

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



FY 2009-10 STAFF BUDGET BRIEFING

DEPARTMENT OF HUMAN SERVICES

(Division of Youth Corrections)

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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November 24, 2008**

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**FY 2009-10 BUDGET BRIEFING
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE**

DEPARTMENT OF HUMAN SERVICES

(Division of Youth Corrections)

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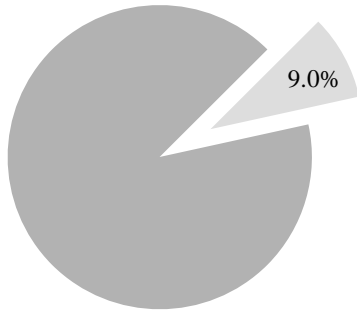
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Department of Human Services**

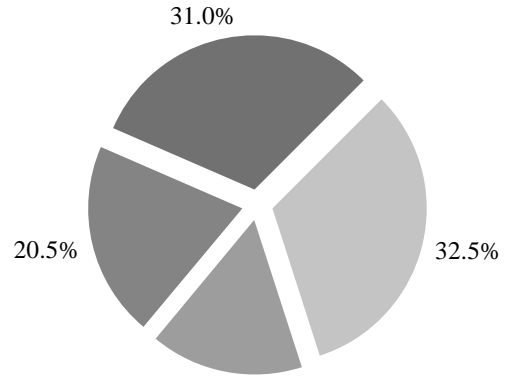
GRAPHIC OVERVIEW

Department's Share of Statewide General Fund



- Department of Human Services
- Statewide General Fund

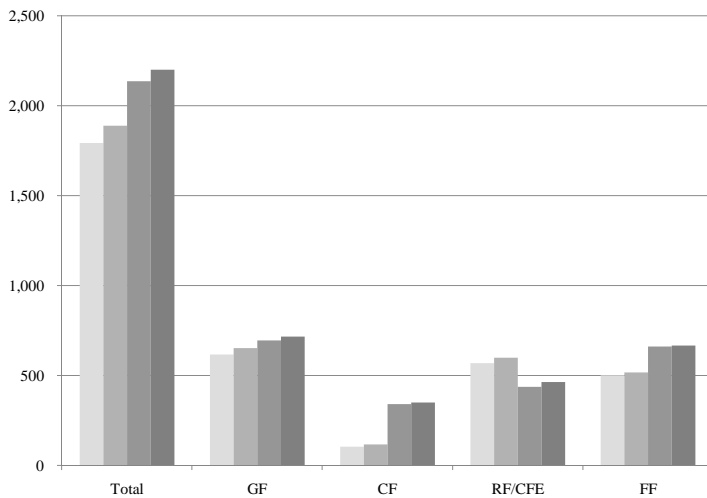
Department Funding Sources



- General Fund
- Cash Funds
- Reappropriated Funds
- Federal Funds

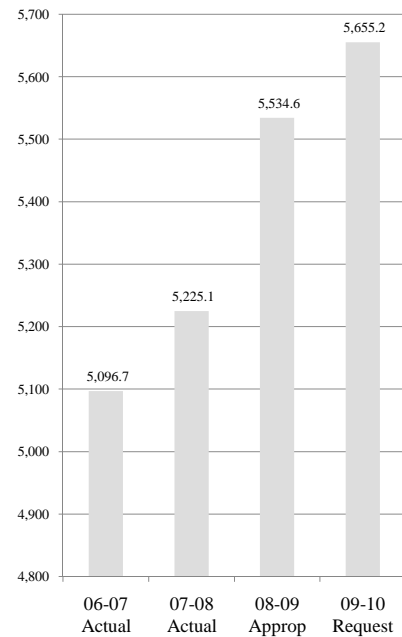
Note: If General Fund appropriated to the Department of Health Care Policy and Financing for human services programs were included in the graph above, the Department of Human Services' share of the total state General Fund would rise to 11.7%.

Budget History
(Millions of Dollars)



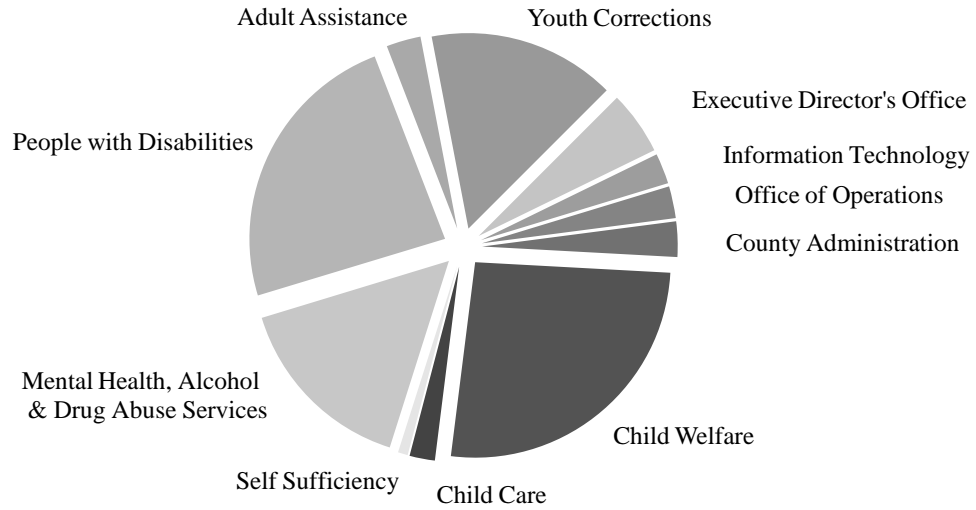
- FY 2006-07 Actual
- FY 2007-08 Actual
- FY 2008-09 Appropriation
- FY 2009-10 Request

FTE History



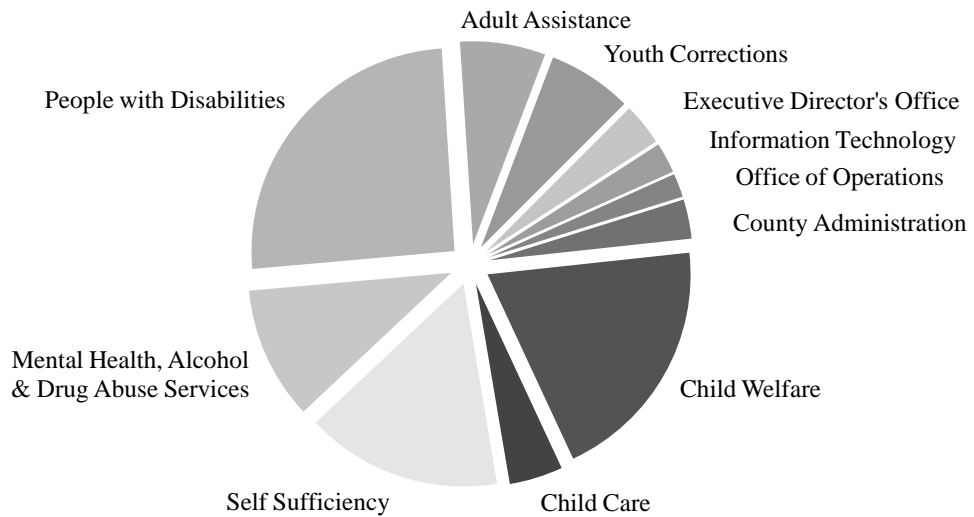
Unless otherwise noted, all charts are based on the FY 2008-09 appropriation.

Distribution of Net General Fund by Division*
FY 2008-09 Appropriation \$896.1 million



*Net General Fund includes General Fund appropriated to the Department of Human Services and General Fund appropriated to the Department of Health Care Policy and Financing for human services programs.

Distribution of Total Funds by Division



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DEPARTMENT OVERVIEW

Key Responsibilities

The Division of Youth Corrections (DYC) has responsibility for the housing, treatment, and education of juveniles in detention and commitment, and for supervising juvenile offenders who are placed on parole.

Detention -- a short-term hold on youth who are awaiting adjudication (similar to adult jail).

Commitment -- a longer-term sentence to the custody of the Division (similar to adult prison).

In addition, the Division:

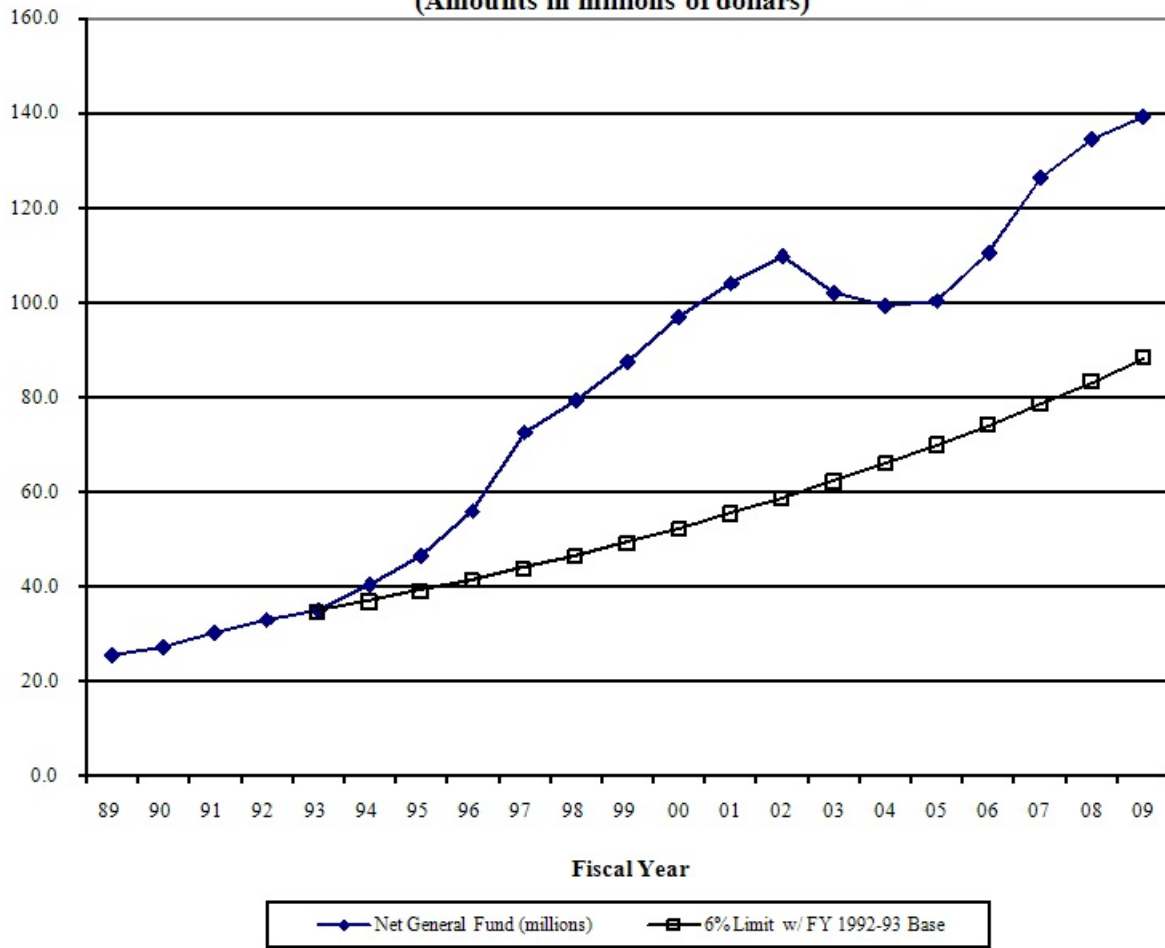
- ▶ Supervises juveniles during a six-month mandatory parole period following all commitment sentences;
- ▶ Provides technical assistance to local communities and reviews their use of allocated S.B. 91-94 funds for the development of alternatives to incarceration.

