



**ANNUAL REPORT  
FOR  
FISCAL YEAR 2008**

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

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2008



L. BROOKS PATTERSON, OAKLAND COUNTY EXECUTIVE

COUNTY MICHIGAN

DEPARTMENT OF MANAGEMENT AND BUDGET  
FISCAL SERVICES DIVISION  
REIMBURSEMENT UNIT

**REIMBURSEMENT**

SECTIONS:

CIRCUIT COURT

248-858-0506

PROBATE/FAMILY COURT

248-858-1130

February 25, 2009

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 2008, covering the period October 1, 2007 through September 30, 2008.

Total collections for the Circuit Court, Family Court, and Administration/Probate Court Sections (including credits and fees for Community Service) for fiscal year 2008 were \$9,714,243. Expenditures for this unit were \$2,900,980 resulting in a collection/expense ratio of \$3.35 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 2008 are presented for your review.

Laurie VanPelt, CPFO  
Director of Management & Budget

Timothy J. Soave, CPFO, Manager  
Fiscal Services Division

**2008 FISCAL YEAR ANNUAL REPORT  
TABLE OF CONTENTS**

SERVICE STATEMENT, GOALS, AND ACCOMPLISHMENTS.....	1
COLLECTION/EXPENSE COMPARISON STATEMENT AND GRAPH.....	2
THREE-YEAR SUMMARY – COLLECTIONS VS. EXPENSES.....	3
REPORT OF TRANSACTION ACTIVITY .....	4
<b>CIRCUIT COURT ACCOUNTS:</b>	
STATEMENT OF RECEIPTS.....	5
REIMBURSEMENT FOR COURT-APPOINTED ATTORNEYS.....	6
COURT COMMUNITY SERVICE PROGRAM.....	6
<b>FAMILY COURT ACCOUNTS:</b>	
STATEMENT OF RECEIPTS.....	7
BOARD AND CARE COLLECTIONS.....	8
REIMBURSEMENT FOR COURT-APPOINTED ATTORNEYS.....	8
<b>PROBATE COURT – MENTAL HEALTH ACCOUNTS:</b>	
REIMBURSEMENT FOR COURT-APPOINTED ATTORNEYS.....	8
GOLDEN OAKS MEDICAL CARE FACILITY.....	8

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**County Executive  
Department of Management and Budget  
Fiscal Services Division-Reimbursement Unit  
October 1, 2007 through September 30, 2008**

**SERVICE STATEMENT:**

The Fiscal Services Division-Reimbursement Unit is responsible for collecting all monies ordered by the courts. It is responsible for assisting the Circuit, Family, and Probate Courts in determining ability to pay for various court services. In addition to the regular collection process, this office processes tax intercepts and garnishments, conducts administrative Order to Show Cause hearings, reviews return of bond monies, and disburses restitution checks to crime victims.

**GOALS:**

The goals of the Fiscal Services Division-Reimbursement Unit are to operate an efficient collections process, assess fees in an accurate and timely manner, ensure maximum recovery of costs to the courts and the County, and operate within the confines of the resources allocated to the Unit.

