

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY01 Adjusted Base	FY02 Recommended	% Change Over FY01	FY03 Recommended	% Change Over FY02
GPR	234,339,000	207,727,800	-11.4	206,608,900	-0.5
PR-F	606,748,500	822,494,100	35.6	734,440,100	-10.7
PR-O	35,378,600	36,617,600	3.5	37,388,500	2.1
PR-S	122,864,900	113,648,700	-7.5	110,554,700	-2.7
SEG-O	8,255,000	9,904,200	20.0	9,552,500	-3.6
TOTAL	1,007,586,000	1,190,392,400	18.1	1,098,544,700	-7.7

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY01 Adjusted Base	FY02 Recommended	FTE Change From FY01	FY03 Recommended	FTE Change From FY02
GPR	299.13	294.31	-4.82	294.31	0.00
PR-F	1,438.75	1,445.82	7.07	1,445.82	0.00
PR-O	255.12	235.72	-19.40	235.72	0.00
PR-S	441.20	403.95	-37.25	403.95	0.00
SEG-O	7.50	7.50	0.00	7.50	0.00
TOTAL	2,441.70	2,387.30	-54.40	2,387.30	0.00

AGENCY DESCRIPTION

The department consists of seven operating divisions and the Office of the Secretary. The divisions are Equal Rights, Worker's Compensation, Workforce Excellence, Unemployment Insurance, Administrative Services, Economic Support and Vocational Rehabilitation.

The department's functions include:

- Developing and maintaining systems for unemployment compensation, worker's compensation and other income maintenance benefit payments to help minimize the effects of decreased or irregular purchasing power of workers due to unemployment or work-related injury or illness and to promote self-sufficiency.
- Implementing and administering the Wisconsin Works (W-2) program.
- Assisting employers looking for workers and people looking for jobs.
- Developing training opportunities to improve job skills of Wisconsin residents in order to help business and industry meet skilled work force needs.
- Providing leadership among the state agencies on the development of employment and training policy and planning.

- Coordinating local planning and effective delivery of labor exchange and employment and training program services.
- Providing programs, services, assessment and training to people with disabilities to develop skills needed to obtain employment.
- Promoting compliance with laws and codes designed to protect the public from discrimination in employment, housing and public accommodations and to assure adherence to fair labor standards.
- Oversight of county programs to establish income maintenance eligibility, paternity, and child support orders, and to collect the child support.

The Labor and Industry Review Commission is attached to the department for administrative purposes. This three-member body decides appeals on department decisions in disputed equal rights, worker's compensation and unemployment compensation cases.

The Wisconsin Conservation Corps, along with the Wisconsin Conservation Corps Board, is attached to the department for administrative purposes. The corps provides public service employment on approved environmental or human services projects to young men and women (corps enrollees). The projects are designed to provide not only employment but training and personal development for the enrollees.

The Governor's Work Base Learning Board is also attached to the department for administrative purposes. The board replaces the Division of Connecting Education and Work within the department. The 1999-2001 state budget created a seventeen-member Work-Based Learning Board to administer a number of existing and new school-to-work programs.

MISSION

The mission of the department is to build a world class work force, work environment and economy.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Workforce Development

Goal: Job applicants who use job centers will gain wider access to available jobs in Wisconsin.

Objective/Activity: Increase employers access to available labor pools and job seekers access to available jobs by increasing the number of job openings posted on JobNet.

Goal: Provide temporary economic assistance to Wisconsin's unemployed workers and to stabilize the Wisconsin economy by paying unemployment insurance benefits as quickly as possible.

Objective/Activity: First payment promptness for paying intrastate worker claims for unemployment insurance will exceed the federal standard established by the secretary of the Department of Labor.

Program 3: Economic Support

Goal: Promote the self-sufficiency of participants by providing services that result in increased earned income.

Objective/Activity: Increase the employment placement average hourly wage of W-2 and food stamp participants.

Goal: Promote family stability and the movement to self-sufficiency by providing child care subsidies to low-income working families at less than 200 percent of the federal poverty level.

Objective/Activity: Increase the use of child care subsidies to assist low-income families in obtaining and retaining employment. The targets shown for state fiscal years 2001-02 and 2002-03 are based on continuing additional funding.

Program 5: Vocational Rehabilitation Services

Goal: Obtain, maintain and improve employment for people with disabilities by working with vocational rehabilitation consumers, employers and other partners.