Factors Driving the Budget

Historical Growth. The Division of Youth Corrections has grown significantly in the past 20 years. From FY 1988-89 through FY 2008-09, the *net* General Fund appropriation to the Division grew from \$25.3 million to \$139.1 million, an increase of \$113.8 million. This increase represents a compound annual growth rate of 8.9 percent over the 20-year period. During the 16 years since the 6.0 percent limit on General Fund appropriations was established, General Fund appropriations to the Division have grown at a compound annual rate of 9.1 percent.

The following graph depicts the annual *net* General Fund appropriations to DYC for the past 20 years. From FY 1992-93, the graph also contains a hypothetical line that demonstrates the growth that would have occurred had General Fund appropriations to DYC been limited to an annual growth rate of 6.0 percent. The FY 2008-09 *net* General Fund appropriation is 57.7 percent higher (\$50.9 million) than it would have been had appropriations to DYC been limited to 6.0 percent annual compound growth during this time period. This difference is illustrated by the separation between the two lines on the graph.

**Division of Youth Corrections - Annual Net General Fund Appropriations
(Amounts in millions of dollars)**

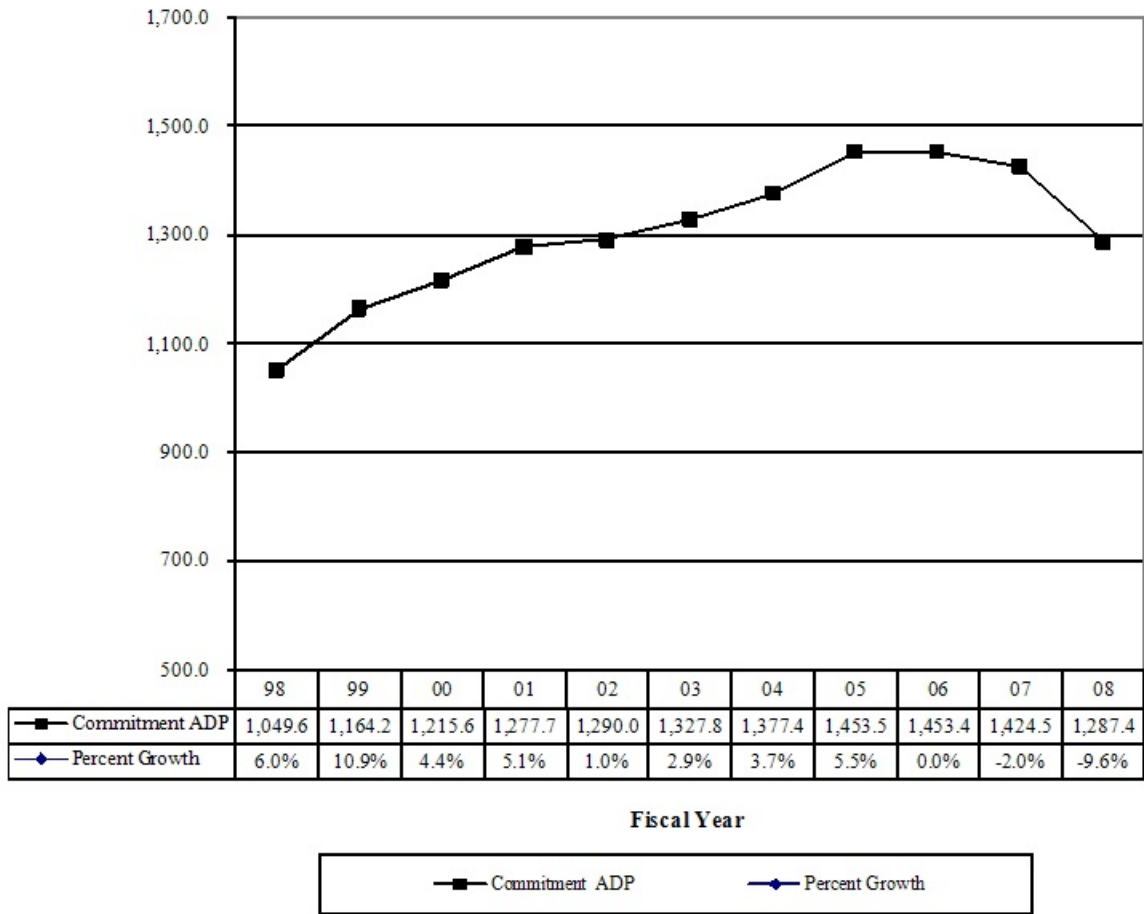


Annual Growth Rate. From FY 1990-91 through FY 2001-02, the annual growth rate in *net* General Fund appropriations to DYC ranged from 6.3 percent to 24.3 percent. From FY 2002-03 through FY 2004-05, appropriations were reduced or were relatively flat, reflecting the shortage of General Fund dollars. Since FY 2004-05, the *net* General Fund appropriations have shown a compound annual growth rate of 8.6 percent.

Population Growth

Commitment. Fiscal year 2005-06 represented the first year since FY 1986-87 that the Division has seen a negative growth rate in its commitment average daily population (ADP) from the previous year (-0.1 ADP). In addition, the Division experienced negative growth in FY 2006-07 of 2.0 percent and negative growth in FY 2007-08 of 9.6 percent. The Division attributes these reductions of commitment ADP to its Continuum of Care Initiative, which is a program designed to transition youth from residential placements into the community. Residential commitment length of stay (LOS) experienced a reduction, decreasing 3.2 percent to 18.4 months in FY 2007-08 from 19.0 months in FY 2006-07. The graph below reflects the changes in commitment beds.

**Division of Youth Corrections - Commitment
Average Daily Population (ADP)**

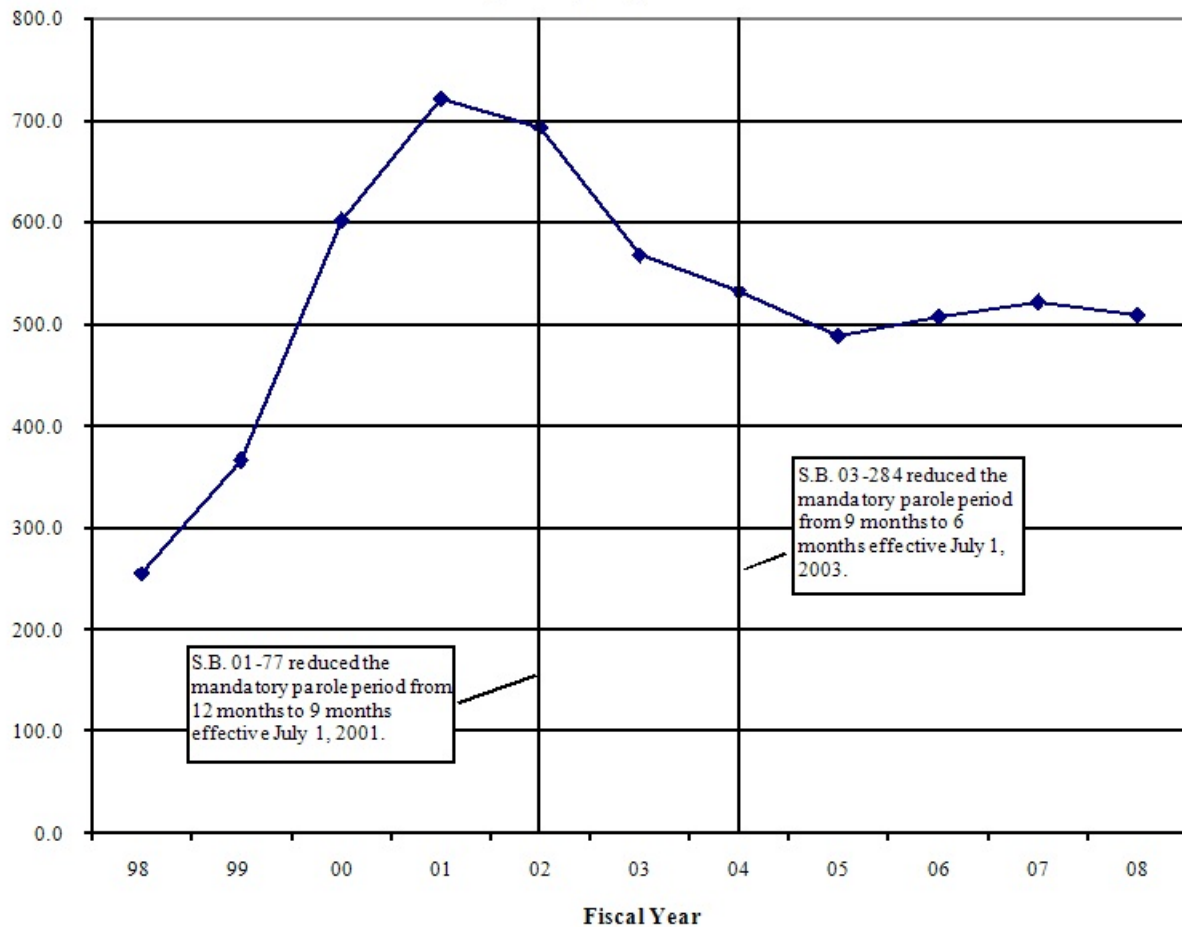


Parole. Legislation requiring mandatory parole for all committed juveniles produced a large increase in the parole population in the late 1990s. Changes in the period of mandatory parole have resulted in significant changes in the average daily population (ADP) of paroled youths. Additional paroled youth require more case managers, as well as monitoring and transitional services.

Fiscal Year 2007-08 was also the fourth full year following the implementation of S.B. 03-284, which shortened the mandatory parole length from nine to six months, effective May 1, 2003. However, since the passage of S.B. 03-284, the parole length of stay (LOS) has consistently exceeded the mandatory parole period of 6 months. For many high-risk youth, the Parole Board has the statutory authority to extend parole for 90 days if its determined to be “within the best interest of the juvenile and the public to do so” or for an additional 15 months if there is a “finding of special circumstances” for youth adjudicated for certain offenses (e.g., violent offense, sex offenses, etc.). The parole LOS declined from 8.0 months in FY 2003-04 to 7.1 months in FY 2004-05 to 6.4 months in FY 2005-06. However, the FY 2007-08 parole LOS was 6.7 months.

There was a period of time during FY 2003-04 when youth who had been sentenced under the old 9-month mandate were being released at the same time as youth who were being released under the new six-month parole sentence. This precipitous increase in parole discharges resulted in a statewide decline in parole ADP, and a very large number of discharges. The graph below depicts the changes in the parole population.

