



# STATE OF WISCONSIN Assembly Journal

## Ninety-Ninth Regular Session

THURSDAY, January 8, 2009

The Chief Clerk makes the following entries under the above date:

### COMMUNICATIONS

State of Wisconsin  
Legislative Reference Bureau  
Madison

**DATE:** December 3, 2008  
**TO:** Patrick E. Fuller  
Assembly Chief Clerk  
  
Robert Marchant  
Senate Chief Clerk  
**FROM:** Bruce J. Hoesly  
Code Editor  
**SUBJECT:** Rules published in the November 30, 2008,  
Wisconsin Administrative [Register, No. 635](#).

The following rules have been published:

Clearinghouse Rule 07-029 effective 12-1-2008  
Clearinghouse Rule 07-036 effective 12-1-2008  
Clearinghouse Rule 07-094 effective 12-1-2008  
Clearinghouse Rule 07-110 effective 12-1-2008  
Clearinghouse Rule 07-107 part eff. 12-1-2008  
Clearinghouse Rule 07-107 part eff. 7-1-2009  
Clearinghouse Rule 07-116 effective 12-1-2008  
Clearinghouse Rule 08-010 part eff. 12-1-2008  
Clearinghouse Rule 08-010 part eff. 4-1-2009  
Clearinghouse Rule 08-018 effective 12-1-2008  
Clearinghouse Rule 08-021 effective 12-1-2008  
Clearinghouse Rule 08-024 effective 12-1-2008  
Clearinghouse Rule 08-028 effective 12-1-2008  
Clearinghouse Rule 08-039 effective 12-1-2008  
Clearinghouse Rule 08-042 effective 12-1-2008  
Clearinghouse Rule 08-049 effective 12-1-2008  
Clearinghouse Rule 08-051 effective 12-1-2008  
Clearinghouse Rule 08-058 effective 12-1-2008  
Clearinghouse Rule 08-059 effective 12-1-2008  
Clearinghouse Rule 08-072 effective 12-1-2008

State of Wisconsin  
Legislative Reference Bureau  
Madison

**DATE:** January 7, 2009  
**TO:** Patrick E. Fuller  
Assembly Chief Clerk  
  
Robert Marchant  
Senate Chief Clerk  
**FROM:** Bruce J. Hoesly  
Code Editor  
**SUBJECT:** Rules published in the December 31, 2008,  
Wisconsin Administrative [Register, No. 636](#).

The following rules have been published:

Clearinghouse Rule 04-023 effective 1-1-2009  
Clearinghouse Rule 07-004 effective 1-1-2009  
Clearinghouse Rule 07-073 part eff. 1-1-2009  
Clearinghouse Rule 07-073 part eff. 3-1-2009  
Clearinghouse Rule 07-093 effective 1-1-2009  
Clearinghouse Rule 07-102 effective 1-1-2009  
Clearinghouse Rule 07-105 effective 1-1-2009  
Clearinghouse Rule 08-027 effective 1-1-2009  
Clearinghouse Rule 08-030 effective 1-1-2009  
Clearinghouse Rule 08-045 effective 1-1-2009  
Clearinghouse Rule 08-052 effective 1-1-2009  
Clearinghouse Rule 08-053 effective 1-1-2009  
Clearinghouse Rule 08-054 effective 1-1-2009  
Clearinghouse Rule 08-061 effective 1-1-2009  
Clearinghouse Rule 08-064 effective 1-1-2009  
Clearinghouse Rule 08-066 effective 1-1-2009  
Clearinghouse Rule 08-077 effective 1-1-2009

January 8, 2009

State Representative Cory Mason  
Wisconsin State Assembly  
Room 321 East, State Capitol  
PO Box 8953  
Madison, WI 53708

Dear Representative Mason:

This letter is to advise you that I am appointing you to serve as my Assembly Finance Committee designee on the University of Wisconsin Hospitals and Clinics Board, as well

as the University of Wisconsin Hospitals and Clinics Authority Board of Directors, for the 2009-2010 legislative session.

Sincerely,  
*MARK POCAN*  
State Representative  
Co-Chair, Joint Committee on Finance

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## REFERRAL OF AGENCY REPORTS

State of Wisconsin  
Department of Administration  
Madison

November 28, 2008

To the Honorable, the Legislature:

This report is transmitted as required by s. 20.002 (11)(f), Wisconsin Statutes, (for distribution to the appropriate standing committees under s. 13.172 (3), Wisconsin Statutes) and confirms that the Department of Administration has found it necessary to exercise the “temporary reallocation of balances” authority provided by this section in order to meet payment responsibilities and cover resulting negative cash balances during the month of October 2008.

