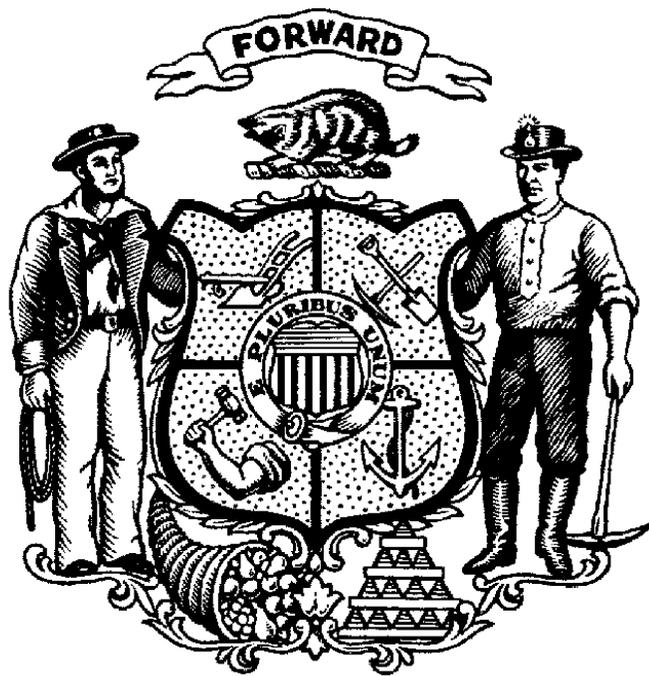


# State of Wisconsin

## Investment Board



Agency Budget Request

2019 – 2021 Biennium

September 17, 2018

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Date: September 17, 2018

To: Ellen Nowak, Secretary  
Waylon Hurlburt, Administrator, Executive Budget & Finance  
Department of Administration

Robert Lang, Director  
Legislative Fiscal Bureau

From: Rochelle Klaskin, Executive Director  
Investment Board

Re: **2019-21 Biennial Budget Request**

Attached is SWIB's budget submission for the 2019-21 biennium. Our budget is funded entirely by charges to the funds under management (program revenue) and we seek a \$8,945,100 increase in budget authority and 29.65 staff positions as part of the biennial budget request. Under Wis. Stats. 25.187(2)(b), the Board of Trustees may establish the operating budget each fiscal year and monitor the fiscal management of the operating budget. The annual operating budget is developed to provide the necessary resources to manage trust fund assets and for the Board to fulfill its fiduciary duty to manage the assets in the best interest of the beneficiaries.

**Performance Goals and Achievements**

In the current high return environment, SWIB has surpassed most of the performance goals established in our 2017-19 biennial budget request. As can be seen in the attached Performance Measures, SWIB has exceeded investment benchmarks after costs for the five-, and ten-year periods ending June 30, 2018, for the Core funds and the five-year for the Variable funds that make up the Wisconsin Retirement System (WRS). The WRS funds represent 92% of assets managed by SWIB or \$107.1 billion as of June 30, 2018, and total assets under management are \$116.1 billion. On average, investment returns account for nearly 70% of the income of the WRS. SWIB's strong investment returns are one reason the WRS is, according to the Pew Center on States, one of the best funded public pension plans in the country.

SWIB's goals for the next biennium include continuing to realize external asset manager fee savings by using less expensive internal management where appropriate and to further reduce volatility of assets under management by implementing new, diversified investment strategies.

**Budget Flexibility Leads to Net Cost Savings**

With the support of the Governor and the Legislature, SWIB has used the budget flexibility granted by the Legislature to build a strong internal investment management program that is providing a significant financial benefit to the WRS. Since SWIB began an initiative to manage more money internally, internal management of WRS assets has increased from 41% in 2009 to 62% in 2017, and SWIB manages more than 60% of all trust fund assets internally. Net cost savings resulting from internal management are significant. If internally managed public market assets in the WRS were managed by out-of-state external money managers, it would cost approximately \$73 million more annually.

**Investment Strategies and Managing Risk**

SWIB's asset allocation and investment decisions are based on selecting the best opportunities to meet the long-term investment objectives of the WRS and the other trust funds under management while taking an appropriate level of risk. Having a long-term view of performance and the investment markets is crucial especially when markets become volatile as has been the case over the last decade or more. As a result, SWIB is continuing to explore and implement new investment strategies to help stabilize investment returns and, in turn, contribution rates for active employees and pension adjustments for retirees. Asset allocation and investment diversification are essential components of SWIB's long-term investment strategy.

