



**ANNUAL REPORT
FOR
FISCAL YEAR 2009**

**Fiscal Services Division/Reimbursement Unit
Department of Management and Budget**



C O U N T Y M I C H I G A N

DEPARTMENT OF MANAGEMENT AND BUDGET
FISCAL SERVICES DIVISION
REIMBURSEMENT UNIT

REIMBURSEMENT

SECTIONS:

CIRCUIT COURT 248-858-0506
PROBATE/FAMILY COURT 248-858-1130

April 1, 2010

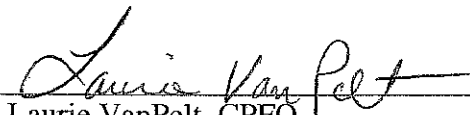
Honorable L. Brooks Patterson
County Executive
2100 Pontiac Lake Road
Executive Office Building, Department 409
Waterford, MI 48328

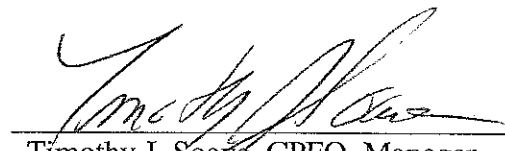
Dear Mr. Patterson:

Submitted herewith is the Fiscal Services Division-Reimbursement Unit Annual Report for Fiscal Year 2009, covering the period October 1, 2008 through September 30, 2009.

Total collections for the Circuit Court, Family Court, and Administration/Probate Court Sections (including credits and fees for Community Service) for fiscal year 2009 were \$8,407,431. Expenditures for this unit were \$2,861,289 resulting in a collection/expense ratio of \$2.94 collected for every dollar expended. Prior year's information for comparison purposes is included in this report.

This unit will continue to review policies, improve procedures in an effort to increase collections, and investigate new areas of collections for the future. The activities of the Fiscal Services Division-Reimbursement Unit for fiscal year 2009 are presented for your review.


Laurie VanPelt, CPFO
Director of Management & Budget


Timothy J. Soave, CPFO, Manager
Fiscal Services Division

/jl

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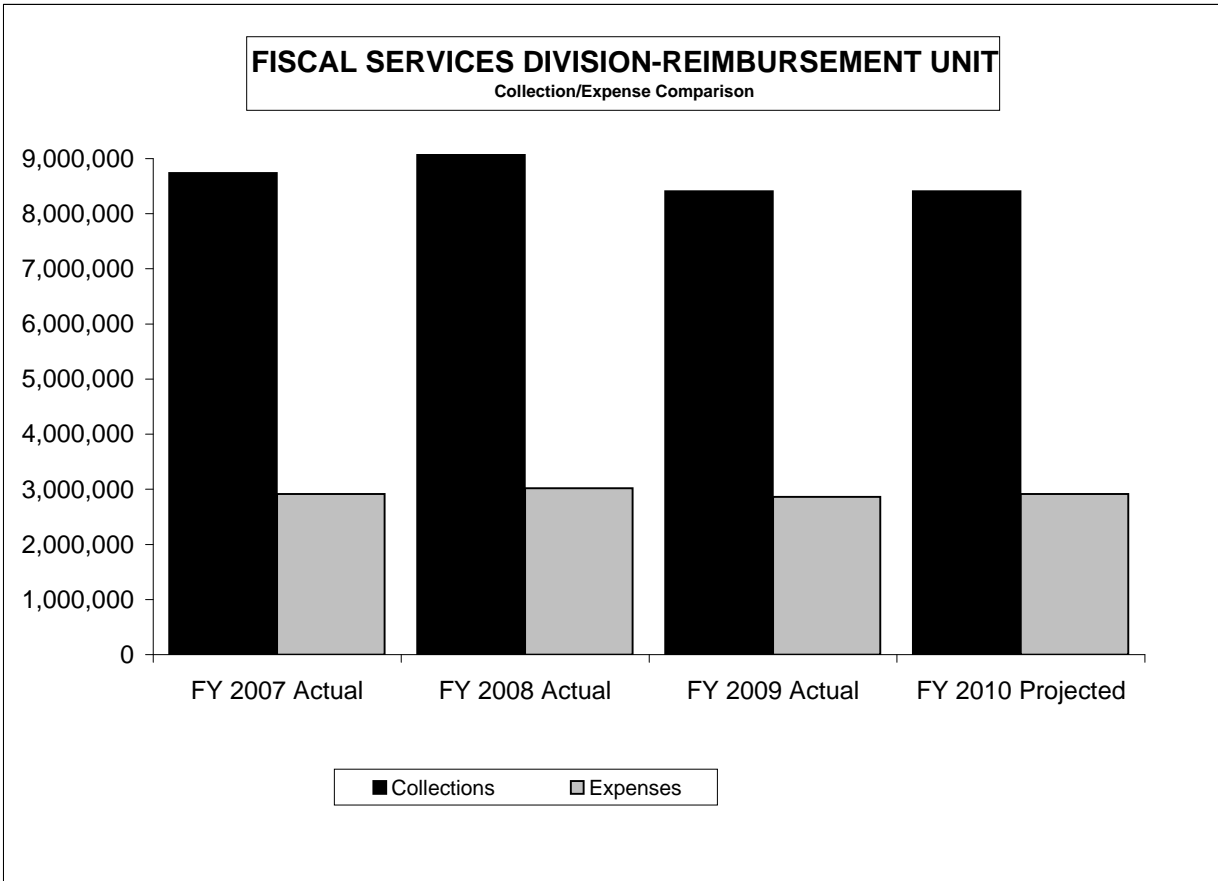
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**FISCAL SERVICES DIVISION-REIMBURSEMENT UNIT
FISCAL YEAR 2010 PROJECTED BUDGET
COLLECTION / EXPENSE COMPARISON STATEMENT**

