

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**FY 2014-15 STAFF FIGURE SETTING  
DEPARTMENT OF PUBLIC SAFETY**

**(Divisions of Criminal Justice)**

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

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## **Division Overview**

The Department of Public Safety's Division of Criminal Justice (DCJ), which is established in Section 24-33.5-501, C.R.S., is comprised of six "offices" and an "institute". This structure provides a good framework for understanding the Division's diverse functions.

- **Division Administrative Office:** provides oversight and support for the entire division.
- **Office of Adult and Juvenile Justice Assistance:** administers (1) federally funded grant programs that help local and state law enforcement agencies improve the services they deliver and (2) state and federally funded grant programs that target juvenile delinquency.
- **Office of Community Corrections:** provides most of the funding for the state's community corrections programs and for the community corrections boards that provide local oversight and control of those facilities. The Office also sets standards for facilities, audits for compliance, and provides technical assistance and training.
- **Office of Domestic Violence and Sex Offender Management:** assists the Domestic Violence Offender Management Board and the Sex Offender Management Board in developing and implementing standards and policies for the evaluation, treatment, monitoring, and management of convicted adult domestic violence offenders and sex offenders.
- **Office of Research and Statistics:** analyzes justice policies and problems, evaluates criminal justice programs, conducts recidivism studies, provides research support to the Colorado Commission on Criminal and Juvenile Justice, and distributes information through publications, training programs, and its web site. The Office's reports include winter and summer forecasts of adult and juvenile correctional and parole populations.
- **Office for Victims Programs:** administers state and federally funded grant programs that help state and local agencies assist crime victims. Recipient agencies include district attorneys, local law enforcement, and local programs that provide victim-assistance services. The Office also runs a Victim's Rights Act Compliance Program, responds to requests for assistance in implementing Colorado's victim's rights amendment, and staffs the Victims' Compensation and Assistance Coordinating Committee.
- **The Colorado Regional Community Policing Institute:** helps strengthen the performance and professionalism of Colorado law enforcement agencies through training, education, and technical assistance programs.

In the Long Bill, the Division of Criminal Justice has five subdivisions that loosely correspond to the above structure:

- (A) Administration
- (B) Victims Assistance
- (C) Juvenile Justice and Delinquency Prevention
- (D) Community Corrections
- (E) Crime Control and System Improvement

Appropriations for most, but not all, of the employees who administer the division's offices are located in (A) Administration, along with related appropriations of operating expenses. This

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consolidation reflects past decisions of the JBC to combine the appropriations of various offices in the Administration subdivision to give the DCJ more flexibility to respond to changing needs. In some cases, all the appropriations for an office are in (A) Administration. In other cases, additional appropriations for programs administered by an office are contained in subdivisions (B) through (E). For example, appropriations for the employees of the Office of Community Corrections along with supporting operating expenses are in (A) Administration, but there are additional Community Corrections appropriations in (D) Community Corrections.

## DEPARTMENT REQUEST AND RECOMMENDATION SUMMARY

### Executive Request

The Division requests that its appropriation be increased by \$1,383,521 total funds (1.6 percent) and 4.7 FTE for FY 2014-15. This includes an increase of \$1,298,941 General Fund (2.1 percent).