**Investment in Wisconsin Businesses**

When economically appropriate, SWIB continues to invest in Wisconsin businesses ranging from small, family-owned companies to billion-dollar manufacturers with worldwide sales. For the fiscal year ending June 30, 2017, SWIB held assets of \$726.3 million in companies headquartered in Wisconsin or with significant operations in the state. SWIB has also invested in venture capital funds designed to identify and invest in promising young technology businesses in Wisconsin and the region.

SWIB will continue to be diligent in our efforts to keep the WRS system stable and well-funded.

We look forward to working with your staff as the budget progresses. If you have any questions, please contact Mike Bress at 266-7232.

## **AGENCY DESCRIPTION**

As of June 30, 2018, the board managed approximately \$116.1 billion in assets. The trust funds of the Wisconsin Retirement System comprise about 92 percent of the funds under management. With assets of \$107.1 billion, the Wisconsin Retirement System is currently the 9th largest public pension fund in the United States and the 24th largest public or private pension fund in the world.

The board also manages the state investment fund, which invests the cash balances of state agencies, over 1,300 local governments and the Wisconsin Retirement System on a commingled basis. Funds are managed to protect principal, provide liquidity and enhance returns. In addition, the board manages several smaller trust funds. Each has investment objectives to fulfill specific financial needs.

The board is comprised of nine trustees, selected as follows:

- Five public members appointed by the Governor with the advice and consent of the Senate to staggered six-year terms. Four of these five members must possess at least ten years of investment experience.
- One member representing a local government that participates in the Local Government Investment Pool. This member is appointed by the Governor with the advice and consent of the Senate to a six-year term and must meet prescribed statutory eligibility criteria.
- Two members must be Wisconsin Retirement System participants. One member is appointed by the Teachers Retirement Board from among Wisconsin Retirement System teacher participants and the other is appointed by the Wisconsin Retirement Board from among Wisconsin Retirement System nonteacher participants, for six-year terms.
- One member is the secretary of the Department of Administration, or his or her designee.

## **MISSION**

To be a trusted and skilled global investment organization contributing to strong financial futures for the beneficiaries of the funds entrusted to the board.

## **PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES**

### **Program 1: Investment of Funds**

Goal: Earn the best rate of investment return, with an appropriate level of risk, for each fund managed.

Objective/Activity: The board strives to exceed measurable investment goals for each fund. The investment objective for the Wisconsin Retirement System trust funds is to achieve a long-term rate of return that will help the system meet pension obligations to current and future beneficiaries. Successful investment performance reduces the amount that taxpayers contribute to the funding of system benefits and provides for increases in pension benefits. The investment objective for the state investment fund is to exceed its established performance benchmark while ensuring the safety of principal and liquidity. The investment objective for the small funds is to meet annual fund cash flow requirements, as established by their governing boards.

## PERFORMANCE MEASURES

### FY2017 AND FY2018 GOALS AND ACTUALS

Prog . No.	Performance Measure	Goal FY2017	Actual FY2017	Goal FY2018	Actual FY2018
1.	Investment returns for the Core and Variable Retirement Funds exceed market index returns for the asset classes in which the funds are invested on a net basis.	Net investment returns exceed market performance benchmarks on a one-, five- and ten-year basis	<u>Core:</u> 1 Year: Yes 5 Year: Yes 10 Year: Yes  <u>Variable:</u> 1 Year: Yes 5 Year: Yes 10 Year: Yes	Net investment returns exceed market performance benchmarks on a one-, five- and ten-year basis	<u>Core:</u> 1 Year: Yes 5 Year: Yes 10 Year: Yes  <u>Variable:</u> 1 Year: Yes 5 Year: Yes 10 Year: Yes
1.	Long-term investment returns for the Core Retirement Fund meet or exceed the rate of return assumed by Wisconsin Retirement System actuary.	Net return averages at least 7.2% annually over the long term <sup>1</sup> (ten years)	Did not meet goal  Ten-year net return was 4.9%	Net return averages at least 7.2% annually over the long term <sup>1</sup> (ten years)	Did not meet goal  Ten-year net return was 6.3%
1.	Total costs to manage the Core Retirement Fund are reasonable when compared to peer funds with a similar asset mix and size. <sup>2</sup>	Total costs are at or below the normal cost paid by peers to manage a similar asset mix	Met goal  CY 2015 cost was 39.3 basis points (39.3 cents per \$100 managed) compared to typical costs of 58.4 basis points <sup>2</sup>	Total costs are at or below the normal cost paid by peers to manage a similar asset mix	Met goal  CY 2016 cost was 43.1 basis points (43.1 cents per \$100 managed) compared to typical costs of 60.1 basis points <sup>2</sup>

