, Secretary
Department of Administration of the State of Wisconsin
Madison, Wisconsin

Re: \$1,591,095,000 Badger Tobacco Asset Securitization Corporation Tobacco
Settlement Asset-Backed Bonds, dated May 23, 2002 (the "Bonds")

Dear Secretary Lightbourn:

I am the duly qualified and acting President of Badger Tobacco Asset Securitization Corporation, a Wisconsin nonstock, nonprofit corporation (the "Corporation").

Pursuant to authorization granted in Section 16.63 of the Wisconsin Statutes, as amended (the "Act"), and a Purchase and Sale Agreement dated as of May 1, 2002 (the "Purchase and Sale Agreement") between the State of Wisconsin (the "State") and the Corporation, the State has agreed to sell to the Corporation, upon receipt of the Purchase Price (as defined in the Purchase and Sale Agreement), without recourse, all of its right, title and interest in, to and under certain tobacco settlement revenues (the "Tobacco Assets"), as defined in the Purchase and Sale Agreement.

Pursuant to section 16.63(3m)1. of the Wisconsin Statutes, and as a condition to the sale of the Tobacco Assets under the Purchase and Sale Agreement, the Corporation is required to notify you if any bonds or other obligations are issued that are secured by any of the Tobacco Assets, and to provide you with all information on the distribution of bond or obligation proceeds. In compliance therewith, and by delivery of this certificate, I hereby notify you that:

(a) Pursuant to the Act and a resolution adopted by the board of directors of the Corporation on May 2, 2002, entitled "Resolution Authorizing the Acquisition and Pledge of Tobacco Assets and the Sale of \$1,591,095,000 Badger Tobacco Asset Securitization Corporation Tobacco Settlement Asset-Backed Bonds; Approving the Purchase and Sale Agreement, the Indenture, the Bond Purchase Agreement, the Offering Circular, the Continuing Disclosure Agreement and the Residual Certificate and Other Documents and Matters Related to the Sale of the Bonds," the Corporation has issued its \$1,591,095,000 Tobacco Settlement Asset-Backed Bonds, dated May 23, 2002 (the "Bonds") which are secured by a pledge of the Tobacco Assets.

(b) Information on the distribution of the proceeds of the Bonds is set forth on Exhibit A attached hereto and also described in the Offering Circular prepared in connection with the sale of the Bonds, the Closing Memorandum prepared by Bear, Stearns & Co. Inc. (the "Underwriter") and the Report of Deloitte and Touche ("Deloitte") which are all included in the transcript of these proceedings.

Effective as of the 23rd day of May, 2002.

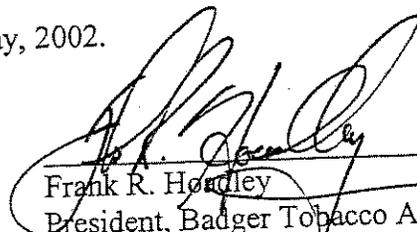

Frank R. Hodley
President, Badger Tobacco Asset
Securitization Corporation

EXHIBIT A

The \$1,555,514,189.95 received by the Badger Tobacco Asset Securitization Corporation, representing the initial par amount of the Badger Tobacco Asset Securitization Corporation Tobacco Settlement Asset-Backed Bonds (\$1,591,095,000.000) less original issue discount (\$23,745,199.35) less underwriters discount (\$11,835,610.70), shall be applied in the following manner.

Transfer to State for Deposit to the Permanent Endowment Fund:	\$ 825,002,399.62
Subtotal:	\$ 825,002,399.62
Transfer to the State for Deposit to the Permanent Endowment Fund and Immediate Transfer to the General Fund:	\$ 450,000,000.00
Subtotal:	\$ 450,000,000.00
Trustee Held Funds	
Liquidity Reserve Account (#9500027504):	\$ 137,134,940.63
Interest Reserve Subaccount (#9500027502):	138,226,431.70
Cost of Issuance Account (#9500027506):	<u>3,432,418.00</u>
Subtotal – Trustee Held Funds:	\$ 278,793,790.33
Corporation Funds	
Operating Account (#9500027508):	\$ 1,218,000.00
Operating Contingency Account (#9500027509):	<u>500,000.00</u>
Subtotal – Corporation Funds:	\$ 1,718,000.00
TOTAL APPLICATION OF BOND PURCHASE PRICE:	\$1,555,514,189.95

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

June 28, 2002

The Honorable Scott McCallum
Room 115 East - State Capitol
Madison, Wisconsin 53702

Dear Governor McCallum:

We are writing to inform you that the Joint Committee on Finance has reviewed your request, pursuant to s. 119.80(1m), relating to the allocation of funds to the Milwaukee public schools for day care kindergarten programs and alternative education programs from the appropriation under s. 20.255(2)(kp), Stats.

No objections have been raised to this request. Accordingly, the request is approved.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John G. Gard in black ink.

JOHN G. GARD
Assembly Chair

BB:JG:dh

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

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE



ASSEMBLY CHAIR
JOHN GARD

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

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: June 18, 2002

Re: Federal Block Grant Aids to Milwaukee Public Schools

Attached is a copy of a proposal from Governor Scott McCallum, pursuant to s. 119.80(1m), Stats., It requests the allocation of funds to the Milwaukee public schools from the appropriation under s. 20.255(2)(kp), Stats., for day care kindergarten programs and alternative education programs.

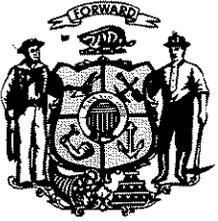
As of June 15, 2002, no written comments have been received from the standing committees concerning this request. By June 30, the Committee may schedule a meeting to approve, modify and approve as modified, or reject the proposal. If the Committee does not schedule a meeting by June 30, the proposal shall be considered approved by the Committee.

Please review the material and notify **Senator Burke** or **Representative Gard** no later than **Thursday, June 27, 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



SCOTT McCALLUM

Governor
State of Wisconsin

May 20, 2002

The Honorable Brian Burke, Co-Chair
Joint Committee on Finance
State Capitol, 316 South
Madison, WI 53707

The Honorable John Gard, Co-Chair
Joint Committee on Finance
State Capitol, 315 North
Madison, WI 53707

Dear Senator Burke and Representative Gard:

Pursuant to s. 119.80(1m), Wisconsin Statutes, I am submitting to the Joint Committee on Finance the following proposal for the expenditure of funds in fiscal year 2001-2002 from the appropriation under s. 20.255(2)(kp), Wisconsin Statutes, Aid to Milwaukee public schools, federal block grant aids.

<u>Program</u>	<u>Proposed Funding</u>
Day care kindergarten programs	\$ 910,000
Alternative education programs	\$ 500,000
Total	\$1,410,000

The proposed allocation of funds when combined with the funds allocated by the Milwaukee Board of School Directors as required under ss. 119.71 (3), 119.74 and 119.75 (2), Wisconsin Statutes is identical to the allocation approved by the Committee in the previous nine fiscal years.

Thank you for your attention to this request. Separate letters have been sent to the appropriate standing committees.

Sincerely,

Scott McCallum
Governor

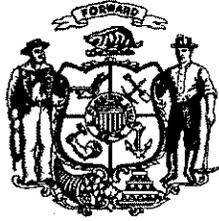
SM/bac

cc: Spencer D. Korté, Ph.D., Superintendent of Milwaukee Public Schools
Bob Hanle, Education Team Leader, State Budget Office

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

July 1, 2002

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

Dear Secretary Lightbourn:

We are writing to inform you that the Joint Committee on Finance has reviewed your request, received June 11, 2002, pursuant to s. 16.515/16.505(2), Stats., on behalf of the District Attorney Offices in Chippewa, Dane, Jefferson, Marathon, Milwaukee and Outagamie Counties.

No objections have been raised to this request. Therefore, the request is 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
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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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

Re: s. 16.515/16.505, Stats. Request

Date: June 11, 2002

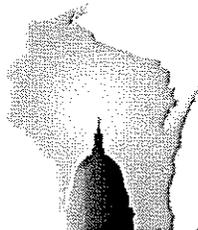
Attached is a copy of a request from the Department of Administration, received June 11, 2002, pursuant to s. 16.515/16.505(2), Stats., pertaining to a request on behalf of the District Attorney Offices in Chippewa, Dane, Jefferson, Marathon, Milwaukee and Outagamie Counties.