Objective/Activity: Provide high-quality employment preparation, assistive technology and placement services to eligible individuals not on the Order of Selection waiting list.

PERFORMANCE MEASURES

Prog. No.	Performance Measure	Actual 2000	Goal 2001	Goal 2002	Goal 2003
1.	Number of job openings listed on JobNet.	218,162	235,615	254,464	274,821
1.	Exceed the 87 percent Department of Labor standard for intrastate promptness of first pays by six percent or a minimum of 93 percent.	95%	93%	93%	93%
3.	Maintain or increase W-2 hourly average wage at time of employment placement.	\$7.52	\$7.76	\$7.86	\$8.00
3.	Increase the number of families receiving child care subsidies.	17,869	19,656	20,639	21,671
5.	Number of individuals achieving an employment outcome will increase over prior year. (From RSA National Standard for Employment Outcomes.)	4,453	4,600	4,700	4,200*

* With the implementation of a larger waiting list, the Division of Vocational Rehabilitation anticipates a reduction in new cases with a resultant reduction in employment outcomes.

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. DVR Client Services
2. Division of Community Service Programs
3. Budget Efficiency Measures
4. Work Permit System and Fee
5. Reduce the Wait Time for a Worker's Compensation Hearing
6. Turnover Exemption
7. Worker's Compensation Information Technology Services
8. Fond du Lac Roof Replacement
9. Project Positions for Redesign
10. ASD Position Realignment
11. ASD Position Reduction
12. TANF/CCDF Allocations
13. Child Support
14. Centralized Receipt and Disbursement Interest
15. Food Stamp Reinvestment
16. Transfer of MA Functions
17. Reform Studies Lapse
18. Public Assistance Collection Unit Positions
19. Conservation Corps Member Benefits
20. Conservation Corps Appropriation Changes
21. Conservation Corps Crew Reduction
22. Modify Appropriation Structure
23. Transfer Career Centers to Work-Based Learning Board
24. Federal and Program Revenue Reestimates
25. Labor and Industry Review Council Reestimates
26. Standard Budget Adjustments

ITEMS NOT APPROVED

27. Consolidated Financial System
28. Alpha Positions
29. Conservation Corps Administrative Support

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY00	ADJUSTED		GOVERNOR'S		
		BASE FY01	AGENCY REQUEST		RECOMMENDATION	
			FY02	FY03	FY02	FY03
GENERAL PURPOSE REVENUE	\$262,965.1	\$234,339.0	\$204,960.3	\$207,303.7	\$207,727.8	\$206,608.9
State Operations	48,316.2	45,397.5	36,610.7	38,954.1	39,046.5	37,927.6
Local Assistance	397.3	579.1	579.1	579.1	579.1	579.1
Aids to Ind. & Org.	214,251.6	188,362.4	167,770.5	167,770.5	168,102.2	168,102.2
FEDERAL REVENUE (1)	594,136.5	606,748.5	808,955.8	874,739.0	822,494.1	734,440.1
State Operations	201,145.5	211,176.0	237,161.6	227,342.7	237,798.8	227,231.2
Local Assistance	71,439.4	62,401.6	49,443.5	49,443.5	49,443.5	49,443.5
Aids to Ind. & Org.	321,551.6	333,170.9	522,350.7	597,952.8	535,251.8	457,765.4
PROGRAM REVENUE (2)	109,102.7	158,243.5	160,205.4	162,218.2	150,266.3	147,943.2
State Operations	70,115.2	86,493.1	97,568.6	99,581.4	95,760.0	96,436.9
Local Assistance	1,695.9	3,759.0	3,759.0	3,759.0	3,759.0	3,759.0
Aids to Ind. & Org.	37,291.6	67,991.4	58,877.8	58,877.8	50,747.3	47,747.3
SEGREGATED REVENUE (3)	6,140.9	8,255.0	9,724.2	9,725.9	9,904.2	9,552.5
State Operations	2,763.9	4,555.0	6,024.2	6,025.9	6,204.2	5,852.5
Aids to Ind. & Org.	3,377.0	3,700.0	3,700.0	3,700.0	3,700.0	3,700.0
TOTALS-ANNUAL	972,345.2	1,007,586.0	1,183,845.7	1,253,986.8	1,190,392.4	1,098,544.7
State Operations	322,340.8	347,621.6	377,365.1	371,904.1	378,809.5	367,448.2
Local Assistance	73,532.6	66,739.7	53,781.6	53,781.6	53,781.6	53,781.6
Aids to Ind. & Org.	576,471.8	593,224.7	752,699.0	828,301.1	757,801.3	677,314.9

