

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY05 Adjusted Base	FY06 Recommended	% Change Over FY05	FY07 Recommended	% Change Over FY06
GPR	182,318,300	192,390,400	5.5	185,569,600	-3.5
PR-F	692,392,300	698,433,700	0.9	680,694,000	-2.5
PR-O	39,891,200	34,194,300	-14.3	34,127,200	-0.2
PR-S	161,159,600	124,918,100	-22.5	124,475,100	-0.4
SEG-O	15,553,300	19,214,800	23.5	18,692,200	-2.7
TOTAL	1,091,314,700	1,069,151,300	-2.0	1,043,558,100	-2.4

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY05 Adjusted Base	FY06 Recommended	FTE Change From FY05	FY07 Recommended	FTE Change From FY06
GPR	196.22	168.04	-28.18	161.65	-6.39
PR-F	1,415.78	1,414.09	-1.69	1,310.17	-103.92
PR-O	210.23	112.40	-97.83	112.40	0.00
PR-S	393.45	467.30	73.85	396.43	-70.87
TOTAL	2,215.68	2,161.83	-53.85	1,980.65	-181.18

AGENCY DESCRIPTION

The department is headed by a secretary who is appointed by the Governor with the advice and consent of the Senate. The department's programs are administered by the Office of the Secretary and the following six divisions: Equal Rights, Unemployment Insurance, Vocational Rehabilitation, Worker's Compensation Workforce Solutions and Administrative Services.

The department's functions include:

- Developing and maintaining systems for unemployment insurance, 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) and Wisconsin Shares (child care subsidy) programs.
- 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 through the state's one-stop job center system.
- 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.
- Maintaining systems to collect and disburse child support, and encouraging county efforts to establish paternity and support.

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

The Governor's Work-Based Learning Board is also attached to the department for limited purposes. The 17-member board administers school-to-work programs, such as the Wisconsin Youth Apprenticeship program and federal Carl Perkins Title II Tech Prep programs.

MISSION

The mission of the department is to provide a system of employment-focused programs and services that enable individuals and employers to fully participate in Wisconsin's 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 employer-funded temporary economic assistance to Wisconsin's eligible unemployed workers and stabilize Wisconsin's 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 U.S. 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 Wisconsin Works (W-2) participants. In the 2007-09 biennium, this measure will be changed to a more reliable indicator of earned income.

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: Maintain fiscal year 2003-04 levels for child care subsidies that assist low-income families in obtaining and retaining employment. Prior to fiscal year 2001-02, the objective was to increase the number of subsidies. Due largely to limited funding available to meet higher demands, the goal was changed to maintain the prior fiscal year levels.

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

HISTORICAL DATA

Prog. No.	Performance Measure	Actual 2000	Actual 2001	Actual 2002
1.	Number of job openings listed on JobNet.	218,162	194,480	143,157 ¹
1.	Exceed the 87 percent U.S. Department of Labor standard for intrastate promptness of first pays by 6 percent, or a minimum of 93 percent.	95%	94%	94%
3.	Maintain or increase W-2 hourly average wage at time of employment placement.	\$7.52	\$7.64	\$7.86
3.	Increase the number of families receiving child care subsidies. ²	31,821	38,599	43,284
5.	Number of individuals achieving an employment outcome will increase over prior year.	4,627	3,865 ³	3,325 ³

Note: Based on fiscal year.

¹At the end of fiscal year 2000-01, the number of job openings experienced a substantial reduction due to file actions such as cleanup (e.g., removed carry-in and duplications).

²Previous reports used the average number of families served in one month. Those numbers are replaced with an actual, unduplicated number of families served within each fiscal year in all areas of this report.

³The number of employment outcomes were constrained in fiscal year 2000-01 and fiscal year 2001-02 by the initiation of the order of selection process. This process was implemented to prioritize the number of active cases receiving services, which in turn permits the active caseload to receive full services consistent with the Division of Vocational Rehabilitation's authorized staffing and budget.

2003 AND 2004 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2003	Actual 2003	Goal 2004	Actual 2004
1.	Number of job openings listed on JobNet. ¹	150,000	128,388	155,000	138,483
1.	Exceed the 87 percent U.S. Department of Labor standard for intrastate promptness of first pays by 6 percent, or a minimum of 93 percent.	93%	94%	93%	94%
3.	Maintain or increase W-2 hourly average wage at time of employment placement.	\$7.87	\$7.87	\$7.90	\$7.87
3.	Maintain the number of families receiving child care subsidies. ¹	25,769	47,356	25,769	48,597
5.	Number of individuals achieving an employment outcome will increase over prior year. ²	3,410	3,940	3,580	3,152

Note: Based on fiscal year.

¹Previous reports used the average number of families served in one month. Those numbers are replaced with an actual, unduplicated number of families served within each fiscal year in all areas of this report.

²In the summer of 2003, the waiting list resulting from implementing order of selection reached approximately 8,500. The order of selection requires consumers with the most severe disabilities to be served first. Typically, consumers with the most severe disabilities require more time and resources for a successful closure; therefore, the number achieving an employment outcome has been constrained.