**Division of Youth Corrections - Parole
Average Daily Population (ADP)**



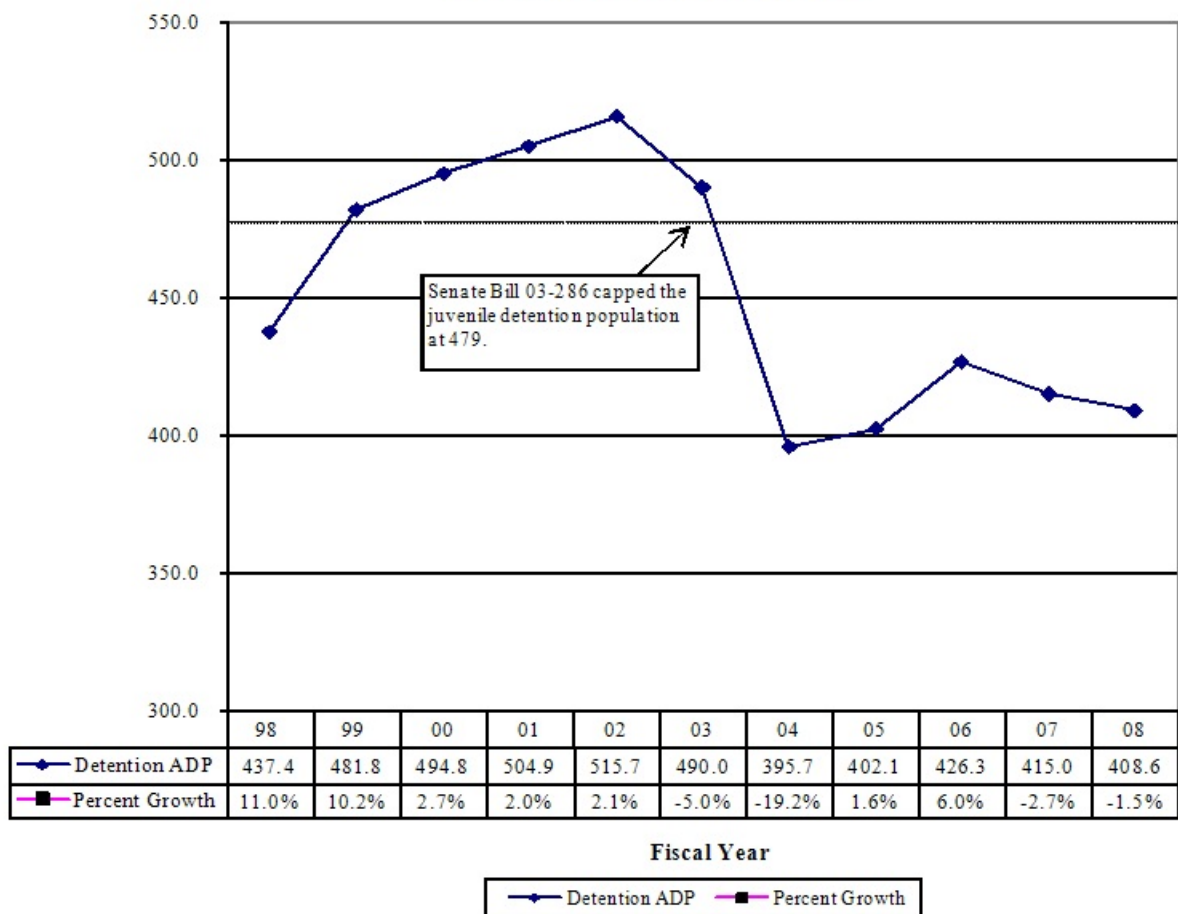
Detention. Detention facilities hold youth while awaiting a hearing. Judges can also sentence adjudicated youth to a period of up to 45 days in a detention facility (Section 19-2-911, C.R.S.). The average length of stay in detention has ranged from 10.4 days to 15.7 days from FY 1992-93 through FY 2007-08. In FY 2007-08, the most recent year for which data is available, the average length of stay was 13.7 days.

The growth in detention beds was relatively high in the early 1990s. Senate Bill 91-94 provided authorities with alternatives to detention, including electronic monitoring and day treatment, which helped to reduce the growth. Funds for the S.B. 91-94 programs were reduced significantly from FY 2002-03 through FY 2004-05 due to the shortage of General Fund revenues. The FY 2004-05 Long Bill appropriation of \$8.0 million was 34.8 percent lower than the FY 2002-03 Long Bill appropriation of \$12.3 million. The FY 2008-09 Long Bill appropriation of \$13.3 million is a 8.1 percent increase from the FY 2002-03 level.

Senate Bill 03-286 established a 'cap' or limit of 479 on the number of state-funded detention beds. Each of the State's 22 judicial districts has been allocated a portion of the 479 beds. Statutory language provides that districts may borrow beds within an established 'catchment' area. Statutes also mandate that districts have procedures in place for emergency release of detained youth in the event that a district is unable to borrow a bed. Fiscal year 2007-08 was the fifth full year of operation under the new cap.

The FY 2004-05 detention population reflects the impact of the prior year's detention cap legislation. Declines in detention admissions were expected following the implementation of the statewide capping legislation. Prior to the cap, local jurisdictions were given substantial discretion as to which youth could be admitted into detention. Currently, local jurisdictions still have this level of discretion, but now it must be balanced by the reality of a finite number of allocated beds. As a result, detention is now experiencing a reduction in usage particularly in the admission of truants, status offenders, and other less serious offenders.

**Division of Youth Corrections - Detention
Average Daily Population (ADP)**



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DECISION ITEM PRIORITY LIST

Note: This table includes all Department of Human Services decision items. However, the full decision item text is shown only for those decision items that affect the sections of the budget covered in this presentation. In some cases, only a portion of the total decision item amount shown will apply to the budget sections addressed in this packet.

Decision Item	GF	CF	RF	FF	Total	Net GF*	FTE
1 Regional Centers - High Needs Clients	\$0	\$0	\$1,503,502	\$0	\$1,503,502	\$751,751	39.4
2 Budget Office Staffing	91,869	2,569	37,826	19,868	152,132	107,571	2.0
3 Community Resources for the Developmentally Disabled	313,750	416,386	5,189,494	0	5,919,630	2,908,497	0.0
4 Functional Family Therapy	2,632,599	649,342	0	0	3,281,941	2,632,599	0.5
5 Capital Outlay and Operating Increase for Facilities Management of Direct Care Facilities	405,109	0	164,250	0	569,359	487,234	0.0
6 Child Welfare Staffing Recommendations from the Division Organizational Assessment	458,933	0	0	133,623	592,556	458,933	8.3
7 Child Welfare Training Academy	918,656	0	0	696,792	1,615,448	918,656	5.5
8 Child Care Business Partnership Program	0	(11,057)	0	0	(11,057)	0	1.0
9 Title IV-E Administrative Claims for Child Placement Agency Administrative Activities	321,250	0	0	0	321,250	321,250	0.0
10 Child Welfare Services Caseload Increase	5,157,711	1,506,161	365,144	2,099,576	9,128,592	5,340,283	0.0
11 Establish Electronic Benefits Transfer (EBT) Fraud Investigation Unit	54,318	0	0	58,663	112,981	54,318	2.0
12 Deficit Reduction Act (DRA) Child Support Mandates	83,346	0	0	55,008	138,354	83,346	0.0
13	241,718	0	0	0	241,718	241,718	0.0

Decision Item	GF	CF	RF	FF	Total	Net GF*	FTE
Homeless Program Funding							
14	0	0	1,026,247	0	1,026,247	513,124	0.0
High Risk Pregnant Women Program							
15	0	250,000	0	0	250,000	0	0.0
Increase Drug Offender Surcharge Spending Authority							
16	0	(459,113)	0	459,113	0	0	6.6
Increase Administrative Review FTE							
17	467,603	0	93,549	0	561,152	511,539	0.0
Inflationary Increase for DHS Residential Programs							
Office of Operations, Mental Health and Alcohol and Drug Abuse Services, Services for People with Disabilities, Division of Youth Corrections. The Department requests a 1.5 percent increase (\$113,547 total, including \$96,515 <i>net</i> General Fund) in the utilities line item to assist in covering higher costs for electricity, natural gas, water, sewage, and coal used in its direct care facilities. The request also includes an 8.5 percent increase (\$447,604 total, including \$415,024 <i>net</i> General Fund) to address inflation in the cost of food provided at Department residential facilities. Most reappropriated funds are Medicaid funds transferred from the Department of Health Care Policy and Financing that originate as 50 percent General Fund and 50 percent federal funds. <i>Statutory authority: Sections 26-1-105, 26-1-201, 19-2-402, 19-2-403, 24-82-602, C.R.S.</i>							
18	0	(20,399)	0	0	(20,399)	0	2.0
Child Care Assistance Programs Compliance Assurance							
19	0	603,077	0	0	603,077	0	0.0
Spending Authority for Traumatic Brain Injury Trust Fund							
20	0	0	558,909	0	558,909	0	0.0
Garage Fund Spending Authority							
21	0	1,801,722	0	0	1,801,722	0	0.0
Cost of Living Adjustment for the Old Age Pension Program							
22	0	480,266	0	0	480,266	0	0.0
Buildings and Grounds Fund Spending Authority Increase							
23	0	0	0	350,000	350,000	0	0.0
Colorado Works Program Evaluation							
24	0	71,801	0	0	71,801	0	0.0
Increase Persistent Drunk Driver Programs Spending Authority							
25	0	0	0	25,460	25,460	0	0.0
Spending Authority to Proceed with the Destruction of Obsolete Forms							
26	647,344	0	0	0	647,344	647,344	0.0
Family Centered Substance Use Disorder Treatment for Families Involved in the Child Welfare System							
27	0	0	908,620	0	908,620	0	0.0

Decision Item	GF	CF	RF	FF	Total	Net GF*	FTE
Integrated School-based Substance Use Treatment for Adolescents							
NP1	133,843	407	102,875	19,365	256,490	180,737	0.0
State Fleet Variable Cost							
Various. This non-prioritized request reflects the Department's share of a prioritized decision item in the Department of Personnel associated with increases in fuel costs. That decision item will be discussed in the briefing for the Department of Personnel and Administration. <i>Statutory authority: Section 24-30-1104 (2), C.R.S.</i>							
NP2	79,071	28,342	121,134	212,908	441,455	135,431	0.0
Postage Increase and Mail Equipment Upgrade							
Various. This non-prioritized request reflects the Department's share of a prioritized decision item in the Department of Personnel and Administration. That decision item will be discussed in the briefing for the Department of Personnel and Administration.							
NP3	24,178	2,424	0	13,402	40,004	24,178	0.0
Office of Administrative Courts Staffing Adjustment							
NP4	6,877	39	5,546	571	13,033	8,821	0.0
Ombuds Program Increase							
NP5	150,675	3,652	70,854	15,667	240,848	180,706	0.0
Annual Fleet Vehicle Replacements							
NP6	0	0	(237,653)	(693,347)	(931,000)	0	(9.0)
Disability Program Navigator							
Total	\$12,188,850	\$5,325,619	\$9,910,297	\$3,466,669	\$30,891,435	\$16,508,036	58.3
Total for Items in this Packet	\$680,517	\$28,749	\$317,558	\$232,273	\$1,259,097	\$827,707	0.0

* These amounts are shown for informational purposes only. A large portion of the Department's reappropriated funds are Medicaid-related transfers from the Department of Health Care Policy and Financing (HCPF). Roughly half of the corresponding HCPF appropriations are General Fund. Net General Fund equals the direct GF appropriation shown, plus the GF portion of the HCPF transfer.

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OVERVIEW OF NUMBERS PAGES

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2008-09 appropriation and its FY 2009-10 request. A large portion of the Department's reappropriated funds are Medicaid-related transfers from the Department of Health Care Policy and Financing (HCPF). Roughly half of the corresponding HCPF appropriations are General Fund. Net General Fund equals the direct GF appropriation shown, plus the GF portion of the HCPF transfer.

Total Requested Change, FY 2008-09 to FY 2009-10 (millions of dollars)

Category	GF	CF	RF	FF	Total	Net GF	FTE
FY 2008-09 Appropriation	\$694.5	\$342.2	\$437.0	\$661.2	\$2,134.9	\$896.1	5,534.6
FY 2009-10 Request	717.2	350.7	463.9	666.9	2,198.7	931.0	5,655.2
Increase / (Decrease)	\$22.7	\$8.5	\$26.9	\$5.7	\$63.8	\$34.9	120.6
Percentage Change	3.3%	2.5%	6.2%	0.9%	3.0%	3.9%	2.2%

The following table highlights the individual changes contained in the Department's FY 2009-10 budget request, as compared with the FY 2008-09 appropriation, for the portion of the Department covered in this briefing packet. For additional detail, see the numbers pages in Appendix A.