On October 1, 2008, the Injured Patients and Families Compensation Fund cash balance closed at a negative \$140.8 million. This negative balance continued through October 31, 2008, when the fund’s cash balance closed at a negative \$137.0 million. The Injured Patients and Families Compensation Fund cash balance reached its intra-month low of a negative \$149.5 million on October 9, 2008. The negative balance was due to the transfer of \$200 million to the Medical Assistance Trust Fund per 2007 Wisconsin Act 20, and the pending liquidation of fund securities necessary to offset this shortfall.

On October 1, 2008, the Workers Compensation Fund cash balance closed at a negative \$1.3 million. This negative balance continued through October 31, 2008, when the fund’s cash balance closed at a negative \$1.4 million (its intra-month low). The negative balance was due to the difference in the timing of revenues and expenditures.

On October 17, 2008, the Conservation Fund cash balance closed at a negative \$57.0 thousand. This negative balance continued through October 30, 2008, when the fund’s cash balance closed at a positive \$6.4 million. The Conservation Fund cash balance reached its intra-month low of a negative \$2.4 million on October 28, 2008. The negative balance was due to a delayed transfer to the fund. On October 31, 2008, the Mediation Fund cash balance closed at a negative \$2.0 thousand (its intra-month low). The negative balance was due to the difference in the timing of revenues and expenditures.

The Injured Patients and Families Compensation Fund, Workers Compensation Fund, Conservation Fund, and Mediation Fund shortfalls were not in excess of the statutory

interfund borrowing limitations and did not exceed the balances of the funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund’s share. Therefore, the monthly calculation by the State Controller’s Office will automatically reflect the use of these temporary reallocations of balance authority, and as a result, the funds requiring the use of the authority will effectively bear the interest cost.

Sincerely,  
*MICHAEL L. MORGAN*  
Secretary

Referred to committee on **Ways and Means**.

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State of Wisconsin  
Department of Administration  
Madison

December 1, 2008

To the Honorable, the Legislature:

The Department of Administration has issued its contractual service purchasing report for Fiscal Year 2008 pursuant to 16.705 (8), Wis. Stats. This report also includes information on cost-benefit analyses produced by state agencies and campuses during FY08.

Again this year, state agencies reduced contracting costs. State agency contracting decreased by 5%, from \$345.1 million in FY07 to \$326.9 million in FY08. However, when combined with University of Wisconsin System contracting costs, overall state contracting increased by 7% in FY08, from \$419.6 million in FY07 to \$449.6 million in FY08. This is the first increase in overall contracting costs since FY04.

In addition, this report provides a summary of the more than 293 cost-benefit analyses prepared by state government in FY08. State agencies and campuses are required to conduct a cost-benefit analysis prior to each proposed contractual service procurement over \$25,000.

The Department of Administration is committed to improving ways to provide quality services to Wisconsin citizens as efficiently and cost effectively as possible and we will continue to work on these efforts in our state contracting process.

If you have questions about this report, please contact James Langdon, Deputy Administrator, DOA Division of Enterprise Operations, at 608-267-2715.

Sincerely,  
*MICHAEL L. MORGAN*  
Secretary

Referred to committee on **State Affairs and Homeland Security**.

State of Wisconsin  
University of Wisconsin System  
Madison

December 15, 2008

To the Honorable, the Legislature:

The 1999-2001 State of Wisconsin Biennial Budget, [1999 Wisconsin Act 9](#), included a provision to change the University of Wisconsin System's appropriation for tuition and fee revenues (Academic Student Fees, Fund 131) from an annual, sum certain appropriation to a continuing appropriation.

Wisconsin Act 9 required the Board of Regents to report annually, beginning on December 15, 2000, the amount by which actual expenditures in the previous fiscal year, in this case 2006-07, exceeded the amount in the schedule for that appropriation in the previous fiscal year. That report, including the purposes for which the additional revenues were spent and the amount spent for each purpose, is attached.

Please contact Lynn Paulson at (608) 263-7481, if you have any questions related to this report.

Sincerely,  
*DEBORAH A. DURCAN*  
Vice President for Finance

Referred to committee on **Colleges and Universities**.