2005, 2006 AND 2007 GOALS

Prog. No.	Performance Measure	Goal 2005	Goal 2006	Goal 2007
1.	Number of job openings listed on JobNet.	140,000	145,000	150,000
1.	Exceed the 87 percent U.S. Department of Labor standard for intrastate promptness of first pays by 6 percent, or a minimum of 93 percent.	93%	93%	93%
3.	Maintain or increase W-2 hourly average wage at time of employment placement. ¹	\$7.87	N/A	N/A
3.	Maintain the number of families receiving child care subsidies. ²	48,600	48,600	48,600
5.	Number of individuals achieving an employment outcome will increase over prior year. ³	3,200	3,250	3,300

Note: Based on fiscal year.

¹The goal, increase the average hourly wage, will be replaced in fiscal year 2005-06 with a more reliable indicator of earned income. The new objective/activity will begin in the 2007-09 biennium.

²The original goal was achieved, and the new goal for child care subsidies for the 2005-07 biennium is to maintain fiscal year 2003-04 levels. This is due largely to limited funding available to meet higher demands. Previous reports used the average number of families served in one month. This measure is replaced with an actual, unduplicated number of families served within each fiscal year.

³In the summer of 2003, the order of selection waiting list reached approximately 8,500 consumers. The Division of Vocational Rehabilitation will continue to operate with a substantial order of selection waiting list through at least fiscal year 2004-05. Typically, consumers with the most severe disabilities require more time and resources for a successful closure; therefore, the goals for achieving an employment outcome have been reduced or show only a modest increase.

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. TANF/CCDF Allocations (Including KidsFirst Initiatives)
2. KidsFirst – Expanding Children First
3. Child Care Consolidation
4. Fund Child Support
5. Grow Wisconsin – Reed Act Initiative
6. Budget Efficiency Measures
7. Streamlining Administrative Services
8. Attorney Consolidation
9. Transportation-Related Appropriations
10. Tribal Gaming Funding Initiative
11. Apprenticeship Standards Administration
12. Vocational Rehabilitation Funding
13. Funding for Independent Living Centers
14. State Match for the Independent Living Council
15. Unemployment Insurance Data Sharing
16. Interest and Penalty Payments
17. Bank Fee Payments
18. Rent Costs for the Milwaukee Unemployment Insurance Office
19. Unemployment Insurance Administration
20. Transfer Positions to the Labor and Industry Review Commission
21. School-to-Work Programs at the Governor's Work-Based Learning Board
22. Division of Workforce Solutions Position Realignment
23. Division of Administrative Services Position Realignment
24. Injury Prevention Program for Health Care Workers
25. Minor Position and Spending Realignments
26. Uninsured Employers Fund Reestimate
27. Worker's Compensation Supplemental Benefit Fund Reestimate
28. Worker's Compensation Federal Revenue Reestimate
29. Worker's Compensation Program Revenue Reestimate
30. Unemployment Insurance Tax System Revenue Reestimate
31. Auxiliary Services Program Revenue Reestimate
32. Workforce Investment Act Federal Revenue Reestimate
33. Local Agreements Program Revenue Reestimate
34. Division of Workforce Solutions Federal and Program Revenue Reestimates
35. Division of Vocational Rehabilitation Federal and Program Revenue Reestimates
36. Standard Budget Adjustments

ITEMS NOT APPROVED

37. Automated Child Labor Work Permit Internet System
38. Division of Workforce Solutions Compensation and Health Reserves

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

	ACTUAL FY04	ADJUSTED		GOVERNOR'S RECOMMENDATION		
		BASE FY05	AGENCY REQUEST FY06	AGENCY REQUEST FY07	FY06	FY07
GENERAL PURPOSE REVENUE	\$185,669.4	\$182,318.3	\$185,291.0	\$185,468.0	\$192,390.4	\$185,569.6
State Operations	28,008.6	12,301.7	11,790.8	11,790.8	11,656.7	11,656.7
Local Assistance	564.1	550.1	550.1	550.1		
Aids to Ind. & Org.	157,096.7	169,466.5	172,950.1	173,127.1	180,733.7	173,912.9
FEDERAL REVENUE (1)	746,737.8	692,392.3	757,856.9	780,883.9	698,433.7	680,694.0
State Operations	173,365.7	175,241.7	167,232.1	167,928.3	162,805.5	163,044.0
Local Assistance	63,189.9	45,250.0	59,697.3	56,351.8	64,119.7	63,880.3
Aids to Ind. & Org.	510,182.2	471,900.6	530,927.5	556,603.8	471,508.5	453,769.7
PROGRAM REVENUE (2)	116,338.6	201,050.8	153,762.1	153,547.9	159,112.4	158,602.3
State Operations	82,447.3	171,476.3	126,325.5	126,658.1	127,460.3	127,594.9
Local Assistance	2,349.3	2,242.8	2,249.1	2,249.1	2,249.1	2,249.1
Aids to Ind. & Org.	31,542.0	27,331.7	25,187.5	24,640.7	29,403.0	28,758.3
SEGREGATED REVENUE (3)	5,211.7	15,553.3	15,783.3	15,503.6	19,214.8	18,692.2
State Operations		1,346.3	901.3	621.6	901.3	621.6
Aids to Ind. & Org.	5,211.7	14,207.0	14,882.0	14,882.0	18,313.5	18,070.6
TOTALS-ANNUAL	1,053,957.5	1,091,314.7	1,112,693.3	1,135,403.4	1,069,151.3	1,043,558.1
State Operations	283,821.6	360,366.0	306,249.7	306,998.8	302,823.8	302,917.2
Local Assistance	66,103.3	48,042.9	62,496.5	59,151.0	66,368.8	66,129.4
Aids to Ind. & Org.	704,032.6	682,905.8	743,947.1	769,253.6	699,958.7	674,511.5