<b>Prog . No.</b>	<b>Performance Measure</b>	<b>Goal FY2017</b>	<b>Actual FY2017</b>	<b>Goal FY2018</b>	<b>Actual FY2018</b>
1.	Core retirement fund investment returns are in the top half of its peer group.	Core fund's five-year investment return exceeds the peer group median on a risk adjusted basis	Not reported	Core fund's five-year investment return exceeds the peer group median on a risk adjusted basis	Not reported
1.	State investment fund returns exceed investment performance benchmarks.	Exceed benchmarks	Did not exceed one-year. Exceeded five-year and ten-year investment benchmarks	Exceed benchmarks	Did not exceed one-year and exceeded five- and ten-year investment benchmarks
1.	State investment fund returns exceed the median of comparable money market mutual funds. <sup>3</sup>	Above the median	Exceeded goal  The SIF's return of 0.42% compares to the top 1% of money market funds in the Crane Government Money Market Index and top 8% of money market funds in the Crane Taxable Money Fund Index as of 12/31/2016. <sup>3</sup>	Above the median	Exceeded goal  The SIF's return of 0.85% compares to the top 1% of money market funds in the Crane Government Money Market Index and top 14% of money market funds in the Crane Taxable Money Fund Index as of 12/31/2017. <sup>3</sup>

<b>Prog . No.</b>	<b>Performance Measure</b>	<b>Goal FY2017</b>	<b>Actual FY2017</b>	<b>Goal FY2018</b>	<b>Actual FY2018</b>
1.	Meet annual fund cash flow requirements as established by the governing boards for the State Historical Society Trust Fund, Injured Patients and Families Compensation Fund, State Life Insurance Fund, Local Government Property Insurance Fund, UW Trust Fund <sup>4</sup> and EdVest Tuition Trust Fund.	Meet the cash flow needs of the funds	Met goal	Meet the cash flow needs of the funds	Met goal

Note: Based on fiscal year, except where noted.

<sup>1</sup>As assumed by the actuary.

<sup>2</sup>As reported by CEM Benchmarking, Inc.

<sup>3</sup>As measured by the Crane Government Money Market Index & Crane Taxable Money Fund Index

<sup>4</sup>Performance start date is April 1, 2018.

**FY2019, FY2020 AND FY2021 GOALS**

<b>Prog . No.</b>	<b>Performance Measure</b>	<b>Goal FY2019</b>	<b>Goal FY2020</b>	<b>Goal FY2021</b>
1.	Investment returns for the core and variable retirement funds exceed market index returns for the asset classes in which the funds are invested on a net basis.	Net investment returns exceed market performance benchmarks on a one-, five- and ten-year basis	Net investment returns exceed market performance benchmarks on a one-, five- and ten-year basis	Net investment returns exceed market performance benchmarks on a one-, five- and ten-year basis
1.	Long-term investment returns for the core retirement fund meet or exceed the rate of return assumed by Wisconsin Retirement System actuary.	Net return averages at least 7.2% annually over the long term <sup>1</sup> (ten years)	Net return averages at least 7.2% annually over the long term <sup>1</sup> (ten years)	Net return averages at least 7.2% annually over the long term <sup>1</sup> (ten years)
1.	Total costs to manage the core retirement fund are reasonable when compared to peer funds with a similar asset mix and size. <sup>2</sup>	Total costs are at or below the normal cost paid by peers to manage a similar asset mix	Total costs are at or below the normal cost paid by peers to manage a similar asset mix	Total costs are at or below the normal cost paid by peers to manage a similar asset mix
1.	Core retirement fund investment returns are in the top half of its peer group. <sup>3</sup>	Core fund's five-year investment return exceeds the peer group median on a risk adjusted basis	Core fund's five-year investment return exceeds the peer group median on a risk adjusted basis	Core fund's five-year investment return exceeds the peer group median on a risk adjusted basis
1.	State investment fund returns exceed investment performance benchmarks.	Exceed benchmarks	Exceed benchmarks	Exceed benchmarks
1.	State investment fund returns exceed the median of comparable money market mutual funds. <sup>4</sup>	Above the median	Above the median	Above the median
1.	Meet annual fund cash flow requirements as established by the governing boards for the State Historical Society trust fund, Injured Patients and Families Compensation Fund, State Life Insurance Fund, Local Government Property Insurance Fund, UW System Long Term Fund <sup>5</sup> and EdVest Tuition Trust Fund.	Meet the cash flow needs of the funds	Meet the cash flow needs of the funds	Meet the cash flow needs of the funds