Please review the material and notify **Senator Burke** or **Representative Gard** no later than **Friday, June 28, 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**

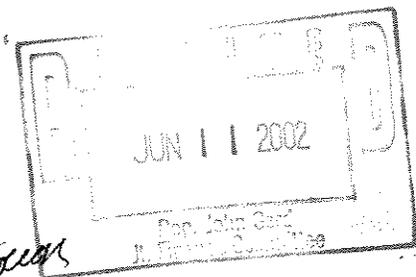
**GEORGE LIGHTBOURN
SECRETARY**

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

Date: June 11, 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
Subject: S. 16.515/16.505(2) Request(s)

George Lightbourn



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>2001-02</u>		<u>2002-03</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
DA's 20.475(1)(h)	Gifts and grants				6.70 *

* Project position ending 06/30/2003.

As provided in s. 16.515, the request(s) will be approved on July 2, 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

CORRESPONDENCE\MEMORANDUMSTATE OF WISCONSIN
Department of Administration**Date:** May 22, 2002**To:** George Lightbourn, Secretary
Department of Administration**From:** Brett Coomber, Budget Analyst 
State Budget Office**Subject:** Request under s. 16.505 to renew 6.7 FTE PR assistant district attorney (ADA) positions in appropriation s. 20.475(1)(h) for the Chippewa, Dane, Jefferson, Marathon, Milwaukee and Outagamie District Attorney offices.**REQUEST:**

The Department of Administration requests under s. 16.505 the renewal of position authorization for 6.7 FTE PR assistant district attorney (ADA) positions in appropriation s. 20.475(1)(h). Authorization is requested for the period from July 1, 2002 through June 30, 2003. These positions will be located in six district attorney offices: 1.0 FTE in Chippewa County, 2.0 FTE in Dane County, 0.70 FTE in Jefferson County, 1.0 FTE in Marathon County, 1.0 FTE in Milwaukee County and 1.0 in Outagamie County. All are a continuation of current grants and are funded to begin on July 1, 2002 and run through June 30, 2003. (The Jefferson grant was for 0.75 FTE in FY 02, but was reduced by mutual agreement between the DA office and OJA during FY02 to 0.70 FTE).

REVENUE SOURCES FOR APPROPRIATION:

Two sources of revenue are being used by OJA to fund these positions. All but the Outagamie position are being funded by Federal Violence Against Women Act (VAWA) funds. The Outagamie position is funded by Federal Byrne Grant moneys. The salary and fringe benefit costs of the ADA positions were determined based upon the anticipated costs of specific ADAs who have been selected by their DAs to carryout the assignments. The federal grant to the state contains sufficient funds for the 6.70 FTE positions recommended by the Governor. Total costs for all positions are estimated at \$432,069 for FY 02. The program revenue appropriation is continuing and will be reestimated based on actual experience.

ANALYSIS:

Wisconsin has been awarded federal Violence Against Women Act (VAWA) grant funds since federal fiscal year 1996. Wisconsin VAWA grants are administered by the Office of Justice Assistance (OJA). The purpose of this federal program is to assist states in the development and enhancement of effective law enforcement and prosecution strategies to combat violent crimes against women and to develop and strengthen victim services. By federal law, 25 percent of the state grant must be spent on prosecution related services. The grants were awarded in May. The Governor's grant award decisions follow the recommendations of his Law Enforcement and Crime Commission.

George Lightbourn, Secretary
November 29, 2000
Page 2

These positions are in furtherance of the State's policy to fight domestic abuse, sexual abuse and assault and other violent crimes against women.

RECOMMENDATION:

Approve the request to renew the 6.7 FTE PR ADA positions. This approval does not constitute the commitment of current or future GPR funding for these positions.



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT McCALLUM
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Division of Administrative Services
State Prosecutors Office
Post Office Box 7869
Madison, WI 53707-7869
Voice (608) 267-2700
Fax (608) 264-9500 TTY (608) 267-9629
stuart.morse@doa.state.wi.us

DATE: May 21, 2002

TO: David Schmiedicke, Administrator
Division of Executive Budget and Finance

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

SUBJECT: ***REQUEST UNDER S. 16.505 FOR DEPARTMENT 475 TO RENEW
6.70 CURRENT PR FTE VIOLENCE AGAINST WOMEN ACT
POSITIONS***

On behalf of the District Attorneys in the Chippewa, Dane, Jefferson, Marathon, Milwaukee and Outagamie offices, I submit the attached request for Program Revenue position authority for Department 475, District Attorneys.

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

Thank you for your attention to this matter.

Attachments

cc: Stuart Morse
Dick Wagner

**DEPARTMENT OF DISTRICT ATTORNEYS REQUEST UNDER S.16.505 FOR
POSITION AUTHORIZATION**

I. REQUEST (through 6/30/2003)

The Department of District Attorneys requests, under s.16.505, the authorization of 6.70 FTE Program Revenue (PR) prosecutorial positions in appropriation s.20.475(1)(h). These positions will be located in six district attorney offices: 1.0 FTE in Chippewa County, 2.0 FTE in Dane County, 0.70 FTE in Jefferson County, 1.0 FTE in Marathon County, 1.0 FTE in Milwaukee County and 1.0 in Outagamie County. All are a continuation of current grants and are funded to begin on July 1, 2002 and run through June 30, 2003. (The Jefferson grant was for 0.75 FTE in FY 02, but was reduced by mutual agreement between the DA office and OJA during FY02 to 0.70 FTE).

- 1) Grant the Chippewa County DA Office position authorization to continue a 1.0 FTE PR VAWA position through June 30, 2003.
- 2) Grant the Dane County DA Office position authorization to continue 2.0 FTE PR VAWA positions through June 30, 2003.
- 3) Grant the Jefferson County DA Office position authorization to continue a 0.70 FTE PR VAWA position through June 30, 2003.
- 4) Grant the Marathon County DA Office position authorization to continue 1.0 FTE PR VAWA position through June 30, 2003.
- 5) Grant the Milwaukee County DA Office position authorization to continue a 1.0 FTE PR VAWA position through June 30, 2003.
- 6) Grant the Outagamie County DA Office position authorization to continue 1.0 FTE PR VAWA position through June 30, 2003.

II. BACKGROUND

Wisconsin was awarded federal Violence Against Women Act (VAWA) grant funds since federal fiscal year 1996. Wisconsin VAWA grants are administered by the Office of Justice Assistance (OJA). The purpose of this federal program is to assist states in the development and enhancement of effective law enforcement and prosecution strategies to combat violent crimes against women and to develop and strengthen victim services. By federal law, 25 percent of the state grant must be spent on prosecution related services. The grants were awarded in May. The Governor's grant award decisions follow the recommendations of his Law Enforcement and Crime Commission.

III. ANALYSIS

These positions are in furtherance of the State's policy to fight domestic abuse, sexual abuse and assault and other violent crimes against women.

IV. FISCAL ANALYSIS

The salary and fringe benefit costs of the ADA were determined based upon the anticipated costs of specific ADAs who have been selected by their DAs to carryout the assignments. The federal grant to the state contains sufficient funds for the 6.70 FTE positions recommended by the Governor. Total costs for all positions are estimated at \$432,069 for FY 02. The program revenue appropriation is continuing and will be reestimated based on actual experience.

V. REVENUE SOURCE FOR APPROPRIATION

Two sources of revenue are being used by OJA to fund these positions. All but the Outagamie position are being funded by Federal Violence Against Women Act (VAWA) funds. The Outagamie position is funded by Federal Byrne Grant moneys. The counties will reimburse salary and fringe benefit costs for the state paid ADA positions in the Department of District Attorneys.

VI. SPECIAL INFORMATION

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

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

May 21, 2001 VAWA Grant s.16.505 request

Table 1 indicates the LAB methodology's results and highlights the impact of the new positions requested on the six DA offices proposed for positions and on the one DA office losing a full position.. The table uses the most current court data available (1998-00) and the positions authorized as of May 16, 2002. It is important to note that the position need shown in the LAB methodology is a general need responding to all duties of a DA office and is not specific to a particular type of criminal activity or caseload such as that covered by the VAWA.