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 2
Department Position Summary by Funding Source (in FTE positions) (4)

	ADJUSTED		GOVERNOR'S		
	BASE FY01	AGENCY REQUEST		RECOMMENDATION	
		FY02	FY03	FY02	FY03
GENERAL PURPOSE REVENUE	299.13	294.31	294.31	294.31	294.31
FEDERAL REVENUE (1)	1,438.75	1,460.82	1,460.82	1,445.82	1,445.82
PROGRAM REVENUE (2)	696.32	650.42	650.42	639.67	639.67
State Operations	692.92	647.02	647.02	636.27	636.27
Local Assistance	3.40	3.40	3.40	3.40	3.40
SEGREGATED REVENUE (3)	7.50	7.50	7.50	7.50	7.50
TOTALS-ANNUAL	2,441.70	2,413.05	2,413.05	2,387.30	2,387.30
State Operations	2,438.30	2,409.65	2,409.65	2,383.90	2,383.90
Local Assistance	3.40	3.40	3.40	3.40	3.40

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

**Table 3
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY00	ADJUSTED BASE FY01	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY02	FY03	FY02	FY03
1. Workforce development	\$180,196.5	\$188,980.6	\$216,269.0	\$208,926.3	\$212,058.4	\$201,386.6
2. Review commission	2,242.1	2,462.1	2,678.7	2,696.2	2,674.0	2,686.8
3. Economic support	716,597.2	730,243.1	875,634.3	953,098.9	882,180.9	801,455.9
5. Vocational rehabilitation services	66,298.7	66,678.6	69,713.2	69,713.2	70,213.2	70,213.2
6. Community service programs	4,866.0	5,960.6	5,952.7	5,954.4	9,668.1	9,204.4
7. Governor's work-based learning board	2,144.7	13,261.0	13,597.8	13,597.8	13,597.8	13,597.8
TOTALS	972,345.2	1,007,586.0	1,183,845.7	1,253,986.8	1,190,392.4	1,098,544.7

**Table 4
Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY01	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY02	FY03	FY02	FY03
1. Workforce development	1,703.81	1,674.41	1,674.41	1,654.16	1,654.16
2. Review commission	30.00	30.00	30.00	30.00	30.00
3. Economic support	287.89	289.64	289.64	277.64	277.64
5. Vocational rehabilitation services	391.25	389.75	389.75	389.75	389.75
6. Community service programs	11.00	11.50	11.50	18.00	18.00
7. Governor's work-based learning board	17.75	17.75	17.75	17.75	17.75
TOTALS	2,441.70	2,413.05	2,413.05	2,387.30	2,387.30

(4) All positions are State Operations unless otherwise specified

1. DVR Client Services

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00
PR-F	1,800,000	0.00	1,800,000	0.00	1,800,000	0.00	1,800,000	0.00
PR-O	-400,000	0.00	-400,000	0.00	-400,000	0.00	-400,000	0.00
TOTAL	2,400,000	0.00	2,400,000	0.00	2,400,000	0.00	2,400,000	0.00

The Governor recommends providing \$1,000,000 GPR, \$1,800,000 PR-F and -\$400,000 PR-O in each year for case aids in the Division of Vocational Rehabilitation (DVR) to reduce the state's reliance on third party matching funds. To receive federal aid for vocational rehabilitation, the state is required to provide 21.3 percent of total case aids in state matching funds. In FY00, over 20 percent of the state's match came from contracts with third parties such as technical college districts and county governments. With the addition of new GPR, third party contracts will make up only 4.7 percent of the state's total case aids matching funds in FY02.