Requested Changes, FY 2008-09 to FY 2009-10

Category	GF	CF	RF	FF	Total	Net GF	FTE
Division of Youth Corrections							
Salary and benefits adjustments	\$2,536,915	\$2,757	\$3,641	\$14,120	\$2,557,433	\$2,538,085	0.0
Inflationary increase of 1.5% for utilities and 8.5% for food (DI #17)	164,179	0	0	0	164,179	164,179	0.0
Increase for state fleet variable costs (DI #NP-1)	50,850	0	0	0	50,850	50,850	0.0
Postage increase and mail equipment upgrade (DI #NP-2)	<u>1,542</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,542</u>	<u>1,542</u>	<u>0.0</u>
Total Change	\$2,753,486	\$2,757	\$3,641	\$14,120	\$2,774,004	\$2,754,656	0.0

**FY 2009-10 Joint Budget Committee Staff Budget Briefing
Department of Human Services
(Division of Youth Corrections)**

BRIEFING ISSUE

ISSUE: Division of Youth Corrections Commitment Population Reductions

The commitment population caseload for the Division of Youth Corrections (DYC) is projected to continue declining in the near-term. Because of this reduction and the high costs associated with committed youths, additional General Fund may be available to the General Assembly in FY 2008-09 and FY 2009-10.

SUMMARY:

- ❑ For FY 2008-09, DYC has been funded to support a commitment average daily population (ADP) of 1,489.4. Based on the LCS December 2007 population projection, only 1,210.0 commitment ADP are anticipated for FY 2008-09 (279.4 ADP lower than the funded level). The appropriation above the LCS projection was intentionally done by the General Assembly to allow the Division the opportunity to reinvest those monies in its Continuum of Care Initiative. However, even if the General Assembly funds the full flexibility afforded to DYC in FY 2008-09 (20 percent of the Purchase of Contract Placements line item), it may still be possible to reduce the FY 2008-09 appropriation to DYC by \$3.8 million General Fund.
- ❑ The LCS December 2007 population projection indicates that the commitment population will continue to decrease to 1,172 ADP in FY 2009-10. However, the Division has requested a continuation appropriation from FY 2008-09. Once again, the General Assembly could provide the full funding flexibility discussed above and still reduce the FY 2009-10 appropriation by \$5.7 million as compared to the request.

RECOMMENDATION:

Staff recommends that, if necessary, the Committee reduce the FY 2008-09 and FY 2009-10 appropriations to the Division of Youth Corrections by the amounts discussed above. However, staff does not recommend that the Committee reduce the appropriations for these fiscal years to eliminate the funding flexibility that has been provided in the Long Bill, as there is evidence that those reinvested dollars are contributing to the reductions in the commitment population.

DISCUSSION:

Background -- Commitment Population Projections Used to Calculate DYC Budget. The General Assembly typically receives commitment population projections from the Division of Criminal

Justice (DCJ) in the Department of Public Safety and from the Legislative Council Staff (LCS). These population projections are typically taken into consideration by the General Assembly when determining the appropriations for the Division of Youth Corrections.

Reduction in Commitment Population. The DYC commitment population is declining. The most recent LCS and DCJ population projections indicate that the population is anticipated to decline between 0.6 percent and 5.1 percent in FY 2008-09 relative to last fiscal year. However, the two projections see differing trends for FY 2009-10 relative to the current fiscal year. The LCS projection shows a 3.1 percent reduction in the commitment population while the DCJ projection shows a 3.9 percent increase. The table below summarizes the most recent LCS and DCJ commitment population projections.

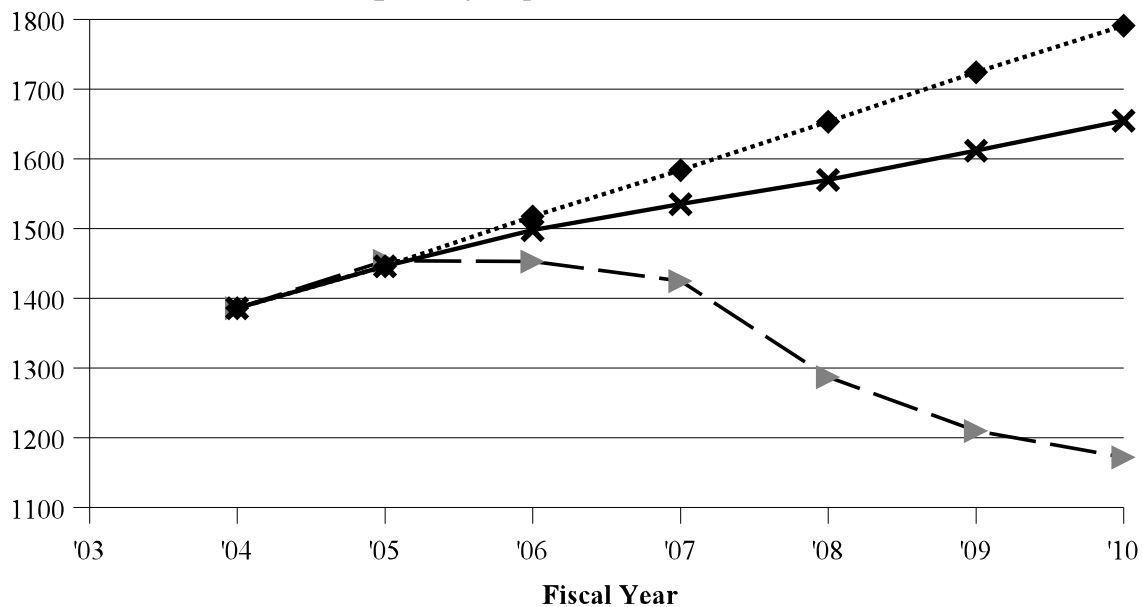
2007 Commitment ADP Projections						
	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12
Legislative Council Staff						
December 2007 Projection	1,425	1,275	1,210	1,172	1,137	1,106
ADP Growth From Prior Year	n/a	(150)	(65)	(38)	(35)	(31)
Percent Growth From Prior Year	n/a	-10.5%	-5.1%	-3.1%	-3.0%	-2.7%
Division of Criminal Justice						
December 2007 Projection	1,424.5	1,271.4	1,264.3	1,313.4	1,353.2	1,372.8
ADP Growth From Prior Year	n/a	(153.1)	(7.1)	49.1	39.8	19.6
Percent Growth From Prior Year	n/a	-10.7%	-0.6%	3.9%	3.0%	1.4%
Difference Between Projections						
ADP Difference	n/a	(3.6)	54.3	141.4	216.2	266.8

Recent Projections Lower Than December 2004 Projections. For both DCJ and LCS, recent projections and the actual commitment population were lower than their respective December 2004 projections. The following table summarizes the changes in the two commitment population projections.

Comparison of DCJ and LCS Commitment ADP Projections December 2004 Projections vs. Actual and Recent Projections						
	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10
Legislative Council Staff						
December 2004	1,446.1	1,497.9	1,534.5	1,570.2	1,611.6	1,654.8
Actual and December 2007	<u>1,453.5</u>	<u>1,453.4</u>	<u>1,424.5</u>	<u>1,287.4</u>	<u>1,210.0</u>	<u>1,172.0</u>
Difference	(7.4)	44.5	110.0	282.8	401.6	482.8
% Difference	-0.5%	3.0%	7.2%	18.0%	24.9%	29.2%
Division of Criminal Justice						
December 2004	1,446.2	1,517.4	1,584.1	1,653.3	1,724.3	1,790.8
Actual and December 2007	<u>1,453.5</u>	<u>1,453.4</u>	<u>1,424.5</u>	<u>1,287.4</u>	<u>1,264.3</u>	<u>1,313.4</u>
Difference	(7.3)	64.0	159.6	365.9	460.0	477.4
% Difference	-0.5%	4.2%	10.1%	22.1%	26.7%	26.7%

Comparison of Population Projections

Average Daily Population - Committed Youth



- ▲— Actual and LCS December 2007 Projection
-◆..... DCJ December 2004 Projection
- ×— LCS December 2004 Projection

Flexibility Within the Purchase of Contract Placements Line Item. In the 2003 Long Bill, the Committee added a footnote to the Purchase of Contract Placements line item authorizing the Division to spend up to 5.0 percent of the appropriation on treatment services for youth in state-operated facilities. This percentage was increased to 10.0 percent in FY 2005-06, to 15.0 percent in FY 2007-08, and to 20.0 percent for the current fiscal year. The Division has used this flexibility to implement its Continuum of Care Initiative, which includes evidence-based practices to help transition youth from residential to community-based programs. According to the report provided by the Division in response to Request for Information #45, the Division expended \$4,462,553 on its Continuum of Care Initiative in FY 2007-08 compared with \$3,790,116 in FY 2006-07.

Continuum of Care Initiative. The December 2007 LCS projection identifies the Division's Continuum of Care Initiative as a factor in reducing the commitment populations. The LCS projection states that "...continued and consistent funding of the initiative is expected to reduce growth in commitments, particularly in the near-term." In addition, the three consecutive years of commitment ADP reductions from FY 2005-06 through FY 2007-08 represent the first years since FY 1986-87 that the Division has seen a decrease in commitment ADP. The Division believes that these reductions are likely a result of its Continuum of Care Initiative.

Flexibility of this type is somewhat similar to that allowed in the Division of Child Welfare, where footnote authorization allows the Department to spend funds in the most appropriate, least restrictive manner. The Division anticipates this funding flexibility, which it has used to implement the Continuum of Care Initiative, will reduce commitment ADP and length of stay (LOS), but it also may increase parole numbers because more juveniles may be transitioning to community-based programs under the Initiative.

FY 2008-09 Potential Fiscal Impact. The December 2007 LCS commitment population projection indicates that the DYC commitment population will total 1,210.0 ADP in FY 2008-09. However, the Division was funded at the FY 2007-08 funding level of 1,489.4 ADP because the Division indicated that it would invest the additional funding in programs to continue the decrease in commitment population numbers. This difference equates to an over-appropriation of \$14,481,773 General Fund. The following table illustrates how this amount was calculated:

	Contract Beds	FY 2008-09 Avg. Funded Daily Rate	Total Appropriation
FY 2008-09 Long Bill Funding to Purchase of Contract Placements Line Item	1,035.4	\$142.00	\$53,665,253
LCS December 2007 Projection (Less State Facilities and Boulder IMPACT)	<u>756.0</u>	142.00	<u>39,183,480</u>
Total Over-Appropriation	279.4		\$14,481,773

Given the increased level of flexibility (20.0 percent) and the FY 2008-09 appropriation to the Purchase of Contract Placements line item, the Division is provided flexibility to spend up to approximately \$10,733,051 in FY 2008-09 on its Continuum of Care Initiative through this line item.

However, even if the Division spent up to the 20.0 percent flexibility afforded by this line item, the line item is arguably still over-appropriated by \$3,748,722 General Fund. Therefore, the JBC could apply a negative supplemental to this line item in the amount \$3,748,722 General Fund in FY 2008-09 and still provide the entire flexibility in the line item (20.0 percent) to support the Continuum of Care Initiative.

FY 2009-10 Potential Fiscal Impact. The December 2007 LCS commitment population projection indicates that the DYC commitment population will total 1,172.0 ADP in FY 2009-10. However, the Division is requesting a continuation appropriation from FY 2008-09, which includes funding for 1489.4 ADP. This difference equates to an over-appropriation of \$16,451,313 General Fund. The following table illustrates how this amount was calculated:

	Contract Beds	FY 2009-10 Request Daily Rate	Total Appropriation
FY 2009-10 Requested Funding to Purchase of Contract Placements Line Item	1,035.4	\$142.00	\$53,665,253
LCS December 2007 Projection (Less State Facilities and Boulder IMPACT)	<u>718.0</u>	142.00	<u>37,213,940</u>
Total Over-Appropriation	317.4		\$16,451,313

Given the level of flexibility (20.0 percent) and the FY 2009-10 request for the Purchase of Contract Placements line item, the Division is requesting flexibility to spend up to approximately \$10,733,051 in FY 2009-10 on its Continuum of Care Initiative through this line item. However, even if the Division spent up to the 20.0 percent flexibility afforded by this line item, the line item is arguably still over-appropriated by \$5,718,262 General Fund. Therefore, the JBC could reduce the requested appropriation to this line item by \$5,718,262 General Fund for FY 2009-10 and still provide the entire flexibility in the line item (20.0 percent) to support the Continuum of Care Initiative.

