

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**FY 2009-10 STAFF BUDGET BRIEFING**

**DEPARTMENT OF PUBLIC SAFETY**

**(Division of Criminal Justice)**

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

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December 23, 2008**

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

**DEPARTMENT OF PUBLIC SAFETY**

**(Division of Criminal Justice)**

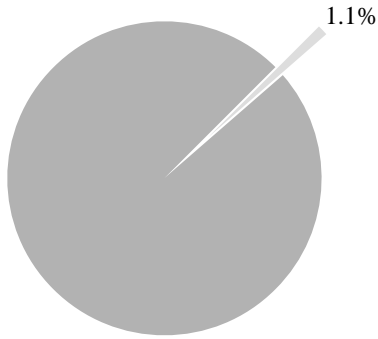
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**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Public Safety**

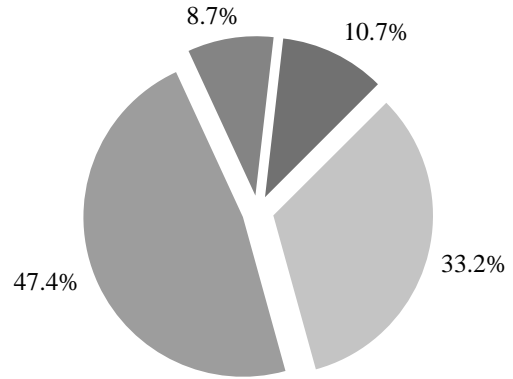
**GRAPHIC OVERVIEW**

**Department's Share of Statewide General Fund**



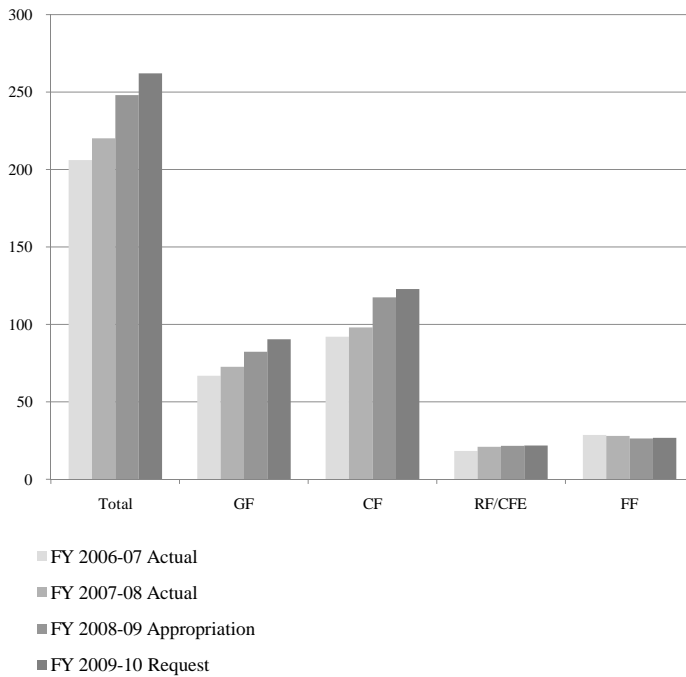
- Department of Public Safety
- Statewide General Fund

**Department Funding Sources**

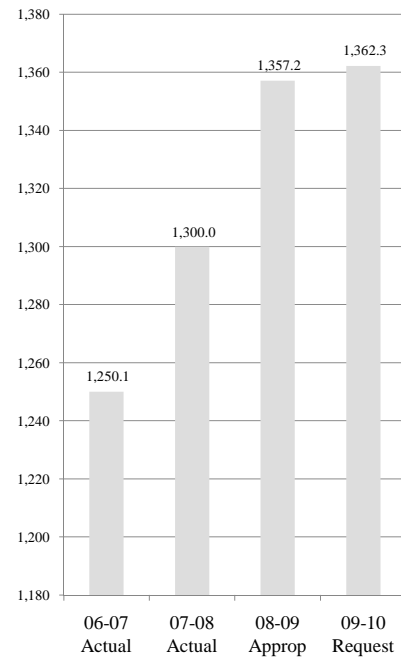


- General Fund
- Cash Funds
- Reappropriated Funds
- Federal Funds

**Budget History  
(Millions of Dollars)**

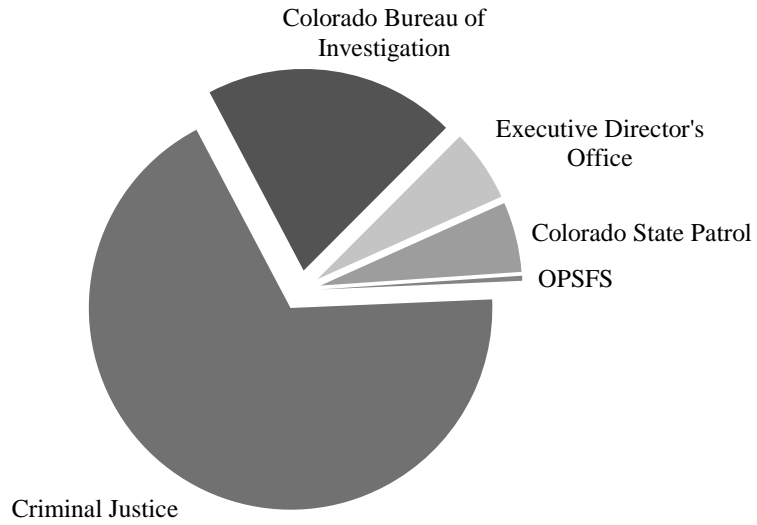


**FTE History**

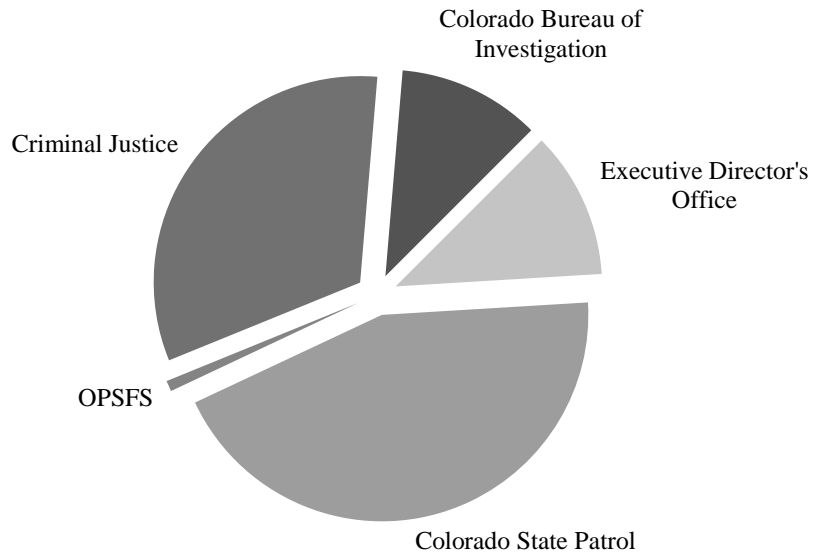


Unless otherwise noted, all charts are based on the FY 2008-09 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Public Safety  
(Division of Criminal Justice)**