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

Detailed data on violence against women with which to make such an analysis are not available.

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

All 71 DA offices were notified of the availability of the VAWA grant funds and invited to apply. Of the DA Offices applying for the funds, six offices were granted a 6.70 FTE assistant district attorney positions. The Governor approved grant requests for these positions. The Governor's decisions follow the recommendations of his Law Enforcement and Crime Commission.

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

The VAWA funds may not be used to address other types of caseloads. The fact that the federal government specifically created the VAWA and included a requirement that 25% of the funding go for prosecution services is an indication of the high national priority this activity is given.

May 21, 2001 VAWA Grant s.16.505 request

TABLE 1

DA Office	FTE needed before 16.505	FTE needed after 16.505
Adams	0.38	0.38
Ashland	0.50	0.50
Barron	0.53	0.53
Bayfield	0.28	0.28
Brown	2.09	2.09
Buffalo	-0.24	-0.24
Burnett	0.61	0.61
Calumet	0.23	0.23
Chippewa	-0.04	-0.04
Clark	0.36	0.36
Columbia	0.40	0.40
Crawford	0.04	0.04
Dane	3.69	3.69
Dodge	0.88	0.88
Door	0.28	0.28
Douglas	1.22	1.22
Dunn	-0.15	-0.15
Eau Claire	3.08	3.08
Florence	0.01	0.01
Fond du Lac	2.32	2.32
Forest	0.37	0.37
Grant	0.70	0.70
Green	0.47	0.47
Green Lake	0.05	0.05
Iowa	-0.05	-0.05
Iron	-0.12	-0.12
Jackson	-0.35	-0.35
Jefferson	0.75	0.75
Juneau	0.09	0.09
Kenosha	5.60	5.60
Kewaunee	-0.29	-0.29
La Crosse	2.40	2.40
Lafayette	-0.26	-0.26
Langlade	1.03	1.03
Lincoln	0.78	0.78
Manitowoc	0.60	0.60
Marathon	-0.09	-0.09
Marinette	0.19	0.19
Marquette	0.27	0.27
Milwaukee	-13.52	-13.52
Monroe	0.94	0.94
Oconto	0.38	0.38
Oneida	0.60	0.60
Outagamie	2.71	2.71
Ozaukee	0.99	0.99

May 21, 2001 VAWA Grant s.16.505 request

DA Office	FTE needed before 16.505	FTE needed after 16.505
Pepin	-0.19	-0.19
Pierce	-1.25	-1.25
Polk	0.49	0.49
Portage	0.59	0.59
Price	0.14	0.14
Racine	3.82	3.82
Richland	-0.44	-0.44
Rock	1.91	1.91
Rusk	-0.09	-0.09
Saint Croix	-1.24	-1.24
Sauk	0.98	0.98
Sawyer	0.54	0.54
Shaw/Men	1.14	1.14
Sheboygan	4.23	4.23
Taylor	0.35	0.35
Trempealeau	0.60	0.60
Vernon	-0.94	-0.94
Vilas	-0.48	-0.48
Walworth	0.68	0.68
Washburn	0.29	0.29
Washington	1.29	1.29
Waukesha	-1.75	-1.75
Waupaca	0.27	0.27
Waushara	0.18	0.18
Winnebago	1.87	1.87
Wood	2.43	2.43

Morse, Stuart

From: Beck, John
Sent: Tuesday, April 16, 2002 2:05 PM
To: Morse, Stuart
Subject: VAWA Specialized Prosecution ADA Grants

Stu,

It's now official. Jerry's given his OK, the award docs have been typed, (but still being proofed), and I imagine Jerry will sign them next Monday or so. (I guess he's out of the office for the remainder of the week). I believe someone at OJA calls the recipients to inform them of what is being funded and their share. I don't know if that's been done yet.

The federal side of the funding will be as follows:

	<u>ADA</u>	<u>Total Award</u>	<u>2001 Funding</u>
Chippewa County	\$ 63,300	\$ 63,850	\$ 42,720
Marathon County	\$ 61,400	\$ 79,369	\$ 53,705
Jefferson County	\$ 44,500	\$ 44,900	\$ 30,041
Milwaukee County	\$ 75,929	\$193,805	\$133,386
Dane County	\$123,371	\$123,371	\$ 82,543
Outagamie County	\$ 63,569	\$ 63,569	\$ 63,569***

*****Outagamie County is being funded out of Byrne money.**

The remaining funding is to come from OJA's 2002 VAWA award. A new grant will be written at that time, (probably sometime between November and January), for the difference between Total Award and 2001 Funding.

Did I cover all the bases on that one?

John

STATE OF WISCONSIN

DHFS only

SENATE CHAIR
BRIAN BURKE



ASSEMBLY CHAIR
JOHN GARD

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

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

JOINT COMMITTEE ON FINANCE

July 3, 2002

Mr. George Lightbourn, Secretary
Department of Administration
101 East Wilson Street, 10th 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 June 13, submitted pursuant to s. 16.505(2)/16.515 Stats., and pertaining to requests from the Departments of Justice and Health and Family Services.

The request relating to the Department of Health and Family Services is approved. However, a meeting of the Committee will be scheduled to act on the Department of Justice request. Therefore, that request is 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
Attorney General James E. Doyle
Secretary Phyllis J. Dubé, Department of Health and Family Services
Vicky LaBelle, Department of Administration

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
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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
Co-Chairs, Joint Committee on Finance

Re: s. 16.515/16.505, Stats. Request

Date: June 14, 2002

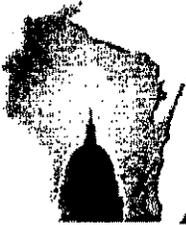
Attached is a copy of a request from the Department of Administration, received June 14, 2002, pursuant to s. 16.515/16.505(2), Stats., pertaining to requests from the Department of Justice and the Department of Health and Family Services.

Please review the material and notify **Senator Burke** or **Representative Gard** no later than **Tuesday, July 2, 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
 Post Office Box 7864
 Madison, WI 53707-7864
 Voice (608) 266-1741
 Fax (608) 267-3842
 TTY (608) 267-9629

Date: June 13, 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:

AGENCY	DESCRIPTION	2001-02		AMOUNT	2002-03
		AMOUNT	FTE		
DOJ 20.455(1)(gh)	Investigations and prosecution	\$319,600 *			
DHFS 20.435(2)(gk)	Centers for the Developmentally Disabled			\$191,600	2.89
20.435(2)(gk)	Mental Health Institutes			\$29,800	0.32
20.435(2)(kx)	Interagency Programs			(\$18,300)	(0.50)
20.435(2)(i)	Gifts and Grants			\$58,800	0.22
20.435(4)(gm)	Bureau of Health Information			\$71,500	2.06
20.435(4)(kx)	Interagency Programs			\$1,000	
20.435(4)(hg)	Bureau of Health Information			\$114,300	1.86
20.435(6)(jm)	Licensing and Certification			\$5,100	0.01
20.435(6)(kx)	Interagency Programs			\$20,300	0.49

* One-time expenditure authority.

As provided in s. 16.515, the request(s) will be approved on July 5, 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

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: May 31, 2002

To: George Lightbourn, Secretary
Department of Administration

From: Susan Jablonsky, Budget Analyst

Subject: Request Under s. 16.505/515 from the Department of Health and Family Services (DHFS) for Position and Expenditure Authority Changes related to Act 16

REQUEST:

To implement the budget reduction required in Act 16, the biennial budget act, related to vacant positions, dues and memberships (VPDM) DHFS is requesting the following adjustments to a variety of appropriations:

Appropriation (2)(gk)/228: An increase of \$191,600 PR and 2.89 FTE in FY03;
Appropriation (2)(gk)/229: An increase of \$29,800 PR and 0.32 FTE in FY03;
Appropriation (2)(kx)/267* A decrease of \$18,300 PR and 0.50 FTE in FY03;
Appropriation (2)(i)/233: An increase of \$58,800 PR and 0.22 FTE in FY03;
Appropriation (4)(gm)/426: An increase of \$71,500 PR and 2.06 FTE in FY03;
Appropriation (4)(kx)/467*: An increase of \$1,000 PR in FY03;
Appropriation (4)(hg)/487: An increase of \$114,300 PR and 1.86 FTE in FY03;
Appropriation (6)(jm)/639: An increase of \$5,100 PR and 0.01 FTE in FY03;
Appropriation (6)(kx)/667*: An increase of \$20,300 PR and 0.49 FTE in FY03.

