

☞ 05hr_JC-Au_Misc_pt39



☞ Details: Audit requests, 2005

(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2005-06

(session year)

Joint

(Assembly, Senate or Joint)

Committee on Audit...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

Asbjornson, Karen

From: Roessler, Carol
Sent: Tuesday, November 22, 2005 2:13 PM
To: 'sweenja@centurytel.net'
Cc: Sen.Brown; Rep.Musser
Subject: Re: Your email

Attachments: 11-22-05 New Lisbon Correction Institution Disturbance.pdf

Dear Jerry:

Thank you for your e-mail regarding New Lisbon Correctional Institution. We appreciate you bringing this issue to our attention.

Your address indicates you are a resident of the 31st Senate District and the 92nd Assembly District that is represented by State Senator Ron Brown and Representative Terry Musser respectively. As a legislative courtesy, we have taken the liberty of forwarding your letter to Senator Brown and Representative Musser. We have asked each of them to review the issues you raised in your email because we believe they may be best positioned to respond to your questions.

Again, thank you for your e-mail.



11-22-05 New
Lisbon Correction...

Sincerely,

Carol Roessler
Co-Chairperson
Joint Legislative Audit Committee

Suzanne Jeskewitz
Co-Chairperson
Joint Legislative Audit Committee

TO BE SENT AS EMAIL W/SEN. BROWN AND REP. MUSSER CARBON COPIED:

Dear Jerry:

Thank you for your e-mail regarding New Lisbon Correctional Institution. We appreciate you bringing this issue to our attention.

Your address indicates you are a resident of the 31st Senate District and the 92nd Assembly District that is represented by State Senator Ron Brown and Representative Terry Musser respectively. As a legislative courtesy, we have taken the liberty of forwarding your letter to Senator Brown and Representative Musser. We have asked each of them to review the issues you raised in your email because we believe they may be best positioned to respond to your questions.

Again, thank you for your e-mail.

Sincerely,

Carol Roessler
Co-Chairperson
Joint Legislative Audit Committee

Suzanne Jeskewitz
Co-Chairperson
Joint Legislative Audit Committee

Asbjornson, Karen

From: Asbjornson, Karen
Sent: Monday, October 31, 2005 3:56 PM
To: Mnuk, Katie
Subject: Re: question

Hi Katie,

The Co-Chairs of the Joint Legislative Audit Committee received an email from a Jerry Sweeney of Hixton, Wisconsin. In his email he implies that the audit letter report done on inmate property is somehow related to a disturbance at New Lisbon Correctional disturbance. Forgive me, but I'm having a hard time following how reviewing how DOC tracks inmate property and LAB making suggestions for improvement on keeping inmate property inventory would cause a disturbance. Have you communicated with Mr. Sweeney before? Please let me know if you can shed some light on this situation.

Thanks!

Karen Asbjornson
Office of Senator Roessler
608-266-5300/1-888-736-8720
Karen.Asbjornson@legis.state.wi.us

Asbjornson, Karen

From: Matthews, Pam
Sent: Tuesday, October 11, 2005 8:39 AM
To: James Chrisman; Karen Asbjornson; Pam Shannon
Subject: FW: New Lisbon Correction Institution Disturbance
Attachments: Secretary Frank.doc

FYI...

From: Jerry & Jill Sweeney [mailto:sweenja@centurytel.net]
Sent: Monday, October 10, 2005 9:15 PM
To: Rep.Jeskewitz; Sen.Roessler
Subject: FW: New Lisbon Correction Institution Disturbance

Senator Roessler and Representative Jeskewitz,

In October 2003 a legislative audit was released regarding the Wisconsin Department of Corrections handling of inmate property and the inmate complaint system. I Chair the Department of Adult Institutions (DAI) Property Committee and my wife Jill is an Inmate Complaint Examiner and have a good understanding of the audit that was conducted.

I am requesting an opportunity to speak to you and explain the significance of this audit in relation to the NLCI disturbance. Inmate Property and the inmate complaint system were major contributors in this disturbance.

Thank you for your time and consideration in this matter.

-----Original Message-----

From: Jerry & Jill Sweeney [mailto:sweenja@centurytel.net]
Sent: Saturday, October 08, 2005 4:01 PM
To: sen.brown@legis.state.wi.us; sen.schultz@legis.state.wi.us; Rep Terry Musser
(rep.musser@legis.state.wi.us); rep.albers@legis.state.wi.us; 'sen.zien@legis.state.wi.us'
Subject: New Lisbon Correction Institution Disturbance

Senators Zien, Brown, Schultz and Representatives Musser and Albers

Dear Senators and Representatives,

My name is Jerry Sweeney and I am a resident of Hixton Wisconsin. I am also currently employed by the State of Wisconsin Department of Corrections and have been for the past 14 years. I have promoted through the ranks and have been in a management position for the past 7 years. I currently hold the position of Correctional Unit Supervisor at the Stanley Correctional Institution.

I was employed at the New Lisbon Correctional Institution (NLCI) from April 2004 until June 2004 holding the rank of Captain. While at NLCI I observed several things that were not conducive to good security or management practices, at the very least not in the best interests of the tax paying public.

Even after I left NLCI I continued to hear about the mismanagement, lack of problem resolution and the effect it was having on the institution climate. On November 11, 2004 NLCI had a disturbance which resulted in 13 staff being injured, many of them needing to be transported by ambulance to the hospital. This also resulted in a huge bill for the tax payers due to the amount of staff needed to regain control of

10/11/2005

the institution, transportation of inmates all over the state, investigations being conducted, due process hearings, etc. In fact this bill is still mounting and it appears the leadership within the Department has failed to recognize or acknowledge problems that lead to this incident.

I have tried to bring these issues to the attention of Secretary Frank in the most direct way I know however it appears he is disinterested in acknowledging or discussing there may be underlying issues that cultivated the climate at NLCI that resulted in the November 11, 2004 disturbance. I am attaching a letter in which I sent to him on May 19, 2005 which will explain the situation in more detail.

At this time I am asking for help from my elected officials to ensure the best interests of the tax payers, as well as staff and inmates at NLCI are being met. I am asking your consideration as elected officials to meet with those of us informed tax payers/state employees to discuss/disclose information without fear of retaliation.

I understand your time is limited however it would be greatly appreciated if you could fit this matter into your schedule for review.

Please feel free to contact me:

Jerry Sweeney
W14400 Burton Rd
Hixton, Wisconsin 54635
1-715-963-2801
e-mail sweenja@centurytel.net

Sincerely,

Jerry Sweeney

May 19, 2005

Secretary Matt Frank
Wisconsin Department of Corrections
3099 East Washington Avenue
Post Office Box 7925
Madison, Wisconsin
53707-7925

Secretary Frank,

My name is Jerry Sweeney and I currently hold the position of Correctional Unit Supervisor at Stanley Correctional Institution. Prior to my employment there I was a Supervising Officer 2 at New Lisbon Correctional Institution. I have been employed by the Department of Corrections for 14 years total. I have assisted in the opening of 4 new institutions prior to my employment at NLCI and understand the "growing pains" of a new institution. What I experienced at NLCI was beyond growing pains due to what appears to be incompetence of the leadership within NLCI.

On November 30, 2004 I met with the Division of Adult Institutions Administrator Steve Casperson in Jackson County regarding concerns about the current leadership at the New Lisbon Correctional Institution (NLCI) specifically Warden Farrey and Deputy Warden Lizzie Tegels. Mr. Casperson scheduled a second meeting with me on December 5, 2004 at which Assistant Administrator John Bett was also present.