**DEPARTMENT OVERVIEW**

**Key Responsibilities**

The Division of Criminal Justice has the following responsibilities:

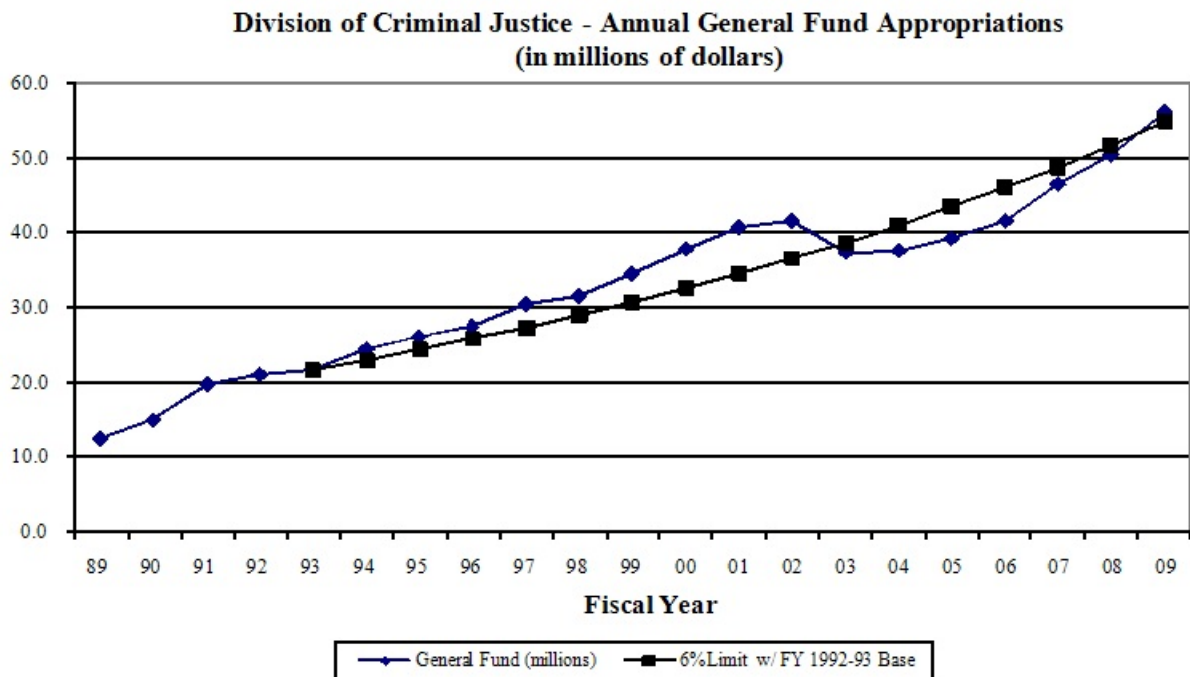
1. Manage community corrections contracts, including the following:
  - a. Administer and execute all contracts with units of local government, community corrections boards, and non-governmental agencies for the provision of community corrections programs and services.
  - b. Establish standards for community corrections programs operated by units of local government or non-governmental agencies.
  - c. Audit community corrections programs to determine levels of compliance with standards.
  - d. Allocate funding to local community corrections boards and community corrections programs in a manner which considers the distribution of offender populations and supports program availability proportionate to such distribution and projected need.
2. Collect and disseminate information concerning crime and criminal justice for the purpose of assisting the General Assembly and of enhancing the quality of criminal justice at all levels of government.
3. Analyze the administration of criminal justice in Colorado, including analysis of problems with the criminal justice system. Provide recommendations and develop plans of action for the General Assembly, state agencies, and local governments detailing measures to improve the criminal justice system and to control crime and juvenile delinquency.
4. Advise and assist law enforcement agencies in Colorado to improve their law enforcement systems and their relationships with other agencies and the statewide system.
5. Apply for, administer, and distribute any state, federal, or other funds made available or allotted under Public Law 93-83 and under any other law or program designed to improve the administration of criminal justice, court systems, law enforcement, prosecution, corrections, probation and parole, juvenile delinquency programs, and related fields.

6. Administer a statistical analysis center for the purpose of collecting and analyzing statewide criminal justice statistics.

### Factors Driving the Budget

**Historical Growth.** The Division of Criminal Justice has grown significantly in the past 20 years. Prior to FY 1986-87, the Division of Criminal Justice was not responsible for community corrections programs. As such, comparisons with prior years are not useful for a comparison with current appropriations. However, from FY 1988-89 through FY 2008-09, the General Fund appropriation to the Division grew by \$43.7 million from \$12.3 million to \$56.0 million. This growth reflects a compound annual growth rate of 7.9 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 6.1 percent.

The following graph depicts the annual General Fund appropriations to the Division of Criminal Justice 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 the Division grown at a rate of 6.0 percent per year.



## Community Corrections - Residential Placements

The primary factor driving the Division of Criminal Justice budget is the need for, availability of, and cost of community corrections beds. There are two types of residential placements, diversion and transition. Diversion placements are for offenders sentenced directly to community corrections by the Judicial Department. These offenders are placed in a residential community corrections facility rather than being sentenced to the Department of Corrections. Transition placements are for inmates who have served the majority of their sentence in the Department of Corrections and are nearing parole. These inmates are released to a residential community corrections bed in preparation for parole.

