

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 2, 2003

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *PS*

SUBJECT: COURT SERVICE UNIT PLAN FOR THE EXPENDITURE OF FEDERAL FOSTER CARE REVENUES

ISSUE: City Council approval of the reinvestment plan for use of Title IV-E federal funds by the Court Service Unit.

RECOMMENDATION: That City Council:

- (1) Approve the proposed reinvestment plan for the expenditure of Title IV-E Foster Care federal revenues acquired by the Court Service Unit; and
- (2) Approve the addition of a part-time Budget/Management Analyst I for the Court Service Unit. This position would be completely supported by Title IV-E revenue generated by the Court Service Unit. The position would terminate should the Title IV-E funding no longer be available and the individual who fills this position would be notified of this condition of employment at the time he/she is hired and would sign an agreement of understanding with regard to this condition.

BACKGROUND: For several years, the Virginia Department of Social Services has sponsored efforts to identify local spending that qualifies for federal reimbursement. Many such reimbursed locally-funded activities involve the prevention of foster care or the removal of children from their home under the provisions of Title IV-E of the Social Security Act. Under this authority, the federal government provides 50 percent federal financial participation for administrative costs (including case management) related to children who are reasonable candidates for foster care or other out-of-home care. The funds generated from Title IV-E reimbursements must be reinvested to enhance or expand human services programming or to develop new initiatives to better meet the human needs in the City. No portion of the reimbursed funds received can be used to supplant local or other funding of human services.

In April 1999, the City embarked on a partnership with the Virginia Department of Social Services to maximize revenue through Title IV-E funding. It was then noted that the Court Service Unit receives City funding to perform preventive services to youth who are at-risk of being removed from the home which would be eligible for reimbursement at fifty percent of the amount claimed.

In FY 2000, the Court Service Unit began to work with the Virginia Department of Social Services to begin the process of claiming Title IV-E reimbursement for eligible services provided by the Court Service Unit. An audit of the Court Service Unit records was conducted by the Virginia Department of Social Services which generated a reporting process that meets the federal criteria for Title IV-E reimbursement.

The City's Department of Human Services is the fiscal agent in the collection of Title IV-E funds for the City. As of this date, the Court Service Unit has generated and received \$127,698 in reimbursement revenue from Title IV-E for the nineteen month period covering September 2000 to March 2002. The funds are currently in a special account under the City's Department of Human Services. For the months after March 2002, additional funds will eventually be received.

DISCUSSION: Prior to the Court Service Unit spending Title IV-E reimbursement funds, Council will need to approve the proposed reinvestment plan prepared by the Court Service Unit. The reinvestment plan is based on projections by the Court Service Unit of ongoing Title IV-E revenue of \$85,500 per fiscal year. The proposed spending proposal for these funds is as follows.

- A. Hiring of part-time Budget/Management Analyst I
Grade 19, Step C (\$38,994 salary + \$10,188 benefits = \$49,182)

Additional funds can be generated from Title IV-E funding which are not currently being obtained due to a complicated process that involves constant oversight and reporting. In addition, there are other federal sources of funding that can be accessed based on the nature of the work performed by the Court Service Unit that are not now being explored due to lack of staff to devote to this task. The Court Service Unit needs an individual with an accounting and budget background to generate these additional funds by taking on these projects and managing budgets of three major grants programs (Virginia Juvenile Community Corrections Act, the Juvenile Accountability Incentive Grant and OJJDP Alternative to Detention) which are in City accounts. These grants have reporting requirements and rules that require the expertise of a person with special knowledge of budget and data collection.

Such an individual would also assist the Court Service Unit in providing more comprehensive data to City officials and the community regarding juvenile crime in the City, specialized grants, services, and programs and costs.

B. Client Psychological and Evaluation Services (\$10,000)

State budget cuts have caused the Court Service Unit to lay-off a State funded substance abuse specialist who provided substance abuse assessments to the Court on delinquent youth. The loss of that position has affected the ability to provide comprehensive substance abuse services. Funds for drug testing kits were also eliminated by State budget cuts. Title IV-E funds would restore substance abuse services by permitting the purchase of services to assess juveniles who show signs of drug use and by continuing random drug screens.