2. Division of Community Service Programs

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	48,500	0.50	48,500	0.50
PR-F	0	0.00	0	0.00	3,736,700	3.00	3,738,400	3.00
PR-S	0	0.00	0	0.00	308,100	2.50	313,300	2.50
TOTAL	0	0.00	0	0.00	4,093,300	6.00	4,100,200	6.00

The Governor recommends creating a new Division of Community Service Programs in the department. The new division will consist of: (a) the Wisconsin Conservation Corps; (b) the National Community Service Board; (c) the Alliance for Wisconsin Youth; and (d) the Wisconsin Service Corps. In addition, the division will serve as the state's liaison with local Operation Fresh Start programs around Wisconsin. An unclassified position will be transferred from the Division of Workforce Excellence to serve as division administrator. This organizational structure will permit a more efficient and effective operation of these programs.

3. Budget Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-502,600	0.00	-502,600	0.00
TOTAL	0	0.00	0	0.00	-502,600	0.00	-502,600	0.00

The Governor recommends reducing the agency's largest GPR state operations appropriation in the amounts shown to create additional operational efficiencies. If within 90 days of the publication of the budget bill the agency submits a plan to the Department of Administration and the Joint Committee on Finance to reallocate some or all of the reductions to other sum certain state operations appropriations within the agency, the secretary of the Department of Administration will forward any approved reallocation plans to the Joint Committee on Finance for its review and approval.

4. Work Permit System and Fee

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	325,000	0.00	650,000	0.00	162,500	0.00	325,000	0.00
TOTAL	325,000	0.00	650,000	0.00	162,500	0.00	325,000	0.00

The Governor recommends providing \$162,500 PR in FY02 and \$325,000 PR in FY03 to fund the development and maintenance of an automated child labor work permit system. The state currently charges a \$5.00 fee to issue a work permit to a minor. Of this amount, \$2.50 is retained by the agency, primarily schools, that issues the permit. The remaining \$2.50 goes to the general fund. Under this initiative, the fee would be raised to \$7.50 and the additional \$2.50 that is collected will be deposited in a new department appropriation to develop the automated work permit system.

5. Reduce the Wait Time for a Worker's Compensation Hearing

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	206,000	3.00	248,300	3.00	85,400	0.00	113,800	0.00
TOTAL	206,000	3.00	248,300	3.00	85,400	0.00	113,800	0.00

The Governor recommends providing \$85,400 PR in FY02 and \$113,800 PR in FY03 to reduce the time a worker's compensation claimant must wait to receive a hearing. These funds will allow the department to convert 2.0 FTE existing program assistant positions into 2.0 FTE administrative law judge positions.

6. Turnover Exemption

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	58,900	0.00	58,900	0.00	58,900	0.00	58,900	0.00
TOTAL	58,900	0.00	58,900	0.00	58,900	0.00	58,900	0.00

The Governor recommends reducing the amount removed from the Division of Worker's Compensation as part of the turnover reduction standard budget adjustment. The division dedicates a high proportion of its permanent salary funding to administrative law judges (ALJs) even though ALJs constitute a much smaller proportion of the division's overall work force. Since ALJs have a very low rate of turnover, removing the full three percent turnover standard budget adjustment forces the division to maintain an artificially high vacancy rate in other classifications.

7. Worker's Compensation Information Technology Services

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	781,000	1.00	785,600	1.00	212,400	0.00	212,400	0.00
PR-S	741,200	0.00	741,200	0.00	0	0.00	0	0.00
TOTAL	1,522,200	1.00	1,526,800	1.00	212,400	0.00	212,400	0.00

The Governor recommends providing \$212,400 PR in each year for information technology costs at the Division of Worker's Compensation. The division is increasingly using information technology services to archive previously litigated cases and improve its responsiveness to insurance companies and employers. 1999 Wisconsin Act 9 provided one-time funds for information technology projects. This recommendation will add these funds to the department's base budget.

8. Fond du Lac Roof Replacement

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	40,000	0.00	0	0.00	40,000	0.00	0	0.00
TOTAL	40,000	0.00	0	0.00	40,000	0.00	0	0.00

The Governor recommends providing \$40,000 PR-F in FY02 to repair the roof at the Fond du Lac Employment Security Building.

9. Project Positions for Redesign

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	0	13.00	0	13.00	0	13.00	0	13.00
PR-S	217,000	0.00	217,000	0.00	0	0.00	0	0.00
TOTAL	217,000	13.00	217,000	13.00	0	13.00	0	13.00

The Governor recommends providing 13.0 FTE PR-F two-year project positions to aid in the development and implementation of an unemployment insurance tax and wage reporting redesign that was authorized under 1997 Wisconsin Act 39. The project positions will be funded by reallocated federal revenue.

