



OFFICE OF THE COUNTY EXECUTIVE

Milwaukee County

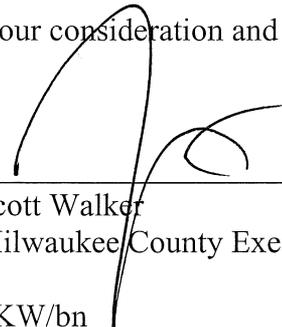
SCOTT WALKER • COUNTY EXECUTIVE

Date: September 24, 2010
To: Lee Holloway, Chairman, County Board of Supervisors
From: Scott Walker, County Executive
Subject: Appointment to Aging and Disability Resource Center (ADRC) Governing Board

Pursuant to State Statute 46.283(6) I am hereby appointing Mr. Frank Gonzales to the Aging and Disability Resource Center (ADRC) Governing Board. Mr. Gonzales' appointment will fill a position on the ADRC Board as an aging advocate. His resume is attached for your review.

Mr. Gonzales' term will expire April 30, 2012.

Your consideration and confirmation of this appointment would be appreciated.



Scott Walker
Milwaukee County Executive

SKW/bn

Cc: Supervisor Peggy West, Chairman, Health and Human Needs Committee
Terry Cooley
Carol Mueller
Jodi Mapp
Stephanie Sue Stein, Director Department on Aging
Geri Lyday, Interim Director DHHS
Mark Stein, Disabilities Services
Frank Gonzales

1017 S. 3rd St. (414) 6499308

Frank Gonzales

78 years of age born on June 17, 1932

Father - Frank Mother - Eleuteria

Born on the South side of Milwaukee - lived on 5th and Bruce

Went to View School for Kindergarten, Holy Trinity School till the forth grade.

When the family moved to the Old Third Ward where he spent his teens. Graduated Andrew Jackson Grade School.

Then went to Lincoln High School for 3 years - studied and received his GED at the Spanish Center.

Attended MATC 1966-1968, and UWM 1968-1970.

Married to Nancy Gonzales for 45years and have six children, 3 boys and 3 girls. Two of the girls are school teachers - one teaches in Wauwatosa and one teaches at Guadalupe Head Start. Member of Our Lady of Guadalupe Church involved in many activities within the church including the annual church festival.

Democratic Party - one of two, first Latino's to go to National Convection, Miami FL in 1972, supporting George McGovern.

Retired from Ludell Manufacturing Co. Employed as a sheet metal fabricator, while there was active in the union.

Involved with I.C.D.P. on 16th Street for the mid sixties, before S.D.C. started the first area councils.

There were many people who encourage and taught him how to get involved. But Sam Orlich, who was then State Representative, was one who stands out.

Fourth of July, Mitchell Park (1972 - Present) Member of the Board of Directors, and also the Parade Marshal for View and Bruce Guadalupe Schools. Parade starts on 4th and National Ave and travels to Mitchell Park. Frank is also the Chairman for the Talent Contest for the past 25 years.

Bruce Guadalupe Community School 1969 - 1979. Ten years Co-Founder with other parents when the Catholic Archdiocese closed 7 schools. They became the Federation of Community Schools. One of many Fund drives was going door-to-door asking for one dollar, if somebody offered a quarter, Frank would take it. The early days of Bruce Guadeloupe consisted of fish fry's, pizza, dances and taco sales.

Frank claims that he and his wife sold the first soft shell taco in Milwaukee County at a Democratic Picnic at the Bavarian Inn in the early 70's, one of the reasons they sold so well was because you could eat them better with false teeth and they didn't fall apart like the hard shell taco's.

Citizen Advisory Council (CAC) for Community Development Block Grant 1983 - 1988
Appointed by Mayor Maier.

1986 - 88 Chairman for two years.

At that time, there was what Frank believed was a well represented board for both areas North and South, better informed and more input in their communities.

Walker Point Development for 21 years.

Past President

One of the great Housing Organizations that made a change in the community.

S.D.C for 40 years involvement in this organization

16 years as a commissioner of the board.

Frank has also done marches and demonstrations for Latino's causes and marched against the Vietnam War. Union Marches, welfare Marches. The march and picketing of the Jefferson Street School for interrelated languages skills school Programs, many nights at the school board meetings on Vliet Street.

Mexican Fiesta involvement for 26 years. Started as a Bar Manager, sold tickets, security, and is now coordinating the truck drivers for transporting entertainers and equipment from stage to stage.

Other involvements:

City of Festival Parade Volunteer 9 years (1983-1992)

Headstart Policy Committee Community-Rep (2005-present)

South Side National NightOut Committee (2005-present)

Frank has seen many changes in the community, the growth of Milwaukee, the changes in people, and the growth of Organizations. There are many activities that Frank has been involved in, none are too small to mention, but we have run out of time.

Frank doesn't have much spare time for hobbies, but let him tell you sometime about his garden.



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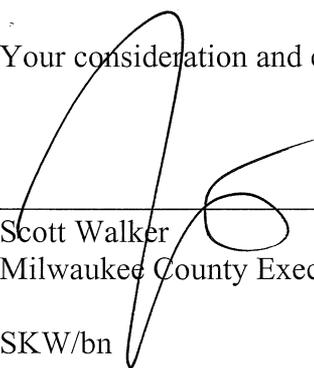
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Date: September 24, 2010
To: Lee Holloway, Chairman, County Board of Supervisors
From: Scott Walker, County Executive
Subject: Appointment to Aging and Disability Resource Center (ADRC) Governing Board

Pursuant to State Statute 46.283(6) I am hereby appointing Mr. David Hoffman to the Aging and Disability Resource Center (ADRC) Governing Board. Mr. Hoffman's appointment will fill a position on the ADRC Board as a consumer advocate. His resume is attached for your review.

Mr. Hoffman's term will expire April 30, 2012.

Your consideration and confirmation of this appointment would be appreciated.



Scott Walker
Milwaukee County Executive

SKW/bn

Cc: Supervisor Peggy West, Chairman, Health and Human Needs Committee
Terry Cooley
Carol Mueller
Jodi Mapp
Stephanie Sue Stein, Director Department on Aging
Geri Lyday, Interim Director DHHS
Mark Stein, Disabilities Services
David Hoffman

CURRICULUM VITAE

DAVID L. HOFFMAN

Home Address:

2702 South Shore Drive
Milwaukee, Wisconsin 53207
(414) 769-0840

Business Address:

Family Service of Milwaukee
3200 West Highland Boulevard
Milwaukee, Wisconsin 53208
(414) 345-3090, ext. 183
FAX: (414) 345-3094
E-Mail: david_hoffman@aurora.org

Education:

B.A. - Lawrence College, Appleton, Wisconsin, 1957
M.A. - University of Chicago School of Social Service Administration, June 1961
Certificate in Child Psychotherapy - Chicago Institute for Psychoanalysis, June 1968

Professional Experience:

Family Counselor, Family Service of Milwaukee - 9/4/62 to 1/1/70
Director of Treatment Services, Family Service of Milwaukee - 1/1/70 to 7/1/72
President and CEO, Family Service of Milwaukee - 7/1/72 to 5/1/95
President and CEO, Family Service of Milwaukee/Aurora Health Care - 5/1/95 to 12/31/00
President, Family Service Foundation - 5/1/95 to 12/31/00
Consultant to the President, Aurora Health Care - 1/1/01 to date

Professional Memberships and Certifications:

American Association for Marriage and Family Therapy - 1970 to present
(Approved Supervisor, 1973 to 1982)
American Orthopsychiatric Association Fellowship - 1974
Association of Child Psychotherapists - President, 1973
National Association of Social Workers - ASCW
State of Wisconsin, Independent Clinical Social Worker - #4331
State of Wisconsin, Marriage and Family Therapist - #516
Wisconsin Association of Marriage and Family Counselors
(Convenor and first President, 1975)
Wisconsin Society of Clinical Social Workers (Fellow)

Professional and Community Activities:

Member, various Family Service America committees - 1972 to date
Member, various Mental Health Planning Council committees - 1973 to 1986
Member, various United Way committees - 1972 to date
Division Chairman, United Way Campaign - 1974 to 1982
President, Wisconsin Association of Family Service Agencies - 1975 to 1982
Founding Board Member, Wisconsin Council of Voluntary Family and Children's
Agencies - 1974 to 1980
Convenor and first President, Wisconsin Association of Marriage and Family
Counselors - 1975

Professional and Community Activities (continued):

Board Member, Wisconsin Council on Human Concerns - 1974 to 1980. Re-elected 1982 to 1988.

Board Member, Milwaukee Jewish Council - 1975 to 1980

Member, Planning Committee, Large Agency Executives Conference - 1976, 1980, 1994.
Host for 1981 conference.

Convenor, The Adult Services Coalition - 1976

Convenor and first Chairman, Executives of United Way Agencies - 1977 to 1980

Convenor, Family Violence Coalition - 1978

Founding Board Member, Milwaukee Management Support Organization - 1979 to 1985

Founding Board Member, Public Issues Consortium - 1979 to 1999

Founding Board Member, Wisconsin Association of Family and Children's Agencies - 1980 to date. President - 1985 to 1986.

Council on Accreditation of Services for Families and Children - Taskforce on Provisions for Services to the Elderly - 1981; Peer Reviewer - 1981 to date

Editorial Board, Social Casework - 1986 to 1990

Chairman, Rotary Elderly Committee - 1989 to 1991

Board Member, Students Against Suicide - 1987 to 1989

Member, Professional Advisory Committee of United Way - 1987 to date

Founding Member, Child Abuse Prevention Network - 1988 to date

Convenor of KIDS FIRST Coalition - 1988

Board Member, Life Options Coalition - 1989 to 1992

Chairman of Professional Services Committee

Executive Committee, Supporting First Time Parents Coalition - 1989 to 1998

Founding Board Member, Greater Milwaukee Educational Trust - 1989 to 1998

Co-Chair, MPS Committee on Community Agencies Relations - 1989

Member, Governor's Council on Mental Health - 1989 to 1996

Founding Member, Advisory Committee, School of Social Welfare, University of Wisconsin-Milwaukee - 1993 to date

Member, Department of Public Instruction's Urban Initiative Taskforce - 1994 to 1995

Board Member, Neighborhood and Family Initiative - 1994 to 1999

Member, Finance Committee, Start Smart Milwaukee - 1994 to 1997

Board Member, Aurora Health Care - 1995 to date

Board Member, Milwaukee Psychiatric Hospital - 1996 to date

Founding Board Member, Aurora Behavioral Health - 1996 to date

Doctoral Advisory Board, Cardinal Stritch University - 1996 to 1998

Superintendent MPS Advisory Committee - 1998 to 1999

Multi-Dimensional Training Program, Medical College of Wisconsin - 1998 to date

Advisory Board, Firearm Injury Prevention Project - 1999 to date

Publications and National Presentations:

- Hoffman, D. and Remmel, M., Uncovering the Precipitant in Crisis Intervention, Social Casework, May 1975, Vol. 56, No. 5
- Hoffman, David, Market Driven Planning and Evaluation, Family Services Canada, October 1988
- Hoffman, David, Integrated Health Care Systems, Family Service America, October 1995
- Hoffman, David, Non-Profit Alliances, National YWCA Conference, September 1995
- Hoffman, David, New Opportunities within Emerging Health Care Networks, Wisconsin Association of Nonprofit Organizations, September 1995
- Hoffman, David, Organizational Transformation, Alcohol & Drug Abuse Association of North America, May 1996
- Hoffman, David, Creative Program Development, Family Service America, June 1996
- Hoffman, David, Entrepreneurial Leadership, NAHSC, September 1996
- Hoffman, David, Leadership Conference National Committee to Prevent Child Abuse, October 1997

Awards:

- H. Barksdale Brown Award from FSA for Voluntarism - 1981
- Margaret E. Rich Award "Special Merit" for Family Advocacy - 1983
- Exemplary Marketing Award for National Training from the Conference on Marketing for Nonprofit Organizations, Washington, D.C. - 1984
- Margaret E. Rich Award "Special Merit" for Family Advocacy - 1989
- H. Barksdale Brown Award from FSA for Voluntarism - 1995
- Margaret E. Rich Award "Special Merit" for Family Advocacy - 1995
- Honorary Alumnus, Family Therapy Training Institute - August 1997
- David L. Hoffman Day, City of Milwaukee - June 3, 1998
- Charles McNeer Civic Leadership Award - December 2000

Program Development:

- Changed individualistic family counseling program into a family systems program.
- Developed American Association of Marriage and Family Therapy-approved postgraduate training program (and associated free family therapy clinic).
- Developed first local collaboration focused on primary prevention -- Southside Wellness Coalition.
- Developed the largest family life education program in the community.
- Developed the only nonprofit consumer credit counseling program in the community.
- Developed a large elderly homecare program.
- Developed a national award-winning volunteer program.
- Developed the largest employee assistance program in Wisconsin.
- Developed a national award-winning family advocacy program.
- Developed an award winning teenage parent program utilizing a broad range of services.
- Developed community-wide strategy for home visiting programs for first time parents.
- Developed an affiliation with an integrated health care system.