Additionally, psychological testing normally provided to the Court by the Court Service Unit has been reduced due to limited resources. The ability to contract with private providers for psychological evaluations ordered by the Court would be cost-effective. Title IV-E funds would be used for psychological testing to provide much needed information in delinquency, Children in Need of Services and other matters.

The Court Service Unit also has limited resources to provide substance abuse assessments and psychological services in Spanish and there is an increasing demand for these services each year. It is proposed that Title IV-E reimbursement funds also be used to purchase mental health and related services in Spanish that cannot currently be provided by Court Service Unit staff.

C. Foreign Language Services (\$10,000)

With the demographic changes in the City, the Court Service Unit increasingly encounters individuals coming for services who speak many different languages. Court Service staff have been able to assist with Spanish but there is a severe language challenge with finding interpreters to help work with clients who are originally from Asian and African countries. The Court Service Unit would use Title IV-E funds to procure the services of interpreters in cases where there are language barriers.

Parenting classes, which are a court requirement for parents whose child is newly placed on probation, are currently conducted by Spanish-speaking Court Service Unit staff. The demand for the classes for Spanish speaking parents is growing to the point that staff is unable to meet the demand. The Title IV-E funds would also allow more classes to be offered by contracting with a private individual to deliver the class in Spanish.

D. Other materials and equipment (\$16,318)

The remainder of the projected annual Title IV-E funds, \$16,318, would be used to purchase needed laptop computers and other materials and equipment to enhance the after hour on-call services the Court Service Unit provides to the Police and Department of Social Services.

As noted earlier, a total of \$127,698 has already been generated from Title IV-E reimbursement (through March 2002) which will allow implementation of the reinvestment plan as soon as possible. These funds will be used to pay the first year's cost of the reinvestment plan, leaving a balance of \$42,198. Of this balance, \$10,000 is proposed to be used to enhance programming at the Day Reporting Program for youth on probation who are court-ordered to remain in this structured environment from the hours after school until 8:00 PM. The Court Service Unit also manages a girls program for court-involved girls and this program would benefit from enhanced services. Supplies and services such as professional tutors, mentors, speakers and artists would be brought into the programs to provide varied activities and learning experiences for the youth. The initiative could only continue if the Court Service Unit was able to continue to generate sufficient money from Title IV-E or other federal funds which could support programming beyond the above proposed reinvestment plan. No City funds are planned or contemplated for this program enhancement.

FISCAL IMPACT: The City has already generated \$127,698 in Title IV-E federal reimbursement funds for services provided by the Court Service Unit through March 2002. The Department of Human Services serves as the City's fiscal agent for this program and the funds are deposited in the City's Special Revenue Fund for future use by the Court Service Unit. A transfer of the funds to the Court Service Unit would be necessary. Staff recommends that future revenue generated by the Court Service Unit be allocated to the Court Service Unit to cover on-going costs of the approved reinvestment plan.

It is projected that the Court Service Unit will receive approximately \$85,500 each year in Title IV-E funds for reimbursement of eligible services. It is expected that the federal reimbursement could increase significantly over the next few years when new sources of reimbursement funds are identified and accessed. Expenditures from funds generated from Title IV-E or other reimbursement sources will be treated the same way as grant funds and will be submitted for approval to the Office of Management and Budget, the City Manager and to City Council as part of the regular budget process.

No City monies are requested. Additional claims for federal revenue are expected to cover on-going costs of activities in the reinvestment plan. Administrative costs include financial and reporting oversight provided by the Office of Management and Budget and Finance Department.

It should be noted that there are no monies available in the City budget to continue these activities if the Title IV-E funds for some reason are no longer available. The part-time position would terminate if these funds no longer exist and the individual who fills the position would be notified of this condition of employment.

STAFF:

Lillian Brooks, Director of Court Service

Carol Moore, Acting Deputy Director of Management and Budget