



**ANNUAL REPORT
FOR
FISCAL YEAR 2006**

**Reimbursement Division
Department of Management and Budget**

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**2006 FISCAL YEAR ANNUAL REPORT
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**County Executive
Department of Management and Budget
Reimbursement Division
October 1, 2005 through September 30, 2006**

SERVICE STATEMENT:

The Reimbursement Division 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. The Division is also responsible for managing collections for services and care provided by the Golden Oaks Medical Care Facility.

GOALS:

The goals of the Reimbursement Division 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 Division.

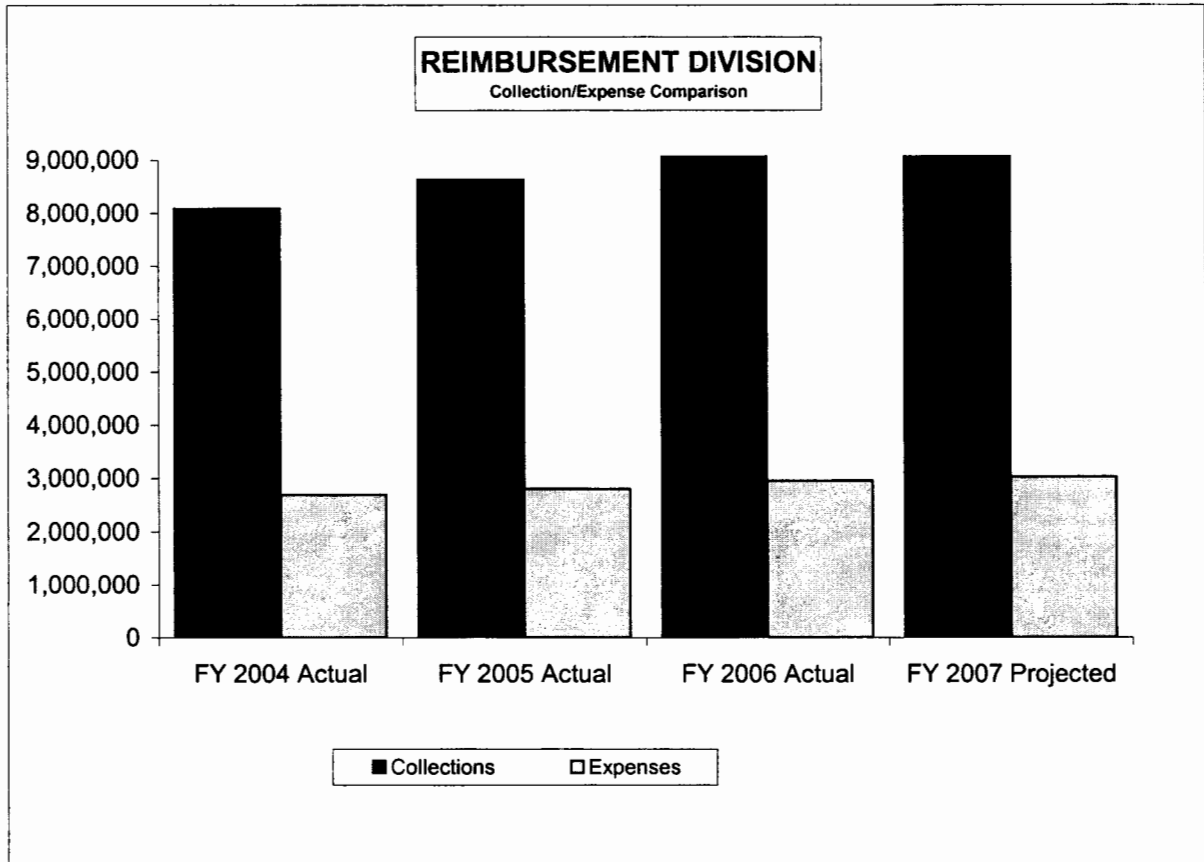
ACCOMPLISHMENTS:

- **\$8,959,872 collected for Circuit, Family, and Probate Courts.**
- **\$3,026,037 collected on behalf of crime victims.**
- **Began preliminary phase to replace Reimbursement's current mainframe system.**
- **Updated all procedures office-wide for court collections and implemented necessary changes.**
- **Continued to assist the Courts' Collection Committee in their efforts to increase collections.**