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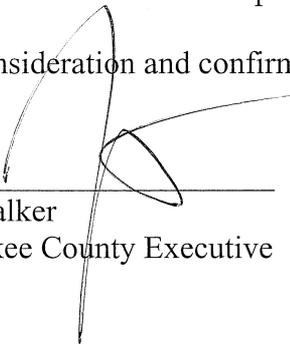
Milwaukee County

SCOTT WALKER • COUNTY EXECUTIVE

Date: October 6, 2010
To: Lee Holloway, County Board Chairman
From: Scott Walker, County Executive
Subject: **Appointment to Emergency Medical Services Council**

Subject to the confirmation of your Honorable Body and pursuant to the provisions set forth in Chapter 97.07 of the Milwaukee County Ordinances, I am hereby appointing Mr. Larry Knuth of Paratech Ambulance to serve on the Emergency Medical Services Council. He will replace Mr. Fred Hornby as the representative of one of the private ambulance companies on the council, and his term will expire on August 31, 2012. His resume is attached for your review.

Your consideration and confirmation would be appreciated.



Scott Walker
Milwaukee County Executive

SKW/bn

cc: Supervisor Peggy West, Chair - Health and Human Needs
Supervisor Mark Borkowski, EMS Council Chair
Milwaukee County Board of Supervisors
Terry Cooley
Carol Mueller
Jodi Mapp
Mr. Larry Knuth

LAWRENCE J. KNUTH
N4859 Lake Drive
Hustisford, WI 53034

PROFESSIONAL EXPERIENCE:

Paratech Ambulance Service, Inc.		1974 to present
Positions Held:	Vice President of Operations	1994 to present
	Director of Operations	1988 to 1994
	Operations Manager	1975 to 1988
	Emergency Medical Technician	1974 to present

Duties include:

Day to day operations of all company divisions and/or departments. Reviewing company policies and procedures, evaluating the need for change and/or updating of all departments, administering departmental budgets with respect to purchasing of materials and equipment. Serving as liaison to co-owners, planning company goals, long and short-term plans and objectives, working with local, state and federal elected and agency officials regarding EMS issues.

PROFESSIONAL ORGANIZATIONS AND AFFILIATIONS:

State of Wisconsin E.M.S. Advisory Board: Current
~Special Operations Committee

Past Committee positions:
~Advanced Life Support (ALS) Committee
~Inter-facility Committee
~Dispatch Communications Committee
~Policy and Practice Committee

Milwaukee County Council on EMS:
~Council Member (Past Appointments)
~Operations Committee

Milwaukee County Medical Society – EMS Advisory Committee -Member

Rock County Emergency Medical Services Advisory Council – Chair

Centers for Medicare and Medicaid Services (CMS) Region V State Ambulance Association
Committee:
~Wisconsin Representative

WPS - Medicare Part B Provider Communication (PCOM) Committee:
~Wisconsin Representative

PROFESSIONAL ORGANIZATIONS AND AFFILIATIONS (continued)

Professional Ambulance Association of Wisconsin (PAAW) - Secretary

Walworth County Emergency Medical Services Association (WCEMSA) - Member

Paramedic Systems of Wisconsin (PSOW) – Reimbursement Committee

American Heart Association – Metro Stroke Task Force Member

American Ambulance Association – Annual Member

Served on Menomonee Falls Volunteer Fire Department – Menomonee Falls, WI

Served on Hartland Volunteer Fire Department – Hartland, WI

EDUCATION / CERTIFICATION:

Firefighter 1

Emergency Medical Technician – Basic

Waukesha County Technical College – Business Related Courses

American Red Cross –Instructor / Speaker

Graduate of St. Augustine Seminary High School

PERSONAL BACKGROUND:

Marital Status: Married (wife Diane)
Two children

Religion: Member Sacred Heart Catholic Church



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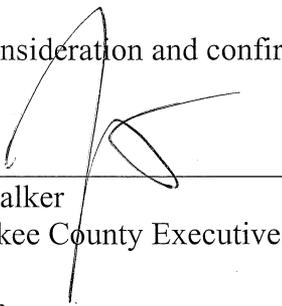
Milwaukee County

SCOTT WALKER • COUNTY EXECUTIVE

Date: October 6, 2010
To: Lee Holloway, County Board Chairman
From: Scott Walker, County Executive
Subject: **Appointment to Emergency Medical Services Council**

Subject to the confirmation of your Honorable Body and pursuant to the provisions set forth in Chapter 97.07 of the Milwaukee County Ordinances, I am hereby appointing Mr. James Baker, Jr., of Curtis Ambulance, to serve on the Emergency Medical Services Council. He will replace Ms. Linda Weidmann as the representative of one of the private ambulance companies on the council, and his term will expire on August 31, 2012. His resume is attached for your review.

Your consideration and confirmation would be appreciated.



Scott Walker
Milwaukee County Executive

SKW/bn

cc: Supervisor Peggy West, Chair, Health and Human Needs Committee
Supervisor Mark Borkowski, EMS Council Chair
Milwaukee County Board of Supervisors
Carol Mueller
Terry Cooley
Jodi Mapp
Mr. James Baker, Jr.



AMBULANCE SERVICE

October 5, 2010

Scott Walker
Milwaukee County Executive
Courthouse, Room 306
901 N. 9th Street
Milwaukee, WI 53233

POST OFFICE BOX 2007
MILWAUKEE, WISCONSIN 53201-2007
CORPORATE (414) 276-7711
OPERATIONS (414) 933-7600
BILLING (414) 276-9890
FAX (414) 276-FAX-1

Dear Mr. Walker:

Thank you for the invitation to once again serve on the Emergency Medical Services Council. I will be more than honored to accept such an appointment. I first served on the EMS Council in 1996, and my father was one of the original members.

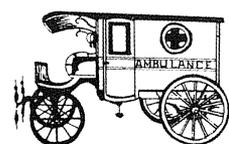
I have been involved in EMS since 1971, and have been an EMT since 1972. Through the years I have served on many different committees for the American Heart Association, the State of Wisconsin EMS Board, the Milwaukee County Medical Society, the American Ambulance Association, the Milwaukee County EMS Council and the State of Wisconsin Professional Ambulance Association. In addition, I have served on the City of Milwaukee Basic Life Support Task Force, the Fetal Infant Mortality Committee, and the Heat Advisory Task Force.

Currently, I am the Chief Executive Officer of Curtis Ambulance Service. Curtis Ambulance currently provides service in Milwaukee County and is part of the Emergency Medical Service System in the City of Milwaukee. We also provide service to many other areas of Wisconsin, including Dane and Adams Counties. We also provide service to Racine, Kenosha, and Walworth Counties through our Medix Ambulance division.

I look forward to serving on the Milwaukee County EMS Council, and to continue to participate in ensuring that Milwaukee County's EMS remains one of the best in the United States.

Sincerely;

James G. Baker Jr.
C.E.O. Curtis Ambulance Service



COUNTY OF MILWAUKEE
Behavioral Health Division Administration
 INTER-OFFICE COMMUNICATION

DATE: October 11, 2010

TO: Supervisor Peggy West, Chairperson, Committee on Health and Human Needs

FROM: Geri Lyday, Interim Director, Department of Health and Human Services

SUBJECT: INFORMATIONAL REPORT FROM THE INTERIM DIRECTOR OF HEALTH AND HUMAN SERVICES REGARDING THE STATUS OF THE CONTRACTING OUT OF THE DIETARY SERVICES AREA

BACKGROUND

The 2009 Budget included an initiative to contract for food service operations at the Behavioral Health Division (BHD). On June 8, 2009, A'viands LLC, the selected vendor, began operating the BHD food service. At the March 5, 2010 meeting of the Health and Human Needs Committee, it was requested that BHD continue to provide quarterly status reports.

DISCUSSION

BHD works closely with A'viands LLC to monitor errors and ensure high quality food and service. A'viands keeps a complaint log listing the type and nature of complaints received and the follow-up and resolution provided. The Behavioral Health Division has three dieticians and a one dietician manager, to be hired shortly, and a contract services coordinator, who monitor the daily operations of the A'viands contract. A'viands management staff also attend the noon safety meeting when requested or as issues arise. Below is a table that summarizes the types and number of errors since the last report in September.

TYPE OF COMPLAINT	Number of Occurrences			
	194 total, or .00026%, complaints out of 728,000 meals served.			
	Complaints by occurrence through August 2010 *	New occurrences September 2010 written complaints	Telephone Log June 2010-Sept 2010	Total to date October 2009-September 2010
Dietary Error - i.e. wrong texture served, inappropriate item served	33	0	4	37
Food Issue - i.e. substitution from menu, overcooked, dislike item, etc	33	0	30	63
Portion Size	4	0	0	4
Late Meals, Missing Meals	30	2	17	49
Administrative - i.e. missing meal counts, table ware issue, in-service needs	32	9	0	41
TOTAL	132	11	51	194

*Total written complaints as reported in September, 2010 board report. A complete review of written complaint logs was done in October resulting in several reclassifications of complaint type.

The majority of the complaints are regarding food issues such as over-cooked food, substitutions or displeasure with a menu item and late or missing meals. Missing meals, incorrect food items and patient preferences are corrected immediately by A'viands at the point of service. The complaints are called in and tracked on the attached log (Attachment A) by A'viands staff and reviewed by the BHD Support Services Contractor monthly. Based on our review of the process, we are going to add the date corrected to the form and the initials of the individual that was responsible for the correction. We are also increasing the BHD staff review of the log to weekly and instituting a response card that would solicit a response from the individual stating their satisfaction with the resolution. These additional steps will provide for a specific accountability of the person responsible for the resolution and give feedback on how satisfied patients were with our resolution.

There are a total of eleven new written complaints since the last report and 51 telephone complaints. All of these complaints are considered formal complaints. The complaints are tracked by type and location. Of the 194 total number of complaints tracked for October 2009 through September 2010, seven were considered serious in nature that relate to health and safety concerns. They included patients being given inappropriate diets and food being served that patients were allergic to. All of the situations were rectified immediately before any patient was harmed. Many changes are a result of changes in condition of the patient requiring a new order from the medical staff.

Over 728,000 meals were served during the same time frame. Under the A'viands contract, meals prepared at the BHD kitchen are broken out as follows, 46% of the meals are prepared for clients located at BHD, 41% are for Department on Aging's senior centers and meals on wheels programs and 15% are for the children being held in the Juvenile Detention facility. A'viands has been very responsive, addressing issues immediately and then also following up with a long-term solution within a few days of the event.