Prior to FY 2004-05, the JBC had funded enough residential beds to place 6.0 percent of the inmate population in residential community corrections placements. Since the 2004 session, funding was approved to place an increasing percentage of the inmate population in community corrections programs. The Division of Criminal Justice is responsible for administering and executing the contracts related to community corrections beds. Community corrections beds are provided by local governments and private providers. Historically, the Joint Budget Committee has treated community corrections providers as community providers, applying the common policy for community provider increases to the community corrections rates. The following table highlights significant community corrections information:

	Actual FY 04-05	Actual FY 05-06	Actual FY 06-07	Actual FY 07-08	Approp. FY 08-09
Diversion Residential Beds Funded	1,231	1,231	1,231	1,297	1,459
Transition Residential Beds Funded	1,310	1,384	1,523	1,597	1,657
Community Corrections Residential Daily Rates per Bed	\$34.70	\$35.39	\$36.63	\$37.18	\$37.53
Change in Reimbursement Rate	N/A	2.0%	3.5%	1.5%	0.9%
Total Comm. Corr. GF Expend. (includes residential and non-residential)	\$37,670,993	\$41,414,843	\$46,324,882	\$49,628,005	\$55,970,246
Growth of GF Expenditure	N/A	9.9%	11.9%	7.1%	12.8%

**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Public Safety  
(Division of Criminal Justice)**

**DECISION ITEM PRIORITY LIST**

Note: This table includes all Department of Public Safety 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	HUTF	RF	FF	Total	FTE
1 DNA Laboratory FTE	\$178,732	\$0	\$0	\$0	\$0	\$178,732	0.9
3 <b>Community Corrections Discharge Planning</b>  <b>Division of Criminal Justice.</b> The Department requests \$160,381 General Fund and 1.8 FTE for discharge planners to facilitate the proper selection and transfer of offenders with mental health and substance abuse needs from prison into Community Corrections placements. The request annualizes to \$160,489 General Fund and 2.0 FTE in FY 2010-11. <i>Statutory authority: Sections 17-27-101 through 108 and 18-1.3-301, C.R.S.</i>	160,381	0	0	0	0	160,381	1.8
4 <b>Increase Community Corrections Transition and Diversion Beds</b>  <b>Division of Criminal Justice.</b> The Department requests \$5,480,543 General Fund and \$4,266 cash funds to support a net increase of 446 residential Community Corrections beds. Specifically, the request includes 49 residential transition beds and includes increasing the percentage goal for placement of the Department of Corrections' incarcerated population in transition beds from 7.0 percent to 7.2 percent. The request also includes 397 residential diversion beds and an equivalent number of non-residential diversion beds to accommodate the non-residential components of diversion sentences. <i>Statutory authority: Sections 17-27-101 through 108 and 18-1.3-301, C.R.S.</i>	5,480,543	4,266	0	0	0	5,484,809	0.0
5 <b>Accelerated Non-residential Community Corrections Diversion Pilot Program</b>  <b>Division of Criminal Justice.</b> The Department requests \$197,392 General Fund for a pilot program to assess the safety and efficacy of a shortened residential Community Corrections program and a lengthened and enhanced non-residential Community Corrections program for 40 selected lower-risk diversion offenders. <i>Statutory authority: Sections 17-27-101 through 108 and 18-1.3-301, C.R.S.</i>	197,392	0	0	0	0	197,392	0.0



Decision Item	GF	CF	HUTF	RF	FF	Total	FTE
8	103,512	0	0	0	0	103,512	0.9
<p><b>FTE for Recidivism Reduction Package Research and Evaluation</b></p> <p><b>Division of Criminal Justice.</b> The Department requests \$103,512 General Fund and 0.9 FTE to conduct research and evaluate the effectiveness of criminal justice programs initiated under the Governor's Crime Prevention and Recidivism Reduction Package. The request annualizes to \$104,683 General Fund and 1.0 FTE in FY 2010-11. The request would fund the hiring of a full-time research assistant to work with colleagues at other criminal justice agencies to identify data elements and design research and analysis strategies to evaluate the effectiveness of the recidivism reduction initiatives. <i>Statutory authority: Section 24-33.5-503, C.R.S.</i></p>							
9	27,174	0	0	0	0	27,174	0.0
<p><b>Community Corrections Auditing and Advisory Board Travel Budget</b></p> <p><b>Division of Criminal Justice.</b> The Department requests \$27,174 General Fund to support the travel expenses of its community corrections auditors as well as the travel expenses of the Governor's Community Corrections Advisory Council. <i>Statutory authority: Sections 17-27-101 through 108 and 18-1.3-301, C.R.S.</i></p>							
10	75,240	0	0	0	0	75,240	0.0
Public Safety Leased Space							
11	0	0	0	145,224	0	145,224	1.0
Garage Operations Spending Authority and FTE							
13	50,000	0	0	0	0	50,000	0.0
Grand Junction Facility Operating Costs							
14	0	0	0	0	0	0	0.0
<p><b>FTE to Support a Director Position for the Colorado Commission on Criminal and Juvenile Justice</b></p> <p><b>Division of Criminal Justice.</b> The Department requests \$53,182 General Fund and 0.3 FTE to support a director position for the Colorado Commission on Criminal and Juvenile Justice. The request seeks to appropriate the FTE and associated funding in the Governor's Office because it is planned that this position will be a part of that office. <i>Statutory authority: Section 16-11.3-101 (1), C.R.S.</i></p>							
15	50,000	0	0	50,000	0	100,000	0.0
Revenue Increase for Witness Protection							
16	0	9,000	0	0	0	9,000	0.0
<p><b>Increase Cash Spending Authority for the Sex Offender Treatment Provider Fund</b></p> <p><b>Division of Criminal Justice.</b> The Department requests \$9,000 cash funds spending authority from the Sex Offender Treatment Provider Fund. The request would increase the annual spending authority from \$11,000 to \$20,000 due to a projected increase in the number of treatment provider applications, each of which requires a background investigation. <i>Statutory authority: Section 16-11.7-106 (2) (b), C.R.S.</i></p>							