**REIMBURSEMENT DIVISION
FISCAL YEAR 2006 ADOPTED BUDGET
COLLECTION / EXPENSE COMPARISON STATEMENT**

	<u>FY 2004 Actual</u>	<u>FY 2005 Actual</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Projected</u>
Salaries & Fringes*	\$ 1,999,824	\$ 2,125,074	\$ 2,254,507	\$ 2,299,597
Operating Expenses	695,641	675,208	697,990	718,930
Total Expenses*	\$ 2,695,465	\$ 2,800,282	\$ 2,952,497	\$ 3,018,527
Total Collections	\$ 7,844,165	\$ 8,306,695	\$ 8,959,872	\$ 9,139,069
Community Service	248,804	321,537	311,599	317,831
Total Collections & Service	\$ 8,092,969	\$ 8,628,232	\$ 9,271,471	\$ 9,456,900
Collection/Expense Ratio*	\$ 3.00	\$ 3.08	\$ 3.14	\$ 3.13

*Salary and fringe benefit expenses commencing with FY 2004 for administrative staff have been 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.



**Three-Year Summary Comparison Statement
FY 2004 - 2006
Collections vs. Expenses**

	Collections		
	FY 2006	FY 2005	FY 2004
Circuit Court-General Jurisdiction Division:			
Restitution	\$ 2,939,572	\$ 2,565,245	\$ 2,335,107
Court Costs	1,175,651	1,199,667	1,208,813
Attorney Fees	874,258	770,966	719,590
Inmate Board and Care	488,987	467,725	472,313
Crime Victim's Rights Fees	248,959	222,291	209,897
Fines	260,486	289,989	285,994
Forensic Lab Fees*	30,596	64,976	111,472
Extradition Fees	3,816	3,341	6,418
Community Service Fees	501	1,820	3,235
State Minimum Costs*	344,909	240,628	114,296
DNA*	15,719	36,624	56,965
Fingerprinting Fees**	1,700	1,419	850
Late Penalty***	5,265	-	-
Adult Treatment Court	982	115	-
Total	<u>\$ 6,391,401</u>	<u>\$ 5,864,806</u>	<u>\$ 5,524,950</u>
Circuit Court-Family Division:			
Board and Care (Juvenile Maintenance)	\$ 891,146	\$ 852,299	\$ 824,245
Collection Offset (Board and Care)	320,192	309,106	303,922
Governmental Benefits (Juvenile Maintenance)	222,865	201,066	153,364
Probation Service Fees	185,137	182,932	181,981
Attorney Fees	289,081	249,959	223,332
State Juvenile Maintenance	166,395	154,077	154,043
Restitution	86,465	120,222	118,434
Clinical Evaluations	43,054	39,928	42,357
Court Costs	18,723	20,173	18,149
Traffic Service Fees	8,392	7,950	10,172
Crime Victim's Rights Fees	10,094	9,067	5,280
State Minimum Costs*	37,851	35,810	23,181
Ordinance Violations	1,050	930	1,735
Forensic Lab Fees*	-	463	565
Children's Village Aftercare	256	1,040	1,278
Traffic Service Fees-State Share	1,620	1,140	2,100
DNA*	120	5	300
Probate Support	473	565	565
Family Court-Other	1,223	1,154	-
Total	<u>\$ 2,284,137</u>	<u>\$ 2,187,886</u>	<u>\$ 2,065,003</u>
Administration/Probate Court:			
Clerk Fees	\$ 48,945	\$ 50,093	\$ 42,907
Domestic Evaluations	50,452	58,853	57,177
Domestic Guardian Ad Litem	7,226	6,938	10,693
Mental Health Attorney Fees	81,243	53,792	69,616
Total	<u>\$ 187,866</u>	<u>\$ 169,676</u>	<u>\$ 180,393</u>
Miscellaneous:			
Tax Intercept Fees	\$ 59,417	\$ 55,988	\$ 53,105
Witness and Mileage Fees/Service Fees	24,661	18,361	12,533
Recovery Fees for Returned Checks	2,514	2,413	2,708
Filing Fees	4,177	5,355	3,870
Miscellaneous	4,952	1,422	375
Reimbursement of Postage Expense	747	738	1,060
Lien Interest	-	50	168
Total	<u>\$ 96,468</u>	<u>\$ 84,327</u>	<u>\$ 73,819</u>
TOTAL COLLECTIONS			
	<u>\$ 8,959,872</u>	<u>\$ 8,306,695</u>	<u>\$ 7,844,165</u>
Community Service Credits	\$ 311,599	\$ 321,537	\$ 248,804
GRAND TOTAL			
	<u>\$ 9,271,471</u>	<u>\$ 8,628,232</u>	<u>\$ 8,092,969</u>
Reimbursement Division Expenses:	\$ 2,952,497	\$ 2,800,282	\$ 2,695,465
Collection/Expense Ratio:	\$ 3.14	\$ 3.08	\$ 3.00