BHD closely monitors the fiscal impact of the dietary contract with A'viands LLC. For the first nine months of 2010, the average monthly cost for BHD for meals was \$434,465 and \$22,635 for required supplements and snacks/nourishments. BHD also has four dietary staff, continuing unemployment costs; various small expenses and cross charges. This cost is an average of \$25,545 per month. Therefore, the total average monthly cost including BHD and contracted expenses for 2010 is \$482,645. The actual monthly expenditure cost in 2008 for the BHD run dietary service was \$621,932. This is an average monthly savings of \$139,287 and translates into an annual savings of over \$1.67 million.

Recommendation

This is an informational report. No action is necessary.

Respectfully Submitted:



Gerri Lyday, Interim Director
Department of Health and Human Services

cc.: County Executive Scott Walker
Cynthia Archer, Director, DAS
Allison Rozek, Fiscal & Management Analyst, DAS
Jodi Mapp, Committee Clerk, County Board Staff
Jennifer Collins, Analyst, County Board Staff

ATTACHMENT B

DIETARY SERVICES COMPLAINT TREND BY MONTH OCTOBER 2009-SEPTEMBER 2010

formal complaints by type

	dietary error	food issue	portion size	late/missing meals	administrative	total
Oct-09	3	4	0	1	11	19
Nov-09	2	4	1	2	4	13
Dec-09	2	1	0	3	5	11
Jan-10	2	2	1	1	1	7
Feb-10	0	3	0	2	2	7
Mar-10	9	7	0	3	0	19
Apr-10	2	4	0	4	1	11
May-10	1	5	0	3	3	12
Jun-10	5	1	0	6	3	15
Jul-10	6	0	0	4	3	13
Aug-10	1	2	2	1	6	12
Sep-10				2	2	4
telephone log June-Sept 10	4	30		17		51
subtotal	37	63	4	49	41	194

formal complaints by location

	Senior Meals	Juvenile Justice Center	BHD	total
Oct-09	15	0	4	19
Nov-09	6	1	6	13
Dec-09	3	1	7	11
Jan-10	2	2	3	7
Feb-10	4	0	3	7
Mar-10	6	0	13	19
Apr-10	8	0	3	11
May-10	7	0	5	12
Jun-10	12	0	3	15
Jul-10	10	1	2	13
Aug-10	8	1	3	12
Sep-10	3	0	1	4
telephone log June-Sept 10			51	51
Oct-10				0
Nov-10				0
Dec-10				0
				0
subtotal	84	6	104	194

**Savings from BHD Food
Service Privatization Fall
Short of Expectations
but Remain Substantial**

August 2010

Committee on Finance and Audit

Elizabeth M. Coggs, Chairwoman
Johnny L. Thomas, Vice-Chair
Michael Mayo, Sr.
Jim 'Luigi' Schmitt
Willie Johnson, Jr.
Peggy West
Patricia Jursik

Milwaukee County Department of Audit

Jerome J. Heer, Director of Audits
Douglas C. Jenkins, Deputy Director of Audits

Audit Team

James D. Felde, CPA, CFE
Stanley M. Zaleski, CPA, CIA
Sandra M. Swan

Review Team

Paul A. Grant, CPA
Joseph G. Williams, CIA

Administrative Support Team

Cheryl A. Hosp
Karen J. Martinson
Catherine M. Remiszewski



Department of Audit

Milwaukee County

Jerome J. Heer
Douglas C. Jenkins

- Director of Audits
- Deputy Director of Audits

August 17, 2010

To the Honorable Chairman
of the Board of Supervisors
of the County of Milwaukee

We have completed an audit of the 2009 privatization of the Milwaukee County Behavioral Health Division (BHD) Dietary Food Service operations.

The report concludes that savings achieved through the privatization have fallen short of initial budget projections, particularly during the first year of operation. However, actual savings of \$1.2 million, projected for 2010 by the Department of Audit, remain substantial.

The report also summarizes the disposition of the 68 former Milwaukee County employees that were displaced by the privatization, and assesses the quality of food and service provided by the private vendor.

A response from the Behavioral Health Division is included as Exhibit 2. We appreciate the cooperation extended by administrators and staff of BHD, as well as the private vendor contracted to provide food services, during the course of this audit.

Please refer this report to the Committee on Finance and Audit.

Jerome J. Heer
Director of Audits

JJH/cah

Attachment

cc: Milwaukee County Board of Supervisors
Scott Walker, Milwaukee County Executive
Cynthia Archer, Director, Department of Administrative Services
Terrance Cooley, Chief of Staff, County Board Staff
John Chianelli, Administrator, DHHS-Behavioral Health Division
Steven Kreklow, Fiscal & Budget Director, DAS
Steve Cady, Fiscal & Budget Analyst, County Board Staff
Carol Mueller, Chief Committee Clerk, County Board Staff

Savings from BHD Food Service Privatization Fall Short of Expectations but Remain Substantial

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Summary

In 2007, the purchasing and supervisory duties for Milwaukee County Behavioral Health Division's (BHD's) Dietary Food Services were contracted out to a private vendor. In 2008, total expenditures for Dietary Food Services (before revenues and abatements) were approximately \$7.5 million. The Milwaukee County 2009 Adopted Budget included a provision for privatizing the remainder of the BHD food service function, abolishing 75 positions (two Dietician positions were created for a net reduction of 73). The budget narrative for the initiative identified anticipated savings of \$1,251,076 with an anticipated effective date of April 1, 2009.

The 2010 Adopted Budget included a directive for the Department of Audit to initiate a review of the effectiveness of BHD food service privatization in terms of achieving anticipated cost savings, the impact on displaced workers and the impact on service delivery.

Delays reduce first-year savings from privatizing BHD Food Service; ongoing savings fall short of expectations, but remain substantial.

The \$1.25 million in savings identified in the 2009 Adopted Budget for the privatization initiative were calculated based on a start date of April 1, 2009. The savings were primarily comprised of reduced wage and benefits payments (about \$2.7 million), as well as reduced food and provisions expenditures (about \$2.0 million), offset by about \$3.5 million in anticipated vendor payments. The savings were projected for the nine-month period April through December 2009, or annualized savings of \$1.67 million.

As part of our review, we confirmed that BHD properly excluded 'legacy' fringe benefit costs associated with the abolished positions from its calculation of savings. This is because the legacy portion of fringe benefit costs—the cost of current retiree health care and the amount of unfunded pension liability applicable to current retirees—remain with the County even after the positions to which those costs were previously allocated are abolished. Those legacy costs remain an obligation of the County; they were simply re-allocated to the remaining positions within County government.

Implementation Delay Reduces Budgeted Savings

Due to delays in selecting a vendor and final contractual approvals, the BHD food service privatization initiative began 68 days later than anticipated in the Adopted Budget. Irrespective of any other factors, this implementation delay alone would reduce anticipated savings by about

\$309,000. However, as detailed in this report, other factors reduced actual first-year savings realized in 2009 from BHD food service privatization even further.

Savings Calculated and Reported by BHD

In a memo dated February 9, 2010, BHD reported average monthly savings of \$137,376 for the six-month period July through December 2009 (June was excluded from BHD's analysis because it was a partial month). The savings calculated by BHD for the period July through December 2009 totals \$824,256 for the six-month period. Prorating the calculated monthly savings rate to include the 23 days in June that A'viands provided service adds another \$103,032 in savings for an estimated total savings in 2009 of \$927,288.

Therefore, according to calculations reported by BHD, actual first-year savings from food service privatization fell \$323,788 short of the \$1,251,076 budgeted for 2009, primarily due to the two-month delay in implementing the initiative. The same calculations reported by BHD indicate that actual annualized savings of \$1.65 million in 2009 were essentially equal to budgeted projections of \$1.67 million.

Audit Calculated Savings

In general, we agree with the methodology chosen by BHD to calculate actual 2009 savings attributable to the privatization of food service operations. However, we made several audit adjustments that significantly reduce the actual savings reported by BHD in its February 9, 2010 memo to the County Board Health and Human Needs Committee.

The largest audit adjustment involves the legacy portion of fringe benefit costs associated with the positions abolished as part of the privatization initiative. Whereas the legacy costs were properly excluded from estimated savings in BHD's budget projections, they were inadvertently included in BHD's calculations of actual 2009 savings. This adjustment reduces the 2008 base cost from which 2009 privatization savings are calculated. This audit adjustment reduced the average monthly 2008 base cost (reported by BHD as \$621,932) by \$72,644.

Another audit adjustment was made to reflect outside revenue obtained by BHD for meals provided in 2008 to St. Charles and Clinicare, private social services agencies that lease space from BHD. This adjustment totaled \$26,359 per month. To the extent that outside revenue offsets expenditures, there is no County 'cost' to be saved through the privatization initiative. A similar audit adjustment is made to BHD's calculation of post-privatization average monthly costs, although

the adjustment is smaller because once the privatization occurred, St. Charles contracted directly with A'viands for meals.

Another audit adjustment is \$159,246 in total 2009 unemployment compensation costs associated with the displaced BHD food service workers who did not obtain subsequent employment. Other minor audit adjustments are detailed in the report.

Audit adjusted actual savings from the privatization of BHD food services in 2009 was about \$123,000. This is about \$800,000 less than the amount reported by BHD in its February 9, 2010 memo (pro-rated to include the partial month of June), or about \$1.1 million less than anticipated in the 2009 Adopted Budget.

For 2010 and subsequent years, however, annual savings are closer to initial expectations. The Department of Audit's estimate of annual BHD food service privatization savings for 2010 is \$1.2 million. Ongoing operations in subsequent years are likely to yield similar savings.

It should be noted that the Department of Audit worked closely with BHD budget staff to complete this analysis. The issues related to correctly identifying precise savings as a result of a budget initiative are numerous and complex. It is the firm belief of the audit team that BHD reports identifying savings from the privatization of food services were prepared in good faith and that any errors made were unintentional.

About Two-Thirds of 68 County workers displaced by the privatization are currently working, attending school or have retired.

By the time the BHD food service privatization initiative was implemented on June 8, 2009, seven of the 75 positions abolished in the adopted Budget were vacant. Consequently, 68 individuals employed by Milwaukee County lost their jobs. **Section 2** of this report summarizes the disposition of the 68 former Milwaukee County employees approximately one year after displacement. More than half (35) were employed by either A'viands (24) or another department of Milwaukee County (11) as of the end of May 2010.

BHD dieticians were unanimous in praising food quality, but State inspection identifies sanitation problems.

The Dieticians assigned to BHD were unanimous in describing the quality of the meals prepared by A'viands as better than the meals previously prepared by BHD staff. The reasons cited during our interviews with the Dieticians included the following:

More fresh food, fruits and vegetables are used to prepare the meals and more of the meals are made from scratch. Less prepackaged food items are used.

More variety of meals is offered. Currently, the menu is on a four-week cycle. That is, a different meal (breakfast, lunch and dinner) is prepared for each day during a four-week period. In addition, there is a seasonal change to the menu. The meals offered during the Fall and Winter are different than the meals offered during the Spring and Summer period. (Previously, BHD dietary staff used a three week cycle that remained the same throughout the year.)

We also contacted the Senior Meal Program Director for the Department on Aging and the Detention Superintendent for the Delinquency and Court Services Division of the Department of Health and Human Services. Both expressed satisfaction with the food quality and service delivered by A'viands.

During our interviews regarding the quality of the food served, several comments were made that the vendor is much more responsive compared to the previous BHD dietary operation. As a result, according to BHD Dietitians, they receive fewer complaints, as issues are resolved by the vendor on a timelier basis.

Facility Inspections

On June 3, 2010, the State of Wisconsin issued a Statement of Deficiency report as a result of a Recertification Survey for Life Safety Code compliance conducted by the Wisconsin Division of Quality Assurance at the Milwaukee County Behavioral Health Center. As part of the survey, conducted in May 2010, both the on-site dietary areas (dishwashing, food set-up and dry storage) and the off-site food production area were inspected. Each area was cited for various deficiencies that required corrective action. Several deficiencies involved unsanitary conditions, poorly maintained equipment and the lack of appropriate cleaning schedules. Some of the comments by State inspectors indicated the condition of coolers and other equipment was such that it would be impossible to maintain sanitary conditions (e.g., non-smooth surfaces due to corrosion or peeling paint). Such comments are an indication the conditions may have been long-standing.