The concerns I expressed were relating to my experiences while employed at NLCI. I informed them of the lack of action on the part of the leadership to resolve issues, which I as well as several other NLCI employee's both current and former, felt created the climate that lead up to the disturbance at NLCI on November 11, 2004. I also shared a number of e-mails as examples of how there was no follow-up/resolution to the concerns I raised. It was clear that this was having a negative impact on the institution climate for both staff morale and inmate attitude. I informed them that the frustration over not being able to get the leadership to resolve issues lead to my making a decision to leave NLCI after working there only a couple of months.

During my meeting with Mr. Casperson he expressed his frustration with me "as a leader within this Department" for not coming forward sooner. With all due respect to Mr. Casperson, I was never silent about what was going on at NLCI. From my first day at NLCI it quickly became apparent how unprepared the institution was to receive inmates and the apparent lack of leadership and decision making. On April 9, 2004 as the third Shift Commander I conducted an Emergency Preparedness Drill. In an effort to raise awareness and motivate the leadership to start making decision and resolve issues, I prepared a memo with the results from this training exercise (memo attached). A hard copy of this memo was given to Security Director, Brian Franson, and Deputy Warden Lizzie Tegel's. I also e-mailed to Security Director Brian Franson and Administrative Captain Jeff Jeager (see attached). At the time of this training exercise NLCI had inmates in the institution.

During the course of my employment at NLCI I had conversations with Wardens and Security Directors telling them about the leadership issues within NLCI. Many of them had their own stories to tell about Warden Farrey and were not surprised by what I was saying. It appears Warden Farrey was removed from the Oak Hill Correctional Center for the same type of issues.

On May 24, 2004 I informed Security Chief Sam Schneider that "NLCI is a disaster waiting to happen". I also told him that Warden Farrey did not empower her staff and did not allow them to take ownership and make decisions that needed to be made to resolve issues. I believe my quote was "staff does not have a vested interest in resolving issues. Warden Farrey's leadership style does not encourage nor allow it." Mr. Schneider informed me he would "let Steve know". In response to an e-mail Deputy Warden Lizzie Tegels sent me, I informed her of my frustration working under the leadership of NLCI. I have since been informed that there have been other people that have notified "people in Central Office" about Warden Farrey and her abusive management style long before I did. Warden Farrey's public temper tantrums, shopping for the answers she wanted, using vulgar language when she didn't get them and telling her staff they were "stupid" and "incompetent" made them fear her. It appears that no thought was given to the fact if your employees are having this difficult of a time getting issue resolved, what effect this is having on the inmates who can not walk away

from it, and many of them having anger management issues. I continued making people aware even after I left NLCI right up to two days before the NLCI disturbance. On November 9th while attending the Supervising Officer Training Conference I was talking to a Warden and again expressed my concern over the lack of leadership within NLCI.

On May 26, 2004 I responded (as the shift commander) to an incident at NLCI because an inmate was trying to assault staff with a lock in a sock. The inmate (John Ferguson #221686) then tried to assault me and I attempted to subdue him with incapacitating agents. The inmate was placed in control status and an incident report was written. On the same night, I placed Inmate Kennis, Bobby #174466 in temporary lock up status for his part during the incident. Inmate Kennis stated the inmates were upset because issues with their money, canteen, laundry, jobs, recreation, constantly being moved around the institution, staff not knowing what they were doing and inmates were tired of not getting resolution when they raised the issues. He also expressed that this would not be the last incident if things did not get better. The perception of these inmates is that it was the fault of the Unit Manager. From my experiences this was the direct result of Warden Farrey not having the institution prepared to accept inmates and not empowering her staff to make these decisions. Inmate Kennis went on to be involved in the NLCI disturbance on November 11, 2004. I am aware that many of the same issues expressed in the May incident were issues also found to be contributing factors to the November 11, 2004 disturbance. It should also be noted that some of the same issues I raised in my April 9th Emergency Preparedness memo were still a problem during this May 26th incident.

In addition to sharing the experiences I had, I also provided Mr. Casperson and Mr. Bett with names of former and current NLCI staff which were also willing to provide them with information and experiences very similar to mine. I also talked of documents which could be found within the institution that would support what we were saying. The NLCI Inmate Complaint Examiner (Jill Sweeney) was one of the people I said had pertinent information and was willing to talk to them.

In my discussions with Mr. Casperson and Mr. Bett we discussed staff's reluctance to come forward in fear of retaliation, especially with Warden Farrey's reputation of being vindictive and her public displays of rage toward her staff. I showed them an e-mail to support what I was saying. The e-mail was from a former NLCI employee that was communicating his reluctance to say anything as he feared retaliation toward his wife who is still currently working at NLCI. However, he agreed I could "put his name out there". This employee was never contacted and it appears the information I supplied was never followed up on.

During my meeting with Mr. Casperson on December 5, 2004, he told me to be prepared as this was a "Warden who is also an attorney and a political appointee of a Governor" however; I was assured that the Department would not "tolerate any retaliation." At a meeting with NLCI Management staff, Mr. Casperson and Mr. Bett also encouraged them to come forward if they had any information. With this in mind and knowing Jill was still employed and supervised by Warden Farrey and Deputy Warden Tegels, I encouraged her to contact Mr. Casperson and Mr. Bett.

On December 22, 2004 Jill Sweeney met with Mr. Bett and provided him with information and showed him more examples of issues brought forth thru the Inmate Complaint System that she presented and were not responded to by NLCI leadership. Some of these were appeals to the CCE and decisions made by Mr. Raemisch that were never followed on and still not resolved to this day, some 5 months later.

On February 8, 2005 Warden Farrey and Deputy Warden Tegels initiated disciplinary action against Jill. I contacted Mr. Bett to inform him of what was going on. From the questions asked during the investigatory it was clear Warden Farrey knew Jill had provided information to Mr. Casperson and Mr. Bett that was not favorable to her.

Per the Supervisors Manual I was allowed to represent Ms. Sweeney through 4 investigatory hearings and a pre-disciplinary hearing. As a Supervisor who has done many investigations and defended this Department in numerous grievance hearings, arbitration hearings, Personnel Commission cases and Unemployment claims, it quickly became apparent that Ms. Sweeney was not being given the same considerations to fair due process like we have done for other employees. On two occasions I contacted John Bett to inform him of what was going on.

Throughout this process I remained optimistic and confident that the Department of Corrections had a system in place that would hold true to the courage and ethics to do the right thing in which the Department says it holds. I now believe I was naive to think this to be true.

On May 19, 2005 seventy days after her pre-disciplinary hearing, Ms. Sweeney received a letter from Warden Farrey giving her 15 days leave with loss of pay. This would be the equivalent of approximately \$2200.00 loss of pay for an employee with 11 years service to the state and no prior discipline. It is apparent this investigation was conducted with a vengeance by the way facts were ignored, others were embellished and when that wouldn't work assumptions were made in an effort to ensure Ms. Sweeney received the harshest discipline.

As you are aware Ms. Sweeney filed a whistleblowers complaint with you on March 25, 2005. On April 25, 2005 Ms. Sweeney received a response from your Executive Assistant, Jessica Clark. I am concerned that your office has taken the stance that Warden Farrey's regular use of vulgar language, calling her staff stupid and incompetent, throwing pens in a fit of disgust, referring to another administrator as a "dumb ass" all in a public forum have all been down played to "Poor communications". I have seen other staff held accountable for less, why is there a different standard for the leadership at NLCI?