*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 2006	FY 2005	FY 2004
Circuit Court-General Jurisdiction Division:			
Restitution	14,983	13,487	12,605
Court Costs	13,649	15,045	15,959
Attorney Fees	10,275	9,214	8,974
Inmate Board and Care	5,592	5,330	5,438
Crime Victim's Rights Fees	12,332	11,318	11,726
Fines	1,926	2,069	1,966
Forensic Lab Fees*	1,632	3,060	5,883
Extradition Fees	32	33	58
Community Service Fees	18	39	78
State Minimum Costs*	8,405	6,422	3,324
DNA*	1,104	2,730	5,823
Fingerprinting Fees**	37	34	17
Late Penalty***	35	-	-
Adult Treatment Court	20	3	-
Total	70,040	68,784	71,851
Circuit Court-Family Division:			
Board and Care (Juvenile Maintenance)	13,485	12,136	11,659
Collection Offset (Board and Care)	13,490	12,152	11,659
Governmental Benefits (Juvenile Maintenance)	717	691	616
Probation Service Fees	2,531	2,418	2,147
Attorney Fees	3,792	3,205	2,966
State Juvenile Maintenance	1,579	1,574	1,705
Restitution	912	916	863
Clinical Evaluations	480	428	469
Court Costs	586	597	541
Traffic Service Fees	237	218	265
Crime Victim's Rights Fees	559	497	263
State Minimum Costs*	737	687	421
Ordinance Violations	46	40	76
Forensic Lab Fees*	-	15	33
Children's Village Aftercare	10	14	29
Traffic Service Fees-State Share	80	50	96
DNA*	6	3	18
Probate Support	41	49	48
Family Court-Other	10	18	-
Total	39,298	35,708	33,874
Administration/Probate Court:			
Clerk Fees	618	626	573
Domestic Evaluations	465	586	526
Domestic Guardian Ad Litem	79	92	144
Mental Health Attorney Fees	762	665	736
Total	1,924	1,969	1,979
Miscellaneous:			
Tax Intercept Fees	1,299	1,153	1,052
Witness and Mileage Fees/Service Fees	1,443	1,201	812
Recovery Fees for Returned Checks	105	121	133
Filing Fees	618	726	693
Miscellaneous	45	12	5
Reimbursement of Postage Expense	145	152	225
Lien Interest	-	1	1
Total	3,655	3,366	2,921
GRAND TOTAL	114,917	109,827	110,625

*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 2006	FY 2005	FY 2004
Accounts:			
Court Costs	\$ 1,175,651	\$ 1,199,667	\$ 1,208,813
Attorney Fees	874,258	770,966	719,590
Inmate Board and Care *	488,987	467,725	472,313
Fines	260,486	289,989	285,994
Extradition Fees	3,816	3,341	6,418
Community Service Fees	501	1,820	3,235
Forensic Lab Fees-County Share	1,529	3,248	5,573
Forensic Lab Fees-Prosecutor	1,529	3,248	5,573
DNA-Court Share	1,572	3,662	5,696
Fingerprinting Fees	1,700	1,419	850
Late Penalty	5,265	-	-
Adult Treatment Court	982	115	-
Total	\$ 2,816,276	\$ 2,745,200	\$ 2,714,055
Trust Accounts:			
Restitution	\$ 2,939,572	\$ 2,565,245	\$ 2,335,107
Crime Victim's Rights Fees	248,959	222,291	209,897
State Minimum Costs	344,909	240,628	114,296
DNA-State Share	10,218	23,806	37,028
DNA-Municipalities Share	3,929	9,156	14,241
Forensic Lab Fees-State Share	27,538	58,480	100,326
Total	\$ 3,575,125	\$ 3,119,606	\$ 2,810,895
TOTAL FUNDS RECOVERED	\$ 6,391,401	\$ 5,864,806	\$ 5,524,950

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

For fiscal year 2006, there were 8,289 restitution payments made to the victims of crime for a total of \$3,254,055.50.

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 \$241,577. In addition, \$27,623 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 \$361,238.34 was collected under these programs in fiscal year 2006.

