

**STAFF MEETING MINUTES  
LANCASTER COUNTY BOARD OF COMMISSIONERS  
THURSDAY, JANUARY 22, 2015  
COUNTY-CITY BUILDING  
ROOM 113 - THE BILL LUXFORD STUDIO  
8:30 A.M.**

Commissioners Present: Roma Amundson, Chair  
Larry Hudkins, Vice Chair  
Todd Wiltgen

Commissioners Absent: Bill Avery  
Deb Schorr

Others Present: Gwen Thorpe, Deputy Chief Administrative Officer  
Dennis Meyer, Budget and Fiscal Officer  
Dan Nolte, County Clerk  
Ann Taylor, County Clerk's Office

*Advance public notice of the Board of Commissioners Staff Meeting was posted on the County-City Building bulletin board and the Lancaster County, Nebraska, web site and provided to the media on January 21, 2015.*

The Chair noted the location of the Open Meetings Act and opened the meeting at 8:32 a.m.

**AGENDA ITEM**

**1 APPROVAL OF STAFF MEETING MINUTES FOR JANUARY 15, 2015**

**MOTION:** Wiltgen moved and Hudkins seconded approval of the January 15, 2015 Staff Meeting minutes. Hudkins, Wiltgen and Amundson voted aye. Avery and Schorr were absent from voting. Motion carried 3-0.

**2 ADDITIONS TO AGENDA**

A. "Operation Take Cover" Tornado Tabletop Exercise (Exhibit A)

**MOTION:** Hudkins moved and Wiltgen seconded approval of the addition to the agenda. Wiltgen, Hudkins and Amundson voted aye. Avery and Schorr were absent from voting. Motion carried 3-0.

### **3 LEGISLATIVE UPDATE - Gordon Kissel and Joe Kohout, Kissel/E&S Associates**

Joe Kohout, Kissel/E&S Associates, presented a weekly legislative update and legislative bills of interest report (Exhibits A and B) and discussed bills that relate to the 2015 Lancaster County Legislative Priorities (See Exhibit A). He noted Dan Nolte, County Clerk, testified on behalf of Lancaster County on Legislative Bill (LB) 88 (Change fees relating to marriage licenses) and said there are indications there could be an in forma pauperis provision or a waiver system. Kohout said legislation drafted to address obligations under the 300,000 population threshold raised questions regarding the number of sections that would be opened up and how this threshold increase would interplay with Douglas County's threshold. He said work on the bill will continue over the next year.

It was noted Gary Chalupa, Veterans Service Officer/General Assistance Director, or one of the Commissioners will testify at the hearing on LB 61 (Change funding for county offices relating to administration of public assistance programs).

Kohout advised the County to ask the Appropriations Committee to put additional funds in the budget for community-based sex offender treatment rather than drafting a bill to amend the Mental Health Commitment Act.

It was noted the Board voted at the January 15<sup>th</sup> County Board Staff Meeting to support LB 188 (Change provisions relating to innocent third parties injured during a vehicular pursuit) which was introduced at the request of Nebraska Intergovernmental Risk Management Association (NIRMA). Gwen Thorpe, Deputy Chief Administrative Officer, said she will notify Vincent Valentino, NIRMA's counsel, of the County's position and ask if he would like anyone from the County to testify on the bill.

Hudkins referenced LB 419 (Exempt sales and purchases by zoos and aquariums from sales and use tax) and asked whether it could be amended to include county agricultural societies. Kohout noted LB 542 (Provide a sales tax exemption for purchases by county agricultural societies) was also introduced (see Exhibit D). Wiltgen said the Lancaster County Fairgrounds Joint Public Agency (JPA) must pay sales tax because the Lancaster County Agricultural Society is subject to sales tax. Alan Wood, Lancaster County Agricultural Society Counsel, appeared and estimated the JPA has \$200,000 to \$300,000 of sales tax liability. He noted County Fair Boards and the State Fair Board are currently exempt.

Sheli Schindler, Youth Services Center (YSC) Director, appeared and expressed concerns regarding the evaluation component in LB 499 (Provide duties for the Department of Health and Human Services relating to behavioral and mental health services). Kohout said the bill is merely a "placeholder bill" for potential recommendations that may come as a result of 2014's Legislative Resolution (LR) 424 (Provide the Executive Board of the Legislative Council appoint a special committee of the Legislature to be known as the Department of Correctional Services

Special Investigative Committee of the Legislature) and the Council of State Governments (CSG) recommendations.

Mike Thurber, Corrections Director, appeared and said there are several bills that affect county jails and could have a significant cost to the County: LB 119 (Change where certain sentences of imprisonment may be served), LB 341 (Provide requirements relating to health benefit plan coverage for insureds in jail custody), and LB 605 (Change classification of penalties, punishments, probation and parole provisions, and provisions relating to criminal records and restitution and provide for a special legislative committee). Kohout said these bills will also serve as "placeholder bills" while the Legislature decides how to address the CSG recommendations.

Joe Nigro, Public Defender, appeared and said LB 15 (Provide additional powers and duties for guardians ad litem) could increase the County's costs by \$400,000 a year because it would require guardians ad litem to be paid by the hour. Attorneys would also be required to do home visits.

Pam Dingman, County Engineer, asked that the lobbyist continue to monitor 2014's Legislative Resolution (LR) 528 (Interim study to examine issues surrounding financing the maintenance and replacement of county bridges), which is related to 2015's LB (Adopt the Nebraska Bridge Repair Act).

**4 MONTHLY MEETING WITH LANCASTER COUNTY AGRICULTURAL SOCIETY - Amy Dickerson, Lancaster Event Center Managing Director; Trudy Pedley, Lancaster Super Fair Manager and Fair Board Secretary; Alan Wood, Lancaster County Agricultural Society Counsel**

Trudy Pedley, Lancaster Super Fair Manager and Fair Board Secretary, discussed planning for the 2015 Lancaster County Super Fair.

Amy Dickerson, Lancaster Event Center Managing Director, discussed the following: 1) Recent and upcoming events, including some formerly held at Pershing Auditorium; 2) Relaunch of the Event Center; 3) Recent connection to the City's fiber network; and 3) Plans for wireless service, which will provide addition revenue.

Hudkins noted Pershing Auditorium's equipment is scheduled to be auctioned and suggested Dickerson contact the Purchasing Department to see if she could view and purchase any equipment that would meet the Event Center's needs prior to the auction. He also suggested the Event Center consider applying for a \$10,000 Visitors Improvement Fund grant to address their bleacher needs.

**5 APPROVE NEBRASKA DEPARTMENT OF AGRICULTURE ANNUAL WEED REPORTS** - Brent Meyer, Lancaster County Noxious Weed Control Superintendent

Brent Meyer, Lancaster County Noxious Weed Control Superintendent, noted he presented the reports at the January 15<sup>th</sup> Staff Meeting.

**MOTION:** Hudkins moved and Wiltgen seconded approval of the reports. Wiltgen, Hudkins and Amundson voted aye. Avery and Schorr were absent from voting. Motion carried 3-0.

**ADMINISTRATIVE OFFICER REPORT**

A. Set Date for Pension Investment Review (March 19 or 26, 2015)

There was consensus to hold the item.

B. Management Team Meeting Agenda Items (February 12, 2015)

The following items were suggested: 1) Interpreter services; 2) TRIM (Electronic Records Management System) usage; and 3) Roundtable discussion.

**6 A) FEDERAL PROCUREMENT MANUAL; AND B) CONTRACT MANAGEMENT SYSTEM** - Bob Walla, Assistant Purchasing Agent

**A) Federal Procurement Manual**

Bob Walla, Assistant Purchasing Agent, presented the final version of the City of Lincoln & Lancaster County Federal Procurement Manual that will take effect February 1, 2015 (Exhibit E). He noted a conflict of interest statement will be incorporated into the document at some point.

Information regarding a Uniform Grant Guidance Seminar that will be held February 3<sup>rd</sup> was also disseminated (Exhibit F).

**B) Contract Management Software**

Walla presented a request for funding for contract management software explaining the cost would be split between the City, County and Public Building Commission (PBC) (Exhibit G). He said it will provide additional transparency and checks and balances. Dennis Meyer, Budget and Fiscal Officer, estimated the County's cost at \$2,000 to \$3,000 and suggested the General Fund as the funding source.

**MOTION:** Hudkins moved and Wiltgen seconded to approve the concept. Hudkins, Wiltgen and Amundson voted aye. Avery and Schorr were absent from voting. Motion carried 3-0.

Hudkins informed Walla that the Lancaster Event Center may be interested in some of the equipment from Pershing Auditorium that is being liquidated. Walla explained that the deadline for claiming any of the items has passed.

**7 INTERLOCAL AGREEMENT WITH CITY OF LINCOLN FOR PAVING OF WEST VAN DORN STREET** - Pam Dingman, County Engineer; Roger Figard, City Engineer; Erin Sokolik, Engineer, City Public Works & Utilities

Pam Dingman, County Engineer, said Roger Figard, City Engineer, contacted her and said the City is planning to do crack sealing and overlay work on West Van Dorn Street and realized a portion of the project is in the County's jurisdiction (see map in Exhibit H). She said Figard would like the County to pay for that portion but she does not have funds in her budget, nor was the project scheduled in the County's One and Six Year Road and Bridge Improvement Program.

Figard said the City plans to advertise the project next week and will bid it soon after. Construction would begin in early May. He said they want to avoid delays because Pinewood Bowl Theater, which is located in Pioneers Park, has events planned and they do not want to interfere with that traffic. Figard noted the City and County are currently working on a new interlocal agreement that will allow the City and County do projects through each other under a unit agreement, with approval by the City and County Engineers. He said he believes there is time to get the agreement in place and still get the work done, provided the County can find the funds.

Erin Sokolik, Engineer, City Public Works & Utilities, said a preliminary estimate of the County's cost is \$110,000.

Dingman noted the City has a second project that involves constructing a roundabout at Coddington Avenue and West Van Dorn Street (see map in Exhibit I). She said the County had planned to overlay up to that intersection and will need to pull back to accommodate the tapers from the roundabout. Dingman said there will be some cost savings from the overlay reduction but it may not be sufficient to cover the other project. She noted 80 of the County's 272 miles of pavement need to be overlayed but she currently has funds for 10 miles. Dingman said she had hoped additional funds might come available that could be directed for pavement overlay and said this stretch of road, which is approximately 1,200 feet, does need overlayed. She recommended the Board try to find the funds to do the project.

**MOTION:** Hudkins moved and Wiltgen seconded to authorize the expenditure from the County Engineer's budget. Wiltgen, Hudkins and Amundson voted aye. Avery and Schorr were absent from voting. Motion carried 3-0.

### **ADMINISTRATIVE OFFICER REPORT**

#### C. Senator Breakfast (Monday, February 9, 2015)

There was consensus to approve a letter to senators inviting them to the event, with signature by the Chair (see agenda packet).

#### D. Hospital Authority Vacancy

Hudkins said Lauren Wismer, former bond counsel, has been nominated to fill the vacancy.

### **ADDITIONS TO AGENDA**

#### A. "Operation Take Cover" Tornado Tabletop Exercise (Exhibit A)

Amundson and Hudkins indicated plans to attend at least a portion of the exercise. Wiltgen said he has a scheduling conflict.

### **8 YOUTH DETENTION SERVICES CONTRACT WITH STATE PROBATION -** Sheli Schindler, Youth Services Center (YSC) Director; Melissa Hood, Administrative Aide, YSC; Brittany Behrens, Deputy County Attorney

Sheli Schindler, Youth Services Center (YSC) Director, presented additional information requested at the January 15<sup>th</sup> County Board Staff Meeting on how YSC's per diem rate is calculated (Exhibit J). She also presented information on costs of confinement reported by 46 states and jurisdictions (Exhibit K), pointing out the average is \$407.00 per day. Nebraska's figures indicate the costs for the Kearney and Geneva Youth Rehabilitation Facilities. **NOTE:** There is also an attached factsheet from the Justice Policy Institute.

In response to a question from Wiltgen, Dennis Meyer, Budget and Fiscal Officer, explained indirect costs are based on an indirect cost plan that is prepared by Maximus Inc., a consultant. He said it includes the methodology on how Maximus allocates the different costs.

Schindler also reported the per diems charged by other facilities - Scotts Bluff County Juvenile Detention Center in Gering - \$200 per day (does not include all of their costs, Scotts Bluff County is considering increasing the per diem); Douglas County Youth Center - \$210.56 per day (includes all costs, larger facility); Northeast Nebraska Juvenile Detention Center in Madison, (a non-profit organization that is not bound by the same personnel rules, does not

cover all costs) - \$200.00 per day; Sarpy County Juvenile Justice Center (is only a staff secure facility, Sarpy County is considering increasing their per diem to \$236.00) - Current per diem was not stated.

Schindler noted the County is not required to serve Probation youth from other counties, noting 90% of the population are Probation post-adjudicated youth. She said the County would still have contracts with other counties for pre-adjudicated youth.

Brittany Behrens, Deputy County Attorney, explained the contract being discussed today is just to serve Lancaster County Juvenile Court youth. The contracts the County has in place with other counties are a mechanism to allow other counties to utilize YSC to hold their pre-adjudicated youth. Out-of-county, post-adjudicated Probation youth are another issue. She said Probation is proceeding under the assumption that the contract would establish the rate for all Probation youth. Schindler noted there is a provision within the contract that stipulates they must meet certain criteria and number in order for the County to accommodate youth from other counties. Lancaster County youth would be served first and the facility would work with Probation to find alternative placements if certain population and staffing levels were met.

It was noted Lancaster County is being asked to provide things above and beyond housing, such as transportation, and Lancaster County taxpayers are paying for that. Youth are also staying longer in the facility because other placements are not available, which is a systemic issue.

Wiltgen asked what the consequences are of operating without a contract. Behrens explained there are significant financial and liability issues. She added a contract lays out policies and procedures which are crucial if there are litigation situations.

Amundson, Hudkins and Wiltgen indicated they support the per diem rate of \$307 per youth, per day.

Further discussion of the issue was scheduled on the January 29<sup>th</sup> County Board Staff Meeting since Commissioners Avery and Schorr were not present today.

## **9 ACTION ITEMS**

There were no action items.

## **10 CONSENT ITEMS**

There were no consent items.

## **11 ADMINISTRATIVE OFFICER REPORT**

- A. Set Date for Pension Investment Review (March 19 or 26, 2015)
- B. Management Team Meeting Agenda Items (February 12, 2015)
- C. Senator Breakfast (Monday, February 9, 2015)
- D. Hospital Authority Vacancy

Items A-D were moved forward on the agenda.

## **12 PENDING**

There were no pending items.

## **13 DISCUSSION OF BOARD MEMBER MEETINGS**

- A. Lancaster County Fairgrounds Joint Public Agency (JPA) - Avery, Wiltgen

Wiltgen said they elected officers and he was elected Chair.

- B. Lincoln Independent Business Association (LIBA) Budget Monitoring Committee - Amundson, Wiltgen

Wiltgen said they discussed the proposed City bond issue for public safety projects and said concerns were expressed there may be additional funding available to the City.

Amundson said she discussed the proposed retirement plan adjustment from 13% to 16% and said she stressed that the County needs to remain competitive with the City.

- C. Meeting With Mayor - Amundson, Hudkins

Hudkins said they discussed traffic concerns at North 84<sup>th</sup> Street and Havelock Avenue resulting from Lancaster Event Center traffic.

Wiltgen stressed the need to quantify the City sales tax generated by the Event Center. Amundson and Wiltgen agreed to meet with Roger Figard, City Engineer, to discuss the matter.