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(Division of Youth Corrections)**

APPENDIX A: NUMBERS PAGES

	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request	Change Requests
DEPARTMENT OF HUMAN SERVICES					
Executive Director: Karen L. Beye					Request vs. Appropriation
(1) EXECUTIVE DIRECTOR'S OFFICE*					
(B) Special Purpose					
Juvenile Parole Board**	174,185	186,907	255,976	252,582	-1.3%
FTE	<u>2.1</u>	<u>2.2</u>	<u>3.0</u>	<u>3.0</u>	
General Fund	174,185	186,907	199,979	206,814	
Reappropriated Funds	0	0	55,997	45,768	
* All other line items in the Executive Director's Office are discussed in other briefing documents.					
** For FY 2008-09, includes an appropriation of \$55,997 reappropriated funds and 0.8 FTE as a result of H.B. 08-1156.					
(11) DIVISION OF YOUTH CORRECTIONS					
(A) Administration					
This section provides funding and state staff associated with providing policy direction for the DYC and administering and monitoring the quality of care provided to delinquent youth. The source of reappropriated funds is a grant from the Victims Assistance and Law Enforcement (VALE) Board.					
Personal Services - General Fund	1,197,564	1,221,723	1,303,783	1,382,127	
FTE	14.6	15.0	15.4	15.4	
Operating Expenses - General Fund	30,294	30,071	30,294	30,432	DI #NP-2
Victims Assistance - Reappropriated Funds	26,816	25,294	28,298	29,599	
FTE	0.3	0.4	0.5	0.5	

	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request	Change Requests
					Request vs. Appropriation
(11) DIVISION OF YOUTH CORRECTIONS					
Subtotal - (A) Administration	1,254,674	1,277,088	1,362,375	1,442,158	5.9%
FTE	14.9	15.4	15.9	15.9	
General Fund	1,227,858	1,251,794	1,334,077	1,412,559	5.9%
Reappropriated Funds	26,816	25,294	28,298	29,599	4.6%
(B) Institutional Programs					
This section provides funding and state staff associated with providing detention services and institutional care, including educational, medical, food, and maintenance services. The reappropriated funds primarily reflect transfers of federal funds from the Department of Education for school breakfast/lunch and special and vocational education.					
Personal Services - General Fund	38,996,136	40,682,391	42,666,971	44,383,506	
FTE	759.9	776.9	794.3	794.3	
Operating Expenses	<u>3,451,834</u>	<u>3,485,826</u>	<u>3,411,434</u>	<u>3,590,450</u>	DI #17, NP-1, NP-2
General Fund	2,019,152	2,078,067	2,081,234	2,260,250	
Reappropriated Funds	1,432,682	0	1,330,200	1,330,200	
Federal Funds	0	1,407,759	0	0	
Capital Outlay - General Fund	102,432	0	0	0	
Medical Services - General Fund	7,106,403	7,810,391	7,934,779	8,062,802	DI #NP-1, NP-2
FTE	35.6	35.0	39.0	39.0	
Enhanced Mental Health Services Pilot for Detention - General Fund	257,743	261,533	265,927	265,927	
Educational Programs	5,689,341	5,837,378	5,697,368	5,914,066	
FTE	<u>32.5</u>	<u>33.8</u>	<u>40.8</u>	<u>40.8</u>	
General Fund	5,048,441	5,201,939	5,353,475	5,570,173	
Reappropriated Funds	29,802	0	343,893	343,893	
Federal Funds	611,098	635,439	0	0	

	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request	Change Requests
Prevention / Intervention Services	49,814	49,215	49,693	49,693	
FTE	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	
Reappropriated Funds	49,814	49,215	49,693	49,693	
Federal Funds	0	0	0	0	
					Request vs. Appropriation
(11) DIVISION OF YOUTH CORRECTIONS					
Subtotal - (B) Institutional Programs	55,653,703	58,126,734	60,026,172	62,266,444	3.7%
FTE	<u>828.0</u>	<u>845.7</u>	<u>875.1</u>	<u>875.1</u>	
General Fund	53,530,307	56,034,321	58,302,386	60,542,658	3.8%
Reappropriated Funds	1,512,298	49,215	1,723,786	1,723,786	0.0%
Federal Funds	611,098	2,043,198	0	0	N/A
(C) Community Programs					
This section provides funding and state staff associated with providing case management services for committed youth and parolees, contracting for private residential placements, and funding Senate Bill 91-94 programs. The cash funds are from the contractor for the Ridge View Facility to pay for DYC's monitoring expenses pursuant to Section 19-2-411.5 (2)(e), C.R.S. The reappropriated funds reflect Medicaid funds transferred from the Department of Health Care Policy and Financing.					
Personal Services	7,252,979	7,382,843	7,929,462	8,347,216	
FTE	<u>109.5</u>	<u>114.4</u>	<u>118.8</u>	<u>118.8</u>	
General Fund	6,915,661	7,053,403	7,585,467	7,984,004	
Cash Funds	47,561	48,728	48,850	51,607	
Reappropriated Funds	39,757	30,712	44,520	46,860	
Federal Funds	250,000	250,000	250,625	264,745	
*Medicaid Cash Funds	39,757	30,712	44,520	46,860	
*Net General Fund	6,935,540	7,068,759	7,607,727	8,007,434	
Operating Expenses	<u>338,804</u>	<u>341,709</u>	<u>359,860</u>	<u>395,902</u>	DI #NP-1, NP-2
General Fund	336,356	339,261	357,412	393,454	
Cash Funds	2,448	2,448	2,448	2,448	
Capital Outlay - General Fund	8,084	0	0	0	

	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request	Change Requests
Purchase of Contract Placements	<u>51,131,337</u>	<u>45,508,487</u>	<u>53,665,253</u>	<u>53,665,253</u>	
General Fund	48,483,406	43,657,783	50,857,836	50,857,836	
Reappropriated Funds	2,647,931	1,850,704	2,807,417	2,807,417	
*Medicaid Cash Funds	2,647,931	1,850,704	2,807,417	2,807,417	
*Net General Fund	49,807,372	44,583,135	52,261,545	52,261,545	
Managed Care Pilot Project	<u>1,336,507</u>	<u>1,365,094</u>	<u>1,390,441</u>	<u>1,390,441</u>	
General Fund	1,317,709	1,316,084	1,357,105	1,357,105	
Reappropriated Funds	18,798	49,010	33,336	33,336	
*Medicaid Cash Funds	18,798	49,010	33,336	33,336	
*Net General Fund	1,327,108	1,340,589	1,373,773	1,373,773	
S.B. 91-94 Programs - General Fund	10,407,695	12,458,030	13,297,406	13,297,559	DI #NP-2
Parole Program Services	<u>3,310,521</u>	<u>5,134,846</u>	<u>5,453,754</u>	<u>5,453,754</u>	
General Fund	2,248,529	4,235,526	4,543,898	4,543,898	
Federal Funds	1,061,992	899,320	909,856	909,856	
Juvenile Sex Offender Staff Training	<u>34,822</u>	<u>84,373</u>	<u>47,060</u>	<u>47,060</u>	
General Fund	0	52,243	8,810	8,810	
Cash Funds	34,822	32,130	38,250	38,250	

	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request	Change Requests
					Request vs. Appropriation
(11) DIVISION OF YOUTH CORRECTIONS					
Subtotal - (C) Community Programs	73,820,749	72,275,382	82,143,236	82,597,185	0.6%
FTE	109.5	114.4	118.8	118.8	
General Fund	69,717,440	69,112,330	78,007,934	78,442,666	0.6%
Cash Funds	84,831	83,306	89,548	92,305	3.1%
Reappropriated Funds	2,706,486	1,930,426	2,885,273	2,887,613	0.1%
Federal Funds	1,311,992	1,149,320	1,160,481	1,174,601	1.2%
*Medicaid Cash Funds	2,706,486	1,930,426	2,885,273	2,887,613	0.1%
*Net General Fund	71,062,599	70,025,300	79,450,571	79,886,473	0.5%
TOTAL - (11) DIVISION OF YOUTH CORRECTIONS	130,729,126	131,679,204	143,531,783	146,305,787	1.9%
FTE	952.4	975.5	1,009.8	1,009.8	
General Fund	124,475,605	126,398,445	137,644,397	140,397,883	2.0%
Cash Funds	84,831	83,306	89,548	92,305	3.1%
Reappropriated Funds	4,245,600	2,004,935	4,637,357	4,640,998	0.1%
Federal Funds	1,923,090	3,192,518	1,160,481	1,174,601	1.2%
*Medicaid Cash Funds	2,706,486	1,930,426	2,885,273	2,887,613	0.1%
*Net General Fund	125,820,764	127,311,415	139,087,034	141,841,690	2.0%

* These amounts are included for informational purposes only. Medicaid cash funds are classified as reappropriated funds for the purpose of complying with Article X, Section 20 of the State Constitution. These moneys are transferred from the Department of Health Care Policy and Financing where generally half of the dollars are appropriated as General Fund. Net General Fund equals the General Fund dollars listed above plus the General Fund transferred as part of Medicaid.

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APPENDIX B: SUMMARY OF MAJOR LEGISLATION

- ❑ **H.B. 08-1005 (Frangas/Boyd): Collaborative Management Incentive Program.** Modifies the Performance-based Collaborative Management Incentives Program, which is designed to promote local collaboration between county social services agencies, community mental health centers, and other entities to coordinate services for children and families. Adds the Division of Youth Corrections and alcohol and drug abuse managed service organizations to the list of agencies that must participate if a county opts to participate in the program. Specifies that General Fund savings associated with the program, that are to be retained by participating counties, shall be determined based on rules established by the State Board of Human Services. Authorizes the Department of Human Services to use moneys in the Collaborative Management Incentives Cash Fund for external evaluation of the program, and requires local entities that are participating in the program to participate in the evaluation. Also requires the Department to implement training related to the program, using funds in the Collaborative Management Incentives Cash Fund. Appropriates \$376,950 cash funds from the Collaborative Management Incentives Cash Fund to the Department of Human Services for FY 2008-09.

- ❑ **H.B. 08-1046 (Stafford/Windels): Offenders Apply for Public Benefits.** For juveniles in a juvenile commitment facility and certain individuals committed to a Department of Human Services facility, requires appropriate personnel in each facility to provide assistance in applying for Medicaid, Children's Basic Health Plan benefits, Supplemental Security Income, or Social Security Disability Insurance at least 120 days prior to release from commitment, or as soon as practicable for those juveniles committed for less than 120 days. Appropriates \$11,941 General Fund, \$6,106 cash funds, \$26,408 reappropriated funds (transferred from the Department of Health Care Policy and Financing), and \$31,626 federal funds to the Department of Human Services in FY 2008-09. Appropriates \$13,371 General Fund, \$1,580 cash funds, and \$13,457 federal funds to the Department of Health Care Policy and Financing in FY 2008-09.

- ❑ **H.B. 08-1156 (Casso/Gibbs): Changes to Juvenile Parole.** Eliminates reference to the Division of Juvenile Parole in the Department of Human Services and authorizes the Division of Youth Corrections (DYC) to manage all juvenile parole services. Requires the DYC to use objective risk assessment in identifying appropriate treatment services for a juvenile during his commitment and parole period. Clarifies the Juvenile Parole Board's authority to discharge a juvenile from parole. Clarifies that the DYC shall not retain jurisdiction over a juvenile who turns

21, and that the sentence to commitment and parole period is discharged when a juvenile turns 21. Appropriates \$55,997 cash funds and 0.8 FTE to the Juvenile Parole Board within Executive Director's Office of the Department of Human Services in FY 2008-09.