10. ASD Position Realignment

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	-0.50	0	-0.50	0	-0.50	0	-0.50
PR-F	65,100	0.25	65,100	0.25	65,100	0.25	65,100	0.25
PR-S	160,500	1.00	160,500	1.00	160,500	1.00	160,500	1.00
TOTAL	225,600	0.75	225,600	0.75	225,600	0.75	225,600	0.75

The Governor recommends reallocating existing positions in the Administrative Services Division (ASD) to meet program needs.

11. ASD Position Reduction

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	0	0.00	0	-9.25	0	-9.25
TOTAL	0	0.00	0	0.00	0	-9.25	0	-9.25

The Governor recommends deleting 9.25 FTE PR-S from the Administrative Services Division (ASD) to reflect changes recommended in approving a s. 16.505/515, Wisconsin Statutes, request from the department.

12. TANF/CCDF Allocations

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	186,301,800	12.00	262,003,900	12.00	197,039,800	0.00	119,724,700	0.00
PR-S	0	0.00	0	0.00	-8,130,500	0.00	-11,130,500	0.00
TOTAL	186,301,800	12.00	262,003,900	12.00	188,909,300	0.00	108,594,200	0.00

The Governor recommends funding changes to reflect ongoing funding for the Wisconsin Works (W-2) program and to maintain other programs that serve families eligible for Temporary Assistance for Needy Families (TANF).

The Governor's W-2/TANF budget includes \$150.4 million GPR in each year. In addition, primarily federal funding and unspent revenue from the previous biennium also available for the program totals \$651.8 million in FY02 and \$501.4 million in FY03. Under the budget, projected expenditures total \$742.3 million in FY02 and \$651.9 million in FY03.

The table below outlines the Governor's recommended funding levels (all funds):

	<u>FY02</u>	<u>FY03</u>
1. <u>Next W-2 Contract.</u> Funding to support the third round of W-2 contracts, which begin January 1, 2002. Included are funds to support W-2 subsidized employment, administration, program services and performance bonuses.	94,431,500	183,303,200
2. <u>Current W-2 Contract.</u> Funding to support the remainder of the current W-2 contract.	157,658,100	0
3. <u>Direct Child Care Services.</u> Funding to support the W-2 child care subsidy program.	242,750,000	242,750,000
4. <u>Indirect Child Care Services.</u> Funding to support the W-2 child care subsidy program and W-2 child care providers, including funding for resource and referral services, licensing, child care scholarships and bonuses, and quality improvement grants to child care providers. For more information on child care licensing, see Department of Health and Family Services, Program 3 - Children and Family Services, Item #42.	16,253,800	16,439,000
5. <u>Child Care Pass Through.</u> Funding to support local units of government in expanding and improving the quality of child care in local communities. The funding originates from the matching component of the federal Child Care Development Fund (CCDF), with local units of government providing the matching funds.	17,495,000	17,481,100
6. <u>State Administration.</u> Funding for state administration costs, fraud and public assistance collections activities, the Partnership for Full Employment, and the Milwaukee County child welfare liaison.	24,736,200	24,742,500
7. <u>Emergency Assistance.</u> Funding for assistance to families facing a current emergency due to fire, flood, natural disaster, energy crisis or homelessness.	3,300,000	3,300,000
8. <u>Public Assistance Funerals and Burials.</u> Funding to fully fund funeral reimbursement rates which were increased from \$1,000 to \$1,500 on January 1, 2001.	4,550,200	4,550,200