Note: Based on fiscal year, except where noted.

<sup>1</sup>As assumed by the actuary.

<sup>2</sup>As reported by CEM Benchmarking, Inc.

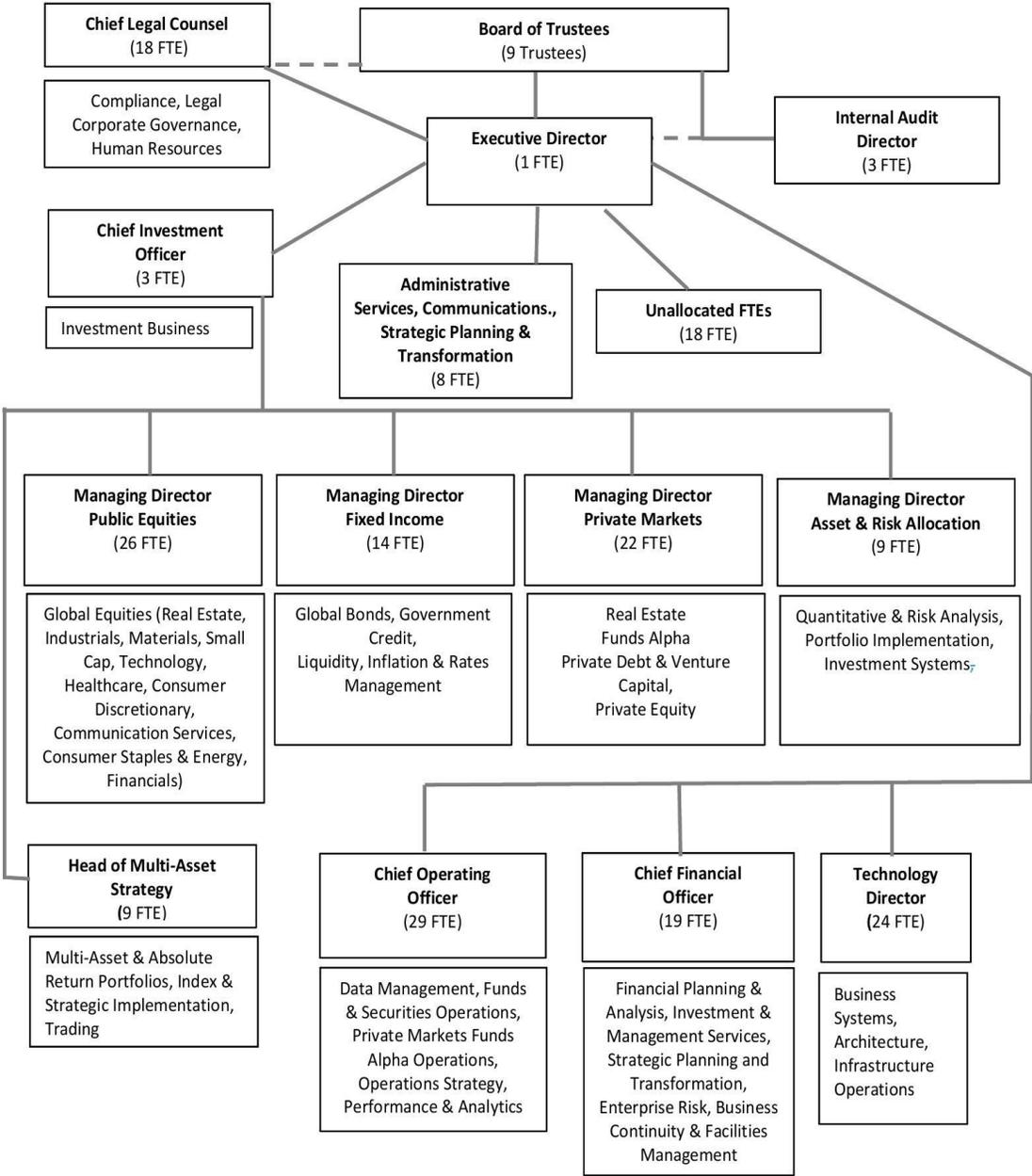
<sup>3</sup>Peer group with over \$10 billion in assets compiled by Callan Associates, Inc. (risk adjusted).