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State of Wisconsin  
Department of Public Instruction  
Madison

December 17, 2008

To the Honorable, the Legislature:

Pursuant to s. [115.361 \(2\)](#), Wis. Stats., the attached report is submitted to you for referral to the appropriate standing committees of the legislature under s. [13.172 \(3\)](#), Wis. Stats. The report provides a collection of analyzed information about programs funded under this section along with evidence of their effectiveness. Further, this report covers a two-year cycle and provides information on a wide-range of AODA related resources, including grants, training, technical assistance, and educational materials.

If you have any questions regarding this document, please contact Kenneth Wagner at (608) 266-5181.

Sincerely,  
*ELIZABETH BURMASTER*  
State Superintendent

Referred to committee on **Education**.

State of Wisconsin  
Department of Justice  
Madison

December 19, 2008

To the Honorable, the Legislature:

Section [165.90](#) of the Wisconsin Statutes requires the Department of Justice to report on the performance of cooperative county-tribal law enforcement programs receiving aid under this section. This letter constitutes our report.

The Department of Justice's County-Tribal Law Enforcement Grant Program continues to help local law enforcement provide needed services in Native American communities. In addition, this program helps build a cooperative atmosphere and positive relationship between law enforcement and tribal governments and communities. I am pleased to share information regarding this important program with you.

Sincerely,  
*J.B. VAN HOLLEN*  
Attorney General

Referred to committee on **Criminal Justice**.

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State of Wisconsin  
Department of Corrections  
Madison

December 22, 2008

To the Honorable, the Legislature:

The 2005-2007 biennial budget, [2005 Wisconsin Act 25](#), required the Department to conduct a study regarding the possibility of reducing its costs for the care of inmates, who are not a threat to the community and require extended nursing care. The Department has completed such a study and per the instructions in the non-statutory section 9109 (3q) it is being submitted for distribution under section [13.172 \(3\)](#) of the statutes.

Sincerely,  
*RICK RAEMISCH*  
Secretary

Referred to committee on **Corrections and the Courts**.

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State of Wisconsin  
Department of Health Services  
Madison

December 22, 2008

To the Honorable, the Legislature:

The Department of Health Services is pleased to provide you this annual report of the Wisconsin Food Security Consortium's plans to address food insecurity, as required under s. [46.76 \(4\)](#) and [\(5\)](#).

The Department, with the assistance of the Food Security Consortium, continues its commitment to fight hunger in Wisconsin.

Sincerely,  
*KAREN E. TIMBERLAKE*  
Secretary

Referred to committee on **Children and Families**.

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State of Wisconsin  
Department of Transportation  
Madison

December 29, 2008

To the Honorable, the Legislature:

The department respectfully submits this report on the results of the study of Wisconsin's truck size and weight limit laws required by [2007 Act 20](#).

Consistent with the specific requirements of Act 20, the department contracted for the study and the study did identify changes in these laws that would have a net benefit to Wisconsin's economy. The study included review of items that were found to have net benefit in a similar Minnesota project report. The study was conducted with the assistance of an advisory committee, appointed by the department to meet the requirements of the Act.

Any questions about the study or this report may be directed to Rory Rhinesmith, Statewide Bureaus Operations Director, Division of Transportation Systems Development at 608-266-2392, or by email [Rory.Rhinesmith@dot.wi.gov](mailto:Rory.Rhinesmith@dot.wi.gov).

Sincerely,  
*FRANK J. BUSALACCHI*  
Secretary

Referred to committee on **Transportation**.

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State of Wisconsin  
Medical College of Wisconsin  
Milwaukee

December 29, 2008

To the Honorable, the Legislature:

Enclosed please find the Medical College of Wisconsin's annual report for the Breast and Prostate Cancer Research Program funded through the income tax check-off programs created by 2003 Wisconsin ACT 176 and [2005 Wisconsin Act 460](#). The document represents the annual report highlighting the fiscal reporting period of July 1, 2007-June 30, 2008.

If you have any questions or comments regarding the report, please contact me at 414-456-8217.

Sincerely,  
*KATHRYN A. KUHN*  
Associate Vice President of Government  
Affairs

Referred to committee on **Public Health**.

