

**Department of Justice
Questions on Reimbursements
March 5, 2009**

1. **Reimbursement from the Department of Human Services (“DHS”).** A question was raised about the increase in reimbursement to the Department of Justice (“Department”) from DHS. The increase in reimbursement since FY04 is illustrated in the table below.

a. **Child Support Recovery Unit (“CSRU”).** As indicated, 77% of the increase is due to the cost of legal services for CSRU. At the request of DHS, the Department added 17 attorneys to work for CSRU since FY04. Some key points:

- Most of the new child support attorney positions in the Department were previously held by assistant county attorneys. Although DHS reimburses counties for their representation of CSRU, many counties decided they no longer wanted to represent CSRU. At the request of DHS, the Department agreed to add the positions vacated by county attorneys. It should be noted, however, that much of the reimbursement money was already being paid by DHS to counties.
- Under the code, representation of CSRU can be handled by county attorneys, the Department, or private lawyers. The Department could have refused to assume the CSRU representation handled by the county attorneys, thereby forcing DHS to hire private attorneys at much higher costs. Instead, the Department cooperated with DHS in the interests of efficiency, cost savings, and quality legal representation. As a result, the Department has 17 additional attorneys
- 50% of the reimbursement for CSRU representation is paid by the federal government.
- CSRU, with the representation of the Department’s attorneys, recovers millions of dollars on behalf of the State of Iowa. In FY07, \$327 million was recovered.

b. **Other DHS Increases.** The other 22% increase in reimbursement from DHS since 2004 results from two main factors: (1) Three new attorneys were added in the Department at the request of DHS to work in areas other than CSRU and (2) Salary adjustment. Two of the new attorneys represent DHS in child abuse hearings. The other new attorney represents DHS in the recoupment of Medicaid dollars when Medicaid is overcharged by medical providers. The federal government pays 50% of the cost of these three attorneys.

REIMBURSEMENT BREAKDOWN FOR HUMAN SERVICES							
	FY2004 Actual	FY2005 Actual	FY2006 Actual	FY2007 Actual	FY2008 Actual	FY2009 Budget	Increase Form FY04 to FY09
DHS General	1,214,610	1,230,641	1,297,699	1,393,159	1,707,974	1,838,231	623,621 (23%)
Child Support	1,328,336	1,619,998	1,919,745	2,445,789	2,784,937	3,441,602	2,113,266 (77%)
	2,542,946	2,850,639	3,217,444	3,838,948	4,492,911	5,279,833	2,736,887

2. **Reimbursement from Columbia University Law School (“Columbia”).**

Columbia has a National State Attorneys General Program (“Program”). According to its materials, the Program “is a legal research, education-and-policy center that examines the implications of the jurisprudence of state attorneys general. Working closely with attorneys general, their staff, students, academics, and other members of the legal community, the Program is active in the development and dissemination of legal information that state prosecutors are able to use in the carrying out of their civil and criminal responsibilities.”

Commencing January 2007, the Department had a two-year agreement with the Columbia under which Columbia reimbursed the Department for 50% of the salary and benefits of Deputy Attorney General Tam Ormiston for his work with the Program. The Department is currently entering into a one-year contract under which Columbia will reimburse the Department for 25% of Mr. Ormiston’s salary and benefits.

Mr. Ormiston’s work with the Program furthers the interests of the Department by (1) making legal expertise and resources of the Program available to the Department, (2) enhancing the Department’s involvement in multistate enforcement efforts in several areas, including consumer protection and environmental law, and (3) strengthening the relationship of the Department with other state attorneys general and the federal government which will serve the Department well in its many responsibilities.

The authority of the Department to accept Columbia’s reimbursement is the authority annually granted to state agencies to accept federal money and nonstate grants. The authority for fiscal year FY09, as cited below, is found in chapter 1177, section 39 of the 2008 Iowa Acts.

Sec. 39. DEPARTMENT OF JUSTICE. Federal grants, receipts, and funds and other nonstate grants, receipts, and funds, available in whole or in part for the fiscal year beginning July 1, 2008, and ending June 30, 2009, are appropriated to the department of justice for the purposes set forth in the grants, receipts, or conditions accompanying the receipt of the funds, unless otherwise provided by law.

In FY08, the reimbursement from Columbia represented 2/10th of a percent of the Department’s total budget.