By June 14, 2010 BHD management submitted its initial corrective action plan regarding the deficiencies to the State of Wisconsin, including expected dates that corrections would be completed. All the issues identified appeared to be addressed. A key component of the corrective action plan is improved oversight of contracted services, including food service operations.

According to BHD management, the State of Wisconsin surveyors will return at an unannounced future date to confirm that the deficiencies were corrected.

The report includes recommendations to enhance the consistency and thoroughness of savings projections for any future privatization initiatives, and to adhere to the corrective action plan related to oversight of contracted dietary services, outlined to the State of Wisconsin in its response to the Statement of Deficiencies and Plan of Correction report for the survey completed on May 11, 2010.

We wish to acknowledge the cooperation of staff from BHD, as well as A'viands, throughout the audit process. A management response from BHD management is presented as **Exhibit 2**.

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Background

In 2007, the purchasing and supervisory duties for Milwaukee County Behavioral Health Division's (BHD's) Dietary Food Services were contracted out to a private vendor. In 2008, total expenditures for Dietary Food Services (before revenues and abatements) were approximately \$7.5 million. The Milwaukee County 2009 Adopted Budget included a provision for privatizing the remainder of the BHD food service function, abolishing 75 positions (two Dietician positions were created for a net reduction of 73). The budget narrative for the initiative identified anticipated savings of \$1,251,076 with an anticipated effective date of April 1, 2009. After a competitive Request for Proposal process, on May 15, 2009, BHD entered into a professional services agreement with A'viands, LLC to provide food preparation and delivery services for several programs and locations. These include:

- Multiple BHD sites:
 - Acute Care Inpatient—120 beds
 - Psychiatric Crisis Services Admission Center and Observation Unit—16 to 18 beds
 - Rehab Center Hilltop Units (for the developmentally disabled)—72 beds
 - Rehab Center Central (a Skilled Nursing Facility)—70 beds
 - Day Treatment Program—15 to 20 clients
- Children's Court Center—100 to 175 detainees
- St. Charles Adolescent Treatment Program—80 to 100 beds [*Note: Beginning in July 2009 St. Charles contracts directly with A'viands and is no longer part of the BHD contract.*]
- ClinicCare/Milwaukee Academy Adolescent Treatment Program—20 beds
- Milwaukee County Department on Aging:
 - Senior Meal Program—250 to 300 elderly clients
 - Meals on Wheels Program—700 elderly clients
- Miscellaneous Catering

As of June 8, 2009 A'viands began providing services under the contract and 68 employees were displaced (seven of the 75 abolished positions were vacant at that time). However, A'viands agreed to give BHD Dietary Food Service employees priority consideration for employment before any public posting or advertising. Any former BHD Dietary Food Service employee hired would be offered a trial employment period of 60 days.

The 2010 Adopted Budget included a directive for the Department of Audit to initiate a review of the effectiveness of BHD food service privatization in terms of achieving anticipated cost savings, the impact on displaced workers and the impact on service delivery.

Section 1: Delays reduce first-year savings from privatizing BHD Food Service; ongoing savings fall short of expectations, but remain substantial.

The 2009 Behavioral Health Division budget identified total first year savings of approximately \$1.25 million associated with the privatization of food service operations.

In the 2009 Adopted Budget, the Budget Highlights section of the Behavioral Health Division budget identified total first year savings of approximately \$1.25 million associated with the privatization of food service operations. The savings were calculated based on a start date of April 1, 2009 and were primarily comprised of reduced wage and benefits payments (about \$2.7 million), as well as reduced food and provisions expenditures (about \$2.0 million), offset by about \$3.5 million in anticipated vendor payments. Minor adjustments related to utility costs and internal cross-charge modifications resulted in projected savings of \$1,251,076 for the nine-month period April through December 2009, or annualized savings of \$1,668,101.

Budgeted Savings from Privatization

Our review of the calculations used by BHD to estimate cost savings in the 2009 Adopted Budget identified two conceptual errors.

Our review of the calculations used by BHD to estimate cost savings in the 2009 Adopted Budget identified two conceptual errors. First, there was no consideration of revenue offsets from outside (i.e., non-government) entities. In 2008, BHD received approximately \$316,000 in revenue for meals provided to two private social service agencies that lease space from BHD. At the time of the 2009 budget preparation, there was no reason to believe either of those revenue streams would discontinue, but conceptually the revenue should have been considered. For instance, if the revenue obtained for meals provided was intended to cover costs, and costs under privatization were expected to go down, it would have been logical to assume a commensurate reduction in revenue. In fact, as of July 1, 2009, shortly after the privatization initiative was implemented, one of the social service agencies discontinued its meal arrangement with BHD and contracted directly with A'viands for food service. This reduced both BHD's costs, as well as annual revenues of

about \$240,000, associated with its provision of approximately 82,000 meals annually for the agency.

The second conceptual error in BHD's development of budgetary savings projections from the privatization was that no allowance was made for potential unemployment compensation costs associated with the elimination of 75 positions. According to BHD staff, there was a fair degree of confidence that most displaced workers would remain employed, either by the vendor providing food service or as a result of a special Certified Nurse Assistance training program offered by BHD. Staff acknowledged, however, that some amount of unemployment compensation costs should have been included as an offset to estimated first-year privatization savings. BHD incurred actual unemployment compensation costs of \$159,246 in 2009 as a result of the food service privatization initiative.

We confirmed that BHD properly excluded 'legacy' fringe benefit costs associated with the abolished positions from its calculation of savings.

As part of our review, we confirmed that BHD properly excluded 'legacy' fringe benefit costs associated with the abolished positions from its calculation of savings. This is because the legacy portion of fringe benefit costs—the cost of current retiree health care and the amount of unfunded pension liability applicable to current retirees—remain with the County even after the positions to which those costs were previously allocated are abolished. Those legacy costs remain an obligation of the County; they were simply re-allocated to the remaining positions within County government.

The BHD food service privatization initiative began 68 days later than anticipated in the Adopted Budget.

Implementation Delay Reduces Budgeted Savings

Due to delays in selecting a vendor and final contractual approvals, the BHD food service privatization initiative began 68 days later than anticipated in the Adopted Budget. Irrespective of any other factors, this implementation delay alone would reduce anticipated savings by about \$309,000. However, as detailed in the following analysis, other factors reduced actual

first-year savings realized in 2009 from BHD food service privatization even further.

Actual Savings from Privatization

One approach to identifying actual savings associated with the BHD food service privatization initiative is to compare actual average monthly costs incurred during the pre-privatization period in 2009 (January 1 through June 7) to the actual average monthly costs incurred once the privatization occurred (June 8). This approach is problematic, however, because it is difficult to assign precise cutoffs for various costs incurred during the pre-privatization period. For instance, some of the food and provisions consumed during the first six months of the year may have been purchased in bulk during the previous year; conversely, some food and provisions purchased during the pre-privatization period may not have been consumed prior to the transition.

Another approach to identify actual savings from the privatization is to compare average monthly costs after the privatization occurred to the average monthly costs incurred during the entire pre-privatization year of 2008. Using the monthly average for an entire year of the pre-privatization period for comparison purposes eliminates the impact of imprecise cutoff dates because of the annual process of closing the County's financial books. For these reasons, BHD chose this latter approach to identify actual savings attributable to food service privatization in monthly reports to the County Board Health and Human Needs Committee beginning in November 2009.

Savings Calculated and Reported by BHD

In a memo dated February 9, 2010, BHD reported average monthly savings of \$137,376 for the six-month period July through December 2009 (June was excluded from BHD's analysis because it was a partial month). **Table 1** summarizes the data reported by BHD.

BHD reported average monthly savings of \$137,376 for the six-month period July through December 2009.

Table 1
Actual 2009 Privatization Savings
As Reported by BHD

2008 Monthly Average Cost (Pre-Privatization)	\$621,932	
2009 Monthly Average Cost July—December 2009 (Post-Privatization)		
To Vendor		\$429,718
Ancillary Costs*		\$54,838
Subtotal	<u>\$484,556</u>	
Average Monthly Savings	\$137,376	
Actual Savings July—December	\$824,256	
Annualized Savings	\$1,648,512	

* BHD retained dietician staff and various cross-charge and small expenses remained post-privatization.

Source: Memo from BHD to Health and Human Needs Committee dated February 9, 2010.

The average monthly savings of \$137,376 calculated by BHD for the period July through December 2009 totals \$824,256 for the six-month period. Prorating the calculated monthly savings rate to include the 23 days in June that A'viands provided service adds another \$103,032 in savings for an estimated total savings in 2009 of \$927,288.

According to calculations reported by BHD, actual first-year savings from food service privatization fell \$323,788 short of the \$1,251,076 budgeted for 2009, primarily due to the two-month delay in implementing the initiative.

Therefore, according to calculations reported by BHD, actual first-year savings from food service privatization fell \$323,788 short of the \$1,251,076 budgeted for 2009, primarily due to the two-month delay in implementing the initiative. The same calculations reported by BHD indicate that actual annualized savings of \$1,648,512 in 2009 were essentially equal to budgeted projections of \$1,668,101.

Audit Calculated Savings

In general, we agree with the methodology chosen by BHD to calculate actual 2009 savings attributable to the privatization of

food service operations. In particular, we endorse the concept of comparing average monthly post-privatization food service costs in 2009 to average monthly food service costs in 2008, prior to the privatization initiative.

We made several audit adjustments that significantly reduce the actual savings reported by BHD.

However, we made several audit adjustments that significantly reduce the actual savings reported by BHD in its February 9, 2010 memo to the County Board Health and Human Needs Committee.

The largest audit adjustment involves the legacy portion of fringe benefit costs associated with the positions abolished as part of the privatization initiative. Whereas the legacy costs were properly excluded from estimated savings in BHD's budget projections, they were inadvertently included in BHD's calculations of actual 2009 savings. This adjustment reduces the 2008 base cost from which 2009 privatization savings are calculated. This audit adjustment reduced the average monthly 2008 base cost (reported by BHD as \$621,932) by \$72,644.

Another audit adjustment was made to reflect outside revenue obtained by BHD for meals provided in 2008 to St. Charles and Clinicare, private social services agencies that lease space from BHD. This adjustment totaled \$26,359 per month. To the extent that outside revenue offsets expenditures, there is no County 'cost' to be saved through the privatization initiative. A similar audit adjustment is made to BHD's calculation of post-privatization average monthly costs, although the adjustment is smaller because once the privatization occurred, St. Charles contracted directly with A'viands for meals.

Another audit adjustment is the previously mentioned \$159,246 in total 2009 unemployment compensation costs associated with the displaced BHD food service workers who did not obtain subsequent employment.

Other minor audit adjustments were made for items related to utility cost reimbursements. cross-charges that were eliminated as County costs and capital outlay expenditures. An audit adjustment was also made to eliminate the legacy portion of fringe benefit costs associated with the three Dietician positions retained by BHD post-privatization, since those costs are borne by the County regardless of whether or not the privatization initiative was implemented.

Table 2 shows the Department of Audit's calculation of 2009 savings from the BHD food service privatization initiative.