*This is a continuing PR budget appropriation and therefore does not require the approval of the Joint Committee on Finance for increased expenditure authority but does require the Committee's approval for position adjustments.

REVENUE SOURCES FOR APPROPRIATIONS:

The revenue sources for these numeric appropriations are:

228-Centers for the developmentally disabled: Medical Assistance.

229-Mental health institutes: GPR, and PR from county payments and Medical Assistance.

267-Interagency and intragency funding: charges to another division within DHFS for work on a computer system.

233-Gifts and grants: Honoraria paid to staff at the Mendota Mental Health Institute who conduct lectures.

426-Vital records: Fees for copies of vital records.

467-Interagency and intragency funding: fees charged to other agencies for health care data and reports.

487-Bureau of Health Information: fees charged for data and reports.

639-Licensing: fees paid for facility licenses.

667-Interagency and intragency funding: federal funding received from the Department of Workforce Development's Division of Vocational Rehabilitation for the Older Blind Individuals grant.

DHFS staff indicate that revenues are sufficient in each appropriation to support the position shifts and that no fees will need to be increased to implement these changes.

BACKGROUND:

As required by the Department of Administration (DOA), DHFS submitted its plan to implement the VPDM reductions. Part of the plan achieves savings by shifting portions of GPR positions to other funding sources such as PR and FED. The creation of federal positions and increasing expenditure authority in federal appropriations can be handled administratively at DOA. However, increasing or decreasing PR expenditure and position authority is subject to the 14-day passive review process under s. 16.505/515. This request allows DHFS to implement its VPDM reduction plan.

ANALYSIS:

Division of Care and Treatment Facilities (DCTF) Central Office Position Funding Changes

(2)(gk)/228: An increase of \$191,600 PR and 2.89 FTE in FY03

(2)(gk)/229: An increase of \$29,800 PR and 0.32 FTE in FY03

(2)(kx)/267: A decrease of \$18,300 PR and 0.50 FTE in FY03

Departmental staff evaluated the workload of most of the DCTF central office staff to determine the amounts of time devoted to DCTF institutions that are funded by GPR (Sand Ridge Secure Treatment Center, the Wisconsin Resource Center, and parts of the mental health institutes (MHIs)) and PR (the centers for the developmentally disabled (DD) and parts of the MHIs). A cost allocation methodology was developed based on the number of FTEs at the DCTF institutions. The cost allocation was determined to be 35% GPR, 50% PR-DD Centers, and 15% PR-MHIs. Applying these

percentages to the DCTF central office staff workload resulted in the need to increase PR positions at the DD centers and the MHIs and make a corresponding reduction in GPR positions and funding. A portion of a position that was charged to another division was found to be more appropriately charged to the DD centers since the work done for that division is now completed. This cost allocation methodology is not being applied to certain central office staff that are dedicated to duties funded by one particular fund source.

DCTF Honoraria

(2)(i)/233: An increase of \$58,800 PR and 0.22 FTE in FY03

DCTF collects honoraria for staff at Mendota Mental Health Institute that are paid to staff for services, such as lectures provided by psychiatrists, provided to other agencies or the community. These funds can be substituted for GPR that is currently used for salary and fringe benefits for a portion of a psychiatrist position who earns these honoraria.

Bureau of Health Information Position Funding Changes

(4)(gm)/426: An increase of \$71,500 PR and 2.06 FTE in FY03

(4)(kx)/467: An increase of \$1000 PR in FY03

(4)(hg)/487: An increase of \$114,300 PR and 1.86 FTE in FY03

DHFS also reevaluated the workload in the Bureau of Health Information in the Division of Health Care Financing and determined that they could replace 3.92 GPR FTE and funding with 3.92 PR FTE positions and funding which are supported by vital record fees, health care data fees, and fees paid by other agencies. The positions that were refractionated include program assistant positions, a program and planning analyst, supervisory positions, and research analyst positions.

AODA/Mental Health Certification Positions

(6)(jm)/639: An increase of \$5,100 PR and 0.01 FTE in FY03

The Department is requesting to replace 0.01 GPR FTE and \$5,100 GPR with corresponding amounts of PR and 0.01 PR FTE for administrative positions in the Bureau of Quality Assurance with responsibility for mental health/AODA program certification. Under a previous s.16.505/515 request, the Department received approval from DOA and JFC on January 2, 2002 to replace 1.07 GPR FTE and funding with 1.07 PR FTE for these positions. However, due to a rounding error, the correct total should be 1.08. This request corrects that error.

Bureau of the Blind Position Funding Change

(6)(kx)/667: An increase of \$20,300 PR and 0.49 FTE in FY03

The Department is requesting to replace 0.49 GPR FTE and \$20,300 GPR with 0.49 PRS FTE and \$20,300 PRS to fund a rehabilitation specialist in the Bureau for the Blind in the Division of Supported Living. The funding would come from the federal Independent Living for Older Blind Individuals grant. The funding is budgeted as PRS funding because the Department of Workforce Development's Division of Vocational Rehabilitation initially receives the grant from the federal government and transmits it to DHFS. Wisconsin has received an increase in federal funding for this grant; a portion of the increase would be utilized for this proposal.

RECOMMENDATION:

Approve the request.



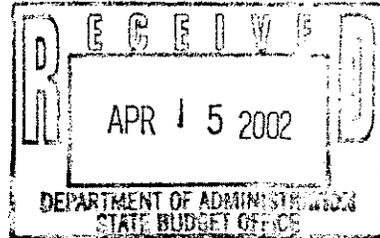
State of Wisconsin
Department of Health and Family Services

Scott McCallum, Governor
Phyllis J. Dubé, Secretary

DS
Copies also
sent to JJ

April 15, 2002

Mr. David Schmiedicke
State Budget Office
101 East Wilson Street, 10th Fl.
Madison, WI 53702



EF
SJ
RB

Dear Mr. Schmiedicke,

As requested in your February 1 memo to state agency heads, I am transmitting the DHFS file maintenance for the budget cuts and lapses in Act 16 and the Governor's Budget Reform Bill.

Act 16 Five Percent State Operations Cut

File maintenance for the Act 16 five percent state operations cut was submitted by DHFS on December 21, 2001. The file maintenance is in accord with the plan approved by the Joint Finance Committee at its November 2001 s.13.10 meeting. We assume that this file maintenance has been approved by your staff and entered into the B-2 system.

DN
JR

Post-Act 16 vacant position/dues and membership (VPDM) lapses

I am transmitting in this package the file maintenance for the final DHFS plan for the Post-Act 16 VPDM lapse. Per DOA's instructions, this file maintenance is designated with change author 3i, DIN 9102.

DHFS submitted its original VPDM plan on October 5, 2001 and corresponding file maintenance on December 21, 2001. The enclosed VPDM file maintenance is a revised plan that replaces the October 5 plan. Please discard the October 5 DHFS VPDM ("1.47% Lapse Plan) and the corresponding file maintenance. The revised plan differs slightly from the original October 5 plan for the following reasons:

- Some of the items that DHFS included in the original October 5 VPDM plan for FY03 were one-time lapses, as was permissible under the instructions issued by DOA on September 24, 2001. Under the revised VPDM plan for FY03, DHFS replaced the FY03 one-time lapse items in the original plan with items that are permanent cuts as required by the DOA instructions issued on February 1, 2002.
- Since completion of the original VPDM plan in October 2001, all state agencies, including DHFS, were required to develop additional state operations cuts under the Governor's budget reform bill. DHFS determined that it was more appropriate to apply some of the items in the original VPDM plan to the Governor's budget reform bill requirement.