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State of Wisconsin  
Public Service Commission  
Madison

December 30, 2008

To the Honorable, the Legislature:

Enclosed please find the statutory proposal of the Public Service Commission for equitably allocating the costs of the Focus on Energy program among energy utility customers. [2005 Wis. Act 141](#) established an initial approach for allocating these costs, but directed the Commission to propose an alternative. Wis. Stat. § [196.374 \(5\)\(b\)1.](#), provides:

196.374 (5)(b)1. The commission shall commence a proceeding for creating a proposal for allocating within different classes of customers an equitable distribution of the recovery of the amounts under par. (a) by all energy utilities. The purpose of the allocation is to ensure that customers of an energy utility within a particular class are treated equitably with respect to customers of other energy utilities within the same class. No later than December 31, 2008, the commission shall submit the proposal to the governor and chief clerk of each house of the legislature for distribution to the appropriate standing committees of the legislature under s. [13.172 \(3\)](#).

On June 13, 2008, the Commission opened a proceeding (docket 05-UI-1 13) as required by this law. The Commission identified issues and solicited comments from interested parties. At its open meeting on December 18, 2008, the Commission deliberated on these comments and unanimously agreed on an equitable means of allocating costs among energy utility customers. The Commission's proposal, which accompanies this letter and which is being sent by separate cover to the Governor, complies with Wis. Stat. § [196.374 \(5\)\(b\)1.](#)

Under Wis. Stat. § [196.374 \(3\)\(b\)2.](#), each energy utility must spend 1.2 percent of its annual operating revenues to fund the statewide energy efficiency and renewable resource programs that [2005 Wis. Act 141](#) mandates. Previously, the amounts that energy utilities and their customers paid for these programs varied widely. In 2005, before the enactment of [2005 Wis. Act 141](#), natural gas and electric customers contributed between 0 and 1.10 percent of their bills to these programs. While [2005 Wis. Act 141](#) equalized the amounts that energy utilities must pay, it retained some of the inequities among utility customers. Under Wis. Stat. § [196.374 \(5\)\(b\)1.](#), energy utilities can collect from a large energy customer no more than the customer had been paying in 2005. The result is that some large energy customers still make no contribution to the statewide energy efficiency and renewable resource

programs, while others pay more than 1 percent of their bills for these programs. The cap on payments by large energy customers also creates inequities for other utility customers because they must contribute excess amounts to make up for the shortfall of payments from large energy customers.

The Commission's proposal assigns to each customer class the projected costs of the energy efficiency and renewable resource programs that it is receiving. This ensures that customers are receiving benefits from the programs commensurate with their contributions. To date, large energy customers have been receiving energy efficiency and renewable resource services in excess of their contributions. The Commission's proposal increases the cost responsibility of large energy customers over three years until they are paying their full share. This gradual increase in cost responsibility is designed to mitigate the fiscal impact on large energy customers while still equitably allocating the cost of these programs among the classes of energy utility customers.

If this proposal is not enacted into law by July 1, 2009, the existing statute requires the Commission to annually raise the payments of a large energy customer by the lesser of the percentage increase in the customer's utility's operating revenues or the consumer price index.

Thank you for your consideration of this proposal. If you have further questions, please contact my Executive Assistant, Nate Zolik, at 267-7897.

Sincerely,  
*ERIC CALLISTO*  
Chairperson

Referred to committee on **Energy and Utilities**.

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State of Wisconsin  
Department of Administration  
Madison

December 30, 2008

To the Honorable, the Legislature:

This report is transmitted as required by s. 20.002 (11)(f), Wisconsin Statutes, (for distribution to the appropriate standing committees under s. 13.172 (3), Wisconsin Statutes) and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative cash balances during the month of November 2008.

On November 1, 2008, the Injured Patients and Families Compensation Fund cash balance closed at a negative \$137.0 million. This negative balance continued through November 30, 2008, when the fund's cash balance closed at a negative \$124.7 million. The Injured Patients and Families Compensation Fund cash balance reached its intra-month low of a negative \$137.4 million on November 14, 2008. The negative balance was due to the transfer of \$200 million to the Medical Assistance Trust Fund per 2007 Wisconsin Act 20,

and the pending liquidation of fund securities necessary to offset this shortfall.

On November 1, 2008, the Worker's Compensation Fund cash balance closed at a negative \$2.5 million. This negative balance continued through November 30, 2008, when the fund's cash balance closed at a negative \$2.6 million (its intra-month low). The negative balance was due to the difference in the timing of revenues and expenditures.

