

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: November 18, 2015

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

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by: Tom Wanta, Administrator - Delinquency & Court Services Division

SUBJECT: Report from the Director, Department of Health and Human Services, requesting authorization to enter into a State/County contract for Community Youth and Family Aids for 2016 and to accept \$35,668,256 for State Corrections Charges and Community Based Services

ISSUE

Section 301.031 of the Wisconsin Statutes requires counties to execute an annual contract with the State Department of Children and Families (DCF) for the “Community Youth and Family Aids Program.” This program provides State funding for County services to juvenile offenders as mandated by State and/or Federal law.

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 enter into the 2016 contract with the State DCF for the provision of juvenile justice services mandated by State law. The County cannot receive 2016 revenue from the State until the contract is signed.

BACKGROUND

The Community Youth and Family Aids Program, commonly referred to as “Youth Aids,” is the State’s primary means of providing counties with direct assistance to fund the cost of services to juvenile delinquents. This revenue is used exclusively to fund costs in the DHHS Delinquency and Court Services Division (DCSD). Counties supplement their juvenile justice funding needs with Basic Community Aids, property tax levy and various grant revenues to fund the overall costs of the juvenile justice system.

On November 17, 2015, DHHS received preliminary notice from DCF of Milwaukee County’s allocation of Youth Aids. In 2016 the State will provide Milwaukee County with \$35,668,256 of Youth Aids funding (excluding the DHHS estimate of Corrective Sanctions funding - see Attachment 1, pg. 1 of 1).

Youth Aids Revenue

The State Youth Aids allocation consists of three components: 1) the annual State budget amount allocated by several formulae; 2) any surplus amount from “over-charging” counties during the prior State fiscal year for the cost of state Juvenile Institutions compared to actual costs; and 3) an allocation for the Corrective Sanctions program.

The attached exhibit lists the Youth Aids funding from 2013 through 2016. The base funding amount is based on separate allocations contained in s. 301.26, Wis. Stats. The original base allocation, which is based on the initial formula for allocations to counties when Youth Aids was created in 1979, now includes:

- a. Prior Year Refund Revenue - Statutes require that the State provide a refund to counties if the amount paid by counties under the statutory daily rates is greater than the actual costs in the preceding State fiscal year. The refund would be based on each county’s proportionate share of the days of care provided.
 - b. The 1999 Act 9 supplemental funding is allocated based on three factors: a) a county’s proportion of the statewide juvenile population for the most recent year available; b) a county’s proportion of statewide Part 1 juvenile arrests under the uniform crime reporting system of the Office of Justice Assistance for the most recent three-year period available; and c) a county’s proportion of statewide juveniles placed in a juvenile correctional institution, a secure child caring institution or secure group home for the most recent three-year period available;
 - c. The 2001 Act 16 supplemental funding is allocated based on the same three factors above, but with an “override” provision that no county receives less than 93% nor more than 115% of the amount it would have received if the juvenile placement factor (item “c” above) were the sole factor used to determine county allocations;
 - d. The 2007 Act 20 supplemental funding is allocated based on each county’s proportion of the number of juveniles statewide who are placed in a juvenile correctional facility during the most recent three-year period for which that information is available;
- Alcohol & Other Drug Abuse (AODA) funding is allocated based on each county’s Youth Aids spending on community services (defined as the amount of Youth Aids left after state charges); and
 - The actual 2016 State funding for Corrective Sanctions will not be determined until January 2016 based on actual usage of the program by each county during 2015. Corrective Sanctions funding is allocated following the close of the calendar year, based on each county’s usage of the 136 total slots authorized by statute.

The DOC 2016 allocation for Milwaukee County of \$35,668,256 (excluding Corrective Sanctions) represents a revenue decrease for DHHS of \$(346,492), compared to the 2015 contract of \$36,014,748. The 2016 DHHS Budget included an estimate of \$35,531,014 (which is the 2014 contact amount) in Youth Aids revenue (excluding Corrective Sanctions), which results in a budgeted revenue surplus of \$137,242 for DHHS in 2016.

During 2016, DHHS will continue to monitor the Average Daily Population (ADP) and project based on historical data to determine if the initial projected surplus will actually materialize. If a surplus is anticipated, DHHS will return to the County Board to report the revenue surplus as required.

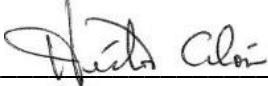
Recommendation

It is recommended that the County Board of Supervisors authorize the Director of DHHS, or his designee, to enter into the 2016 State/County contract for Community Youth and Family Aids, and any addenda to the contract.

Fiscal Impact

The 2016 State allocation provides an additional \$137,242 in revenue compared to the 2016 Budget (excluding Corrective Sanctions). 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 Romo-West, County Board
Teig Whaley-Smith, Director, DAS
Steve Kreklow, Director, Office of Performance, Strategy & Budget
Steve Cady, Research Director, Comptroller's Office
Andre Simms, Budget Analyst - DAS
Erica Hayden, Research & Policy Analyst – Comptroller's Office