



REPORT OF
THE
STATE AUDITOR

Juvenile Parole
Division of Youth Corrections

Performance Audit
June 2004

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This report contains the results of the performance audit of the State's Juvenile Parole Program. The audit was conducted pursuant to Section 2-3-103, C.R.S., which authorizes the State Auditor to conduct audits of all departments, institutions, and agencies of state government. The report presents our findings, conclusions, and recommendations, and the responses of the Division of Youth Corrections and the Juvenile Parole Board.

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**Juvenile Parole
Division of Youth Corrections
Performance Audit
June 2004**

Authority, Purpose, and Scope

This performance audit was conducted pursuant to Section 2-3-103, C.R.S., which authorizes the Office of the State Auditor to conduct performance audits of all departments, institutions, and agencies of state government. The audit work, performed from November 2003 through May 2004, was conducted in accordance with generally accepted governmental auditing standards.

We evaluated the Division of Youth Corrections' (Division's) oversight of the State's juvenile parole program. We examined the supervision and treatment services provided to paroled youth in accordance with parole plans and Division policy. We reviewed the Division's practices for monitoring the provision of treatment services furnished by private providers and for ensuring that the State only paid for services actually provided. We also evaluated recidivism rates and reviewed subsequent filings and convictions. Finally, we examined the Juvenile Parole Board's compliance with statutory requirements and policies for conducting timely parole hearings. We gathered information through interviews, data analysis, billing statements, and review of case files.

We gratefully acknowledge the assistance and cooperation extended by the management and staff at the Department of Human Services, Division of Youth Corrections, and the members and staff of the Juvenile Parole Board.

Overview

According to statutes, the overarching goal of the juvenile justice system is to protect, restore, and improve public safety while considering the best interests of the juvenile and the community. Additionally, the juvenile justice system is intended to rehabilitate youth and reduce recidivism. To help achieve these goals, the General Assembly instituted mandatory parole for all youth committed to the Division for offenses occurring on or after January 1, 1997. Current law requires all youth to serve a mandatory parole period of at least six months.

Statutes provide the Juvenile Parole Board with authority to grant parole or to deny, suspend, revoke, or specify the conditions of parole for all youth committed to the Division. Youth on parole remain under the Division's supervision, and the Division is responsible for providing supervision and treatment services to paroled youth in accordance with their parole plans. The Division estimates it will spend a total of about \$98 million on services for detained, committed and paroled youth during Fiscal Year 2004. Of this amount, the Division estimates it will spend about \$3.8 million on services to paroled youth.

Summary of Audit Comments

We examined the Division's compliance with statutes and its own internal policies for monitoring the supervision and treatment of paroled youth. We also reviewed the Division's administration of the State's juvenile parole program. We found:

- **The Division lacks sufficient data to analyze the factors contributing to youth recidivism.** Between Fiscal Years 1993 and 2001, almost one in three youth were charged or convicted of another crime within one year after completing their commitment or parole. These figures do not include youth who were charged or convicted of another crime while still under the Division's supervision. We sampled youth discharged from the Division's supervision during Fiscal Year 2002 and found that 17 youth (34.6 percent) recidivated. Recidivism costs the State money. Of these 17 youth, there were 6 who were subsequently sentenced to the Department of Corrections at an average cost of about \$28,000 per person per year. We estimate that, for all youth discharged from the Division's supervision during Fiscal Year 2002, the cost for subsequent convictions and incarcerations at the Department of Corrections totaled about \$3 million.
- **Paroled youth are not receiving supervision and treatment services as required by their parole plans.** For our sample of 74 youth, we determined that 58 youth (78 percent) did not receive supervision or treatment services in accordance with the needs set forth in their parole plans. The significant gaps in supervision and treatment services we observed could negatively impact recidivism rates for youth discharged from the Division and increase costs over time.
- **The Division is not monitoring services and managing resources in accordance with its contracts and policies.** The Division purchases the majority of its parole treatment services from private contractors. We identified instances where the Division paid contractors without evidence that the youth actually received the services. Contracted service providers also lacked support for billings and services in their own files. For two of the five contractors we visited, unsupported payments totaled almost \$122,000 over an 18-month period.

- **Additional analysis is needed to determine whether mandatory parole aids in reducing recidivism and rehabilitating youth.** We found that the Division data are inconclusive regarding the value of mandatory parole in reducing recidivism. For example, recidivism rates decreased for youth discharged from Division supervision in Fiscal Year 2000, the first year a majority of youth served mandatory parole. In contrast, recidivism rates increased for youth discharged in Fiscal Year 2001. The implementation of the Colorado Trails case management system allows the Division to collect substantial information on both committed and paroled youth. The Division can use this information to analyze its implementation of mandatory parole, identify program improvements, and use this information to support parole policy decisions.
- **Ongoing problems with Division oversight of supervision and treatment services are concerning.** During the last five years, we have conducted three audits covering various aspects of the Division's operations related to committed and paroled youth. We identified systemic and pervasive problems with the Division's management of services and contractor payments. Our audits have identified problems with insufficient services, poor documentation and record-keeping, inappropriate billings, lack of supervision and monitoring, and lack of accountability. The Division has not enforced its case management standards and policies to protect the safety of youth and ensure efficient use of limited State funds.

Our recommendations and the responses of the Division of Youth Corrections and the Juvenile Parole Board can be found in the Recommendation Locator on pages 5 through 8 of this report.

RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Addressed	Agency Response	Implementation Date
1	21	Analyze programs and services to determine where improvements can be made to reduce youth recidivism and improve youth rehabilitation.	Division of Youth Corrections	Agree	Ongoing
2	27	Ensure that youth receive needed supervision and treatment services by: a) requiring parole officers to periodically review treatment files to verify the provision of nonresidential services; b) documenting all contacts and treatment services on the monthly case plan review; c) requiring supervisors to periodically review the case files and Colorado Trails entries to ensure compliance with Division policies and parole plans; and d) detailing any noncompliance with case management standards on performance evaluations.	Division of Youth Corrections	Agree	March 2005
3	30	Enforce contract provisions and improve monitoring and oversight of nonresidential service provider billing by: a) enforcing contract provisions requiring bills to detail the youth receiving services, the types and frequency of services provided, and the service cost; b) monitoring nonresidential providers; c) reconciling all bills; and d) enforcing established performance measures related to service monitoring.	Division of Youth Corrections	Agree	March 2005
4	33	Improve the accuracy and collection of restitution payments by using the Judicial Branch's ICON system to verify all restitution owed, not just the restitution from the committing offense, and notifying the collections investigators at the judicial districts when a youth discharges from the Division's custody owing restitution.	Division of Youth Corrections	Partially Agree	March 2005

RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Addressed	Agency Response	Implementation Date
5	37	Improve the oversight of background investigations and subsequent arrest notifications for contractor and subcontractor employees working directly with paroled youth by: a) reviewing contractor personnel files to ensure background investigations are completed; b) holding contractors responsible for reviewing the background investigations conducted by their subcontractors; c) requiring all background investigations to be completed prior to contract approval or renewal; d) ensuring the existence of self-reporting policies that comply with Division requirements; and e) working with contractors and subcontractors to determine the feasibility of having employees who work directly with youth flagged for subsequent arrests.	Division of Youth Corrections	Agree	March 2005 - Implementing Procedures; January 2005 - Contract Document Changes.
6	40	Continue centralized collection of accurate and comprehensive information regarding juveniles through the Colorado Trails case management system and paper files by: a) requiring complete youth contact and service information be included in Trails; b) requiring supervisors to periodically review case file information in Trails and paper files to verify compliance with Division policies; c) periodically verifying the accuracy of information maintained in Trails; and d) working with Trails staff to develop aggregate data reports.	Division of Youth Corrections	Agree	March 2005

RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Addressed	Agency Response	Implementation Date
7	43	Enhance records management system and improve records retention policy by ensuring the Office of Closed Records is notified of discharged youth, developing systems to track the location of all youth records, revising policies on the proper method to transfer files to the Office of Closed Records, and requiring the incorporation of field notes into case files.	Division of Youth Corrections	Agree	Immediately - Policy Changes; March 2005 - Regional Office Operations Manual
8	47	Enhance scheduling system and enact and enforce procedures to ensure the Board paroles all youth prior to the expiration of their commitment.	Division of Youth Corrections Juvenile Parole Board	Agree Agree	September 2004 - Scheduling System; April 2005 - Performance Plans October 2004
9	48	Work with the Office of the Attorney General to ensure that, in the instances where the Division retains a youth beyond the commitment expiration date, the Division's policies comply with statutory requirements and provide consistent guidance.	Division of Youth Corrections	Agree	March 2005
10	50	Seek statutory authority to grant parole to post-commitment youth through a paper review process.	Juvenile Parole Board	Partially Agree	January 2005
11	52	Seek clarification of statutory provisions and propose revisions as necessary to align statutes with Board practices.	Juvenile Parole Board	Agree	January 2005

RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Addressed	Agency Response	Implementation Date
12	53	Follow statutory provisions and promulgate rules detailing the criteria for parole decisions.	Juvenile Parole Board	Agree	November 2004
13	55	Analyze mandatory parole program and use the information for program improvements and decision-making.	Division of Youth Corrections	Agree	Ongoing
14	57	Enforce internal policies and enhance systems to ensure that youth receive supervision and treatment in compliance with case management standards and youth needs.	Division of Youth Corrections	Partially Agree	March 2005

Parole Services

Chapter 1

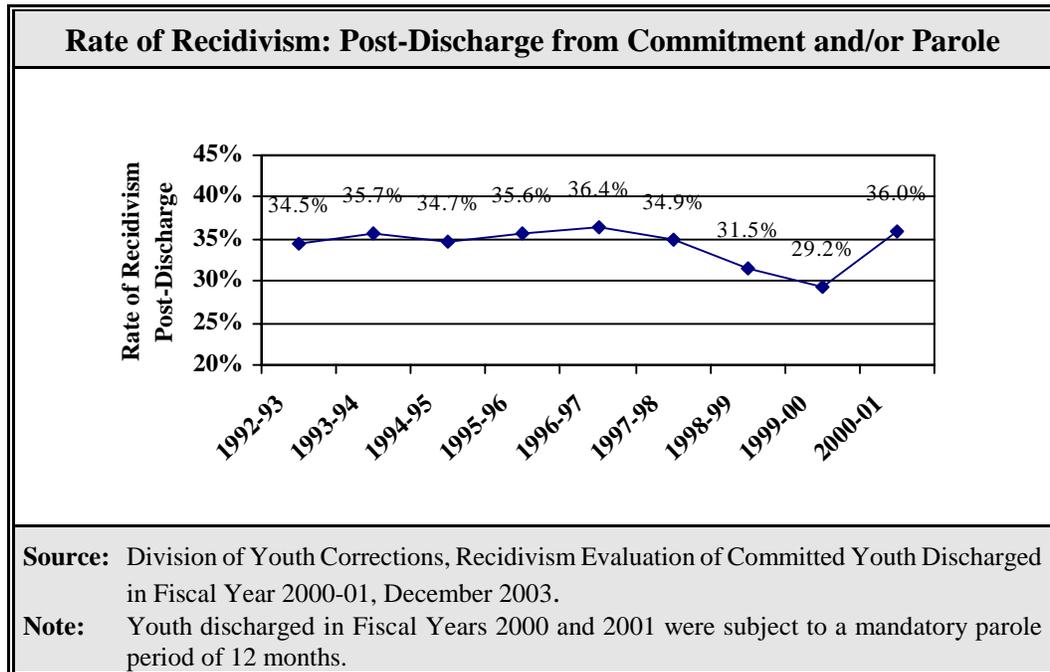
Introduction

According to statutes, the overarching goal of the juvenile justice system is to protect, restore, and improve public safety while considering the best interests of the juvenile and the community (Section 19-2-102 (1) C.R.S.). The juvenile justice system, including the mandatory parole program, is intended to rehabilitate youth and reduce recidivism. Our audit examined the Division's policies and practices for supervising and treating paroled youth in accordance with statutory intent. We identified problems that could impact the safety of both the youth and the public. Additionally, we found the Division's systems for managing and evaluating services need improvement.

Recidivism

When youth under the Division's supervision complete their commitment and parole terms successfully, they are officially discharged from Division custody. Between Fiscal Years 1997 and 2001, the Division discharged about 3,000 youth, an average of about 600 youth per year. These youth served average commitment terms of 15 months and average parole terms of 9 months. About a third of these youth were subsequently charged with a new felony or misdemeanor within one year following their discharge (termed "post-discharge recidivism").

We reviewed six years of Division recidivism studies and analyzed recidivism data for Fiscal Years 1998 through 2001. Post-discharge recidivism rates for youth discharged in Fiscal Years 1993 through 2001 are displayed in the following chart.



The chart shows that, except for youth discharged in Fiscal Year 2000, post-discharge recidivism rates have exceeded 30 percent. Almost one in three youth were charged or convicted of another crime within one year after completing their commitment or parole. These figures do not include youth who were charged or convicted of another crime while still under the Division's supervision. Although the Division collects data on youth who recidivate while under its custody (termed "pre-discharge recidivism"), the Division does not analyze its pre-discharge and post-discharge recidivism data to determine the total number of youth who served commitment terms and were charged with a subsequent crime.

The Division maintains data on criminal filings, by type of offense, for youth discharged from the Division's supervision. More than 75 percent of recidivism charges are for felonies. Criminal filings, by type of offense, for youth discharged from Division supervision in Fiscal Years 1997 through 2001 are shown in the following table.

Recidivism Offenses for Division of Youth Correction Youth Discharged from Commitment and/or Parole in Fiscal Years 1997-2001							
Recidivism Offenses:¹	Fiscal Year 1997	Fiscal Year 1998	Fiscal Year 1999	Fiscal Year 2000	Fiscal Year 2001	Totals	
Person Felony: (e.g., assault, menacing, murder, sexual assault)	44	57	39	40	37	217	22%
Person Misdemeanor: (e.g., assault, child abuse, harassment, disorderly conduct)	14	16	10	13	26	79	8%
Property Felony: (e.g., burglary, motor vehicle theft, trespassing, robbery)	78	95	68	57	93	391	39%
Property Misdemeanor: (e.g., theft of less than \$500, criminal trespassing, defacing public or private property)	20	20	11	7	13	71	7%
Other Felonies: (e.g., possession of illegal weapons, illegal or controlled substances, and fraud felonies)	35	28	26	25	33	147	15%
Other Misdemeanors and Miscellaneous Offenses: (e.g., illegal possession of a handgun, selling drug paraphernalia, and leaving the scene of a traffic accident)	13	12	17	22	30	94	9%
Total Youth Recidivating	204²	228	171	164	232	999	100%
Total Youth Discharged	591	654	542	561	644	2,992	100%
Source: Division of Youth Corrections' recidivism studies for Fiscal Years 1997-2001.							
Notes: ¹ Recidivism numbers reflect numbers of filings and not numbers of convictions.							
² The Division does not have information on recidivism offenses for 11 youth discharged during Fiscal Year 1997. The total number of youth who recidivated during Fiscal Year 1997 was 215.							

The table shows that of the approximately 1,000 discharged youth who recidivated, 22 percent were subsequently charged with person felonies, 39 percent with property felonies, and 15 percent with other felonies. The Division currently does not collect data on the numbers of these youth who, as a result of these filings, were

subsequently recommitted to the Division or incarcerated with the Department of Corrections (Corrections).

The Division has not yet calculated recidivism rates for Fiscal Year 2002. Our audit reviewed a sample of 49 youth discharged from parole during Fiscal Year 2002 to evaluate post-discharge recidivism and subsequent convictions. We found that 17 youth (34.6 percent) had recidivated. None of these youth returned to the Division's custody. Of these 17 youth, 11 were sentenced to county jails or placed on adult probation and 6 were sentenced to Corrections.

When youth return to state custody, the cost to the State is substantial. According to information provided by the Department of Corrections, during Fiscal Year 2002 the State paid, on average, an estimated \$28,000 per year to incarcerate an adult. By applying the results of our sample to the population discharged in Fiscal Year 2002, we estimate that 111 youth were subsequently incarcerated at Corrections. We further estimate that the cost for the first year of incarceration for these recidivists was over \$3 million.

Despite the substantial cost of recidivism and the harm caused to victims, the Division lacks sufficient data to analyze the factors that are contributing to its recidivism rate. In 2001 the Division developed a test model to predict post-discharge recidivism based on the Colorado Young Offender-Level of Service Inventory (CYO-LSI) risk assessment tool used by juvenile probation. We evaluated the test model and found that the tool does not effectively predict whether a youth will recidivate. Further, as we discuss later in this chapter, the Division is not collecting and analyzing basic data using its Colorado Trails information system to determine the impact of services on youth rehabilitation and recidivism despite the Long Bill Footnote requests for such analyses commencing in Fiscal Year 2001.

National recidivism studies and studies performed by other states are inconclusive on the factors driving recidivism rates. Comparisons among states are difficult because states use different methods to calculate recidivism rates and use different treatment models to improve recidivism. However, cost-benefit research performed by the Washington State Institute for Public Policy has determined that competently delivered and implemented treatment and supervision provided during commitment and parole can be cost-effective while also reducing recidivism rates.

As discussed throughout this report, the Division needs to maintain accurate data on supervision and treatment services and other factors that may impact recidivism rates, so that it can analyze the effect of its programs on reducing recidivism. The Division should use this information to improve its programs and to support policy and budgetary decisions concerning commitment and parole services.

Recommendation No. 1:

The Division of Youth Corrections should analyze its programs and services, as discussed in Recommendations 2, 6, 13, and 14, to determine where improvements can be made to reduce youth recidivism and improve youth rehabilitation.

Division of Youth Corrections Response:

Agree. As a cost-effective alternative to conducting original research, the Division agrees to continue to review the growing body of juvenile justice literature to assist with its decision-making processes. New and innovative strategies for managing paroled youth are emerging each year; thus, the Division will continue assessing these new "promising approaches" for determining their applicability in the juvenile parole system. These reviews can be structured to address specific policy areas, and the Division can generate recommendations throughout the review process. In terms of collecting data, the Division will continue to improve its management information system and apply these data in decisions regarding programs and standards.

Implementation Date: Ongoing

Supervision and Treatment

The Division begins planning for rehabilitation when a youth is first committed. A treatment team, including the client manager/parole officer, treatment service providers, and the youth's family, work with the youth to identify and fulfill the youth's identified supervision and treatment needs. Toward the end of commitment, the treatment team work with the youth to develop a parole plan setting forth required supervision, treatment, education, and work services to enable the youth to transition back to the community successfully. If the youth does not comply with parole plan requirements, he or she could face parole modification, suspension, or revocation and possibly be returned to Division custody.

The Division provides supervision, such as face-to-face meetings, telephone contacts, and electronic monitoring, to committed and paroled youth to protect the youth's safety and the safety of the public. The Division determines the level of supervision a paroled youth will receive on the basis of the crime committed and the type of commitment facility from which the youth is being released. As shown in the

following table, about 40 percent of the youth serving parole between January and May 2004 were at intensive and high supervision levels.

Parole Supervision Levels for the Average Daily Population (ADP) January 1 - May 31, 2004										
Region	Intensive		High		Medium		Low		Administrative	
Central	141	12.7%	322	29.1%	267	24.1%	294	26.6%	83	7.5%
Northeast	2	2.0%	39	39.8%	22	22.4%	34	34.7%	1	1.1%
Southern	35	6.6%	162	30.7%	131	24.8%	151	28.6%	49	9.3%
Western	7	13.0%	14	25.9%	10	18.5%	15	27.8%	8	14.8%
Total ADP	185	10.4%	537	30.1%	430	24.1%	494	27.6%	141	7.9%

Source: Division of Youth Corrections' levels of supervision data, by region, from January 1, 2004 through May 31, 2004.

The Division requires parole officers to provide specific amounts of supervision to paroled youth on the basis of the youth's assigned supervision level. The higher the risk and supervision level, the more supervision required. Current required supervision contacts, by supervision level, are shown in the following table.

Division of Youth Corrections Levels of Supervision During Parole				
Level	Population	Face-to-Face Contacts¹	Telephone Contacts	Other
Intensive	Initial level for highest-risk parolees (e.g., sex offenders, aggravated/violent offenders, and parolees from secure facilities).	1 per week		Daily monitoring
High	Initial level for parolees leaving staff-secure facilities. (Staff-secure facilities are facilities in which youth are only restrained from leaving the facility by the staff; i.e., no locks or gates preventing exit)	2 per month	1 per week	
Medium	Initial level for parolees leaving community placements.	1 per month	2 per month	
Low	Parolees who have demonstrated good adjustment to conditions of parole, or those in placement or jail (may not be used for sex offenders or violent/aggravated offenders).	1 per month		
Administrative	Parolees serving sentences at the Department of Corrections or parolees with interstate transfers.			Monitoring contact once per month
Source: Office of the State Auditor's analysis of the Division of Youth Corrections' February 2003 parole supervision policy and parole levels of supervision charts.				
Note: ¹ For Intensive and High Supervision, parole officers can be assisted by contracted trackers as long as the parole officers meet with the youth on Intensive Supervision twice per month and with youth on High Supervision once per month.				

The Division supplements its own supervision by purchasing specialized services, such as tracking and electronic monitoring, from external providers. As shown in the following table, the specialized supervision service provided most frequently between July and March of Fiscal Year 2002 was tracking and mentoring.

Supervision Services Provided to Parolees Between July and March of Fiscal Year 2002		
Nonresidential Services	Parolees Served¹	Percentage of Parolees¹
Tracking/Mentoring	545	40.2%
Electronic Home Monitoring	136	10.0%
AWOL Apprehension	52	3.8%
<p>Source: Office of the State Auditor's analysis of the Division of Youth Corrections' <i>Non-Residential Services by Unduplicated Clients Served, Fiscal Year 2001-02 (through March, 2002)</i>, Juvenile Parole Program Services Progress Report: Response to Footnote 79 of the Fiscal Year 2002 Long Bill, May 2002.</p> <p>Note: ¹ There were 1,356 unduplicated clients served during Fiscal Year 2002; however, not every client received one of these supervision services and some clients received more than one service. Therefore, parolees served does not equal 1,356, and percentage of parolees does not equal 100 percent.</p>		

Committed and paroled youth also receive treatment services to make progress toward rehabilitation. High-risk youth who require intensive supervision during parole generally need more intensive treatment services than youth who are low-risk. Treatment services include mental health services, substance abuse treatment, counseling, life-skills training, education, and employment services. The Division does not regularly maintain aggregate data on the types of treatment services provided to paroled youth. The most recent aggregate data were for a portion of Fiscal Year 2002. The following table shows that the treatment services provided most frequently between July and March of Fiscal Year 2002 were drug and alcohol treatment and mental health/counseling services.

Non-Residential Treatment Services Provided to Parolees Between July and March of Fiscal Year 2002		
Nonresidential Services	Parolees Served¹	Percentage of Parolees¹
Drug/Alcohol Treatment	472	34.8%
Mental Health/Offense-Specific Counseling	397	29.3%
Emancipation Services	220	16.2%
Recreation	216	15.9%
Educational Services	187	13.8%
Vocational Counseling	155	11.4%
Family Preservation/Therapy	138	10.2%
Source: Office of the State Auditor's analysis of the Division of Youth Corrections' <i>Non-Residential Services by Unduplicated Clients Served, Fiscal Year 2001-02 (through March, 2002)</i> , Juvenile Parole Program Services Progress Report: Response to Footnote 79 of the Fiscal Year 2002 Long Bill, May 2002.		
Note: ¹ There were 1,356 unduplicated clients served; however, each client may have received more than one service or no services. Therefore, columns will not total 1,356 or 100 percent.		

Section 19-2-1003(1), C.R.S., requires all juvenile offenders to receive supervision from parole officers while on parole, a best practice consistent with other states. Additionally, cost-benefit research performed by the Washington State Institute for Public Policy concluded that recidivism rates could be reduced by evidence-based treatment interventions. The Division of Youth Corrections also reported that research from the Center For Sex Offender Management, *Community Supervision of the Sex Offender: An Overview of Current and Promising Practices, (January 2002)* and Burns and Hoagwood, *Community Treatment for Youth, (2002)*, indicates that providing treatment services such as mental health counseling and offense-specific treatment while a youth is on parole can reduce recidivism.

Our audit examined the supervision and treatment services recorded in case files and in the Colorado Trails case management system, a Department of Human Services' electronic database for managing services to children and youth, for a random sample of 74 youth who were on parole in Fiscal Years 2002 and 2004. We determined that 58 of the 74 youth (78 percent) did not receive supervision, treatment, or specialized services in accordance with the needs identified in their parole plans. The service gaps we identified were as significant in Fiscal Year 2002, before the 72 percent budget reduction for parole services, as they were in Fiscal Year 2004, after the budget reduction. We found:

- **Some required supervision contacts were lacking for 48 of the 74 youth (65 percent).** Of these 48 youth, 8 (about 17 percent) did not receive at least one required monthly progress review with their parole officer; 24 (50 percent) did not receive all of the additional face-to-face and/or telephone contacts constituting their parole supervision; and the other 16 (33 percent) received neither sufficient monthly reviews nor additional supervision contacts.
- **Required treatment services were not consistently provided to 35 of the 74 youth (47 percent).** Some of the treatment services that were not provided included mentoring, restorative justice, life-skills, family preservation services, mental health services, and counseling. We used a conservative approach in evaluating the services provided; since the Division's parole plans did not always indicate the service frequency, we gave the Division credit for delivering the service even if the youth received a service only one time.
- **Of 74 youth in our sample, 20 (about 27 percent) were not initially assigned to the supervision level required by their risk profiles and Division policies.** Further, 3 of the 20 youth (15 percent) were initially paroled with low supervision, a level reserved only for youth who have demonstrated that they can comply with their conditions of parole. These youth all received less supervision than the Division indicates is necessary to protect the public and help the youth transition back into the community.

Lack of supervision and treatment may directly impact recidivism rates and the youth's successful transition to his or her community. As a result, the significant gaps in supervision and treatment services we noted could negatively impact recidivism rates for youth discharged from the Division and increase costs over time. As previously discussed, we estimate that if the youth recidivates to Corrections, incarceration costs will be about \$28,000 per year.

Monitoring youth is a major portion of a parole officer's job. According to Division policy, parole officers must ensure youth receive the supervision and treatment services required to address safety risks and individual needs. The Division has 73 parole officers, each of whom is responsible for the case management of about 27 youth. We found the Division is not consistently holding parole officers and their supervisors accountable.

Our audit determined that parole officers do not routinely maintain sufficient records on the supervision and treatment services provided to youth, in accordance with best practices and Division policy. Case files and Colorado Trails data for 58 of the 74

youth in our sample consistently lacked supervision contacts and service frequency details. Although parole officers are responsible for monitoring and recording services provided to youth, we found instances where supervisors were not holding parole officers accountable for service monitoring through performance evaluations. Our review of performance evaluations for 43 parole officers noted only one monitoring deficiency in the performance scores, even though we identified significant service monitoring gaps in the case files of some of the youth these parole officers supervise. Further, of six supervisors interviewed, three reported that they rarely review youth case files or Colorado Trails to make sure youth are receiving needed services and supervision. To improve oversight of youth services, the Division should enact and enforce a policy similar to one established by the Department of Corrections. Corrections' Administrative Regulations require parole supervisors to review a sample of client files to ensure that each parole officer is managing the cases according to state statutes and Corrections' requirements.

The gaps in supervision and treatment services observed in this audit were also noted in two prior performance audits at the Division. Our February 1999 *Division of Youth Corrections Out-of-Home Placement Performance Audit* contained a recommendation addressing the provision of treatment services to committed youth and suggested that the Division establish performance indicators to ensure client managers performed their duties in accordance with established case management standards. Similarly, our January 2002 *Residential Treatment Center Rate Setting and Monitoring Performance Audit* raised issues regarding the Division's ability to ensure that committed youth in residential treatment centers were receiving the required type and frequency of treatment services and recommended that client managers periodically review the treatment files at residential providers to ensure that youth receive all required treatment services.

The Division needs to take immediate steps to enforce its performance expectations and measures for parole officers and require parole officers to consistently monitor supervision and treatment services for paroled youth. Supervisors should use the existing performance evaluation system to ensure compliance with case management standards. These steps are critical in helping paroled youth transition to their communities successfully.

Recommendation No. 2:

The Division of Youth Corrections should enforce its case management standards and use its performance evaluation system to make sure that parole officers and their supervisors monitor required supervision and treatment services provided to paroled youth. This should include:

- a. Requiring parole officers to periodically verify the provision of non-residential treatment services through a review of client files maintained at private providers.
- b. Documenting all contacts and treatment services on the monthly case plan review.
- c. Requiring client manager supervisors to conduct periodic reviews of the case files and Colorado Trails entries made by parole officers for a sample of youth to ensure compliance with Division policies and youth parole plans.
- d. Detailing any noncompliance with case management standards or performance measures on the performance evaluations for parole officers and client manager supervisors.

Division of Youth Corrections Response:

Agree.

- a. In response to this recommendation, as well as several of the other recommendations contained in this audit report, the Division will develop a comprehensive and standardized set of Regional Office Implementing Procedures. These procedures will be part of a DYC Regional Office Operations Manual, which will detail many of the expectations of client manager/parole officers, and of client manager supervisors. Thus, as part of the implementing procedures, the Division will require that parole officers or other regional staff periodically verify the provision of treatment services through a review of client files maintained by private providers.
- b. As part of the aforementioned Regional Office Implementing Procedures, the Division will continue to require that parole officers document all required contacts and treatment services on the current Monthly Case Plan Review Form.
- c. Also as part of the standardized Regional Office Implementing Procedures, the Division will require client manager supervisors to conduct periodic sample reviews of client case files and Trails entries to ensure compliance with Division policies and client parole plans.
- d. The Division's Regional Office Operations Manual will ensure that forms, timelines, and procedures are standardized throughout the

Division. Standardized training and implementation will occur no later than March 2005. Implementing procedures contained in the manual will be incorporated into regional staff performance plans beginning in April 2005, with the start of the new annual performance planning cycle.

Implementation Date: March 2005.

Provider Billings

The Division purchases the majority of its parole treatment services from contractors. The Division also contracts for some of its supervision and administration services. During Fiscal Year 2004 the Division was appropriated almost \$1.1 million to purchase contracted parole services. We found that the Division is not enforcing its own contract provisions established to monitor service provision and manage limited financial resources. We identified instances where the Division paid contractors without evidence that the youth actually received the proper types and number of services. Further, the Division may have paid for services that were never delivered.

During our audit we visited five of the eight private providers with whom the Division directly contracts for nonresidential services for paroled youth. The five providers we visited have contracts worth a total of about \$920,000, or 84 percent of the Division's parole program services appropriation of about \$1.1 million. We reviewed the bills submitted by these providers for all of Fiscal Year 2003 and the first six months of Fiscal Year 2004. We found that two providers consistently submitted bills that did not detail the types and number of services provided or the specific date of the service. In some cases, the bill also lacked the name of the youth receiving the services. Without this required detail, the Division could not reconcile these bills against the forms authorizing the services. Yet the Division paid the bills anyway. The unsupported payments totaled almost \$122,000 over an 18-month period.

As discussed previously in this chapter, our review of 74 case files identified 35 youth who did not receive the treatment services detailed in their parole plans. The Division was unable to provide documentation verifying that these youth did, in fact, receive services. We identified one instance where the parole officer knew that a service had not been provided; however, the Division paid for the service. Although the bill was only \$65, we are concerned that the Division's poor oversight of billings and payments could result in many providers' receiving payment for services they never furnished. The Division needs to seek recovery.

We also found that private providers lacked support for their billings in their own files. For a sample of nine youth served by one private provider, we were unable to reconcile services in the provider's file to the services billed to the Division. Between August 2003 and December 2003, this provider billed the Division a total of over \$24,000 for these nine youth. For a sample of 14 youth served by a second provider, we could not find support for bills totaling just over \$800. From October 2002 through January 2004, this provider billed the Division over \$6,000 for these 14 youth. The almost \$800 in questionable billings represents 13 percent of the total paid by the Division to this provider.

Both our 1999 and 2002 audits, involving the Division's supervision of committed youth, found that residential providers failed to furnish all of the treatment services billed to the Division. We recommended that the Division periodically review youth treatment files at residential providers to make sure records existed to support payments. The Division's parole officers/contract monitors report that they do not review a paroled youth's treatment file to make sure the youth actually received the billed services.

The Division needs to take immediate action to improve controls over its billing and payment processes. First, the Division needs to enforce its contract provisions. Contracts specifically require detailed bills, yet the Division is accepting and paying lump sum bills submitted by contractors. It is impossible to reconcile lump sum bills to service authorization forms or other supporting service detail to make sure the Division is paying only for services authorized and received. Second, the Division needs to conduct periodic site visits at contracted nonresidential providers and review a sample of files to make sure that services billed for were actually provided. Finally, since both the Division's policies and performance measures require parole officers to monitor the provision of treatment services to youth, the Division needs to actively enforce these requirements. Division management should reflect the sufficiency of monitoring activities in staff performance evaluations.

Recommendation No. 3:

The Division of Youth Corrections should enforce contract provisions and improve its monitoring and oversight of bills from nonresidential service providers to ensure that providers are only billing for services that have been furnished. This monitoring and oversight should include:

- a. Enforcing contract provisions requiring contractors to submit bills containing detailed information regarding the youth receiving services, the types and

frequency of services provided, and the service cost. If such information is not submitted, the Division should not pay the bill.

- b. Monitoring nonresidential service providers by periodically reviewing their client files to tie treatment services provided to those billed.
- c. Reconciling all bills to ensure that the Division pays only for valid treatment services that were actually provided and recovering any overpayments, as appropriate.
- d. Enforcing established performance measures related to the monitoring of treatment services provided to paroled youth through the Division's performance management and evaluation system.

Division of Youth Corrections Response:

Agree.

- a. The Division will improve and standardize the forms and procedures required for validating services and approving payments to providers of nonresidential services. The inclusion of detailed information in the provider billing regarding specific youth served, and the type, frequency, and cost of services, will be required prior to approval and payment of provider billings. Region Office staff will reconcile each detailed billing to services ordered and received prior to approving the billing for payment.
- b. The Division will develop a Regional Office Implementing Procedure that requires a periodic monitoring review of provider client files to compare and validate treatment services billed to DYC with the information contained in the provider client file.
- c. Client managers will track all orders for services for youth and provide information for reconciling provider bills to ensure payment is approved and made only for services that were authorized and received.
- d. Contract management, client service verification, and billing reconciliation processes for nonresidential services will be included in the relevant performance plans and evaluations for client managers, program monitors, and contract managers. As indicated previously, the above changes in procedures will be part of the Division's standardized Regional Office Operations Manual, which will be implemented by

March 2005. Thus, all employee performance plan expectations will be reflected in the April 2005 performance plans.

Implementation Date: March 2005.

Restitution

Restitution plays an important role in reinforcing a youth's responsibility for his or her actions. Additionally, restitution provides compensation to victims and the State for damage. According to Section 19-2-918, C.R.S., when a court finds that a juvenile has damaged the personal or real property of a victim, the court shall enter a sentencing order requiring the juvenile to pay restitution. Section 19-2-1002(6), C.R.S., also requires the youth to pay any outstanding restitution as a condition of his or her parole. We examined court-ordered restitution for a sample of 144 youth who were on parole during either Fiscal Year 2002 or 2004. We identified 133 youth (92 percent) with court orders requiring restitution. We also found that in many cases the parole plans do not accurately reflect restitution balances as of the date of parole.

- **The parole plans for 133 paroled youth in our sample understated the amount of restitution owed by an estimated \$58,000.** We compared the outstanding restitution listed on each youth's parole plan with the actual court-ordered restitution owed and recorded in the Judicial Branch's Integrated Colorado On-Line Network (ICON). We identified 12 youth whose parole plans listed a different amount of restitution than did ICON for the same court case, understating the actual amount of restitution owed by over \$11,000. We also found 32 youth with additional restitution orders not included on their parole plans. This additional restitution totaled nearly \$47,000 and resulted from cases prior to the youths' parole. We estimate that the entire parole population for Fiscal Years 2002 and 2004 could have additional outstanding restitution recorded in ICON, but not identified on parole plans, amounting to more than \$900,000.
- **More than half of the youth in our sample who were on parole two years ago still owe restitution.** There were 73 youth in our sample who were on parole in Fiscal Year 2002. According to ICON, these 73 youth owed nearly \$79,000 when they were paroled. Almost two years later, 41 of these youth still owe about \$62,000 or 78 percent of the group's original restitution obligation. By applying these results to the Fiscal Year 2002 parole population, we estimate that these youth could still owe the State and their victims more than \$900,000.

We identified several problems with Division practices that need to be addressed to improve the management of restitution before and after parole. First, parole officers need to verify court-ordered restitution using ICON when developing the youth's parole plan, in accordance with Division policy. ICON provides the most accurate reflection of restitution owed, and judicial districts use ICON to determine whether a youth has paid off court-ordered restitution. Second, parole officers need to include all outstanding court-ordered restitution listed on ICON, not just the restitution owed from the youth's committing offense. Statutes state that when a juvenile is released by the Department of Human Services to parole supervision, the payment of *any* restitution shall be a condition of the youth's parole (Section 19-2-921, C.R.S., emphasis added). Additionally, Section 19-2-1002(6), C.R.S., states that if the hearing panel or Juvenile Parole Board determines that parole should be granted, the parolee shall be ordered to pay *any* unpaid restitution that has previously been ordered as a condition of parole (emphasis added).

Finally, the Division should require parole officers to notify the collection investigators at judicial districts when paroled youth are discharged still owing restitution. Division staff noted that youth are often unable to pay off all of their court-ordered restitution while on parole. In our sample of 144 youth, there were 21 of the 133 youth (15 percent) ordered to pay restitution who never made a restitution payment during either their commitment or parole. When youth are discharged from parole owing restitution, current Division policy requires parole officers to notify only the committing court. However, we found that juvenile parole officers do not always notify the court regarding the youth's discharge and outstanding restitution. Furthermore, unlike the Department of Corrections, the Division's parole officers do not notify the collection investigators in each judicial district directly. The Department of Corrections notifies the collection investigators at each judicial district of restitution owed by discharged adult inmates. Collections investigators reported that a similar process for discharged youth would facilitate collecting restitution payments.

Recommendation No. 4:

The Division of Youth Corrections should improve the accuracy and collection of restitution payments owed to the State and victims by:

- a. Verifying the restitution owed on a youth's parole plan with the Judicial Branch's Integrated Colorado On-Line Network and including all restitution owed, not just the restitution resulting from the youth's committing offense.

- b. Sending the names and contact information for youth discharging from parole with outstanding restitution directly to collections investigators at judicial districts on a monthly basis.

Division of Youth Corrections Response:

Partially agree.

- a. The Division agrees to institute a Regional Office Implementing Procedure requiring that client managers/parole officers check the Judicial Branch's Integrated Colorado On-Line Network (ICON) at the time parole plans are developed. Parole plans will incorporate the payment of restitution ordered as part of any commitment to the Division. Other restitution owed that is listed in ICON will be noted in the parole plan, but will not be part of the requirements of the plan, as the Division is not charged with monitoring the collection of restitution outside of DYC commitment orders.
- b. As part of the DYC Regional Office Implementing Procedures, the Division will require DYC Regional Offices to notify judicial districts of unpaid restitution at the time of discharge from commitment and parole. The Implementing Procedure will require that, when there is an outstanding balance of restitution for the committing offense, Regional Office staff must notify the collections investigator for the district where restitution has been ordered. DYC Regional Offices will keep records of such notifications to districts' collections investigators on a monthly basis.

Implementation Date: March 2005.

Background Investigations

The quality of the staff providing services to paroled youth is important for ensuring the youth's safety and progress toward rehabilitation. One factor the Division requires its contractors and subcontractors to consider when evaluating the quality of prospective employees is the employee's criminal background. Our audit reviewed whether staff at contracted and subcontracted service providers met Division requirements, and identified serious problems with the management of background investigations and notification of subsequent arrests.

According to Section 27-1-110(2), C.R.S., prospective employees who will have contact with any vulnerable person, including youth under the custody of the Division, must complete a satisfactory criminal background check before hire. To comply with statutes, the Division requires all of its employees, contractors, and subcontractors to undergo a three-part background investigation prior to employment. The three-part background investigation includes a (1) criminal background search, (2) central registry check (for history of child abuse) and (3) drug screen.

Once an employee is hired, the Division requires all of its employees, as well as the employees of its contractors and subcontractors, to inform their manager within 24 hours if they are arrested for, charged with, or issued a summons for, specific offenses that disqualify a person from employment either as an employee or as a contracting employee under Section 27-1-110(7)(b), C.R.S. Disqualifying offenses include crimes of violence, felony offenses involving unlawful sexual behavior, and felony offenses of child abuse, among others. The Division also requires employees to report all alcohol- and drug-related offenses, any information that may generate a listing on the central registry, and all convictions of felony or misdemeanor offenses. Depending on the charge, the employee may be suspended immediately to protect the safety of the youth.

We reviewed 39 personnel files for 5 contractors and 22 subcontractors who had employees actively serving paroled youth during our audit. We identified a total of 13 of 39 files lacking at least one part of the required three-part background investigation. Specifically, there were two employee files without criminal background checks, six files without a central registry check, and eleven files without drug screens as required by the Division's policy. We also evaluated data from the Judicial Branch's Integrated Colorado On-Line Network (ICON) for 150 employees working for 23 contractors and subcontractors to determine whether any of the employees had been arrested or convicted of a crime subsequent to their initial criminal background investigations. We found that 11 (about 7 percent) of these individuals had a subsequent filing ranging from theft and forgery to child abuse, domestic violence, and driving under the influence. Under the Division's policy, 5 of these 11 individuals were required to self-report their arrests.

These findings raise concerns. The Division needs to take immediate steps to ensure all staff, whether employed by contractors or subcontractors, are reputable and qualified, according to its background investigation policy, to work directly with paroled youth. These steps should include:

- **Monitoring and holding contractors accountable.** Currently the Division does not monitor its nonresidential contractors for compliance with its background investigation policy. The Division only requires nonresidential contractors to submit a letter or policy indicating that background

investigation procedures are in place. Similarly, it only requires these contractors to have letters or policies on file for each of its subcontractors. The Division does not require the contractor to provide evidence that it has reviewed the background investigation records at its subcontractors. We identified one nonresidential subcontractor that provided a background investigation policy to the Division's contractor but reported to us that it did not perform background investigations on any of its employees.

- **Applying background investigation policies consistently.** Our audit determined that one of the Division's regions exempted five subcontractors from its drug screen requirement. This allowed employees of these five subcontractors hired between July 1997, when the policy went into effect, and February 2004, when we raised this issue with the Division's contractor, to avoid having to comply with the Division's drug screen requirement. Our audit also determined that when the Division uses purchase orders rather than contracts to procure services under \$50,000, the purchase order provisions do not require the provider to comply with the Division's background investigation policies. Management needs to apply background investigation policies consistently to both contracts and purchase orders and clarify to its regions that background investigation policies must be applied without exception.
- **Flagging for subsequent arrests.** Although the Division's policy requires all contractors and subcontractors to have an arrest and conviction self-reporting policy, we found that 31 of 35 subcontractors we interviewed did not have a self-reporting policy that complied with Division requirements. To ensure the protection of the youth, the Division should consider working with the Colorado Bureau of Investigation (CBI) to flag contractor and subcontractor employees for subsequent arrests. We found that 67 of the 82 contractors and subcontractors (82 percent) that provide nonresidential services to the Division are not currently on the CBI's flagging list. In contrast, CBI flags employees of all licensed childcare providers and the employees of the private contractor that operates the Ridge View Youth Services Center. The Division should work with its contractors and subcontractors to determine the feasibility of having employees who work directly with paroled youth flagged for subsequent arrests.

Recommendation No. 5:

The Division of Youth Corrections should improve its oversight of background investigations and subsequent arrest notifications for contractor and subcontractor employees working with paroled youth. This should include:

- a. Reviewing contractor personnel files periodically to ensure appropriate background investigations are completed.
- b. Holding contractors responsible for reviewing the background investigations of their subcontractors. The Division should also ensure that its contractors clearly communicate Division background investigation policies through the contracts with subcontractors.
- c. Requiring appropriate background investigations to be completed prior to contract approval or renewal and ensuring background investigation requirements are incorporated in purchase orders.
- d. Ensuring contractors and subcontractors provide evidence of an internal self-reporting policy that complies with Division requirements of prompt notification of subsequent arrests or convictions of employees working with Division youth.
- e. Working with contractors and subcontractors to determine the feasibility of having employees who work directly with paroled youth flagged for subsequent arrests.

Division of Youth Corrections Response:

Agree.

- a. As explained in the Division's response to Recommendation 2, the Division will develop a standard set of Regional Office Implementing Procedures for use by each of its four Regional Offices. Monitoring procedures for nonresidential services will include a periodic review of nonresidential contractors' personnel files to ensure that appropriate background investigations are completed.
- b. The Division will hold its nonresidential service providers responsible for reviewing background investigations of any subcontractors by including this requirement in its contract and purchase order documents. All

Division contracts will require primary contractors to communicate Division background check policies through any secondary agreements with subcontractors.

- c. The Division will change its contract and purchase order documents to specify that all background investigations of employees shall be completed prior to the beginning of the contract performance period. Employees of contractors will not be allowed to work with DYC youth until completion of the required background investigations.
- d. To ensure that all contractors and subcontractors provide evidence of internal self-reporting policies, the Division will require this documentation with the submission of contract and purchase order documents. This will be similar to the requirement that contractors provide evidence of insurance as a component of the contract with the State.
- e. The Division agrees to work with its contractors and subcontractors to determine if it is necessary to have their employees fall under the CBI's flagging system. This assessment will take into account Recommendation 5d, which requires contractors to submit evidence of a self-reporting policy.

Implementation Date: March 2005 – Implementing Procedures;
January 2005 – Contract Document Changes.

Caseload Management

Federal and state laws and internal policies require the Division to maintain a comprehensive information system that contains accurate and up-to-date information regarding detained, committed, and paroled youth. To comply with federal requirements, the Department of Human Services developed the Colorado Trails (Trails) case management system to centralize and automate information on services provided through the Child Welfare Division and the Division of Youth Corrections. Trails links state and county caseworkers and Division staff and provides access to client information for all youth receiving services through the Division. The Division began using Trails in March 2002. According to Department of Human Services data, the Department had invested a total of \$62.5 million in state and federal funds for the implementation of the Colorado Trails system as of Fiscal Year 2002.

The Division also maintains data on youth services in paper case files. Case files document supervision contacts, treatment services, and monthly progress reviews with the youth. We reviewed the Division's management of information maintained in Colorado Trails and paper case files. We found that neither Trails nor case file data were complete or accurate for 58 of the 74 youth in our random sample.

First, we found that the Division does not require parole officers to enter certain vital information, such as field contacts, into Trails. Field contacts supplement monthly face-to-face meetings and provide evidence that all supervision is occurring. The Division also does not require parole officers to enter treatment services delivered by outside contractors into Trails. Of the 74 case files reviewed, 35 lacked service information to support billings and payments. Recording all services in Trails would allow the Division to perform reconciliations against service authorization forms and parole plans, and would assist with the billing issues raised previously in this chapter.

Second, we found that key information, such as the monthly discrete case plan review and the youth's level of supervision, was not consistently entered into Trails or case files as required by Division policy. For a sample of 37 youth on parole during the first six months of Fiscal Year 2004, we found that 22 (about 59 percent) lacked Trails records documenting either their monthly case plan reviews, their supervision levels, or both.

Third, we found that the commitment expiration dates (CED) listed in Trails were not always accurate. The CED is the date when the youth's commitment time expires and mandatory parole begins. We compared the CED listed in Trails with the CED recorded in the Juvenile Parole Board's hearing panel minutes. For our sample of 144 youth, we identified 41 instances (28 percent) in which the information did not match. For 10 of the 41 instances, the Board CED was earlier than the CED listed in Trails. The difference in dates ranged from 1 day to 106 days, with an average difference of just over 33 days. In these 10 instances, the Division retained the youth after their commitment had expired, at an average cost of \$143 per day.

Finally, Trails' reporting capabilities are still under development. Basic aggregate data fundamental to caseload management (e.g., escape data) must still be extracted manually. Some aggregate data have recently become available. For example, the Division can now retrieve reports on the average daily population of youth in detention, commitment, and parole from the Trails system. The Division can also retrieve a Trails report detailing all youth on parole, their levels of supervision, and the number of contacts received by the youth. If parole officers enter required information into Trails consistently, supervisors will soon be able to monitor supervision contacts electronically.

The Division needs to make sure that parole officers record case management information, including supervision contacts and treatment services, in Trails and case files as required. Further, the Division needs to require supervisors to review Trails records and case files for each parole officer on a sample basis to make sure information is complete.

Trails represents an opportunity for the Division to centralize vital information about the youth under its authority. However, to maximize the value of the system, the Division must enforce current documentation policies and require the entry of additional case management information into Trails. The Division also needs to continue working with Trails staff to retrieve aggregate data from Trails. Trails information is critical for tracking the supervision and treatment of youth, holding parole officers accountable, and producing reports to support future policy and budgetary decisions.

Recommendation No. 6:

The Division of Youth Corrections should continue to centralize the collection of accurate and comprehensive information regarding youth in its custody through the Colorado Trails case management system and through paper case files. This should be accomplished by:

- a. Requiring parole officers to enter complete youth contact and service information, including services provided by private providers, into the Trails system.
- b. Requiring client manager supervisors to conduct periodic reviews of a sample of each parole officer's cases on Trails and in paper case files to ensure compliance with Division policies regarding supervision and treatment services.
- c. Periodically verifying that information maintained in Colorado Trails, such as commitment expiration dates, is accurate.
- d. Continuing to work with Colorado Trails staff to develop reports that extract aggregate data from Trails and using these reports for supervision, policy, and budgetary decisions.

Division of Youth Corrections Response:

Agree. As discussed in Recommendation 2, the Division will institute a standardized Regional Office Operations Manual containing procedures to ensure system standardization and accountability.

- a. Current Division policies require that parole officers document all required contacts and treatment services on the existing Monthly Case Plan Review form and in the Colorado Trails system. The Regional Implementing Procedures will ensure that all documentation is entered into the Trails system in a consistent manner.
- b. Additionally, the DYC Regional Office Implementing Procedures will require client manager supervisors to conduct periodic sample reviews of client case files and Trails entries. These reviews will be documented, and will be used in evaluating the performance of client managers/parole officers during the annual performance management process.
- c. See response to b above.
- d. The Division is now able to extract aggregate data reports from the Trails data system, and has used this information to support recent budget requests. However, the Division will continue to work with Trails staff to develop and improve reports that extract aggregate data.

Implementation Date: March 2005.

Records Management

According to Section 19-2-921(1)(b) C.R.S., “the department of human services shall provide the court with any information concerning a juvenile committed to its care that the court at any time may require.” To comply with this requirement, the Division has a records management policy to ensure the Division can provide the requesting court with all information related to a youth’s history and treatment within a reasonable time frame. Division policy requires regional offices and facilities to, within 30 days of a youth's discharge from the Division, send all paper case records to the Division's Office of Closed Records (Office). The Office stores, maintains, and then legally disposes of these records seven years after a youth's last discharge. In addition, the policy requires parole officers to destroy all other client-specific information, such as notebooks and daily logs, three years plus the current year after

the date of the last entry. However, the Division is not enforcing its policies and procedures related to closed records, which may hamper efforts to ensure that client information remains confidential as required by federal and state laws.

We requested the Division provide us with the paper files for 150 youth who served parole during either the first six months of Fiscal Year 2002 or the first six months of Fiscal Year 2004. We found that the Division's Office could not immediately locate the paper records for 11 of the 106 youth whose cases had been closed. After referring us to regional offices, staff eventually found nine of the records at the Closed Records Office. The other two records were eventually located at the regional offices, even though the youth had been discharged for over 30 days.

We also found a substantial number of the closed files in our sample were not complete. The Division allows parole officers to keep separate notes on their interactions with paroled youth including contacts with private treatment providers. The parole officers maintain these field notes outside of the paper case files. When youth are discharged and their case files are transferred to the Office, the Division does not require that the field notes be included in the case files. As a result, these notes, which may contain confidential information, could be lost or misplaced. During the audit, we requested field notes for 61 of the 74 youth in our sample to verify the provision of supervision and treatment services. The Division could only provide the field notes for 22 of the youth in the sample. All 74 youth in our sample were either still on parole or had been discharged within the last three years. Under Division policy the field notes for these youth should still exist.

The Division lacks a records management system to implement its closed records policy. No procedures exist to notify the Office of Closed Records when a youth is discharged. Office staff are unaware of the date when files of discharged youth should be submitted. In addition, the Division lacks a consistent procedure for transferring youth files to the Office. Regional staff reported that in some cases parole officers drop off files when they are in Denver, while other regions collect files until there are enough to efficiently deliver them to the Office of Closed Records in one batch.

The Division should enhance its records management system and closed records policy to improve confidentiality and guarantee quick access to files of discharged youth. The Division needs to have the ability to provide the case files to authorized individuals when requested. Furthermore, the Division must be able to adequately track the location of juvenile case records so that the records can be reopened if the youth are recommitted. Since the case files contain educational, assessment, and treatment information that is confidential under both federal and state law, the Division needs to know the location of files at all times.

Recommendation No. 7:

The Division of Youth Corrections should enhance its records management system and improve its records retention policy to ensure the confidentiality of information in and authorized access to files of committed and discharged youth. To accomplish this, the Division should:

- a. Ensure the Division's Office of Closed Records is notified when youth are discharged.
- b. Develop systems tracking the location and status of all youth records.
- c. Revise policies to provide regional staff with guidance on the proper method(s) for transferring files to the Office of Closed Records.
- d. Amend the policy to require the incorporation of parole officer field notes into the case file prior to its transfer to the Office of Closed Records.

Division of Youth Corrections Response:

Agree.

- a. The Division has revised its Closed Records Policy to ensure that appropriate regional staff notify Closed Records of all discharges within a specified timeframe from the date of a youth's discharge.
- b. The revised Closed Records Policy addresses standardized procedures for the security, tracking, and transportation of all youth case files. Additionally, the policy addresses the timely destruction of closed records after a specified period of time. Specific implementing procedures will be articulated in the Regional Office Operations Manual that will be completed by March 2005.
- c. Please see the Division's response to Recommendation 7b above.
- d. The Division has also revised its parole policies to ensure that all notes are entered into the Trails data system prior to case files being sent to Closed Records.

Implementation Date: Immediately – Policy Changes;
March 2005 – Regional Office Operations Manual.

Parole Administration

Chapter 2

Introduction

Our audit examined the administration of the State's juvenile parole program by both the Division of Youth Corrections (Division) and the Juvenile Parole Board (Board). We found the Division is not comprehensively monitoring commitment expiration dates for youth, and as a result, some youth do not receive timely parole hearings. We also found that the Board is not complying with some of its governing statutes and that other statutes need to be clarified. Finally, the Division needs to improve its oversight and management of the State's juvenile parole program. Our conclusions and recommendations follow.

Hearing Delays

The Juvenile Parole Board has sole authority for paroling committed youth (Section 19-2-207, C.R.S.). Additionally, statutes require each youth to receive a parole hearing (Section 19-2-1002(3)(a), C.R.S.). We examined the Board's hearing panel minutes from January 2000 through December 2003 to verify that the approximately 3,800 youth who appeared before the Board received a parole hearing before their commitment time expired. We found that the required commitment period for 141 youth (4 percent) ended before they received a parole hearing.

Keeping youth in a commitment facility after the expiration of their commitment costs the State money. Of the 141 youth we identified, 71 remained in either a state-operated or private commitment facility. The length of stay ranged from 1 to 201 days and averaged 27 days. For the five fiscal years we reviewed, the Division reports spending, on average, almost \$64,000 per year to keep a youth in a state-operated commitment facility. According to contract documents, the Division spent an average of \$43,200 per year to keep committed youth in a private facility. On the basis of these facility costs, we calculated that the State paid nearly \$240,000 more than it should have to retain these 71 youth in commitment facilities when they should have been paroled.

We also found that of the remaining 70 youth, 13 awaited their parole hearings in jail. These 13 youth, as well as the 71 youth that remained in residential facilities after their commitment expired, began serving their mandatory parole period while still in the State's physical custody. This shortens the youth's supervised transition time in the community.

Finally, we found that the Division placed 57 of the 141 youth in the community without a parole hearing, including 3 who went directly from the county jail to the community. These youth were technically on parole because their commitment period had expired; however, since they had not had their parole hearing, they were not subject to the conditions of parole. According to Board policy, youth are not legally bound to any terms and conditions of parole until they sign the official terms and conditions of parole document at their parole hearings. If these youth do anything short of recommitting offenses, their parole cannot be suspended or revoked. Further, these youth do not have to cooperate with any of the requirements detailed in their parole plans. According to a representative from the Office of the Attorney General, statutes require youth to receive a parole hearing before being permanently released into the community; consequently, youth should remain in a commitment facility until they are granted parole by the Board.

According to the Division, hearing delays are caused in part by scheduling backups for Parole Board hearings. Staff noted that scheduling backups were particularly serious during Fiscal Years 2001 and 2002. However, during the first six months of Fiscal Year 2004, when backups were relieved, we identified seven youth who did not receive parole hearings prior to the expiration of their commitment.

The Division noted that hearing delays were also caused by parole officers who failed to identify youth with upcoming commitment expiration dates in ample time to schedule their parole hearings. The Division needs to enhance its scheduling system to identify youth whose commitment will be expiring and calendar them for parole hearings. Additionally, the Division should use its performance evaluation system to ensure that parole officers comply with scheduling requirements. Finally, the Division should work with Board administration to address scheduling issues so that youth receive parole hearings before their commitment expires. In some instances, there may still be occasions beyond the Division's control when a youth does not receive a parole hearing prior to the expiration of his or her commitment. In these cases, the Division needs to work with the Office of the Attorney General to develop a consistent placement policy that complies with statutes.

Recommendation No. 8:

The Division of Youth Corrections, working with the Juvenile Parole Board, should enhance its scheduling system and enact and enforce procedures that ensure that the Board paroles all youth prior to the expiration of their commitment. Additionally, the Division should communicate and enforce its scheduling requirements for timely parole hearings through client manager/parole officer performance plans and evaluations.

Division of Youth Corrections Response:

Agree. The Division agrees to work with the Parole Board to enhance its existing scheduling system to ensure that hearings are scheduled prior to the expiration of a youth's commitment. The Division will also ensure that the Board receives all necessary information to make informed parole decisions. Further, the Division will develop a "tickler" system to ensure that client managers maintain accurate commitment expiration dates. Expectations regarding scheduling of parole hearings will be incorporated into client manager/parole officer performance plans by the next performance planning cycle.

Implementation Date: September 2004 - Scheduling System;
April 2005 - Performance Plans.

Juvenile Parole Board Response:

Agree. The Board will cooperate with the Division of Youth Corrections to ensure this problem is resolved. The Division presently is responsible for scheduling of hearing panels for each of its regions, while two "open" dates per month at the Lookout Mountain Youth Services Center are scheduled by the Parole Board office. This was done several years ago to allow the Division to prioritize, within its regions, youth for limited hearing panel slots. The Board is willing to re-examine with the Division scheduling procedures to ensure there are safeguards in place to eliminate the problem of youth brought to the Board for parole after their commitment has expired.

Implementation Date: October 2004.

Recommendation No. 9:

The Division of Youth Corrections should work with the Office of the Attorney General to ensure that Division policies are in compliance with statutory requirements and provide consistent guidance on the placement of youth whose commitment has expired, but who are awaiting a parole decision.

Division of Youth Corrections Response:

Agree. The Division will request that the Attorney General's Office review the new Regional Office Operations Manual, described in the Division's responses to Recommendations 2, 3, 4, 5, 6, 7, and 14, prior to its implementation in March 2005. As in the past, all proposed changes of administrative policy that may conflict with statutory mandates will continue to be referred to the Attorney General's Office for legal clarification.

Implementation Date: March 2005.

Post-Commitment Hearings

The Parole Board is required to grant parole to all committed youth who have completed their commitment sentences. About 30 percent of all Board hearings are post-commitment parole hearings. Although the Board must grant parole in these cases, the Board has the option to (1) extend mandatory parole for youth convicted of certain crimes, (2) parole a youth with prejudice (indicating that the youth's behavior does not merit parole), or (3) add special conditions to the parole plan. Since parole will be automatic, we question the value of holding a parole hearing for all post-commitment youth.

We reviewed parole hearing panel minutes from July 2001 through December 2003 to determine how often the Board extended the mandatory parole period. We found that, of almost 800 post-commitment youth, the Board only extended mandatory parole for 36 youth (about 5 percent). Results of Parole Board hearings, by type of disposition, are displayed in the following table.

Results of Post-Commitment Parole Hearings July 2001-December 2003					
	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004 ¹	Totals	
Paroled with Prejudice	7	119	53	179	22.7%
Paroled with Extended Length of Parole	9	2	10	21	2.7%
Paroled with Prejudice and Extended Parole	1	8	6	15	1.9%
Paroled without Prejudice or Extended Parole	278	195	78	551	69.9%
Other	7	8	7	22	2.8%
Totals	302	332	154	788	100%
Source: Office of the State Auditor's analysis of Colorado Juvenile Parole Board hearing panel minutes from July 2001 through December 2003.					
Note: ¹ The numbers for Fiscal Year 2004 are from July through December 2003.					

We also reviewed a sample of 59 post-commitment youth on parole during our audit to determine how often the Board adds special conditions to the youth's parole plan. The Board added special conditions for 18 of the 59 youth in our sample. However many of these special conditions were already a part of the youth's parole plan. Consequently, we question the time and expense of conducting parole hearings for all post-commitment youth.

The Board should eliminate parole hearings for most post-commitment youth and instead use a paper review process to grant parole. Board members already perform a paper review of a youth case file before conducting the parole hearing. The members reported that the case file contains enough information to make a determination about whether to parole a youth with prejudice or add special conditions. The Board, at its discretion, could continue to conduct parole hearings for those post-commitment youth eligible for an extended parole period.

Eliminating the parole hearing for most post-commitment youth would free up hearing time for the Board. This would allow the Board to conduct more hearings for youth who have commitment time remaining but whose behavior indicates they are ready for parole. Moving deserving youth out of expensive commitment beds and into parole reduces costs and assists with the youth's continued rehabilitation. One

of the other six states that has a Juvenile Parole Board also uses a paper review process to make parole decisions for some youth. A representative from a second state reported that the Juvenile Parole Board may not even review cases for some youth who must be paroled.

To implement a paper review process for post-commitment youth, the Board would need to seek statutory revisions. Statutes would need to be amended to authorize the Board to make parole decisions for post-commitment youth without conducting an interview.

Recommendation No. 10:

The Juvenile Parole Board should seek statutory authority to grant parole to post-commitment youth through a paper review process.

Juvenile Parole Board Response:

Partially agree. The Board agrees that the manner in which Post Commitment parole hearings are conducted should be reviewed and streamlined to accommodate agenda space for additional discretionary parole hearings. Many of the Board members, however, feel strongly that every youth deserves to have a parole hearing before returning to the community on parole. But the Board will examine alternatives to face-to-face hearings with Post Commitment parolees and, if a quorum agrees to an acceptable alternative, the Board would seek statutory authority for such alternative in time for introduction in the 2005 session of the General Assembly.

Implementation Date: January 2005

Legal Issues

Our audit reviewed the Juvenile Parole Board's policies, monthly meeting minutes from July 1998 through December 2003, and hearing panel minutes from January 2000 through December 2003 to evaluate the Board's compliance with statutory requirements. We identified statutory amendments of a "clean-up" nature, as discussed below.

- **Presence of youth at hearings.** Statutes provide the Board guidance regarding whether a youth must be present at his or her parole hearing.

Section 19-2-1002(3)(a), C.R.S., states that members of the Board shall interview and review the record of each juvenile who comes before the Board for the granting of parole. However, Section 19-2-1002(3)(a)(IV), C.R.S., also notes that the Board does not need to have parole hearings for youth who have an adult sentence that is longer than the mandatory parole period. Currently the Board conducts parole hearings without the youth's presence when the youth is in jail pending adult charges. This practice does not comply with statutes, since the youth has not yet been sentenced to a jail term that exceeds the mandatory six-month parole period. The Board needs to seek an amendment to the statute authorizing it to conduct parole hearings for youth in jail pending adult charges without the youth being present. Alternatively, the Board could investigate the feasibility of conducting the parole hearing with the youth present via teleconference.

- **Discharge from parole.** Similarly, statutes allow the Board to discharge youth from parole who are serving adult probation, are in the custody of Corrections, or are otherwise not available to receive parole supervision (Section 19-2-1002(9), C.R.S.). When the youth is in the custody of the Department of Corrections, the Board allows its administrator to conduct a paper review of the court mittimus and discharge the youth. Although this practice appears reasonable, statutes call for the Board, not its administrator, to decide whether these youth should be discharged from parole supervision. The Board should work with the General Assembly to obtain authority to delegate parole discharge decisions for youth under the control of Corrections to its administrator.
- **Clarification of the meaning of "entire" board.** The Parole Board includes nine members. Statutes are unclear regarding the number of Board members that must hear and vote on parole decisions for certain youth. Sections 19-2-1002(3)(a)(I) and (II), C.R.S., require the "entire" board to make parole decisions for youth when the hearing panel members disagree and for all youth committed as violent or aggravated offenders. In contrast, Section 19-2-206(4), C.R.S., notes that the presence of five members, at least two of whom are either a local elected official or member from the public at large, shall constitute a quorum to transact official business of the full board. Between July 1998 and December 2003, we noted that the majority of parole hearings for violent and aggravated offenders were conducted by a quorum of Board members rather than the entire Board. We identified the same issue when the Board considered parole for youth whose hearing panel members disagreed. The Board and a representative of the Office of the Attorney General interpret statutes to require only the presence of a quorum when hearing these cases. However, a representative of the Office of Legislative Legal Services interprets the word "entire" according to its plain meaning and

believes that all of the Board members should be present when hearing panel disagreements or holding parole hearings for violent or aggravated offenders. Requiring the presence of the entire Board could significantly impede the Board's ability to perform its duties efficiently. The Board should seek statutory clarification regarding whether a quorum or the entire Board needs to be present when making parole decisions for violent and aggravated offenders and in the case of hearing panel disagreements.

- **Consecutive sentences.** Section 19-2-1002(5)(d), C.R.S., states that youth committed to the Division for consecutive sentences for two or more offenses are subject to only one nine-month mandatory parole period. However, Senate Bill 03-284 reduced the mandatory parole period for all juveniles paroled after May 1, 2003, from nine months to six months. Senate Bill 03-284 did not address the nine-month mandatory parole period for youth serving consecutive sentences. However, the Board is applying the six-month parole period to these youth. The Board should propose a statutory revision clarifying that all youth, even those serving consecutive sentences, have a mandatory parole period of six months.

In addition, Section 19-2-207, C.R.S., requires the Board to “promulgate rules” establishing the criteria for making parole decisions. Although the Board is aware of this statutory requirement, it prescribes criteria for parole decisions through internal policies rather than through rule-making. This practice avoids the public hearing process and prevents interested parties from providing input. The Board needs to comply with statutory requirements and promulgate rules detailing criteria for parole decisions.

Recommendation No. 11:

The Juvenile Parole Board should work with the General Assembly to clarify statutes regarding juvenile parole.

Juvenile Parole Board Response:

Agree.

Presence of youth at hearings: The Board will seek appropriate statutory authority to recognize current practice of allowing Post Commitment parole hearings to continue without the presence of a youth in jail due to pending charges. As a practical matter, most jails will not release a youth for a parole hearing if there are pending charges. This may also be resolved depending

on the Board's determination regarding Recommendation No. 10, since this practice is only applied to youth who are subject to Post Commitment parole.

Discharge from parole: The Board, beginning in May 2004, due to preliminary findings in the audit, implemented a procedure for the Board to vote on these types of non-exemplary discharges to Corrections that are previously reviewed by the administrator; the Board believes this complies with statute. For youth with adult probation sentences, current practice requires a quorum of the Board to vote on such discharge and the Board believes this complies with statute.

Clarify the meaning of "entire" Board: The Board agrees and will seek statutory change to clarify the meaning of "entire."

Consecutive sentences: The Board agrees. This was the result of two bills running parallel in the same session of the General Assembly in 2003 that amended some of the same sections of the Children's Code. This could be handled in a Revisor's bill or could be addressed in any legislation the Board seeks to effect other changes recommended in this audit.

Implementation Date: January 2005:

Recommendation No. 12:

The Juvenile Parole Board should follow statutory provisions and promulgate rules detailing the criteria for parole decisions. Rule promulgation should be subject to the rule-making process, including public comment.

Juvenile Parole Board Response:

Agree. The Board will adopt a rule that establishes its criteria for making parole decisions utilizing the Administrative Procedures Act as the process for establishing this rule. This is the same procedure for rule-making that applies to other state boards or commissions that have rule-making authority. There is currently a *policy* of the Board in place since 1991 that outlines the Board's criteria for release decisions and there are 39 other policies that govern other operations and procedures of the Board. These have worked well in the past; it is the intent of the Board to promulgate only one rule and that would be regarding criteria for parole release decisions. Legislation is not necessary to implement this recommendation.

Implementation Date: November 2004.

Mandatory Parole

In 1996 the General Assembly substantially revised the structure and operation of the State's juvenile justice system. The purpose of the juvenile justice system is to (1) protect and improve the public safety by properly sanctioning youth who violate the law, and (2) provide youth with the appropriate treatment to reduce recidivism and to assist youth in becoming productive members of society. As one method to achieve these goals, the General Assembly implemented mandatory parole for all youth committed to the Division.

Our audit evaluated the impact of mandatory parole on post-discharge recidivism. (The Division defines post-discharge recidivism as "a filing for a new felony or misdemeanor offense that occurred within one year following discharge from the Division.") We concluded that the Division needs to conduct additional analyses to determine whether mandatory parole aids in reducing recidivism and rehabilitating youth.

We found that Division data are inconclusive regarding the value of mandatory parole in reducing recidivism. For example, during Fiscal Year 2000, the first year that a majority of Division youth were subject to mandatory parole, recidivism rates decreased. For youth discharged during Fiscal Year 2001, the most recent data available, recidivism rates increased to 36 percent, the highest rate since Fiscal Year 1997, which was prior to the imposition of mandatory parole. Data from the Washington State Institute for Public Policy also question the impact of mandatory parole on recidivism. A March 2001 report released by the Institute found that parole had no influence on recidivism for juvenile offenders in the state of Washington. An additional study also conducted by the Institute found that an intensive supervision parole program implemented for high-risk youth did not result in reductions in recidivism as anticipated.

Further, Division data analyzing the impact of length of parole on post-discharge recidivism were inconclusive. Our analysis of Division recidivism data for youth discharged in Fiscal Years 1998, 1999, and 2000 found no relationship between length of parole and post-discharge recidivism.

The Division needs to perform additional analyses to determine whether mandatory parole is an appropriate policy decision and achieves the goals of the juvenile justice system, as set forth by the General Assembly. With the implementation of the Colorado Trails case management system, the Division has the ability to collect substantial information related to both committed and paroled youth. This information should be used to analyze the Division's implementation of mandatory

parole. The analysis should focus on identifying program improvements and provide information for policy decisions.

Recommendation No. 13:

The Division of Youth Corrections should analyze its mandatory parole program, in light of statutory intent, and use the information for program improvements and decision-making.

Division of Youth Corrections Response:

Agree. Because there are a number of factors that contribute to a youth's success, or lack of success in the DYC system, it is very difficult for the Division to tie specific youth outcomes to the existence of mandatory parole. However, the Division agrees to continually review its parole policies, services, and supervision standards to accomplish continual program improvement. Additionally, the Division will analyze the data in the Trails data system as a means of ensuring youth receive the treatment and supervision services that are indicated based on assessment information, and how recidivism rates are trending.

Implementation Date: Ongoing.

Program Management

Over the last five years, our Office has conducted three different performance audits on various aspects of the Division's operations related to committed and paroled youth. We reviewed the safety and services for youth serving commitment terms in state-operated and privately contracted facilities in our February 1999 *Out-of-Home Placement Performance Audit*. We examined service and payment oversight at residential treatment centers in our January 2002 *Residential Treatment Center Rate Setting and Monitoring Performance Audit*. Finally, our current *Juvenile Parole, Division of Youth Corrections Performance Audit* reviews the Division's management of supervision, services, and payments for youth serving mandatory parole. To meet its statutory requirements to supervise, treat, and care for detained, committed, and paroled youth, the Division received just over \$98 million in state and federal funds for Fiscal Year 2004.

In these audits, we identified systemic, pervasive problems with the Division's management of services and contractor payments. The Division's practices could impair the rehabilitation of committed and paroled youth and, at the same time, abuse limited state funds. Division management needs to take steps to enforce its own policies and case management standards. Consistent problems identified throughout these audits include:

- **Insufficient services.** We consistently observed service levels that fell short of the Division's own standards. Our current audit found that 58 of the 74 youth in our sample did not receive the supervision or treatment required by their parole plans. Our *Out-of-Home Placement* and *Residential Treatment Center* audits found that youth were not receiving services in accordance with treatment guidelines or case plan requirements.
- **Poor documentation and record-keeping.** Some client managers/parole officers are not recording their contacts with youth or maintaining accurate records of services purchased and provided. This problem was consistently observed in all three audits.
- **Inappropriate billings.** In both the *Residential Treatment Center* audit and the current audit, we reviewed a sample of files at residential and nonresidential treatment providers to determine if youth received all services detailed in their treatment plans. Our review of treatment files and bills showed that neither the Division nor service providers had records showing that all the services the Division paid for were actually provided.
- **Lack of supervision.** Three of six client manager supervisors we interviewed do not review the case files of their employees to make sure that client managers/parole officers are managing cases in accordance with Division standards and that youth are receiving required services. The *Out-of-Home Placement* audit recommended that the Division establish performance measures for client managers specifically related to compliance with case management standards. The *Residential Treatment Center* audit further recommended that supervisors evaluate client manager compliance with case management standards.
- **Lack of monitoring.** The *Residential Treatment Center* audit found that client managers were not reviewing treatment files at residential providers to make sure that youth received services for which the Division paid. Similarly, our current audit found that neither client managers/parole officers nor their supervisors review treatment files at nonresidential providers to ensure youth receive services.

- **Lack of accountability.** In our current audit, only one deficiency was noted in client manager/parole officer performance evaluations, even though we identified gaps in supervision and treatment services in 58 of the 74 youth paper and Colorado Trails files we reviewed. As stated previously, in both the *Out-of-Home Placement* and *Residential Treatment Center* audits, we recommended that the Division ensure that client managers complied with case management standards.

The Division's management needs to take responsibility for enforcing its own internal policies and contract provisions and ensure that youth receive all treatment services and remain safe while under the Division's custody. The failure to do so could hamper the rehabilitation of youth and the Division's ability to achieve the statutory goals of the juvenile justice system.

Recommendation No. 14:

The Division of Youth Corrections needs to take steps at the management level to enforce its own internal policies and contract provisions as discussed in this audit. The Division should enhance its systems for ensuring that client managers/parole officers and their supervisors provide supervision and services in accordance with youth needs and case management standards, including monitoring services provided by private contractors. The Division should ensure systems are in place to document supervision, treatment, and other key information related to committed and paroled youth in accordance with its own policies.

Division of Youth Corrections Response:

Partially agree. The Division has steadily improved its internal policies, procedures, and accountability systems in recent years. In response to the 1999 audit, the Division developed and implemented standardized performance competency areas and appraisal forms for client managers, program managers, contract managers, client manager supervisors, and Regional Directors since Fiscal Year 1999-00. Additionally, standardized program monitoring procedures are in place that meet and/or exceed the requirements of prior audit recommendations. ¹²The new Regional Office Implementing Procedures described in Division responses to Recommendations 2, 3, 4, 5, 6, 7, and 9 in this audit report will fully address Recommendation 14, and ensure that all current Division monitoring procedures and employee performance expectations also apply to nonresidential services and service providers.

Implementation Date: March 2005.

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