**ACCOMPLISHMENTS:**

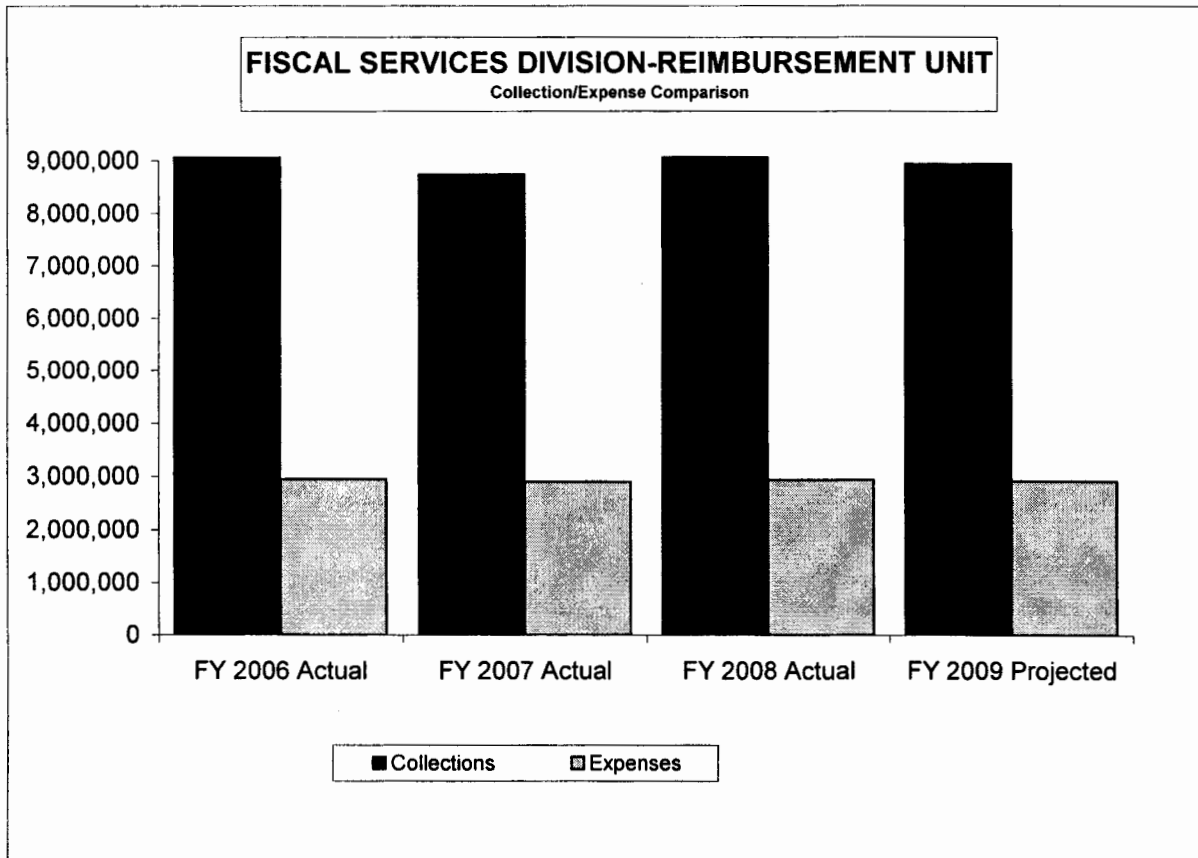
- \$9,243,224 collected for Circuit, Family, and Probate Courts.
- \$2,860,527 collected on behalf of crime victims.
- Reorganized the Reimbursement Division to be a unit under the Fiscal Services Division which eliminated a manager position and resulted in cost savings.
- Assisted the Oakland County Sheriff's Office to contract with RDK, a private collection agency, to collect Inmate Board & Care in an effort to increase collections for the Sheriff's Office.
- Explored outsourcing the court collections that are currently done by the Reimbursement Unit which resulted in the determination that there are currently no private agencies that are knowledgeable enough to perform the functions that must be done to handle these collections.

**FISCAL SERVICES DIVISION-REIMBURSEMENT UNIT  
FISCAL YEAR 2009 PROJECTED BUDGET  
COLLECTION / EXPENSE COMPARISON STATEMENT**

	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Projected</u>
Salaries & Fringes*	\$ 2,254,507	\$ 2,269,781	\$ 2,251,191	\$ 2,251,191
Operating Expenses	697,990	643,418	649,789	682,423
<b>Total Expenses*</b>	<b>\$ 2,952,497</b>	<b>\$ 2,913,199</b>	<b>\$ 2,900,980</b>	<b>\$ 2,933,614</b>
Total Collections**	\$ 8,959,872	\$ 8,415,588	\$ 9,243,224	\$ 8,459,872
Community Service	311,599	322,180	471,019	471,019
<b>Total Collections &amp; Service</b>	<b>\$ 9,271,471</b>	<b>\$ 8,737,768</b>	<b>\$ 9,714,243</b>	<b>\$ 8,930,891</b>
Collection/Expense Ratio*	\$ 3.14	\$ 3.00	\$ 3.35	\$ 3.04

\*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.