I do not know the legal definition of "substantial waste of tax payer funds". I do know Warden Farrey was collecting a salary from the tax payers to have NLCI prepared to house inmates, it clearly was not. I also know the tax payers have paid and are paying hundreds of thousands of dollars related to the NLCI disturbance and to correct issues not addressed by this Warden. Again, your administration refuses to consider this "mismanagement" or acknowledge the pattern, one that was very apparent in April 2004 and certainly apparent on November 11, 2004. I believe most tax payers would define this as substantial waste of tax payer funds due to mismanagement.

Warden Farrey and Lizzie Tegel's have failed to follow IMPS, SIMPS, and Administrative Codes. Failed to ensure staff had received adequate training and orientation to the institution, failed to provide inmates with an orientation to the institution, failed to implement a handbook for staff and inmates to address inmate conduct, and failed to provide staff with feedback (PPD's) on job performance. In Ms. Clark's letter to Ms. Sweeney your office is saying they did not act in "conformity" to Ms. Sweeney's "opinion of how things should be done". Are IMPS, SIMPS, Administrative Codes and Supervisor Manuals now optional to follow?

As a Supervisor I am extremely concerned about the message the current Administration appears to be sending to our staff on ethics and courage. The Department has chosen to use the harshest levels of discipline on those at the lowest levels who have had little to no control over the November 11, 2004 disturbance at NLCI, while those with the greatest responsibility go untouched. It gets worse when we send a message that reinforces our employee's fears to do the right thing and report inappropriate behavior. Allowing Warden Farrey and Deputy Warden Tegels to lead an investigation and then administer the discipline against the employees providing information against them was not a positive reinforcement of a "no tolerations for retaliation" policy, especially when it is brought to the Administrators Office while it is happening.

In dismissing Ms. Sweeney's complaint your office directs her to the Office of Diversity and Employee Services. Ms. Sweeney has already attempted this by filing a complaint with them at the same time her whistleblowers complaint was filed with your office 2 months ago. To date there has been no response from that office. Ms. Sweeney has also called and left messages with that office and again to date there has been no response.

I am concerned when I hear people expressing opinion that it appears a decision has been made to wait this Warden out as she is so close to retirement so they don't have to deal with her. Again, not a good message when the Department is trying to reinforce ethics and courage. Questions are now being asked as to why "Central Office is allowing this to happen" and "who was supervising Warden Farrey."

With what I have experienced in the past year, I question if a factual conclusion can be reached in all of this without the assistance of our shareholders from outside the Wisconsin Department of Corrections. I firmly believe this is something owed to the staff at NLCI, especially those that were injured in the disturbance, those that have since received the harshest discipline and the tax payers who we as state employee's are responsible to.

Sincerely,

Jerry Sweeney

Cc: File
Steve Casperson
John Bett
Rick Raemisch
Judi Trampf





DEBI TOWNS

STATE REPRESENTATIVE
43RD ASSEMBLY DISTRICT

NOV 23 2005

DATE: November 23, 2005

TO: Senator Carol A. Roessler and
Representative Suzanne Jeskewitz, Co-chairpersons
Joint Legislative Audit Committee

FROM: Representative Debi Towns *Debi*

SUBJECT: Request for audit of Fund 80

The purpose of this letter is to formally request that the Joint Legislative Audit Committee consider approving a state audit on Fund 80 (also known as the Community Service Fund). Below I will provide you with a brief overview of the program as well as my justification for why I believe an audit is necessary.

Section 120.13 (19), Wis. Stats., allows a school board to "establish and maintain community education, training, recreational, cultural or athletic programs and services, outside the regular curricular and extracurricular programs for pupils." Fund 80 is a separate tax levy that school districts can adopt to pay for qualified community service activities. Examples of typical community services for which this fund is used include; community recreations programs, evening swimming pool operation, day care services and other programs that use school facilities to serve community functions.

Prior to the 2001-02 school year, community service levies were included within a school district's revenue limit. According to the Audit Bureau, Fund 80 expenditures statewide for this FY were \$35,753,854. Beginning with FY 2001, with the enactment of 2001 Biennial Budget Act, community service levies were removed from a school district's revenue limit. The removal of the levy from revenue limits permitted these expenditures to grow without being subject to state mandated revenue controls. As such, in FY 2001-2002, the first year Fund 80 was excluded from the revenue limits, expenditures increased 77.9 percent to \$63.7 million. There have been corresponding increases in FY 2002-03 (19 percent) as well as FY 2003-04 (2.4 percent).

I am requesting an Audit on Fund 80 tax levies so the public can get an accurate picture as to why these expenditures have been rapidly increasing since the last year the levy was classified under the revenue limit. Since classification requirements for community service activities have not changed since 2001, it begs the question as to why the Fund 80 levies have increased so dramatically. I am requesting that this audit detail specifically what Fund 80 expenditures are being used for and more importantly if these expenditures are being appropriately classified under the Section 120.13 (19), Wis. Stats.

Thank you for your consideration of my request. I look forward to discussing this with you in the near future.

Capitol Office:
P. O. Box 8953 • Madison, WI 53708-8953
Toll-Free: (888) 534-0043 • (608) 266-9650
Fax: (608) 282-3643 • Rep.Towns@legis.state.wi.us
Website: www.legis.state.wi.us/assembly/asm43/news

43rd Assembly District:
7930 North Eagle Road • Janesville, WI 53548



WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:

State Senator Carol Roessler

State Representative Suzanne Jeskewitz

December 21, 2005

Representative Debi Towns
302 North, P.O. Box 8953
Madison, WI 53708

Dear Representative Towns:

We received the request that you recently submitted to the Joint Audit Committee. This letter serves as confirmation of that request.

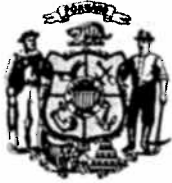
Each request submitted receives serious consideration. As conscientious legislators, we all welcome new ways to do things less expensively or more efficiently. We, as co-chairs of the committee, aim to meet once a month to discuss all requests. Shortly after the meeting, one of us will follow-up with you directly to let you know the status of your request.

Thank you again for your request and we will be in touch soon.

Sincerely,

Senator Carol Roessler
Co-chairperson
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz
Co-chairperson
Joint Legislative Audit Committee



Legislative Fiscal Bureau

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

July 24, 2006

TO: Representative Suzanne Jeskewitz
Room 314 North, State Capitol

FROM: Russ Kava, Fiscal Analyst

SUBJECT: Treatment of Community Service Levies Under Revenue Limits

In response to your request, I am providing information on school district levies for community service activities and provisions in 2001 Act 16 (the 2001-03 biennial budget act) related to those levies.

Under revenue limits, the annual increase in a school district's per pupil revenue derived from general school aids, computer aid, and property taxes is restricted. Actual general aids, computer aid, and property tax revenues received in the prior school year are used to establish the base year amount in order to compute the allowable revenue increase for the current school year. A per pupil revenue limit increase, which is adjusted annually for inflation, is added to the base revenue per pupil for the current school year. In 2005-06, this per pupil increase was \$248.48. There are several adjustments that are made to the standard revenue limit calculation, such as the declining enrollment adjustment, carryover of unused revenue authority, and the transfer of service adjustment. These adjustments generally increase a district's limit, providing the district with more revenue authority within the calculated limit. A school district can also exceed its revenue limit by receiving voter approval at a referendum.

Under the uniform financial fund accounting system prescribed by the Department of Public Instruction (DPI), school districts can establish a separate fund for community service activities. The fund, sometimes referred to as "Fund 80," is used to account for activities such as adult education, community recreation programs such as evening swimming pool operation and softball leagues, elderly food service programs, non-special education preschool or day care services, and other programs that are not elementary and secondary educational programs but have the primary function of serving the community. School districts are allowed to adopt a separate tax levy for this fund.

