



Contra
Costa
County

To: Board of Supervisors

From: PUBLIC PROTECTION COMMITTEE

Date: October 25, 2016

Subject: JUVENILE FEES CHARGED BY THE PROBATION DEPARTMENT

RECOMMENDATION(S):

1. ACCEPT a report on the issue of certain fees assessed by the County related to the juvenile justice system;

2. CONSIDER taking the following actions:

a. ADOPT Resolution No. 2016/606 to place a moratorium on the assessment and collection of the Juvenile Cost of Care Fee for Juvenile Hall and the Orin Allen Youth Rehabilitation Facility and DIRECT staff to return to the Board of Supervisors with an update no later than February 14, 2017 in advance of fiscal year 2017/18 budget development;

AND / OR

b. REFER the issue to the Racial Justice Task Force for additional review and report back to the Board at a future date;

3. PROVIDE further direction to staff regarding next steps.

☒ APPROVE

☐ OTHER

☐ RECOMMENDATION OF CNTY ADMINISTRATOR

☒ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **10/25/2016** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

See Addendum

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Candace Andersen, District II
Supervisor
Karen Mitchoff, District IV
Supervisor
Federal D. Glover, District V
Supervisor

ABSENT: Mary N. Piepho, District III
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: October 25, 2016

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Timothy Ewell,
925-335-1036

cc:

FISCAL IMPACT:

Should the Board of Supervisors enact a temporary moratorium on the collection of the juvenile cost of care fee, the net county cost would be approximately \$100,000-\$120,000 based on collections experience during the first quarter of fiscal year 2016/17. This reflects the cost during the period November 1, 2016 through February 14, 2017 (the proposed date identified in the Resolution for the Probation Department and County Administrator to return to the Board on this issue).

BACKGROUND:

On July 19, 2016, the Board of Supervisors referred to the Public Protection Committee a review of fees assessed for services provided while a minor is in the custody of the Probation Department. Welfare and Institutions Code 903 et seq. provides that the County may assess a fee for the provision of services to a minor in the custody of its Probation Department. This request is following a statewide discussion as to whether or not these fees should be imposed by counties on the parents or legal guardians of minors in the custody of the County.

On September 26, 2016, the Public Protection Committee accepted an introductory report on the issue and voted unanimously to refer the issue to the full Board of Supervisors with two separate options: 1) to adopt a temporary moratorium on the fees and/or 2) refer the issue to the newly formed Racial Justice Task Force for review. Should the Board approve the moratorium, staff has included language to allow the Probation Department to continue depositing payments received from clients during the moratorium; however, the department will be directed to discontinue the active pursuit of such accounts. This is in an effort to address the difficulties associated with processing refunds for payments made to active accounts received during the moratorium.

Collection of Fees

For several years, the County operated an Office of Revenue Collection (ORC) to centralize the collection of fees, fines and other assessments due to the County. The ORC was discontinued and the responsibility for the collection of fees was returned to the departments that originally imposed the fee. In the case of the Probation Department, the responsibility for both juvenile fees and adult public defense fees were assigned. At the time, it was determined to be inefficient to establish a collection unit in both the Probation Department and Public Defender's Office.

Authority for Juvenile Fees

California Welfare and Institutions Code 903 et seq. provides counties the ability to recover costs for the provision of services to juveniles in-custody. In 2003, the Board of Supervisors adopted Resolution No. 03/591 establishing a fee for reimbursement of the actual cost of care of a minor in detention at Orin Allen Youth Rehabilitation Facility (OAYRF) and Juvenile Hall. The Resolution authorized the Probation Department to

collect \$17.03 per day, per minor. In 2010, the Board of Supervisors adopted Resolution No. 2010/253 increasing the fee from \$17.03 per day to \$30.00 per day following legislative action increasing the maximum recovery amount to \$30.00 per day. In 2009, the Board of Supervisors adopted Ordinance No. 2009-23 establishing a \$17-per-day fee for electronic surveillance of minors who are under Probation supervision.

Probation Collections Unit

The fiscal year 2016/17 budget authorizes 4.0 FTE employees to staff the Probation Collections Unit (PCU); (2) two Collections Enforcement Officers, (1) one Accounting Technician and (1) one Clerk-Specialist Level position. A summary of the Recommended Budget is summarized below:

		2016-17 Recommended
3004	PROBATION COLLECTIONS UNIT	
E1000	Salaries and Benefits	402,965
E2000	Services and Supplies	77,097
E4000	Fixed Assets	20,000
GRSCST	GROSS EXPENDITURES	500,062
TOTEXP	TOTAL EXPENDITURES	500,062
TOTREV	GROSS REVENUE	790,000
FTE	Allocated Positions (FTE)	4.00
NETCOST	NET COUNTY COST (NCC)	(289,938)

Note that the budget plan for PCU anticipates a Net County Cost (NCC) of (\$289,938). Since the NCC is a negative number, this should be looked at as a revenue for purposes of analyzing budgetary impacts.

PCU Actual Performance Since Inception

The table below illustrates actual budget performance of PCU since inception in fiscal year 2010/11. Over the past six years, PCU has generated between \$200k-250k in net collections revenue for the County each year. In fiscal year 2015/16 (shown in the YTD Actuals column) that figure has increased to approximately \$374k due to cost savings from a vacancy in the unit and higher than average collection revenue.