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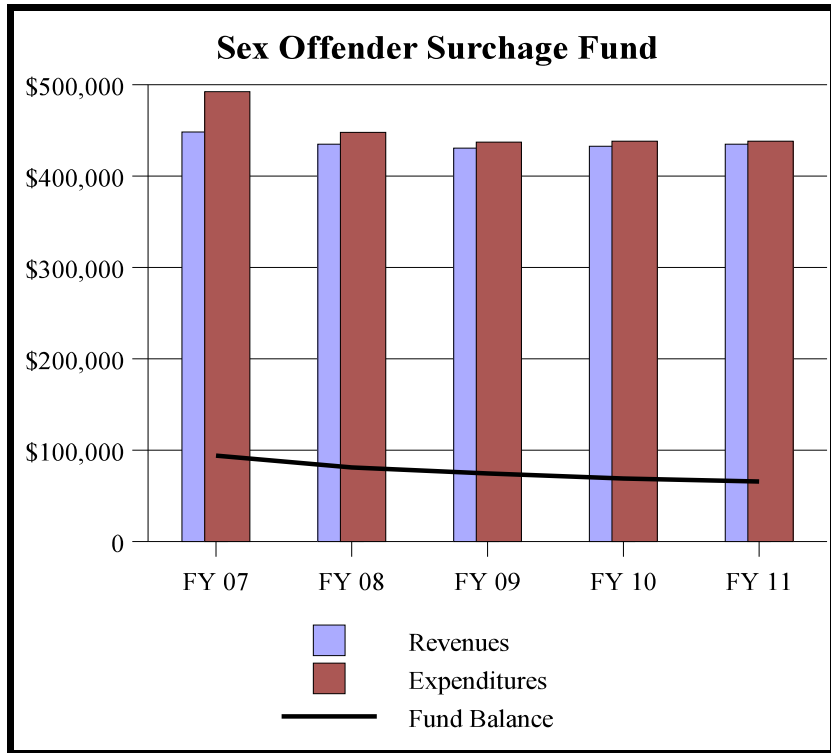
**APPENDIX C: UPDATE OF FY 2008-09
LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION**

Long Bill Footnotes

- 2 Department of Corrections, Management, Executive Director's Office Subprogram; Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Alcohol and Drug Abuse Division; and Division of Youth Corrections; Judicial Department, Probation and Related Services; and Department of Public Safety, Division of Criminal Justice** -- State agencies involved in multi-agency programs requiring separate appropriations to each agency are requested to designate one lead agency to be responsible for submitting a comprehensive annual budget request for such programs to the Joint Budget Committee, including prior year, request year, and three year forecasts for revenues into the fund and expenditures from the fund by agency. The requests should be sustainable for the length of the forecast based on anticipated revenues. Each agency is still requested to submit its portion of such request with its own budget document. This applies to requests for appropriation from the Drug Offender Surcharge Fund, the Sex Offender Surcharge Fund, the Persistent Drunk Driver Cash Fund, and the Alcohol and Drug Driving Safety Fund, among other programs.

Comment: The Division of Youth Corrections is in compliance with this footnote. The Division shares only one fund with other state agencies: the Sex Offender Surcharge Fund created in Section 18-21-103, C.R.S. According to the budget request submitted by the Judicial Department for FY 2009-10, this fund balance is projected to be sustainable for the foreseeable future. The table below reflects the anticipated fund balance for the Sex Offender Surcharge Fund.

Sex Offender Surcharge Fund Balance (Section 18-21-103, C.R.S.)					
	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Projected	FY 2009-10 Projected	FY 2010-11 Projected
Beginning Fund Balance	\$138,335	\$94,147	\$81,178	\$74,522	\$69,046
Plus Revenue	448,218	434,902	430,553	432,705	434,869
Minus Expenditures					
Judicial	(275,029)	(253,704)	(302,029)	(302,029)	(302,029)
Corrections	(29,311)	(24,621)	(29,311)	(29,311)	(29,311)
Public Safety	(153,244)	(137,416)	(163,591)	(163,591)	(163,591)
Div. of Youth Corrections	<u>(34,822)</u>	<u>(32,130)</u>	<u>(38,250)</u>	<u>(38,250)</u>	<u>(38,250)</u>
Total Expenditures	(492,406)	(447,871)	(533,181)	(533,181)	(533,181)
SOMB Spending Restrictions	<u>0</u>	<u>0</u>	<u>95,972</u>	<u>95,000</u>	<u>95,000</u>
Ending Fund Balance	\$94,147	\$81,178	\$74,522	\$69,046	\$65,734
Balance increase /(decrease)	(\$44,188)	(\$12,969)	(\$6,656)	(\$5,476)	(\$3,312)



This appropriation to the Division of Youth Corrections is used to support the Division's responsibilities to train its staff to implement the provisions of H.B. 00-1317 (Rep. Tool / Sen. Anderson), which requires standards for the evaluation and identification of juvenile sex offenders.

- 41 Department of Human Services, Division of Youth Corrections, Community Programs, Purchase of Contract Placements** -- It is the intent of the General Assembly that up to 20.0 percent of the General Fund appropriation to this line may be used to provide treatment, transition, and wrap-around services to youths in the Division of Youth Correction's system in residential and non-residential settings.

Comment: The Division of Youth Corrections has used the flexibility afforded in this line item to fund its Continuum of Care Initiative. This initiative is based on principles of effective juvenile justice strategy such as: (1) state-of-the-art assessment; (2) enhanced treatment services within residential facilities; and (3) improved transitions to appropriate community-based services. As part of this strategy, the Continuum of Care Initiative seeks to provide the optimal length of stay in each stage of service as juvenile offenders move from secure residential to community-based parole services.

Requests for Information

- 5 Department of Corrections, Totals; Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Alcohol and Drug Abuse Division, and Division of Youth Corrections; Department of Public Safety, Division of Criminal Justice** -- It is the intent of the Joint Budget Committee that the impacts of the Governor's Recidivism Reduction and Offender Diversion Package funded by the General Assembly in 2007, be analyzed using contract funding appropriated for this purpose to the Department of Public Safety, Division of Criminal Justice. The evaluation should specifically address: the Short-term Intensive Residential Remediation Treatment Program (STIRRT) in the Department of Human Services, Diversion Community Corrections Beds in the Department of Public Safety, Mental Health Beds in the Department of Public Safety, and any new programs or services created or implemented through additional budgetary flexibility provided to the Division of Youth Corrections in the Department of Human Services. It is the intent of the General Assembly that the contractor compare the outcomes for offenders who participate in these programs with outcomes for offenders in predetermined control groups. The Department of Public Safety, Division of Criminal Justice, in conjunction with other state departments, is requested to submit an annual progress report to the Joint Budget Committee by November 1 of each year. This report is requested to include a summary of the number of offenders served by each program and a summary of the program evaluation techniques that will be used to examine the effectiveness of each program. The Department of Public Safety, Division of Criminal Justice, is requested to submit a final report to the Joint Budget Committee on or before November 1, 2012. The final report should specifically address whether any of the interventions funded

were cost-effective and, based on this, recommendations for continuation, modification or elimination of each program.

Comment: The Division of Criminal Justice (DCJ) provided a memo on November 15, 2008 regarding the Recidivism Reduction and Offender Diversion Package and the evaluation techniques that will be used. With regard to the Division of Youth Corrections, the memo states that the Division has used the flexibility afforded to it to implement the Continuum of Care Initiative. This initiative (discussed in more detail below under Request for Information #45) attempts to ensure that appropriate services are matched with youth at the appropriate times. TriWest Group has been retained to conduct an evaluation of the Continuum of Care Initiative, and this report is incorporated into the report submitted in response to Request for Information #45. One point to mention is that the TriWest Group report indicates that the Continuum of Care Initiative has saved the State almost \$18 million in direct costs to the Division of Youth Corrections.

- 43 Department of Human Services, Division of Youth Corrections, Administration** -- The Division is requested to continue its efforts to provide outcome data on the effectiveness of its programs. The Division is requested to provide to the Joint Budget Committee, by January 1 of each year, an evaluation of Division placements, community placements, and nonresidential placements. The evaluation should include, but not be limited to, the number of juveniles served, length of stay, and recidivism data per placement.

Comment: The Department provided a report on January 1, 2008. Length of stay information is summarized in the following table:

Length of Stay for DYC Youth - January 2008 Report					
	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
Detention (days)	15.3	12.8	13.1	14.1	14.0
Commitment (months)	19.5	18.9	18.8	18.2	19.0
Parole (months)	n/a	8.0	7.1	6.4	6.8

* FY 2002-03 length of stay information was not available for the parole population because of the delays that were encountered getting the TRAILS information system online. The system is now operational, and staff anticipates that the Division will be able to provide this data in future years.

The recidivism rates reported by the Division are summarized in the following table:

DYC Recidivism One-Year Rate (Post-Discharge) - January 2008 Report					
	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06
Recidivism Rate	n/a	34.4%	38.0%	37.9%	35.5%

* DYC defines recidivism as a new misdemeanor or felony offense within one year of discharge resulting in a filing. FY 2001-02 recidivism rate information was not available because of the delays that were encountered getting the TRAILS information system online. The system is now operational, and staff anticipates that the Division will be able to provide this data in future years.

- 44 Department of Human Services, Division of Youth Corrections, Administration --** It is the intent of the General Assembly that the Department provide a report to the Joint Budget Committee on January 1, 2009 which tracks and compares recidivism rates between those juveniles receiving drug and alcohol treatment and those not receiving treatment, while sentenced to commitment.

Comment: The Department has requested consolidating this report with the Division's overall recidivism report required by Request for Information #43. This overall report is submitted annually on January 1.

The report indicates that the post-discharge recidivism rate in FY 2005-06 was 30.1 percent for those youth receiving drug and alcohol treatment versus 36.5 for those not receiving treatment. However, the report indicated that most of the youth (55.2 percent) in state secure facilities who have treatment level or intervention level substance abuse needs (as opposed to prevention level) are not receiving amounts of treatment that would be considered clinically appropriate.

- 45 Department of Human Services, Division of Youth Corrections, Community Programs, Purchase of Contract Placements --** The Division is requested to provide a report to the Joint Budget Committee on November 1, 2008. This report should include the following information: (1) The amount spent serving youths in residential and non-residential settings from this line item in FY 2007-08; (2) the type of services purchased with such expenditures; (3) the number of committed and detained youths treated with such expenditures; (4) baseline data that will serve to measure the effectiveness of such expenditures; and (5) an evaluation of the effectiveness of this footnote in addressing the need for flexibility in treating and transitioning youth from residential to non-residential settings.

Comment: The Department submitted a report on November 1, 2008. As discussed above, the Division has used the flexibility within this line item to implement its Continuum of Care Initiative. This initiative is based on principles of effective juvenile justice strategy such as: (1) state-of-the-art assessment; (2) enhanced treatment services within residential facilities; and (3) improved transitions to appropriate community-based services. As part of this strategy, the Continuum of Care Initiative seeks to provide the optimal length of stay in each stage of service as juvenile offenders move from secure residential to community-based parole services.

In order to ensure accurate and targeted information to support individualized case planning, the Division has developed a new risk assessment instrument, the Colorado

Juvenile Risk Assessment (CJRA), which is a modified version of the Washington State Juvenile Risk Assessment. The Division is using this instrument to assess the individual criminogenic risks and needs of juveniles and utilizing the results to provide appropriate evidence-based treatments.