\*\*Total Collections for FY 2009 are being projected at 2006 rates due to the depressed economic forecasts for Michigan and have also been adjusted to reflect the transfer of the duties for collecting Inmate Board & Care to a private collection agency.



**Three-Year Summary Comparison Statement  
FY 2006 - 2008  
Collections vs. Expenses**

	Collections		
	FY 2008	FY 2007	FY 2006
<b>Circuit Court-General Jurisdiction Division:</b>			
Restitution	\$ 2,699,657	\$ 2,567,493	\$ 2,939,572
Court Costs	1,088,814	878,597	1,175,651
Attorney Fees	1,002,299	1,030,457	874,258
Inmate Board and Care	550,908	494,377	488,987
Crime Victim's Rights Fees	306,779	262,436	248,959
Fines	264,626	210,722	260,486
Forensic Lab Fees*	17,956	23,459	30,596
Extradition Fees	4,353	4,897	3,816
Community Service Fees	332	312	501
State Minimum Costs*	396,861	343,006	344,909
DNA*	8,652	10,926	15,719
Fingerprinting Fees**	800	800	1,700
Late Penalty***	117,258	90,584	5,265
Adult Treatment Court	1,852	1,139	982
Total	\$ 6,461,147	\$ 5,919,205	\$ 6,391,401
<b>Circuit Court-Family Division:</b>			
Board and Care (Juvenile Maintenance)	\$ 901,950	\$ 833,994	\$ 891,146
Collection Offset (Board and Care)	287,994	301,101	320,192
Governmental Benefits (Juvenile Maintenance)	267,390	238,971	222,865
Probation Service Fees	153,770	130,988	185,137
Attorney Fees	371,200	300,481	289,081
State Juvenile Maintenance	201,382	178,584	166,395
Restitution	160,870	104,353	86,465
Clinical Evaluations	47,038	48,244	43,054
Court Costs	18,315	11,450	18,723
Traffic Service Fees	8,370	10,585	8,392
Crime Victim's Rights Fees	8,678	9,855	10,094
State Minimum Costs*	33,358	33,084	37,851
Ordinance Violations	3,350	570	1,050
Forensic Lab Fees*	-	-	-
Children's Village Aftercare	613	512	256
Traffic Service Fees-State Share	1,440	1,850	1,620
DNA*	60	-	120
Probate Support	-	-	473
Family Court-Other	655	35	1,223
Total	\$ 2,466,433	\$ 2,204,657	\$ 2,284,137
<b>Administration/Probate Court:</b>			
Clerk Fees	\$ 61,215	\$ 61,641	\$ 48,945
Domestic Evaluations	37,701	49,031	50,452
Domestic Guardian Ad Litem	5,945	4,845	7,226
Mental Health Attorney Fees	100,349	84,536	81,243
Total	\$ 205,210	\$ 200,053	\$ 187,866
<b>Miscellaneous:</b>			
Tax Intercept Fees	\$ 70,164	\$ 59,001	\$ 59,417
Witness and Mileage Fees/Service Fees	27,775	22,072	24,661
Recovery Fees for Returned Checks	3,043	2,426	2,514
Filing Fees	6,031	4,845	4,177
Miscellaneous	2,573	2,762	4,952
Reimbursement of Postage Expense	848	567	747
Lien Interest	-	-	-
Total	\$ 110,434	\$ 91,673	\$ 96,468
<b>TOTAL COLLECTIONS</b>			
	\$ 9,243,224	\$ 8,415,588	\$ 8,959,872
Community Service Credits	\$ 471,019	\$ 322,180	\$ 311,599
<b>GRAND TOTAL</b>			
	\$ 9,714,243	\$ 8,737,768	\$ 9,271,471
Reimbursement Unit Expenses:	\$ 2,900,980	\$ 2,913,199	\$ 2,952,497
Collection/Expense Ratio:	\$ 3.35	\$ 3.00	\$ 3.14