Table 2
Actual 2009 Privatization Savings
Including Audit Adjustments

2008 Monthly Average Cost per BHD (Pre-Privatization)	\$621,932
<i>Audit Adjustment for Legacy Portion of Fringe Benefit Costs</i>	<i>(\$ 72,644)</i>
<i>Audit Adjustment for Outside Revenue Offset to Costs</i>	<i>(\$26,359)</i>
2008 Audit Adjusted Monthly Average Cost	\$522,929
2008 Monthly Average Cost per BHD July—December 2009 (Post-Privatization)	
To Vendor	\$429,718
Ancillary Costs*	\$54,838
<i>Audit Adjustment for Outside Revenue Offset to Costs</i>	<i>(\$9,439)</i>
<i>Audit Adjustment for Misc. Items (e.g., Utilities Reimbursement)</i>	<i>\$10,031</i>
<i>Audit Adjustment for Legacy Portion of Fringe Benefit Cost for 3 Dieticians</i>	<i>(\$3,977)</i>
2009 Audit Adjusted Monthly Average Cost	<u>\$481,171</u>
Adjusted Average Monthly Savings	\$41,758
Adjusted Actual Savings July—December	\$250,548
Pro-rated Savings June 8—June 30	\$31,318
Subtotal	<u>\$281,866</u>
<i>Audit Adjustment for Unemployment Compensation Costs</i>	<i>(\$159,246)</i>
Total 2009 Savings	\$122,620

* BHD retained dietician staff and various cross-charge and small expenses remained post-privatization.

Source: Memo from BHD to Health and Human Needs Committee dated February 9, 2010 and Department of Audit adjustments

Audit adjusted actual savings from the privatization of BHD food services in 2009 was about \$123,000.

As shown in **Table 2**, audit adjusted actual savings from the privatization of BHD food services in 2009 was about \$123,000. This is about \$800,000 less than the amount reported by BHD in its February 9, 2010 memo (pro-rated to include the partial month of June), or about \$1.1 million less than anticipated in the 2009 Adopted Budget.

The most significant reasons for initial year savings falling \$1.1 million short of budgetary projections were the delay in implementing the initiative and higher than projected contract costs.

Reasons for Savings Falling Short of Expectations

There are several reasons that contributed to the shortfall in anticipated savings from the BHD food service privatization. The most significant reasons for initial year savings falling \$1.1 million short of budgetary projections were the previously mentioned delay in implementing the initiative and higher than projected contract costs. The 68-day delay in implementation resulted in the expenditure of more than \$1 million for unbudgeted costs for personnel, food and other provisions. The same delay in implementation should have resulted in vendor payments that would total approximately \$865,000 less than budgeted. However, vendor payments in 2009 were just \$475,000 less than budgeted, leaving a gap of about \$390,000. According to BHD staff, the higher vendor costs, while within the contractual limit, exceeded expectations because final bids were higher than estimates used during budget preparation, and because BHD did not include the provision of snacks as a specification in the Request for Proposal process in which the food service vendor was selected. BHD worked with A'viands to address the issue throughout 2009 and a small increase was included in a contract amendment for 2010.

Additional reasons for the shortfall in 2009 savings were previously-mentioned unemployment compensation costs, the loss of outside revenue that occurred mid-year, and the occurrence of unbudgeted staff overtime prior to the privatization implementation date.

For 2010 and subsequent years, annual savings are closer to initial expectations.

For 2010 and subsequent years, however, annual savings are closer to initial expectations. **Table 3** shows the Department of Audit's estimate of annual BHD food service privatization savings for 2010.

<u>Type of Cost</u>	<u>2010 Projected</u>	<u>Est. Cost Without Privatization</u>
Aviands Contractual	\$5,416,201	----
Food & Supplies	Incl. Above	\$2,700,000
Food Transport	Incl. Above	\$240,687
County Personnel (Active Fringe Only)	\$199,934	\$4,151,381
Unemployment Compensation	\$16,803	----
Less Outside Revenue Offsets	(\$144,893)	(\$382,967)
Total Projected Cost	\$5,488,045	\$6,709,101
Estimated 2010 Savings from Privatization	\$1,221,056	
Source: Department of Audit analysis of Milwaukee County Advantage System fiscal reports and source documents, 2008—2010.		

Conclusions and Recommendations

Savings achieved through the privatization of BHD food service operations have fallen short of initial budget projections, particularly during the first year of operation. Further, savings monitoring reports submitted by BHD have inadvertently overstated ongoing annualized savings achieved by the privatization. While initial budget projections and subsequent BHD reports indicated annualized savings of approximately \$1.6 million have not been achieved, actual savings of \$1.2 million projected for 2010 by the Department of Audit remain

substantial. Ongoing operations in subsequent years are likely to yield similar savings.

It is the firm belief of the audit team that BHD reports identifying savings from the privatization of food services were prepared in good faith and that any errors made were unintentional.

It should be noted that the Department of Audit worked closely with BHD budget staff to complete this analysis. The issues related to correctly identifying precise savings as a result of a budget initiative are numerous and complex. It is the firm belief of the audit team that BHD reports identifying savings from the privatization of food services were prepared in good faith and that any errors made were unintentional.

To ensure future savings projections from proposed privatization initiatives are as accurate and consistent as reasonably possible, we recommend that BHD management:

- 1. Work with the Department of Administrative Services to develop a comprehensive standardized checklist of elements for consideration in calculating savings from privatization initiatives. The checklist should include, but not limited to, all personnel costs, including active fringe benefit costs, overtime, unemployment compensation, and employee displacement services, as well as outside revenue offsets and other costs. The calculations should be made for both the initial year of implementation and for subsequent years, if materially different.*

Section 2: About Two-Thirds of 68 County workers displaced by the privatization are currently working, attending school or have retired.

By the time the BHD food service privatization initiative was implemented on June 8, 2009, seven of the 75 positions abolished in the adopted Budget were vacant. Consequently, 68 individuals employed by Milwaukee County lost their jobs.

Table 4 summarizes the disposition of the 68 former Milwaukee County employees approximately one year after displacement.

Table 4	
Disposition of 68 Former	
Milwaukee County Employees Displaced	
by BHD Food Service Privatization	
As of May 2010	
24	Currently Working for A'viands (Includes 1 County Retiree)
11	Currently Working for Other County Departments
4	Originally hired by A'viands, Now Back with County
4	Obtained Another County Position (Not Placed by HR)
3	Placed by HR
5	Went Back to School
4	Retired from County
7	Worked for Other County Departments, Later Terminated
5	Laid Off
1	Separated (Terminated?) during Probation
1	Placed by HR and Subsequently Resigned
6	Worked for A'viands, Later Terminated, No Further Information
10	Current Status Unknown
8	No Information
2	On Medical Leave/Disability When Displaced--No Further Information
1	Deceased
68	Total

Source: Department of Audit compilation from Milwaukee County Human Resources records.

As indicated in **Table 4**, the current status of 10 displaced County employees is unknown. Additionally, we have no further information for a total of 13 displaced employees that initially obtained jobs with either the County or A'viands, but were later

terminated. Attempts to contact these 23 individuals for updates were unsuccessful.

Displaced Employees Hired by A'viands

As part of the privatization initiative, the Request for Proposal issued by BHD specified that the selected vendor was required to give priority hiring preference for County employees displaced by the contract award. A'viands agreed to interview all interested County workers displaced by the action for potential employment. As a result, 47 County employees applied for positions with the firm. Offers of employment were made to 46 of the 47, and 34 individuals accepted the offer. As of the end of May 2010, 24 former County employees remained working for A'viands.

Offers of employment were made to 46 displaced County employees, and 34 individuals accepted the offer.

Benefits Offered to A'viands Employees

According to A'viands management, all former County employees hired were started at their former County wage rates for purposes of maintaining morale. A lone exception was one displaced hourly County employee that was offered a full time position with A'viands at a reduced hourly rate. However, that individual was terminated after failing a background check.

In addition, A'viands offers health care and pension benefits to its employees. Employee contribution rates for 2010 are summarized in **Table 5**.

**Table 5
A'viands Employee Contribution
Rates for 2010 Benefits Offered**

Medical Rates

\$2,000 Deductible Plan

	Monthly Premiums	
	Total	Employee Contribution
Single	\$ 463.00	\$ 175.00
Single + 1	973.50	430.26
Family	1,482.50	684.76

\$3,000 HSA*

	Monthly Premiums	
	Total	Employee Contribution
Single	\$ 412.50	\$ 75.00
Single + 1	866.00	301.76
Family	1,320.00	528.76

**Dental Rates (100% Employee Contribution)
Monthly Premiums**

Employee Only	\$23.60
Employee & Spouse	46.66
Employee & Child(ren)	50.60
Employee & Family	76.80

**Vision Rates (100% Employee Contribution)
Monthly Premiums**

Employee Only	\$ 8.32
Employee & Family	17.90

401(k) Retirement Savings Plan

A'viands will contribute a 50% match for employee contributions up to a maximum 8% (4% match) of wages. Employees must have completed at least 1,000 hours and at least one year of service to be eligible for this program.

* Health Savings Account

Source: A'viands, LLC

Section 3: BHD dieticians were unanimous in praising food quality, but State inspection identifies sanitation problems.

Customers of the privatized food service operations at BHD described the quality of the meals prepared by A'viands, the vendor under contract with BHD, as better than or equal to the quality of the meals previously prepared by BHD staff.

Customer Comments

The Dieticians assigned to BHD were unanimous in describing the quality of the meals prepared by A'viands as better than the meals previously prepared by BHD staff.

For instance, the Dieticians assigned to BHD were unanimous in describing the quality of the meals prepared by A'viands as better than the meals previously prepared by BHD staff. The reasons cited during our interviews with the Dieticians included the following:

More fresh food, fruits and vegetables are used to prepare the meals and more of the meals are made from scratch. Less prepackaged food items are used.

More variety of meals is offered. Currently, the menu is on a four-week cycle. That is, a different meal (breakfast, lunch and dinner) is prepared for each day during a four-week period. In addition, there is a seasonal change to the menu. The meals offered during the Fall and Winter are different than the meals offered during the Spring and Summer period. (Previously, BHD dietary staff used a three week cycle that remained the same throughout the year.)

We also contacted the Senior Meal Program Director for the Department on Aging and the Detention Superintendent for the Delinquency and Court Services Division of the Department of Health and Human Services.

The Senior Meal Program Director described the quality of the food as very good and is satisfied with the service. She also noted that there was a period of adjustment for the program participants once the vendor took over. The Director said there were complaints about the portion sizes, but she explained to the

participants that the meals provided were in compliance with federal standards and that the excessive portions that were provided in the past were not healthy.

The Detention Superintendent rated the quality of the meals as comparable to the previous meals prepared by BHD staff. He also stated that A'viands is very responsive. On two occasions (one in April 2010 and one in November 2009), he deemed the meals unacceptable. The vendor was able to provide a substitute meal "fairly quickly," according to the Superintendent.

Several comments were made that the vendor is more responsive compared to the previous BHD dietary operation.

During our interviews regarding the quality of the food served, several comments were that the vendor is much more responsive compared to the previous BHD dietary operation. Respondents attributed the improved responsiveness to the following:

- The contractor began maintaining a complaint log in October 2009. The log lists the date of the complaint, a description of the complaint and the location, who lodged the complaint, the initial response, the corrective plan of action and the person responsible for making the correction. The complaints are typically received via e-mails.
- The vendor hired a full-time Registered Dietician to staff the tray assembly line to address problems and manage dietary orders.
- The vendor added a Quality Assurance position that monitors food quality.
- The vendor added two additional telephone lines to the tray assembly line area in early March 2010. The additional lines were added to the lone existing line so that the vendor's supervisors and staff could answer incoming calls more promptly and improve customer service. In conjunction with the additional telephone lines the vendor initiated a call log to record issues that were called in. The call log allows managers to investigate and address the various concerns and issues brought to the vendor's attention. The vendor's staff record data similar to that maintained in the previously-mentioned complaint log for tracking and follow-up purposes.

As a result, according to BHD Dieticians, they receive fewer complaints, as issues are resolved by the vendor on a timelier basis.

Facility Inspections

In August 2009 the Wauwatosa Health Department conducted an inspection of the off-site kitchen (food production) facility located north of the BHD complex. Two violations were cited in the inspection report. One week later a follow-up inspection noted that the two violations were corrected and no additional violations were reported. The Wauwatosa Health Department conducted another inspection of the facility in November, 2009 and no violations were reported.