The revised VPDM plan is consistent with the December 6, 2001 s. 16.505/515 request submitted by DOA and approved by the Joint Finance Committee on January 2, 2002 through the passive review process. A few components of the revised VPDM plan rely on replacing GPR funding with alternative non-GPR sources of funding. Therefore, to implement the revised DHFS VPDM Plan, DHFS needs DOA approval for additional FED position and expenditure authority and DOA and legislative approval for additional PR position and expenditure authority in addition to the authority approved in the December 6 s.16.505/515 request. Specifically, to implement the VPDM reduction DHFS is requesting under s.16.50(3) and s.16.54:

- Appro. 1m/149: An increase of \$16,900 FED and 0.20 FTE in FY03;
- Appro. 4m/449: An increase of \$39,900 FED and 0.75 FTE in FY03;
- Appro. 6m/641: An increase of \$37,800 FED and 0.60 FTE in FY03;
- Appro. 6n/640: A decrease of \$18,800 FED and 0.30 FED in FY03

To implement the VPDM reduction DHFS is requesting under s.16.505/515:

- Appro. 2gk/228: An increase of \$191,600 PR and 2.89 FTE in FY03;
- Appro. 2gk/229: An increase of \$29,800 PR and 0.32 FTE in FY03;
- Appro. 2kx/267*: A decrease of \$18,300 PR and 0.50 FTE in FY03;
- Appro. 2i/233: An increase of \$58,800 PR and 0.22 FTE in FY03;
- Appro. 4gm/426: An increase of \$71,500 PR and 2.06 FTE in FY03;
- Appro. 4kx/467*: An increase of \$1,000 PR in FY03;
- Appro. 4hg/487: An increase of \$114,300 PR and 1.86 FTE in FY03;
- Appro. 6jm/639: An increase of \$5,100 PR and 0.01 FTE in FY03;
- Appro. 6kx/667*: An increase of \$20,300 PR and 0.49 FTE in FY03.

*This is a continuing PR budget appropriation and therefore does not require JFC approval for increased budget authority.

The requested increases in PR budget authority do not require fee increases. The justification and information on funding sources for these requests is attached.

Governor's Budget reform bill across-the-board state operations cut

I am transmitting in this package the file maintenance for the Governor's Budget reform bill across-the-board state operations cut for DHFS. Per DOA's instructions, this file maintenance is designated with change author 3k, DIN 9103. A few components of the Governor's Reform Bill cut plan rely on replacing GPR funding with alternative non-GPR sources of funding. Therefore, to implement the Governor's Budget reform bill across-the-board state operations cut for DHFS, DHFS needs DOA approval for additional FED position and expenditure authority and DOA and legislative approval for additional PR position and expenditure authority. In addition, DHFS needs JFC approval through the s.13.10 process for SEG position authority. DHFS plans to submit an s.13.10 request for this purpose for the June 2002 s.13.10 meeting. Specifically, to implement the Governor's Budget reform bill across-the-board state operations cut DHFS is requesting under s.16.50(3) and s.16.54 for FY03:

Appro. 1m/149: An increase of \$96,000 FED and 1.03 FTE;
Appro. 1mc/190: An increase of \$92,200 FED and 1.0 FTE;
Appro. 1mc/191: An increase of \$23,900 FED and 0.28 FTE;
Appro. 3m/341: An increase of \$300 FED and 0.12 FTE;
Appro. 3n/342: An decrease of \$16,100 FED and an increase of 0.12 FTE;
Appro. 3n/356: A decrease of \$1,800 FED and an increase of 0.24 FTE;
Appro. 3mc/392: A decrease of 2.18 FTE
Appro. 6n/641: An increase of \$15,800 FED and 0.5 FTE;
Appro. 6n/640: A decrease of \$4,700 FED and .15 FTE
Appro. 6mc/690: An increase of \$41,000 FED;
Appro. 6mc/691: An increase of \$72,000 FED;
Appro. 8n/847: An increase of \$69,800 FED and 0.70 FTE;
Appro. 8n/845: An increase of \$45,700 FED and 2.5 FTE;
Appro. 8mc/892: An increase of \$2,700 FED and decrease of 0.40 FTE

To implement the Governor's Budget reform bill across-the-board state operations cut DHFS is requesting under s.16.505/515 for FY03:

Appro. 2g/225: An increase of \$62,800 PR and 0.79 FTE;
Appro. 4gm/426: An increase of \$3,200 PR and 0.15 FTE;
Appro. 4hg/487: An increase of \$61,300 PR and 1.10 FTE;
Appro. 4gm/431: An increase of \$44,200 PR and 0.60 FTE;
Appro. 6jm/634: An increase of \$18,500 PR and 0.24 FTE;
Appro. 8k/822: An increase of \$80,000 PR and 1.0 FTE

The requested increases in PR budget authority do not require fee increases. The justification and information on funding sources for these requests is attached.

I would like to note one other issue related to the attached file maintenance for the Governor's Budget Reform Bill. Included in the Department's Governor's Budget Reform Bill reductions are funding reductions for 9.85 GPR positions in DHFS department support positions (Division of Management and Technology, Office of Strategic Finance, and Department-wide services—"Program 8"). The attached file maintenance reduces the salary and fringe budget associated with these Program 8 positions, but does not reduce the FTE position authority. DHFS and DWD are currently engaged in negotiating the funding and positions that will be transferred from DWD to DHFS effective FY03 to reflect the transfer of the responsibility of the Food Stamp program from DWD to DHFS. As explained in discussions between DHFS staff (Sue Reinardy) and DOA staff (Jim Johnston and Erin Fath), it is possible that the Food Stamp Transfer package developed by DWD and DHFS may include the reallocation of some DHFS department support positions whose funding is cut under the Governor's Budget Reform Bill to food stamp support functions to be funded by the new funding transferred from DWD to DHFS. Therefore, the Program 8 Governor's Budget Reform Bill position FTE cannot be cut at this time since the food stamp transfer discussions are pending. Once the Food Stamp transfer package is concluded, DHFS will submit follow-up file maintenance to DOA

Mr. Schmiedicke
April 15, 2002
Page 4

identifying the Program 8 GPR FTE to be cut in the Governor's Budget Reform budget DIN consistent with the final Food Stamp transfer decision.

I would appreciate DOA reviewing these s.16 requests and forwarding the s.16.505/515 request to JFC as expeditiously as possible. Delays in approving these FED and PR funding and position changes diminish the Department's ability to generate the targeted GPR lapse.

Please contact me or my staff if you have questions on the attached plans.

Sincerely,



Phyllis J. Dube
Secretary

cc: Jim Johnston, DOA
Sue Jablonsky, DOA
Robert Blaine, DOA
Erin Fath, DOA
Tom Alt
John Kiesow
Division Administrators
OSF Budget Staff
Don Warnke
Cheryl Thompson
Hank Sommers

JUSTIFICATION FOR S.16.50(3)/16.54 FOR DHFS VPDM REDUCTION

Appro. 1m/149: An increase of \$16,900 FED and 0.20 FTE in FY03:

Environmental Health Positions in Division of Public Health

Non-GPR funding sources are available and appropriate to replace GPR funding for parts of environmental health positions in Division of Public Health positions. The Department is requesting to replace .20 GPR FTE and funding with .20 FED FTE for a Supervisor position in the Bureau of Environmental Health. The federal funding source is the Childhood Lead Prevention Program. (Another portion of this position, .25 FTE was already converted from GPR to PR funding in the s.16.515/16.505(2) request approved by DOA and the Joint Finance Committee on January 2, 2002.)

Appro. 4m/449: An increase of \$39,900 FED and 0.75 FTE in FY03;

Bureau of Health Information (BHI) Position Funding Changes in DHCF

The Department has determined that non-GPR funding sources are available and appropriate to replace GPR funding for portions of BHI positions. The Department is requesting to replace 0.75 GPR FTE and funding with 0.75 FED FTE for a .75 Research Analyst 6 in BHI. The funding source is federal cancer grant funding.

Appro. 6m/641: An increase of \$37,800 FED and 0.60 FTE in FY03;

Appro. 6n/640: A decrease of \$18,800 FED and 0.30 FED in FY03

Birth to Three Positions in Division of Supportive Living

The Department is requesting to replace .30 GPR FTE and funding and .30 FED FTE funded with MA administrative funding with .60 FED FTE funded with federal Birth to 3 funding for portions of three positions in the Bureau of Developmental Disabilities that work with the Birth to 3 program. Federal Birth to 3 funding is available for this purpose due to an increase in the federal FY02 award DHFS received from the U.S. Department of Education.