- D. District Energy Corporation (DEC) - Hudkins, Schorr

Hudkins said the State is considering a new DEC project to serve the Nebraska State Penitentiary and Department of Roads, which could also be extended to the County's Youth Services Center (YSC). He said the DEC agreed to study the matter.

E. Parks & Recreation Futures Committee - Hudkins

Hudkins said he did not attend the meeting.

**RETURNING TO ITEM 3**

Thorpe said Vincent Valentino, NIRMA's legal counsel, has asked the County to provide a letter of support for LB 188.

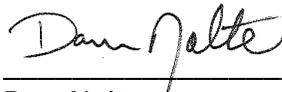
**MOTION:** Hudkins moved and Wiltgen seconded to authorize the Chair to sign a letter of support for Legislative Bill (LB) 188. Wiltgen, Hudkins and Amundson voted aye. Avery and Schorr were absent from voting. Motion carried 3-0.

**14 EMERGENCY ITEMS AND OTHER BUSINESS**

There were no emergency items or other business.

**15 ADJOURNMENT**

**MOTION:** Hudkins moved and Wiltgen seconded to adjourn the meeting at 10:43 a.m. Hudkins, Wiltgen and Amundson voted aye. Avery and Schorr were absent from voting. Motion carried 3-0.

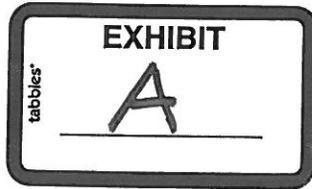


Dan Nolte  
Lancaster County Clerk





# Lincoln - Lancaster County Emergency Management



233 S. 10<sup>th</sup> St., Rm. 001  
Lincoln, NE 68508  
Phone: 402-441-7441  
Fax: 402-441-7407

RECEIVED

JAN 20 2015

LANCASTER COUNTY  
BOARD

Lancaster County Board of Commissioners  
c/o Kerry Eagan  
505 S. 10<sup>th</sup> St  
Lincoln, NE 68508

January 15, 2015

Dear County Commissioners,

The Lancaster County Healthcare Coalition in association with Lincoln-Lancaster County Emergency Management is hosting the **'Operation Take Cover'** tornado tabletop exercise on Wednesday, February 11, 2015, from 8:30am to 12:30pm at the Center for People in Need, 3901 N. 27.

The exercise is designed to test the ability of key personnel from public and private sector agencies to ensure our community is adequately prepared to effectively respond to and manage a large-scale disaster.

You are invited to attend and observe the exercise. Due to the large number of anticipated attendees, please RSVP to me via e-mail by Monday, February 2.

Thank you.

A handwritten signature in black ink, appearing to read 'Jim Davidsaver'.

Jim Davidsaver, Director  
Lancaster County Emergency Management  
[jdavidsaver@lancaster.ne.gov](mailto:jdavidsaver@lancaster.ne.gov)

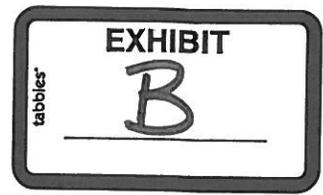


**KISSEL/E&S**  
ASSOCIATES

*A Limited Liability Company Associated with Erickson and Sederstrom, P.C.*

Joseph D. Kohout, *Partner*

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**MEMORANDUM**

TO: Lancaster County Board of Commissioners

FROM: Gordon Kissel  
Joseph D. Kohout  
Jonathan G. Bradford

DATE: January 21, 2015

RE: Weekly Update on the 2015 Legislature

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Please accept this as the third of your weekly reports for the 2015 Legislative Session. Today is day 11. The Legislature has continued to convene in the mornings to receive new legislation – and yesterday represented the last day of bill introduction. 655 total bills were introduced which was down some from previous years. We continue to review individual bills and flag them for potential action by the Board.

At 930am, the Legislature will convene and Governor Ricketts will give his State of the State address at 10am.

**2015 Lancaster County Legislative Priorities:**

1. **Property Tax Relief:** The Board has identified several potential options under this priority. As noted in last weeks' report, with regards to fee increases, Senator Campbell has brought legislation to increase marriage licenses from \$15 to \$50 (LB88) which was heard yesterday in the Judiciary Committee. Dan Nolte did a great job testifying on behalf of Lancaster County. Once the Legislature has completed introduction, we will format this report with all of those bills representing potential property tax relief under this section.
2. **Support Medicaid Expansion under the Affordable Care Act:** Senator Kathy Campbell introduced LB472 this week – the Medicaid Redesign Act.
3. **Address Lancaster County Obligations under the 300,000 population threshold.** This legislation was drafted at our request last week for potential introduction. Once the bill was drafted it became very clear that a significant number of sections were opened up. There was a concern raised about the diversity of sections that were being opened up. In discussion with staff, it was determined to take some time to go through the draft and spend some analyzing the multitude of sections opened up.

4. **Eliminate the Responsibility of Counties to Pay HHS Rent:** LB61 has been set for public hearing next week before the Government, Military & Veterans Affairs Committee at 130pm.
5. **Amend Mental Health Commitment Act / Funding for Community Based Sex Offender Treatment.** After discussion regarding the size of this request as drafted - \$7.5 Million – it was determined that Lancaster County should make a request of the Appropriations Committee at their hearing. The thought is that the complete picture of the LR424 task force recommendation – the prison review – are not complete and this could be a part of that broader conversation.
6. **Monitor Adult Corrections Reform.** We will continue to monitor introductions for legislation that affects adult corrections reform.
7. **Retirement Adjustment.** LB126 has advanced from the Retirement Committee. It could be considered during floor debate on Friday.

Other Legislation:

1. **LB188 (Watermeier) Change provisions relating to innocent third parties injured during a vehicular pursuit.** This is Senator Watermeier’s bill that states that a passenger in a fleeing vehicle shall not be considered to be an innocent third party if the passenger (a) enters with knowledge the driver is under the influence (b) fails to take steps to persuade the driver of the fleeing vehicle to stop the vehicle (c) promotes or provokes the driver to flee (d) are themselves subject to arrest or (e) is engaged in illegal activity that would itself give rise to arrest.

POSITION: Support. LB188 is set for hearing tomorrow before the Judiciary Committee.

2. **LB142 (Schilz) Create the Aquatic Invasive Species Program and provide funding.** According to the Statement of Intent: To create the Nebraska Aquatic Invasive Species Program to be used by Game and Parks to prevent and mitigate damage caused by aquatic invasive species such as the zebra mussel, silver carp, and other such species. These species have proven destructive to the ecosystems and usability of surface waters in surrounding states, and steps must be taken to prevent their establishment in Nebraska. The Aquatic Invasive Species Program will be funded with a fee of between five and ten dollars, every three years that is paid with motorboat registration and/or renewal. Non-Nebraska boats shall be eligible for a yearly stamp at a cost of between ten and fifteen dollars. These funds are to be allocated for use in monitoring, testing, decontamination, and mitigation of aquatic invasive species in Nebraska surface waters.

POSITION: Monitor. The hearing on this bill was yesterday before the Natural Resources Committee.

3. **LB66 (Schumacher) Require political subdivisions to make disclosures regarding bonds and provide for liability.** As we read this bill, it would require the following disclosure on bond documents:
  - (a) the amount of any unfunded pension obligations of the school district, city, village, or county



- (b) the actual amount of the valuation of the real estate subject to taxation in the school district, city, village, or county,
- (c) the actual amount of the valuation of the real estate in the school district, city, village, or county that will not be available for payment of the bonds because of tax increment financing, and
- (d) a statement substantially as follows: It is uncertain if the bonds being issued would have priority over the pension obligations of (insert name of school district, city, village, or county) if it declares bankruptcy.

It also provides for pretty stringent liabilities in the case of non-disclosure including the governing board members in their personal capacities.

POSITION: Oppose. Bond counsel for the city of Lincoln testified and stated that Lancaster County opposed the bill in his testimony yesterday. There was significant opposition and no support for the measure other than the introducer.

#### HEARINGS THURSDAY:

4. **LB71 (Schumacher) Adopt the Agriculture Property Tax Credit Act.** This bill is highly technical and imposes a 7% tax on excessive payments for agricultural land and then places that tax into a fund to be returned as a tax credit that shall appear to land owners but counties receive the distribution.
5. **LB76 (Schumacher) Change provisions relating to the earned income tax credit and the homestead exemption.** The legislation adds the earned income tax credit as income in the calculation of the homestead exemption income. I recommend that the Assessor's office review this legislation as well.

#### HEARINGS FRIDAY:

6. **LB209 (Hilkemann) Adopt the Political Subdivisions Mandatory Mediation Act.** The bill, as we read it, would require all political subdivisions in the state to attempt mediation prior to filing suit against another political subdivision. This includes entities created under the Interlocal Cooperation Act. They must engage under the Uniform Mediation Act.
7. **LB121 (Schumacher) Require voter identification and secret-ballot envelopes.** Recommend that the Election Commissioner review. This bill creates processes for the provision of voter identification and also a process whereby a secret ballot envelope is created.
8. **LB111 (Larson) Require identification to vote.** Recommend that the Election Commissioner review. This is the voter-id bill.

This concludes our report for this week. We would be happy to answer any questions you might have.

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB13	Krist		Change Community-based Juvenile Services Aid Program provisions	Judiciary			x			
LB15	Krist		Provide additional powers and duties for guardians ad litem	Judiciary			x			
LB16	Krist		Adopt the Purchasing from Persons with Disabilities Act	Government, Military & Veterans Affairs	1/22/2015		x			
LB25	Krist		Change court jurisdiction relating to 17 year olds and young adults	Judiciary			x			
LB30	McCoy		Prohibit disclosure of any applicant or permitholder information regarding firearms registration, possession, sale, or use as prescribed	Judiciary			x			
LB37	Krist		Adopt the Prescription Drug Safety Act and change and transfer pharmacy, prescription, and drug provisions	Health and Human Services	1/21/2015		x			

Kissel/ES Associates  
Bills of Interest Report  
Client: LC

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB43	Coash		Provide for standby guardians and recovery of assets under the Nebraska Probate Code	Judiciary	1/21/2015		x			
LB53	Scheer		Provide for issuance of one license plate for passenger cars as prescribed	Transportation & Telecommunications			x			
LB61	Bolz		Change funding for county offices relating to administration of public assistance programs	Government, Military & Veterans Affairs			x			
LB65	Schumacher		Change provisions relating to termination of township boards	Government, Military & Veterans Affairs	1/21/2015		x			
LB88	Campbell		Change fees relating to marriage licenses	Judiciary	1/21/2015		x			
LB94	Smith		Provide for issuance of printed motor vehicle certificate of title for nonresidents as prescribed	Transportation & Telecommunications	1/27/2015		x			

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB105	Watermeier		Change provisions relating to payment of fees and costs associated with deaths of incarcerated persons and grand juries	Government, Military & Veterans Affairs			x			
LB111	Larson		Require identification to vote	Government, Military & Veterans Affairs	1/23/2015		x			
LB113	Larson		Provide a co-payment for correctional inmates' health care services	Judiciary			x			
LB119	Schumacher		Change where certain sentences of imprisonment may be served	Judiciary			x			
LB120	Schumacher		Provide for seizure of license plates of certain uninsured motor vehicles or trailers as prescribed	Judiciary	1/28/2015		x			
LB122	Schumacher		Change provisions relating to operation of utility-type vehicles	Transportation & Telecommunications	1/27/2015		x			

Kissel/ES Associates  
Bills of Interest Report  
Client: LC

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB126	Nordquist		Change a combined contribution retirement benefit rate as prescribed	Nebraska Retirement Systems	1/20/2015		x			
LB131	Craighead		Change provisions relating to annexation and prohibit sanitary and improvement districts from spending certain assets	Urban Affairs	1/27/2015		x			
LB132	Ebke		Change joint public agency bonding powers and procedures	Government, Military & Veterans Affairs			x			
LB135	Johnson		Change provisions relating to termination of township boards	Government, Military & Veterans Affairs	1/21/2015		x			
LB139	Johnson		Change and eliminate provisions relating to the Real Property Appraiser Act	Banking Commerce & Insurance	1/27/2015		x			
LB142	Schilz		Create the Aquatic Invasive Species Program and provide funding	Natural Resources	1/21/2015		x			

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB146	Crawford		Provide for disposition of unclaimed cremated remains in a veteran cemetery	Health and Human Services	1/29/2015		x			
LB158	McCollister		Deny compensation under the Nebraska Workers' Compensation Act in situations of false representation	Business and Labor			x			
LB172	Chambers		Eliminate certain mandatory minimum penalties	Judiciary			x			
LB173	Chambers		Change habitual criminal provisions	Judiciary			x			
LB186	Bolz		Adopt the Property Tax Circuit Breaker Act	Revenue			x			
LB188	Watermeier		Change provisions relating to innocent third parties injured during a vehicular pursuit	Judiciary	1/23/2015		x			
LB202	Davis		Provide for partisan ballots for unaffiliated voters at primary elections	Government, Military & Veterans Affairs			x			

Kissel/ES Associates  
 Bills of Interest Report  
 Client: LC

1/21/2015 4:39 PM

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB209	Hilkemann		Adopt the Political Subdivisions Mandatory Mediation Act	Judiciary	1/23/2015		x			
LB210	Ebke		Change provisions relating to housing agencies and taxation of mixed-use developments	Revenue			x			
LB212	Chambers		Prohibit use of restraints in juvenile courts as prescribed	Judiciary			x			
LB213	Schumacher		Provide for withholding of insurance proceeds for demolition purposes	Banking Commerce & Insurance			x			
LB214	Schumacher		Provide for electronic signatures on initiative and referendum petitions	Government, Military & Veterans Affairs			x			
LB224	Harr		Provide and change restrictions relating to electioneering	Government, Military & Veterans Affairs			x			
LB230	Mello		Change provisions relating to partition actions	Revenue			x			

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB236	Coash		Change and eliminate provisions relating to collection of judgments and public retirement plans	Nebraska Retirement Systems	1/27/2015		x			
LB237	Coash		Appropriate funds for correctional facilities	Appropriations			x			
LB244	Pansing Brooks		Change provisions relating to motions for new trial based upon discovery of new evidence	Judiciary			x			
LB245	Pansing Brooks		Change provisions relating to DNA testing of biological material	Judiciary			x			
LB250	Larson		Eliminate time restrictions on keno	General Affairs	1/26/2015		x			
LB253	Morfeld		Change acknowledgment requirements relating to homesteads	Judiciary			x			
LB256	Bloomfield		Change the sales tax rate and the distribution of sales tax revenue	Revenue			x			

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB259	Gloor		Adopt the Personal Property Tax Relief Act	Revenue			x			
LB260	Gloor		Authorize the Property Tax Administrator to correct certain errors	Revenue	1/23/2015		x			
LB265	Campbell		Change provisions relating to juveniles and child welfare	Judiciary			x			
LB266	Crawford		Change provisions relating to jurisdiction for municipalities to enforce ordinances	Urban Affairs			x			
LB277	Harr		Change tax deed lien priority	Revenue			x			
LB282	Baker		Change provisions relating to closed sessions for public bodies	Government, Military & Veterans Affairs			x			
LB288	Ebke		Prohibit public employers from making certain deductions from wages	Business and Labor			x			

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB290	Coash		Eliminate certain notification requirements under the Sex Offender Registration Act and eliminate the offense of unlawful use of the Internet by a prohibited sex offender	Judiciary			x			
LB293	Schnoor		Change valuation of agricultural land and horticultural land	Revenue			x			
LB295	Scheer		Require municipalities to have county approval before enforcing ordinances in the extraterritorial zoning jurisdiction	Urban Affairs			x			
LB308	Kolowski		Provide for preregistration to vote	Government, Military & Veterans Affairs			x			
LB309	Davis		Appropriate additional funds to the Property Tax Credit Cash Fund	Appropriations			x			