Workforce Development**594**

	<u>FY02</u>	<u>FY03</u>
9. <u>Children First</u> . Funding for work programs for noncustodial parents who are in arrears in meeting their child support obligations.	2,800,000	2,800,000
10. <u>Employment Transportation</u> . Funding for grants to organizations working to provide transportation solutions for low-income families.	2,000,000	2,000,000
11. <u>Youth Work-Based Learning Programs</u> . Funding transferred to the Governor's Work-Based Learning Board to support the School-to-Work program, the Self-Paced Youth Apprenticeship program and the Southeast Youth Employment program.	6,399,000	2,000,000
12. <u>Workforce Attachment Fund</u> . Funding for postemployment services that promote job retention and advancement for low-income families who are members of the work force. The department shall allocate half of the funding to W-2 agencies and half of the funding to work force development geographic areas.	10,000,000	10,000,000
13. <u>Community Youth Grants</u> . Funding for programs that improve the social, academic and employment skills of TANF-eligible youth. These funds will support contract obligations which expire during FY02.	7,079,700	0
14. <u>Literacy Initiative</u> . Funding for literacy programs targeted to TANF-eligible families. The Governor's literacy director will continue to coordinate and oversee this initiative with assistance from the department. Funds in FY02 support contract obligations expiring in FY02, as well as provide funding for additional grants in FY03.	1,425,800	800,000
15. <u>Early Childhood Excellence Initiative</u> . Funding for grants to innovative child care providers to create model centers for early childhood learning. The funds would support current contract obligations which expire in FY02 as well as provide funding for additional grants in FY03.	7,500,000	7,500,000
16. <u>Alcohol or Other Drug Abuse Initiative</u> . Funding to support additional community-based alcohol and other drug abuse treatment programs for TANF-eligible families. These funds are to support contract obligations which expire during FY02.	500,000	0
17. <u>Fatherhood Initiative</u> . Funding to provide grants to local community-based organizations and to distribute education materials that promote fathers' involvement in parenting.	200,000	200,000
18. <u>Job Access Loans</u> . Funding for no-interest loans made by W-2 agencies to participants for addressing short-term workplace needs.	1,000,000	1,000,000
19. <u>Employment Skills Advancement</u> . Funding for grants to low-income, working parents for the costs of training or education in a vocational training or education program.	100,000	100,000
20. <u>Food Stamps for Qualified Aliens</u> . Funding to provide food stamp benefits to qualified aliens who are not eligible under the guidelines of the federal Food Stamp program.	550,000	550,000
21. <u>Milwaukee Private Industry Council</u> . Funding for administrative oversight and coordinating activities of Milwaukee W-2 agencies.	500,000	500,000

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	<u>FY02</u>	<u>FY03</u>
22. <u>Child Support</u> . Funding to pay the federal government its share of assigned child support collections and to pay incentives to county child support agencies based on the amount of child support collected.	18,682,100	18,682,100
23. <u>Kinship Care</u> . Funding to support the Kinship Care program under which a child who is at risk of abuse or neglect may live with a relative. See Department of Health and Family Services, Program 3 - Children and Family Services, Item #37.	24,565,300	24,565,300
24. <u>Children of SSI Parents</u> . Funding to support the SSI supplement to SSI parents who have a child that previously qualified for Aid to Families with Dependent Children benefits. See Department of Health and Family Services, Program 3 - Children and Family Services, Item #70.	18,288,800	16,771,600
25. <u>Transfer to the Social Services Block Grant (SSBG)</u> . Funding transferred from the TANF block grant to the SSBG program to support low-income persons. Federal law reduces the amount that may be transferred from 10.0 percent to 4.25 percent of the TANF block grant beginning in federalFY02. This federal reduction is offset with increased GPR in the Department of Health and Family Services. See Department of Health and Family Services, Program 3 - Children and Family Services, Item #33.	18,086,200	13,494,000
26. <u>Earned Income Tax Credit</u> . Funding for the refundable portion of the tax credit for those individuals who are TANF-eligible. See Shared Revenue and Tax Relief, Item #12.	51,244,500	53,665,500
27. <u>Nutritional Services for Women/Infants</u> . Funding for per capita nutritional services and administrative funding for the same local agencies that run the Women, Infants and Children (WIC) program. However, this funding will be used in conjunction with, but not transferred to, the WIC program.	1,000,000	1,000,000
28. <u>Adolescent Services and Pregnancy Prevention</u> . Funding for pregnancy prevention grants and programs for adolescents currently administered by the Department of Health and Family Services and the Adolescent Pregnancy Prevention and Pregnancy Services Board that are funded with GPR.	1,821,300	1,821,300
29. <u>Domestic Violence Services</u> . Funding for grants to organizations that provide services to victims of domestic abuse.	1,000,000	1,000,000
30. <u>Immunization Education and Outreach</u> . Funding for education and outreach activities promoting the statewide immunization program.	1,000,000	1,000,000
31. <u>Aid to Milwaukee Public Schools</u> . Funding to support several early childhood education programs for TANF-eligible children at or administered by Milwaukee Public Schools.	1,410,000	1,410,000
32. <u>Head Start</u> . Funding to support 34 federally-designated Head Start agencies providing educational activities and other early-childhood services to low-income children.	3,712,500	3,712,500
33. <u>Badger Challenge</u> . Funding to support programs for high school disadvantaged youth to help them remain in and finish their high school education.	83,200	83,200