The major component of the limited levy under revenue limits is for general operations, but

non-referendum approved debt service and capital expansion levies are also counted toward the revenue limit. Prior to 2001 Act 16, if a district adopted a levy for community service activities, that levy was also part of the limited levy under revenue limits. Under Act 16, the community service levy was removed from that portion of the levy controlled by revenue limits. That act removed community service levies from prior year base revenues as well as the current year revenue limit. Thus, a district's 2000-01 community service levy was not included in its 2000-01 base revenues as the starting point for determining the 2001-02 revenue limit. The per pupil adjustment and the other recurring and nonrecurring adjustments used to calculate revenue limits all applied as under current law. The district then had the option of levying for community service activities outside, rather than inside, revenue limits, with the amount a district could levy for general operations generally remaining unchanged. The total levy used in base revenues for the purpose of calculating revenue limits in subsequent years also excludes the community service levy under current law.

Because of this change in 2001 Act 16, it was estimated that the cost of the state two-thirds funding would be reduced by \$11.33 million annually. To reflect this estimate, Act 16 reduced funding for general school aids by \$11.33 million GPR annually.

The following table shows the number of districts that levied for community service activities and the amount levied for these purposes statewide since 2000-01, which is the last year these levies were included under revenue limits.

**Community Service Levies
(\$ in Millions)**

	<u>Number of School Districts</u>	<u>Total Amount Levied</u>	<u>Change to Prior Year</u>	
			<u>Amount</u>	<u>Percent</u>
2000-01	119	\$17.0		
2001-02	149	24.1	\$7.1	41.8%
2002-03	204	35.2	11.1	46.1
2003-04	218	40.4	5.2	14.8
2004-05	237	45.9	5.5	13.6
2005-06	240	48.9	3.0	6.5

The attachment shows, for 2005-06, the amount levied by each school district for community service activities, the total property tax levy, and the percent that the community service levy represents of the total levy.

Staff from DPI indicate that some school district expenditures for operations, maintenance, or capital expenditures could justifiably be supported from either from a district's operational levy or its community service levy. Some concerns have been raised that, now that the community

service levy has been removed from revenue limits, school districts have less incentive to control expenditures for these purposes. While some of the increases to the community service levies shown in the table above may have been anticipated prior to the Act 16 changes, some of the increase may be attributable to those changes. Expenditures made from a district's community service fund, however, are not aidable under the equalization aid formula. Depending on the per pupil property value and cost of a district, this may provide either an incentive or a disincentive for the district to shift operational expenditures to the community service levy.

A June, 2002, letter from DPI to school district administrators and business managers provided additional guidance on the use of the community service fund. The Department indicated that community service activities:

- are provided outside of a district's regular and extracurricular programs for pupils;
- take place outside of the regular school instructional and extracurricular time periods;
- are open to everyone in the community, on an age-appropriate basis;
- result in a direct cost being incurred to operate the program; and
- are funded on a cost-recovery basis through user fees unless the school board determines that such activities should be funded through the levy.

The Department indicated that the following costs should not be funded through the community service levy:

- activities limited to pupils enrolled in the district;
- expenditures for the welfare and safety of pupils and staff in school instructional programs;
- districtwide instructional program administration and support services;
- facilities, sites, and improvements not specifically for community service activities; and
- expenditures such as maintenance, security, and utility costs unless directly associated with community service activities.

I hope this information is helpful. Please contact me if you have further questions.

RK/lah
Attachment

ATTACHMENT

2005-06 Community Service Levies

<u>School District</u>	<u>Community Service Levy</u>	<u>Total Levy</u>	<u>Community Service Levy as % of Total Levy</u>	<u>School District</u>	<u>Community Service Levy</u>	<u>Total Levy</u>	<u>Community Service Levy as % of Total Levy</u>
Abbotsford	\$0	\$1,167,292	0.0%	Black Hawk	\$0	\$1,128,676	0.0%
Adams-Friendship Area	97,000	8,437,943	1.1	Black River Falls	0	4,811,726	0.0
Albany	0	1,611,637	0.0	Blair-Taylor	0	1,679,084	0.0
Algoma	0	2,263,336	0.0	Bloomer	0	3,863,220	0.0
Alma	0	995,806	0.0	Bonduel	0	3,034,004	0.0
Alma Center	0	1,280,408	0.0	Boscobel Area	5,000	1,578,838	0.3
Almond-Bancroft	0	1,349,771	0.0	Boulder Junction J1	135,000	2,879,450	4.7
Altoona	15,000	4,544,401	0.3	Bowler	0	971,752	0.0
Amery	50,000	7,456,690	0.7	Boyceville Community	67,600	2,298,150	2.9
Antigo	140,000	8,286,608	1.7	Brighton #1	0	1,141,904	0.0
Appleton Area	850,000	50,042,944	1.7	Brillion	8,000	2,567,605	0.3
Arcadia	0	3,064,063	0.0	Bristol #1	5,000	2,659,131	0.2
Argyle	1,000	1,046,341	0.1	Brodhead	0	2,822,049	0.0
Arrowhead UHS	15,000	14,187,360	0.1	Brown Deer	91,691	10,884,638	0.8
Ashland	0	5,039,321	0.0	Bruce	22,875	2,243,173	1.0
Ashwaubenon	0	13,680,085	0.0	Burlington Area	63,000	11,891,430	0.5
Athens	0	1,442,356	0.0	Butternut	5,000	1,097,895	0.5
Auburndale	5,273	1,749,869	0.3	Cadott Community	4,500	1,632,942	0.3
Augusta	137,035	2,358,273	5.8	Cambria-Friesland	0	1,253,511	0.0
Baldwin-Woodville Area	44,160	5,678,626	0.8	Cambridge	220,000	5,836,559	3.8
Bangor	0	1,826,584	0.0	Cameron	0	2,264,256	0.0
Baraboo	164,021	10,891,849	1.5	Campbellsport	0	5,845,560	0.0
Barneveld	0	1,653,117	0.0	Cashton	4,963	1,294,827	0.4
Barron Area	22,061	3,745,288	0.6	Cassville	1,121	1,026,261	0.1
Bayfield	213,864	4,145,214	5.2	Cedar Grove-Belgium Area	42,849	4,122,731	1.0
Beaver Dam	59,056	10,810,295	0.5	Cedarburg	63,000	18,621,991	0.3
Beecher-Dunbar-Pembine	0	2,645,190	0.0	Central/Westosha UHS	115,000	5,853,265	2.0
Belleville	19,600	3,415,054	0.6	Chetek	25,000	4,733,286	0.5
Belmont Community	0	848,626	0.0	Chilton	106,571	3,813,409	2.8
Beloit	0	14,057,899	0.0	Chippewa Falls Area	244,816	16,321,819	1.5
Beloit Turner	50,390	3,872,535	1.3	Clayton	0	980,533	0.0
Benton	10,000	604,219	1.7	Clear Lake	30,000	1,605,455	1.9
Berlin Area	24,692	5,118,293	0.5	Clinton Community	0	3,674,957	0.0
Big Foot UHS	170,041	7,284,440	2.3	Clintonville	128,212	5,476,496	2.3
Birchwood	65,900	2,924,944	2.3	Cochrane-Fountain City	0	2,252,588	0.0