	<u>FY 2007 Actual</u>		<u>FY 2008 Actual</u>		<u>FY 2009 Actual</u>		<u>FY 2010 Projected</u>
Salaries & Fringes	\$ 2,269,781 *	\$	2,252,912 **	\$	2,102,433	\$	2,218,350
Operating Expenses	643,418		764,733 **		758,856		698,409
Total Expenses	\$ 2,913,199	\$	3,017,645	\$	2,861,289	\$	2,916,759
Total Collections	\$ 8,415,588	\$	9,243,224	\$	7,796,841	\$	7,796,841
Community Service	322,180		471,019		610,590		610,590
Total Collections & Service	\$ 8,737,768	\$	9,714,243	\$	8,407,431	\$	8,407,431
Collection/Expense Ratio	\$ 3.00 *	\$	3.22 **	\$	2.94	\$	2.88

*Salary and fringe benefit expenses FY 2004 through FY 2007 for administrative staff were adjusted to reflect responsibilities in the Golden Oaks Medical Care Facility Business Office. M.R. #01294 authorized the transfer of the Oakland County Medical Care Facility (now known as Golden Oaks Medical Care Facility) billing function from Fiscal Services to the Reimbursement Division. M.R. #06255 transferred the operation of this facility to a private company effective June 2007.