(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		AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
	BASE FY05	AGENCY REQUEST FY06	AGENCY REQUEST FY07	FY06	FY07	
GENERAL PURPOSE REVENUE	196.22	174.11	174.11	168.04	161.65	
State Operations	115.85	94.36	94.36	92.57	92.57	
Aids to Ind. & Org.	80.37	79.75	79.75	75.47	69.08	
FEDERAL REVENUE (1)	1,415.78	1,372.51	1,369.51	1,414.09	1,310.17	
State Operations	1,061.46	1,042.42	1,041.42	1,083.30	1,008.83	
Aids to Ind. & Org.	354.32	330.09	328.09	330.79	301.34	
PROGRAM REVENUE (2)	603.68	559.49	559.49	579.70	508.83	
State Operations	601.28	557.05	557.05	576.26	505.39	
Local Assistance	2.40	2.44	2.44	2.44	2.44	
Aids to Ind. & Org.				1.00	1.00	
TOTALS-ANNUAL	2,215.68	2,106.11	2,103.11	2,161.83	1,980.65	
State Operations	1,778.59	1,693.83	1,692.83	1,752.13	1,606.79	
Local Assistance	2.40	2.44	2.44	2.44	2.44	
Aids to Ind. & Org.	434.69	409.84	407.84	407.26	371.42	

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

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

(4) All positions are State Operations unless otherwise specified

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

	ACTUAL FY04	ADJUSTED BASE FY05	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY06	FY07	FY06	FY07
1. Workforce development	\$239,781.0	\$217,667.7	\$231,208.2	\$231,306.6	\$230,660.1	\$230,444.4
2. Review commission	2,483.9	2,811.4	3,215.9	3,215.9	3,121.1	3,121.1
3. Economic support	736,233.0	796,978.7	800,458.4	822,239.1	757,131.2	730,922.7
5. Vocational rehabilitation services	72,788.2	71,151.3	73,094.3	73,925.3	72,959.3	73,790.3
7. Governor's work-based learning board	2,671.4	2,705.6	4,716.5	4,716.5	5,279.6	5,279.6
TOTALS	1,053,957.5	1,091,314.7	1,112,693.3	1,135,403.4	1,069,151.3	1,043,558.1

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

	ADJUSTED BASE FY05	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY06	FY07	FY06	FY07
1. Workforce development	1,619.14	1,458.03	1,455.03	1,451.88	1,321.55
2. Review commission	25.93	28.53	28.53	28.10	25.68
3. Economic support	195.72	247.49	247.49	316.99	298.56
5. Vocational rehabilitation services	364.89	360.06	360.06	354.06	324.06
7. Governor's work-based learning board	10.00	12.00	12.00	10.80	10.80
TOTALS	2,215.68	2,106.11	2,103.11	2,161.83	1,980.65

1. TANF/CCDF Allocations (Including KidsFirst Initiatives)

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	827,900	0.00	827,900	0.00	9,093,500	0.00	2,095,700	0.00
PR-F	28,862,100	0.00	54,621,900	0.00	-33,147,100	0.00	-50,802,400	0.00
PR-O	398,400	0.00	390,300	0.00	-1,064,600	0.00	-946,600	0.00
PR-S	-2,031,400	0.00	-2,575,900	0.00	1,684,100	0.00	376,100	0.00
SEG-O	0	0.00	0	0.00	2,881,400	0.00	2,638,500	0.00
TOTAL	28,057,000	0.00	53,264,200	0.00	-20,552,700	0.00	-46,638,700	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 assistance under the Temporary Assistance for Needy Families (TANF) block grant.

The Governor's W-2/TANF budget includes \$164,947,200 GPR in FY06 and \$157,949,400 in FY07. Federal funding, including the Child Care and Development Fund (CCDF) and TANF block grants, program revenue, segregated funds and unspent revenue from the previous biennium are also available for the program (\$453,942,300 in FY06 and \$435,644,800 in FY07). Total revenues for the TANF/CCDF budget will be \$618,889,500 in FY06 and \$593,594,200 in FY07. This includes \$2,881,400 in FY06 and \$2,638,500 in FY07 from the transportation fund, which will be used to provide transportation services to TANF-eligible individuals (\$900,000 in each fiscal year) and for the W-2 contracts, to pay for transportation services specifically for W-2 participants (\$1,981,400 in FY06 and \$1,738,500). Under the budget, projected expenditures are equal to projected revenues in both fiscal years.