<u>School District</u>	<u>Community Service Levy</u>	<u>Total Levy</u>	<u>Community Service Levy as % of Total Levy</u>	<u>School District</u>	<u>Community Service Levy</u>	<u>Total Levy</u>	<u>Community Service Levy as % of Total Levy</u>
Colby	\$50,000	\$1,972,289	2.5%	Fox Point J2	\$0	\$8,382,464	0.0%
Coleman	0	2,741,347	0.0	Franklin Public	284,728	23,516,671	1.2
Colfax	0	1,742,539	0.0	Frederic	17,677	2,850,821	0.6
Columbus	90,000	4,846,731	1.9	Freedom Area	15,000	4,477,566	0.3
Cornell	0	1,446,172	0.0	Friess Lake	0	2,155,430	0.0
Crandon	0	5,341,416	0.0	Galesville-Ettrick	30,000	2,777,192	1.1
Crivitz	0	5,926,505	0.0	Geneva J4	0	1,426,113	0.0
Cuba City	0	2,496,576	0.0	Genoa City J2	0	1,476,237	0.0
Cudahy	156,364	9,234,392	1.7	Germantown	155,972	25,550,006	0.6
Cumberland	99,796	5,091,353	2.0	Gibraltar Area	0	7,504,846	0.0
D C Everest Area	50,000	15,783,178	0.3	Gillett	13,400	1,849,461	0.7
Darlington Community	33,080	2,069,652	1.6	Gilman	40,000	1,594,768	2.5
Deerfield Community	50,000	3,232,304	1.5	Gilmanton	0	582,408	0.0
DeForest Area	21,230	16,187,996	0.1	Glendale-River Hills	115,740	9,421,530	1.2
Delavan-Darien	46,058	10,824,213	0.4	Glenwood City	15,000	2,182,593	0.7
Denmark	4,770	4,346,708	0.1	Glidden	0	1,204,272	0.0
DePere	0	13,725,795	0.0	Goodman-Armstrong	0	1,319,812	0.0
DeSoto Area	0	2,483,595	0.0	Grafton	0	12,739,029	0.0
Dodgeland	0	3,493,872	0.0	Granton Area	18,000	943,061	1.9
Dodgeville	0	6,419,227	0.0	Grantsburg	8,000	3,168,130	0.3
Dover #1	0	319,766	0.0	Green Bay Area	0	68,552,505	0.0
Drummond	0	5,078,812	0.0	Green Lake	17,500	4,619,642	0.4
Durand	15,000	3,512,058	0.4	Greendale	990,000	13,398,442	7.4
East Troy Community	23,000	9,199,217	0.3	Greenfield	149,019	18,124,384	0.8
Eau Claire Area	784,843	48,716,409	1.6	Greenwood	0	2,099,362	0.0
Edgar	17,518	1,479,585	1.2	Hamilton	33,500	22,425,229	0.1
Edgerton	79,666	7,399,872	1.1	Hartford J1	75,000	6,885,301	1.1
Elcho	30,000	3,929,655	0.8	Hartford UHS	70,803	10,438,656	0.7
Eleva-Strum	0	1,824,551	0.0	Hartland-Lakeside J3	168,460	9,889,325	1.7
Elk Mound Area	0	2,248,818	0.0	Hayward Community	0	15,414,734	0.0
Elkhart Lake-Glenbeulah	0	3,240,053	0.0	Herman #22	0	523,446	0.0
Elkhorn Area	83,155	11,391,528	0.7	Highland	60,000	1,153,846	5.2
Ellsworth Community	123,000	6,465,777	1.9	Hilbert	0	1,386,551	0.0
Elmbrook	112,858	68,684,340	0.2	Hillsboro	20,000	1,340,156	1.5
Elmwood	0	1,352,236	0.0	Holmen	0	9,711,416	0.0
Erin	10,000	1,970,879	0.5	Horicon	42,000	3,076,617	1.4
Evansville Community	0	5,619,349	0.0	Hortonville	0	11,376,108	0.0
Fall Creek	0	2,017,938	0.0	Howards Grove	0	3,399,856	0.0
Fall River	0	1,340,116	0.0	Howard-Suamico	0	16,275,117	0.0
Fennimore Community	0	1,648,717	0.0	Hudson	0	23,760,552	0.0
Flambeau	40,000	2,324,965	1.7	Hurley	10,000	3,244,226	0.3
Florence	0	4,395,251	0.0	Hustisford	215,613	2,465,867	8.7
Fond du Lac	901,384	23,699,367	3.8	Independence	0	1,469,210	0.0
Fontana J8	0	3,088,514	0.0	Iola-Scandinavia	2,000	2,695,321	0.1
Fort Atkinson	0	10,720,235	0.0	Iowa-Grant	0	1,818,473	0.0

<u>School District</u>	<u>Community Service Levy</u>	<u>Total Levy</u>	<u>Community Service Levy as % of Total Levy</u>	<u>School District</u>	<u>Community Service Levy</u>	<u>Total Levy</u>	<u>Community Service Levy as % of Total Levy</u>
Ithaca	\$0	\$1,293,475	0.0%	Marshfield	\$0	\$11,740,792	0.0%
Janesville	0	29,312,944	0.0	Mauston	142,794	6,185,717	2.3
Jefferson	86,436	6,795,514	1.3	Mayville	0	4,513,234	0.0
Johnson Creek	43,467	2,783,571	1.6	McFarland	232,574	10,457,919	2.2
Juda	10,854	972,058	1.1	Medford Area	67,000	5,356,238	1.3
Kaukauna Area	115,000	12,612,833	0.9	Mellen	0	1,113,054	0.0
Kenosha	1,142,626	66,553,032	1.7	Melrose-Mindoro	0	2,178,558	0.0
Kettle Moraine	219,388	26,832,327	0.8	Menasha	56,300	10,987,678	0.5
Kewaskum	0	8,816,722	0.0	Menominee Indian	0	2,460,683	0.0
Kewaunee	0	3,603,061	0.0	Menomonee Falls	286,680	29,160,838	1.0
Kickapoo Area	0	1,543,644	0.0	Menomonie Area	63,000	14,030,478	0.4
Kiel Area	82,600	4,487,518	1.8	Mequon-Thiensville	189,000	37,470,563	0.5
Kimberly Area	29,000	12,991,404	0.2	Mercer	0	1,934,911	0.0
Kohler	174,029	4,206,788	4.1	Merrill Area	87,500	9,326,226	0.9
Lac du Flambeau #1	0	4,725,891	0.0	Merton Community	5,701	3,329,239	0.2
LaCrosse	597,997	36,116,700	1.7	Middleton-Cross Plains	297,706	41,022,920	0.7
Ladysmith-Hawkins	32,598	3,382,153	1.0	Milton	82,102	9,970,385	0.8
LaFarge	0	873,227	0.0	Milwaukee	8,077,455	226,360,163	3.6
Lake Country	20,836	5,876,718	0.4	Mineral Point	0	2,545,328	0.0
Lake Geneva J1	317,744	9,296,832	3.4	Minocqua J1	80,000	5,901,457	1.4
Lake Geneva-Genoa UHS	257,000	13,031,500	2.0	Mishicot	0	3,003,233	0.0
Lake Holcombe	500	2,901,506	0.0	Mondovi	0	2,116,128	0.0
Lake Mills Area	47,127	5,848,129	0.8	Monona Grove	235,861	16,916,813	1.4
Lakeland UHS	177,432	11,425,111	1.6	Monroe	749,458	9,296,736	8.1
Lancaster Community	3,000	2,414,002	0.1	Montello	0	3,758,269	0.0
Laona	0	1,391,214	0.0	Monticello	0	1,412,371	0.0
Lena	0	1,325,317	0.0	Mosinee	228,503	6,529,326	3.5
Linn J4	0	1,891,014	0.0	Mount Horeb Area	0	8,758,352	0.0
Linn J6	25,000	1,508,311	1.7	Mukwonago	135,780	20,815,672	0.7
Little Chute Area	21,550	3,993,528	0.5	Muskego-Norway	71,189	26,510,696	0.3
Lodi	40,000	8,796,769	0.5	Necedah Area	0	3,364,782	0.0
Lomira	0	3,294,287	0.0	Neenah	631,133	26,909,065	2.3
Loyal	30,000	1,306,969	2.3	Neillsville	100,000	2,616,147	3.8
Luck	18,812	2,526,648	0.7	Nekoosa	85,000	6,607,596	1.3
Luxemburg-Casco	48,610	6,191,978	0.8	Neosho J3	0	797,156	0.0
Madison Metropolitan	8,587,841	200,363,255	4.3	New Auburn	0	2,163,604	0.0
Manawa	0	2,514,635	0.0	New Berlin	0	42,289,462	0.0
Manitowoc	0	17,086,703	0.0	New Glarus	0	3,276,662	0.0
Maple	0	4,700,094	0.0	New Holstein	0	3,982,080	0.0
Maple Dale-Indian Hill	40,007	5,708,561	0.7	New Lisbon	17,000	2,542,687	0.7
Marathon City	0	2,955,365	0.0	New London	123,815	7,058,733	1.8
Marinette	0	7,058,084	0.0	New Richmond	110,204	8,597,619	1.3
Marion	10,000	1,786,490	0.6	Niagara	15,000	1,377,765	1.1
Markesan	16,500	4,565,539	0.4	Nicolet UHS	97,500	15,798,980	0.6
Marshall	0	3,405,137	0.0	Norris	0	5,000	0.0