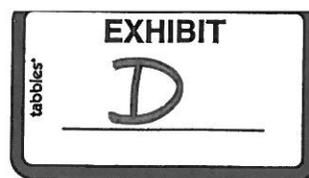
LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB319	Smith		Change provisions relating to elections conducted by mail	Government, Military & Veterans Affairs			x			
LB325	Davis		Change levy provisions for rural and suburban fire protection districts	Revenue			x			
LB331	Nordquist		Adopt the Bioscience Impact Opportunity Act	Revenue			x			
LB333	Gloor		Adopt the Health Care Services Transformation Act	Health and Human Services			x			
LB337	Harr		Rename and change the Low-Income Home Energy Conservation Act	Natural Resources			x			
LB340	Brasch		Provide signage requirements and duties for the Nebraska State Patrol under the Concealed Handgun Permit Act	Judiciary			x			
LB341	Howard		Provide requirements relating to health benefit plan coverage for insureds in jail custody	Banking Commerce & Insurance			x			

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB344	Kolowski		Provide natural resources districts with the power to issue general obligation bonds	Natural Resources			x			
LB345	Kolowski		Adopt the Property Tax Relief Act	Revenue			x			
LB347	Krist		Expand the jurisdiction of the Inspector General to the juvenile justice system	Executive Board			x			
LB350	Brasch		Change valuation of agricultural land and horticultural land	Revenue			x			
LB356	Harr		Change provisions relating to the assessment of certain rent-restricted housing projects	Revenue			x			
LB357	Smith		Change income tax rates and transfer funds from the Cash Reserve Fund	Revenue			x			
LB359	Johnson		Change a fee collected from dog licensees	Agriculture			x			

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB376	Hansen		Provide that public charitable corporations are subject to the Deferred Building Renewal Act	Executive Board			x			
LB383	Hansen		Permit registered voters moving within Nebraska without re-registering to vote provisionally	Government, Military & Veterans Affairs			x			
LB384	Lindstrom		Provide for reclassification of agricultural land and horticultural land	Revenue			x			
LB387	Schnoor		Transfer funds from the Cash Reserve Fund to the Property Tax Credit Cash Fund	Appropriations			x			
LB391	Crawford		Change sales tax collection fees for motor vehicles	Revenue			x			
LB398	Harr		Exempt all tangible personal property from property tax	Revenue			x			

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB406	Morfeld		Change provisions relating to actions for the recovery of vacant, platted, and subdivided real property as prescribed	Judiciary			x			
LB414	Harr		Provide a property tax exemption for fraternal benefit societies	Revenue			x			
LB415	Pansing Brooks		Change provisions relating to the Uniform Interstate Family Support Act	Judiciary			x			
LB416	Pansing Brooks		Change provisions relating to transfers of property upon death	Judiciary			x			
LB420	Crawford		Require acknowledgments from purchasers of real estate in a sanitary and improvement district	Urban Affairs			x			
LB425	Riepe		Provide for earned time and discontinue the use of good time	Judiciary			x			

LB/LR	Sponsor	Priority	One-Liner	Committee	Hearing Date	Status	LC	LC Position	NACO	NACO Position
LB427	Groene		Provide for payment of probation office costs by the state	Government, Military & Veterans Affairs			x			
LB428	Garrett		Provide an exemption from motor vehicle taxation for certain veterans	Revenue			x			



LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 542**

Introduced by Harr, 8.

Read first time January 21, 2015

Committee:

1 A BILL FOR AN ACT relating to revenue and taxation; to amend section  
2 77-2704.15, Revised Statutes Cumulative Supplement, 2014; to provide  
3 a sales tax exemption for purchases by county agricultural  
4 societies; to provide an operative date; and to repeal the original  
5 section.

6 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-2704.15, Revised Statutes Cumulative  
2 Supplement, 2014, is amended to read:

3           77-2704.15 (1)(a) Sales and use taxes shall not be imposed on the  
4 gross receipts from the sale, lease, or rental of and the storage, use,  
5 or other consumption in this state of purchases by the state, including  
6 public educational institutions recognized or established under the  
7 provisions of Chapter 85, or by any county, township, city, village,  
8 rural or suburban fire protection district, city airport authority,  
9 county airport authority, joint airport authority, drainage district  
10 organized under sections 31-401 to 31-450, land bank created under the  
11 Nebraska Municipal Land Bank Act, natural resources district, county  
12 agricultural society, elected county fair board, housing agency as  
13 defined in section 71-1575 except for purchases for any commercial  
14 operation that does not exclusively benefit the residents of an  
15 affordable housing project, cemetery created under section 12-101, or  
16 joint entity or agency formed by any combination of two or more counties,  
17 townships, cities, villages, or other exempt governmental units pursuant  
18 to the Interlocal Cooperation Act, the Integrated Solid Waste Management  
19 Act, or the Joint Public Agency Act, except for purchases for use in the  
20 business of furnishing gas, water, electricity, or heat, or by any  
21 irrigation or reclamation district, the irrigation division of any public  
22 power and irrigation district, or public schools or learning communities  
23 established under Chapter 79.

24           (b) For purposes of this subsection, purchases by the state or by a  
25 governmental unit listed in subdivision (a) of this subsection include  
26 purchases by a nonprofit corporation under a lease-purchase agreement,  
27 financing lease, or other instrument which provides for transfer of title  
28 to the property to the state or governmental unit upon payment of all  
29 amounts due thereunder. If a nonprofit corporation will be making  
30 purchases under a lease-purchase agreement, financing lease, or other  
31 instrument as part of a project with a total estimated cost that exceeds

1 the threshold amount, then such purchases shall qualify for an exemption  
2 under this section only if the question of proceeding with such project  
3 has been submitted at a primary, general, or special election held within  
4 the governmental unit that will be a party to the lease-purchase  
5 agreement, financing lease, or other instrument and has been approved by  
6 the voters of such governmental unit. For purposes of this subdivision,  
7 (i) project means the acquisition of real property or the construction of  
8 a public building and (ii) threshold amount means the greater of fifty  
9 thousand dollars or six-tenths of one percent of the total actual value  
10 of real and personal property of the governmental unit that will be a  
11 party to the lease-purchase agreement, financing lease, or other  
12 instrument as of the end of the governmental unit's prior fiscal year.

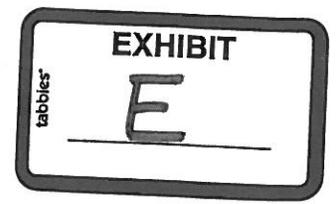
13 (2) The appointment of purchasing agents shall be recognized for the  
14 purpose of altering the status of the construction contractor as the  
15 ultimate consumer of building materials which are physically annexed to  
16 the structure and which subsequently belong to the state or the  
17 governmental unit. The appointment of purchasing agents shall be in  
18 writing and occur prior to having any building materials annexed to real  
19 estate in the construction, improvement, or repair. The contractor who  
20 has been appointed as a purchasing agent may apply for a refund of or use  
21 as a credit against a future use tax liability the tax paid on inventory  
22 items annexed to real estate in the construction, improvement, or repair  
23 of a project for the state or a governmental unit.

24 (3) Any governmental unit listed in subsection (1) of this section,  
25 except the state, which enters into a contract of construction,  
26 improvement, or repair upon property annexed to real estate without first  
27 issuing a purchasing agent authorization to a contractor or repairperson  
28 prior to the building materials being annexed to real estate in the  
29 project may apply to the Tax Commissioner for a refund of any sales and  
30 use tax paid by the contractor or repairperson on the building materials  
31 physically annexed to real estate in the construction, improvement, or

1 repair.

2 Sec. 2. This act becomes operative on October 1, 2015.

3 Sec. 3. Original section 77-2704.15, Revised Statutes Cumulative  
4 Supplement, 2014, is repealed.



# **CITY OF LINCOLN & LANCASTER COUNTY FEDERAL PROCUREMENT MANUAL**

**Effective February 1, 2015**

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**Summary:**

It is the purpose of this document to provide procurement guidance to City of Lincoln and Lancaster County staff working with Federal Grant funds according to the standards listed in the final guidance issued in the Federal Register on December 26, 2013. The basis for the information in this manual comes from the documents listed below and the CFR's directly related to the grant provided by the Federal Government or the Grantee. The City of Lincoln and Lancaster County, Nebraska will utilize the information from this manual in order to insure that procurements are being handled appropriately, the process is transparent, and all areas of Procurement accountability are addressed.

This document does not address all aspects of 2 CFR 200. Departments and divisions will be responsible for obtaining the information required for the Accounting portion of the grant money and any other stated requirements for Procurement.

The basis for this document is gleaned from the following;

1. 2 CFR 200 (<http://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1>)
2. COFAR website: <http://cfo.gov/cofar>
3. OMB Circular A-102 paragraph b.5 "Procurement Standards"
4. City of Lincoln Municipal Code Chapter 2.18 "Purchasing Division"
5. City of Lincoln, "Executive Order #83442" dated September 15<sup>th</sup>, 2010
6. Lancaster County Purchasing Manual
7. County Purchasing Act

The guidelines outlined in this document shall supersede any other Federal grant procurement guidance implemented by the City or County prior to the effective date of this manual (February 1, 2015).

The thresholds and other information in this document reflect both the Federal requirements and the City of Lincoln and Lancaster County requirements. In particular the dollar thresholds for the City and County are related to City code and the County Purchasing Act.

Though the Federal Grant Procurement Requirements as listed in 2 CFR 200 are not in effect for grants issued prior to December 26, 2014, these guidelines will be followed for all Federally funded grant purchases effective February 1, 2015.

This document is subject to revisions as required by the Federal Government.

There are six types of procurements which will be used by City and County staff when using Federal Grant money. They are as follows:

**Micro-Purchase Process**

1. The following Micro-Purchase process will be followed any time Federal Grant funds are used by City of Lincoln and Lancaster County Departments for **one-time purchases** of commodities or services that do not exceed \$3,000.00 (or \$2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act).:
2. The department must establish the need for the purchase, establish specifications and identify sources.
3. The department shall have a full understanding of what their specific CFR requirements are before proceeding with a Micro-Purchase.
4. All micropurchases by City of Lincoln departments using Federal Grant Funds must follow City of Lincoln Executive Order 083442.
5. All Micro-Purchases will be conducted under the following guidelines:
  - a. The entity must, to the extent practicable, distribute these purchases equitably among qualified suppliers.
  - b. Micro-purchases may be awarded without soliciting competitive quotations if the authorized City/County Staff person considers the price to be reasonable.
  - c. No rate competitive quotations are necessary for the purchase.
  - d. No cost or price analysis is required.
  - e. The entity must make the purchase from any one of a number of suppliers.
  - f. Following receipt of the product, the department shall stamp the invoice with an approved Micro-Purchase stamp (See below) and attach the invoice copy which is kept in a designated file at the department.
  - g. The department shall keep all Micro-Purchases in a file for easy accessibility and auditing.
  - h. The Purchasing Dept. shall audit various departments using Federal Grant money on a random basis to ensure that this process is being followed and to discuss possible Annual Supply contract needs.
  - i. Departments who are using Federal Grant Funds must contact Bob Walla in the Purchasing Department to order a Micro-Purchase stamp and provide information on the Federal Grants they are utilizing.
6. The Micropurchase stamp will read as follows; **Federal Grant Micro-Purchase**
7. Department shall utilize and award to "Small and Minority Firms, Women's Business Enterprise" when reasonable and possible.
8. Departments shall review the System for Award Management (SAM.gov) site to ensure that the vendor is not an excluded Vendor.
  - a. Place documentation in the file that the approved vendor is not in the SAM.gov excluded category.

**\* At no time will the policy listed herein supersede the Federal Grant Procurement Requirements set by the Grantor. It is up to the Department to read and understand the requirements of their grant and to work with the Purchasing Department to ensure compliance for all purchases.**

### **Small Purchase Process**

1. **The following Small Purchase process will be followed any time Federal Grant funds are used by City of Lincoln and Lancaster County Departments to purchase commodities or services that exceed \$3,000.00 BUT under \$20,000.00 (County) - \$25,000.00 (City)**
2. The department must establish the need for the purchase, establish specifications and identify sources.
3. The department shall have a full understanding of what their specific CFR requirements are before proceeding with a Small Purchase.
4. All Small Purchases by City of Lincoln departments using Federal Grant Funds must follow City of Lincoln Executive Order 083442.
5. All Small Purchases will be conducted under the following guidelines:
  - a. Contact City of Lincoln Purchasing Department to procure needed Supply, Service or Equipment. The Purchasing Department will issue these quotes using the City/County Purchasing Ebid site.
  - b. Complete Independent Cost Estimate (ICE) and supporting documentation for Supplies, Service or Equipment.
    - bb. ICE shall be completed by getting online pricing for similar or same products in the same quantities.
  - c. Forward the ICE, specifications and any supporting documentation to Purchasing for processing as an Informal Quote.
  - d. Purchasing will issue quote for predetermined time which will correspond with the difficulty of the service and/or availability of Vendors.
    - cc. Quote will include all Federal Clauses as required.
  - e. Purchasing will send bid results to Department who will then review Quotes for lowest price or best value and complete the Cost Price Analysis (CPA) form.
    - ee. Department will tell the complete story of the bid results in the CPA and other documentation which results in an award recommendation being made.
  - f. Award recommendation and CPA will be emailed to Purchasing for award processing and Contract or PO execution.
  - g. Purchasing will review the System for Award Management, SAM.gov to ensure that the vendor is not on the excluded list.
    - gg. A copy of the SAM report will be placed in the Purchasing file.
  - h. Department will develop a documentation folder for all Small Purchase procurements for use by the Contract Administrator to meet performance reporting requirements and audit needs.
    - hh. The Contract Administrator is a designated person in the department who is responsible for ensuring that all contract requirements are met including but not limited to, timely delivery, correct quantities, products meeting specifications and charges being consistent with the Contract or PO.
    - hhh. Contracts resulting from Small Purchases will be entered into the Contract Management System.
  - i. Following the receipt of the supply or completion of the service, the department will notify Purchasing of the completion date and provide feedback on the Vendor's performance.