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

	<u>FY06</u>	<u>FY07</u>
W-2 Contracts		
<u>Current W-2 Contract.</u> Funding to support the remainder of the current W-2 contract, which ends on December 31, 2005.	\$71,605,900	-
<u>Next W-2 Contract.</u> Funding to support the fifth round of W-2 contracts, which begin January 1, 2006, and end December 31, 2007. Funds will support the costs of W-2 subsidized employment placements, including a Trial Jobs Plus pilot project, W-2 work support services, education and training, and W-2 agency administration.	\$57,906,900	\$115,813,800

The amounts provided for the 2006-07 W-2 contract include the following KidsFirst initiatives:

- (a) Implement a Trial Jobs Plus pilot project in three W-2 geographical areas, one of which will be in Milwaukee County.
- (b) Extend the amount of time that parents can stay at home with their newborn children from 12 to 26 weeks.
- (c) Provide a monthly cash benefit to pregnant women, with no other children, who are in the third trimester of pregnancy and are not able to work because of a medically verified, at-risk pregnancy.

	<u>FY06</u>	<u>FY07</u>
Child Care		
<u>Direct Child Care Services.</u> Funding to support the Wisconsin Shares child care subsidy program.	\$307,282,800	\$300,509,900
The amounts provided include the following KidsFirst initiatives:		
<ul style="list-style-type: none"> (a) Beginning in FY07, implement a tiered reimbursement system, in which day care providers are reimbursed according to the level of quality, as determined by the department's quality rating system (see Quality Care for Quality Kids section below). (b) Extend the amount of time that parents can stay at home with their newborn children from 12 to 26 weeks. 		
<u>Quality Care for Quality Kids.</u> Funding to support child care quality improvement activities, including: (a) the new child care quality rating and tiered reimbursement systems; (b) child care resource and referral services; (c) training and technical assistance to child care providers; (d) the child care provider scholarship and bonus program; and (e) grants to local units of government to expand and improve the quality of child care in local communities.	\$11,503,500	\$10,003,500
The amounts provided include the following KidsFirst initiative:		
<ul style="list-style-type: none"> (a) Implement a quality ratings system, in which the department will rate day care providers according to the level of program quality, based on several factors, and make that information easily accessible to parents. 		
<u>Child Care State Administration.</u> Funding to support day care licensing and regulation, the Child Care Information Center reference and loan library, and the department's costs associated with administering the Wisconsin Shares subsidy program and child care quality improvement programs. See Item #3.	\$7,476,400	\$7,476,400
<u>Early Childhood Excellence.</u> Funding for grants to innovative child care providers to create model centers for early childhood learning. Beginning in FY07, excellence centers will be reimbursed for higher-quality programming under the Wisconsin Shares subsidy program, through the tiered reimbursement system.	\$2,250,000	\$0
Other Payments to Individuals		
<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, Item #53.	\$23,748,400	\$23,748,400
<u>Caretaker Supplement.</u> Funding to support payments to recipients of supplemental security income (SSI) benefits who have a child that would have previously qualified for Aid to Families with Dependent Children benefits. See Department of Health and Family Services, Item #63.	\$29,973,600	\$28,893,300
<u>Emergency Assistance.</u> Funding for assistance to families facing a current emergency due to fire, flood, natural disaster, energy crisis or homelessness.	\$4,500,000	\$4,500,000

	<u>FY06</u>	<u>FY07</u>
Administrative Support		
<u>State Administration.</u> Funding for state administration of TANF programs, fraud prevention and public assistance collection activities.	\$17,004,500	\$17,004,500
Other Support Services		
<u>Children First.</u> Funding for work programs for noncustodial parents who are in arrears in meeting their child support obligations. The increases provided for the Children First program are part of the Governor's KidsFirst initiative.	\$1,361,000	\$1,361,000
<u>Transportation.</u> Funding for transportation services for TANF-eligible individuals.	\$900,000	\$900,000
<u>Grants to the Boys and Girls Clubs.</u> Funding for the Wisconsin Chapter of the Boys and Girls Clubs of America for programs that improve the social, academic and employment skills of TANF-eligible youth.	\$300,000	\$300,000
<u>Earned Income Tax Credit.</u> Funding for the refundable portion of the earned income tax credit for those individuals who are TANF-eligible. See Shared Revenue and Tax Relief, Item #9.	\$59,532,000	\$59,532,000
<u>Transfer to the Social Services Block Grant.</u> Funding transferred from the TANF block grant to the Social Services Block Grant (SSBG). The SSBG supports the state's Community Aids program, which provides services to low-income families, disabled persons and the elderly.	\$13,420,500	\$13,420,500
<u>Bureau of Milwaukee Child Welfare – Safety Services.</u> Funding for services for families in Milwaukee County who have had a child removed from the home due to abuse or neglect.	\$7,323,600	\$7,323,600
<u>Bureau of Milwaukee Child Welfare – Prevention Services.</u> Funding to reduce the incidence of child abuse and neglect in Milwaukee County, and to provide services for families in Milwaukee County who are at risk of having a child removed from the home due to abuse or neglect.	\$1,489,600	\$1,489,600
<u>Milwaukee Child Welfare/Wisconsin Statewide Automated Child Welfare Information System.</u> Funding for administration and information technology support for the Milwaukee child welfare information system and the statewide automated child welfare information system. See Department of Health and Family Services, Item #55.	\$1,310,800	\$1,317,700