However, on June 3, 2010, the State of Wisconsin issued a Statement of Deficiency report as a result of a Recertification Survey for Life Safety Code compliance conducted by the Wisconsin Division of Quality Assurance at the Milwaukee County Behavior Health Center. As part of the survey, conducted in May 2010, both the on-site dietary areas (dishwashing, food set-up and dry storage) and the off-site food production area were inspected. Each area was cited for various deficiencies that required corrective action. Several deficiencies involved unsanitary conditions, poorly maintained equipment and the lack of appropriate cleaning schedules. Some of the comments by State inspectors indicated the condition of coolers and other equipment was such that it would be impossible to maintain sanitary conditions (e.g., non-smooth surfaces due to corrosion or peeling paint). Such comments are an indication the conditions may have been long-standing.

Several deficiencies cited in a State of Wisconsin inspection involved unsanitary conditions, poorly maintained equipment and the lack of appropriate cleaning schedules.

By June 14, 2010 BHD management submitted its initial corrective action plan regarding the deficiencies to the State of Wisconsin, including expected dates that corrections would be completed. All the issues identified appeared to be addressed. A key component of the corrective action plan is improved

oversight of contracted services, including food service operations. The corrective action plan, including deadlines for completion, states, in part:

Management and Oversight of Contract Services

The Infection Control Practitioner (ICP) will provide oversight & guidance to the Dietary Department.

Contract administration will work with the ICP to provide oversight and guidance to the Dietary Department by:

- Meet with the Dietary management staff to review and update cleaning schedules for completeness and timeframes. Completed 6-8-10.
- Ensure that the Dietary Department has a plan to monitor the work done per the cleaning schedule. Completed 6-8-10.
- Develop a plan to audit the Dietary Department's cleaning schedule and monitoring system. Completed 6-25-10.

According to BHD management, the State of Wisconsin surveyors will return at an unannounced future date to confirm that the deficiencies were corrected.

Conclusions and Recommendations

Customers of BHD food service operations voiced consistent praise for the quality of meals and responsiveness of A'viands in addressing complaints as the operation transitioned from in-house staff to a contracted service.

However, a recent inspection by the State of Wisconsin identified serious deficiencies related to unsanitary conditions, poorly maintained equipment and the lack of appropriate cleaning schedules in food preparation and storage areas. BHD management's response to the State appears to address all deficiencies identified, but comments made by inspectors indicate the problems may have been long-standing. To ensure

appropriate standards of cleanliness and sanitation are observed at all times in the BHD food service operations, we recommend BHD management:

- 2. Adhere to the corrective action plan related to oversight of contracted dietary services, outlined to the State of Wisconsin in its response to the Statement of Deficiencies and Plan of Correction report for the survey completed on May 11, 2010.*

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Audit Scope

The Department of Audit conducted an audit of the Milwaukee County Behavioral Health Division Dietary Food Service privatization. The audit focused on the years 2008 through 2010 to determine:

- Whether or not the privatization of the BHD food service operations achieved the cost savings anticipated in the 2009 Milwaukee County Adopted Budget.
- The impact of the privatization on the Milwaukee County employees that were replaced.
- Whether or not there been any impact on the quality of the food service delivered to BHD patients.

The audit was conducted in accordance with standards set forth in the United States Government Accountability Office *Government Auditing Standards (2007 Revision)*.

We limited our review to the areas specified in this Scope Section. During the course of the audit, we:

- Reviewed Adopted Budget information relating to the BHD Dietary Food Service.
- Obtained and reviewed the contract between BHD and the private contractor.
- Obtained and reviewed the various BHD reports to the Health and Human Needs Committee related to the BHD Dietary Food Service cost savings.
- Observed BHD Dietary Food Service operations.
- Interviewed BHD staff to obtain a clear understanding of how the cost savings reported to the Health and Human Needs Committee were calculated.
- Analyzed various Advantage expenditure and revenue accounts related to the BHD Dietary Food Service to determine whether all appropriate income and costs were used to calculate cost savings.
- Obtained BHD patient census data and compare this data to the number of meals that were billed by the private contractor. We also compared contract rates to invoice rates.
- Obtained data related to displaced BHD Dietary Food Service employees and reviewed Ceridian records, unemployment payment files and attempted to contact former employees to determine their current employment status.
- Interviewed BHD staff and other Milwaukee County department staff regarding the quality of food service provided by the private contractor.
- Interviewed BHD and private contractor staff regarding complaint log and call log procedures.

- Reviewed BHD correspondence files related to Dietary Food Service.
- Obtained and compared menus used before and after BHD contracted with the private food service contractor.
- Reviewed a State of Wisconsin Statement of Deficiency report dated June 3, 2010 conducted by the Wisconsin Division of Quality Assurance and BHD's response as it related to the BHD Dietary Food Service operations.
- Obtained and reviewed the Wauwatosa Health Department inspection reports of the BHD Dietary Food Service facilities.

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICTATION

Date: August 13, 2010
To: Jerry Herr, Director of Audits
From: John Chianelli, Administrator
Behavioral Health division
Subject: Departmental Response to Audit of BHD Food Service Privatization

First, I would like to thank the staff of the Audit Department for their professional and cooperative manner in which this audit has been conducted, resulting in reasonable resolutions agreeable to both parties.

Specific Responses to Recommendations:

Recommendation 1: Work with the Department of Administrative Services to develop a comprehensive standardized checklist of elements for consideration in calculating savings from privatization initiatives. The checklist should include, but not be limited to, all personnel costs, including active fringe benefit costs, overtime, unemployment compensation, and employee displacement services. The calculations should be made for both the initial year of implementation and for subsequent years, if materially different.

Response 1: BHD fiscal and budget staff agree completely with this recommendation and will work with DAS to prepare a template to standardize this presentation of this data in the privatizations initiatives. Table 3, which is included in the Audit Report, is an appropriate starting point.

Recommendation 2: Adhere to the corrective action plan related to oversight of contracted dietary services, outlined to the State of Wisconsin in its response to the Statement of Deficiencies and Plan of Correction report for the survey completed on May 11, 2010.

Response 2: The following citation directly related to the monitoring of contracts and specifically the dietary contract.

CMS Citation Federal A 043: Governing Body will be effective in its responsibility for managing the hospital, by managing and oversight of the contracted services for food safety, sanitation and medical record storage.

Department response: The Contract Services Coordinator will oversee the contractor responsible for these services. The Hospital's Governing Body will ensure that the facility has sufficient resources to appropriately manage the facility and maintain a clean and sanitary environment. On 6/7/10, the division Administrator directed the appointment of a standing Environment of Care Committee to be chaired by the division Assistant Administrator – Environment of Care Compliance. Specific sanitation issues have been corrected and will be monitored and inspected on a regular schedule. As part of the overall BHD contract management plan, Milwaukee County will oversee and manage contracted services to ensure dietary services are appropriate and effective through the following.

- Maintain a record for each contractor which includes, but is not limited to, infection control plans, copies of contracts and agreements, contract deliverable plans and audit data. The records will be maintained within the contract administration area of the Fiscal Department.
- Review all contracts and agreements for compliance with contract deliverables and compliance with federal, state and county and facility policies. Policies include, but are not limited to HIPAA, Infection Control and reporting standards.
- Contract Services Coordinator will be an active member of the IC Committee.
- Contract Services Coordinator will oversee IC inspection results for the entire contract services departments.
- A schedule of at least biannual IC inspections(s) of the Dietary Department will be established and adhered to.

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
INTER-OFFICE COMMUNICATION

DATE: October 5, 2010

TO: Supervisor Peggy West, Chairperson - Health & Human Needs Committee
Supervisor Elizabeth Coggs, Chairperson - Finance & Audit

FROM: Geri Lyday, Interim Director, Department of Health and Human Services

SUBJECT: INFORMATIONAL REPORT FROM THE INTERIM DIRECTOR OF HEALTH AND HUMAN SERVICES REGARDING THE 2010 BEHAVIORAL HEALTH DIVISION CAPITAL BUDGET PROJECT AND ISSUES REGARDING THE RECENT STATEMENT OF DEFICIENCY

BACKGROUND

On June 3, 2010 BHD received a Statement of Deficiency (SOD) from the State of Wisconsin as a result of a recent State Centers for Medicaid and Medicare Services (CMS) survey. This was BHD's routine four-year survey that encompasses a comprehensive review of the physical plant and its operations. The majority of the citations BHD received were regarding the physical building. BHD was required to respond with an initial plan for corrective action by June 14, 2010 and an immediate corrective action on specified citations by June 25, 2010.

At the July, 2010 meetings of the Committees on Health and Human Needs and the Finance and Audit, approved the expenditure authority for \$1,825,890 in 2010 BHD Capital Funds to address all SOD related capital conditions by the final deadline of April 1, 2011.

DISCUSSION

The Plan of Correction is a work-in-progress and the expectation by BHD and State surveyors is that continuous progress be made in correcting all cited conditions by April 1, 2011. The State has at least five opportunities to review citations and conduct site visits/inspections before the final inspection April 1, 2011.

The following is a list of Conditions that were met by the initial June 25, 2010 deadline:

TABLE A

Conditions/Citations	Status
Maintain clear access to exits by removing storage	Completed
Remove various shelving	Completed
Clean and dust various office closets, storage spaces and ventilation grills	Completed
Flush floor and shower drains	Completed
Lock unused rooms and maintain log	Completed
Adjust waste storage per guidelines	Completed
Seal all holes, penetrations throughout BHD	Completed
Replace metal plate in Crisis	Completed
Replace tissue dispenser	Completed
Remove bed rails	Completed
Replace missing heat guards	Completed
Remove dust/lint in laundry room	Completed
Change various locks	Completed
Replace various dietary equipment	Completed
Replace insulation on some water pipes	Completed
Caulk various locations throughout BHD	Completed
General adjustments and fixes for doors including install of push/pull door releases, replacement of door hardware, removal of some doors, adjustments of door guides etc	Completed
Seal various walls for smoke barrier	Completed
Replace lighting in various closets/storage areas, replace aluminum plates and adjust other burnt out lighting	Completed
Remove storage from various areas and adjust to meet fire code	Completed
Replace damaged escutcheon sprinkler rings	Completed
Seal ceiling holes due to misaligned tiles	Completed
Electrical clearance issues	Completed
Replace damaged astragal	Completed
Adjust doors to have positive latches, repair self-closure mechanisms and change fire plan accordingly	Completed
Repair damaged floor areas in bathrooms	Completed
Replace gate in stairwell	Completed
Replace cover on heater	Completed
Replace refrigerator on CAIS	Completed
Replace door on fire hose container	Completed

The cost estimate for year-to-date supplies/commodities and additional contract work (such as deep cleaning, moving vans, and dumpsters etc.) is \$416,005 through August 31, 2010, plus an additional \$48,758 for September 2010 for a total of \$464,763 through September 30, 2010. The BHD maintenance overtime to date related to the SOD is \$62,299. Additional Department of Transportation and Public Works (DTPW) skilled trades costs for labor and overtime is estimated at \$153,798 YTD - bringing the total spent on corrective actions for SOD issues out of BHD operating funds to \$680,860. A thorough review of all expenditures will be done by accounting and DAS to determine if any of these expenditures are allowable under the capital budget.

In addition to the immediate (conditional) items that have been completed, there are a number of citations requiring a longer timeframe for completion. These citations are displayed below and grouped as bond-eligible projects, Table B, and cash-financed projects, Table C. BHD is required to have all work, which addresses the citations completed by April 1, 2011 as documented in the SOD report.