**\* At no time will the policy listed herein supersede the Federal Grant Procurement Requirements set by the Grantor. It is up to the Department to read and understand the requirements of their grant and to work with the Purchasing Department to ensure compliance for all purchases.**

**\* All construction projects with a cost over \$2,000.00 must follow procedures and include proper information for applying Davis Bacon wage rates.**

**\*\* Construction contracts will require the designation of a Contract Administrator and a Construction Administrator.**

**\* For a specific procurement, you must exclude from bidding or proposal submission any Contractors who have been involved in development of the procurement. For example, you must not accept bids or proposals from Contractors who have developed or drafted specifications, requirements, statements of work, and/or requests for proposals for the procurement.**

### Sealed Bid Purchase Process

1. **The following Sealed Bid Purchase process will be followed any time Federal Grant funds are used by City of Lincoln and Lancaster County Departments to purchase commodities or services that exceed \$20,000.00 (County) or \$25,000.00 (City)**
2. The department must establish the need for the purchase, establish specifications and identify sources.
3. The department shall have a full understanding of what the CFR requirements are before proceeding with a Sealed Bid Purchase.
4. All Sealed Bid Purchases by City of Lincoln departments using Federal Grant Funds must follow City of Lincoln Executive Order 083442.
5. All Sealed Bid Purchases will be conducted under the following guidelines:
  - a. Contact City of Lincoln Purchasing Department to procure needed Supplies, Service or Equipment. The Purchasing Department will issue these bids using the City/County Purchasing Ebid site.
  - b. Complete Independent Cost Estimate (ICE) and supporting documentation for Supplies, Service or Equipment.
    - bb. ICE shall be completed by getting online pricing for similar or same products in the same quantities.
  - c. Forward the ICE, specifications and any supporting documentation to Purchasing for processing as a Formal Bid.
  - d. Purchasing will issue Formal Bid for a minimum of ten (10) business days using the City/County Ebid system which will notify registered Vendors via email and be available worldwide on the web.
    - dd. Quote will include all Federal Clauses as required.
  - e. Purchasing will send notice to the Lincoln Journal Star for advertisement at least one time upon bid release for City bids and at least two times upon release for County bids.
  - f. All bids will be publicly opened at the time and place prescribed in the invitation.
  - g. A Firm Fixed Price or Annual Supply/Requirement award will be made to the lowest, responsive and responsible Bidder.
  - h. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest.
  - i. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of.
  - j. Purchasing will send bid results to Department who will then review bids for lowest price or best value and complete the Cost Price Analysis (CPA) form.
    - jj. Department will tell the complete story of the bid results in the CPA and other documentation which results in an award recommendation being made.
    - jjj. A firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is the lowest in price.
    - jjjj. Any or all bids may be rejected if there is a sound documented reason.
  - k. Award recommendation and CPA will be emailed to Purchasing for award processing and Contract or PO execution.
  - l. Purchasing will review the System for Award Management, SAM.gov to ensure that the Vendor is not excluded from procurement using Federal funding.
    - ll. A copy of the SAM report will be placed in the Purchasing file.
  - m. Department will develop a documentation folder for all Sealed Bid procurements for use by the Contract Administrator to meet performance reporting requirements and audit needs.
    - mm. Contracts issued will be entered into the Contract Management System.
  - n. Following the receipt of the supply or completion of the service, the department will notify Purchasing of the completion date and provide feedback on the Vendor's performance.

**\* At no time will the policy listed herein supersede the Federal Grant Procurement Requirements set by the Grantor. It is up to the Department to read and understand the requirements of their grant and to work with the Purchasing Department to ensure compliance for all purchases.**

**\* All construction projects with a cost over \$2,000.00 must follow procedures and include proper information for applying Davis Bacon wage rates.**

**\*\* Construction contracts will require the designation of a Contract Administrator and a Construction Administrator.**

**\* For a specific procurement, you must exclude from bidding or proposal submission any contractors who have been involved in development of the procurement. For example, you must not accept bids or proposals from contractors who have developed or drafted specifications, requirements, statements of work, and/or requests for proposals for the procurement.**

### **Competitive Proposal Purchase Process – Non-A/E Services**

1. **The Competitive Proposal process will be followed any time Federal Grant funds are used by City of Lincoln and Lancaster County Departments to purchase commodities or services using a process which is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded, and is generally used when conditions are not appropriate for the use of sealed bids.**
  - 1.1. **This process is not applicable to A/E selection using a Qualifications-Based Selection process. (See Competitive Purchase Process – A/E Services)**
2. Establish need for purchase, establish specifications and identify sources.
3. The department shall have a full understanding of what their specific CFR requirements are before proceeding with a Competitive Proposal.
4. All Competitive Proposals by City of Lincoln departments using Federal Grant Funds must follow City of Lincoln Executive Order 83442.
5. All Competitive Proposals will be conducted under the following guidelines:
  - a. Contact City of Lincoln Purchasing Department to procure needed Supplies, Service or Equipment. The Purchasing Department will issue these RFP's using the City/County Purchasing Ebid site.
  - b. Complete Independent Cost Estimate (ICE), RFP Intake Form and supporting documentation for Supplies, Service or Equipment.
    - bb. ICE shall be completed by getting online or other pricing for similar or same products or services.
  - c. Forward the ICE, RFP Intake Form, Specifications and any supporting documentation to Purchasing for processing as a Competitive Proposal.
    - cc. Requests for Proposals must be publicized and identify all evaluation factors and their relative importance.
    - ccc. Department must have a written method for conducting technical evaluations of the proposals received and for selecting recipients.
    - cccc. The Purchasing Department will assist in the scoring process and Selection Committee assignments.
  - d. Purchasing will issue Proposal for a minimum of ten (10) business days using the City/County Ebid system which will notify registered Vendors via email and be available worldwide on the web.
    - dd. RFP will include all Federal Clauses as required.
  - e. Purchasing will send notice to the Lincoln Journal Star for advertisement at least one time upon bid release for City RFP's and at least two times upon release for County RFP's.
  - f. All proposals will be publicly opened via the ebid system at the time and place prescribed in the invitation.
  - g. Any response to publicized Requests for Proposals must be considered to the maximum extent practical.
  - h. Contracts must be awarded to the responsive and responsible firm whose proposal is most advantageous to the program, with price and other factors considered.
  - i. Purchasing will send proposals to the Selection Committee who will then review them, score them and determine if interviews are necessary for an award.
  - j. Following the scoring and/or evaluation procedures outlined in the specifications, the department may negotiate for the lowest possible cost based upon the agreed upon scope of services and then complete the Cost Price Analysis (CPA) form.
  - k. Department will tell the complete story of the proposal response and award in the CPA and other documentation which results in an award recommendation being made.
    - kk. Any or all proposals may be rejected if there is a sound documented reason.
  - l. Award recommendation and CPA will be emailed to Purchasing for award processing and Contract execution.
  - m. Purchasing will review the System for Award Management, SAM.gov to ensure that the vendor is not excluded for procurement using Federal funding.
    - mm. A copy of the SAM report will be placed in the Purchasing file.
  - n. Department will develop a documentation folder for all Competitive Proposals for use by the Contract Administrator to meet performance reporting requirements and audit needs.
    - nn. The contract information will be loaded into the Contract Management System.
  - o. Following the receipt of the completion of the service, the department will notify Purchasing of the completion date and provide feedback on the Vendor's performance.

**\* At no time will the policy listed herein supersede the Federal Grant Procurement Requirements set by the Grantor. It is up to the Department to read and understand the requirements of their grant and to work with the Purchasing Department to ensure compliance for all purchases.**

**\* For a specific procurement, you must exclude from bidding or proposal submission any contractors who have been involved in development of the procurement. For example, you must not accept bids or proposals from contractors who have developed or drafted specifications, requirements, statements of work, and/or requests for proposals for the procurement**

### **Competitive Proposal Purchase Process – A/E Services**

1. **The Competitive Proposal process will be followed any time Federal Grant funds are used by City of Lincoln and Lancaster County Departments to obtain Architect/Engineering (A/E) services.**
  - 1.1 **The process will use procedures for qualifications-based procurement of A/E professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation.**
  - 1.2 **This process is applicable only for A/E proposals.**
  - 1.3 **The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.**
2. Establish need for procurement of A/E professional services, establish specifications and identify sources.
3. The department shall have a full understanding of what their specific CFR requirements are before proceeding with a Competitive Proposal.
4. All Competitive Proposals by City of Lincoln departments using Federal Grant Funds must follow City of Lincoln Executive Order 83442 as long as they do not conflict with these Federal requirements or those listed in the CFR.
5. All Competitive Proposals will be conducted under the following guidelines:
  - a. Contact City/County Purchasing Department to procure needed A/E Services using the City/County Purchasing Ebid site.
  - b. Complete Independent Cost Estimate (ICE), RFP Intake Form and supporting documentation for service.
    - bb. ICE shall be completed by requesting an estimate or using historical data for similar or same services.
  - c. Forward the ICE, RFP Intake Form, Specifications and any supporting documentation to Purchasing for processing as a Competitive Proposal.
    - cc. Requests for proposals must be publicized and identify all evaluation factors and their relative importance.
    - ccc. Department must have a written method for conducting technical evaluations of the proposals received and for selecting recipients.
    - cccc. The Purchasing Department will assist in the scoring process and Selection Committee assignments.
  - d. Purchasing will issue Proposal for a minimum of ten (10) business days using the City/County Ebid system which will notify registered Vendors via email and be available worldwide on the web.
    - dd. RFP will include all required Federal Clauses as required
  - e. Purchasing will send notice to the Lincoln Journal Star for advertisement at least one time upon bid release for City RFP's and at least two times upon release for County RFP's.
  - f. All proposals will be publicly opened via the ebid system at the time and place prescribed in the invitation.
  - g. Any response to publicized Requests for Proposals must be considered to the maximum extent practical.
  - h. Contracts must be awarded to the responsible firm whose Proposal is most advantageous to the program, with price and other factors considered.
  - i. Purchasing will send Proposals to the Selection Committee who will then review them, score them and determine if interviews are necessary for an award.
  - j. Following the scoring and/or evaluation procedures outlined in the specifications, the Negotiation Committee may negotiate for the lowest possible cost based upon the agreed upon scope of services and then complete the Cost Price Analysis (CPA) form. All fees must be in compliance with the guidance provided in 2 CFR 200 or the CFR for that particular purchase.
    - jj. Department will tell the complete story of the proposal response and award in the CPA and other documentation which results in an award recommendation being made.
    - jjj. Any or all proposals may be rejected if there is a sound documented reason.
  - k. Award recommendation and CPA will be emailed to Purchasing for award processing and Contract execution.
  - l. Purchasing will review the System for Award Management, SAM.gov to ensure that the vendor is not excluded for procurement using Federal funding.
    - ll. A copy of the SAM report will be placed in the Purchasing file.
  - m. Department will develop a documentation folder for all Competitive Proposals for use by the Contract Administrator to meet performance reporting requirements and audit needs.
    - mm. Contract information will be entered into the Contract Management System.
  - n. Following the completion of the service, the department will notify Purchasing of the completion date and provide feedback on the Vendor's performance.

**\* At no time will the policy listed herein supersede the Federal Grant Procurement Requirements set by the Grantor. It is up to the Department to read and understand the requirements of their grant and to work with the Purchasing Department to ensure compliance for all purchases.**

**\* For a specific procurement, you must exclude from bidding or proposal submission any contractors who have been involved in development of the procurement. For example, you must not accept bids or proposals from contractors who have developed or drafted specifications, requirements, statements of work, and/or requests for proposals for the procurement.**

### **Noncompetitive Proposal Process (Sole Source)**

1. **The Noncompetitive Proposal process will be followed any time Federal Grant funds are used by City of Lincoln and Lancaster County Departments to purchase commodities or services through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:**
  - a. The item exclusive to a single source and is available only from a single source.
  - b. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
  - c. The Federal awarding agency or pass-through entity expressly authorizes Noncompetitive Proposals in response to a written request from the non-Federal entity.
  - d. After solicitation of a number of sources, competition is determined inadequate.
2. Departments shall establish need for purchase, specifications and identify sources.
3. The department shall have a full understanding of what their specific CFR requirements are before proceeding with the Noncompetitive Proposal.
4. All Noncompetitive Proposals by City of Lincoln departments using Federal Grant Funds must follow City of Lincoln Executive Order 83442.
5. All Noncompetitive Proposals will be conducted under the following guidelines:
  - a. Department must notify the City/County Purchasing department to discuss the use of this option and ensure that this is the proper way to proceed **prior** to completion and submission of any forms or documents.
  - b. A City of Lincoln or Lancaster County Sole Source form must be completed once the determination is made that a Noncompetitive Proposal is the method of procurement.
    - bb. All sections of the document must have a response listed and clearly define why this is a sole source.
  - c. Complete Independent Cost Estimate (ICE) and supporting documentation for product or service.
    - cc. ICE shall be completed by requesting an estimate or using historical data for similar or same product or services.
 

***Note: The ICE should be completed from an independent source prior to getting a proposal from the selected Vendor if possible.***
  - d. The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
  - e. Award recommendation and CPA will be emailed to Purchasing for award processing and Contract execution.
  - f. Purchasing will review the System for Award Management, SAM.gov to ensure that the vendor is not excluded for procurement using Federal funding.
    - ff. A copy of the SAM report will be placed in the Purchasing file.
  - g. Department will develop a documentation folder for all Competitive Proposals for use by the Contract Administrator to meet performance reporting requirements and audit needs.
  - h. Following the completion of the order, the department will notify Purchasing of the completion date and provide feedback on the Vendor's performance.
  - h. The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

\* At no time will the policy listed herein supersede the Federal Grant Procurement Requirements set by the Grantor. It is up to the Department to read and understand the requirements of their grant and to work with the Purchasing Department to ensure compliance for all purchases.

\* Do not test equipment for a period of time and then determine that a sole source designation is required due to your testing. Testing equipment may be done following a competitive procurement process. This allows for fair and open competition.

\* For a specific procurement, you must exclude from bidding or proposal submission any contractors who have been involved in development of the procurement. For example, you must not accept bids or proposals from contractors who have developed or drafted specifications, requirements, statements of work, and/or requests for proposals for the procurement.

\* Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.

## **GENERAL FEDERAL GRANT PROCUREMENT INFORMATION**

The following general information is being provided to all City and County Departments who are utilizing Federal Grant money to purchase commodities or services as a Grantee or Subgrantee effective February 1, 2015:

- 1) Read and understand all of the requirements of the grant that is being used including the CFR which provides guidance on the procurement process.
- 2) Determine whether your department and/or entity is a Grantee, Sub Grantee, Recipient or Sub Recipient according to Federal Guidelines (200.330).
- 3) Ensure accounting, purchasing and grant program personnel are provided adequate training and resources regarding administrative requirements.
- 4) All departments must inform their employees of the written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection of awards and administration of contracts.
- 5) Determine the need for the product or service, and where appropriate, analysis should be done to determine the most economical approach (lease vs. purchase, for example).
- 6) Determine if a cooperative bid is feasible with another government entity to increase the amount of product or services being ordered to obtain the best pricing for common or shared goods and services.
- 7) Piggyback purchases are only allowed if the Lead Public Agency allows options on their contract, the options are available at the time of request, and all Federal requirements have been met during the procurement process.
- 8) Determine if Federal excess and surplus property is available in lieu of purchasing new equipment.
- 9) Conduct an Independent Cost Estimate to determine what the purpose of the procurement is and the estimated cost of the project.
- 10) Follow the guidelines listed in the previous sections of this document for the type of procurement to be initiated.
- 11) Submit Intake Form, Independent Cost Estimate (ICE) and technical specifications to the Purchasing Department for all purchases over \$3,000.00.
- 12) Refer to Procurement of Recovered Materials information listed below for all purchases over \$10,000.00.
- 13) Purchasing will complete the specifications with front-end terms and conditions and either issue a quote on the ebid system or notify the Journal Star for advertisement and subsequent posting of the bid or RFP on the ebid system.
- 14) Construction projects require performance and payment bonds over \$5,000.00 or less in some cases.
- 15) All procurement transactions must be conducted in a manner providing full and open competition.
- 16) Purchasing will issue the bid with all appropriate documentation as required in section 200.326 or the CFR for the grant being utilized.
- 17) Bids and Quotes will close automatically by the ebid system and results posted immediately on the ebid system.
- 18) Purchasing will send notice to the departments on the closing of the bid and instructions on how to review the bid documents.
- 19) Notice and documentation for RFP's will be sent to the Selection Committee.
- 20) The department will issue an award recommendation to Purchasing via email for the lowest, responsible, responsive Bidder for ITB's.
- 21) The Selection Committee and Negotiation Committee will issue an award recommendation to Purchasing via email for the selected company for RFP's.