<u>School District</u>	<u>Community Service Levy</u>	<u>Total Levy</u>	<u>Community Service Levy as % of Total Levy</u>	<u>School District</u>	<u>Community Service Levy</u>	<u>Total Levy</u>	<u>Community Service Levy as % of Total Levy</u>
North Cape	\$0	\$855,402	0.0%	Prescott	\$60,000	\$5,847,667	1.0%
North Crawford	1,200	1,671,578	0.1	Princeton	25,000	2,616,818	1.0
North Fond du Lac	0	3,648,150	0.0	Pulaski Community	484,895	11,721,423	4.1
North Lake	45,000	2,715,803	1.7	Racine	0	55,716,941	0.0
Northern Ozaukee	80,000	5,117,894	1.6	Randall J1	0	2,913,505	0.0
Northland Pines	0	17,311,817	0.0	Randolph	0	1,832,295	0.0
Northwood	6,350	4,241,723	0.1	Random Lake	0	3,610,220	0.0
Norwalk-Ontario-Wilton	9,000	1,525,140	0.6	Raymond #14	0	1,423,016	0.0
Norway J7	0	572,976	0.0	Reedsburg	17,395	9,172,337	0.2
Oak Creek-Franklin	50,000	23,495,644	0.2	Reedsville	30,000	2,194,230	1.4
Oakfield	1,717	1,409,475	0.1	Rhineland	148,500	17,690,714	0.8
Oconomowoc Area	570,000	31,968,021	1.8	Rib Lake	0	1,917,714	0.0
Oconto	10,261	3,806,928	0.3	Rice Lake Area	0	9,258,282	0.0
Oconto Falls	20,000	6,535,694	0.3	Richfield J1	0	3,099,191	0.0
Omro	0	3,615,420	0.0	Richland	0	5,671,213	0.0
Onalaska	218,654	10,405,044	2.1	Richmond	0	2,014,791	0.0
Oostburg	34,000	3,389,674	1.0	Rio Community	0	2,165,250	0.0
Oregon	321,265	16,680,747	1.9	Ripon	144,664	5,475,246	2.6
Osceola	10,000	6,714,323	0.1	River Falls	0	14,313,535	0.0
Oshkosh Area	674,000	30,850,833	2.2	River Ridge	0	1,523,874	0.0
Osseo-Fairchild	143,588	3,060,908	4.7	River Valley	20,000	6,078,237	0.3
Owen-Withee	20,000	1,258,531	1.6	Riverdale	0	2,059,136	0.0
Palmyra-Eagle Area	150,000	6,419,329	2.3	Rosendale-Brandon	20,000	3,348,459	0.6
Pardeeville Area	0	3,455,245	0.0	Rosholt	0	2,471,971	0.0
Paris J1	0	1,285,829	0.0	Royall	0	2,023,970	0.0
Park Falls	0	3,862,582	0.0	Rubicon J6	0	612,746	0.0
Parkview	20,000	3,317,326	0.6	Saint Croix Central	35,000	4,913,941	0.7
Pecatonica Area	0	1,916,729	0.0	Saint Croix Falls	20,000	5,389,827	0.4
Pepin Area	0	1,889,854	0.0	Saint Francis	460,000	4,652,843	9.9
Peshtigo	0	2,474,232	0.0	Salem J2	0	3,506,900	0.0
Pewaukee	0	21,956,634	0.0	Sauk Prairie	385,000	12,232,132	3.1
Phelps	0	2,631,670	0.0	Seneca	103,000	1,236,568	8.3
Phillips	125,000	3,976,093	3.1	Sevastopol	20,000	6,270,895	0.3
Pittsville	0	2,126,500	0.0	Seymour Community	44,000	5,096,890	0.9
Platteville	0	4,642,111	0.0	Sharon J11	21,533	712,217	3.0
Plum City	9,000	1,173,301	0.8	Shawano-Gresham	95,137	8,999,502	1.1
Plymouth	154,151	8,615,646	1.8	Sheboygan Area	1,064,156	32,756,528	3.2
Port Edwards	3,000	1,532,061	0.2	Sheboygan Falls	235,296	5,467,415	4.3
Port Washington-Saukville	243,732	11,559,237	2.1	Shell Lake	60,000	3,075,050	2.0
Portage Community	26,597	9,764,156	0.3	Shiocton	4,000	2,238,003	0.2
Potosi	0	1,005,089	0.0	Shorewood	633,817	14,200,787	4.5
Poynette	2,000	4,088,506	0.0	Shullsburg	0	879,825	0.0
Prairie du Chien Area	125,000	4,166,786	3.0	Silver Lake J1	0	2,089,208	0.0
Prairie Farm	10,500	1,017,383	1.0	Siren	30,758	4,140,754	0.7
Prentice	0	2,602,350	0.0	Slinger	0	12,208,653	0.0