Decision Item	GF	CF	HUTF	RF	FF	Total	FTE
17 <b>Increase Cash Spending Authority for Intensive Residential Treatment Beds</b>  <b>Division of Criminal Justice.</b> The Department requests \$194,076 cash funds spending authority from the Drug Offender Surcharge Cash Fund to conduct a pilot program to extend the intensive residential treatment (IRT) of selected substance abuse offenders in Community Corrections from the current 45 days to 90 days. <i>Statutory authority: Sections 17-27-101 through 108 and 18-1.3-301, C.R.S.</i>	0	194,076	0	0	0	194,076	0.0
18 <b>FTE Authority for the Criminal Justice Training Fund</b>  <b>Division of Criminal Justice.</b> The Department requests the authority to employ 0.5 FTE from funds collected in the Criminal Justice Training Fund. The 0.5 FTE (Administrative Assistant III) would coordinate training courses offered under the Colorado Regional Community Policing Institute Training Unit. <i>Statutory authority: Section 24-33.5-503.5, C.R.S.</i>	0	0	0	0	0	0	0.5
19 <b>Additional Inpatient Therapeutic Community Beds for Southern Colorado</b>  <b>Division of Criminal Justice.</b> The Department requests \$481,668 General Fund to add 24 inpatient therapeutic community beds to its southern Colorado therapeutic community program. These beds are designed for offenders with substance dependency who need long-term residential treatment. <i>Statutory authority: Sections 17-27-101 through 108 and 18-1.3-301, C.R.S.</i>	481,668	0	0	0	0	481,668	0.0
NP1 <b>State Fleet Operating Increase for Fuel</b>  <b>Various.</b> 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>	509,052	12,717	951,165	10,623	39,445	1,523,002	0.0
NP2 <b>Postage Increase and Mail Equipment Upgrade</b>  <b>Various.</b> 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.	6,753	2,649	5,359	0	1,231	15,992	0.0
NP4 <b>Capitol Complex Request, Noxious Weeds at CGW</b>  <b>Executive Director's Office.</b> 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.	0	0	20,780	0	0	20,780	0.0

Decision Item	GF	CF	HUTF	RF	FF	Total	FTE
NP5	3,352	0	0	0	0	3,352	0.0
<p><b>Ombuds Program Increase</b></p> <p><b>Executive Director's Office.</b> The Department of Personnel and Administration performs a centralized ombudsman function as part of its Workers' Compensation program for the State. This non-prioritized request reflects an increase in the Department's share of the cost of that function. Such adjustments are handled as matters of common policy which will be settled by the Committee during figure setting.</p>							
NP6	41,355	53,969	665,884	(16,908)	65,109	809,409	0.0
<p><b>Vehicle Lease Reconciliation and Replacements</b></p> <p><b>Various.</b> This non-prioritized request reflects adjustments in costs for leased vehicles. Leases are managed on a centralized basis by the Department of Personnel and Administration Adjustments are addressed by the Committee as part of common policy figure setting. <i>Statutory authority: Section 24-30-1104 (2), C.R.S.</i></p>							
<b>Total</b>	<b>\$7,365,154</b>	<b>\$276,677</b>	<b>\$1,643,188</b>	<b>\$188,939</b>	<b>\$105,785</b>	<b>\$9,579,743</b>	<b>5.1</b>
<b>Total for Items in this Packet</b>	<b>\$6,966,475</b>	<b>\$222,708</b>	<b>\$956,524</b>	<b>\$10,623</b>	<b>\$40,676</b>	<b>\$8,197,006</b>	<b>3.2</b>

**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Public Safety  
(Division of Criminal Justice)**

**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 cash funds are from the Highway Users Tax Fund (HUTF). These funds are appropriated to the Department for the supervision of the State's highways.

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

Category	GF	CF	HUTF	RF	FF	Total	FTE
FY 2008-09 Appropriation	\$82.4	\$25.0	\$92.5	\$21.6	\$26.5	\$248.0	1,357.2
FY 2009-10 Request	90.4	25.5	97.4	21.9	26.8	262.0	1,362.3
Increase / (Decrease)	\$8.0	\$0.5	\$4.9	\$0.3	\$0.3	\$14.0	5.1
Percentage Change	9.7%	2.0%	5.3%	1.4%	1.1%	5.6%	0.4%

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	HUTF	RF	FF	Total	FTE
<b>Department Base Request</b>							
Salary and benefits adjustments	\$71,414	\$27,171	\$0	\$21,308	\$3,410	\$123,303	0.0
Annualize prior year decision items	8,358	0	0	0	0	8,358	0.1
<b>Subtotal - Base Request</b>	<b>\$79,772</b>	<b>\$27,171</b>	<b>\$0</b>	<b>\$21,308</b>	<b>\$3,410</b>	<b>\$131,661</b>	<b>0.1</b>
<b>Non-Prioritized Requests</b>							
State fleet operating increase for fuel (DI #NP-1)	\$1,980	\$304	\$0	\$0	\$0	\$2,284	0.0
Postage increase and mail equipment upgrade (DI #NP-2)	694	0	0	0	942	1,636	0.0
<b>Subtotal - Non-Prioritized Requests</b>	<b>\$2,674</b>	<b>\$304</b>	<b>\$0</b>	<b>\$0</b>	<b>\$942</b>	<b>\$3,920</b>	<b>0.0</b>
<b>New/Expanded Programs</b>							
Increase Community Corrections transition and diversion beds (DI #5)	\$5,480,543	\$4,266	\$0	\$0	\$0	\$5,484,809	0.0

Category	GF	CF	HUTF	RF	FF	Total	FTE
Additional inpatient therapeutic community beds for southern Colorado (DI #19)	481,668	0	0	0	0	481,668	0.0
Accelerated non-residential Community Corrections diversion pilot program (DI #5)	197,392	0	0	0	0	197,392	0.0
Increase cash spending authority for intensive residential treatment (IRT) beds (DI #17)	0	194,076	0	0	0	194,076	0.0
Community Corrections discharge planning (DI #3)	160,381	0	0	0	0	160,381	1.8
FTE for Recidivism Reduction Package research and evaluation (DI #8)	103,512	0	0	0	0	103,512	0.9
Community Corrections auditing and advisory board travel budget (DI #9)	27,174	0	0	0	0	27,174	0.0
Increase cash spending authority for Sex Offender Treatment Provider Fund (DI #16)	0	9,000	0	0	0	9,000	0.0
Change in indirect costs	0	(5,975)	0	0	11,800	5,825	0.0
FTE authority for the Criminal Justice Training Fund (DI #18)	0	0	0	0	0	0	0.5
FTE to support a director position for the Colorado Commission on Criminal and Juvenile Justice (DI #14)	0	0	0	0	0	0	0.0
<b>Subtotal - New/Expanded Programs</b>	<b>6,450,670</b>	<b>201,367</b>	<b>0</b>	<b>0</b>	<b>11,800</b>	<b>6,663,837</b>	<b>3.2</b>
<b>Total Change</b>	<b>\$6,533,116</b>	<b>\$228,842</b>	<b>\$0</b>	<b>\$21,308</b>	<b>\$16,152</b>	<b>\$6,799,418</b>	<b>3.3</b>

**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Public Safety  
(Division of Criminal Justice)**

**BRIEFING ISSUE**

**ISSUE: Community Corrections Provider Rate**

The Department of Public Safety is requesting the addition of 397 Community Corrections diversion beds and 49 Community Corrections transition beds. The total cost of this request is \$5,484,809. The Colorado Community Corrections Coalition has proposed that the JBC approve a smaller number of beds with an increased provider rate. However, the Department request includes a reduction in the Department of Corrections' budget to account for the presumption of fewer individuals going to prison while the Coalition request does not reflect any reduction.