<sup>4</sup> As measured by the Crane Government Money Market Index & Crane Taxable Money Fund Index

<sup>5</sup>Performance start date is April 1, 2018.

July 1, 2018  
203 FTE

**Organizational Chart  
State of Wisconsin Investment Board**



# Agency Total by Fund Source

Investment Board

1921 Biennial Budget

		ANNUAL SUMMARY					BIENNIAL SUMMARY				
Source of Funds		Prior Year Total	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
PR	S	\$0	\$62,444,700	\$62,444,700	\$62,444,700	203.00	203.00	\$124,889,400	\$124,889,400	\$0	0.0%
<b>Total</b>		\$0	\$62,444,700	\$62,444,700	\$62,444,700	203.00	203.00	\$124,889,400	\$124,889,400	\$0	0.0%
<b>Grand Total</b>		\$0	\$62,444,700	\$62,444,700	\$62,444,700	203.00	203.00	\$124,889,400	\$124,889,400	\$0	0.0%

# Agency Total by Program

536 Investment Board

1921 Biennial Budget

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
<b>01 INVESTMENT OF FUNDS</b>										
<b>Non Federal</b>										
PR	\$0	\$62,444,700	\$62,444,700	\$62,444,700	203.00	203.00	\$124,889,400	\$124,889,400	\$0	0.00%
S	\$0	\$62,444,700	\$62,444,700	\$62,444,700	203.00	203.00	\$124,889,400	\$124,889,400	\$0	0.00%
<b>Total - Non Federal</b>	<b>\$0</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>203.00</b>	<b>203.00</b>	<b>\$124,889,400</b>	<b>\$124,889,400</b>	<b>\$0</b>	<b>0.00%</b>
S	\$0	\$62,444,700	\$62,444,700	\$62,444,700	203.00	203.00	\$124,889,400	\$124,889,400	\$0	0.00%
<b>PGM 01 Total</b>	<b>\$0</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>203.00</b>	<b>203.00</b>	<b>\$124,889,400</b>	<b>\$124,889,400</b>	<b>\$0</b>	<b>0.00%</b>
PR	\$0	\$62,444,700	\$62,444,700	\$62,444,700	203.00	203.00	\$124,889,400	\$124,889,400	\$0	0.00%
S	\$0	\$62,444,700	\$62,444,700	\$62,444,700	203.00	203.00	\$124,889,400	\$124,889,400	\$0	0.00%
<b>TOTAL 01</b>	<b>\$0</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>203.00</b>	<b>203.00</b>	<b>\$124,889,400</b>	<b>\$124,889,400</b>	<b>\$0</b>	<b>0.00%</b>
S	\$0	\$62,444,700	\$62,444,700	\$62,444,700	203.00	203.00	\$124,889,400	\$124,889,400	\$0	0.00%
<b>Agency Total</b>	<b>\$0</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>203.00</b>	<b>203.00</b>	<b>\$124,889,400</b>	<b>\$124,889,400</b>	<b>\$0</b>	<b>0.00%</b>

# Agency Total by Decision Item

Investment Board

1921 Biennial Budget

Decision Item	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
2000 Adjusted Base Funding Level	\$62,444,700	\$62,444,700	203.00	203.00
<b>TOTAL</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>203.00</b>	<b>203.00</b>

**Decision Item (DIN) - 2000**

**Decision Item (DIN) Title - Adjusted Base Funding Level**

**NARRATIVE**

Adjusted Base Funding Level

# Decision Item by Line

1921 Biennial Budget

	<b>CODES</b>	<b>TITLES</b>
<b>DEPARTMENT</b>	536	Investment Board
	<b>CODES</b>	<b>TITLES</b>
<b>DECISION ITEM</b>	2000	Adjusted Base Funding Level