- 22) In addition to the email award notification the Department must provide a Cost/Price Analysis for all procurements exceeding the Small Purchase Threshold (\$3,000.00) (See section below for Cost/Price Analysis information)
- 23) Awards and contracts must be awarded only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the procurement.
- 24) Purchasing will issue a Purchase Order or Contract as specified in the bid documents, have it executed by the Vendor, and complete execution by the appropriate entities.
  - a. Following execution the documents will be filed with the appropriate clerk office and an email copy sent to the Vendor and the requesting department.
  - b. Purchase Orders will be issued from requisitions issued by the department.
- 25) Contracts with specific completion dates will be posted and monitored in the City/County Contract Management System by the Purchasing Department.
- 26) Departments and Purchasing must maintain records sufficient to detail the history of procurement, including but not limited to, rationale for method of procurement, selection of contract type, contractor selection or rejection, and basis for the contract price.
- 27) Time and material type contracts can only be used after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk.
- 28) All departments must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts.
- 29) All contracts awarded using Federal funds must be officially closed out by contacting the Purchasing Department.
- 30) The Contract Administrator is a designated person in the department who is responsible for ensuring that all contract requirements are met including but not limited to, timely delivery, correct quantities, products meeting specifications and charges being consistent with the Contract or PO.
- 31) A Construction project must have a Contract Administrator in the department initiating the request and a Construction Administrator. A Construction Administrator can be the same person as the Contract Administrator or another person who is charged with managing the construction project and notifying the Contract Administrator of changes in scope, delays, or other contract issues which result in a contract change order or contract amendment.
- 32) The procurement processes listed in this document are designed to allow for open competition. Do not test products from one or more Vendors prior to issuing a bid or RFP for that type of product.
- 33) The use of Brand Names in procurements is prohibited unless followed by the words, "Or Equivalent". If Brand Name Or Equivalent is used in a procurement, it shall be followed by the salient characteristics of the product listed.

## **OTHER FEDERAL GRANT PROCUREMENT INSTRUCTIONS**

### **Use of GSA Contracts**

Certain non-Federal entities are allowed to utilize GSA contracts for certain types of purchases. In the event a department is eligible to utilize these contracts, the Purchasing Division and Department will review the GSA Schedule for purchases of services, equipment, and supplies to determine if the GSA schedule may be of lower cost or better value than if an alternate procurement function was utilized.

### **200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.**

- (a) The non-Federal entity must take all necessary affirmative steps to assure that minority business, women's business enterprises, and labor surplus area firms are used when possible.
- (b) Affirmative steps must include:
  - (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
  - (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
  - (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
  - (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
  - (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
  - (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

### **200.322 Procurement of recovered materials. (Includes requirements as shown in 40 CFR Part 247)**

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

#### **247.1 Purpose and scope.**

- (a) The purpose of this guideline is to assist procuring agencies in complying with the requirements of section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 6962, and Executive Order 12873, as they apply to the procurement of the items designated in subpart B of this part.
- (b) This guideline designates items that are or can be made with recovered materials and whose procurement by procuring agencies will carry out the objectives of section 6002 of RCRA. EPA's recommended practices with respect to the procurement of specific designated items are found in the companion Recovered Materials Advisory Notice(s).
- (c) EPA believes that adherence to the recommendations in the Recovered Materials Advisory Notice(s) constitutes compliance with RCRA section 6002. However, procuring agencies may adopt other types of procurement programs consistent with RCRA section 6002.

**247.2 Applicability.**

(1) This guideline applies to all procuring agencies and to all procurement actions involving items designated by EPA in this part, where the procuring agency purchases \$10,000 or more worth of one of these items during the course of a fiscal year, or where the cost of such items or of functionally equivalent items purchased during the preceding fiscal year was \$10,000 or more.

(2) This guideline applies to Federal agencies, to State and local agencies using appropriated Federal funds to procure designated items, and to persons contracting with any such agencies with respect to work performed under such contracts. Federal procuring agencies should note that the requirements of RCRA section 6002 apply to them whether or not appropriated Federal funds are used for procurement of designated items.

(3) The \$10,000 threshold applies to procuring agencies as a whole rather than to agency subgroups such as regional offices or subagencies of a larger department or agency.

(4) The term *procurement actions* includes:

(5) Purchases made directly by a procuring agency and purchases made directly by any person (e.g., a contractor) in support of work being performed for a procuring agency, and

(6) Any purchases of designated items made "indirectly" by a procuring agency, as in the case of procurements resulting from grants, loans, funds, and similar forms of disbursements of monies.

(7) This guideline does not apply to purchases of designated items which are unrelated to or incidental to Federal funding, i.e., not the direct result of a contract or agreement with, or a grant, loan, or funds disbursement to, a procuring agency.

(8) This guideline also does not apply to purchases made by private party recipients (e.g., individuals, non-profit organizations) of Federal funds pursuant to grants, loans, cooperative agreements, and other funds disbursements.

(9) RCRA section 6002(c)(1) requires procuring agencies to procure designated items composed of the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, considering such guidelines.

Procuring agencies may decide not to procure such items if they are not reasonably available in a reasonable period of time; fail to meet reasonable performance standards; or are only available at an unreasonable price.

**247.3 Definitions – Refer to 40 CFR 247.3 for this information****247.4 Contracting officer requirements.**

Within one year after the effective date of each item designation, contracting officers shall require that vendors:

(a) Certify that the percentage of recovered materials to be used in the performance of the contract will be at least the amount required by applicable specifications or other contractual requirements, and

(b) Estimate the percentage of total material utilized for the performance of the contract which is recovered materials.

**§ 247.5 Specifications.**

(a) RCRA section 6002(d)(1) required Federal agencies that have the responsibility for drafting or reviewing specifications for procurement items procured by Federal agencies to revise their specifications by May 8, 1986, to eliminate any exclusion of recovered materials and any requirement that items be manufactured from virgin materials.

(b) RCRA section 6002(d)(2) requires that within one year after the publication date of each item designation by the EPA, each procuring agency must assure that its specifications for these items require the use of recovered materials to the maximum extent possible without jeopardizing the intended end use of these items.

**247.6 Affirmative procurement programs.**

RCRA section 6002(i) provides that each procuring agency which purchases items designated by EPA must establish an affirmative procurement program, containing the four elements listed below, for procuring such items containing recovered materials to the maximum extent practicable:

(a) Preference program for purchasing the designated items;

(b) Promotion program;

(c) Procedures for obtaining estimates and certifications of recovered materials content and for verifying the estimates and certifications; and

(d) Annual review and monitoring of the effectiveness of the program.

**247.7 Effective date.**

Within one year after the date of publication of any item designation, procuring agencies which purchase that designated item must comply with the following requirements of RCRA: affirmative procurement of the designated item (6002(c)(1) and (i)), specifications revision (6002(d)(2)), vendor certification and estimation of recovered materials content of the item (6002(c)(3) and (i)(2)(C)), and verification of vendor estimates and certifications (6002(i)(2)(C)).

**Refer to the following Item Designations (40 CFR 247) for a complete list of products/services which fall under these guidelines:**

- § 247.10 — Paper and paper products.
- § 247.11 — Vehicular products.
- § 247.12 — Construction products.
- § 247.13 — Transportation products.
- § 247.14 — Park and recreation products.
- § 247.15 — Landscaping products.
- § 247.16 — Non-paper office products.
- § 247.17 — Miscellaneous products.

**200.323 Contract cost and price Information**

- (a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.
- (b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
- (c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E— Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.
- (d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

**Reasonable costs**

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when the non-Federal entity is predominantly federally-funded. In determining reasonableness of a given cost, consideration must be given to:

- (a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award.
- (b) The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state and other laws and regulations; and terms and conditions of the Federal award.
- (c) Market prices for comparable goods or services for the geographic area.
- (d) Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the non-Federal entity, its employees, where applicable its students or membership, the public at large, and the Federal government.
- (e) Whether the non-Federal entity significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the Federal award's cost.

**200.324 Federal awarding agency or pass-through entity review**

- (a) The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.
- (b) The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:
- (1) The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;
  - (2) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;
  - (3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;
  - (4) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
  - (5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.
- (c) The non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

**200.326 Contract provisions.**

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

**200.318 General Procurement Standards**

(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

**200.328 Monitoring and reporting program performance.**

- (a) *Monitoring by the non-Federal entity.* The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. See also §200.331 Requirements for pass-through *entities*.
- (b) *Non-construction performance reports.* The Federal awarding agency must use standard, OMB-approved data elements for collection of performance information (including performance progress reports, Research Performance Progress Report, or such future collections as may be approved by OMB and listed on the OMB Web site).
- (1) The non-Federal entity must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes. Annual reports must be due 90 calendar days after the reporting period; quarterly or semiannual reports must be due 30 calendar days after the reporting period. Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report will be due 90 calendar days after the period of performance end date. If a justified request is submitted by a non-Federal entity, the Federal agency may extend the due date for any performance report.
  - (2) The non-Federal entity must submit performance reports using OMB-approved governmentwide standard information collections when providing performance information. As appropriate in accordance with above mentioned information collections, these reports will contain, for each Federal award, brief information on the following unless other collections are approved by OMB:
    - (i) A comparison of actual accomplishments to the objectives of the Federal award established for the period. Where the accomplishments of the Federal award can be quantified, a computation of the cost (for example, related to units of accomplishment) may be required if that information will be useful. Where performance trend data and analysis would be informative to the Federal awarding agency program, the Federal awarding agency should include this as a performance reporting requirement.
    - (ii) The reasons why established goals were not met, if appropriate.
    - (iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.
- (c) *Construction performance reports.* For the most part, onsite technical inspections and certified percentage of completion data are relied on heavily by Federal awarding agencies and pass-through entities to monitor progress under Federal awards and subawards for construction. The Federal awarding agency may require additional performance reports only when considered necessary.
- (d) *Significant developments.* Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, the non-Federal entity must inform the Federal awarding agency or pass-through entity as soon as the following types of conditions become known:
  - (1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.
  - (2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.
- (e) The Federal awarding agency may make site visits as warranted by program needs.
- (f) The Federal awarding agency may waive any performance report required by this part if not needed.

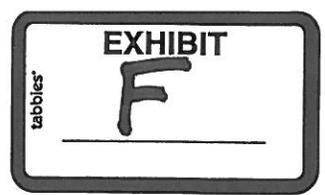
**200.329 Reporting on real property.**

The Federal awarding agency or pass-through entity must require a non-Federal entity to submit reports at least annually on the status of real property in which the Federal government retains an interest, unless the Federal interest in the real property extends 15 years or longer. In those instances where the Federal interest attached is for a period of 15 years or more, the Federal awarding agency or pass-through entity, at its option, may require the non-Federal entity to report at various multi-year frequencies (e.g., every two years or every three years, not to exceed a five-year reporting period; or a Federal awarding agency or pass-through entity may require annual reporting for the first three years of a Federal award and thereafter require reporting every five years).

**200.330 Subrecipient and Contractor determinations.**

The non-Federal entity may concurrently receive Federal awards as a recipient, a subrecipient, and a contractor, depending on the substance of its agreements with Federal awarding agencies and pass-through entities. Therefore, a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor. The Federal awarding agency may supply and require recipients to comply with additional guidance to support these determinations provided such guidance does not conflict with this section.

- (a) *Subrecipients.* A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. See §200.92 Subaward. Characteristics which support the classification of the non-Federal entity as a subrecipient include when the non-Federal entity:
- (1) Determines who is eligible to receive what Federal assistance;
  - (2) Has its performance measured in relation to whether objectives of a Federal program were met;
  - (3) Has responsibility for programmatic decision making;
  - (4) Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and
  - (5) In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.
- (b) *Contractors.* A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor. See §200.22 Contract. Characteristics indicative of a procurement relationship between the non-Federal entity and a contractor are when the non-Federal entity receiving the Federal funds:
- (1) Provides the goods and services within normal business operations;
  - (2) Provides similar goods or services to many different purchasers;
  - (3) Normally operates in a competitive environment;
  - (4) Provides goods or services that are ancillary to the operation of the Federal program; and
  - (5) Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.
- (c) *Use of judgment in making determination.* In determining whether an agreement between a pass-through entity and another non-Federal entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the pass-through entity must use judgment in classifying each agreement as a subaward or a procurement contract.



**UNIFORM GRANT GUIDANCE SEMINAR**  
The City of Lincoln and Lancaster County

**Tuesday, February 3, 1:00pm – 4:00pm**

**City Council Chambers**

**Presented by Shelly Hammond, AGH Audit Firm and Bob Walla, City/County Purchasing**

With the issuance of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Supercircular"), changes are coming for entities that receive and administer federal awards, and for their audits. The guidance provides increased focus on reducing fraud, waste and abuse in the use of federal grant funds, and was intended to reduce the administrative burden associated with federal grants. Did they actually achieve those goals? Changes intended to "streamline" the guidance could actually lead to more requirements for some entities. Now that the guidance is effective (as of December 26, 2014), are you confident you know what has changed?

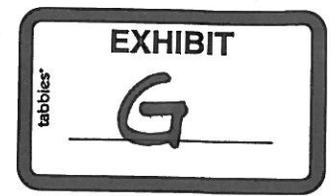
**Learning objectives:**

- Identify key dates / timing of implementation
- Develop an understanding of key internal control requirements
- Administrative requirements:
  - Identify the major changes pertaining to grants administration
  - Compare / contrast new and existing guidance in key areas such as: procurement, equipment and property management, and financial reporting
  - Develop an understanding of the new subrecipient monitoring requirements
- Allowable costs:
  - Identify the major changes pertaining to allowable costs
  - Compare / contrast new and existing guidance in key areas such as time and effort reporting
  - Develop an understanding of key internal control requirements
- Audit requirements:
  - Determine how your audit could be affected
  - Learn about the changes pertaining to the scope of the audit, and how major programs will be determined
  - Discover aspects of the audit and related reporting requirements were designed to improve transparency over the process
  - Understand changes to the cooperative audit resolution approach with Federal agencies
- Explore how to find more information

**Who should attend?**

- Grant Program Administrators, Managers and Staff
- Accounting and Finance personnel
- Purchasing / Procurement personnel
- Internal Auditors
- Directors and Managers seeking more insight into the grants reforms

**Please contact Bob Walla at 441-8309 or [rwalla@lincoln.ne.gov](mailto:rwalla@lincoln.ne.gov) if you have any questions regarding this seminar.**



# MEMO

To: City of Lincoln, Lancaster County, Lincoln/Lancaster County Public Building Commission

From: Bob Walla - Assistant Purchasing Agent

Date: December 30, 2014

Subject: Contract Management Software

In 2006 the City/County Purchasing Department issued an RFP for an electronic bidding system and selected lonwave as the Provider. In July of 2007 the system was implemented and since then thousands of bids, quotes and RFP's have been issued electronically through the system. There are currently over 8,000 Vendors registered in the system and more are added every week. The ebid system has proven to be a valuable asset to the Purchasing Department in many different ways. The advantages include:

1. The ability for Vendors to register online and have their registration approved the same day.
2. The savings in time and paper associated with electronic issuance compared to utilizing a paper system using a fax machine as was done in the past.
3. Instant notification to Vendors that bids, quotes and RFP's are available to them via an email notice issued by the system.
4. Instant notification to Vendors of bid closing and bid tabs posted immediately on the site.
5. Awards posted on the site and immediate notification to the Vendors who are and are not awarded via email.
6. Constant and complete record keeping of all bid and Vendor information dating back to the first day of use.

Each of these advantages have resulted in a completely transparent and efficient system for the public and each government entity.

In recent years there have been additional software upgrades and options available to Users to further enhance the system which is already in place. One of the options available is a Contract Management System. This system was designed to monitor, track and notify Users of the status of contracts from execution to full completion and close out. In the last year there have been contract compliance issues which may have been eliminated or reduced in scope if a Contract Management System like that proposed by lonwave was added to the services we currently utilize.