**FY 2008 Actual expenses have been changed from 2008 Annual Report figures to reflect an accounting correction.



**Three-Year Summary Comparison Statement
FY 2007 - 2009
Collections vs. Expenses**

	Collections		
	FY 2009	FY 2008	FY 2007
Circuit Court-General Jurisdiction Division:			
Restitution	\$ 2,223,077	\$ 2,699,657	\$ 2,567,493
Court Costs	912,266	1,088,814	878,597
Attorney Fees	914,702	1,002,299	1,030,457
Inmate Board and Care*	101,088	550,908	494,377
Crime Victim's Rights Fees	266,383	306,779	262,436
Fines	248,013	264,626	210,722
Forensic Lab Fees/DNA**	17,336	26,608	34,385
Extradition Fees	5,555	4,353	4,897
Community Service Fees	119	332	312
State Minimum Costs**	357,780	396,861	343,006
Fingerprinting Fees	750	800	800
Late Penalty	94,229	117,258	90,584
Cost of Prosecution***	600	-	-
Adult Treatment Court	1,351	1,852	1,139
Total	\$ 5,143,249	\$ 6,461,147	\$ 5,919,205
Circuit Court-Family Division:			
Board and Care (Juvenile Maintenance)	\$ 976,287	\$ 901,950	\$ 833,994
Collection Offset (Board and Care)	262,899	287,994	301,101
Governmental Benefits (Juvenile Maintenance)	191,346	267,390	238,971
Probation Service Fees	176,752	153,770	130,988
Attorney Fees	365,270	371,200	300,481
State Juvenile Maintenance	166,621	201,382	178,584
Restitution	105,822	160,870	104,353
Clinical Evaluations	55,261	47,038	48,244
Court Costs	18,825	18,315	11,450
Traffic Service Fees	8,757	8,370	10,585
Crime Victim's Rights Fees	7,931	8,678	9,855
State Minimum Costs**	30,953	33,358	33,084
Ordinance Violations	2,865	3,350	570
Forensic Lab Fees/DNA**	22	60	-
Children's Village Aftercare	612	613	512
Traffic Service Fees-State Share	1,080	1,440	1,850
Jail Tour Fees***	150	-	-
Chemical Dependence Inventory Fees***	90	-	-
Diversion Fees***	1,920	-	-
Family Court-Other	250	655	35
Total	\$ 2,373,713	\$ 2,466,433	\$ 2,204,657
Administration/Probate Court:			
Clerk Fees	\$ 79,718	\$ 61,215	\$ 61,641
Domestic Evaluations	20,371	37,701	49,031
Domestic Guardian Ad Litem	4,853	5,945	4,845
Mental Health Attorney Fees****	63,254	100,349	84,536
Total	\$ 168,196	\$ 205,210	\$ 200,053
Miscellaneous:			
Tax Intercept Fees	\$ 83,013	\$ 70,164	\$ 59,001
Witness and Mileage Fees/Service Fees	15,226	27,775	22,072
Recovery Fees for Returned Checks	2,968	3,043	2,426
Filing Fees	4,170	6,031	4,845
Miscellaneous	5,317	2,573	2,762
Reimbursement of Postage Expense	989	848	567
Total	\$ 111,683	\$ 110,434	\$ 91,673
TOTAL COLLECTIONS	\$ 7,796,841	\$ 9,243,224	\$ 8,415,588
Community Service Credits	\$ 610,590	\$ 471,019	\$ 322,180
GRAND TOTAL	\$ 8,407,431	\$ 9,714,243	\$ 8,737,768
Reimbursement Unit Expenses:	\$ 2,861,289	\$ 3,017,645	\$ 2,913,199
Collection/Expense Ratio:	\$ 2.94	\$ 3.22	\$ 3.00

*Inmate Board & Care was outsourced to RDK Collection Services as of 10/1/08.

**DNA and Forensic Lab Fees were replaced, by statute, with State Minimum Costs effective 10/01/03 (2003 Public Act 70-79, 95-102, and 138).

***New fee charged as of mid FY 2009.

****LAO 2008-01 replaced the system of appointing and compensating court-appointed attorneys for mental health cases to reduce costs.