	YTD Actuals	2014-15 Actual	2013-14 Actual	2012-13 Actual	2011-12 Actual	2010-11 Actual
PROBATION COLLECTIONS UNIT	0	0	0	0	0	0
Salaries and Benefits	338,601	450,340	429,190	406,283	434,359	370,932
Services and Supplies	103,470	68,513	68,766	78,770	75,430	134,192
Fixed Assets	0	0	0	0	0	0
GROSS EXPENDITURES	442,072	518,853	497,956	485,054	509,789	505,124
TOTAL EXPENDITURES	442,072	518,853	497,956	485,054	509,789	505,124
GROSS REVENUE	815,835	770,053	739,861	690,928	764,033	720,307
Allocated Positions (FTE)	4.00	4.00	5.00	5.00	5.00	0
NET COUNTY COST (NCC)	(373,763)	(251,200)	(241,905)	(205,874)	(254,244)	(215,183)

** Note that the "YTD Actuals" column reflects the fiscal year 2015/16 unaudited actuals.*

Composition of Revenues

Since the PCU collects revenue for both the Probation and Public Defender departments, it is important to illustrate the revenues generated from each stream of fee recovery revenue. The table below shows the breakdown of Gross Revenue in each fiscal year, by fee type:

3004	PROBATION COLLECTIONS UNIT	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11
	Revenue Composition						
	Juvenile Fees	530,032	430,926	442,707	419,323	474,210	365,809
	Public Defender Fees	285,803	339,127	296,500	271,605	289,824	354,498
	Misc Revenue	0	0	654	0	0	0
	Total	815,835	770,053	739,861	690,928	764,034	720,307

The most important finding to be made from the information in the table above is that annual fee revenue from each source exceeds the average net collections revenue from year to year discussed earlier in this report. That is to say that discontinuing one of the two fees would result in PCU being unable to cover its annual operating costs from year-to-year.

How Does PCU Compare to the Cost of Running Juvenile Hall?

The PCU operates in a separate cost center within the Probation Department budget. However, since the PCU currently provides a net collections revenue benefit to the department as a whole, it is important to illustrate the relative costs to the County for operating the Juvenile Hall as an illustration. A summary of the fiscal year 2016/17 Recommended Budget is provided below for reference:

	2016-17 Recommended
JUVENILE HALL	
Salaries and Benefits	18,287,278
Services and Supplies	992,003
Other Charges	10,200
Expenditure Transfers	16,195
GROSS EXPENDITURES	19,289,481
TOTAL EXPENDITURES	19,305,676
GROSS REVENUE	3,500
Allocated Positions (FTE)	121.00
NET COUNTY COST (NCC)	19,302,176

Current Status of Accounts Payable

Currently, the PCU has \$16.9 million in accounts receivable outstanding through June 30, 2016. A breakdown by fee type and year of assessment is attached to this staff report for reference (Attachment C). In summary, \$8.55 million is attributable to Juvenile Fees and \$8.34 million is attributable to Public Defender fees with the oldest account dating back to 1990.

For reference, the following attachments are included in the agenda packet for reference:

Attachment A - Juvenile Fee Survey by the California State Association of Counties (CSAC).

Attachment B - Juvenile Fee Survey by Chief Probation Officers Association of California (CPOC), provided by UC Berkeley Law's Policy Advocacy Clinic.

Attachment C - Juvenile Administrative Fees Information Sheet, provided by the UC Berkeley Policy Advocacy Clinic to the Public Protection Committee, September 2016.

Attachment D - Presentation on Juvenile Administrative Fees: Research and Findings from CCC, provided by the UC Berkeley Policy Advocacy Clinic to the Public Protection Committee, September 2016.

Attachment E - "High Pain, No Gain: How Juvenile Administrative Fees Harm Low-Income Families in Alameda County", provided by the UC Berkeley Policy Advocacy Clinic to the Public Protection Committee, September 2016.

Attachment F - "Making Parents Pay: What the Research Tells Us about Juvenile Fees", provided by the Reentry Solutions Group to the Public Protection Committee, September 2016.

Attachment G - The outstanding fee balances through June 30, 2016 as provided by the Probation Collections Unit.

Attachment H - County of Alameda Fee Moratorium Resolution (adopted March 2016) and Ordinance (adopted July 2016) to repeal all juvenile fees.

CONSEQUENCE OF NEGATIVE ACTION:

The County would continue with its billing and collections practices related to Juvenile Fees.

CLERK'S ADDENDUM

ADOPTED Resolution No. 2016/606, as amended today, to place a moratorium on the assessment and collection of the Juvenile Cost of Care Fee for Juvenile Hall and the Orin Allen Youth Rehabilitation Facility; and REFERRED the issue to the Public Protection Committee for additional review and report back to the Board of Supervisors no later than May 31st, 2017.

ATTACHMENTS

Resolution No. 2016/606

PowerPoint Presentation

PowerPoint Presentation

Attachment A - Juvenile Fee Survey by the California State Association of Counties (CSAC).

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