

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: October 7, 2016

TO: Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by Mark Mertens, Administrator – DCSD

SUBJECT: **Report from the Director, Department of Health and Human Services, requesting retroactive authorization to enter into a 2016 Memorandum of Understanding with the State of Wisconsin Department of Corrections for the procurement of juvenile correctional services**

Issue

Departments must obtain authorization from the County Board in order to execute contracts in excess of \$300,000. The Director, Department of Health and Human Services (DHHS), is therefore requesting authorization to sign a 2016 Memorandum of Understanding with the State Department of Corrections for the provision of juvenile justice services mandated by State law.

Background & Discussion

The juvenile justice correctional services that are provided by the State of Wisconsin Department of Corrections (DOC) include operating the juvenile correctional facilities of Lincoln Hills School for Boys, Copper Lake School for Girls and the Mendota Juvenile Treatment Center as well as after care supervision, community supervision, group home and residential care.

The rates charged by the State to counties for these services are authorized by Wisconsin State Statutes 301.26(4)(d)(2). Counties pay for these charges out of their Community Youth and Family Aids Program, commonly referred to as "Youth Aids." Youth Aids is the state's primary means of providing counties with direct assistance to fund the cost of services to juvenile delinquents.

As part of the State of Wisconsin 2015-2017 biennial budget bill, administrative and oversight responsibility for the community-based juvenile justice system transferred from the State Department of Corrections (DOC) to the Department of Children and Families (DCF) effective January 1, 2016.

Among other changes, this also resulted in a change to the billing process for counties. Counties are now being billed directly by DOC for services and receiving the offsetting Youth Aids revenue through DCF. Prior to 2016, DOC withheld part of each county's Youth Aids allocation to pay for these services.

As a result of this change, the Office of the Comptroller and Corporation Counsel advised DHHS to execute an MOU with the DOC to reflect this new business practice. Since January, the DOC has been directly billing Milwaukee County and central accounting has been paying these invoices with the understanding that an MOU would be executed. In addition, because the expense and revenue were not contained in DCSD's 2016 Budget, DHHS prepared an appropriation transfer for \$16.2 million which was approved by the County Board in May.

The MOU also permits the County and its Division of Audit Services to examine all data and records held by the DOC related to this agreement. Finally, the MOU is effective beginning January 1, 2016 and automatically renews every year.

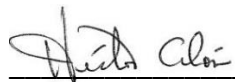
Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, DHHS, or his designee, to retroactively enter into an automatically renewable 2016 Memorandum of Understanding with the State of Wisconsin Department of Corrections for the procurement of juvenile correctional services beginning January 1, 2016.

Fiscal Impact

Approval of this MOU has no tax levy impact. A fiscal note form is attached.

Respectfully Submitted,



Héctor Colón, Director
Department of Health and Human Services

cc: County Executive Chris Abele
Raisa Koltun, County Executive's Office
Kelly Bablitch, County Board
County Supervisor Peggy West, Chair, Finance Committee County
Supervisor Supreme Moore-Omokunde, County Board
Teig Whaley-Smith, Director, DAS
Scott Manske, Comptroller, Office of the Comptroller
Steve Kreklow, Director, Office of Performance, Strategy & Budget
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