REPORT OF TRANSACTION ACTIVITY

	Transactions		
	FY 2009	FY 2008	FY 2007
Circuit Court-General Jurisdiction Division:			
Restitution	13,408	15,247	14,611
Court Costs	8,870	9,811	8,006
Attorney Fees	13,544	14,386	15,382
Inmate Board and Care*	1,880	6,664	6,119
Crime Victim's Rights Fees	11,625	13,441	13,021
Fines	1,647	1,690	1,387
Forensic Lab Fees/DNA**	1,206	1,659	2,238
Extradition Fees	50	81	51
Community Service Fees	2	7	9
State Minimum Costs**	8,721	9,680	8,866
Fingerprinting Fees	17	16	16
Late Penalty	1,306	1,351	864
Cost of Prosecution***	5	-	-
Adult Treatment Court	29	29	26
Total	62,310	74,062	70,596
Circuit Court-Family Division:			
Board and Care (Juvenile Maintenance)	14,628	14,134	13,311
Collection Offset (Board and Care)	9,334	11,757	13,312
Governmental Benefits (Juvenile Maintenance)	725	785	760
Probation Service Fees	2,152	1,988	1,610
Attorney Fees	4,895	5,129	4,668
State Juvenile Maintenance	1,543	1,505	1,585
Restitution	857	866	855
Clinical Evaluations	571	458	461
Court Costs	584	498	293
Traffic Service Fees	235	249	304
Crime Victim's Rights Fees	486	533	582
State Minimum Costs**	711	782	747
Ordinance Violations	122	150	24
Forensic Lab Fees/DNA**	6	3	-
Children's Village Aftercare	23	10	10
Traffic Service Fees-State Share	54	62	84
Jail Tour Fees***	3	-	-
Chemical Dependence Inventory Fees***	11	-	-
Diversion Fees***	35	-	-
Family Court-Other	1	7	1
Total	36,976	38,916	38,607
Administration/Probate Court:			
Clerk Fees	1,084	732	812
Domestic Evaluations	213	411	498
Domestic Guardian Ad Litem	79	112	93
Mental Health Attorney Fees****	1,056	1,038	853
Total	2,432	2,293	2,256
Miscellaneous:			
Tax Intercept Fees	1,523	1,422	1,168
Witness and Mileage Fees/Service Fees	614	1,671	1,288
Recovery Fees for Returned Checks	136	139	120
Filing Fees	590	863	581
Miscellaneous	24	22	29
Reimbursement of Postage Expense	144	152	118
Total	3,031	4,269	3,304
GRAND TOTAL	104,749	119,540	114,763

*Inmate Board & Care was outsourced to RDK Collection Services as of 10/1/08.

**DNA and Forensic Lab Fees were replaced, by statute, with State Minimum Costs effective 10/01/03 (2003 Public Act 70-79, 95-102, and 138).

***New fee charged as of mid FY 2009.

****LAO 2008-01 replaced the system of appointing and compensating court-appointed attorneys for mental health cases to reduce costs.

CIRCUIT COURT ACCOUNTS

STATEMENT OF RECEIPTS

	FY 2009	FY 2008	FY 2007
Accounts:			
Court Costs	\$ 912,266	\$ 1,088,814	\$ 878,597
Attorney Fees	914,702	1,002,299	1,030,457
Inmate Board and Care *	101,088	550,908	494,377
Extradition Fees	5,555	4,353	4,897
Community Service Fees	119	332	312
Forensic Lab Fees-County Share	578	897	1,172
Forensic Lab Fees-Prosecutor	578	897	1,172
DNA-Court Share	577	865	1,093
Fingerprinting Fees	750	800	800
Late Penalty	94,229	117,258	90,584
Cost of Prosecution	600	-	-
Adult Treatment Court	1,351	1,852	1,139
Total	\$ 2,032,393	\$ 2,769,275	\$ 2,504,600
Trust Accounts:			
Restitution	\$ 2,223,077	\$ 2,699,657	\$ 2,567,493
Crime Victim's Rights Fees	266,383	306,779	262,436
State Minimum Costs	357,780	396,861	343,006
DNA-State Share	3,752	5,624	7,102
DNA-Municipalities Share	1,443	2,163	2,731
Forensic Lab Fees-State Share	10,408	16,162	21,115
Fines	248,013	264,626	210,722
Total	\$ 3,110,856	\$ 3,691,872	\$ 3,414,605
TOTAL FUNDS RECOVERED	\$ 5,143,249	\$ 6,461,147	\$ 5,919,205

The Circuit Court Section of the Fiscal Services Division-Reimbursement Unit is responsible for collection of all funds ordered by the Circuit Court.

For fiscal year 2009, there were 5,880 restitution payments made to the victims of crime for a total of \$2,095,781.88.

On October 30, 1989, Public Act 196 became effective requiring each defendant to pay a fee for the Crime Victim's Rights Fund. These funds are collected on behalf of the State; the County is authorized to retain an administrative fee. The County retains 10% of the amount collected for administrative costs.

* MCLA 801.83 allows the County to seek reimbursement for board and care from inmates. In May 1995, the County began billing inmates for time served in the Oakland County Jail. Inmates are billed at a rate that does not exceed \$60 per day. The rate can be adjusted based on ability to pay. This function was outsourced for new cases October 1, 2008 and existing cases December 28, 2008.