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$45,252,700	\$45,252,700
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$300,000	\$300,000
05	Fringe Benefits	\$9,556,800	\$9,556,800
06	Supplies and Services	\$7,335,200	\$7,335,200
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13		\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
<b>17</b>	<b>Total Cost</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>
18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	203.00	203.00

# Decision Item by Numeric

## Investment Board

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	<b>2000</b>	<b>Adjusted Base Funding Level</b>			
<b>01</b>	<b>Investment of funds</b>				
	31 General program operations	\$62,444,700	\$62,444,700	203.00	203.00
	<b>Investment of funds SubTotal</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>203.00</b>	<b>203.00</b>
	<b>Adjusted Base Funding Level SubTotal</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>203.00</b>	<b>203.00</b>
	<b>Agency Total</b>	<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>203.00</b>	<b>203.00</b>

# Decision Item by Fund Source

## Investment Board

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
<b>Decision Item</b>	<b>2000</b>	<b>Adjusted Base Funding Level</b>				
	PR	S	\$62,444,700	\$62,444,700	203.00	203.00
	<b>Total</b>		<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>203.00</b>	<b>203.00</b>
<b>Agency Total</b>			<b>\$62,444,700</b>	<b>\$62,444,700</b>	<b>203.00</b>	<b>203.00</b>

ACT 201

Proposal under s. 16.42(4)(b)2.: 0% change in each fiscal year

FY: **FY20 & 21**

Agency: SWIB - 536

Exclusions: Federal  
Debt Service

Columns A-G were prepopulated for agencies to reflect state operations adjusted base and reductions agreed to by DOA and LFB. See Appendix H for instructions on how to complete these templates.

Proposed \$ and Proposed FTE columns reflect total agency proposed spending and positions for indicated fiscal year. These amounts should include standard budget adjustments (SBAs), any proposed reallocations or reductions to meet the target, and any other requests that the agency would want considered under this proposal.

Appropriations with zero dollars and zero FTEs are not loaded into the template. If you have any questions, contact your SBO analyst.

IF YOUR AGENCY PLANS TO TAKE THE SAME CUTS OVER BOTH YEARS, YOU SHOULD ONLY FILL OUT ONE GRID FOR 0% GROWTH AND ONE GRID FOR 5% REDUCTION, THEN CHANGE FY20 TO FY20 AND 21.

Agency	Appropriation		Fund Source	Adjusted Base		(See Note 1) 0% Change Target	Proposed Budget 2020-21		Item Ref.	Change from Adj Base		(See Note 2) Remove SBAs		Change from Adjusted Base after Removal of SBAs	
	Alpha	Numeric		\$	FTE		Proposed \$	Proposed FTE		\$	FTE	\$	FTE		
536	1k	131	PR	62,444,700	203.00	0	62,444,700	203.00		0	0.00	0	0.00	0	0.00
<b>Totals</b>				<b>62,444,700</b>	<b>203.00</b>	<b>0</b>	<b>62,444,700</b>	<b>203.00</b>		<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>

Note 1: Reduction target must be met within state operations appropriations, but may be allocated across those appropriations and fund sources.

Note 2: Amounts should be SBAs (DINs 3001 - 3011) from agency request multiplied by -1.

Target Reduction = 0  
Difference = 0  
Should equal \$0

Items - Describe proposed changes (excl. SBAs) to reach target or other priorities of agency

- 1
- 2
- 3

ACT 201

Proposal under s. 16.42(4)(b)1.: 5% change in each fiscal year

FY: **FY20 & 21**

Agency: SWIB - 536

Exclusions: Federal  
Debt Service

Columns A-G were prepopulated for agencies to reflect state operations adjusted base and reductions agreed to by DOA and LFB. See Appendix H for instructions on how to complete these templates.

Proposed \$ and Proposed FTE columns reflect total agency proposed spending and positions for indicated fiscal year. These amounts should include standard budget adjustments (SBAs), any proposed reallocations or reductions to meet the target, and any other requests that the agency would want considered under this proposal.

Appropriations with zero dollars and zero FTEs are not loaded into the template. If you have any questions, contact your SBO analyst.