**SUMMARY:**

- ❑ The Department of Public Safety requests an additional 397 Community Corrections diversion beds and 49 Community Corrections transition beds at a total cost of \$5,484,809. The request phases in the additional diversion beds and also includes a reduction in the Department of Corrections' budget of \$4,390,096 General Fund to account for the presumption that fewer individuals will go to prison as a result of the increased diversion beds.
- ❑ The Colorado Community Corrections Coalition has presented an alternative request for the JBC to approve a smaller number of Community Corrections beds with a higher provider rate. The Coalition request showed a net zero increase in terms of its costs versus the Department request; however, the Coalition request did not include a phase in of the beds and also did not include a reduction in the Department of Corrections' budget.

**RECOMMENDATION:**

Staff recommends that the Committee consider the overall cost of any Community Corrections bed increase, including the reduction in the Department of Corrections' budget, particularly if the Committee approves a smaller number of beds with a higher provider rate.

**DISCUSSION:**

The Department of Public Safety is requesting the addition of 397 Community Corrections diversion beds and 49 Community Corrections transition beds. The total cost of this request is \$5,484,809; however, because of the large number of beds being requested, the request phases in the diversion beds as follows:

- 100 beds on July 1, 2009;
- 125 beds on October 1, 2009; and
- 172 beds on January 1, 2009.

The request does not phase in the transition bed request; therefore, the 49 transition beds being requested would be for the full fiscal year.

The request also includes a reduction in the Department of Corrections' budget for the prison bed cost avoidance attributed to these additional Community Corrections beds. However, the request only includes a reduction related to the diversion beds, not the transition beds, and it also includes a 25 percent adjustment to account for offenders who are awaiting a diversion placement in a local jail. Without the 25 percent adjustment, the reduction to DOC would equal the entire FY 2009-10 inmate caseload request for DOC. In that case, if the diversion savings did not materialize, the Department of Corrections may have to seek supplemental funding for caseload. The following table summarizes the calculated savings in the request:

Community Corrections Diversion Bed Savings							
	Number of Diversion Beds	Days	Cost Per Diversion Bed	Total Diversion Cost	Number of Prison Beds	Cost Per Prison Bed	Total Diversion Savings
July 1 (full year)	100	365	\$37.74	\$1,377,510	100	\$57.26	2,089,990
October 1 (9 months)	125	274	\$37.74	\$1,292,595	125	\$57.26	1,961,155
January 1 (6 months)	<u>172</u>	<u>183</u>	<u>\$37.74</u>	<u>\$1,187,904</u>	<u>172</u>	<u>\$57.26</u>	<u>1,802,316</u>
Subtotal	397			<u>\$3,858,009</u>	397		5,853,461
<b>Total Cost of Diversion (Includes 4% Admin. Fee)</b>				<b>4,012,330</b>			
25 % Adjustment for Local Jails							<u>1,463,365</u>
Gross Annual Savings (Reduction to DOC)							4,390,096
Judicial Cost							<u>289,810</u>
<b>Net Annual Savings</b>							<b>87,956</b>

Alternatively, the Colorado Community Corrections Coalition has proposed to the JBC reducing the number of beds in the request and increasing the provider rate to \$40.35. The Coalition provided the following table to the JBC to support their request:

<b>Colorado Community Corrections Coalition Request</b>				
	<b>Beds</b>	<b>Per Diem</b>	<b>New Dollars Per Day</b>	<b>Total New Dollars</b>
Diversion Expansion	223	\$40.35	\$40.35	\$3,284,288
Existing Beds	3,000	\$40.35	\$2.61	\$2,857,950
Total New Dollars				\$6,142,238
Governor's Proposal	446	\$37.74	\$37.74	\$6,143,695
Difference				(\$1,456)

However, the Coalition request does not take into account the phase in of the beds that is included in the Department's request. In addition, the Coalition request does not factor in the cost savings of the diversion beds that is reduced from the Department of Corrections' budget in order to balance the costs of the diversion beds. Finally, the Coalition request only includes funding for 3,000 existing diversion beds, whereas staff has calculated the number to be 3,116. The following table illustrates the costs and savings associated with the Coalition request using the savings model from the Department's request. Staff has adjusted the number of existing beds from the Coalition request.



Community Corrections Diversion Bed Savings							
	Number of Diversion Beds	Days	Cost Per Diversion Bed	Total Diversion Cost	Number of Prison Beds	Cost Per Prison Bed	Total Diversion Savings
July 1 (full year)	223	365	\$40.35	\$3,284,288	223	\$57.26	4,660,678
October 1 (9 months)	0	274	\$40.35	\$0	0	\$57.26	0
January 1 (6 months)	<u>0</u>	<u>183</u>	<u>\$40.35</u>	<u>\$0</u>	<u>0</u>	<u>\$57.26</u>	<u>0</u>
Subtotal	223			\$3,284,288	223		4,660,678
Existing Beds	3,116	365	\$2.61	<u>\$2,968,457</u>			
<b>Total Cost of Diversion (Includes 4% Admin. Fee)</b>				<b>6,384,117</b>			
No Adjustment for Local Jails							<u>1,165,169</u>
Gross Annual Savings (Reduction to DOC)							3,495,508
Judicial Cost							<u>162,790</u>
<b>Net Annual Savings</b>							<b>(3,051,399)</b>

As can be seen from the above table, the Coalition request actually results in an annual cost to the State of \$3,051,399 versus an annual savings of \$87,956 under the Department request

The Committee could provide an increase to the provider rate and still balance to the Department request; however, this would require the elimination of the 25 percent adjustment to the reduction in the Department of Corrections' budget. Again, without this adjustment, the amount required to be reduced from the DOC budget and still balance to the request would negate DOC's entire inmate caseload request. If these projected savings do not materialize, the DOC may need supplemental funding for caseload growth. The following table summarizes one option for providing an increase to the provider rate and still balancing to the Department request. This option has a slightly higher annual net savings as compared to the Department request (\$96,245 compared to \$87,956); however, it does not include the 25 percent adjustment to the reduction in the DOC budget.