** A program requiring a defendant's bond to be applied toward costs assessed by the Court resulted in the recovery of \$208,959.06. In addition, \$17,815.16 of the above funds was collected from defendants on the Work Release Program with the assistance of the Oakland County Sheriff's Office. The County started, in 2005, to submit Orders to Remit Prisoner Funds to the state prisons as allowed under MCL 791.220h. The Oakland County Sheriff's Office, under House Bill 4588, started remitting prisoner funds for restitution in January 2006. A total of \$332,623.54 was collected under these programs in fiscal year 2009.

CIRCUIT COURT ACCOUNTS

REIMBURSEMENT FOR COURT-APPOINTED ATTORNEYS

	<u>FY 2009</u>	<u>FY 2008</u>	<u>FY 2007</u>
Cost to Oakland County:			
Regular Cases	\$ 2,791,324	\$ 2,960,802	\$ 2,896,408
Appellate Cases	313,526	420,072	454,876
Total	<u>\$ 3,104,850</u>	<u>\$ 3,380,874</u>	<u>\$ 3,351,284</u>
TOTAL FUNDS RECOVERED	<u>\$ 914,702</u>	<u>\$ 1,002,299</u>	<u>\$ 1,030,457</u>
Percent Recovered	29.5%	29.6%	30.7%

Defendants represented by a court-appointed attorney are ordered to repay the County for services provided.

COURT COMMUNITY SERVICE PROGRAM

	<u>FY 2009</u>	<u>FY 2008</u>	<u>FY 2007</u>
Community Service Credits:			
Attorney Fees	\$ 288,989	\$ 246,543	\$ 178,649
Court Costs	319,601	224,231	143,531
Court Fines	2,000	-	-
Miscellaneous	-	245	-
Total Credits	<u>\$ 610,590</u>	<u>\$ 471,019</u>	<u>\$ 322,180</u>
Community Service Fees Collected	\$ 119	\$ 332	\$ 312
TOTAL CREDITS AND FEES	<u>\$ 610,709</u>	<u>\$ 471,351</u>	<u>\$ 322,492</u>

The Court Community Service Program has provided the courts with an alternative means of enforcing monetary orders against indigent defendants rather than imposing costly jail sentences. Defendants provide labor hours and receive credits which reduce court-ordered fees.

In 1996, a community service fee was authorized to be assessed for individuals involved in the program to supplement state and county funding. This fee was no longer charged when the Probation Department took back operation of the program in approximately 2005.

FAMILY COURT ACCOUNTS

STATEMENT OF RECEIPTS

	FY 2009	FY 2008	FY 2007
Accounts:			
Board and Care (Juvenile Maintenance)	\$ 976,287	\$ 901,950	\$ 833,994
Collection Offset (Board and Care)	262,899	287,994	301,101
Governmental Benefits (Juvenile Maintenance)	191,346	267,390	238,971
Probation Service Fees	176,752	153,770	130,988
Attorney Fees	365,270	371,200	300,481
Clinical Evaluations	55,261	47,038	48,244
Court Costs	18,825	18,315	11,450
Traffic Service Fees	8,757	8,370	10,585
Ordinance Violations-County Share	1,910	2,300	380
Children's Village Aftercare	612	613	512
DNA-County Share	-	6	-
Forensic Lab Fees-County Share	1	-	-
Forensic Lab Fees-Prosecutor	1	-	-
Jail Tour Fees	150	-	-
Chemical Dependence Inventory Fees	90	-	-
Diversion Fees	1,920	-	-
Drug Testing	-	55	-
Total	\$ 2,060,081	\$ 2,059,001	\$ 1,876,706
Trust Accounts:			
State Juvenile Maintenance	\$ 166,621	\$ 201,382	\$ 178,584
Restitution	105,822	160,870	104,353
Crime Victim's Rights Fees	7,931	8,678	9,855
State Minimum Costs	30,953	33,358	33,084
Forensic Lab Fees-State Share	20	-	-
Ordinance Violations-Municipalities Share	955	1,050	190
Traffic Service Fees-State Share	1,080	1,440	1,850
DNA-State Share	-	39	-
DNA-Municipalities Share	-	15	-
Public Library Fund	250	600	-
State of Michigan-Aid to Dependent Children	-	-	35
Total	\$ 313,632	\$ 407,432	\$ 327,951
TOTAL FUNDS RECOVERED	\$ 2,373,713 *	\$ 2,466,433	\$ 2,204,657

The Family Court Section of the Fiscal Services Division-Reimbursement Unit is responsible for collection for services provided to children and/or families and any other costs ordered by the Family Court. A financial statement is taken and an order is entered based on the parents' ability to pay according to the State Court Administrator's guidelines.