\*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)

\*\*Fingerprinting Fees for PPO/FPO violations became effective 01/01/04. (MCL 28.243, MCL 764.29, MCL 769.1)

\*\*\*Late Penalty Fees charged effective 08/01/06 under MCL 600.4803

## REPORT OF TRANSACTION ACTIVITY

	Transactions		
	FY 2008	FY 2007	FY 2006
<b>Circuit Court-General Jurisdiction Division:</b>			
Restitution	15,247	14,611	14,983
Court Costs	9,811	8,006	13,649
Attorney Fees	14,386	15,382	10,275
Inmate Board and Care	6,664	6,119	5,592
Crime Victim's Rights Fees	13,441	13,021	12,332
Fines	1,690	1,387	1,926
Forensic Lab Fees*	903	1,395	1,632
Extradition Fees	81	51	32
Community Service Fees	7	9	18
State Minimum Costs*	9,680	8,866	8,405
DNA*	756	843	1,104
Fingerprinting Fees**	16	16	37
Late Penalty***	1,351	864	35
Adult Treatment Court	29	26	20
Total	74,062	70,596	70,040
<b>Circuit Court-Family Division:</b>			
Board and Care (Juvenile Maintenance)	14,134	13,311	13,485
Collection Offset (Board and Care)	11,757	13,312	13,490
Governmental Benefits (Juvenile Maintenance)	785	760	717
Probation Service Fees	1,988	1,610	2,531
Attorney Fees	5,129	4,668	3,792
State Juvenile Maintenance	1,505	1,585	1,579
Restitution	866	855	912
Clinical Evaluations	458	461	480
Court Costs	498	293	586
Traffic Service Fees	249	304	237
Crime Victim's Rights Fees	533	582	559
State Minimum Costs*	782	747	737
Ordinance Violations	150	24	46
Forensic Lab Fees*	-	-	-
Children's Village Aftercare	10	10	10
Traffic Service Fees-State Share	62	84	80
DNA*	3	-	6
Probate Support	-	-	41
Family Court-Other	7	1	10
Total	38,916	38,607	39,298
<b>Administration/Probate Court:</b>			
Clerk Fees	732	812	618
Domestic Evaluations	411	498	465
Domestic Guardian Ad Litem	112	93	79
Mental Health Attorney Fees	1,038	853	762
Total	2,293	2,256	1,924
<b>Miscellaneous:</b>			
Tax Intercept Fees	1,422	1,168	1,299
Witness and Mileage Fees/Service Fees	1,671	1,288	1,443
Recovery Fees for Returned Checks	139	120	105
Filing Fees	863	581	618
Miscellaneous	22	29	45
Reimbursement of Postage Expense	152	118	145
Lien Interest	-	-	-
Total	4,269	3,304	3,655
<b>GRAND TOTAL</b>	119,540	114,763	114,917

\*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)

\*\*Fingerprinting Fees for PPO/FPO violations became effective 01/01/04 (MCL 28.243, MCL 764.29, MCL 769.1)