On November 1, 2008, the Mediation Fund cash balance closed at a negative \$3.0 thousand. This negative balance continued through November 14, 2008, when the fund's cash balance closed as a positive \$209 thousand. The Mediation Fund cash balance reached its intra-month low of a negative \$13 thousand on November 13, 2008. The negative balance was due to the difference in the timing of revenues and expenditures.

On November 20, 2008, the Conservation Fund cash balance closed at a negative \$2.7 million (its intra-month low). This negative balance continued through November 21, 2008, when the fund's cash balance closed at a positive \$579 thousand. The negative balance was due to the difference in the timing of revenues and expenditures.

On November 20, 2008, the Utility Public Benefits Fund cash balance closed at a negative \$1.6 million. This negative balance continued through November 30, 2008, when the fund's cash balance closed at a negative \$4.0 million (its intra-month low). The negative balance was due to a delayed transfer to the fund.

The Injured Patients and Families Compensation Fund, Worker's Compensation Fund, Mediation Fund, Conservation Fund and Utility Public Benefits Fund shortfalls were not in excess of the statutory interfund borrowing limitations and did not exceed the balances of the funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority, and as a result, the funds requiring the use of the authority will effectively bear the interest cost.

Sincerely,  
*MICHAEL L. MORGAN*  
Secretary

Referred to committee on **Ways and Means**.

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State of Wisconsin  
Department of Health Services  
Madison

December 31, 2008

To the Honorable, the Legislature:

Section 46.03 (26) of the statutes requires the Department of Health Services to report annually on information systems projects under development including the implementation

schedule, estimate of costs, and methods of determining changes (if applicable).

The Department has two groups of systems now under development; (1) Public Health Information Network, and (2) the Vital Records Reengineering Project. The required information is included in the attached reports.

Sincerely,  
*KAREN E. TIMBERLAKE*  
Secretary

Referred to committee on **Health and Healthcare Reform.**

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State of Wisconsin  
Department of Administration  
Madison

January 5, 2009

To the Honorable, the Legislature:

Please find enclosed the Service Award Program 2008 Annual Report. The Service Award Board approved the report at its meeting on December 9, 2008. The report provides an overview of the program and outlines the accomplishments for the program year.

Wisconsin State Statute 16.25 (6) requires the Department to submit the report to the Chief Clerk of each house annually describing the activities of the board.

If you have any questions regarding the report, please contact Terri Lenz at the Department of Administration, Division of Enterprise Operations, at (608) 261-6580.

Sincerely,  
*JAMES M. LANGDON*  
Secretary, Service Award Board

Referred to committee on **Urban and Local Affairs.**

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## AGENCY REPORTS

State of Wisconsin  
Legislative Audit Bureau  
Madison

December 11, 2008

To the Honorable, the Assembly:

We have completed an evaluation of the efforts of the Department of Health Services (DHS), formerly the Department of Health and Family Services, to ensure the integrity of Wisconsin's Medical Assistance program, including its certification of providers and audits of provider payments. In fiscal year (FY) 2006-07, expenditures for DHS's program integrity activities, excluding payments made to contractors that assist DHS in these activities, totaled \$3.2 million.

Most providers must be certified by the State to receive Medical Assistance reimbursement for services rendered. We

found that the initial certifications are generally processed on a timely basis. Some provider recertifications, which are generally required every three years, have not been completed since at least 2002, in part because of delays DHS has encountered in implementing its new Medicaid Management Information System. Delays in recertification increase the risk that unallowable payments will be made because some providers no longer meet certification requirements.

From FY 2002-03 through FY 2006-07, DHS conducted 8,517 audits of Medical Assistance providers and recovered \$31.8 million, which was used to offset state and federally funded Medical Assistance expenditures. We independently analyzed 9.4 million claims paid to four types of providers during one year – FY 2005-06 – and found an additional \$268,000 in payments for provider claims that appear to be unallowable. We make several recommendations to improve the audit process, including seeking recovery of the payments we identified, imposing sanctions on providers found to repeatedly violate program rules, and charging interest to providers that fail to promptly return unallowable claims payments.

We also reviewed the role of the Department of Justice (DOJ) in prosecuting cases of Medical Assistance fraud. From FY 2002-03 through FY 2006-07, DOJ obtained 34 criminal convictions and negotiated 16 civil settlements between the State and Medical Assistance providers. During that period, courts ordered convicted providers to pay a total of \$2.9 million, and the State received \$11.7 million from civil settlements.