An example of how the system would operate is as follows:

1. A department issues a contract award which is processed and executed through an EO/DO (City), County Board or PBC Board.
2. The contract and associated documents indicate the start date, end date, Contract Manager, Construction Manager (If applicable), Vendor and any other contact person involved in managing the terms and conditions of the contract.

3. The contract is entered into the Contract Management System by Purchasing staff with the names and email addresses of all parties interested who will receive auto-generated notices of key dates in the project completion process.
4. Based on the information put into the system, the Contract Manager, Construction Manager (if applicable), Vendor and other contacts are emailed at specified times prior to the contract completion dates.  
Example: 30 days prior to the contract completion date, an email is sent out which asks for the status of the project and if it will be completed as required in the contract.
  - A. If the contract will be completed on time, another email is sent the day the contract expires to ensure that it is complete and the Contract Management (CM) System is updated accordingly and the project is moved to a historical status.
  - B. If the contract will not be completed in time, the department and Vendor determine the new completion date and a contract amendment is issued by the department and Purchasing with a corrected completion date. The CM System is updated with a date for new notifications and a repeat of part A. above when completed.
5. All contracts are closed out in the system and become a permanent part of the City/County system for future use if necessary.

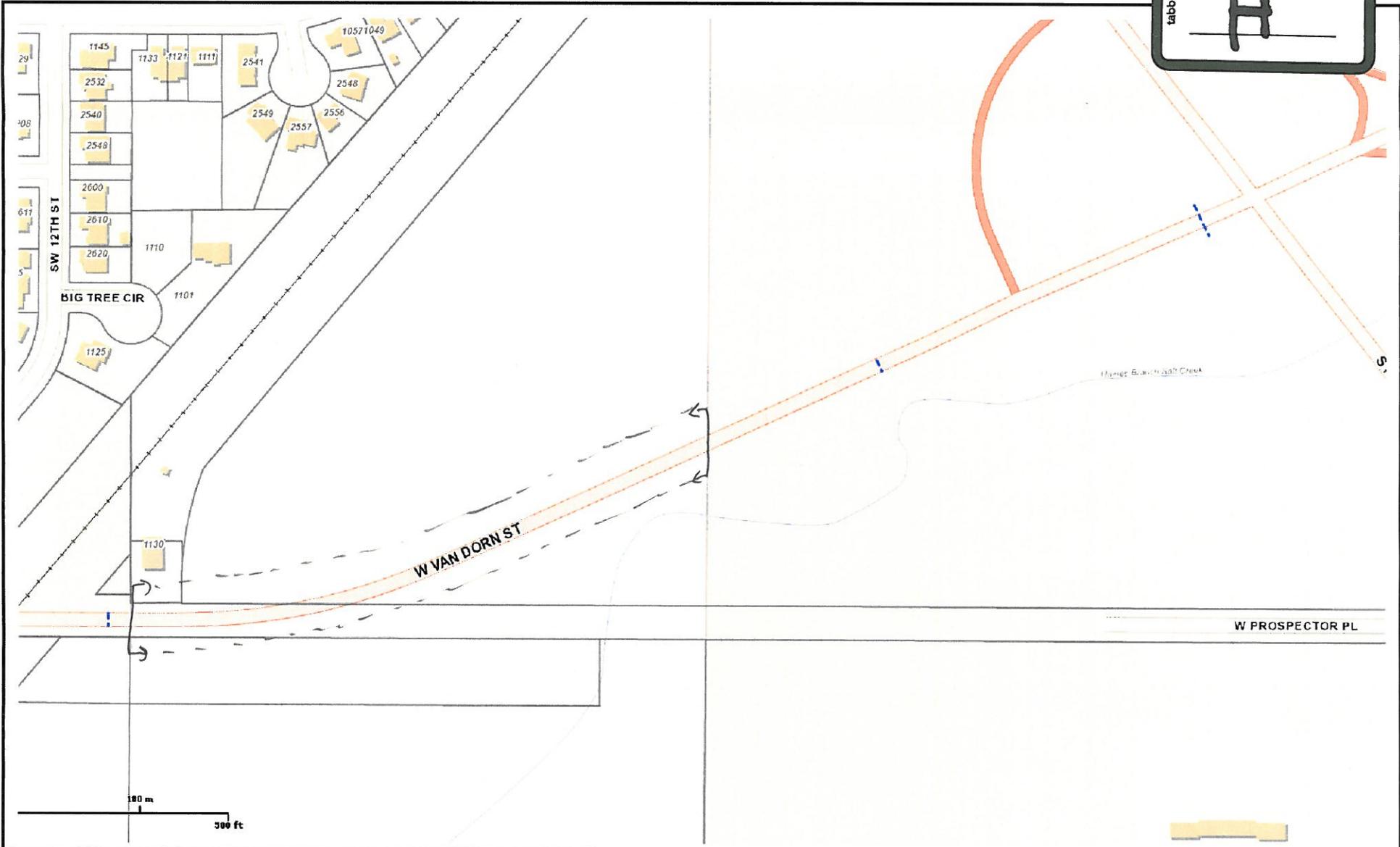
The CM System will also be utilized to notify our departments and Vendors of the expiration of our Annual Supply and all other types of contracts which were issued through the ebid system. Once again, the system will notify the preselected individuals of the expiration dates and the options available for renewal or rebid. This will eliminate a separate site on our Purchasing website, thus allowing quicker and easier access to our contract information for the public, our Vendors and all departments in all three entities.

There will be Administrative changes necessary for the CM System to operate at full capacity to avoid contract compliance issues. All departments would be required to provide the contract title, contract dates for commencement and full completion, and contact names and emails for the department and Vendor. This could be done immediately upon receipt of the contract in the City or County Clerk office or in the case of construction it would have to be given to Purchasing on the Notice To Proceed date. These details will need to be ironed out with the departments involved.

Here is a recap of the advantages of the use of this system for all City, County, and PBC contracts:

- \* Reduce the amount of time spent to list all contracts on the Purchasing website.
- \* Reduce the amount of time emailing and requesting information from Vendors and Departments for renewals and rebids.
- \* Provide another level of accountability and contract compliance for all contracts issued by the City, County and PBC.
- \* Reduce the amount of time spent on delayed change orders or other contract compliance issues by the City and County Law Departments.
- \* Provide the public and departments with a single location for looking up bids and contracts.
- \* Allow the public and departments to view contracts using advanced search options which are not available at this time.
- \* Inform Contractors, Consultants and Vendors of impending deadlines in order for them to notify the Contract Administrator and Construction Administrator of possible action required.
- \* Expedite contract change orders and/or amendments to avoid issuance of new bids or delays in enforcing liquidated damages.

Please contact me if you would like additional information on how the system will operate or clarify the information provided in this document. Thank you for your review and consideration of the new system.



# Lancaster County/City of Lincoln GIS Map

West Van Dorn City Project #701858



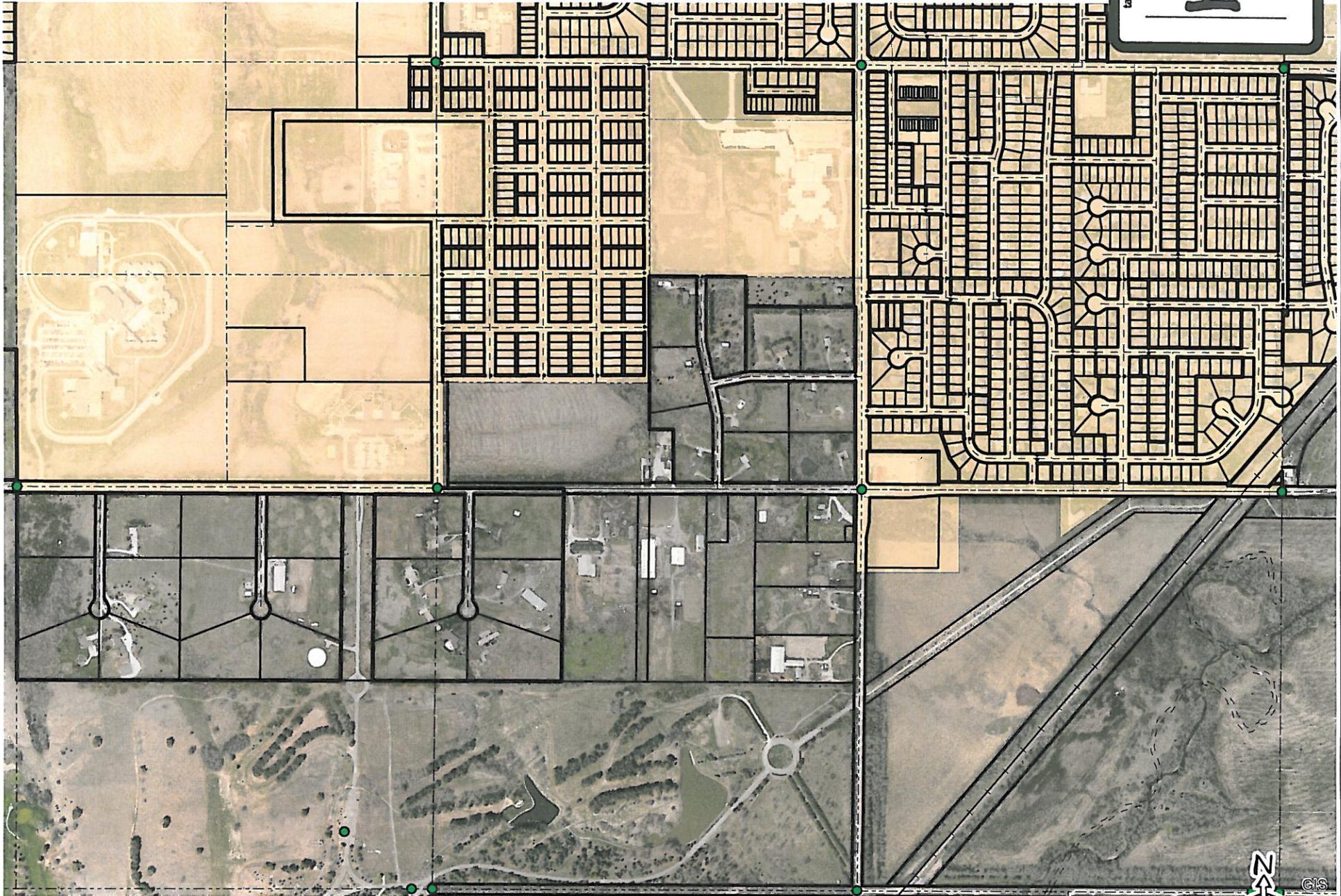
Printed Jan 22, 2015

DISCLAIMER: The information is presented on a best-efforts basis, and should not be relied upon for making financial, survey, legal or other commitments. If you have questions or comments regarding the data displayed on this map, please email [ags@lincoln.ne.gov](mailto:ags@lincoln.ne.gov) and you will be directed to the appropriate department.

# W. Van Dorn St and Lincoln City Limits

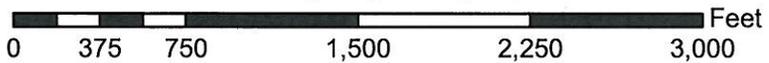
tabbles<sup>®</sup>

**EXHIBIT I**



Aerial Date: April 2013  
Current City and Village Limits

Lancaster County Engineering Department



01-21-2015 ejh

## Youth Services Center Per Diem Rates

	FY15 Approved Per Diem	
Early Expense Projection	\$6,142,065.00	This projection included our FY15 Adopted Expenditure Budget plus projected back pay for wage adjustments. In July 2014 the FOP contract was still in negotiations. Contract wasn't finalized until August 2014.
Education Program Reimbursed	(\$872,212.00)	Anticipated education expenses reimbursed.
School Lunch Program	(\$82,855.00)	Anticipated school lunch program reimbursed.
Depreciation	\$200,704.00	
Indirect Costs	\$211,515.00	
Total	\$5,599,217.00	
Care Days	18,250	Based on FY14 average daily population (ADP). FY15 YTD ADP is 48.98.
Per Diem	\$307	
Probation Revenue Probation	\$4,789,200.00	Based on projected 15,600 annual care days.

- Another Option: No more contracts with probation outside Lancaster County if we decrease actual costs.

	Option 1	Option 2	
Adopted Expenses	\$6,019,052.00	\$6,019,052.00	<b>Our Adopted FY15 Expense Budget</b>
Education Program Reimbursed	(\$872,212.00)	(\$872,212.00)	Anticipated education expenses reimbursed.
School Lunch Program			<b>This was reallocated to grant funds.</b>
Depreciation		\$200,704.00	
Indirect Costs		\$211,515.00	
Total	\$5,146,840.00	\$5,559,059.00	
Care Days (based on previous year)	18,250	18,250	Based on FY14 average daily population (ADP). FY15 YTD ADP is 48.98.
Per Diem	\$282	\$305	
Probation Revenue Projection	\$4,399,200.00	\$4,758,000.00	Based on projected 15,600 annual care days.

## Youth Services Center Per Diem Rates

	Option 3	Option 4	
Midyear Adjusted Expenses	\$6,244,116.00	\$6,244,116.00	FY15 Adopted Expenditures plus midyear request to cover wage adjustments and increased costs in health insurance.
Early Expense Projection			
Education Program Reimbursed	(\$872,212.00)	(\$872,212.00)	Anticipated education expenses reimbursed.
School Lunch Program			This was reallocated to grant funds.
Depreciation		\$200,704.00	
Indirect Costs		\$211,515.00	
Total	\$5,371,904.00	\$5,784,123.00	
Care Days	18,250	18,250	Based on FY14 average daily population (ADP). FY15 YTD ADP is 48.98.
Per Diem	\$294	\$317	
Probation Revenue Projection	\$4,586,400.00	\$4,945,200.00	Based on projected 15,600 annual care days.

	Option 5	Option 6	
Midyear Adjusted Expenses	\$6,244,116.00	\$6,244,116.00	FY15 Adopted Expenditures plus midyear request to cover wage adjustments and increased costs in health insurance.
Early Expense Projection			
Education Program Reimbursed	(\$872,212.00)	(\$872,212.00)	Anticipated education expenses reimbursed.
School Lunch Program			This was reallocated to grant funds.
Depreciation	\$200,704.00		
Indirect Costs		\$211,515.00	
Total	\$5,572,608.00	\$5,583,419.00	
Care Days	18,250	18,250	Based on FY14 average daily population (ADP). FY15 YTD ADP is 48.98.
Per Diem	\$305	\$306	
Probation Revenue Projection	\$4,758,000.00	\$4,773,600.00	Based on projected 15,600 annual care days.