Community Corrections Diversion Bed Savings							
	Number of Diversion Beds	Days	Cost Per Diversion Bed	Total Diversion Cost	Number of Prison Beds	Cost Per Prison Bed	Total Diversion Savings
July 1 (full year)	100	365	\$38.91	\$1,420,215	100	\$57.26	2,089,990
October 1 (9 months)	125	274	\$38.91	\$1,332,667	125	\$57.26	1,961,155
January 1 (6 months)	<u>172</u>	<u>183</u>	<u>\$38.91</u>	<u>\$1,224,731</u>	<u>172</u>	<u>\$57.26</u>	<u>1,802,316</u>
Subtotal	397			\$3,977,614	397		5,853,461
Existing Beds	3,116	365	\$1.17	<u>\$1,330,688</u>			
<b>Total Cost of Diversion (Includes 4% Admin. Fee)</b>				<b>5,467,406</b>			
No Adjustment for Local Jails							<u>0</u>
Gross Annual Savings (Reduction to DOC)							5,853,461
Judicial Cost							<u>289,810</u>
<b>Net Annual Savings</b>							<b>96,245</b>

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Department of Public Safety  
(Division of Criminal Justice)**

**BRIEFING ISSUE**

**ISSUE: Community Corrections Subsistence Grace Period**

Current requirements obligate Community Corrections offenders to pay a subsistence of \$17 per day during their time in a Community Corrections residential placement. This subsistence requirement begins the first day of their placement in residential Community Corrections. However, because of the difficulty in finding immediate employment, these offenders may turn to illegal activity in order to meet the required subsistence. As a result, it may be appropriate to allow a subsistence grace period for Community Corrections offenders of up to one month.

**SUMMARY:**

- ❑ Offenders placed in residential Community Corrections programs are currently required to pay a subsistence of \$17 per day. This requirement begins immediately upon being placed in a residential Community Corrections program. This subsistence was increased from \$13 per day to \$17 per day during FY 2002-03 when the provider rate paid to Community Corrections providers was decreased by eight percent.
- ❑ Offenders placed in residential Community Corrections programs often have a difficult time finding employment immediately upon placement. In addition, many offenders leave prison with child support obligations. Because of the immediate subsistence requirement, some Community Corrections offenders turn to illegal activity. However, a grace period in the subsistence requirement may provide an opportunity for more offenders to succeed in residential Community Corrections programs.

**RECOMMENDATION:**

Staff recommends that if the Committee approves a provider rate increase for Community Corrections providers, that the Committee also consider a subsistence grace period for Community Corrections offenders of up to one month.

**DISCUSSION:**

The Colorado Commission on Criminal and Juvenile Justice, in its 2008 annual report, supports a recommendation of a two to four week grace period for subsistence payments for offenders in residential Community Corrections programs. This recommendation, however, did not include requiring the Community Corrections providers to absorb this reduction in funds.

The Commission report cites research which shows that the time period immediately following release from prison is the riskiest for the offender and the public. For example, the National Research Council reports that the highest rates for reoffending occur in the first days and weeks out of prison. Similarly, in most residential Community Corrections programs, the time period at greatest risk for reoffense is often the first few weeks of residential treatment, during which many offenders abscond or commit technical violations. However, despite this early risk, offenders are expected to find employment immediately upon arrival at the program in order to pay the required subsistence fee of \$17 per day.

Furthermore, the Commission report indicates that the average Colorado parolee owes approximately \$16,600 in child support when they are released from prison. In addition, national research shows that most individuals returning to the community have difficulty finding employment immediately. These financial pressures and the potential paycheck garnishments that result from unpaid debt can increase the likelihood that an offender will participate in illegal activities and in turn discourage legitimate employment.

The Commission report also states that offenders would experience fewer failures if they underwent a period of stabilization lasting between two to four weeks after arrival at a residential Community Corrections program. This period of stabilization would include careful assessment of criminogenic needs, life skills training, stabilization with medication, and other individually appropriate treatment.

During FY 2002-03, a state budget cut of eight percent to the provider rate paid to Community Corrections providers was offset by a 30.8 percent increase in the offenders' daily subsistence fee to providers (from \$13 to \$17). This increase to the subsistence fee may have impacted the recidivism rate for Community Corrections offenders. For example, as illustrated in a 2006 recidivism study by DCJ's Office of Research and Statistics, the rate of successful completion of a residential Community Corrections placement dropped from 63.1 percent to 56.1 percent after the increased subsistence fee was instituted.

In addition, subsistence grace periods have proven to be successful at reducing the escape rate for residential Community Corrections offenders. For example, during FY 2000-01, the Office of Community Corrections within the Division of Criminal Justice, collaborated with Peer 1 and The Haven, two community corrections programs that provide therapeutic community services to high level drug offenders, to use Drug Offender Surcharge Funds to provide an enhanced per diem rate for offenders during the first six months of residential placement. The enhanced per diem offset the costs that would otherwise be levied against offenders for subsistence fees. This allowed offenders to delay seeking employment and thus avoid trips into the community to job-see early in their placement, allowing them to focus on treatment instead. Escape rates declined from 25.4 percent in FY 1999-00 to 15.28 percent in FY 2000-01 once the enhanced per diem rate was instituted.

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**APPENDIX A: NUMBERS PAGES**

	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Appropriated</b>	<b>Request</b>	<b>Change Requests</b>

**DEPARTMENT OF PUBLIC SAFETY**  
**Executive Director: Peter A. Weir**  
**Division of Criminal Justice Director:**  
**Jeanne Smith**

**(4) DIVISION OF CRIMINAL JUSTICE**

(Primary Functions: Collect and analyze criminal justice system data for planning, research, coordination, and technical assistance to local and state criminal justice agencies. The Division manages several federal grants for juvenile justice, anti-drug programs, and victim assistance and compensation. Additionally, the Division administers all community correction contracts for both diversion and transition placements.)