TABLE B
Bondable Items (based on information available September 8, 2010)

Issue	Cost Estimate*	Due Date Per Plan of Correction
Remove and replace Library Halon System	\$35,000	October 29, 2010
Door Replacement	\$54,000	August 1, 2010(complete) / October 1, 2010 (due date for phase 2 extended to November 18, 2010
Additional Sprinkler Heads	\$13,750	August 1, 2010 (complete) / October 15, 2010 (two phases) complete 9/30/10
Construct 100,000 sq ft of seamless ceilings	\$575,000	April 1, 2011
Repair 300 feet of foundation	\$26,500	October 1, 2010 (Completed)
Replace damaged window sills	\$125,000	October 1, 2010 (completed window sills cited, will complete other damaged sills in 2011
Determine hazardous storage rooms and create smoke barriers	\$324,000	November 1, 2010
Replace milk cooler and installation	\$25,000	Cooler not in use, will update in 2011
Dish Room, Tray Line Tiles and Laundry Repairs	\$200,000**	April 1, 2011
Materials and labor (DTPW, BHD and Time	\$281,650	On-going

and Materials Contractors)		
Contingency (10%)	\$165,990	
Total	\$1,825,890	

**Items above represent initial quotes and have preliminarily been determined to be bond eligible. DAS- capital staff will continue to review and work with BHD staff to solidify actual costs and ensure all items are bond-eligible. If the scope of a project changes, it may be determined that cash financing needs to fund certain portions of the above listed projects. A 10% contingency has been included in the cost sub-total to account for any fluctuations that may occur as hard costs are obtained.*

***The Dish Room and Laundry facility repairs are a significant project within the SOD citations and are based on conceptual plan only. BHD has currently hired a consultant to conduct the architectural and engineering. The consultant will complete its report in September 2010. This cost estimation will likely fluctuate based on the September consultant report and has been included in this request as a place holder to ensure all compliance costs were included in this request for County Board consideration.*

TABLE C

Cash Items (based on information available September 8, 2010)

Issue	Cost Estimate*	Time Frame
Seal bathrooms to be water tight	\$75,000	March 1, 2011
Replace sidewalks	\$28,200	Completed
Exit Lighting	\$4,550	Completed
Roof repair at Food Service Building and Hospital	Included in YTD purchases	Completed
Electrical Upgrades	Included in DTPW OT estimates and YTD purchases	Completed
Install Door Closers	Included in YTD purchases	Completed
Ventilation Addition	\$53,250	December 1, 2010
Medical Records Room fire walls and ventilation	\$12,000	March 1, 2011
Materials and labor (DTPW, BHD and Time and Materials Contractors)	\$38,144 (Preliminary estimate)	On-going
Contingency (10%)	\$22,887	
Total	\$234,031	

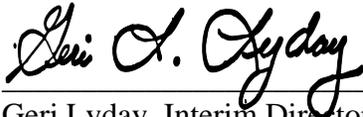
**All estimates are based on the best information available as of September 8, 2010 and are subject to change based on scope of the project and information gained from more detailed reviews. DAS staff will continue to review and work with BHD staff to solidify actual costs based on additional quotes. A 10% contingency has been included in the cost sub-total to account for any fluctuations that may occur as hard costs are obtained.*

BHD and DAS will provide the Board with informational reports as work progresses.

RECOMMENDATION

This is an informational report. No action is necessary.

Respectfully Submitted:

A handwritten signature in black ink that reads "Geri A. Lyday". The signature is written in a cursive style and is positioned above a horizontal line.

Gerri Lyday, Interim Director
Department of Health and Human Services

cc: County Executive Scott Walker
Cindy Archer, Director – DAS
Allison Rozek, Analyst – DAS
Jennifer Collins, Analyst – County Board
Jodi Mapp, Committee Clerk – County Board
Steve Cady, Analyst – County Board
Carol Mueller, Committee Clerk – County Board

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: October 12, 2010
To: Supervisor Peggy West, Chairperson – Health & Human Needs Committee
From: Geri Lyday, Interim Director– Department of Health & Human Services
Subject: **INFORMATIONAL REPORT FROM THE INTERIM DIRECTOR OF THE DEPARTMENT OF HEALTH & HUMAN SERVICES REGARDING THE DEPARTMENTAL COMPLETION OF SECURITY ENHANCEMENT SUBSEQUENT TO THE BEHAVIORAL HEALTH DIVISION'S COLLABORATION WITH THE MILWAUKEE COUNTY SHERIFF'S OFFICE**

Issue

On September 22, 2010 the Committee on Health and Human Needs adopted a resolution directing the Behavioral Health Division to continue collaboration with the Office of the Sheriff and where possible, to enhance policies and procedures addressing facility safety. The committee also requested an update in the October Committee on the completion of the enhancements made to the facility of BHD promoting safety and security.

Discussion

The Behavioral Health Division has been implementing a number of measures to advance the safety and security of the facility. The recommendations from the report from the Office of Sheriff have been incorporated into the overall 2010 planning efforts at the BHD. The following table indicates the progress of the strategies set forth in 2010 to improve the overall safety and security of the facility.

Enhancement	Progress
Assign parking for BHD Staff	BHD employees have received new parking assignments July 1, 2010
Assign security in BHD Parking lot	Security has been assigned to survey the parking lot on a daily basis as of July 1, 2010
Full Inter-Operability between St. Charles Security System and BHD/County System	St. Charles has not installed its camera system. They have installed card readers on their access doors, which BHD security/staff utilize
Inform visitors of prohibited items within the facility	Signs will be installed at the entrances by November 1, 2010.
Install security cameras in common areas and parking lots	18 cameras have been installed in the following areas; (a) (4) Acute Units (b) (3) Psychiatric Crisis Services (c) (3) South Visitors Entrance (d) (2) Main Entrance Info. Desk

	<p>(e) (1) Hallway of Acute Unit (f) (1) Administration Hallway (g) (1) Outside Psych. Crisis Services (h) (3) Employee Parking Lots</p>
Improve communication in the hospital	Radios have been deployed to Security, Parking, Maintenance and Operations Staff. 15 radios are currently in use, with another seven to be added in September.
Full accountability of visitors	There is increased accountability of visitors through the use of visitor badges that are issued at the main entrance and the entrance to 9201 building. Visitors using the south entrance during the hours of 5:00 to 8:00 p.m. are also accounted for by hospital security. All other entrances are locked. BHD is evaluating the use of visitor badge readers to account for visitors leaving the facility by December.
Loading dock secured	Presently the loading dock doors are locked unless accepting deliveries. The pedestrian door keypad lock was installed.
Duress alarms fully functioning	The alarms were checked and fully operational pursuant to the inspection by County electricians on July 15, 2010.
Improve exterior and parking lot lighting	County electricians have replaced the exterior building parking lot lighting.
Access control-lock all employee entrances and implement employee key card access throughout the building	Hospital staff met on August 25, 2010 to determine, which doors require key card access. Specification needs will be developed for the facility. It is expected to be in place by November 2010.
Set up employee entrance where all employees must show their I.D.	Once the parking assignments have been finalized the implementation of employee entrances will be established.
Add a tracking number to the incident reports as part of the system.	Orion security, the contracted security agency for the Hospital has implemented the tracking system for all reported incidents.
Staff the main entrance reception desk with a security officer and install visitor lockers at the main entrance.	Currently the reception desk staff registers all visitors and has direct communication with security. Those individuals that are in question are challenged by security either by being summoned or responding to video cue. There are four lockers available in the reception area.
Screen all visitors to the courtroom and install a remote "buzzer" unlocking system to/from the court.	The architect is evaluating possible solutions. The State Surveyor has requested a formal plan for locking the doors.
Develop a comprehensive security plan	The Operations and Security staff have met with Children's Hospital and Froedtert Hospital to discuss their security plans. BHD

	Operations, Administration and Safety Director will develop a Comprehensive Plan by the first quarter of 2011.
Direct the Central Walk in Clinic patients to use the Psychiatric Crisis Service entrance so they can be screened.	The State Regulations HHS 124 for Psychiatric Hospitals, HHS 134 for Long-term care facilities and HHS 132 for Nursing Home regulate the level of security measures as part of Environment of Care. BHD Administration will work with Medical Staff to improve accountability while maintaining the dignity of patients under the State and Federal governing body regulations.

There is one recommendation from the Sheriff's report that remains under further investigation, which is the screening of all new visitors coming into BHD with a wand. There are pros and cons to instituting this procedure. Given that the majority of incidents involve issues of patient and staff security *within* the facility and not visitors coming into BHD, there has not been a consensus on implementing such a policy. There remain concerns by the clinical staff and advocates.

Recommendation

This is an informational report. No action is necessary.

Respectfully submitted:



Geri Lyday, Interim Director
Department of Health & Human Services

Attachment

cc: County Executive Scott Walker
Lee Holloway, County Board Chairman
Cindy Archer, Director – DAS
Allison Rozek, Analyst – DAS
Jennifer Collins, Analyst – County Board
Jodi Mapp, Committee Clerk – County Board

COUNTY OF MILWAUKEE

Interoffice Memorandum

DATE: October 20, 2010

TO: Peggy West, Chairwoman, Health and Human Needs Committee

FROM: Jennifer Collins, County Board Research Analyst 

SUBJECT: **REQUEST FOR STAFF TO FOLLOW-UP ON THE IMPLEMENTATION OF THE SHERIFF'S SAFETY REPORT AT BHD**

Background

On June 28, 2010, a report entitled *Site Security Survey of the Charles W. Landis Mental Health Complex*, authored by Captain Thomas Meverden was issued by the Milwaukee County Sheriff's Office. The report was before the Committee of Health and Human Needs as an informational item on September 22, 2010. At that time, committee members referred the item to the Office of the Sheriff, County Board staff, the Behavioral Health Division (BHD), and the Community Advisory Board (CAB) to review implementation of the recommendations suggested in the Sheriff's report at BHD. This report responds to the County Board staff referral.

Analysis

In fulfilling County Board's referral, staff met with BHD operations staff, the private security company contracted to provide security at the BHD facility, Captain Meverden, and a member of the Department of Audit staff on September 29, 2010. At that meeting, BHD operations staff presented the changes they have made, and led a tour of the facility to highlight the updates. On October 8, 2010, staff attended a meeting of the Community Advisory Board Safety Workgroup where Captain Meverden presented an overview of his report, and commented on the updates made at the facility since he first surveyed it. Staff also spoke with the Director, Department of Health and Human Services regarding the report and changes that have been made at the complex.

In touring the facility, it was apparent that the Department has begun to implement the Sheriff's recommendations. An overview of the observations made in looking into this referral is detailed below:

- In response to the Sheriff's report, BHD staff has made a number of changes (DHHS has submitted a separate report, dated October 12, 2010, detailing those changes) and staff is looking toward implementing others
- In implementing security enhancements, operations staff is sensitive to the need to balance safety with a patient-centered-care environment

- In touring the complex, there is a notable difference in how the doors are monitored, and individuals who passed by—both visitors and staff—had their badges in plain site
- A roving security vehicle could be seen monitoring the various parking lots at the complex
- Cameras have been installed and are monitored by trained security staff

Still, challenges remain. The complex itself presents a number of challenges to operating a safe and secure facility that is still open to various public uses. The building is very large and houses a variety of different functions, services, and programs, many of which are subject to separate State licensing requirements. The facility is used by a variety of patients—both inpatient and outpatient—each of whom has a right to privacy. Perhaps the greatest challenge in implementing the suggested security measures is maintaining the balance between patient privacy and necessary security. While operations staff does consult with clinicians prior to implementing security measures, it seems as though staff from the operations side and the clinical side could do a better job of working together to figure out compromises and review best practices.

This item was also referred to the Community Advisory Board; analysis of the Sheriff's Safety report will be included in their next scheduled quarterly report to the Committee on Health and Human Needs. In addition, the Department on Audit's review of the Behavioral Health Complex is set to be released shortly.

Recommendations

This report is informational only.