\*\*\*Late Penalty Fees charged effective 08/01/06 under MCL 600.4803

# CIRCUIT COURT ACCOUNTS

## STATEMENT OF RECEIPTS

	FY 2008	FY 2007	FY 2006
<b>Accounts:</b>			
Court Costs	\$ 1,088,814	\$ 878,597	\$ 1,175,651
Attorney Fees	1,002,299	1,030,457	874,258
Inmate Board and Care *	550,908	494,377	488,987
Extradition Fees	4,353	4,897	3,816
Community Service Fees	332	312	501
Forensic Lab Fees-County Share	897	1,172	1,529
Forensic Lab Fees-Prosecutor	897	1,172	1,529
DNA-Court Share	865	1,093	1,572
Fingerprinting Fees	800	800	1,700
Late Penalty	117,258	90,584	5,265
Adult Treatment Court	1,852	1,139	982
<b>Total</b>	<b>\$ 2,769,275</b>	<b>\$ 2,504,600</b>	<b>\$ 2,555,790</b>
<b>Trust Accounts:</b>			
Restitution	\$ 2,699,657	\$ 2,567,493	\$ 2,939,572
Crime Victim's Rights Fees	306,779	262,436	248,959
State Minimum Costs	396,861	343,006	344,909
DNA-State Share	5,624	7,102	10,218
DNA-Municipalities Share	2,163	2,731	3,929
Forensic Lab Fees-State Share	16,162	21,115	27,538
Fines	264,626	210,722	260,486
<b>Total</b>	<b>\$ 3,691,872</b>	<b>\$ 3,414,605</b>	<b>\$ 3,835,611</b>
<b>TOTAL FUNDS RECOVERED</b>	<b>\$ 6,461,147</b> **	<b>\$ 5,919,205</b>	<b>\$ 6,391,401</b>

The Circuit Court Section of the Fiscal Services Division-Reimbursement Unit is responsible for collection of all funds ordered by the Circuit Court. The Section also collects inmate board and care charges as well as fees associated with the Community Service Program.

For fiscal year 2008, there were 6,997 restitution payments made to the victims of crime for a total of \$2,692,537.36.

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.

\*\*A program requiring a defendant's bond to be applied toward costs assessed by the Court resulted in the recovery of \$240,150. In addition, \$26,216 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 \$400,690.31 was collected under these programs in fiscal year 2008.



## CIRCUIT COURT ACCOUNTS

### REIMBURSEMENT FOR COURT-APPOINTED ATTORNEYS

	FY 2008	FY 2007	FY 2006
<b>Cost to Oakland County:</b>			
Regular Cases	\$ 2,960,802	\$ 2,896,408	\$ 2,996,568
Appellate Cases	420,072	454,876	382,649
<b>Total</b>	<b>\$ 3,380,874</b>	<b>\$ 3,351,284</b>	<b>\$ 3,379,217</b>
<b>TOTAL FUNDS RECOVERED</b>	<b>\$ 1,002,299</b>	<b>\$ 1,030,457</b>	<b>\$ 874,258</b>
<b>Percent Recovered</b>	29.6%	30.7%	25.9%

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

### COURT COMMUNITY SERVICE PROGRAM

	FY 2008	FY 2007	FY 2006
<b>Community Service Credits:</b>			
Attorney Fees	\$ 246,543	\$ 178,649	\$ 152,908
Court Costs	224,231	143,531	158,691
Court Fines	-	-	-
Miscellaneous	245	-	-
<b>Total Credits</b>	<b>\$ 471,019</b>	<b>\$ 322,180</b>	<b>\$ 311,599</b>
<b>Community Service Fees Collected</b>	<b>\$ 332</b>	<b>\$ 312</b>	<b>\$ 501</b>
<b>TOTAL CREDITS AND FEES</b>	<b>\$ 471,351</b>	<b>\$ 322,492</b>	<b>\$ 312,100</b>

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. The Fiscal Services Division-Reimbursement Unit assisted Circuit Court Probation staff in collecting \$332 during fiscal year 2008.