	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriated	FY 2009-10 Request	Change Requests
<b>(A) Administration</b>					
Personal Services	1,643,116	2,122,256	2,432,778	2,660,948	DI #3
FTE	<u>22.8</u>	<u>26.7</u>	<u>31.8</u>	<u>33.6</u>	
General Fund	839,479	1,197,587	1,453,751	1,639,611	
FTE	12.7	14.5	21.0	22.8	
Cash Funds	369,696	376,979	534,881	555,883	
FTE	5.5	5.7	5.5	7.6	
Reappropriated Funds	349,734	459,667	362,435	383,743	
FTE	3.4	5.5	4.0	1.9	
Federal Funds	84,207	88,023	81,711	81,711	
FTE	1.2	1.0	1.3	1.3	
Operating Expenses	<u>186,448</u>	<u>201,260</u>	<u>228,338</u>	<u>302,469</u>	DI #3, 9, NP-1, NP-2
General Fund	112,893	137,508	153,253	227,080	
Cash Funds	26,037	26,037	35,257	35,561	
Reappropriated Funds	43,141	33,338	35,451	35,451	
Federal Funds	4,377	4,377	4,377	4,377	
Recidivism Reduction and Offender Diversion Package Contract Analysis - GF	n/a	133,905	300,000	403,512	DI #8
FTE		0.0	0.0	0.9	
Indirect Cost Assessment	<u>574,750</u>	<u>570,030</u>	<u>667,506</u>	<u>673,331</u>	
Cash Funds	52,816	57,393	72,397	66,422	
Reappropriated Funds	7,540	7,817	0	0	
Federal Funds	514,394	504,820	595,109	606,909	

	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriated	FY 2009-10 Request	Change Requests
					<b>Request vs. Appropriation</b>
<b>TOTAL - (A) ADMINISTRATION</b>	2,404,314	2,893,546	3,628,622	4,040,260	11.3%
FTE	<u>22.8</u>	<u>26.7</u>	<u>31.8</u>	<u>34.5</u>	
General Fund	952,372	1,335,095	1,907,004	2,270,203	19.0%
Cash Funds	448,549	460,409	642,535	657,866	2.4%
Reappropriated Funds	400,415	500,822	397,886	419,194	5.4%
Federal Funds	602,978	597,220	681,197	692,997	1.7%
<b>(B) Victims Assistance</b>					
Federal Victims Assistance and Compensation Grants - FF	9,387,272	8,938,836	9,560,000	9,560,000	
State Victims Assistance and Law Enforcement Program	<u>858,649</u>	<u>871,767</u>	<u>1,275,000</u>	<u>1,275,000</u>	
Cash Funds	836,331	834,916	1,275,000	1,275,000	
Reappropriated Funds	22,318	36,851	0	0	
Child Abuse Investigation - CF	n/a	0	317,725	317,725	
FTE		0.0	0.4	0.4	

	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>Change Requests</b>
	<b>Actual</b>	<b>Actual</b>	<b>Appropriated</b>	<b>Request</b>	
					<b>Request vs. Appropriation</b>
<b>TOTAL - (B) VICTIMS ASSISTANCE</b>	10,245,921	9,810,603	11,152,725	11,152,725	0.0%
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.4</u>	<u>0.4</u>	
Cash Funds	836,331	834,916	1,592,725	1,592,725	0.0%
Reappropriated Funds	22,318	36,851	0	0	N/A
Federal Funds	9,387,272	8,938,836	9,560,000	9,560,000	0.0%
<b>(C) Juvenile Justice and Delinquency Prevention</b>					
Juvenile Justice Disbursements - FF	826,798	825,650	750,000	750,000	
Juvenile Diversion Programs - GF	1,178,066	1,239,596	1,241,851	1,241,851	
FTE	0.0	0.0	0.8	0.9	
					<b>Request vs. Appropriation</b>
<b>TOTAL - (C) JUVENILE JUSTICE</b>	2,004,864	2,065,246	1,991,851	1,991,851	0.0%
FTE	0.0	0.0	0.8	0.9	
General Fund	1,178,066	1,239,596	1,241,851	1,241,851	0.0%
Federal Funds	826,798	825,650	750,000	750,000	0.0%
<b>(D) Community Corrections</b>					
Community Corrections Boards Administration - GF	1,616,882	1,746,231	1,923,750	2,184,248	DI #4, 19



	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriated	FY 2009-10 Request	Change Requests
Incentive Funds for Low-Risk Providers - GF	n/a	n/a	210,659	0	DI #4
Transition Programs - GF	19,906,942	21,401,750	24,563,964	25,376,071	DI #4
Diversion Programs - GF	20,982,990	21,978,322	22,490,369	27,212,394	DI #4
Transition Mental Health Bed Differential GF	452,097	501,173	1,018,861	1,360,042	DI #4, 19
Diversion Mental Health Bed Differential GF	n/a	93,621	239,732	241,046	DI #4
Specialized Services - GF	49,180	51,050	55,000	55,000	
John Eachon Re-Entry Program - GF	n/a	188,156	287,493	289,080	DI #4
Day Reporting Center - GF	666,024	564,713	537,189	539,744	DI #4
Substance Abuse Treatment Program	<u>877,383</u>	<u>940,660</u>	<u>1,184,959</u>	<u>1,220,860</u>	DI #4, 19
General Fund	203,271	206,863	389,021	420,656	
Cash Funds	674,112	637,662	795,938	800,204	
Reappropriated Funds	0	96,135	0	0	
Outpatient Therapeutic Community Programs - GF	n/a	n/a	777,920	777,888	DI #4

	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>Change Requests</b>
	<b>Actual</b>	<b>Actual</b>	<b>Appropriated</b>	<b>Request</b>	
Accelerated Non-Residential Community Corrections Diversion Pilot Program - GF ( <i>New Line Item</i> )	n/a	n/a	n/a	197,392	DI #5
IRT Pilot Project - CF ( <i>New Line Item</i> )	n/a	n/a	n/a	194,076	DI #17
					<b>Request vs. Appropriation</b>
<b>TOTAL - (D) COMMUNITY CORRECTIONS</b>	<u>44,551,498</u>	<u>47,465,676</u>	<u>53,289,896</u>	<u>59,647,841</u>	11.9%
General Fund	43,877,386	46,731,879	52,493,958	58,653,561	11.7%
Cash Funds	674,112	637,662	795,938	994,280	24.9%
Reappropriated Funds	0	96,135	0	0	N/A
<b>(E) Crime Control and System Improvement</b>					
State and Local Crime Control and System Improvement Grants - FF	3,962,545	3,655,570	5,000,000	5,000,000	
Sex Offender Surcharge Fund Program - CF	126,319	116,242	147,156	153,325	
FTE	1.5	1.5	1.5	1.5	
Sex Offender Supervision - GF	317,058	321,435	327,433	337,747	DI #NP-2
FTE	3.2	3.2	3.2	3.2	