The Family Division of Circuit Court (Family Court) was established January 1, 1998, in an effort to consolidate the handling of domestic relations and juvenile cases to better serve families.

The Juvenile Code provides for a 25% administrative fee (Collection Offset) to cover the cost of collecting funds as the result of an order for board and care.

Family Court assesses the parents of juveniles charged with delinquent acts a monthly service fee when the child is placed on probation or under supervision in the home.

Effective May 1, 1994, MCLA 780.901 required the courts to order juveniles to pay a \$20 assessment to the Crime Victim's Rights Fund for orders of disposition on juvenile offenses. The Michigan Department of Treasury receives 90% of this fee and the County is entitled to retain 10% of collections.

This unit acts as the collection agent for monies ordered by Family Court for restitution. For fiscal year 2009, there were 495 restitution payments made to the victims of crime for a total of \$117,358.96.

*A program which requires that a child's bond be applied toward costs assessed by the Court resulted in the recovery of \$7,472.15 of the above funds.

FAMILY COURT ACCOUNTS

BOARD AND CARE COLLECTIONS

	<u>FY 2009</u>	<u>FY 2008</u>	<u>FY 2007</u>
Juvenile Maintenance	\$ 1,239,186	\$ 1,189,944	\$ 1,135,095
State Juvenile Maintenance	166,621 *	201,382	178,584
TOTAL FUNDS RECOVERED	\$ 1,405,807	\$ 1,391,326	\$ 1,313,679

*This amount includes \$81,013 which represents one-half of the governmental benefits collected by the Michigan Department of Human Services and credited to the County for children placed in state facilities.

REIMBURSEMENT FOR COURT-APPOINTED ATTORNEYS

	<u>FY 2009</u>	<u>FY 2008</u>	<u>FY 2007</u>
Cost to Oakland County	\$ 1,459,382	\$ 1,503,104	\$ 1,684,310
TOTAL FUNDS RECOVERED	\$ 365,270	\$ 371,200	\$ 300,481
Percent Recovered	25.0%	24.7%	17.8%

If the Family Court appoints an attorney to represent a child, parent, guardian or custodian, an order is entered requiring the responsible individual to repay the funds in accordance with ability to pay.

PROBATE COURT-MENTAL HEALTH ACCOUNTS

REIMBURSEMENT FOR COURT-APPOINTED ATTORNEYS

	<u>FY 2009</u>	<u>FY 2008</u>	<u>FY 2007</u>
Cost to Oakland County	\$ 265,481 **	\$ 438,438	\$ 379,552
TOTAL FUNDS RECOVERED	\$ 63,254	\$ 100,349	\$ 84,536
Percent Recovered	23.8%	22.9%	22.3%

Every individual who is the subject of a petition for involuntary hospitalization is required to be represented by legal counsel.

**LAO 2008-01 replaced the system of appointing and compensating court-appointed attorneys for mental health cases to reduce costs.

GOLDEN OAKS MEDICAL CARE FACILITY

	<u>FY 2009</u>	<u>FY 2008</u>	<u>FY 2007</u>
Total Operating Expenses	\$ -	\$ -	\$ 6,525,179
TOTAL FUNDS RECOVERED	\$ -	\$ -	\$ 4,489,554

M.R. #01294 (dated November 8, 2001) authorized the transfer of the Oakland County Medical Care Facility (now known as Golden Oaks Medical Care Facility) billing function from Fiscal Services to the Reimbursement Division. M.R. #06255 transferred the operation of this facility to a private company effective June 2007. The Reimbursement Division had one full-time collection specialist dedicated to Golden Oaks Medical Care Facility client billing and patient reimbursement services.