IF YOUR AGENCY PLANS TO TAKE THE SAME CUTS OVER BOTH YEARS, YOU SHOULD ONLY FILL OUT ONE GRID FOR 0% GROWTH AND ONE GRID FOR 5% REDUCTION, THEN CHANGE FY20 TO FY20 AND 21.

Agency	Appropriation		Fund Source	Adjusted Base		(See Note 1)	Proposed Budget 2020-21		Item Ref.	Change from Adj Base		(See Note 2)		Change from Adjusted Base after Removal of SBAs	
	Alpha	Numeric		\$	FTE	5% Reduction Target	Proposed \$	Proposed FTE		\$	FTE	Remove SBAs \$	FTE	\$	FTE
536	1k	131	PR	62,444,700	203.00	(3,122,200)	59,322,500	192.85		(3,122,200)	(10.15)	0	0.00	(3,122,200)	(10.15)
<b>Totals</b>				<b>62,444,700</b>	<b>203.00</b>	<b>(3,122,200)</b>	<b>59,322,500</b>	<b>192.85</b>		<b>(3,122,200)</b>	<b>(10.15)</b>	<b>0</b>	<b>0.00</b>	<b>(3,122,200)</b>	<b>(10.15)</b>

Note 1: Reduction target must be met within state operations appropriations, but may be allocated across those appropriations and fund sources.

Note 2: Amounts should be SBAs (DINs 3001 - 3011) from agency request multiplied by -1.

Target Reduction = (3,122,200)

Difference = **0**  
Should equal \$0

Items - Describe proposed changes (excl. SBAs) to reach target or other priorities of agency

- 1 The targeted \$3.1 million reduction would equate to a staffing reduction of approximately 12 total FTEs (5.5 Investment FTE's)
- 2 This would require movement of \$5.5 billion in assets from Internal management by SWIB staff to external management by asset management firms
- 3 While costs for internal management would decrease by \$3.1 million, SWIB's total costs would increase by \$2.6 million (net of internal cost savings) due to higher fee structure for external management
- 4 Particularaly since 2007, we have followed a policy of increasing internal management because we can do so at a lower cost without giving up returns. SWIB currently manages 60% of the assets with internal staff for 19% of the total costs of management. Viewed in this context, an arbitrary 5% cut in our operating budget makes no fiscal sense because it forces us to incur greater external fees or to risk lower returns, or both.

**BASE BUDGET REVIEW WORKSHEET**

<b>Agency Number:</b>	<b>Agency Name:</b> STATE OF WI INVESTMENT BOARD
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<b>Date of Report:</b>	<b>Fiscal Years Covered:</b> FY 2019-21
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Expenditures by quarter, including links to appropriation description and purpose, are found at the following URL [s. 16.423(3)(a) and (b)]:  
<http://openbook.wi.gov/ExpenditureDetailReport.aspx>

Do all agency appropriations meet the mission of the agency and do their objectives justify their expenditures [s. 16.423 (3)(c)]?  Yes  
 No

If No, please list the appropriations and a description why they do not meet the mission of the agency. Add rows to the table as needed.

Chapter 20 Appropriation	Title	Description

Do the objectives of all your agency appropriations justify their expenditures [s. 16.423(3)(c)]?  Yes  
 No

If No, please list the appropriations and a description why they do not justify their expenditures. Add rows to the table as needed.

Chapter 20 Appropriation	Title	Description

Please indicate any appropriation whose minimum level of funding to achieve objectives is less than the prior fiscal year's base funding [s. 16.423(3)(d)]. Add rows to the table as needed.

Chapter 20 Appropriation	Title	Prior Fiscal Year Budget	Prior Fiscal Year Expended	Minimum Budget Needed

The agency's mission and objectives can be found in the biennial budget submission at the following URL [s. 16.423(3)(e)]: <https://doa.wi.gov/Pages/StateFinances/CurrentBiennialBudget.aspx>. Please create an agency mission if your agency does not currently have a mission to include in its agency budget request.

**OPTIONAL ANALYSIS**

This section is available to agencies that want to describe why expenditures varied throughout fiscal quarters and/or years.

--

<i>Samir Datta</i>	<i>09/17/18</i>
Signature, Title SAMIR DATTA, FP&A DIRECTOR	Date