The Governor also recommends replacing TANF with GPR for several programs: (a) Child Abuse and Neglect Prevention Board (\$340,000 in each fiscal year); (b) Brighter Futures and Tribal Adolescent Services (\$1,367,100 in each fiscal year); (c) Domestic Violence grant (\$750,000 in each fiscal year); (d) English as a Second Language for Southeast Asian children (\$100,000 in each fiscal year); and (e) Head Start state supplement (\$3,500,000 in each fiscal year). See Child Abuse and Neglect Prevention Board, Item #4; Department of Health and Family Services, Item #50; and Department of Public Instruction, Item #10 and Item #32.

2. KidsFirst – Expanding Children First

The Governor recommends expanding the Children First program to Brown, Douglas, Eau Claire, La Crosse and Rock counties. The fiscal impact of this decision is shown in the TANF/CCDF allocations. See Item #1.

3. Child Care Consolidation

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	287,200	0.00	287,200	0.00
PR-F	0	0.00	0	0.00	0	55.44	0	55.44
PR-O	0	0.00	0	0.00	1,292,500	0.00	1,292,500	0.00
PR-S	0	0.00	0	0.00	1,767,100	27.76	1,767,100	27.76
TOTAL	0	0.00	0	0.00	3,346,800	83.20	3,346,800	83.20

The Governor recommends transferring the day care licensing and regulation function from the Department of Health and Family Services to the department. This consolidation will help improve coordination between child care programs and support the Quality Care for Quality Kids initiative. The increases in expenditure and position authority reflect the amounts transferred from the Department of Health and Family Services to the department. Federal program revenue expenditure authority for day care licensing and regulation is reflected in the TANF/CCDF allocations. See Item #1 and Department of Health and Family Services, Item #15.

4. Fund Child Support

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	14,306,200	0.00	10,861,800	0.00	16,984,100	0.00	16,362,300	0.00
PR-O	755,400	0.00	669,400	0.00	755,400	0.00	669,400	0.00
PR-S	0	0.00	0	0.00	0	0.00	665,600	0.00
SEG-O	-445,000	0.00	-724,700	0.00	-445,000	0.00	-724,700	0.00
TOTAL	14,616,600	0.00	10,806,500	0.00	17,294,500	0.00	16,972,600	0.00

The Governor recommends the following changes to the child support program in order to continue to fund child support state operations and county child support enforcement activities: (a) increase PR-F expenditure authority to reflect estimated federal incentive and federal matching funds received by the state and counties; (b) increase PR expenditure authority to reflect estimated revenues from child support-related fees; (c) increase PR-S expenditure authority to reflect the use of the state share of assigned child support collections for state operations; and (d) decrease SEG expenditure authority to reflect estimates of unclaimed support and interest earnings. The Governor further recommends retaining current law regarding the allocation of federal child support incentive funds between the state and the counties.

5. Grow Wisconsin – Reed Act Initiative

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	1,000,000	6.10	1,000,000	6.10	1,000,000	7.10	1,000,000	7.10
PR-S	0	-6.10	0	-6.10	0	-7.10	0	-7.10
TOTAL	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00

The Governor recommends providing expenditure authority and adjusting position authority to reflect the use of federal Reed Act funds for providing reemployment services to unemployment insurance claimants in the job centers. The department will reallocate existing position authority to provide these services.

6. Budget Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-768,300	-5.99	-768,300	-12.38
PR-F	0	0.00	0	0.00	0	-13.94	0	-114.86
PR-O	0	0.00	0	0.00	-820,400	-6.55	-919,500	-6.55
PR-S	0	0.00	0	0.00	0	0.00	0	-55.46
TOTAL	0	0.00	0	0.00	-1,588,700	-26.48	-1,687,800	-189.25

The Governor recommends reducing expenditure and position authority in the department's state operations appropriations in the amounts shown to create additional operational efficiencies and balance the budget by: (a) reducing administrative costs in several program areas; (b) eliminating vacant positions and reducing positions across several fund sources; (c) consolidating central office administrative and technical support positions in the Division of Vocational Rehabilitation; (d) reducing the number of higher level reviews at the Labor and Industry Review Commission; and (e) eliminating duplicative functions under employment programs.