School District	Community Service Levy	Total Levy	Community Service Levy	School District	Community Service Levy	Total Levy	Community Service Levy
			as % of Total Levy				as % of Total Levy
Solon Springs	\$0	\$2,066,126	0.0%	Waterloo	\$65,000	\$2,891,424	2.2%
Somerset	0	6,363,822	0.0	Watertown	211,304	13,320,346	1.6
South Milwaukee	499,325	11,306,814	4.4	Waukesha	400,000	66,568,292	0.6
South Shore	0	2,124,833	0.0	Waunakee Community	52,500	15,790,809	0.3
Southern Door	14,600	7,070,124	0.2	Waupaca	0	11,021,751	0.0
Southwestern Wisconsin	0	1,454,988	0.0	Waupun	0	6,956,173	0.0
Sparta Area	69,000	7,125,067	1.0	Wausau	436,820	32,981,330	1.3
Spencer	0	1,770,077	0.0	Wausaukee	8,000	5,232,943	0.2
Spooner	0	8,991,205	0.0	Wautoma Area	54,000	6,506,337	0.8
Spring Valley	100,000	2,446,505	4.1	Wauwatosa	441,024	34,074,897	1.3
Stanley-Boyd Area	115,000	2,206,691	5.2	Wauzeka-Steuben	15,000	528,531	2.8
Stevens Point Area	754,599	25,558,603	3.0	Webster	27,800	6,835,539	0.4
Stockbridge	0	1,407,573	0.0	West Allis	1,998,710	36,200,052	5.5
Stone Bank	14,442	3,247,600	0.4	West Bend	140,000	25,070,333	0.6
Stoughton Area	284,091	13,889,179	2.0	West DePere	0	11,595,526	0.0
Stratford	0	1,984,532	0.0	West Salem	103,766	5,377,009	1.9
Sturgeon Bay	46,206	6,403,728	0.7	Westby Area	83,190	3,668,572	2.3
Sun Prairie Area	0	32,050,010	0.0	Westfield	0	6,679,552	0.0
Superior	66,632	14,389,421	0.5	Weston	18,836	1,090,629	1.7
Suring	0	4,308,596	0.0	Weyauwega-Fremont	0	3,879,102	0.0
Swallow	27,200	3,935,205	0.7	Weyerhaeuser Area	0	1,531,112	0.0
Thorp	0	1,359,334	0.0	Wheatland J1	13,778	2,219,241	0.6
Three Lakes	4,175	7,478,001	0.1	White Lake	0	1,702,902	0.0
Tigerton	0	1,190,991	0.0	Whitefish Bay	436,747	17,613,693	2.5
Tomah Area	0	6,786,122	0.0	Whitehall	0	1,593,788	0.0
Tomahawk	119,000	8,581,236	1.4	Whitewater	170,000	9,914,505	1.7
Tomorrow River	13,000	3,010,435	0.4	Whitnall	192,566	13,962,116	1.4
Trevor Grade School	0	1,526,473	0.0	Wild Rose	0	5,207,697	0.0
Tri-County Area	5,149	2,453,142	0.2	Williams Bay	0	6,368,679	0.0
Turtle Lake	2,000	3,830,125	0.1	Wilmot Grade School	13,118	712,734	1.8
Twin Lakes #4	0	2,777,224	0.0	Wilmot UHS	0	8,511,073	0.0
Two Rivers	107,657	5,658,665	1.9	Winneconne Community	40,000	6,695,108	0.6
Union Grove J1	0	1,839,765	0.0	Winter	0	3,697,514	0.0
Union Grove UHS	100,000	3,618,283	2.8	Wisconsin Dells	0	13,851,899	0.0
Unity	267,386	7,223,179	3.7	Wisconsin Heights	0	5,045,698	0.0
Valders Area	90,393	4,653,276	1.9	Wisconsin Rapids	350,000	16,564,051	2.1
Verona Area	285,261	25,802,436	1.1	Wittenberg-Birnamwood	0	3,210,673	0.0
Viroqua Area	0	4,124,085	0.0	Wonewoc-Union Center	0	1,595,066	0.0
Wabeno Area	0	4,550,532	0.0	Woodruff J1	15,377	4,825,017	0.3
Walworth J1	0	1,584,206	0.0	Wrightstown Community	0	4,287,568	0.0
Washburn	0	2,160,817	0.0	Yorkville J2	1,500	1,463,252	0.1
Washington	7,892	1,100,002	0.7	STATEWIDE	\$48,944,844	\$3,592,272,872	1.4%
Washington-Caldwell	0	630,445	0.0				
Waterford J1	20,000	6,100,311	0.3				
Waterford UHS	0	5,071,121	0.0				

Asbjornson, Karen

From: Matthews, Pam
Sent: Monday, July 24, 2006 12:11 PM
To: Shea, Heather
Cc: Asbjornson, Karen; Gustafson, Sara
Subject: RE: Fund 80 Audit Request

Hi Heather - I saw the article in yesterday's paper, but thanks for the reminder! Sue already had someone approach her yesterday about this in her community. I'm cc'ing Karen and Sara in Roessler's office so they will get this too.

FYI, the request is still in "pending" as are a number of other worthy requests. The co-chairs won't be moving anything forward for a while since there is no capacity at the moment, but Rep. Towns' request is still under consideration as far as I know.

Pam

Pamela B. Matthews
Research Assistant
Office of Representative Sue Jeskewitz

Madison: 608.266.3796
Toll free: 888.529.0024
pam.matthews@legis.state.wi.us

From: Shea, Heather
Sent: Monday, July 24, 2006 11:24 AM
To: Matthews, Pam; Handrick, Diane
Subject: Fund 80 Audit Request

Pam and Diane -

I just wanted to give you girls a heads up on some news traction lately regarding Rep. Towns audit request on Fund 80. Last week we received a few inquires into this issue. In case you have not seen a copy of the story, here is the link for easy access <http://www.jsonline.com/story/index.aspx?id=475496>.

We have been getting a number of calls this morning from radio and tv based on the story. So I wanted to alert your office of this story in case you should receive calls yourself. I'm not sure who the contact is in Sen. Roessler's office so I've only sent this to your office.

Heather Shea

Legislative Assistant
Representative Debi Towns
Phone: 608-266-9650
<http://www.legis.state.wi.us/assembly/asm43/news/index.htm>



www.jsonline.com | [Return to regular view](#)

Original Story URL:

<http://www.jsonline.com/story/index.aspx?id=475496>

Community service levies climb since cap lifted

Lawmaker requests audit as school districts across state raise taxes to support programs

By AMY HETZNER
ahetzner@journalsentinel.com

Posted: July 22, 2006

Five years after state legislators released them from state-imposed revenue caps, school districts' community service tax levies have nearly tripled, reaching \$49 million this year.

Advertisement The rampant growth in these property taxes - earmarked for community-based activities - took place as the total levies for schools statewide rose by 22.7%.

That has raised concerns about school districts skating around revenue limits and has prompted one lawmaker to request an audit of the program.

State Rep. Debi Towns (R-Janesville) said she is curious why property taxes that pay for recreational and community activities offered by school districts have grown so much since the 2000-'01 school year. In that time, the number of school districts raising taxes for such services has doubled to 240.

"I'm not saying anyone's mispending. I'm just saying the fund has grown tremendously, and the purpose never changed," said Towns, chairman of the Assembly Education Committee. In November, Towns called for the Legislative Audit Bureau to study how select school districts use their community service levies.

"So that, of course, leads to a natural questioning of what are they doing differently now than they were doing before," she said.

The growth in the community service levies is expected to continue next year.

Arts, police, pools

Already, Milwaukee Public Schools has launched a arts education program through its recreation centers that it expects to fund with \$1 million in community service funds. The Mukwonago School District plans to keep a police officer in its high school, despite the recent loss of a grant, with a \$60,000 boost

in property taxes from its community service levy.

The Menomonee Falls School District, which has not raised its levy for recreation and community activities in more than a decade, is counting on a \$180,000, or 63%, increase next school year to continue operating one of its two pools.

School administrators say they have a simple explanation for why they are turning to their community service levies more now than they did when they were capped - it didn't matter before. Because both the general and community service funds were restricted by revenue caps and eligible for state aid, it was simply an accounting preference whether a district paid for it from one fund or the other.

Athletics or academics?

But once the Legislature removed the caps on the community service levies for the 2000-'01 school year and gave school districts an opportunity to keep their recreational activities from conflicting with educational programs, more took advantage of it.

"I think - when you look at districts across the state - that's really what caused the jump," said Art Rainwater, superintendent of the Madison Metropolitan School District, which in 2005-'06 had the largest community service levy in the state.

Like some of the bigger community service funds, Madison's supports a full recreation department with adult and youth programming. But it also helps pay for television production activities, after-school activities, a gay and lesbian community program coordinator and part of a social worker's time to work with low-income families, Rainwater said.