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		<u>FY02</u>	<u>FY03</u>
34.	<u>Early Identification of Pregnancy.</u> Funding to supplement the Department of Health and Family Services' program with outreach and case management services.	100,000	100,000
35.	<u>Child Abuse Neglect and Prevention Board.</u> Funding to support the 17 family resource centers that currently receive grants.	340,000	340,000

13. Child Support

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	2,000,000	0.00	2,000,000	0.00
PR-O	463,400	0.00	463,400	0.00	1,881,500	0.00	2,446,500	0.00
SEG-O	1,300,000	0.00	1,300,000	0.00	1,500,000	0.00	1,500,000	0.00
TOTAL	1,763,400	0.00	1,763,400	0.00	5,381,500	0.00	5,946,500	0.00

The Governor recommends the following changes to the child support program in order to continue to fund base child support operations:

1. Increase the base level of centralized receipt and disbursement (CR&D) fees in each year.
2. Increase the CR&D fee charged to child support obligors from \$25 a year to \$35 a year.
3. Broaden the applicability of the use of income withholding and institute the use of income tax intercept to collect CR&D fees.
4. Use undistributed child support funds for state administration costs.
5. Increase the department's child support base budget in each year to reflect transferring these funds from the Joint Committee on Finance's supplemental appropriation to the department.

14. Centralized Receipt and Disbursement Interest

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	167,500	0.00	167,500	0.00	447,500	0.00	447,500	0.00
TOTAL	167,500	0.00	167,500	0.00	447,500	0.00	447,500	0.00

The Governor recommends an increase of expenditure authority based on a projected increase in the interest earnings generated on child support collections that are now receipted and disbursed centrally.

15. Food Stamp Reinvestment

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	1,000,000	0.00	1,000,000	0.00	0	0.00
TOTAL	0	0.00	1,000,000	0.00	1,000,000	0.00	0	0.00

The Governor recommends increased funding in FY02 to be used for food stamp reinvestment activities such as participant outreach and other error reduction projects. The Governor also recommends requiring the department to reallocate \$500,000 in reserve, excess federal funds in FY02 for this program.

16. Transfer of MA Functions

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	-30,660,100	-4.82	-30,660,100	-4.82	-30,660,100	-4.82	-30,660,100	-4.82
PR-F	-30,660,100	-8.18	-30,660,100	-8.18	-30,660,100	-8.18	-30,660,100	-8.18
PR-O	0	-0.50	0	-0.50	0	-0.50	0	-0.50
PR-S	0	-6.50	0	-6.50	0	-6.50	0	-6.50
TOTAL	-61,320,200	-20.00	-61,320,200	-20.00	-61,320,200	-20.00	-61,320,200	-20.00

The Governor recommends transferring the administration of Medical Assistance (MA) eligibility, including related positions and funding, from the department to the Department of Health and Family Services. This transfer is consistent with the memorandum of understanding signed by both departments to transfer this program in FY01.

17. Reform Studies Lapse

The Governor recommends lapsing to the general fund \$1,200,000 GPR from the public assistance reform studies appropriation at the end of FY02. This lapse will reduce a balance of funds in this appropriation.

18. Public Assistance Collection Unit Positions

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	37,600	1.00	50,200	1.00	37,600	1.00	50,200	1.00
PR-O	37,700	1.00	50,200	1.00	37,700	1.00	50,200	1.00
TOTAL	75,300	2.00	100,400	2.00	75,300	2.00	100,400	2.00

The Governor recommends providing 2.0 FTE positions in FY02 for the Public Assistance Collection Unit in the Division of Unemployment Insurance to implement the department's new levy and lien program as well as address current work efforts.

19. Conservation Corps Member Benefits

The Governor recommends permitting corps enrollees to use education vouchers for four years after issuance rather than three. The Governor also recommends lowering the health insurance eligibility waiting period from two years to six months for crew leaders.

20. Conservation Corps Appropriation Changes

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	76,700	0.00	76,700	0.00
SEG-O	0	0.00	0	0.00	-76,700	0.00	-76,700	0.00
TOTAL	0	0.00	0	0.00	0	0.00	0	0.00

The Governor recommends replacing funding from the environmental fund with general purpose revenue and consolidating general enrollee GPR appropriations.