JUSTIFICATION FOR S.16.505/16.515 FOR DFHS VPDM REDUCTION

Appro. 2gk/228: An increase of \$191,600 PR and 2.89 FTE in FY03;

Appro. 2gk/229: An increase of \$29,800 PR and 0.32 FTE in FY03;

Appro. 2kx/267: A decrease of \$18,300 PR and 0.50 FTE in FY03;

DCTF Central Office Position Funding Changes

The Department is proposing to revise the funding for DCTF Central Office positions to reflect more accurately their support activities and therefore underlying funding sources. DCTF institutions are funded by GPR (SRSTC, WRC, parts of the MHIs) and PR (DD Centers and parts of the MHIs). A cost allocation methodology was developed based on the number of FTEs at the DCTF institutions. The cost allocation was determined to be 35%GPR, 50% PR—DD Centers, and 15% PR-MHIs. Under this proposal, these percentages are applied to the DCTF central office staff. This cost allocation methodology is not being applied to certain central office staff that are dedicated to duties funded by one particular fund source.

Appro. 2i/233: An increase of \$58,800 PR and 0.22 FTE in FY03;

PACT Funding in DCTF

The Program of Assertive Community Treatment (PACT) is a community mental health program administered by the Mendota Mental Health Institute. The program develops and evaluates community treatment alternatives for adults with severe mental illnesses who have failed in typical community programs. PACT is funded primarily from fees charged to Dane County for this program. The current contract with Dane Co. is \$806,000. Additional funding is derived from insurance revenue. Total revenue for this project is between \$900,000 and \$1 million annually. These funds currently support 12.5 PR FTE for the program. DCTF also charges another \$75,000 of salary costs that are GPR-funded to program revenue. This proposal substitutes a PR position for the GPR position.

DCTF also collects approximately \$50,000 annually at Mendota from medical honoraria that are paid to staff for services provided to other agencies or the community. These funds can be substituted for GPR that is currently used for salary and fringe for the employees who earn these honoraria.

A portion of the GPR/PR funding shift associated with this item is being accounted for under the Governor's Budget Reform Bill s.16.505/515 request.

Appro. 4gm/426: An increase of \$71,500 PR and 2.06 FTE in FY03;

Appro. 4kx/467: An increase of \$1000 PR in FY03;

Appro. 4hg/487: An increase of \$114,300 PR and 1.86 FTE in FY03

Bureau of Health Information Position Funding Changes in DHCF

The Department is requesting to replace 3.92 GPR FTE and funding with 3.92 PR FTE for positions in the Bureau of Health Information. The positions are portions of program assistant positions, a program and planning analyst, supervisory position, and research analyst. The funding sources are: vital record fees, health care data fees, and fees paid by other agencies. No fee increases are needed.

Mr. Schmiedicke

April 15, 2002

Page 7

Appro. 6jm/639: An increase of \$5,100 PR and 0.01 FTE in FY03;

AODA/Mental Health Certification Positions in DSL

The Department is requesting to replace .01 GPR FTE and funding with .01 PR FTE and funding for certain management and administrative positions in the Bureau of Quality Assurance with responsibility for mental health/AODA program certification. The PR funding source is mental health/AODA certification fee revenue. In response to an s.16.505/515 request last fall, the Department received approval from DOA and JFC on January 2, 2002 to replace 1.07 GPR FTE and funding with 1.07 PR FTE for these positions. To correct a technical error, the Department requests an additional .01 FTE and \$5,100 PR budget authority. No fee increase would be necessary.

Appro. 6kx/667: An increase of \$20,300 PR and 0.49 FTE in FY03.

Bureau of the Blind Position Funding Change

The Department is requesting to replace 0.49 GPR FTE and \$20,300 GPR with 0.49 PRS FTE and \$20,300 PRS to fund a rehabilitation specialist in the Bureau for the Blind in DSL. The funding would be federal Independent Living for Older Blind Individuals Grant funding. The funding is budgeted as PRS funding because the Department of Workforce Development Division of Vocational Rehabilitation initially receives the grant from the federal government and transmits it to DHFS. Wisconsin has received an increase in federal funding for this grant; a portion of the increase would be utilized for this proposal.

JUSTIFICATION FOR S.16.50(3)/16.54 FOR DHFS GOVERNOR'S BUDGET REFORM
BILL REDUCTIONS FOR FY03

Appro. 1m/149: An increase of \$96,000 FED and 1.03 FTE;
Appro. 1mc/190: An increase of \$92,200 FED and 1.0 FTE;
Appro. 1mc/191: An increase of \$23,900 FED and 0.28 FTE;
Funding Changes for Division of Public Health Positions

The Department is requesting to replace 2.31 GPR FTE and funding with 2.31 FED FTE. The federal funding sources are the new bioterrorism grant, the Prevention Block Grant, and the Maternal and Child Health Block Grant. Specifically, DHFS plans to shift GPR funding to the bioterrorism grant for several epidemiology positions, including .25 of the bureau director; .26 of other epidemiology positions and .20 of the chief medical officer. In addition, .50 of the primary care supervisory position, .50 of the environmental health section chief and .32 of a program assistant will be moved from GPR to the Prevention Block Grant. Finally, a small percentage of regional office management staff will be moved to the Maternal and Child Health Block Grant.

Appro. 3m/341: An increase of \$300 FED and 0.12 FTE;
Appro. 3n/342: An decrease of \$16,100 FED and an increase of 0.12 FTE;
Appro. 3n/356: A decrease of \$1,800 FED and an increase of 0.24 FTE;
Appro. 3mc/392: A decrease of 2.18 FTE

Division of Children and Family Services Positions

The Department plans to eliminate the following 3.08 FTE in the Division of Children and Family Services: .50 FTE for The Emergency Food Assistance Program (TEFAP); .50 FTE for Domestic Violence; 1.0 FTE for Safe and Stable Families (SSF); and 1.0 FTE for Migrant/Hispanic Services. These positions are currently supported by \$200,300 all funds (\$13,300 GPR and the remaining \$187,000 FED from federal grants associated with the programs). Under this proposal, the FED savings would be redirected to offset operational expenses in other DCFS program areas which are currently supported with GPR. Thus, the total 12-month GPR savings under this proposal is \$200,300.

The Department will manage the elimination of these positions so that there are no adverse program effects. The program responsibilities of the eliminated FTE for TEFAP and domestic violence will be absorbed by remaining staff in those areas. Responsibilities for the eliminated SSF position will be transferred to the Brighter Futures Initiative. The services under the Migrant/Hispanic Services program will be integrated into a variety of other DCFS programs. Since the Department of Workforce Development also has a Migrant/Hispanic Services program, the DCFS position reduction eliminates duplication across the Departments. All positions are currently filled. The Department has identified transfer opportunities within the Department for the incumbents, thereby avoiding lay-offs.

Appro. 6n/641: An increase of \$15,800 FED and 0.5 FTE;
Appro. 6n/640: A decrease of \$4,700 FED and .15 FTE
Division of Supportive Living Position Funding Changes

The Department is requesting to replace 0.35 GPR FTE and funding with 0.35 FED FTE to fund positions in DSL. The Department has determined that it can receive enhanced MA administration funding for a position in the Bureau of Developmental Disability Services. The Department will also replace GPR funding for a position for the Wisconsin Council of Developmental Disabilities with federal grant funding from the Department of Education.