The Continuum of Care Initiative is organized around the following strategies of effective practice:

- Assess risk*: identify and respond to high-risk juvenile offenders.
- Target needs*: identify and treat risk factors that contribute to offending behavior.
- Evidence-based treatment*: provide treatment that is proven to work.
- Individualized case management*: match youth to the most effective placement and treatment.
- Data-driven quality assurance (fidelity)*: maintain high-quality treatment.

Expenditures. For the period covered by the Division's report (FY 2007-08), the total expenditures for the Continuum of Care Initiative were \$4,462,553 compared with \$3,790,116 in FY 2006-07. These funds were spent across 1,695 youth served, for an average of \$2,633 per youth. This compares to 1,703 youth served in FY 2006-07 at an average of \$2,223 per youth. The report does not specify the amount spent serving youth in residential versus non-residential settings from this line item in FY 2007-08; however, the table below summarizes the types and number of services purchased with Continuum of Care Initiative funds. The remaining expenditures went toward additional youth supervision and support services, which include electronic monitoring and independent living expenses.

Expenditures by Type of Service July 2007 - June 2008		
Type of Service	Amount Spent	Percent of Spending
Mentoring	\$1,425,451	37.3%
Family Therapy	795,345	20.8%
Job/Skills Training	764,626	20.0%
Community Transition	288,440	7.5%
Individual Therapy	212,164	5.5%
Provider Network Maintenance	131,697	3.4%
Restorative-Community Justice	52,951	1.4%
Substance Abuse Treatment	46,423	1.2%
Offense-Specific Treatment	35,155	0.9%
Group Therapy	19,080	0.5%
Evidence-Based Behavior Training	16,817	0.4%
Art-Recreational Therapy	14,368	0.4%
Day Treatment	12,638	0.3%
Offense-Specific or Psychiatric Evaluation	9,728	0.3%
Total	\$3,824,883	100.0%

Youth Served. A total of 1,695 individual youths received services under the Continuum of Care Initiative. Youth mainly received Continuum of Care Initiative services during their time on parole, rather than during their stay in residential facilities. Of the 1,695 youth served, 515 (30 percent) were in residential placement and 1,179 (70 percent) were on parole. The majority of the youth served in the Continuum of Care Initiative (86 percent) were male. This is consistent with the overall NYC population that was 87 percent male in FY 2007-08. The average age for a youth served through the Continuum of Care Initiative was 16.4 years old, and the majority of youth served were identified as Caucasian (41 percent), Hispanic (37 percent), and African-American (18 percent). These proportions also closely reflect the overall proportions of committed youth.

Baseline Data. In order to compare outcomes across the life of the initiative, all Continuum of Care youth who were discharged from NYC during FY 2007-08 were compared to youth on parole during the fiscal year who did not receive Continuum of Care services. In addition, outcomes were compared to an equivalent group of youth who were discharged during FY 2004-05, the year prior to the implementation of the Continuum of

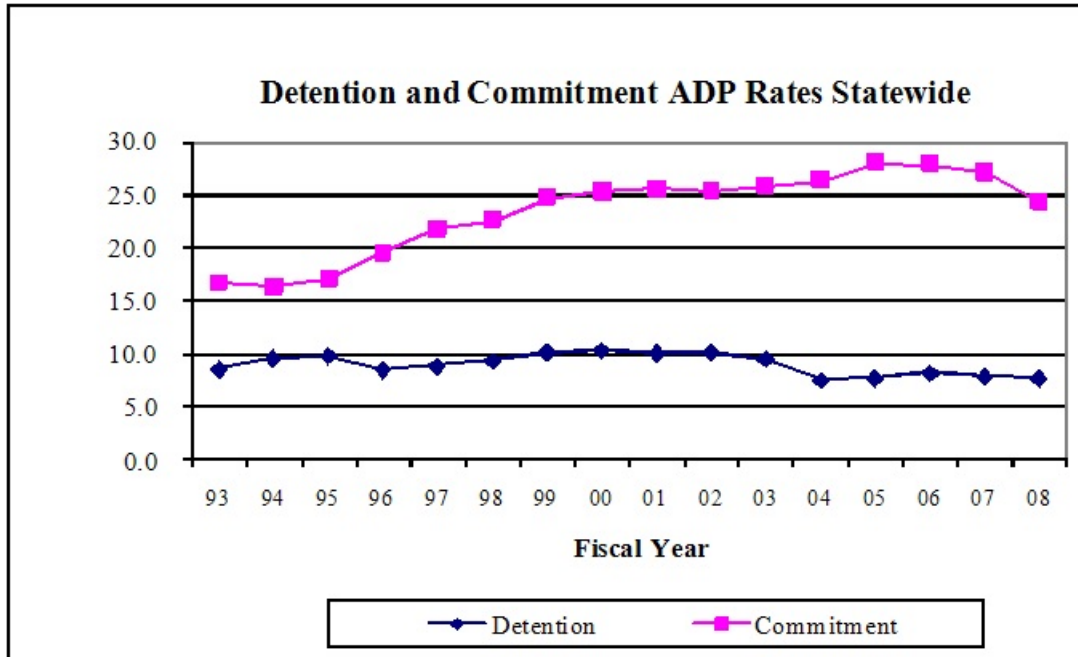
Care Initiative. The report compares five factors in determining the outcomes for Continuum of Care youth: (1) changes in risks for re-offending; (2) days in residential placement; (3) changes in commitment residential ADP; (4) cost avoidance; (5) risk of re-offending.

Preliminary Outcomes. In analyzing the above factors, the report makes the following conclusions: (1) Continuum of Care youth showed a decrease in score across four CJRA dynamic risk domains (attitudes, relationships, aggression, and social skills), but saw an increase in score for the family domain; (2) the length of stay (LOS) was shorter for Continuum of Care youth (24.6 months) versus those not receiving services (27.7 months) and those discharged in FY 2004-05 (25.9 months); (3) the Division has seen three consecutive years of declining commitment ADP and reports that the rate of recommitment among those in the Continuum of Care Initiative is 21.0 percent compared with the FY 2004-05 rate of 25 percent; (4) based on a comparison of the difference between LCS projections and actual ADP, the report concludes that the Continuum of Care Initiative has resulted in savings of almost \$18 million to the State, counting only direct costs to DYCD; and (5) the report indicates that recidivism rates appear to be improving among the Continuum of Care youth (nearly 10 percent fewer pre-discharge recidivism events as compared to those discharged in FY 2004-05); however, complete data including post-discharge recidivism events is not available at this time to make a full assessment.

- 46 Department of Human Services, Division of Youth Corrections, Community Programs, S.B. 91-94 Programs** -- The Department is requested to submit to the Joint Budget Committee no later than November 1 of each year a report that includes the following information by judicial district and for the state as a whole: (1) Comparisons of trends in detention and commitment incarceration rates; (2) profiles of youth served by S.B. 91-94; (3) progress in achieving the performance goals established by each judicial district; (4) the level of local funding for alternatives to detention; and (5) identification and discussion of potential policy issues with the types of youth incarcerated, length of stay, and available alternatives to incarceration.

Comment: The Department provided a report on November 1, 2008. In the report's executive summary, the Division identifies two continuing major system changes that affected the S.B. 91-94 Programs in FY 2007-08. First, FY 2007-08 was the fifth fiscal year in which a statutory detention bed cap was enforced (479.0 ADP). Second, the Division has initiated a systematic reorientation of its detention and commitment resources around the concept of the Continuum of Care Initiative.

Trends in Detention and Commitment Rates. Trend data with regard to detention and commitment incarceration rates were reported as follows:



Average daily population (ADP) rates in the above graph are calculated in terms of the number of youths in detention or commitment for every 10,000 youths in the general population. In FY 2007-08, the commitment ADP fell from 27.9 to 24.3 and the detention ADP decreased from 7.9 to 7.7.

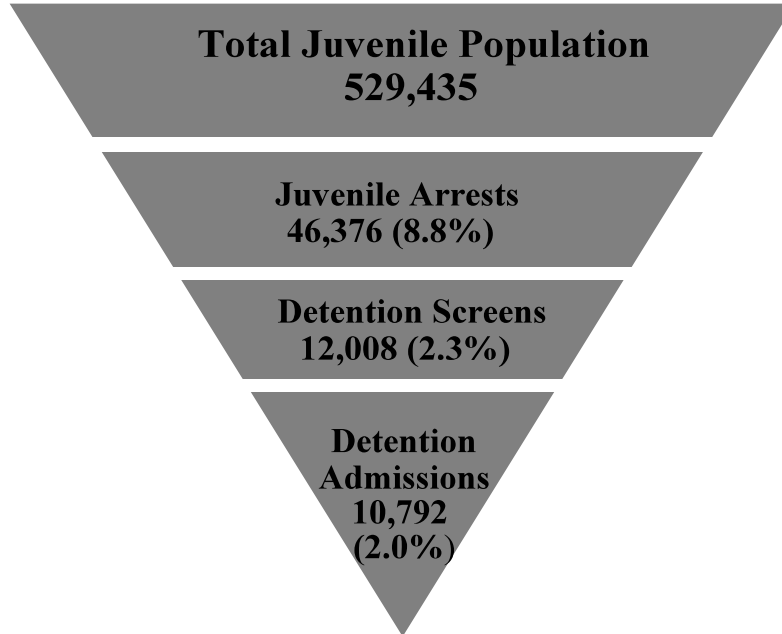
The following tables illustrate the detention and commitment ADP and length of stay (LOS) data for individual judicial districts in FY 2007-08. Please note that the statewide and regional ADP numbers are not a sum of the districts, primarily due to Trails rounding and reporting issues, as well as assignment of youth transferring districts while being detained.

Detention ADP and LOS by Judicial District - FY 2007-08								
District	ADP				LOS (Days)			
	FY 06	FY 07	FY 08	Change	FY 06	FY 07	FY 08	Change
Central Region	205.6	201.2	190.4	-7.4%	16.2	16.6	16.5	1.9%
1st Jefferson	49.2	48.1	42.8	-13.0%	17.8	16.9	15.0	-15.7%
2nd Denver	78.9	77.5	75.6	-4.2%	16.2	17.4	19.2	18.5%
5th Summit	3.4	3.0	2.7	-20.6%	22.4	14.8	13.9	-37.9%
18th Arapahoe	66.6	66.6	69.3	4.1%	15.4	16.8	17.9	16.2%
Northeast Region	95.9	96.0	101.0	5.3%	11.9	12.3	13.0	9.2%
8th Larimer	17.4	17.0	19.2	10.3%	11.9	10.7	10.1	-15.1%
13th Logan	7.4	6.8	6.7	-9.5%	20.2	17.4	17.8	-11.9%
17th Adams	26.7	28.3	32.0	19.9%	12.2	13.5	12.0	-1.6%
19th Weld	25.0	25.3	28.1	12.4%	14.6	14.8	15.2	4.1%
20th Boulder	16.4	15.7	15.0	-8.5%	8.9	9.6	9.7	9.0%
Southern Region	91.2	84.1	83.1	-8.9%	12.5	11.5	16.3	30.4%
3rd Las Animas	3.2	2.6	2.5	-21.9%	21.8	21.0	16.0	-26.6%
4th El Paso	47.8	43.8	45.3	-5.2%	11.6	11.5	11.9	2.6%
10th Pueblo	19.9	18.1	19.0	-4.5%	13.9	11.9	12.7	-8.6%
11th Fremont	8.3	6.5	7.5	-9.6%	13.5	10.6	9.4	-30.4%
12th Alamosa	4.2	3.9	4.1	-2.4%	16.2	11.6	14.4	-11.1%
15th Prowers	2.4	3.3	2.0	-16.7%	26.6	35.0	32.0	20.3%
16th Otero	2.7	2.7	2.7	0.0%	22.7	12.2	18.0	-20.7%
Western Region	33.6	33.5	30.2	-10.1%	15.1	14.1	17.2	13.9%
6th La Plata	4.5	4.6	5.8	28.9%	18.5	13.0	16.0	-13.5%
7th Montrose	4.2	5.0	4.7	11.9%	19.1	14.7	20.3	6.3%
9th Garfield	5.5	3.6	3.1	-43.6%	23.2	14.4	16.3	-29.7%
14th Routt	3.0	4.0	2.2	-26.7%	18.0	38.1	21.7	20.6%
21st Mesa	12.8	12.8	12.7	-0.8%	11.4	12.0	13.2	15.8%
22nd Montezuma	3.0	2.7	1.7	-43.3%	22.7	19.4	15.6	-31.3%
Statewide	426.3	414.9	408.8	-4.1%	14.1	14.0	13.7	-2.8%