CIRCUIT COURT ACCOUNTS

REIMBURSEMENT FOR COURT-APPOINTED ATTORNEYS

	<u>FY 2006</u>	<u>FY 2005</u>	<u>FY 2004</u>
Cost to Oakland County:			
Regular Cases	\$ 2,996,568	\$ 2,824,432	\$ 2,960,530
Appellate Cases	382,649	393,429	309,704
Total	\$ 3,379,217	\$ 3,217,861	\$ 3,270,234
TOTAL FUNDS RECOVERED	\$ 874,258	\$ 770,966	\$ 719,590
Percent Recovered	25.9%	24.0%	22.0%

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

COURT COMMUNITY SERVICE PROGRAM

	<u>FY 2006</u>	<u>FY 2005</u>	<u>FY 2004</u>
Community Service Credits:			
Attorney Fees	\$ 152,908	\$ 158,251	\$ 126,395
Court Costs	158,691	162,796	122,409
Court Fines	-	490	-
Total Credits	\$ 311,599	\$ 321,537	\$ 248,804
Community Service Fees Collected	\$ 501	\$ 1,820	\$ 3,235
TOTAL CREDITS AND FEES	\$ 312,100	\$ 323,357	\$ 252,039

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 Reimbursement Division assisted Circuit Court Probation staff in collecting \$501 during fiscal year 2006.

FAMILY COURT ACCOUNTS

STATEMENT OF RECEIPTS

	FY 2006	FY 2005	FY 2004
Accounts:			
Board and Care (Juvenile Maintenance)	\$ 891,146	\$ 852,299	\$ 824,245
Collection Offset (Board and Care)	320,192	309,106	303,922
Governmental Benefits (Juvenile Maintenance)	222,865	201,066	153,364
Probation Service Fees	185,137	182,932	181,981
Attorney Fees	289,081	249,959	223,332
Clinical Evaluations	43,054	39,928	42,357
Court Costs	18,723	20,173	18,149
Traffic Service Fees	8,392	7,950	10,172
Ordinance Violations-County Share	700	620	1,157
Children's Village Aftercare	256	1,040	1,278
DNA-County Share	12	1	30
Forensic Lab Fees-County Share	-	23	28
Forensic Lab Fees-Prosecutor	-	23	28
Total	\$ 1,979,558	\$ 1,865,120	\$ 1,760,043
Trust Accounts:			
State Juvenile Maintenance	\$ 166,395	\$ 154,077	\$ 154,043
Restitution	86,465	120,222	118,434
Crime Victim's Rights Fees	10,094	9,067	5,280
State Minimum Costs	37,851	35,810	23,181
Forensic Lab Fees-State Share	-	417	509
Ordinance Violations-Municipalities Share	350	310	578
Traffic Service Fees-State Share	1,620	1,140	2,100
Probate Support	473	565	565
DNA-State Share	78	3	195
DNA-Municipalities Share	30	1	75
Public Library Fund	1,050	600	-
State of Michigan-Aid to Dependent Children	173	554	-
Total	\$ 304,579	\$ 322,766	\$ 304,960
TOTAL FUNDS RECOVERED	\$ 2,284,137 *	\$ 2,187,886	\$ 2,065,003

The Family Court Unit of the Reimbursement Division 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 2006, there were 783 restitution payments made to the victims of crime for a total of \$110,750.64.

*A program which requires that a child's bond be applied toward costs assessed by the Court resulted in the recovery of \$46,935 of the above funds.

FAMILY COURT ACCOUNTS

BOARD AND CARE COLLECTIONS

	<u>FY 2006</u>	<u>FY 2005</u>	<u>FY 2004</u>
Juvenile Maintenance	\$ 1,211,338	\$ 1,161,405	\$ 1,281,531
State Juvenile Maintenance	166,395 *	154,077	154,043
TOTAL FUNDS RECOVERED	\$ 1,377,733	\$ 1,315,482	\$ 1,435,574

***This amount includes \$87,012 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 2006</u>	<u>FY 2005</u>	<u>FY 2004</u>
Cost to Oakland County	\$ 1,619,280	\$ 1,335,552	\$ 1,261,592
TOTAL FUNDS RECOVERED	\$ 289,081	\$ 249,959	\$ 223,332
Percent Recovered	17.9%	18.7%	17.7%

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 2006</u>	<u>FY 2005</u>	<u>FY 2004</u>
Cost to Oakland County	\$ 431,340	\$ 204,502	\$ 361,533
TOTAL FUNDS RECOVERED	\$ 81,243	\$ 53,792	\$ 69,616
Percent Recovered	18.8%	26.3%	19.3%

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 2006</u>	<u>FY 2005</u>	<u>FY 2004</u>
Total Operating Expenses	\$ 8,981,261	\$ 10,685,845	\$ 10,568,346
TOTAL FUNDS RECOVERED	\$ 7,078,914	\$ 9,225,120	\$ 10,501,825

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. The Reimbursement Division has two full-time collection specialists dedicated to Golden Oaks Medical Care Facility client billing and patient reimbursement services.