

Addendum #2
Bidder Questions

1. Where did the need for the assessment arise?

Operating costs for the Juvenile Home have steadily increased, particularly as more Youth Homes across the state close their doors. Because Bay County accepts juveniles both from within the region and from other areas as a source of revenue, it has become crucial to comprehensively understand every expense associated with managing the facility. The County must determine whether it remains financially viable to continue current operations or if it should consider closing the Juvenile Home and placing juveniles in alternative facilities. During this evaluation process, it has proven challenging to obtain a clear picture of the actual costs incurred on a daily, weekly, monthly, and annual basis. Consequently, Bay County is seeking detailed data to inform a professional, evidence-based decision regarding the future of the Juvenile Home. Furthermore, the County is currently preparing to transfer oversight of the Juvenile Home to the Bay County Court system. Understanding the full financial implications of this transition for the affected department is essential as part of the broader assessment process.

2. Does the County have any specific requirements regarding the project timeline or preferred completion date?

As soon as possible, within the scope of work to be performed.

3. Are there any specific key deliverable milestones that are important from a timing perspective?

A comprehensive financial assessment of the current facility will involve a thorough review and evaluation of both historical and present operating budgets. This process aims to provide a clear understanding of financial trends, highlight areas where resources have been allocated over time, and identify any inconsistencies or opportunities for improved efficiency within the facility's budgetary practices.

Cost-Benefit Analysis: The County is evaluating whether it remains practical and financially responsible to continue operating a County-owned Juvenile Home, or if it would be more advantageous to place juveniles in alternative facilities. This assessment will compare the expenses and benefits associated with both options, with the goal of identifying the most effective and sustainable approach for juvenile care in the region. A comprehensive baseline financial condition assessment should encompass an in-depth analysis of several key areas. This includes reviewing staffing levels, evaluating patterns of overtime usage, and examining expenditures related to contract services. Additionally, it is essential to assess costs associated with utilities and maintenance, as well as to consider historical capital outlay. By thoroughly investigating these aspects, the assessment will provide a clear and detailed understanding of the facility's overall financial position.

4. Would you like to have an assessment of the Juvenile Home's accounting cycle included in our scope of work?

Would like to see the cost to have the assessment and what details the assessment would provide.

5. We understand the project the County is requesting is non-auditory in nature and will not include forensic accounting, benchmarking, or long-term forecasting. Can you please clarify what types of output the County is looking for from this review?

Cost Comparison — Operate vs. Outsource (Contract Placement)

The analysis will produce a **comprehensive financial comparison** showing the long-term fiscal impact of continuing to operate the Bay County Juvenile Home compared with placing youth in other regional or private facilities. The output will include the following components:

1. Current Operating Cost Profile of the Juvenile Home

The study will provide a full financial picture of running the existing facility, including:

- Annual operating budget (staffing, wages, overtime, benefits)
- Contracted services (food, medical, mental health, transportation)
- Utilities and building operations
- Routine and deferred maintenance costs
- Annualized capital liabilities (roof, HVAC, security systems, code upgrades)
- Cost per youth per day based on actual utilization

The goal is to determine the *true cost* of operating the facility today and under current enrollment.

2. Contract Placement Cost Forecast (Sending Youth to Other Facilities)

A parallel cost model will detail expected costs if Bay County places youth in external facilities, including:

- Contracted per-diem rates by facility type (secure, non-secure, special needs)
- Transportation and supervision costs
- Court-related or administrative costs tied to off-site placement
- Variability in rates due to youth needs and length of stay
- Estimated annual spending based on historic youth volumes and projected trends

The output will show all-in annual cost of contracting placements.

If possible, it would be helpful to include a long-term financial projection that compares outcomes over 5, 10, and 20-year periods. This extended analysis would provide valuable insight into the fiscal impact of each option and support more informed decision-making for the future.

6. Item 4 in the Scope of Services notes the County is seeking, “preliminary recommendations for improving financial efficiency or identifying potential cost savings.” Are you expecting the assessment to involve a level of operational review to identify efficiency gaps?

Broadly, the goal is to identify whether there are areas within the Juvenile Home where Bay County could allocate funds more effectively. The intent is not to examine the granular details of daily financial management, but rather to conduct an annual review using our financial data in comparison with other facilities. This approach will help highlight opportunities for improved resource utilization at a higher level.

7. What are the County’s expectations for the location of the work to take place? Do you prefer remote, hybrid, or on-site?

The scope of work would most likely 90% remote with a possible visit to the Juvenile Home to get a better understanding of the facility.

8. What software packages does the County utilize for accounting and other recordkeeping?

Tyler Munis

Scope and Analysis

9. Should the assessment focus on a single year of financial activity, or is a multi-year trend analysis preferred?

Multi-year trend for at least 3 years.

10. Is the expectation that indirect County costs (e.g., administrative, IT, HR) be allocated to the Juvenile Home as part of the analysis?

Yes.

11. What level of detail is desired for recommendations (high-level observations versus more detailed, implementation-oriented recommendations)?

High-level observations.

Data Availability

12. To assist us in developing an accurate scope and cost estimate, would the County be able to provide a recent budget-to-actual report or other summary financial information for the Juvenile Home?

Yes.

13. Will detailed financial information (general ledger, budget-to-actual reports, and grant/reimbursement schedules) be available in an electronic format?

Electronic, yes; interactive file, no.

14. Is the Juvenile Home tracked as a separate cost center or fund within the County's financial system?

Yes.

15. Will operational data such as staffing levels (FTEs), average daily population, and contracted services be available?

Yes, to the best of our ability, it could be limited in scope.

Approximately how many employees (or FTEs) are assigned to the Juvenile Home?

16.

Deliverables and Communication

16. Who will be the primary audience for the final report (e.g., Finance Department, County Board, or other stakeholders)?

County Admin. Staff, County Executive, County Board of Commissioners, Probate and Juvenile Court Judge, and Admin. Staff.

17. Is a formal presentation of results to County leadership or a governing body anticipated as part of the engagement?

No.

Timeline and Coordination

18. Is there a preferred timeline for completion of the assessment, particularly if tied to budgeting or other decision-making processes?

Ideally, as soon as possible.

19. Will a primary County contact be designated to assist with coordinating information requests and scheduling discussions with staff?

Yes.

General Considerations

20. Has any prior financial or operational assessment of the Juvenile Home been performed that would be available for review?

No. Ability to gather needed data is limited.

21. From the County's perspective, what would define a successful outcome for this engagement?

To have a better understanding of the daily, weekly, monthly, and yearly costs - including indirect costs - required to operate the Juvenile Home in total; to determine whether long-term revenue is sufficient to sustain operations under the current structure; and to examine why counties with greater financial resources are choosing to close their juvenile facilities while Bay County continues to operate one - raising the fundamental question of whether it is more cost-effective to maintain our own facility or to place our youth in neighboring county facilities on a per-diem basis.