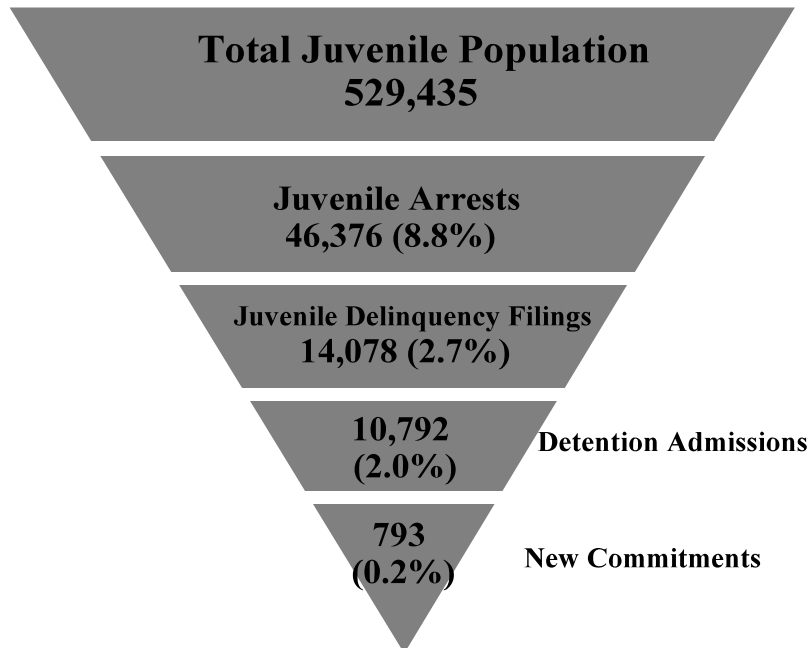
Commitment ADP and LOS by Judicial District - FY 2007-08								
District	ADP				LOS (Months)			
	FY 06	FY 07	FY 08	Change	FY 06	FY 07	FY 08	Change
Central Region	652.7	622.0	545.4	-16.4%	18.5	19.0	18.5	0.0%
1st Jefferson	126.9	142.3	128.0	0.9%	18.0	18.0	18.3	1.7%
2nd Denver	322.1	257.5	197.7	-38.6%	18.9	19.4	20.4	7.9%
5th Summit	9.2	9.8	12.2	32.6%	15.2	20.6	15.9	4.6%
18th Arapahoe	194.7	212.5	207.5	6.6%	18.7	19.1	19.4	3.7%
Northeast Region	363.6	367.6	341.7	-6.0%	18.1	18.3	16.2	-10.5%
8th Larimer	129.9	119.5	94.7	-27.1%	16.1	17.8	15.4	-4.3%
13th Logan	15.4	17.7	18.1	17.5%	15.8	16.4	11.5	-27.2%
17th Adams	95.7	105.3	109.6	14.5%	18.2	18.9	18.3	0.5%
19th Weld	99.6	104.4	98.8	-0.8%	20.7	19.8	17.4	-15.9%
20th Boulder	22.8	20.7	20.5	-10.1%	22.5	21.5	18.4	-18.2%
Southern Region	290.9	304.8	282.9	-2.8%	19.4	21.2	16.1	-17.0%
3rd Las Animas	6.5	9.9	6.4	-1.5%	15.9	17.4	18.2	N/A
4th El Paso	199.3	186.6	173.1	-13.1%	20.4	22.1	21.2	3.9%
10th Pueblo	44.5	59.4	50.6	13.7%	14.7	18.1	18.9	28.6%
11th Fremont	17.4	25.1	27.5	58.0%	19.3	16.1	20.7	7.3%
12th Alamosa	15.6	14.5	10.9	-30.1%	14.2	17.6	17.5	23.2%
15th Prowers	1.9	0.8	2.4	26.3%	11.3	7.7	6.8	-39.8%
16th Otero	4.5	8.6	11.9	164.4%	16.6	16.3	9.3	-44.0%
Western Region	146.2	130.4	117.8	-19.4%	15.3	17.6	15.2	-0.7%
6th La Plata	21.0	15.5	16.6	-21.0%	13.8	17.0	13.0	-5.8%
7th Montrose	25.8	20.0	14.2	-45.0%	14.7	18.1	14.7	0.0%
9th Garfield	15.1	16.5	10.0	-33.8%	14.9	17.7	18.9	26.8%
14th Routt	8.9	8.2	5.8	-34.8%	15.2	16.4	14.4	-5.3%
21st Mesa	67.1	58.4	59.2	-11.8%	16.2	17.3	17.8	9.9%
22nd Montezuma	9.7	11.8	12.1	24.7%	13.5	16.5	12.3	-8.9%
Statewide	1,453.4	1,424.9	1,287.8	-11.4%	18.2	19.0	18.4	1.1%

Profiles of Youths Served by S.B. 91-94. The following depicts the reported profile of youths served by the Division of Youth Corrections in FY 2007-08.

**Juvenile Justice Filtering Process to Detention
FY 2007-08**



**Juvenile Justice Filtering Process to Commitment
FY 2007-08**



From the above data, the report concludes that the most frequently used initial placement is secure detention (77.6 percent of the total), while the next highest placement level is release to the custody of parents/guardians at 12.0 percent. The use of secure detention as an initial placement has increased from 73.5 percent in FY 2002-03 to 77.6 percent in FY 2007-08.

Progress in Achieving Performance Goals. For the fourth year in FY 2007-08, the DYC guidelines required standard goals and objectives for pre-adjudicated youth and youth sentenced to detention. Fiscal year 2007-08 was the second year that judicial districts were also required to specify one or more additional goals, related objectives, and performance outcomes for additional aspects of their programs. Each individual district is allowed to set its own performance levels within each standardized goal area as the criteria for success in achieving its objectives. Progress in achieving goals and objectives is shown in the table below.

Goals and Objectives for Pre-adjudicated and Sentenced Youth FY 2007-08		
Service Area Goal	Measurable Objectives	Performance
<u>Pre-adjudicated Youth</u> - To successfully supervise pre-adjudicated youth placed in community-based detention services.	1. Percent of enrolled pre-adjudicated youth that complete S.B. 91-94 services without FTAs (Failure to Appear for Court).	96% of youth had no FTAs
	2. Percent of enrolled pre-adjudicated youth that complete S.B. 91-94 services without new charges.	94% of youth had no new charges
	3. Percent of pre-adjudicated youth served through S.B. 91-94 that complete the period of the intervention with a positive or neutral leave reason.	93% of youth had positive or neutral leave reason
<u>Sentenced Youth</u> - To successfully supervise sentenced youth placed in community-based detention services.	1. Percent of enrolled sentenced youth that complete S.B. 91-94 services without FTAs.	97% of youth had no FTAs
	2. Percent of enrolled sentenced youth that complete S.B. 91-94 services without new charges.	97% of youth had no new charges
	3. Percent of sentenced youth served through S.B. 91-94 that complete the period of intervention with a positive or neutral leave reason.	90% of youth had positive or neutral leave reason

Staff notes that the definition used in the report for pre-adjudicated youth is youth receiving any S.B. 91-94 funded services due to being at imminent risk of being placed in detention after arrest or remaining in detention after a detention hearing, but who are not sentenced to detention or commitment and not on probation or parole. Sentenced youth are defined as youth receiving S.B. 91-94 services as an alternative to a sentence to detention and/or youth on probation who are at imminent risk of revocation or in danger of reoffending that would result in detention without the use of intervention services.

Local Funding for Alternatives to Detention. In addition to state funds, many judicial districts have taken the initiative to access other funds or program services for S.B. 91-94 youth. Through district-specific approaches and coordination with other youth-serving agencies and resources, S.B. 91-94 programs have continued to try to leverage additional resources to augment their ability to meet the needs of youths and accomplish the programs' goal of reducing reliance on secure detention placements. These approaches can include:

- Blended funds from one or more other community agencies to place and treat S.B. 91-94 youths. The mechanism for the use of blended funds is often an interagency team working collaboratively to review youths' needs and assist in meeting those needs.
- Colorado Department of Public Safety diversion funds through the Division of Criminal Justice (DCJ). In addition, some counties provide local diversion resources.
- DCJ Wrap-Around Program (WRAP) funds are used by local, interagency Community Evaluation Teams (CETs) to identify and fund creative strategies to divert youths from secure detention or other out-of-home placements.
- Federal Office of Juvenile Justice and Delinquency Prevention (OJJDP) and Juvenile Accountability Incentive Block Grant (JAIBG) funds are also provided through the DCJ with the advice of the Governor's Juvenile Justice and Delinquency Prevention Council. Districts act locally to pursue these funds that may be used in a variety of ways to encourage accountability-based reforms at the local level.

All S.B. 91-94 programs also develop formal and informal collaborations with agencies in their communities to share resources. Such collaborations may include applying with other agencies for grants such as JAIBG or WRAP, or serving in an oversight capacity for these funds through other agencies or programs. One of the most effective mechanisms for blending funds or utilizing grant funds is the implementation of interagency case review teams, known by a variety of names such as Community Evaluation Teams (CET) or Interagency Staffing Committees (ISC).

Potential Policy Issues. The report discusses four major issues that have impacted S.B. 91-94 programs: (1) service availability; (2) screening youth; (3) placement of youth; and (4) local detention bed allocations. Other issues were also assessed, including releases from detention and bed loaning and borrowing. Discussion of the those issues follows.

- *Service Availability:* S.B. 91-94 program expenditures decreased from FY 2002-03 to FY 2004-05 in treatment services, restorative services, and direct support. However, from FY 2005-06 through FY 2007-08, funding was increased for S.B. 91-94 programs and the impact ratings reported by districts for service availability also continue to improve. Overall, more than half of all districts (63.7 percent) rated the service availability impact as positive in FY 2007-08, compared with only 19 percent in FY 2004-05.
- *Screening Youth:* District concerns in this area relate to the limitations in the ability of the screening process to translate into actual placement decisions, given relative availability of placements and services along the detention continuum. However, positive ratings of the impact of screening youth have increased to 91.0 percent in FY 2007-08, up from 52.4 percent in FY 2004-05.
- *Placing Youth.* Comments from the districts support the conclusion that district perceptions in this area are changing along with those of the districts' ability to translate screening recommendations into actual placement decisions. Additionally, positive ratings of the impact of placing youth has increased to 86.3 percent in FY 2007-08, up from 19 percent in FY 2004-05.
- *Local Detention Bed Allocations:* Ratings of the impact of detention bed allocations have historically been negative; however, in FY 2007-08, the rating was essentially split between positive and negative. Nonetheless, given that districts are rating a mandate that many perceive to limit their ability to manage their populations, a high number of positive ratings may be an unrealistic expectation.

Emergency release is the process districts must employ when a new youth is brought into the detention system when there is no excess capacity under the cap for that youth. In FY 2007-08, the total number of emergency releases reported by districts totaled approximately 308. Therefore, of the 9,298 youth that were detained in secure or staff secure detention, 3.3 percent were released prior to their scheduled release (compared to 4.6 percent in FY 2006-07). However, the number of emergency releases reported may not represent an accurate estimate of the actual number because there is no standard reporting mechanism for releases other than the past two district surveys.