Appro. 6mc/690: An increase of \$41,000 FED;

Appro. 6mc/691: An increase of \$72,000 FED;

Fund a Portion of HSRS Activities with federal block grants

The Department proposes to replace GPR funding for a portion of the Bureau for Information Services (BIS) contract for Human Services Reporting System (HSRS) related activities with federal funding by charging HSRS related activities to the Substance Abuse Prevention and Treatment (SAPT) Block Grant and Mental Health Block Grant. Federal regulations require states to collect client and expenditure data as a condition of receiving their SAPT and Mental Health Block Grant allocations. DHFS collects this data through the GPR-funded HSRS system. DHFS estimates that it could charge approximately \$41,000 to the SAPT Block Grant and \$72,000 to the Mental Health Block Grant. Currently 5 % of federal block grant funds are allowed to be used for administrative costs such as HSRS activities. This proposal would keep the Department within the 5% limit because currently DHFS spends 0.27% of the SAPT Block Grant and 0.55% of the Mental Health Block Grant allocation on administrative activities. In FFY02 Wisconsin will receive an increase of \$184,709 in its Mental Health Block grant award and an increase of approximately \$900,000 in its SAPT award. HSRS costs would be funded out of the block grant increases.

Appro. 8n/847: An increase of \$69,800 FED and 0.70 FTE;

Office of Legal Counsel Position Funding Change

The Department is requesting to replace 0.70 GPR FTE and funding with 0.70 FED FTE to fund a portion of a position in OLC. Possible federal funding sources for the position include the federal bioterrorism grant funds.

Appro. 8n/845: An increase of \$45,700 FED and 2.5 FTE;

Appro. 8mc/892: An increase of \$2,700 FED and decrease of 0.40 FTE

Position Funding Changes for Office of Strategic Finance (OSF) Positions

The Department is requesting to replace 2.1 GPR FTE and funding with 2.1 FED FTE for positions in the Office of Strategic Finance. The positions and federal funding sources are: federal Medical Assistance funding for 0.5 FTE of the OSF budget analyst position responsible for MA; federal Medical Assistance funding for 0.5 FTE of the analyst in the evaluation section responsible for the BadgerCare evaluation; federal foster care (IV-E) funding for 1.5 FTE in Area Administration (AA); and a decrease of federal Social Services Block Grant-funded FTE in Area Administration. The workload of the budget and evaluation section positions is MA-related and therefore eligible for 50% MA federal reimbursement. The AA Section generates federal funding through time reporting. For the past several years, the AA Section has generated federal IV-E funds through time study due to its activities supporting adoptions, child welfare training, the IV-E compliance review, and other IV-E reimbursable activities. There is sufficient IV-E funding generated by the AA Section to fund 1.5 FTEs.

JUSTIFICATION FOR S.16.505/16.515 FOR DHFS GOVERNOR'S BUDGET REFORM
BILL REDUCTIONS FOR FY03

Appro. 2g/225: An increase of \$62,800 PR and 0.79 FTE;
PACT Funding

The Program of Assertive Community Treatment (PACT) is a community mental health program administered by the Mendota Mental Health Institute. The program develops and evaluates community treatment alternatives for adults with severe mental illnesses who have failed in typical community programs. PACT is funded primarily from fees charged to Dane County for this program. The current contract with Dane Co. is \$806,000. Additional funding is derived from insurance revenue. Total revenue for this project is between \$900,000 and \$1 million annually. These funds currently support 12.5 PR FTE for the program. DCTF also charges another \$75,000 of salary costs that are GPR-funded to program revenue. This proposal substitutes a PR position for the GPR position.

DCTF also collects approximately \$50,000 annually at Mendota from medical honoraria that are paid to staff for services provided to other agencies or the community. These funds can be substituted for GPR that is currently used for salary and fringe for the employees who earn these honoraria.

A portion of the GPR/PR funding shift associated with this item is being accounted for under the VPDM s.16.505/515 request.

Appro. 4gm/426: An increase of \$3,200 PR and 0.15 FTE;
Appro. 4hg/487: An increase of \$61,300 PR and 1.10 FTE;
Bureau of Health Information Position Funding Changes

The Department is requesting to replace 1.25 GPR FTE and funding with 1.25 PR FTE positions in the Bureau of Health Information. The positions are a program assistant, an accountant, and research analysts. The PR funding sources are: vital record fee revenue and health care data information fees. No fee increases are needed.

Appro. 4gm/431: An increase of \$44,200 PR and 0.60 FTE;
Division of Health Care Financing Position Funding Shifts

The Department is requesting to replace 0.60 GPR FTE and funding with 0.60 PR FTE to fund positions in the Bureau of Fee for Service Benefits in DHCF. The positions are portions of 2 program and planning analysts and the source of PR funding is health facilities licensing fees.

Appro. 6jm/634: An increase of \$18,500 PR and 0.24 FTE;
RFOD Position Funding Changes

The Department is requesting to replace 0.24 GPR FTE and funding with 0.24 PR FTE to fund positions in the Bureau of Quality Assurance (BQA) in DSL. BQA employs engineers who inspect nursing homes for safety code violations and review construction plans for nursing homes and other health care facilities. This proposal replaces portions of the GPR funding for the Regional Field Operation Directors (RFOD) positions who supervise engineers. The proposal would move 3% of the costs of the supervisor positions from GPR to PR generated from fees charged for the review of the plans. Three percent is the estimated portion of the

Mr. Schmiedicke

April 15, 2002

Page 11

supervisor's time spent supervising the engineers' plan review activities. No fee increase is needed.

Appro. 8k/822: An increase of \$80,000 PR and 1.0 FTE

Position Funding Change for Bureau of Personnel Resources (BPER) Position

A change in the BPER billing methodology has generated an increase in federal revenues. BPER charges program divisions, offices and the institutions for personnel services provided. These charges are based upon a formula using data from BPER quarterly time studies and numbers of FTE within each division or office. Prior to SFY 1999, BPER billed all costs for services provided by program revenue staff and a portion of GPR staff costs as components of the billing methodology for personnel services. Based upon recommendations from a cost allocation consultant to capture additional federal revenue, billings were adjusted to include 100% of GPR costs. At the time the methodology was changed, the additional revenues were used to move GPR positions to BIS to decrease the infrastructure charged back to divisions. Based on the Department's claiming experience to date, there is sufficient federal funding being generated to convert 1.0 FTE within BPER to PR-S with no additional charges to the divisions.

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

July 3, 2002

Secretary George Lightbourn
Department of Administration
101 East Wilson Street, 10th Floor
Madison, Wisconsin 53703

Dear Secretary Lightbourn:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your request, received June 14, 2002, pursuant to s. 16.515/16.505, Stats., pertaining to a request from the Department of Corrections.

No objections have been raised concerning this request. Therefore, the request is approved.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John G. Gard in black ink.

JOHN G. GARD
Assembly Chair

BB:JG:dh

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

THE STATE OF WISCONSIN

SENATE CHAIR
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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: June 14, 2002

Re: s. 16.515/16.505, Stats. Request

Attached is a copy of a request from the Department of Administration, received June 14, 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 **Tuesday, July 2, 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
Post Office Box 7864
Madison, WI 53707-7864
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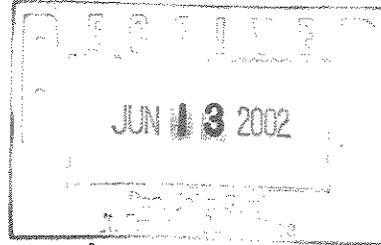
Date: June 13, 2002

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

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>2001-02</u>		<u>2002-03</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
DOC	Institution operations and			\$ 600,200 *	
20.410(1)(kk)	charges			\$ 803,000	

* One-time expenditure authority.

As provided in s. 16.515, the request(s) will be approved on July 5, 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: May 28, 2002

To: George Lightbourn, Secretary
Department of Administration

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

Subject: Request under s. 16.515 from the Department of Corrections for an increase in expenditure authority for officer uniforms.

REQUEST:

The Department of Corrections requests a one-time increase in expenditure authority of \$600,200 PR and ongoing expenditure authority of \$803,000 PR in fiscal year 2002-03 to provide centralized purchasing of officer uniforms to meet institution and correctional center needs.

REVENUE SOURCES FOR APPROPRIATION(S):

The revenue for appropriation s. 20.410(1)(kk), institutional operations and charges, is derived from the sale of service to state institutions, state agencies and local units of government.

BACKGROUND:

The Waupun Central Warehouse (WCW) makes bulk purchases of items such as paper products, inmate clothing, cereal and flour at discount prices and resells the merchandise to correctional institutions, state agencies, schools and local governments. The ability to purchase in large volume allows WCW to provide merchandise to its customers at a lower cost than if the customer purchased the product directly from a vendor. In addition, the WCW provides a single location for manufacturers to deliver goods and reduces the amount of storage room necessary for products at each location.