The School District's community service levy is expected to grow to \$10.5 million in the coming school year. In contrast, the same levy for Milwaukee Public Schools - which serves nearly four times as many children in its educational programs - is expected to reach \$9.3 million, said Michelle Nate, the district's director of finance.

Although the state Department of Public Instruction has issued guidelines to school districts on how they should use their community service levies, it leaves it up to local residents to decide whether their school boards do so wisely and legally.

In the Greendale School District, which at \$990,000 had the sixth-largest community service levy in the state last school year, business manager Erin Gauthier-Green acknowledges that her school system has gotten good use out of the fund.

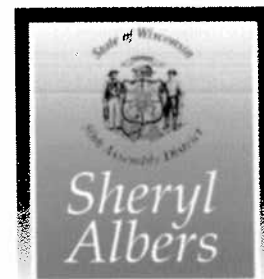
But she also said the School District plans to reduce the property taxes it levies for community services by \$300,000 next year now that it has completed some repair projects and before taxpayers complain.

"We know it can be a hot-button issue," Gauthier-Green said.

From the July 23, 2006 editions of the Milwaukee Journal Sentinel
Have an opinion on this story? [Write a letter to the editor](#) or start an [online forum](#).

Subscribe today and receive 4 weeks free! [Sign up now](#).





December 6, 2005

Rep. Suzanne Jeskewitz
Co-Chair, Joint Audit Committee
Room 314 North, State Capitol
Madison WI 53708

Sen. Carol Roessler
Co-Chair, Joint Audit Committee
Room 8 South, State Capitol
Madison WI 53707

Dear Rep. Jeskewitz and Sen. Roessler,

I would like to request the Legislative Audit Bureau to examine current practices of audits performed by the Department of Revenue, as to sales and use taxes due by contractors in Wisconsin.

Over the past several years, contractors have been frustrated about the distinction between "personal" and "real" property. For example, when a sink is located in a bathroom, it is considered "personal" property. When it is located elsewhere in the house, it may be classified as "real" property, which is taxed differently. The process is extraordinarily confusing for contractors, their employees, their accountants whether they are electricians, plumbers, etc., especially when they are engaged in the field. Contractors would like to see clarity brought to the process so that if audited the proper allocation was performed throughout the year. Otherwise, contractors subjected to an audit, given a bill by DOR auditor, told the bill is non-negotiable are being subjected to unreasonable regulation because DOR rules and the law itself is not clear.

Whether the Department of Revenue is performing legitimate audits must be examined by looking at the following:

How are the auditors trained?

Were discussions had with a business' employees and its owner to educate them as to errors?

Are the policies regarding audits clear?

Are the rules being fairly enforced?

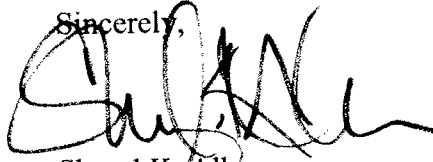
DOR collected \$38.7 million on contractor audits in 6 months. This \$38.7 covered the budget shortfall which causes one to wonder whether these audits are legitimate, or were they an overzealous bill collecting process akin to treatment by the Mafia?

A sampling of determinations should be compared for consistency to ensure all audited were treated fairly.

An audit would determine whether DOR rules are responsible for the confusion, or if something is seriously wrong with how audits are performed.

Please feel free to contact my office with any questions you might have. Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sheryl K. Albers', written over the word 'Sincerely,'.

Sheryl K. Albers
State Representative
50th Assembly District

cc: Janice Mueller, Legislative Audit Bureau

Albers:

Talked – Jeff @ length – wouldn't hurt to do audit. Would work with LAB to develop in-depth

Appeal rights not in bill...audit still

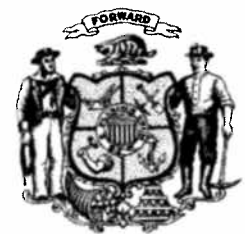
Simple circum

Holiday wholesale – small bottle of shampoo – sell to Kalahari – hotel rooms and gift shop...DOR audits Holiday wholesale – DOR doesn't believe agreement...assess tax

Joe - 146 - reg.



WISCONSIN STATE LEGISLATURE





WISCONSIN STATE LEGISLATURE

Joint Legislative Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

December 14, 2005

Mr. Michael Morgan, Secretary
Department of Revenue
2135 Rimrock Road, Room 624-A
Madison, Wisconsin 53713

Dear Mr. Morgan:

As co-chairpersons of the Joint Legislative Audit Committee, we have received the enclosed letter from Representative Sheryl Albers requesting the nonpartisan Legislative Audit Bureau to review the process used by the Department of Revenue to audit contractor sales and use taxes.

The request letter reports confusion among contractors as to the distinction between personal and real property, and raises questions about the overall auditing process used by the Department. In order to better inform our deliberations about this audit request, we invite you to prepare a written response that:

- describes the Department's overall process for sales and use tax auditing;
- describes the training provided by the Department to sales and use tax auditors;
- identifies the source of potential areas of confusion about the distinction between personal and real property about which the Department may be aware; and
- characterizes the type of "education" an auditor typically provides to a contractor about this distinction and about the sales and use tax audit findings related to their business.

The request letter states that the Department collected \$38.7 million in audits of contractor sales and use taxes in a six month period and suggests that the Department may be uniquely targeting contractors for audits. Therefore, in your written reply, please respond specifically to this allegation.

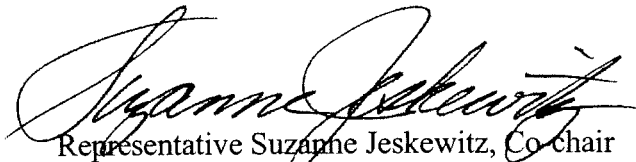
We would appreciate receiving your response on or before January 13, 2006. The additional information you provide will be helpful to us as we consider whether to advance this audit request for consideration by the full membership of the Joint Legislative Audit Committee.

Thank you for your cooperation and assistance. We look forward to receiving your response on January 13th.

Sincerely,



Senator Carol A. Roessler, Co-chair
Joint Legislative Audit Committee



Representative Suzanne Jeskewitz, Co-chair
Joint Legislative Audit Committee

Enclosure

cc: Representative Sheryl Albers

Janice Mueller
State Auditor



WISCONSIN STATE LEGISLATURE

Joint Legislative Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

December 14, 2005

Ms. Helene Nelson, Secretary
Department of Health and Family Services
1 West Wilson Street, Room 650
Madison, Wisconsin 53701

Dear Ms. Nelson:

As co-chairpersons of the Joint Legislative Audit Committee, we have received the enclosed letter from Senator Luther Olsen requesting the nonpartisan Legislative Audit Bureau to conduct an audit of the Wisconsin Vital Records Office, which is housed in the Department of Health and Family Services.

This audit request raises particular concerns about Wisconsin's compliance with the provisions of the federal Intelligence Reform and Terrorism Prevention Act of 2004. In addition, the audit request suggests that the computer system used to manage vital records is outdated and may pose barriers for certain user groups.

In order to be better informed for our deliberations about this audit request, we invite you to prepare a written response to the specific questions enumerated in Senator Olsen's letter. We would appreciate receiving your response on or before January 13, 2006. The additional information you provide will be helpful to us as we consider whether to advance this audit request for consideration by the full membership of the Joint Legislative Audit Committee.

Thank you for your cooperation and assistance. We look forward to receiving your response on January 13th.

Sincerely,

Senator Carol A. Roessler, Co-chair
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz, Co-chair
Joint Legislative Audit Committee

Enclosure

cc: Senator Luther Olsen

Janice Mueller
State Auditor