7. Streamlining Administrative Services

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	0	0.00	0	0.00	0	-15.41
TOTAL	0	0.00	0	0.00	0	0.00	0	-15.41

The Governor recommends consolidating server and network support, certain procurement and purchasing functions, and human resources and payroll benefit services in the Department of Administration beginning in FY07 to create administrative efficiencies. To achieve this, the Governor recommends reducing the department's position authority by: (a) 15.41 FTE positions related to server and network consolidation. The Governor further recommends retaining the funding associated with these positions in the department to cover chargebacks for these services from the Department of Administration. See Department of Administration, Item #1.

8. Attorney Consolidation

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	-0.08	0	-0.08
PR-F	0	0.00	0	0.00	0	-0.92	0	-0.92
PR-S	0	0.00	0	0.00	0	-1.00	0	-1.00
TOTAL	0	0.00	0	0.00	0	-2.00	0	-2.00

The Governor recommends improving the provision of state legal services by consolidating attorneys and legal support staff under the secretary of the Department of Administration on January 1, 2006. The Department of Administration secretary will determine the assignment of attorneys to individual agencies. To achieve this, the Governor recommends transferring 3.0 FTE positions to the Department of Administration. The Governor further recommends retaining the funding associated with these positions in the department to purchase legal services from the Department of Administration. In addition, 1.0 FTE unclassified position is created to provide general counsel services. See Department of Administration, Item #3.

9. Transportation-Related Appropriations

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-550,100	0.00	-550,100	0.00
SEG-O	0	0.00	0	0.00	550,100	0.00	550,100	0.00
TOTAL	0	0.00	0	0.00	0	0.00	0	0.00

The Governor recommends converting funding in the employment transit assistance appropriation under s. 20.445(1)(fg) from GPR to transportation fund SEG.

10. Tribal Gaming Funding Initiative

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	0	0.00	300,000	0.00	300,000	0.00
TOTAL	0	0.00	0	0.00	300,000	0.00	300,000	0.00

The Governor recommends transferring funding from tribal gaming revenues to the Governor's Work-Based Learning Board for school-to-work grants to tribal colleges. See Department of Administration, Item #17.

11. Apprenticeship Standards Administration

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	603,800	0.00	603,800	0.00	633,800	0.00	643,800	0.00
TOTAL	603,800	0.00	603,800	0.00	633,800	0.00	643,800	0.00

The Governor recommends providing funding from the state's federal Reed Act award to fund the adult apprenticeship program. 2003 Wisconsin Act 33 switched the funding for the state's apprenticeship program from GPR to PR-F but did not provide a base level of funding for the program.

12. Vocational Rehabilitation Funding

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	1,392,000	0.00	1,569,000	0.00	957,000	0.00	1,134,000	0.00
TOTAL	1,392,000	0.00	1,569,000	0.00	957,000	0.00	1,134,000	0.00

The Governor recommends providing funding to ensure that at least 90 percent of the state's match for federal vocational rehabilitation funds will come from GPR.

13. Funding for Independent Living Centers

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	300,000	0.00	300,000	0.00
TOTAL	0	0.00	0	0.00	300,000	0.00	300,000	0.00

The Governor recommends transferring funding from the Department of Health and Family Services to the department for use as state match for federal vocational rehabilitation funds. In addition, the Governor recommends requiring the department to transfer \$600,000 PR-F from the appropriation under s. 20.445(5)(n) to the Department of Health and Family Services for the purpose of making grants to independent living centers. See Department of Health and Family Services, Item #66.

14. State Match for the Independent Living Council

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	30,200	0.00	30,200	0.00	30,200	0.00	30,200	0.00
TOTAL	30,200	0.00	30,200	0.00	30,200	0.00	30,200	0.00

The Governor recommends transferring funding from the Department of Health and Family Services to the department to provide match for Wisconsin's State Independent Living Council. See Department of Health and Family Services, Item #65.

15. Unemployment Insurance Data Sharing

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	16,100	0.00	16,100	0.00	16,100	0.00	16,100	0.00
TOTAL	16,100	0.00	16,100	0.00	16,100	0.00	16,100	0.00

The Governor recommends providing funding to supply unemployment insurance data to state agencies and other entities.

16. Interest and Penalty Payments

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	54,500	0.00	54,500	0.00	54,500	0.00	54,500	0.00
TOTAL	54,500	0.00	54,500	0.00	54,500	0.00	54,500	0.00

The Governor recommends providing funding and transferring \$74,500 PR in each year from supplies and services to aids to individuals and organizations for payments to unemployment insurance claimants from interest and penalty funds.

17. Bank Fee Payments

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	1,020,000	0.00	1,020,000	0.00	1,020,000	0.00	1,020,000	0.00
TOTAL	1,020,000	0.00	1,020,000	0.00	1,020,000	0.00	1,020,000	0.00

The Governor recommends increasing funding in the appropriation for bank service costs, which is used to pay bank fees associated with making unemployment insurance payments. Current law requires the department to pay these costs either through this appropriation or by maintaining compensating balances with participating banks, whichever generates the highest earnings for the fund. The state appropriation is expected to continue to generate a higher rate of return than compensating balances.