**FAMILY COURT ACCOUNTS**

**STATEMENT OF RECEIPTS**

	FY 2008	FY 2007	FY 2006
<b>Accounts:</b>			
Board and Care (Juvenile Maintenance)	\$ 901,950	\$ 833,994	\$ 891,146
Collection Offset (Board and Care)	287,994	301,101	320,192
Governmental Benefits (Juvenile Maintenance)	267,390	238,971	222,865
Probation Service Fees	153,770	130,988	185,137
Attorney Fees	371,200	300,481	289,081
Clinical Evaluations	47,038	48,244	43,054
Court Costs	18,315	11,450	18,723
Traffic Service Fees	8,370	10,585	8,392
Ordinance Violations-County Share	2,300	380	700
Children's Village Aftercare	613	512	256
DNA-County Share	6	-	12
Forensic Lab Fees-County Share	-	-	-
Forensic Lab Fees-Prosecutor	-	-	-
Drug Testing	55	-	-
<b>Total</b>	<b>\$ 2,059,001</b>	<b>\$ 1,876,706</b>	<b>\$ 1,979,558</b>
<b>Trust Accounts:</b>			
State Juvenile Maintenance	\$ 201,382	\$ 178,584	\$ 166,395
Restitution	160,870	104,353	86,465
Crime Victim's Rights Fees	8,678	9,855	10,094
State Minimum Costs	33,358	33,084	37,851
Forensic Lab Fees-State Share	-	-	-
Ordinance Violations-Municipalities Share	1,050	190	350
Traffic Service Fees-State Share	1,440	1,850	1,620
Probate Support	-	-	473
DNA-State Share	39	-	78
DNA-Municipalities Share	15	-	30
Public Library Fund	600	-	1,050
State of Michigan-Aid to Dependent Children	-	35	173
<b>Total</b>	<b>\$ 407,432</b>	<b>\$ 327,951</b>	<b>\$ 304,579</b>
<b>TOTAL FUNDS RECOVERED</b>	<b>\$ 2,466,433 *</b>	<b>\$ 2,204,657</b>	<b>\$ 2,284,137</b>

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 2008, there were 557 restitution payments made to the victims of crime for a total of \$157,403.37.

\*A program which requires that a child's bond be applied toward costs assessed by the Court resulted in the recovery of \$12,710 of the above funds.

## FAMILY COURT ACCOUNTS

### BOARD AND CARE COLLECTIONS

	<u>FY 2008</u>	<u>FY 2007</u>	<u>FY 2006</u>
Juvenile Maintenance	\$ 1,189,944	\$ 1,135,095	\$ 1,211,338
State Juvenile Maintenance	201,382 *	178,584	166,395
<b>TOTAL FUNDS RECOVERED</b>	<b>\$ 1,391,326</b>	<b>\$ 1,313,679</b>	<b>\$ 1,377,733</b>

\*This amount includes \$122,672 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 2008</u>	<u>FY 2007</u>	<u>FY 2006</u>
Cost to Oakland County	\$ 1,503,104	\$ 1,684,310	\$ 1,619,280
<b>TOTAL FUNDS RECOVERED</b>	<b>\$ 371,200</b>	<b>\$ 300,481</b>	<b>\$ 289,081</b>
Percent Recovered	24.7%	17.8%	17.9%

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 2008</u>	<u>FY 2007</u>	<u>FY 2006</u>
Cost to Oakland County	\$ 438,438	\$ 379,552	\$ 431,340
<b>TOTAL FUNDS RECOVERED</b>	<b>\$ 100,349</b>	<b>\$ 84,536</b>	<b>\$ 81,243</b>
Percent Recovered	22.9%	22.3%	18.8%

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

## GOLDEN OAKS MEDICAL CARE FACILITY

	<u>FY 2008</u>	<u>FY 2007</u>	<u>FY 2006</u>
Total Operating Expenses	\$ -	\$ 6,525,179	\$ 8,981,261
<b>TOTAL FUNDS RECOVERED</b>	<b>\$ 4,489,554</b>	<b>\$ 4,489,554</b>	<b>\$ 7,078,914</b>

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.