We appreciate the courtesy and cooperation extended to us by DHS and DOJ staff. A response from DHS follows our report.

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor

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State of Wisconsin  
Legislative Audit Bureau  
Madison

December 11, 2008

To the Honorable, the Assembly:

We have completed a financial audit of the State of Wisconsin as of and for the fiscal year ended June 30, 2008. The financial statements and related opinion are included in the State of Wisconsin's Comprehensive Annual Financial Report, which is published by the Department of Administration.

During the course of our audit, we identified a variety of internal control concerns at various state agencies that are required to be reported under Government Auditing Standards. As provided for in those standards, we are furnishing you with the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters. The state agencies' responses to our concerns and recommendations are included in the text of the report so that readers may see the State's intended resolution of the matters discussed. In future audits, we will determine the extent to which findings in the report have been resolved.

We appreciate the courtesy and cooperation extended to us by the Department of Administration and other state agencies during the audit.

Sincerely,  
*JANICE MUELLER*  
State Auditor

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State of Wisconsin  
Legislative Audit Bureau  
Madison

December 19, 2008

To the Honorable, the Assembly:

We have completed a financial audit of the Wisconsin Public Broadcasting Foundation, Inc.'s Television Fund and Radio Fund, as requested by the Wisconsin Educational Communications Board. The Foundation was organized by the Educational Communications Board under s. 39.12 and ch. 181, Wis. Stats., on September 29, 1983, for the exclusive purpose of raising funds for the Wisconsin educational television and radio networks.

We completed this audit in conjunction with our audits of the Wisconsin Educational Communications Board television and radio networks, reports 08-16 and 08-17. The Foundation's financial operations are separate and independent from the State of Wisconsin. The Foundation's financial statements are presented in two separate funds (radio and television) to accommodate reporting requirements and the Educational Communications Board's desire to maintain the funds separately.

Our audit report contains the Foundation's financial statements and related notes as of and for the periods ending June 30, 2008, and June 30, 2007. We were able to issue an unqualified independent auditor's report on these statements.

We appreciate the courtesy and cooperation extended to us by Educational Communications Board staff during the audit.

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor

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State of Wisconsin  
Legislative Audit Bureau  
Madison

December 19, 2008

To the Honorable, the Assembly:

We have completed a financial audit of the State of Wisconsin Educational Communications Board (ECB) Television Network to meet our audit requirements under s. 13.94, Wis. Stats., and as requested by ECB to fulfill the audit requirements of the Corporation for Public Broadcasting. The

Corporation requires audited financial statements of public broadcasting entities to determine future funding levels.

ECB, which is an agency of the State of Wisconsin, operates a television network of 5 digital stations and 5 analog stations, as well as a radio network of 13 FM stations and 1 AM station. The ECB Television Network reported \$10.3 million in support and revenue during fiscal year (FY) 2007-08, including state support, member contributions, funding from the Corporation for Public Broadcasting, and various other grants.

Our audit report contains the ECB Television Network's financial statements and related notes as of and for the periods ending June 30, 2008, and June 30, 2007. We were able to issue an unqualified independent auditor's report on these statements.

We appreciate the courtesy and cooperation extended to us by ECB staff during the audit.

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor

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State of Wisconsin  
Legislative Audit Bureau  
Madison

December 19, 2008

To the Honorable, the Assembly:

We have completed a financial audit of the State of Wisconsin Educational Communications Board (ECB) Radio Network to meet our audit requirements under s. 13.94, Wis. Stats., and as requested by ECB to fulfill the audit requirements of the Corporation for Public Broadcasting. The Corporation requires audited financial statements of public broadcasting entities to determine future funding levels.

ECB, which is an agency of the State of Wisconsin, operates a radio network of 13 FM stations and 1 AM station, as well as a television network of 5 digital stations and 5 analog stations. The ECB Radio Network reported \$9.2 million in support and revenue during fiscal year (FY) 2007-08, including state support, member contributions, funding from the Corporation for Public Broadcasting, and various other grants.

Our audit report contains the ECB Radio Network's financial statements and related notes as of and for the periods ending June 30, 2008, and June 30, 2007. We were able to issue an unqualified independent auditor's report on these statements.

We appreciate the courtesy and cooperation extended to us by ECB staff during the audit.

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor