

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



SUPPLEMENTAL REQUESTS FOR FY 2014-15

DEPARTMENT OF PUBLIC SAFETY

(Division of Criminal Justice)

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

**Prepared By:
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DEPARTMENT OF PUBLIC SAFETY (DIVISION OF CRIMINAL JUSTICE)

Division Overview

The Division of Criminal Justice in the Department of Public Safety

- Provides funding and oversight for the state's community corrections programs and funding for local community corrections boards;
- Administers state and federally funded grant programs targeting juvenile delinquency and federally funded grant programs that help local and state law enforcement agencies improve the services they deliver;
- Administers state and federally funded grant programs that help state and local agencies assist crime victims, operates the state's Victim's Rights Act Compliance Program, and responds to requests for assistance in implementing Colorado's Victim's Rights Amendment;
- Promote evidence-based criminal justice practices that have been shown by research to be effective.
- Assists the Domestic Violence Offender Management Board and the Sex Offender Management Board in developing and implementing standards and policies for the evaluation, treatment, monitoring, and management of adults convicted of domestic violence and sex offenses;
- Analyzes and distributes criminal justice data and information, evaluates criminal justice programs, provides research support to the Colorado Commission on Criminal and Juvenile Justice; and
- Helps strengthen the performance and professionalism of Colorado law enforcement agencies through training, education, and technical assistance programs.

Summary: FY 2014-15 Appropriation and Recommendation

Department of Public Safety Division of Criminal Justice: Recommended Changes for FY 2014-15						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2014-15 Appropriation						
HB 14-1336 (Long Bill)	\$396,860,817	\$130,120,718	\$175,068,422	\$33,235,792	\$58,435,885	1,657.2
Other legislation	<u>4,343,096</u>	<u>3,477,682</u>	<u>816,738</u>	<u>48,676</u>	<u>0</u>	<u>31.1</u>
Current FY 2014-15 Appropriation	\$401,203,913	\$133,598,400	\$175,885,160	\$33,284,468	\$58,435,885	1,688.3
Recommended Changes						
Current FY 2014-15 Appropriation	\$401,203,913	133,598,400	\$175,885,160	\$33,284,468	\$58,435,885	1,688.3
S05 - Increased Cash Fund Appropriation for Child Abuse Investigations	100,000	0	100,000	0	0	0.0

*JBC Staff Supplemental Recommendations: FY 2014-15
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Department of Public Safety Division of Criminal Justice: Recommended Changes for FY 2014-15	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Staff Initiated Supplemental - Adjustment for Therapeutic Community Closure and for Outpatient Rates	(1,023,208)	(1,023,208)	0	0	0	0.0
Recommended FY 2014-15 Appropriation	\$400,280,705	\$132,575,192	\$175,985,160	\$33,284,468	\$58,435,885	1,688.3
Recommended Increase/(Decrease)	(\$923,208)	(\$1,023,208)	\$100,000	\$0	\$0	0.0
Percentage Change	(0.2%)	(0.8%)	0.1%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request	\$401,303,913	\$133,598,400	\$175,985,160	\$33,284,468	\$58,435,885	1,688.3
Request Above/(Below) Recommendation	\$1,023,208	\$1,023,208	\$0	\$0	\$0	0.0

Request/Recommendation Descriptions

S05 Increased Cash Fund Appropriation for Child Abuse Investigations: The Department requests and JBC Staff recommends that the Cash Fund portion of the appropriation for Child Abuse Investigation be increased from \$200,000 to \$300,000.

Staff Initiated Supplemental – Adjustment for Therapeutic Community Closure and for Outpatient Rates: Staff recommends that (1) the FY 2014-15 General Fund appropriation for Community Corrections Placements be decreased by \$1,054,376 to reflect the closure of a community-corrections therapeutic community in Pueblo and (2) the per diem for community corrections offenders who have been placed in outpatient therapeutic communities be increased by \$2.10 per day effective January 1, 2015, which requires a FY 2014-15 General Fund appropriation increase of \$33,829. The net FY 2014-15 General Fund reduction for recommendations (1) and (2) together is \$1,023,208.

Prioritized Supplemental Requests

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #5 INCREASED CASH FUND APPROPRIATION FOR CHILD ABUSE INVESTIGATIONS

	Request	Recommendation
Total	<u>\$100,000</u>	<u>\$100,000</u>
FTE	0.0	0.0
General Fund	0	0
Cash Funds	100,000	100,000
Federal Funds	0	0

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Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
JBC staff and the Department agree that this request is the result of a JBC staff technical error that occurred when staff computed the cash fund appropriation for Child Abuse Investigations.	

Department Request: The Department requests that the Cash Fund portion of the appropriation for Child Abuse Investigation from the Child Abuse Investigation Surcharge Fund (which is created in Section 18-24-103 (2) (a), C.R.S.) be increased from \$200,000 to \$300,000. The \$500,000 General Fund appropriation for Child Abuse Investigation would not change. The extra appropriation would allow the Department to expend the over \$200,000 of reserves that have accumulated in the Child Abuse Investigation Surcharge Fund.

Staff Recommendation: Staff recommends that the Committee approve this request.

Staff Analysis: During figure setting last session, JBC staff recommended and the Committee approved a \$200,000 cash fund appropriation for Child Abuse Investigations for FY 2015-16. This appropriation was designed to align cash fund spending revenues from the Child Abuse Investigation Surcharge Fund, but it did not take account of the fund balance, which has been growing over time and equaled \$239,124 as of the end of FY 2013-14.

Background: Article 24 of Title 18, C.R.S., establishes a schedule of surcharges that are paid by offenders who are convicted of crimes against children, including sex offenses, incest, child abuse, and contributing to the delinquency of a minor. The surcharges range from \$1,500 for a class 2 felony to \$75 for a class 3 misdemeanor. Five percent of the surcharge revenue is credited to the Judicial Stabilization Fund and the remaining 95 percent is credited to the Child Abuse Investigation Surcharge Fund, which is created in Section 18-24-103 (2) (a), C.R.S. In recent years cash inflows to the fund equaled

\$77,855 in FY 2009-10,
\$102,675 in FY 2010-11,
\$151,152 in FY 2011-12,
\$182,990 in FY 2012-13,
\$203,646 in FY 2013-14.

DCJ uses this appropriation to make payments to the Colorado Children's Alliance, which distributes the money to 14 Child Advocacy Centers (CACs) around the state and provides training and technical guidance to the Centers.

The centers serve children who are suspected victims of sexual abuse (80% of Colorado cases in 2012) followed by physical abuse (9% of Colorado cases) and witness to violence (often domestic, 9% of Colorado cases). The CAC objective is for a single, sensitive, thorough, and neutral forensic interview to take place following a suspected case of abuse. Multiple interviews can be difficult for the child, who must repeatedly describe what happened. Children can also be

influenced by interviewers; a child may change his or her story as it is repeated to adults who ask leading questions or react in non-neutral ways as the story unfolds. A single, well-conducted forensic interview reduces the chance that this will occur.

Law enforcement personnel are encouraged to take a child to a CAC as soon as they determine that the case is appropriate for a CAC. The forensic interviews with children at the CAC are video recorded. Law enforcement and Human Services personnel watch the interview through one way mirrors with law enforcement focused on crime and Human Services focused on child safety (For example, is this a dependency and neglect case?). The interview provides evidence for law enforcement and helps guide further criminal investigation. If a potential crime occurred, evidence is provided to the District Attorney, who decides whether to prosecute.

Non-prioritized Supplemental Requests

**JBC STAFF-INITIATED SUPPLEMENTAL #1
 ADJUSTMENT FOR THERAPEUTIC COMMUNITY CLOSURE AND
 FOR OUTPATIENT RATES**

	Request	Recommendation
Total	<u>\$0</u>	<u>(\$1,023,208)</u>
FTE	0.0	0.0
General Fund	0	(1,023,208)
Cash Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This JBC staff recommendation is the result of information that was not available when the original appropriation was made.	

Department Request: The Department did not request this supplemental.

Staff Recommendation: Staff recommends that:

- (1) The FY 2014-15 General Fund appropriation for Community Corrections Placements be reduced by \$1,054,376 to reflect the closure of Crossroads Turning Point Therapeutic Community of Southern Colorado, which was located in Pueblo and closed during the summer of 2014.

- (2) The per diem for community corrections offenders who have been placed in outpatient therapeutic communities be increased by \$2.10 per day retroactive to January 1, 2015, which requires a FY 2014-15 General Fund appropriation increase of \$33,829 for Community Corrections Placements. This is an ongoing increase that would continue into FY 2015-16.

Part (1) of this recommendation is a one-time supplemental adjustment for FY 2014-15 that reflects a temporary reduction of substance use treatment facilities. Staff expects to recommend an offsetting increase for FY 2015-16 based on the expectation that substitute facilities will become available during that year.

Staff Analysis:

Part (1): Crossroads Turning Point Therapeutic Community of Southern Colorado opened in May 2009. It was developed with guidance from the University of Colorado's Addiction Research and Treatment Services (ARTS), which operates two similar therapeutic community programs at Fort Logan, Peer I for males and Haven for females. The program was designed to provide long-term intensive residential drug and alcohol treatment for male offenders. Staff described therapeutic communities for substance abuse in more detail during Briefing.

The Crossroads Therapeutic Community had difficulties from the outset. Division of Criminal Justice audits consistently ranked it as having the highest risk of escape among the state's community corrections programs. The facility also received poor ratings for staff training, medication security, and offsite monitoring of offenders.

Crossroads Therapeutic Community slowly closed its doors during July and August of 2014, as the facility's offenders were gradually moved elsewhere.

JBC Staff estimates that 40 residential therapeutic community beds were lost as a consequence of the Crossroads Therapeutic Community closure and recommends that the Long Bill appropriation for residential therapeutic community placements be reduced by a corresponding $40 \text{ beds} * \$68.61 \text{ per day} * 365 = \$1,001,706$. Staff also estimates that 10 non-residential therapeutic community placements were lost as a consequence of the closure, which corresponds to a reduction of $10 \text{ placements} * \$14.43 \text{ per day} * 365 = \$52,670$.

The combined General Fund reduction for the lost residential and non-residential placements is $\$1,001,706 + \$52,670 = \$1,054,376$, which alters the DCJ's Community Corrections Placements appropriation by this amount.

Staff believes that the state should maintain its substance-use treatment facilities for offenders and expects DCJ to find alternative providers to replace the lost services during FY 2015-16. Staff expects to recommend restoration of these funds during FY 2015-16 Figure Setting.

Part (2): During Briefing, staff described the financial shortfalls that have occurred at the outpatient therapeutic community program operated by ARTS at Fort Logan. In contrast to

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Crossroads Therapeutic Community, ARTS programs have scored well on DCJ audits and on DCJ studies of Colorado Community Corrections programs. Staff reviewed budget and staffing plans for the ARTS outpatient program and estimates that ARTS could cover the costs of its outpatient program, as currently structured, if the outpatient per diem was raised by \$2.10 to \$16.53 and ARTS began billing Medicaid for reimbursable services.

As a consequence, Staff recommends that the outpatient therapeutic community per diem be raised retroactively to \$2.10 on January 1, 2015. Staff has spoken with Legislative Legal Services and a mid-year increase retroactive to January 1 is feasible. This increase requires an additional General Fund appropriation equal to 89 clients * \$2.10 per day * 181 days = \$33,829.

This increase is sufficient to balance revenue and expenditure at ARTS' current staffing levels, assuming ARTS bills Medicaid. ARTS would like to add staff to enhance its program and it indicates that a \$10.02 per diem increase would be necessary to do so. JBC staff believes that a change of this scope should be considered during figure setting, not supplementals.

Combining parts (1) and (2) of this recommendation results in a recommended change to the FY 2014-15 General Fund appropriation for Community Corrections Placements of \$31,168 - \$1,054,376 = (\$1,023,208).

In addition to this change to the Placements appropriation, staff recommends that the following adjustment be made to Long Bill footnote 74, which details Community Corrections Placements:

74 Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Placements -- This appropriation assumes the daily rates and average daily caseloads listed in the following table. The caseload for Diversion Intensive Residential Treatment includes 48 condition-of-probation placements. The base rate for standard nonresidential services is a weighted average of the rates for four different levels of service. The appropriation also assumes that community corrections providers will collect client fees up to \$17 per day for residential placements and up to \$3 per day for nonresidential placements.