18. Rent Costs for the Milwaukee Unemployment Insurance Office

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	89,200	0.00	89,200	0.00	89,200	0.00	89,200	0.00
TOTAL	89,200	0.00	89,200	0.00	89,200	0.00	89,200	0.00

The Governor recommends providing funding from interest and penalty monies to pay for rent costs associated with debt service for unemployment insurance hearing space in the Milwaukee state office building. Federal law prohibits the use of federal unemployment insurance funds to pay for rent costs associated with debt service.

19. Unemployment Insurance Administration

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-2,263,800	0.00	-2,263,800	0.00	-2,263,800	0.00	-2,263,800	0.00
TOTAL	-2,263,800	0.00	-2,263,800	0.00	-2,263,800	0.00	-2,263,800	0.00

The Governor recommends adjusting funding from the state's appropriation for Reed Act funds. The department will have the authority to request an allotment increase to pay for unemployment insurance administrative costs from this appropriation if the amount provided by the federal government for unemployment insurance administration is insufficient to fund the program.

20. Transfer Positions to the Labor and Industry Review Commission

The Governor recommends transferring \$169,100 PR-F and 2.6 FTE PR-F positions in each year from the Division of Unemployment Insurance to the Labor and Industry Review Commission to consolidate all unemployment insurance appeal functions at the commission.

21. School-to-Work Programs at the Governor's Work-Based Learning Board

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	285,000	0.00	285,000	0.00	285,000	0.00	285,000	0.00
PR-S	48,100	0.00	48,100	0.00	348,100	0.00	348,100	0.00
TOTAL	333,100	0.00	333,100	0.00	633,100	0.00	633,100	0.00

The Governor recommends making the following changes to the Governor's Work-Based Learning Board: (a) transfer \$634,200 GPR and 3.0 FTE GPR positions in each year from the department to an annual appropriation for state administration at the Governor's Work-Based Learning Board; (b) transfer \$1,100,000 GPR in each year from the department to the board for local grants to support the Youth Apprenticeship Program; (c) transfer \$285,000 GPR and \$300,000 PR-S in each year from the Wisconsin Technical College System to the board and give the board the responsibility to oversee the Jobs for America's Graduates program and School-to-Work Grants for Tribal Colleges program. See Wisconsin Technical College System, Item #6.

22. Division of Workforce Solutions Position Realignment

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-194,500	8.63	-194,500	8.63	-194,500	8.63	-194,500	8.63
PR-O	74,000	-73.80	74,000	-73.80	74,000	-73.80	74,000	-73.80
PR-S	-39,496,000	65.14	-39,296,600	65.14	-39,528,700	65.14	-39,329,300	65.14
TOTAL	-39,616,500	-0.03	-39,417,100	-0.03	-39,649,200	-0.03	-39,449,800	-0.03

The Governor recommends making changes to the department's expenditure and position authority in several appropriations to reflect the realignment of authorized positions and associated funding in the department's Division of Workforce Solutions. The changes also reflect the consolidation of PR and PR-S position authority within the division's appropriation for interagency and intra-agency programs.

23. Division of Administrative Services Position Realignment

The Governor recommends transferring \$93,800 PR-S and 0.75 FTE PR-S position in each year from the department's administrative services appropriation to its interagency agreements appropriation to reflect changes in work loads and assigned responsibilities.

24. Injury Prevention Program for Health Care Workers

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	500,000	1.00	500,000	1.00
TOTAL	0	0.00	0	0.00	500,000	1.00	500,000	1.00

The Governor recommends providing funding and position authority for an injury prevention program for health care workers. The program will demonstrate the benefits of a no-lift workplace in health care facilities and provide grants to employers to implement a no-lift work environment.

25. Minor Position and Spending Realignment

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	-23,700	-0.30	-23,700	-0.30	-23,700	-0.30	-23,700	-0.30
PR-S	23,700	0.30	23,700	0.30	23,700	0.30	23,700	0.30
TOTAL	0	0.00	0	0.00	0	0.00	0	0.00

The Governor recommends transferring funding and position authority between worker's compensation appropriations to more accurately reflect the position responsibilities.

26. Uninsured Employers Fund Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	450,000	0.00	450,000	0.00	450,000	0.00	450,000	0.00
TOTAL	450,000	0.00	450,000	0.00	450,000	0.00	450,000	0.00

The Governor recommends providing expenditure authority to reflect reestimates of revenues and expenditures for uninsured employers fund payments.

27. Worker's Compensation Supplemental Benefit Fund Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	225,000	0.00	225,000	0.00	225,000	0.00	225,000	0.00
TOTAL	225,000	0.00	225,000	0.00	225,000	0.00	225,000	0.00

The Governor recommends providing expenditure authority to reflect reestimates of revenues and expenditures for the work injury supplemental benefit fund.