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

Date: October 18, 2010

To: Supervisor Michael Mayo, Chairman, Committee on Transportation, Public Works and Transit
Supervisor Elizabeth Coggs, Chair, Committee on Finance and Audit
Supervisor Peggy West, Chair, Committee on Health and Human Needs

From: Steven R. Kreklow, Fiscal & Budget Administrator
Jack Takerian, Director, Department of Transportation and Public Works

Subject: Space Reallocations

Issue

The Departments on Aging and Family Care currently occupy office space in the Henry S. Reuss Federal Plaza (Reuss). The lease for this space expires on December 31, 2010. The Departments of Administrative Services (DAS), and Transportation and Public Works (DTPW), along with a workgroup of County Board, Audit, Aging, and Family Care staff have been analyzing options for locating Aging, Family Care, and other County staff upon expiration of the lease at Reuss. The analysis has shown the most cost-effective option is to maximize utilization of existing County facilities by reallocating several departments between City Campus, the Marcia P. Coggs Human Services Center, and the Courthouse.

Background

As noted in an Audit Report from June 25, 2010, City Campus is a former hospital facility. It was purchased by the County in 1993 for \$16 million and was minimally renovated for use as an office complex. As a former hospital, most of the space is not designed for use as an office. The air-handling units are outdated and designed for hospital use (i.e. 100% of the air is brought from the outside, with no recirculation). City Campus currently has approximately 43,000 square feet of office space that is unutilized. Based on existing space utilization, and an operating cost of approximately \$1.9 million, the rate per square foot is \$19.71, far more expensive than other County-owned office facilities.

The County has continued to review its space utilization. Part of this process included the production in August 2009 of a countywide space allocation analysis (allocation analysis) by Continuum Architects & Planners, S.C. (Continuum).

As the allocation analysis was being reviewed, the Departments on Aging and Family Care began to review options for future space needs as their lease at Reuss is set to expire at the end of December 2010. Staff of the Departments of Administrative Services, County Board, and Transportation and Public Works was directed by County Board resolution to analyze the potential to relocate the departments to available space at City Campus. The analysis focused on the following alternatives:

1. Close City Campus and, leveraging the County's significant space needs, seek private office space for all affected departments (Aging, Family Care, and City Campus tenants); or,

2. Move the Departments on Aging and Family Care into County facilities, leveraging the two departments' third-party revenue sources to offset the cost of operating the facility and reduce space rental costs for levy-supported departments.

City Campus RFP

In June, a workgroup was convened to study the issue. The workgroup was made up of staff from the Department of Administrative Services, County Board, Audit, Department of Transportation and Public Works, Department on Aging, and Department of Family Care. The workgroup determined that a request for proposals (RFP) for leased office space and the sale of City Campus would provide the data necessary to analyze the issue. The RFP was issued in July with responses due within a month. The RFP requested lease rates for approximately 56,000 square feet of office space, for an initial 5-year term with two 5-year mutual renewal options, for the following departments:

- Aging
- Family Care
- DTPW-Director's Office
- DTPW-Architecture & Engineering (A&E)
- DTPW-Transportation Services
- DTPW-Real Estate Services
- County Board – Audit
- County Board – Community Development Business Partners (CDBP)

It was assumed that two other City Campus tenants, DAS-Procurement and DAS-IMSD, would be relocated into available space the Courthouse. The RFP also provided the option to purchase City Campus and lease the building back to the County for use by the above departments. The RFP required proposals to account for the special space and access needs related to the Departments on Aging and Family Care, such as reserved handicap parking, ADA accessibility, and access to a bus line. Evaluation criteria included:

- Quality of the proposal
- Experience in property management
- Financial condition of the individual or firm
- Suitability of the proposed space
- Financial advantage to the County
- Green Space or Green Design elements/systems

For the purchase of City Campus, evaluation criteria included:

- Quality of the proposal
- Experience in property development and management
- Financial condition of the individual or firm
- Feasibility of the use/redevelopment plan
- Effect of the use/redevelopment plan on the economic stability of the surrounding neighborhood
- Green Space or Green Design elements
- Financial advantage to the County

Eleven responses to the RFP were received by the deadline. The responses included a wide range of locations, rates, and other terms.

Analysis

The workgroup reviewed the responses and narrowed the list of acceptable offers to three from which best and final offers were solicited. Based on an analysis of the offers, and a comparison of potential mothball costs to close City Campus versus estimated third-party revenues that could be realized by moving Aging and Family Care into County facilities, the workgroup has determined the most cost-effective alternative is to continue to operate City Campus, based on the following major factors:

1. Lease rates for office space received from the RFP were higher than anticipated, and therefore would be higher for levy-supported or capital project-supported departments (CDBP, Audit, A&E, Transportation Services) than the City Campus lease rate.
2. No acceptable proposals were received for the sale of City Campus. Therefore, moving tenant departments to other space would require the mothballing of the facility, further eroding its value and damaging the economic base of the surrounding neighborhood.
3. The Departments on Aging and Family Care will provide approximately \$669,000 in annual lease payments for County-owned space that they will occupy. These lease payments will be funded through third-party sources (State and Federal revenues), and will more than offset any additional ongoing operating costs (mainly utilities and contracted security and housekeeping services). This, in turn, will reduce space costs for all other departments that lease space from DTPW-Facilities. The estimated total net levy savings for 2011 is approximately \$470,000 and over the five-year period from 2011 to 2015 is approximately \$2.5 million.
4. By choosing to remain at City Campus for the long term, the County can now commit to improving the facility. For instance, performance energy contracting projects that will further reduce operating costs will be pursued, and the parking lot will be resurfaced.

As a result of this analysis, several departments and divisions will be moved by the following dates:

1. DAS-Procurement has moved from City Campus into vacant Courthouse space (August 31).
2. DAS-IMSD will be consolidated at City Campus (November 15).
3. The Department on Aging will move to the Marcia P. Coggs Human Services Center (December 15).
4. The Department of Family Care will move into the third floor of the Courthouse (December 10).
5. The Housing Division of the Department of Health and Human Services will move from the Marcia P. Coggs Human Services Center to City Campus (November 5).

Because of the significant time required to move the affected staff, and the expiration of the lease at Reuss on December 31, DTPW-Facilities has begun to coordinate the moves and every effort will be made to have all staff relocated by January 1, 2011.

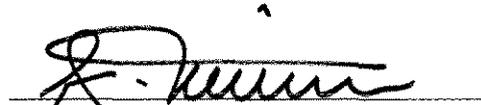
Recommendation

This report is informational only.

Prepared by: Josh Fudge, Fiscal and Management Analyst



Steven R. Kreklow
Fiscal & Budget Administrator



Jack Takerian
Director, Department of Transportation &
Public Works

cc: Scott Walker, County Executive
Thomas Nardelli, Chief of Staff, County Executive's Office
Cynthia Archer, Director, Department of Administrative Services
Stephen Cady, County Board Fiscal and Budget Analyst
Jerry Heer, Director of Audits, County Board Department of Audit



OFFICE OF THE COUNTY EXECUTIVE

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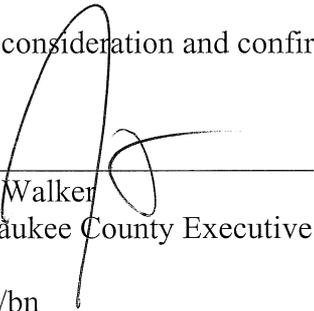
Milwaukee County

SCOTT WALKER • COUNTY EXECUTIVE

Date: October 20, 2010
To: Supervisor Lee Holloway, County Board Chairman
From: Scott Walker, County Executive
Subject: **Appointment to Emergency Medical Services Council**

Subject to the confirmation of your Honorable Body and pursuant to the provisions set forth in Chapter 97.07 of the Milwaukee County Ordinances, I am hereby appointing North Shore Fire Department Chief Robert C. Whitaker III to serve on the Emergency Medical Services Council as the Suburban Chief ALS representative. Chief Whitaker will replace Wauwatosa Fire Department Chief Dean Redman who is retiring. Chief Whitaker's term will expire on August 31, 2012. His resume is attached for your review.

Your consideration and confirmation would be appreciated.



Scott Walker
Milwaukee County Executive

SKW/bn

cc: Supervisor Peggy West, Chair - Health and Human Needs
Supervisor Mark Borkowski, EMS Council Chair
Milwaukee County Board of Supervisors
Terry Cooley
Carol Mueller
Jodi Mapp
Fire Chief Robert Whitaker

Robert C. Whitaker III

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PROFESSIONAL EXPERIENCE

1995-Present:	<i>North Shore Fire Department</i>
2010-Present	Fire Chief
2008-2010:	Deputy Chief
2003-2008:	Battalion Chief
2001-2003:	Fire Lieutenant/Paramedic
1999-2001:	Firefighter/Paramedic
1995-1999:	Firefighter/EMT

Fire Chief (2010-Present)

- Fire Chief/Administrator of a one hundred-eighteen person career fire department providing service to seven communities from five fire stations with a \$13+ annual budget.
- Responsible to an elected Board of Directors and appointed Fire Commission.

Deputy Chief of Administration (2008-2010).

- Staff liaison to Fire Department Board of Directors, Fire Commission, city administrator/village managers of seven contracted communities, contracted 911/Dispatch Center and contracted medical director/EMS training center.
- Manage training and staff development for all employees.
- Responsible for supervision of Fire Prevention Bureau.
- Service Director coordinating EMS Operations for a service responding to approximately 4,300 calls per year producing approximately \$1.5 million in revenue.
- Represent the Department and other Milwaukee County Fire Chiefs in negotiations with Milwaukee County for a \$3 Million Annual ALS Service Contract.
- Lead contract negotiator representing the Department in labor contract negotiations with a one hundred-five member IAFF Local.
- Deputy Incident Commander at the Patrick Cudahy Fire, one of the largest structure fires in the history of the State of Wisconsin.
- Secretary/Treasurer of Milwaukee County Fire Training Officers Association.
- State of Wisconsin Licensed Paramedic

Training & EMS Bureau Chief (2007-2008).

- Managed training and staff development.
- EMS Service Director
- Obtained \$175,000 in grant funding for fourteen suburban fire departments as part of a regional effort to improve firefighter rescue and safety training and resources.
- Coordinated selection and implementation of a new records management system for the Department in 2008 and provided training to all employees.
- Implemented Mutual Aid Box Alarm System in Milwaukee Metro Area as a member of a work group consisting of members from multiple municipalities.

Operations Division Battalion Chief (2003-2006).

- Managed five firehouses, consisting of five engine companies, two ladder truck companies, and three ALS/BLS ambulances staffed by thirty-seven personnel represented by a labor organization. Duties included management of emergency incidents, personnel issues, labor contract compliance, budget planning and grant writing.
- Supervised the Apparatus/Vehicle Maintenance Bureau consisting of one full-time mechanic and a thirty-six-vehicle fleet.
- Managed the ongoing purchasing and maintenance of all apparatus, vehicles, small engines and tools.
- Successfully obtained \$117,000 in federal funding to install vehicle exhaust systems in four fire stations and managed the competitive bid and installation process.
- Advisor of North Shore Fire Department Explorer Post 705.

1991-1995

Fox Point Fire Department

1994-1995: Career Firefighter/EMT

1991-1994 Paid On Call Firefighter/EMT

EDUCATION

- Master of Science Degree, Fire and Emergency Management, Oklahoma State University, 2009.
- Bachelor of Science Degree, Fire Service Management, Southern Illinois University, 1995.
- Diploma, Nicolet High School, 1991.

LICENSES & CERTIFICATIONS

- State of Wisconsin Certified Fire Instructor I
- State of Wisconsin Certified Fire Officer I
- State of Wisconsin Certified Fire Inspector I
- State of Wisconsin Certified Driver/Operator Pumper
- State of Wisconsin Certified Firefighter II
- State of Wisconsin Licensed Emergency Medical Technician-Paramedic
- National Incident Management System Certification Series 100, 200, 300, 400, 700, 800