

**Finding 9b:** Funding levels for contracts have remained the same over the years. There has not been significant change in how contracts are funded. Therefore, agencies have not had a Cost of Living Adjustment (COLA) increase because DCDHS is trying to fund all of the requested services. This is not a sustainable model and several of the agencies have indicated that their operations are stretched beyond capacity.

Recommendation 9b	
Recommendation	Cost Impact/Barriers
Contracts should be fully funded to cover core services and existing service levels.	<p>Cost Impact: None.</p> <p>Barriers: During the budgeting process, programs and services will need to be prioritized by the Dane County Board of Supervisors to determine funding levels.</p>
Recommendation Details	
<p>The Dane County Board of Supervisors should prioritize which programs and services will be funded each year. This should be based upon the identified service priorities in the area, including core services DCDHS is mandated to provide. Core services can either be mandated by the federal government or State of Wisconsin as part of a funding requirement to DCDHS. In addition, these priorities should be considered within the realistic scope of funding. Once it is determined how much money is needed to fund the core services and services based on existing service levels, then any money that is left over should be used to provide COLA increases to POS agencies.</p> <p>This practice will demonstrate the Dane County Board of Supervisors willingness to partner with POS agencies and acknowledge the meaningful services POS agencies provide to Dane County.</p>	
Comparable Jurisdiction Data (if applicable)	
<ol style="list-style-type: none"> <li>1. La Crosse County, WI budgets for annual contract increases based on the Consumer Price Index (CPI) listed within contracts.</li> <li>2. Kenosha County, WI provided COLA increases based on available funding.</li> <li>3. Rock County, WI approves COLA increases on a case-by-case basis.</li> <li>4. Sheboygan County, WI budgets for a 2 percent COLA increase for contracts during the budgeting process. However, not all contracts receive a COLA.</li> <li>5. Some existing service providers have contracts in areas where the state and federal government will pay additional money to the Department of Human Services for providing additional program reports. In these cases, Waukesha County, WI requires contractors that fall into this category to provide the additional reporting as part of their contractual obligation. The additional revenues generated from the additional reporting are pooled by the County to provide COLAs for all contractors.</li> </ol>	
Industry Best Practice Research	
N/A	
Risk Assessment Summary	Implementation Time Frame
<b>High</b> – Over time, failure to provide COLA increases will result in reduced quality and service levels provided by POS agencies.	One year is needed to prioritize contracts and determine funding levels during the next contract award cycle.
Resources Needed to Implement	
No additional staff resources will be needed.	