28. Worker's Compensation Federal Revenue Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-53,800	0.00	-53,800	0.00	-53,800	0.00	-53,800	0.00
TOTAL	-53,800	0.00	-53,800	0.00	-53,800	0.00	-53,800	0.00

The Governor recommends eliminating funding for supplies and services for positions that were eliminated in 2003 Wisconsin Act 33.

29. Worker's Compensation Program Revenue Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	-400,000	0.00	-400,000	0.00	-400,000	0.00	-400,000	0.00
TOTAL	-400,000	0.00	-400,000	0.00	-400,000	0.00	-400,000	0.00

The Governor recommends adjusting funding for worker's compensation contracts to reflect estimated revenues for this appropriation.

30. Unemployment Insurance Tax System Revenue Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	-2,446,600	0.00	-2,446,600	0.00	-2,446,600	0.00	-2,446,600	0.00
TOTAL	-2,446,600	0.00	-2,446,600	0.00	-2,446,600	0.00	-2,446,600	0.00

The Governor recommends adjusting expenditure authority to reflect lower revenue collections from the unemployment information technology assessment.

31. Auxiliary Services Program Revenue Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	-126,800	0.00	-126,800	0.00	-126,800	0.00	-126,800	0.00
TOTAL	-126,800	0.00	-126,800	0.00	-126,800	0.00	-126,800	0.00

The Governor recommends adjusting expenditure authority to reflect reestimated revenues for the department's auxiliary services appropriation.

32. Workforce Investment Act Federal Revenue Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	24,602,500	0.00	24,602,500	0.00	24,602,500	0.00	24,602,500	0.00
TOTAL	24,602,500	0.00	24,602,500	0.00	24,602,500	0.00	24,602,500	0.00

The Governor recommends adjusting the department's federal appropriations to reflect changes in federal grants related to the Workforce Investment Act.

33. Local Agreements Program Revenue Reestimates

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	-2,429,600	0.00	-2,429,600	0.00	-2,413,300	0.00	-2,413,300	0.00
TOTAL	-2,429,600	0.00	-2,429,600	0.00	-2,413,300	0.00	-2,413,300	0.00

The Governor recommends adjusting the department's program revenue appropriations to reflect changes in revenues from local agreement contracts.

34. Division of Workforce Solutions Federal and Program Revenue Reestimates

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-25,800	0.00	-25,800	0.00	-25,800	0.00	-25,800	0.00
PR-O	1,800	0.00	1,800	0.00	1,800	0.00	1,800	0.00
PR-S	-91,800	0.00	-91,800	0.00	-91,800	0.00	-91,800	0.00
TOTAL	-115,800	0.00	-115,800	0.00	-115,800	0.00	-115,800	0.00

The Governor recommends adjusting the department's federal and program revenue appropriations to reflect changes in revenues received by the Division of Workforce Solutions.

35. Division of Vocational Rehabilitation Federal and Program Revenue Reestimates

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	329,600	0.00	983,600	0.00	329,600	0.00	983,600	0.00
PR-O	-43,900	0.00	-43,900	0.00	-43,900	0.00	-43,900	0.00
PR-S	-513,000	0.00	-513,000	0.00	-513,000	0.00	-513,000	0.00
TOTAL	-227,300	0.00	426,700	0.00	-227,300	0.00	426,700	0.00

The Governor recommends adjusting appropriations in the Division of Vocational Rehabilitation to reflect reestimates of program, federal and segregated revenues.

36. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	437,600	-22.11	437,600	-22.11	437,600	-22.11	437,600	-22.11
PR-F	-2,843,600	-58.00	-2,970,200	-61.00	-2,843,600	-58.00	-2,970,200	-61.00
PR-O	-1,125,000	-18.18	-1,125,000	-18.18	-1,125,000	-18.18	-1,125,000	-18.18
PR-S	-247,100	-11.25	-247,100	-11.25	-247,100	-11.25	-247,100	-11.25
TOTAL	-3,778,100	-109.54	-3,904,700	-112.54	-3,778,100	-109.54	-3,904,700	-112.54

The Governor recommends adjusting the department's base budget for: (a) turnover reduction (-\$2,698,300 in each year); (b) removal of noncontinuing elements from the base (-\$5,298,500 and -109.54 FTE positions in FY06 and -\$5,425,100 and -112.54 FTE positions in FY07); (c) full funding of continuing position salaries and fringe benefits (\$3,889,200 in each year); (d) overtime (\$224,500 in each year); (e) night and weekend differential pay (\$95,500 in each year); (f) full funding of lease and directed moves costs (\$9,500 in each year); and (g) minor transfers within the same alpha appropriation.

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	FY06		FY07	
		Dollars	Positions	Dollars	Positions
37. Automated Child Labor Work Permit Internet System	PR-O	225,000	0.00	450,000	0.00
38. Division of Workforce Solutions Compensation and Health Reserves	PR-F	121,900	0.00	306,100	0.00
TOTAL OF ITEMS NOT APPROVED	PR-F	121,900	0.00	306,100	0.00
	PR-O	225,000	0.00	450,000	0.00