## Costs of confinement: Forty-six states and jurisdictions reporting

State	Per day	Per 3 months	Per 6 months	Per year
Louisiana <sup>5</sup>	\$127.84	\$11,506	\$23,011	\$46,662
Florida <sup>6</sup>	\$151.80	\$13,662	\$27,324	\$55,407
Alabama <sup>7</sup>	\$159.00	\$14,310	\$28,620	\$58,035
South Dakota <sup>8</sup>	\$207.43	\$18,669	\$37,337	\$75,712
Indiana <sup>9</sup>	\$212.13	\$19,092	\$38,183	\$77,427
Idaho <sup>10</sup>	\$213.57	\$19,221	\$38,443	\$77,953
Utah <sup>11</sup>	\$214.12	\$19,271	\$38,542	\$78,154
Missouri <sup>12</sup>	\$244.30	\$21,987	\$43,974	\$89,170
Georgia <sup>13</sup>	\$249.66	\$22,469	\$44,939	\$91,126
Kansas <sup>14</sup>	\$250.50	\$22,545	\$45,090	\$91,433
Wyoming <sup>15</sup>	\$261.00	\$23,490	\$46,980	\$95,265
Washington <sup>16</sup>	\$262.48	\$23,623	\$47,246	\$95,805
Oregon <sup>17</sup>	\$263.00	\$23,670	\$47,340	\$95,995
Kentucky <sup>18</sup>	\$276.00	\$24,840	\$49,680	\$100,740
Minnesota <sup>19</sup>	\$287.23	\$25,851	\$51,701	\$104,839
Colorado <sup>20</sup>	\$287.63	\$25,887	\$51,773	\$104,985
Arizona <sup>21</sup>	\$290.68	\$26,161	\$52,322	\$106,098
Wisconsin <sup>22</sup>	\$291.00	\$26,190	\$52,380	\$106,215
Tennessee <sup>23</sup>	\$301.29	\$27,116	\$54,232	\$109,971
Illinois <sup>24</sup>	\$304.11	\$27,370	\$54,740	\$111,000
Arkansas <sup>25</sup>	\$317.08	\$28,537	\$57,074	\$115,734
North Dakota <sup>26</sup>	\$342.58	\$30,832	\$61,664	\$125,042
Nebraska <sup>27</sup>	\$347.55	\$31,280	\$62,559	\$126,856
Texas <sup>28</sup>	\$366.88	\$33,019	\$66,038	\$133,911
West Virginia <sup>29</sup>	\$387.58	\$34,882	\$69,764	\$141,467
Mississippi <sup>30</sup>	\$420.00	\$37,800	\$75,600	\$153,300
South Carolina <sup>31</sup>	\$426.00	\$38,340	\$76,680	\$155,490
North Carolina <sup>32</sup>	\$437.67	\$39,390	\$78,781	\$159,750
Massachusetts <sup>33</sup>	\$473.49	\$42,614	\$85,228	\$172,824
Michigan <sup>34</sup>	\$475.22	\$42,770	\$85,540	\$173,455
Montana <sup>35</sup>	\$481.67	\$43,350	\$86,701	\$175,810
New Mexico <sup>36</sup>	\$487.87	\$43,908	\$87,817	\$178,073
Rhode Island <sup>37</sup>	\$510.63	\$45,957	\$91,913	\$186,380
Nevada <sup>38</sup>	\$535.36	\$48,182	\$96,365	\$195,406
New Jersey <sup>39</sup>	\$537.35	\$48,362	\$96,723	\$196,133
Hawaii <sup>40</sup>	\$546.08	\$49,147	\$98,294	\$199,319
Ohio <sup>41</sup>	\$554.80	\$49,932	\$99,864	\$202,502
California <sup>42</sup>	\$570.79	\$51,371	\$102,742	\$208,338
New Hampshire <sup>43</sup>	\$588.00	\$52,920	\$105,840	\$214,620
Connecticut <sup>44</sup>	\$607.41	\$54,667	\$109,334	\$221,705
Vermont <sup>45</sup>	\$615.00	\$55,350	\$110,700	\$224,475
Maine <sup>46</sup>	\$616.33	\$55,470	\$110,939	\$224,960
Virginia <sup>47</sup>	\$712.38	\$64,114	\$128,228	\$260,019
District of Columbia <sup>48</sup>	\$761.00	\$68,490	\$136,980	\$277,765
Maryland <sup>49</sup>	\$809.00	\$72,810	\$145,620	\$295,285
New York <sup>50</sup>	\$966.20	\$86,958	\$173,916	\$352,663
<b>Average</b>	<b>\$407.58</b>	<b>\$36,682</b>	<b>\$73,364</b>	<b>\$148,767</b>

Note: States reported per-day or annual costs. Three-month and six-month calculations are estimated by multiplying per-day costs by 90 and 180 days or dividing the annual costs by these units. The costs reflect the highest cost confinement option provided to the researchers by states in the summer and fall of 2014, and each endnote in the full report lists other cost options that were provided to researchers as part of the request. This chart will be updated to reflect new information and posted to JPI's website.

<sup>1</sup> American Community Survey, "Total Population, 2013 ACS 1-year estimates," accessed October 8, 2014. [http://factfinder2.census.gov/faces/nav/jsf/pages/download\\_center.xhtml#none](http://factfinder2.census.gov/faces/nav/jsf/pages/download_center.xhtml#none)

<sup>2</sup> Melissa Sickmund, T.J. Sladky, W. Kang, and C. Puzanchera, *Easy Access to the Census of Juveniles in Residential Placement* (Office of Juvenile Justice and Delinquency Prevention, 2011). [www.ojjdp.gov/ojstatbb/ezacjrp/](http://www.ojjdp.gov/ojstatbb/ezacjrp/).

<sup>3</sup> Thomas Loughran, Edward P. Mulvey, Carol A. Schubert, Jeffrey Fagan, Sandra H. Losoya, and Alex R. Piquero, "Estimating a Dose-Response Relationship between Length of Stay and Future Recidivism in Serious Juvenile Offenders," *Criminology* 47, no. 3 (2009): 699-740. [www.ncbi.nlm.nih.gov/pmc/articles/PMC2801446/](http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2801446/). Opining about the research, Thomas Loughran said, "The more [time] we gave them, it didn't make any difference, there was no effect" on recidivism, he reported, though cautioning that the bulk of the kids in the study served between three and 13 months. "There's a lot of competing theories [about] why that is," he said, and thinks no answer is definitive. It could have to do with youth psychological development, he ventured, or low-risk kids mixing with high recidivism-risk kids in the same detention center. See <http://fjje.org/study-youth-offenses-sentences-predict-little-about-recidivism/>.

<sup>4</sup> In some cases, the annual cost was calculated with the per diem or the per diem was calculated with the annual cost.

<sup>5</sup> In fiscal year July 1, 2013 to June 30, 2014, the Office of Juvenile Justice spent \$127.84 per day per youth. Elizabeth Touchet-Morgan, Deputy Assistant Secretary, Office of Juvenile Justice, email message to author, August 22, 2014.

<sup>6</sup> The average cost per day in 2013-2014 for detention is \$328.94. Florida's Department of Juvenile Justice also provided the costs for non-secure residential, which was \$130.66 per day or \$47,691 per year and secure residential was \$151.80 per day or \$55,407 per year. Heather DiGiacomo, Communications Director, Florida Department of Juvenile Justice, email message to author, August 14, 2014.

<sup>7</sup> In FY2013, the average cost per day per youth for state-operated residential facilities is \$159. Contract programs are \$146 per day per youth, group homes are \$93 per day, and a self-contained program for youth with special needs is \$220 per day. Allen L. Peaton, Special Assistant to the Executive Director, Alabama Department of Youth Services, email message to the author, October 10, 2014.

<sup>8</sup> \$207.43 is the average cost calculated from FY 2012 per diem rates of the juvenile facilities: Brady Academy was \$196.32, Youth Challenge Center was \$199.94, and QUEST/EXCEL was \$226.04.

South Dakota Department of Corrections, *SD SOC Annual Report Fiscal Year 2012* (Pierre, SD: South Dakota Department of Corrections, April 2014). <http://doc.sd.gov/documents/about/publications/FY2012AnnualReport.pdf>.

<sup>9</sup> The reported cost is the total per diem cost for 2012-2013 calculated by IDOC by dividing the average daily cost by the average daily population. Indiana Department of Correction, *Department of Correction Per Diem Report: Fiscal Year 2012-2013 Juvenile Facilities* (Indianapolis, IN: Indiana Department of Correction), accessed August 12, 2014. [www.in.gov/idoc/files/PerDiem12\\_13\\_Juv.pdf](http://www.in.gov/idoc/files/PerDiem12_13_Juv.pdf).

<sup>10</sup> Total average cost per day for Level 4 (high risk) placement, FY2013, *Idaho Department of Juvenile Corrections, Legislative Update 2014 Edition* (Boise, ID: Idaho Department of Juvenile Corrections: 2014). [www.idjc.idaho.gov/wp-content/uploads/2014/01/Legislative-Update-FY14.pdf](http://www.idjc.idaho.gov/wp-content/uploads/2014/01/Legislative-Update-FY14.pdf).

<sup>11</sup> For secure facilities in 2013, the daily cost per bed was \$214.12. Genesis Youth Center cost \$193.43 per bed. Locked detention cost \$165.94 per bed. Observation and assessment cost \$203.32. Non-residential services range from \$5 to \$150 per hour and residential services from \$35 to \$230 per day.

Division of Juvenile Justice Services, *2013 Annual Report* (Salt Lake City, UT: Department of Human Services), accessed August 18, 2014. <http://jjs.utah.gov/pdf/JJS%20FY%202013%20JJS%20Annual%20Report.pdf>.

<sup>12</sup> The FY 2013 per diem cost for secure care was \$244.30 and the annual cost per bed (per diem cost x 365 days) was \$89,170 (rounded). For the community residential program, the per diem cost was \$177.79 and the annual cost was \$64,893. Moderate care was \$184.76 and \$67,437, respectively.

Division of Youth Services, *Annual Report Fiscal Year 2013* (Jefferson City, MO: Missouri Department of Social Services), accessed August 18, 2014. <http://dss.mo.gov/re/pdf/dys/youth-services-annual-report-fy13.pdf>.

<sup>13</sup> Regional Youth Detention Centers cost \$88,125 a year, or \$241.44 per day.

Joe Vignati, Assistant Deputy Commissioner, Georgia Department of Juvenile Justice, email message, July 28, 2014. Also see The Pew Charitable Trusts, *Georgia's 2013 Juvenile Justice Reform: New Policies to Reduce Secure Confinement, Costs, and Recidivism* (Washington, DC: The Pew Charitable Trusts, 2013). [www.pewtrusts.org/~media/legacy/uploadedfiles/pes/content-level\\_pages/reports/Georgia20201320Juvenile20Justice20Reform20Summary20BriefJuly2013.pdf](http://www.pewtrusts.org/~media/legacy/uploadedfiles/pes/content-level_pages/reports/Georgia20201320Juvenile20Justice20Reform20Summary20BriefJuly2013.pdf).

<sup>14</sup> There are two facilities: the daily cost per inmate of the Kansas Juvenile Correctional Complex is \$250.50 and Larned Juvenile Correctional Facility costs \$228.78. Out-of-home placement is \$133.34 and probation costs \$16.04. \$242.55 is the average daily cost for FY 2013 for Juvenile Correctional Facility.

*Annual Report Fiscal Year 2013* (Topeka, KS: Kansas Department of Corrections), accessed August 19, 2014. [www.doc.ks.gov/publications/kdoc-annual-reports/2013/view](http://www.doc.ks.gov/publications/kdoc-annual-reports/2013/view).

<sup>15</sup> Wyoming operates two secure post-adjudication placements. The Wyoming Girls' School costs \$261 per day based on an operating capacity of 64 girls and the Wyoming Boys' School costs \$222 per day based on an operating capacity of 100 boys. Rachel Campbell, Social Services Program Supervisor, State of Wyoming Department of Family Services, email message to author, September 30, 2014.

<sup>16</sup> At the date of the correspondence, Washington institutions cost \$262.48 per day, and the annual cost was reported to be \$95,805. For group homes, the daily cost was reported to be \$230.98, and the annual costs were reported to be \$84,307. John Clayton, Assistant Secretary, Juvenile Justice and Rehabilitation Administration, email to author, August 5, 2014; Ken Moses, Budget Director, email to author, August 11, 2014.

<sup>17</sup>At the date of the correspondence, the Oregon Youth Authority average cost per day is \$263 for a close custody bed and \$172 for a community residential program. Ann Snyder, Oregon Youth Authority, Communications Manager, email to the author, August 23, 2014.

<sup>18</sup>Costs are as of the date of the correspondence. The reported costs are the average per diem and the annual cost for the Youth Development Center. The group home costs \$267 per day and \$97,455 annually and the detention center costs \$264 and \$96,360, respectively.

Stacy Floden, Director of Program Services, KY Department of Juvenile Justice, email message to author, August 20, 2014.

<sup>19</sup>Minnesota operates two secure facilities. The cost per day per youth for Red Wing is \$287.23 as of September 2014. Minnesota Department of Corrections, *Per Diem Cost Report, MCF-Red Wing, Final Report – September 2014* (St. Paul, Minnesota, Minnesota Department of Corrections, September 2014).

<sup>20</sup>The reported number accounts for the FY 2012-13 state-operated commitment facility cost per day per youth. CP Department of Human Services also reported the state-operated detention cost (\$204.50); the cost for private residential (\$190.49); private residential state-owned facilities cost (\$163.38); and the case management/parole supervision cost (\$27.90); Jeanine Martinez, Director of Financial Services, Memorandum, "Daily Rates for Fiscal Year" (Colorado Department of Human Services, January 24, 2014).

<sup>21</sup>Daily cost per youth in secure care, FY2014 actual costs, Arizona Department of Juvenile Corrections, *Five-Year Strategic Plan, FY2016 – FY2020* (Phoenix, AZ: Arizona Department of Juvenile Corrections, September 1, 2014). [www.azdjcc.gov/FactsNews/ADJCPublications/SP%202016-2020.pdf](http://www.azdjcc.gov/FactsNews/ADJCPublications/SP%202016-2020.pdf).

<sup>22</sup>\$291 is the statutory rate calculated for July 1, 2014 to June 30, 2015. The rate is the per-person daily cost assessment to counties for care in a Type 1 juvenile correctional facility. The care for juveniles transferred from a juvenile correctional institution is also \$291, \$128 is the cost of departmental corrective sanctions services, and \$41 is for departmental aftercare services. Department of Corrections, *Agency Budget Request: 2013-2015 Biennium* (Madison, WI: Department of Corrections, 2012). <http://doc.wi.gov/Documents/Web/About/DataResearch/Budget/Agency%20Request%20-%20Final%20Document%20-%2009%2017%202012.pdf>.

<sup>23</sup>In FY2013-14, the cost per day per youth for the most expensive residential placement, Mountain View is \$301.29. Wilder YDC costs \$281.67 and Woodland Hills costs \$281.98. State of Tennessee, *The Budget: Fiscal Year 2014-2015* (Nashville, TN: State of Tennessee, 2014), accessed August 18, 2014. [www.tn.gov/stateofthestate/files/2014/2015BudgetDocumentVol1.pdf](http://www.tn.gov/stateofthestate/files/2014/2015BudgetDocumentVol1.pdf).

<sup>24</sup>As of the date of the correspondence, \$111,000 is the cost per year to house one youth in Illinois Youth Centers operated by DJJ. Alka Nayyar, Communications Manager, State of Illinois, email message to author, August 15, 2014.

<sup>25</sup>Arkansas reported spending \$317.08 as the average cost per day per youth in 2013/14 to place a young person in a residential setting. Other costs reported per day include \$173.67 residential/Juvenile Treatment Center, \$143.33 for a residential/Juvenile Correctional Facility, \$77.92 for Juvenile Detention Centers, and \$74.67 for a specialty placement. Sheila Foster, Administrative Assistant to the Director of the Arkansas Division of Youth Service, email message to author, September 23, 2014.

<sup>26</sup>Lisa J. Bjergaard, Director for the Division of Juvenile Services, North Dakota, email message to the author, September 25, 2014.

<sup>27</sup>Nebraska operates two Youth Rehabilitation and Treatment Centers. In FY2013/14, YRTC-Geneva costs \$347.55 per girl per day and YRTC-Kearney costs \$271.90 per boy per day.

Division of Children and Family Services Office of Juvenile Services, *Youth Rehabilitation and Treatment Center-Kearney 2012-13 Annual Report* (Lincoln, NE: Nebraska Department of Health and Human Services), accessed August 18, 2014.