	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriated	FY 2009-10 Request	Change Requests
Treatment Provider Criminal Background					
Checks	17,840	10,453	49,950 a/	58,950	DI #16
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.6</u>	<u>0.6</u>	
Cash Funds	16,200	10,453	49,950	58,950	
Reappropriated Funds	1,640	0	0	0	
Colorado Regional Community Policing					
Institute	203,256	137,220	775,246	775,246	
FTE	<u>3.3</u>	<u>2.3</u>	<u>6.2</u>	<u>6.2</u>	
Reappropriated Funds	9,200	9,170	376,816	376,816	
FTE	0.0	0.1	2.5	2.5	
Federal Funds	194,056	128,050	398,430	398,430	
FTE	3.3	2.2	3.7	3.7	
Federal Grants - non-appropriated	5,979,946	4,506,338	3,722,221	3,726,573	DI #NP-2
FTE	<u>17.9</u>	<u>14.6</u>	<u>17.5</u>	<u>17.5</u>	
Reappropriated Funds	43,511	59,116	0	0	
Federal Funds	5,936,435	4,447,222	3,722,221	3,726,573	
Lifesaver Project Grants - CF	n/a	53,015	125,000	125,000	
FTE		0.1	0.1	0.1	
Criminal Justice Training Fund - CF	n/a	35,607	139,488	139,488	DI #18
FTE		0.0	0.0	0.5	
MacArthur Foundation Grant - CF	n/a	9,158	200,000	200,000	

	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>Change Requests</b>
	<b>Actual</b>	<b>Actual</b>	<b>Appropriated</b>	<b>Request</b>	

Methamphetamine Abuse Task Force  
Fund - CF

n/a      10,122      n/a      n/a

**Request vs.  
Appropriation**

<b>TOTAL - (E) CRIME CONTROL</b>	10,606,964	8,855,160	10,486,494	10,516,329	0.3%
FTE	<u>25.9</u>	<u>21.7</u>	<u>29.1</u>	<u>29.6</u>	
General Fund	317,058	321,435	327,433	337,747	3.1%
Cash Funds	142,519	234,597	661,594	676,763	2.3%
Reappropriated Funds	54,351	68,286	376,816	376,816	0.0%
Federal Funds	10,093,036	8,230,842	9,120,651	9,125,003	0.0%

a/ Includes \$26,450 cash funds appropriated pursuant to H.B. 08-1232.

**Request vs.  
Appropriation**

<b>DEPARTMENT OF PUBLIC SAFETY, (4) DIVISION OF CRIMINAL JUSTICE</b>					
<b>TOTAL</b>	69,813,561	71,090,231	80,549,588	87,349,006	8.4%
FTE	<u>48.7</u>	<u>48.4</u>	<u>62.1</u>	<u>65.4</u>	
General Fund	46,324,882	49,628,005	55,970,246	62,503,362	11.7%
Cash Funds	2,101,511	2,167,584	3,692,792	3,921,634	6.2%
Reappropriated Funds	477,084	702,094	774,702	796,010	2.8%
Federal Funds	20,910,084	18,592,548	20,111,848	20,128,000	0.1%

Please note: actual years reflect records of the State Controller. Appropriation year equals Long Bill, special bills, roll forwards, and other adjustments.

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**APPENDIX B: SUMMARY OF MAJOR LEGISLATION**

- **H.B. 08-1232 (Stafford/Bacon): Sunset Domestic Violence Board.** Continues the Domestic Violence Offender Management Board (Board) until July 1, 2017 and appropriates \$26,450 cash funds from the Domestic Violence Offender Treatment Provider Fund and 0.6 FTE to the Division of Criminal Justice in FY 2008-09. Makes the following changes with regard to the Board: (1) requires domestic violence treatment providers to complete mandatory continuing education courses related to domestic violence; (2) allows the Board to remove a treatment provider from the list of approved domestic violence treatment providers; (3) requires the Board to develop a renewal process for providers to remain on the list of approved providers; and (4) allows the Board to increase the fee assessed to providers submitting new or renewal applications for placement on the list of approved providers from \$125 to up to \$300 per application.

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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: Of the funds listed, the Division of Criminal Justice shares two with other state agencies: the Sex Offender Surcharge Fund, and the Drug Offender Surcharge Fund. The Department indicates that the Judicial Department is responsible for tracking the Drug Offender Surcharge Fund and the Sex Offender Surcharge Fund.

The Sex Offender Management Board determined the following allocation for state agencies:

- \$163,591 to the Division of Criminal Justice for training;
- \$302,029 to the Judicial Department for direct services;
- \$29,311 to the Department of Corrections for sex offender data collection and risk assessment tests; and
- \$38,250 to the Department of Human Services to be used for training and technical assistance to county departments, the Division of Youth Corrections and the Division of Child Welfare.

The Drug Offender Surcharge Fund is administered by the Judicial Department. The Judicial Department estimates the following allocation from the Drug Offender Surcharge Fund in FY 2009-10:

- \$1,107,813 to the Division of Criminal Justice;
- \$1,745,479 to the Judicial Department;
- \$1,270,616 to the Department of Human Services; and
- \$1,245,127 to the Department of Corrections.

**55 Department of Public Safety, Division of Criminal Justice, Administration, Recidivism Reduction and Offender Diversion Package Contract Analysis** -- The appropriation for this line item is intended to fund a contract analysis of the Governor's Recidivism Reduction and Offender Diversion Package funded by the General Assembly in 2007. Any portion of the appropriation in this line item that is not expended prior to July 1, 2009, shall be rolled forward for expenditure in FY 2009-10.

Comment: The Department has not indicated to staff any concerns with the FY 2008-09 appropriation for this line item.

**56 Department of Public Safety, Division of Criminal Justice, Community Corrections** -- Appropriations for community corrections programs are based on assumptions that providers of community corrections programs will collect client fees of up to \$17 per day for residential programs and up to \$3 per day for nonresidential programs. Pursuant to its authority to administer and execute contracts under section 17-27-108, C.R.S., the Division of Criminal Justice is requested to ensure that every reasonable effort is made to achieve such collections.

Comment: According to the Department, providers are required to submit documentation on the amount of revenue collected from offenders for residential and non-residential programs. In 2007, the most recent year for which data is available, the Department reported that the average contribution was \$13.32 for residential diversion programs and \$12.96 for residential transition programs. No figures were provided for non-residential programs.

### **Requests for Information**

The Division of Criminal Justice did not have any Requests for Information for FY 2008-09.