



Dane County Department of Human Services

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TO: County Board Chair Patrick Miles, Health and Human Needs Chair Wegleitner,
Corporation Counsel Pabellon, Controller Hicklin

FROM: Astra Iheukumere, Interim Director

DATE: May 22, 2025

RE: Dane County Ord. 25.50

This memo outlines the impact of the elimination of Dane County Ordinance Section 25.50 on Human Services, as proposed under Ordinance Amendment 2025 OA-002, and an alternative that maintains contracted service continuity while improving transparency interests as expressed by County Board supervisors.

Adoption of Ordinance Amendment 2025 OA-002 will result in significant contract delays leading to direct service and contracted provider disruption. For context, the following describes the procedural application of existing ordinance for purchase of care and service contracts and related addenda.

Over the years, Dane County Ordinance 25.50 provisions were adopted to reflect the high-volume administration and critical service nature of purchase of service contracts managed by the Department of Human Services. These provisions help to achieve client service and provider payment continuity across annual contract cycles and are reflected in the operating procedures performed by the department below.

- Purchase of service (POS) contracts under \$100k and their amendments that do not increase the POS contract amount over \$100k, are routed to the Human Services Director for approval. No legislative routing occurs, per Ord. 25.50(1)(a).
- POS contracts greater than or equal to \$100k, and known during budget preparation, are included in Appendix A of the Dane County Operating Budget. County Board approval of the Dane County Annual Operating Budget, with enumerated Human Service contracts in Appendix A, results in authorization for the Human Services Director to execute Appendix A listed contracts without further legislative routing per Ord. 25.50(1)(b).
- POS contracts that are greater than or equal to \$100k and were not included on the Appendix A, are routed via resolution for County Board approval and signature of the County Executive.
- POS amendments that are less than 10% of the aggregate cost of the contract are routed to the Human Services Director for approval per Ord. 25.50(2)(a).

- POS amendments that are greater than 10% of the aggregate cost of the contract are approved via Human Services Contract Addendum (HSCA) request routed to each, Health & Human Needs (HHN) and Personnel & Finance (P&F) committees, and, if approved, routed to the Human Services Director for execution per Ord. 25.50(2)(b). No further County Board routing is required.
- Notably, certain provider agreement types exist without maximum contract amounts. These include payment agreements for: Comprehensive Community Services (CCS), Adult Residential Care, Out-of-Home Care, and Children's Long Term Support providers. These are approved by the director and recognized annually in Appendix A of the Dane County Operating Budget resolution.
- Any non-client service-related contracts routed by the Human Services Department follow the standard contracting procedures per Ord. 25, and are signed by the County Executive.

The Department of Human Services generates 200 to 300 POS contracts and another 300+ addenda annually under the ordinance authority described in Ord. 25.50. The use of Appendix A during the budget process allows Human Services to include POS contracts known for the following calendar year to be approved by County Board along with the operating budget and to be executed by the Human Services Director.

In order for these contracts to be executed by January 1st each year, and avoid service interruptions for established programs, Human Services staff begin the POS annual contracting process in September. Provider-signed contracts are held, if necessary, until budget adoption and then routed for signature of the Human Services Director. Due to the volume, even with Appendix A pre-approval, annual contracting requires a 100-day business cycle. Currently, Appendix A contains approximately 250+ contracts that are authorized under the budget process. Without the authority provided by Ord. 25.50, these approximately 250+ contracts would need to be individually routed via resolution for approval by the Dane County Board. Occasionally, service continuity concerns arise based on a variety of circumstances which may relate to provider transitions or procurement timelines. When these circumstances occur the department has occasionally relied upon short-term or smaller contract amounts executable under current Director authority to ensure critical service continuity, which is followed by a contract amendment reviewed and approved by oversight committees that include Health and Human Needs and Personnel and Finance. This procedure does not include a contract resolution reviewed by the full county board.

As an alternative to 2025 OA-002, an ordinance amendment, which preserves service continuity and allows for additional County Board oversight, would continue Human Service Director authorizations of non-major contracts (i.e., below \$100K) and additionally require the department to:

- 1) Provide written notification alerting county board and oversight committee chairs of service continuity concerns pertaining to service disruption reasonably expected to occur as a result of awarding a major contract amount greater than \$100,000.
- 2) Continue authorization by the Director for minor contracts less than \$100,000 for notified short-term services, and a newly required resolution, instead of amendment request, for the later amended contract to authorize service amounts exceeding \$100,000.

In addition to the above, it is strongly recommended no change be made to 25.50(3) which separately supports the department's competitive procurement (i.e., request for proposal) efforts. The department performs direct contract procurements through its purchasing officer who administers approximately 20 contract procurements annually for the department. Striking that section could be interpreted as elimination of the Department's ability to administer direct contract procurements.