Placement Type	Rates			Caseload			Funds
	Base	Differential	Total	Diversion	Transition	Parole	
Standard Residential	\$41.34	\$0.00	\$41.34	1,385.0	1,147.0	91.0	\$39,578,709
Intensive Residential Treatment	41.34	45.93	87.27	85.0	49.0	45.0	5,701,785
Inpatient Therapeutic Community	41.34	27.27	68.61	149.0 129.0	59.0 39.0	15.0	5,584,511 4,582,805
Residential Dual Diagnosis	41.34	34.70	76.04	70.0	49.0	15.0	3,719,116
John Eachon Re-entry Program	41.34	54.12	95.46	11.0	15.0	0.0	905,915
Sex Offender Residential	41.34	34.70	76.04	43.0	23.0	31.0	2,692,196
Standard Non-residential	6.03	0.00	6.03	730.0	0.0	0.0	1,606,694
Outpatient Day Treatment	34.10	0.00	34.10	3.0	0.0	0.0	37,340
Outpatient Therapeutic Community	14.43	0.00	14.43	73.0 68.0	26.0 21.0	0.0	521,428 468,759
Total				2,549.0 2,524.0	1,368.0 1,343.0	197.0	\$60,347,695 \$59,293,319

IN ADDITION, THIS APPROPRIATION ASSUMES THAT, BEGINNING ON JANUARY 1, 2015, AN ADDITIONAL PAYMENT OF \$2.10 PER DAY WILL BE PAID FOR EACH OUTPATIENT THERAPEUTIC COMMUNITY PLACEMENT AT AN ADDITIONAL TOTAL COST OF \$31,168.

Statewide Common Policy Supplemental Requests

Common policy requests will be presented at a later date by the other analyst for the Department of Public Safety analyst.

*JBC Staff Supplemental Recommendations - FY 2014-15
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Appendix A: Number Pages

	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2014-15 Requested Change	FY 2014-15 Rec'd Change	FY 2014-15 Total W/ Rec'd Change
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**DEPARTMENT OF PUBLIC SAFETY
James Davis, Executive Director**

S05 Kpetgeuf 'Ecu j 'Hw pf 'Crr tqr tkvqp 'hqt 'Ej kf 'Cdwug'Kpxgu ki cvlqpu

(4) DIVISION OF CRIMINAL JUSTICE

(B) Victims Assistance

Child Abuse Investigation	<u>171,663</u>	<u>700,000</u>	<u>100,000</u>	<u>100,000</u>	<u>800,000</u>
FTE	0.1	0.4	0.0	0.0	0.4
General Fund	0	500,000	0	0	500,000
Cash Funds	171,663	200,000	100,000	100,000	300,000

Total for S05 Kpetgeuf 'Ecu j 'Hw pf 'Crr tqr tkvqp for Child Abuse Investigations	171,663	700,000	100,000	100,000	800,000
FTE	<u>0.1</u>	<u>0.4</u>	<u>0.0</u>	<u>0.0</u>	<u>0.4</u>
General Fund	0	500,000	0	0	500,000
Cash Funds	171,663	200,000	100,000	100,000	300,000

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	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2013-14 Requested Change	FY 2013-14 Rec'd Change	FY 2013-14 Total W/ Rec'd Change
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Staff Initiated Supplemental - Adjustment for Therapeutic Community Closure and for Outpatient Rates

(4) DIVISION OF CRIMINAL JUSTICE

(D) Community Corrections

Community Corrections Placements	52,607,485	60,347,695	0	(1,023,208)	59,324,487
General Fund	51,588,617	57,703,826	0	(1,023,208)	56,680,618
Cash Funds	0	0	0	0	0
Reappropriated Funds	1,018,868	2,643,869	0	0	2,643,869
Federal Funds	0	0	0	0	0

Total for Staff Initiated Supplemental - Adjustment for Therapeutic Community Closure and for Outpatient Rates	52,607,485	60,347,695	0	(1,023,208)	59,324,487
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	51,588,617	57,703,826	0	(1,023,208)	56,680,618
Cash Funds	0	0	0	0	0
Reappropriated Funds	1,018,868	2,643,869	0	0	2,643,869
Federal Funds	0	0	0	0	0

Totals Excluding Pending Items					
PUBLIC SAFETY					
TOTALS for ALL Departmental line items	557,807,144	401,203,913	100,000	(923,208)	400,280,705
<i>FTE</i>	<u>1,564.0</u>	<u>1,688.3</u>	<u>0.0</u>	<u>0.0</u>	<u>1,688.3</u>
General Fund	159,200,553	133,598,400	0	(1,023,208)	132,575,192
Cash Funds	193,798,852	175,885,160	100,000	100,000	175,985,160
Reappropriated Funds	27,517,020	33,284,468	0	0	33,284,468
Federal Funds	174,514,488	58,435,885	0	0	58,435,885