ANALYSIS:

A survey of correctional facilities indicated that DOC would purchase approximately 30,400 uniform components to meet correctional facility needs during fiscal year 2002-03. This will cost the WCW \$803,000 and will be resold to correctional facilities for \$867,200. DOC will also establish an inventory of officer uniforms of more than 21,000 pieces at a one-time cost of \$600,200 PR in fiscal year 2002-03. DOC anticipates the number of pieces in inventory will remain stable during subsequent fiscal years.

Centralized purchasing of officer uniforms will allow DOC to secure greater economies of scale, maintain inventory at the central warehouse and deliver uniforms more quickly to each facility. Each correctional facility currently purchases officer uniforms directly from one of four vendors through a mandatory contract. Delivery is direct from the vendor and usually takes 45-60 days. The WCW recently became the mandatory supplier of officer uniforms for Department of Corrections (DOC) facilities. Once WCW has inventory established, delivery to correctional institutions and centers will be a few days to two weeks.

As shown below, the Department of Corrections (DOC) anticipates projected revenues and expenditures for fiscal year 2002-03 will be sufficient to support the on-going increase in expenditure authority in appropriation s. 20.410(1)(kk) for the Waupun Central Warehouse.

s. 20.410(1)(kk), Waupun Central Warehouse, numeric 122

FY03

Revenues

Opening Balance (July 1, 2001)	\$ 781,100
Projected FY02 Revenues	\$10,196,300
<u>s. 16.515 for officer uniforms</u>	<u>\$ 867,200</u>
Total Available Funding	\$11,844,600

Expenditures

Projected Expenditures	\$ 9,955,200
<u>s. 16.515 for officer uniforms</u>	<u>\$ 1,403,200</u>
Total Expenditures Planned	\$11,358,400
Projected Cash Balance	\$ 486,200

The table below summarizes the numeric appropriations included in the fund.

s. 20.410(1)(kk): numerics 122, 127, 130, 135, 138	
FY03	
<u>Revenues</u>	
Opening Balance (July 1, 2001)	\$ 882,800
Projected FY02 Revenues	\$13,041,000
s. 16.515 Revenues for Officer Uniforms	<u>\$ 867,200</u>
Total Available Funding	\$14,791,000
<u>Expenditures</u>	
Projected Expenditures w/o § 16.515	\$12,857,000
s. 16.515 for Officer Uniforms	<u>\$ 1,403,200</u>
Total Expenditures Planned	\$14,260,200
Projected Cash Balance	\$ 530,800

SUMMARY:

The Department of Corrections requests a one-time increase in expenditure authority of \$600,200 PR and ongoing expenditure authority of \$803,000 PR in fiscal year 2002-03 in appropriation s. 20.410(1)(kk), institutional operations and charges, to provide centralized purchasing of officer uniforms to meet institution and correctional center needs.

RECOMMENDATION:

Approve the request.

Scott McCallum
Governor

Jon E. Litscher
Secretary



Mailing Address

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

State of Wisconsin Department of Corrections

DATE: May 16, 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- Purchasing Authority for Officer Uniforms

The Department of Corrections (DOC) requests \$600,200 one-time PR-S expenditure authority in FY03 and \$803,000 PR-S ongoing expenditure authority in FY03 in appropriation 122, §20.410(1)(kk), institutional operations and charges, to provide centralized purchasing of officer uniforms to meet institution and correctional center needs.

Revenue Sources for Appropriation

The source of revenue deposited in the appropriation under §20.410(1)(kk), institutional operations and charges, are receipts from the sale of services to state institutions, state agencies and local units of government.

Background

The Waupun Central Warehouse (WCW) makes bulk purchases of items such as paper products, inmate clothing, cereal and flour at discount prices and resells the merchandise to correctional institutions, state agencies, schools and local governments. The ability to purchase in large volume allows WCW to provide merchandise to its customers at a cost less than if the customer purchased the product directly. In addition, the WCW provides a single location for manufacturers to deliver goods and reduces the amount of storage room necessary for products at each location.

Analysis

Currently each correctional facility purchases officer uniforms directly from a mandatory contract from one of four vendors. Delivery, direct from the vendor, usually takes 45-60 days. At times delivery is delayed for months, especially if a facility purchases a small quantity or an unusual uniform size.

Facilities generally maintain a small inventory of uniforms for three reasons: they are not assured speedy deliveries when they need a uniform, institutions minimize the monetary resources tied up by maintaining minimal inventories, and most locations have very little storage space.

The WCW recently became the mandatory supplier of officer uniforms for Department facilities. The Department's intent is to order the first uniform components on July 1, 2002 for delivery to the WCS. Institutions will also be able to order the uniforms from the WCW on July 1. Assuming delivery to the WCW at the end of August (60 days), uniforms will first be delivered by WCW to institutions and centers during early September. The earliest revenues will be received by WCW in late September.

Centralizing the purchase of officer uniform components allows the Department to secure greater economies of scale, to maintain an inventory of components at the central warehouse, and to deliver uniforms within a few days to each facility. The Department's uniform vendor has estimated delivery costs to a single location (WCW) will cost the Department approximately 10-15% less than delivery to multiple locations. Even with the WCW's 8% markup, individual locations will net a 2-7% decrease in price.

A survey of all correctional facilities indicates that the Department will purchase approximately 30,400 uniform components to meet correctional facilities needs during FY03. This will cost the WCW \$803,000 and will be resold to correctional facilities for \$867,200 during FY03.

Also, the Department will invest in an inventory of officer uniforms at the WCW, of approximately 20,000 pieces, during FY03. This will cost the WCW \$600,200 during the fiscal year. The number of pieces in inventory is expected to remain stable during subsequent fiscal years.

Table 1, below, indicates the fund condition assuming approval of this request along with the WCW §16.515 submitted earlier this year.

Table 1
FY02 Partial Fund Condition
§20.410(1)(kk), Waupun Central Warehouse, numeric 122

	FY02	FY03
<u>Revenues</u>		
Opening Balance (July 1, 2001)	\$482,200	\$781,100
Lapse – Act 16	(\$500,000)	NA
Projected FY02 Revenues	\$10,196,300	\$10,196,300
§16.515 for officer uniforms	<u>\$0</u>	<u>867,200</u>
Total Available Funding	\$10,178,500	\$11,844,600
<u>Expenditures</u>		
Projected Expenditures	\$9,397,400	\$9,955,200
§16.515 for officer uniforms	<u>\$0</u>	<u>\$1,403,200</u>
Total Expenditures Planned	\$9,397,4000	\$11,358,400
Projected Cash Balance	\$781,100	\$486,200

Table 2, below, summarizes the five (5) numeric appropriations included in the fund.

Table 2
FY02 Full Fund Condition
§20.410(1)(kk): numerics 122, 127, 130, 135, 138

	FY02	FY03
<u>Revenues</u>		
Opening Balance (July 1, 2001)	\$1,336,200	\$882,800
Lapse – Act 16	(\$1,000,000)	NA
Projected FY02 Revenues	\$12,977,400	\$13,041,000
<u>§16.515 Revenues for Officer Uniforms</u>	<u>\$0</u>	<u>867,200</u>
Total Available Funding	\$13,313,600	\$14,791,000
<u>Expenditures</u>		
Projected Expenditures w/o § 16.515	\$12,430,800	\$12,857,000
§ 16.515 for Officer Uniforms	<u>\$0</u>	<u>\$1,403,200</u>
Total Expenditures Planned	\$12,430,800	\$14,260,200
Projected Cash Balance	\$882,800	\$530,800

Summary

The Department of Corrections (DOC) requests \$600,200 one-time PR-S expenditure authority in FY03 and \$803,000 PR-S ongoing expenditure authority in FY03 and FY04 in §20.410(1)(kk) to provide centralized purchasing of officer uniforms to meet institution and correctional center needs.

cc: Robert Lang, Legislative Fiscal Bureau
George Lightbourn, Department of Administration

Prepared By: Cathy Halpin, Bureau of Budget and Facilities Management
240-5538