

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

DATE: November 26, 2012

TO: Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by: Dennis Buesing, Administrator, DHHS Contract Administration

SUBJECT: **Report from the Director, Department of Health and Human Services, requesting authorization to retrospectively amend the amounts of the Federal Fiscal Year 2012 Wisconsin Home Energy Assistance Program subcontracts with the Social Development Commission and Community Advocates.**

Issue

The Director of the Department of Health and Human Services (DHHS) is requesting authorization to retrospectively amend the amounts of the Federal Fiscal Year (FFY) 2012 purchase of service contracts with the Social Development Commission (SDC) and Community Advocates. SDC was unable to expend their entire contract award and Community Advocates had documented expenses in excess of their contract award for FFY2012.

Section 46.09 of the Milwaukee County Code of General Ordinances requires County Board approval for the purchase of human services from nongovernmental vendors.

Background

In September 2011, DHHS recommended and the Milwaukee County Board of Supervisors approved a FFY2012 contract between the Wisconsin Department of Administration and Milwaukee County DHHS to cover the operation of the Wisconsin Home Energy Assistance Program (WHEAP), which assists individuals and families who are experiencing energy burdens throughout Milwaukee County. The approval included the acceptance of any amendments from the State during the course of the contract duration.

Also approved in September 2011 were purchase of service contracts between DHHS and SDC and Community Advocates to continue the provision of services to Milwaukee County residents under the WHEAP program. The contract between the State Division of Energy Services and Milwaukee County DHHS was initially \$2,394,459 (excluding the funding for client benefits) and with amendments increased to \$2,759,218. The full \$364,759 in amendments were distributed proportionately to SDC and Community Advocates. Also distributed proportionately, was a decrease in the Milwaukee County operational allocation of the contract in the amount of \$39,315. The SDC contract award, including amendments, was \$1,902,639. The Community Advocates contract award, including amendments, was \$525,273. SDC operates three Energy sites and deploys County energy staff along with its regular staff. Community Advocates operates one main Energy site and provides outreach services at various

locations throughout the County, focusing on housing sites for low-income and elderly populations and public library branches.

Discussion

The FFY2012 contract with the State for the operation of WHEAP and the DHHS contracts with SDC and Community Advocates for the provision of WHEAP services ended on September 30, 2012. Three different funding streams comprise the total contract amount from the State: Operations/Administration, Crisis Services Administration, and Outreach. After all invoicing for the year had been submitted to DHHS, it was found that SDC had been unable to spend down their contract amount in the Outreach area, while Community Advocates had documented expenses in excess of their contract amount in all three areas.

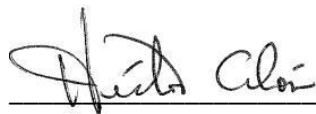
DHHS is requesting permission to transfer \$6,749 in unspent funding from the SDC contract to the Community Advocates contract to offset some of their otherwise unfunded costs. DHHS is also transferring \$34,720 in unspent funding initially included in the DHHS budget to the Community Advocates contract to further offset unfunded costs. Because funding streams are not interchangeable, not all of the Community Advocates' costs will be covered; however, amending their contract to the maximum extent possible in each funding area will help to reduce their currently unfunded expense.

Recommendation

It is recommended that the County Board of Supervisors authorize the Director of the Department of Health and Human Services, or his designee, to retrospectively reduce the SDC contract from \$1,902,639 to \$1,895,890, resulting in a reduction of \$6,749; and to amend the Community Advocates Contract by increasing it in the amount of \$41,469 for a revised FFY2012 total contract amount of \$566,742.

Fiscal Impact

There will be no tax levy impact as the funding for the WHEAP program comes from the State. A fiscal note form is attached.



Héctor Colón, Director
Department of Health and Human Services

cc: County Executive Chris Abele
Tia Torhorst, County Executive's Office
Kelly Bablitch, County Board
Pat Farley, Director – DAS
Craig Kammholz – Fiscal & Budget Administrator - DAS

2012MSD Purchase of Service Contract Amendments
SDC and Community Advocates

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