[http://dhhs.ne.gov/children\\_family\\_services/Documents/YRTCKAnnualReport.pdf](http://dhhs.ne.gov/children_family_services/Documents/YRTCKAnnualReport.pdf). Division of Children and Family Services Office of Juvenile Services, *Youth Rehabilitation and Treatment Center-Geneva 2012-13 Annual Report* (Lincoln, NE: Nebraska Department of Health and Human Services), accessed October 14, 2014. [http://dhhs.ne.gov/children\\_family\\_services/Documents/YRTC-GAnnualReport.pdf](http://dhhs.ne.gov/children_family_services/Documents/YRTC-GAnnualReport.pdf).

<sup>28</sup>\$366.88 is the cost per day per juvenile for FY12 of the state-operated facilities. Other placement options include contract facilities (\$161.42), halfway houses (\$265.84), and assessment and orientation centers (\$100.17).

*Criminal Justice Uniform Cost Report: Fiscal Years 2012 to 2012* (Austin, TX: Texas Legislative Budget Board, 2013).

[www.lbb.state.tx.us/Public\\_Safety\\_Criminal\\_Justice/Uniform\\_Cost/Criminal%20Justice%20Uniform%20Cost%20Report%20Fiscal%20Years%202010%20to%202012.pdf](http://www.lbb.state.tx.us/Public_Safety_Criminal_Justice/Uniform_Cost/Criminal%20Justice%20Uniform%20Cost%20Report%20Fiscal%20Years%202010%20to%202012.pdf).

<sup>29</sup>West Virginia operates 10 out-of-home placements ranging in cost from \$233.48 per day (Robert Shell) to \$387.58 per day (Sam Perdue) in FY2014. West Virginia Public Safety Task Force, *Requested Follow-up Data Analyses* (Charleston, WV: West Virginia Division of Juvenile Services, 2014).

<sup>30</sup>As of the date of the correspondence, cost per day for Mississippi's only state-operated. James V. Maccarone, Director, Division of Youth Services, email message to author, September 23, 2014.

<sup>31</sup>As of the date of the correspondence, costs per youth per day for a long-term residential facility were \$426, evaluation center is \$154, detention is \$242, the wilderness program is \$111, foster care is up to \$142, group homes are \$83.23, intensive placements are an average of \$180.46, and shelter homes are \$50. Brett M. Macgargie, Associate Deputy for Planning and Programs South Carolina Department of Juvenile Justice, email message to author, September 24, 2014.

<sup>32</sup>In FY2012-13, the most expensive facility, Chatham, cost \$159,751 per average daily population. Other facilities operating in FY2012-13 include C.A. Dillion (\$125,452), Dobbs (\$133,927), and Stonewall Jackson (\$157,851).

Frank L. Perry and W. David Guice, Memorandum, *Youth Development Annual Report* (North Carolina Department of Public Safety Adult Correction and Juvenile Justice, October 1, 2013). [www.ncleg.net/documents/sites/committees/JLOCJPS/Reports/FY%202013-14/DPS\\_Annual\\_Report\\_on\\_YDCs\\_2013\\_10\\_1.pdf](http://www.ncleg.net/documents/sites/committees/JLOCJPS/Reports/FY%202013-14/DPS_Annual_Report_on_YDCs_2013_10_1.pdf).

- <sup>33</sup> As of the date of correspondence, provider commitment was the most expensive post-adjudication placement per day per youth at \$473.49. State commitment costs \$460.09, while provider detention is \$489.63 and state detention is \$458.66. Gerry Wright, Director of Finance, Massachusetts Department of Youth Services, email message to author, November 7, 2014.
- <sup>34</sup> The per diem costs from January 1, 2013 through September 30, 2013 for public facilities per day (FY13) range from \$266.16-\$475.22. The cost of \$475.22 accounts for the expenditures for the W.J. Maxey Boys Training School that serves 49 youth. DHS' FY14 *Out-of-State Placement Rates Quarter 3 Report* (2014) reports the per diem cost for private facilities on average (as of July 1, 2014) to be \$236.35. Susan Kangas, Chief Financial Officer, Michigan Department of Human Services, *FY13 Public Placement Rates Report*, Report to the Michigan State Senate and Michigan House of Representatives, February 13, 2014 and Susan Kangas, Chief Financial Officer, Michigan Department of Human Services, *2014 DHS FY14 Out-of-State Placement Rates Quarter 3 Report*, Report to the Michigan State Senate and Michigan House of Representatives, July 8, 2014.
- <sup>35</sup> In FY2012, the most expensive placement option, Riverside Youth Correctional Facility was \$481.67 per youth per day, including administrative costs. Pine Hills cost \$335.25 and the Youth Transition Centers cost \$369.48. Juvenile Parole was \$151.38 per day in FY2012. Montana Department of Corrections, *2013 Biennial Report* (Helena, MT: Montana Department of Corrections, 2012), accessed August 19, 2014. [www.cor.mt.gov/content/Resources/Reports/2013BiennialReport.pdf](http://www.cor.mt.gov/content/Resources/Reports/2013BiennialReport.pdf).
- <sup>36</sup> The Albuquerque Boys' Center, the most expensive of the eight facilities operated by New Mexico in FY2013 is \$487.87 per youth per day. Other facility costs per youth per day: Youth Diagnostic & Development Center (\$451.36), John Paul Taylor Center (\$416.55), Camino Nuevo Youth Center (\$424.76), Eagle Nest Reintegration Center (\$394.08), Carlsbad Community Reintegration Center (\$344.58), Albuquerque Reintegration Center (\$320.45), and the San Juan County Detention Center (\$231.01). Children, Youth, and Families Department – Juvenile Justice Services, *FY 2013 Cost Per Client – Facilities* (Santa Fe, NM: Children, Youth, and Families Department, October 11, 2012).
- <sup>37</sup> The FY 2013 average annual cost per youth for Rhode Island's only training school was \$186,381 and it assumes an average daily placement of 110. The cost per youth increased from the FY 2012 average cost of \$174,129 because of fixed teacher costs. Department of Children, Youth and Families, Staff Presentation, "FY 2013 Revised & FY 2014 Operating Budgets, FY 2014 - FY 2018 Capital Budget," March 28, 2013, accessed August 20, 2014. <http://webserver.rilin.state.ri.us/housefinance/bnp/2013/DCYF%20FY%202014.pdf>.
- <sup>38</sup> The Nevada Youth Training Center (NYTC) is a 60-bed male youth facility located in Elko, Nevada, whose price per bed is \$323.21 per day in FY14. Caliente Youth Center (CYC) consists of a 100-bed male facility and a 40-bed female facility located in Caliente, Nevada, whose price per bed per day is \$189.25 in FY 14, and Red Rock Academy at Summit View (SV) is Nevada's only maximum secure facility with a 96-bed capacity total with 50 of those beds contracted with the State of Nevada Juvenile Services, which has a price per bed of \$535.36 in FY 2014. Steve McBride, Deputy Administrator of Juvenile Services, Nevada State Juvenile Justice Programs Office, email message to author, August 14, 2014.
- <sup>39</sup> Budget estimates for FY2015 for institutional operations is \$537.35 and juvenile community programs is \$302.97. The average cost of detention in New Jersey counties is \$230 per day. Dawn M. Richardson, Administrative Assistant to the Executive Director, Juvenile Justice Commission, email correspondence October 9, 2014.
- <sup>40</sup> For 2013, \$199,320 was the average cost of a bed for one year at the Hawaii Youth Correctional Facility (HYCF). Hawaii Juvenile Justice Working Group, *Final Report* (Honolulu: HI, Governor of the State of Hawaii, December 13, 2013). <http://governor.hawaii.gov/wp-content/uploads/2013/12/JJRI-Working-Group-Final-Report-Final.pdf>.
- <sup>41</sup> The FY13 average per diem cost is \$554.80. Ohio Department of Youth Services, "Ohio Department of Youth Services: Factsheet," July 2014. [www.dys.ohio.gov/DNN/LinkClick.aspx?fileticket=v1BXaq1KVEM%3d&tabid=117&mid=885](http://www.dys.ohio.gov/DNN/LinkClick.aspx?fileticket=v1BXaq1KVEM%3d&tabid=117&mid=885).
- <sup>42</sup> The actual per capita cost for juvenile justice facilities in 2012-13 was \$208,338 (\$570.79 per day). The estimated cost for 2013-14 is \$260,653 (\$714.12) and the proposed budget for 2014-15 is \$274,102 (\$750.96). Department of Finance, *Governor's Budget. (Enacted). Section. 5225 Department of Corrections and Rehabilitation*, 2014. [www.ebudget.ca.gov/2014-15/pdf/GovernorsBudget/5210/5225.pdf](http://www.ebudget.ca.gov/2014-15/pdf/GovernorsBudget/5210/5225.pdf).
- <sup>43</sup> New Hampshire's most expensive facility is the Sununu Youth Services Center's. The daily rate is \$588 as of the date of correspondence. The per diem includes maintenance costs for 156 acres of the property for 12 buildings, some of which are preserved at the request of the local Historical Society. The cost of preservation is included in the per diem. Anastasiya Vanyukevych, Senior Data Manager, New Hampshire Department of Youth and Families, email to author, October 10, 2014.
- <sup>44</sup> The Connecticut Juvenile Training School's cost per day is \$607.41 as of September 30, 2014. Other out-of-home placement options include Residential Treatment Centers (weighted average of \$481.17), group home (\$451.07), substance abuse treatment facility (\$123.33), and multidimensional treatment foster care (\$99.60). Gary Kleebblatt, Communications Director, Connecticut Department of Children and Families, email to author, November 4, 2014.
- <sup>45</sup> As of the date of the correspondence, Vermont operates one secure facility, Woodside, that is funded with Medicaid funds, includes both adjudicated and pre-adjudicated youth and costs \$615 per day to operate. Jay Simons, Woodside Director, Department for Children and Families, email message to author, September 30, 2014.
- <sup>46</sup> In FY2013, the average daily per capita cost for the most expensive placement option, Mountain View Youth Development Center is \$616.35. The other placement option, Long Creek Youth Development Center is \$416.62. Average daily per capita cost, 2013, is \$488.77; Maine Department of Corrections, *Per Capita Costs – General Fund – Normalized, Fiscal Year Ended June 30, 2013* (Augusta, ME: Maine Department of Corrections, 2013).
- <sup>47</sup> The Fairfax Detention Facility is \$712.38 per youth per day. The other 22 facilities range in cost from \$247.18 (Virginia Beach) to \$500.81 (Shenandoah Valley). The average per diem cost for 2013 was \$326 and was calculated from the per diem information for all detention facilities (excluding the Richmond Detention Home due to the closure) for 2013 as taken from Marc Booker, *2013 Annual Expenditure Report* (Richmond, VA: Department of Juvenile Justice), accessed August 14, 2014.

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<sup>48</sup> \$761 is the FY2011 average daily cost per youth for the New Beginnings Youth Development Center. The average daily cost per youth for residential treatment centers is \$294, \$289 for therapeutic family homes, \$274 for group homes, \$232 for independent living programs, and \$228 for extended family homes. The City's detention center is \$522 per youth per day and shelter homes are \$253. D.C. Department of Youth Rehabilitation Services, *Annual Performance Report Fiscal Year 2011* (Washington, DC: Department of Youth Rehabilitation Services, 2012).

<http://dyrs.dc.gov/sites/default/files/dc/sites/dyrs/publication/attachments/2011%20DYRS%20Annual%20Performance%20Report.pdf>.

<sup>49</sup> In FY 2013, Hickey has the highest per diem cost at \$809 and \$295,178 for the average annual cost. The other 11 facilities range in cost from \$257 (Green Ridge) to \$705 (Carter). The average annual cost for all state-operated facilities in FY13 is \$341 or \$124,443. Baltimore City costs \$568 or annually, \$207,726.

*Data Resource Guide: Fiscal Year 2013* (Baltimore, MD: Maryland Department of Juvenile Services, 2013).

[http://djs.maryland.gov/drg/Full\\_DRG\\_With\\_Pullouts\\_2013.pdf](http://djs.maryland.gov/drg/Full_DRG_With_Pullouts_2013.pdf).

<sup>50</sup> \$966.20 is the Section 529 per diem rate for non-community based residential services for the interim calendar year 2011. Under Section 529 in 2011, the per diem rate for secure residential services was \$659.76, limited secure residential services cost \$835.60, family foster care had a per diem cost of \$232.40, and evening reporting centers cost \$407.50. Administration, Administrative Directive: "Per Diem Chargeback Rates for OCFS-Operated Facilities and Programs –Interim Calendar Year (CY) 2011 Rates for January 1, 2011, through December 31, 2011" (Rensselaer, NY: New York State Office of Children and Family Services, February 3, 2012. [http://ocfs.ny.gov/main/policies/external/OCFS\\_2012/ADMs/12-OCFS-ADM-02%20Per%20Diem%20Chargeback%20Rates%20for%20OCFS-Operated%20Facilities%20and%20Programs%20%20Interim%20Calendar%20Year%20\(CY\)%202011%20Rates%20for%201-1-11%20through%2012-31-11.doc](http://ocfs.ny.gov/main/policies/external/OCFS_2012/ADMs/12-OCFS-ADM-02%20Per%20Diem%20Chargeback%20Rates%20for%20OCFS-Operated%20Facilities%20and%20Programs%20%20Interim%20Calendar%20Year%20(CY)%202011%20Rates%20for%201-1-11%20through%2012-31-11.doc).

Right now, taxpayers spend hundreds of dollars a day—in some places, hundreds of thousands of dollars a year—to confine a young person. Because every state (and local) juvenile justice system is different, it is a challenge to come up with a consistent way to describe these direct costs from state to state. These costs also change over time.

To advance the understanding of the direct costs of confinement, JPI collected information from 46 states and jurisdictions in the summer and fall of 2014 on what they said they pay on a per-day or per-year basis to confine a young person in their most expensive confinement option. These 46 states or jurisdictions represent 93 percent of the population of the United States in 2013<sup>1</sup> and 86 percent of committed youth in secure placements in 2011.<sup>2</sup>

The information contained in the following table represents fiscal information provided directly from state juvenile corrections departments, agency annual reports, or legislative documents. When a state or juvenile correctional system provided more than one cost of confinement, the most expensive one is listed, reflecting the reality that it can cost hundreds of dollars a day, and hundreds of thousands of dollars a year, to incarcerate a single youth. When available, costs of other types of placements, which range from large, secure facilities to smaller group homes are included in the endnotes, along with details about each cost figure in the endnotes. To account for varying lengths of stay across different jurisdictions and recent research that indicates that longer stays in secure confinement do not reduce recidivism,<sup>3</sup> JPI calculated the estimated cost of placing a young person out of his or her home for three months, six months,

and a full year.<sup>4</sup> These estimates—per day, 90 days (three months), 180 days (six months), and a year (365 days)—vary to reflect the growing consensus from research and operations of juvenile justice systems that acknowledges that in the rare instances where secure care is appropriate, confinement should be for the shortest period of time possible to reduce harm to the youth and save money.

For these 46 states or jurisdictions that reported to JPI, the average costs of the most expensive confinement option for a young person out of his or her home are \$407.58 per day, \$36,682 per three months, \$73,364 per six months, and \$148,767 per year. Thirty-three states and jurisdictions reported spending \$100,000 or more on the most expensive confinement option for a young person.

The reasons states incur different per diem and annual costs vary, and they reflect various opportunities, challenges, and choices in how juvenile justice systems are designed. The reasons for these varied costs include the availability of treatment and rehabilitation services, privatization or lack of unions, and the extent to which every bed in a facility is used.

Depending on the state and the kind of facility or placement, a number of different funding streams may pay for these placements. Per-day or per-year expenditures can include a mixture of county dollars, state dollars, and federal dollars—something that is different from state to state.

*Regardless of how the costs of confinement are shared, taxpayers pay these direct costs.*