



Legislative Fiscal Bureau

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November 6, 2013

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Wisconsin Historical Society: Section 13.10 Request for 1.0 SEG Position -- Agenda Item II

REQUEST

On October 24, 2013, the Wisconsin Historical Society (WHS) requested the creation of 1.0 SEG position as a sales and marketing specialist. This position would be funded from the s. 20.245(1)(r) appropriation from the history preservation partnership trust fund. This appropriation authorizes WHS to expend all moneys received by the fund, so WHS does not require Committee approval of an increase to the appropriation relating to the requested position.

ANALYSIS

The WHS Press publishes around 15 books per year and the quarterly Wisconsin Magazine of History. The WHS Press has 5.5 permanent positions and uses approximately 14 additional limited-term employees (LTEs) to support its operations. The hours worked by the 14 LTE positions would be equivalent to approximately 8 full-time positions.

One of the areas in which an LTE position has been used relates to marketing book sales to accounts in Wisconsin and the Midwest. This function had been fulfilled by contracting with sales representatives from the University of Chicago Press. However, the WHS Press ended this arrangement in the fall of 2012 after inadequate sales numbers and has used LTE staff since that time. Although this in-house staff has been more successful in focusing on the state's publications, the limited pay, benefits, and duration of the LTE position used for this purpose has resulted in turnover, with three people leaving for other jobs in 2013.

Staff from WHS indicate that the type of sales and marketing activity associated with the LTE position would benefit from greater continuity of staffing. Having the same person working in this role could allow the staff person to gain greater familiarity with the product line and the

Wisconsin and regional market, and could facilitate building customer relationships that would enhance sales.

Based on information from WHS, the current LTE position has an annual costs of approximately \$28,000, while a permanent position would be budgeted at \$61,000, including salary and fringe benefit costs. In either case, these expenditures would be supported with revenues generated from book sales that are deposited in the history partnership preservation trust fund, so that no general fund costs would be incurred. In 2012-13, the fund had \$3.2 million in earned revenues, of which approximately \$860,000 was attributable to the WHS Press. Staff from WHS estimate that the requested permanent position would result in increased revenues from additional book sales generated by sustained marketing that would significantly exceed the additional costs associated with the position. There are no vacant SEG positions in this area that WHS could use to staff this function.

ALTERNATIVES

1. Approve the request to create 1.0 SEG position as a sales and marketing specialist for the WHS Press under the s. 20.245(1)(r) appropriation.
2. Deny the request.

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