21. Conservation Corps Crew Reduction

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-248,900	0.00	-367,800	0.00
SEG-O	0	0.00	0	0.00	-221,600	0.00	-573,300	0.00
TOTAL	0	0.00	0	0.00	-470,500	0.00	-941,100	0.00

The Governor recommends reducing the number of funded crews from 55 to 45 by reducing funding from GPR and from the conservation fund.

22. Modify Appropriation Structure

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	3,000	0.00	3,000	0.00	3,000	0.00	3,000	0.00
TOTAL	3,000	0.00	3,000	0.00	3,000	0.00	3,000	0.00

The Governor recommends providing funding and creating two new appropriations for the Governor's Work-Based Learning Board. The additional revenue will come from the sale of publications and other services provided by the board.

23. Transfer Career Centers to Work-Based Learning Board

The Governor recommends transferring responsibility for overseeing the state's Career Center network to the Governor's Work-Based Learning Board from the Division of Workforce Excellence.

24. Federal and Program Revenue Reestimates

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	41,796,000	0.00	31,257,700	0.00	41,796,000	0.00	31,257,700	0.00
PR-O	429,800	0.00	429,800	0.00	429,800	0.00	429,800	0.00
PR-S	-3,668,500	0.00	-3,668,500	0.00	-3,668,500	0.00	-3,668,500	0.00
TOTAL	38,557,300	0.00	28,019,000	0.00	38,557,300	0.00	28,019,000	0.00

The Governor recommends adjustments to the agency's base budget to reflect reestimates of program revenue and federal program revenue.

25. Labor and Industry Review Council Reestimates

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	92,400	0.00	102,700	0.00	92,400	0.00	102,700	0.00
PR-O	32,400	0.00	34,900	0.00	32,400	0.00	34,900	0.00
TOTAL	124,800	0.00	137,600	0.00	124,800	0.00	137,600	0.00

The Governor recommends adjustments to the agency's base budget to reflect reestimates of program revenues and federal program revenues for the Labor and Industry Review Council.

26. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	281,400	0.00	281,400	0.00	675,200	0.00	675,200	0.00
PR-F	1,912,800	-2.00	1,727,600	-2.00	1,798,100	-2.00	1,612,900	-2.00
PR-O	-1,264,600	-19.90	-1,264,600	-19.90	-1,264,600	-19.90	-1,264,600	-19.90
PR-S	2,114,200	-25.00	2,015,000	-25.00	2,114,200	-25.00	2,015,000	-25.00
TOTAL	3,043,800	-46.90	2,759,400	-46.90	3,322,900	-46.90	3,038,500	-46.90

The Governor recommends adjustments to the agency's base budget for: (a) turnover reduction (-\$2,710,600 in each year); (b) removal of noncontinuing elements from the base (-\$282,400 and -46.9 FTE in each year); (c) full funding of continuing position salaries and fringe benefits (\$5,171,800 in FY02 and \$4,887,400 in FY03); (d) funding of ongoing s. 13.10 supplements (\$500,000 in each year); (e) BadgerNet increases (\$198,400 in each year); (f) overtime (\$224,500 in each year); (g) night and weekend differential pay (\$95,500 in each year); and (h) fifth week of vacation as cash (\$125,700 in each year).

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the Department of Workforce Development.

Decision Item	Source of Funds	FY02		FY03	
		Dollars	Positions	Dollars	Positions
27. Consolidated Financial System	GPR	0	0.00	1,343,400	0.00
	PR-F	821,700	0.00	1,643,400	0.00
	PR-O	36,600	0.00	73,400	0.00
	PR-S	1,688,300	0.00	3,376,600	0.00
	SEG-O	1,700	0.00	3,400	0.00
28. Alpha Positions	PR-F	0	6.00	0	6.00
29. Conservation Corps Administrative Support	GPR	0	0.50	0	0.50
TOTAL OF ITEMS NOT APPROVED	GPR	0	0.50	1,343,400	0.50
	PR-F	821,700	6.00	1,643,400	6.00
	PR-O	36,600	0.00	73,400	0.00
	PR-S	1,688,300	0.00	3,376,600	0.00
	SEG-O	1,700	0.00	3,400	0.00