### Staff Recommendation

| <b>Division of Criminal Justice</b>         |                        |                         |                       |                                 |                          |             |
|---|------------------------|-------------------------|-----------------------|---------------------------------|--------------------------|-------------|
|   | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Cash<br/>Funds</b> | <b>Reappropriated<br/>Funds</b> | <b>Federal<br/>Funds</b> | <b>FTE</b>  |
| <b>FY 2013-14 Appropriation</b>             |                        |                         |                       |                                 |                          |             |
| SB 13-230 (Long Bill)                       | \$87,335,181           | \$60,057,042            | \$2,683,965           | \$3,416,909                     | \$21,177,265             | 56.4        |
| Other legislation                           | 1,759,875              | 1,605,841               | 154,034               | 0                               | 0                        | 8.8         |
| HB 14-1245 (Supplemental)                   | <u>(95,737)</u>        | <u>(31,101)</u>         | <u>(64,636)</u>       | <u>0</u>                        | <u>0</u>                 | <u>0.0</u>  |
| <b>TOTAL</b>                                | <b>\$88,999,319</b>    | <b>\$61,631,782</b>     | <b>\$2,773,363</b>    | <b>\$3,416,909</b>              | <b>\$21,177,265</b>      | <b>65.2</b> |
| <b>FY 2014-15 Recommended Appropriation</b> |                        |                         |                       |                                 |                          |             |
| FY 2013-14 Appropriation                    | \$88,999,319           | \$61,631,782            | \$2,773,363           | \$3,416,909                     | \$21,177,265             | 65.2        |
| R14 Community Corrections Provider          |                        |                         |                       |                                 |                          |             |
| Rate Increase                               | 6,991,716              | 6,991,716               | 0                     | 0                               | 0                        | 0.0         |
| Align appropriation with revenue            | 3,763,326              | 0                       | (36,674)              | (50,000)                        | 3,850,000                | 0.0         |
| Added Correctional Treatment Cash           |                        |                         |                       |                                 |                          |             |
| Fund Funding                                | 2,385,000              | 0                       | 0                     | 2,385,000                       | 0                        | 0.0         |
| Annualize prior year legislation            | 197,556                | 126,971                 | 70,585                | 0                               | 0                        | 1.9         |
| R6 Community Corrections FTE                |                        |                         |                       |                                 |                          |             |
| Support                                     | 175,803                | 175,803                 | 0                     | 0                               | 0                        | 2.1         |
| Centrally appropriated line items           | 126,836                | 84,838                  | 17,980                | 8,121                           | 15,897                   | 0.0         |
| R13 DCJ CCIB System Improvement             |                        |                         |                       |                                 |                          |             |
| and Maintenance                             | 25,000                 | 25,000                  | 0                     | 0                               | 0                        | 0.0         |
| End Subsistence Grace Period Pilot          |                        |                         |                       |                                 |                          |             |
| Project                                     | (591,200)              | (591,200)               | 0                     | 0                               | 0                        | 0.0         |
| Indirect cost assessment                    | <u>(60,144)</u>        | <u>0</u>                | <u>6,794</u>          | <u>144</u>                      | <u>(67,082)</u>          | <u>0.0</u>  |
| <b>TOTAL</b>                                | <b>\$102,013,212</b>   | <b>\$68,444,910</b>     | <b>\$2,832,048</b>    | <b>\$5,760,174</b>              | <b>\$24,976,080</b>      | <b>69.2</b> |
| <b>Increase/(Decrease)</b>                  | <b>\$13,013,893</b>    | <b>\$6,813,128</b>      | <b>\$58,685</b>       | <b>\$2,343,265</b>              | <b>\$3,798,815</b>       | <b>4.0</b>  |
| Percentage Change                           | 14.6%                  | 11.1%                   | 2.1%                  | 68.6%                           | 17.9%                    | 6.1%        |
| <b>FY 2014-15 Executive Request:</b>        | <b>\$90,382,840</b>    | <b>\$62,930,723</b>     | <b>\$2,868,722</b>    | <b>\$3,425,174</b>              | <b>\$21,158,221</b>      | <b>69.9</b> |

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|                       | <b>Division of Criminal Justice</b> |                     |                   |                             |                      | <b>FTE</b> |
|-----------------------|-------------------------------------|---------------------|-------------------|-----------------------------|----------------------|------------|
|                       | <b>Total Funds</b>                  | <b>General Fund</b> | <b>Cash Funds</b> | <b>Reappropriated Funds</b> | <b>Federal Funds</b> |            |
| Request Above/(Below) |                                     |                     |                   |                             |                      |            |
| Recommendation        | (\$11,630,372)                      | (\$5,514,187)       | \$36,674          | (\$2,335,000)               | (\$3,817,859)        | 0.7        |

**Issue Descriptions:**

**R14 Community Corrections Provider Rate Increase:** The recommendation establishes a two-part funding system for community corrections programs, comprised of a per-offender-per-day payment and a per-facility-per-day payment. The facility payment does not depend on the number of offenders in the facility. Compared with conventional payment systems that pay providers the same daily amount for each offender, this system pays relatively more to small providers, thus offsetting their cost disadvantages.

**Align appropriation with revenue:** The recommendation adjusts several appropriations to align them more closely with the revenue that is likely to be available from the funding source.

**Added Correctional Treatment Cash Fund Funding:** The recommendation includes additional funding from the Correctional Treatment Cash Fund in accord with the funding plan developed by the Correctional Treatment Board and approved by the Committee. A portion of this funding is for Intensive Residential Treatment of probationers and a portion is for substance abuse services.

**Annualize prior year legislation:** The recommendation adjusts appropriations to reflect the second year impact of 2013 legislation.

**R6 Community Corrections FTE Support:** The recommendation provides \$175,803 General Fund and 2.1 FTE to monitor specialized Community Corrections programs, help with implementation of Evidence-Based Practices in community corrections facilities, and comply with the Prison Rape Elimination Act (PREA).

**Centrally appropriated line items:** The recommendation annualizes FY 2013-14 salary survey allocations.

**R13 CCIB System Improvement and Maintenance:** The recommendation provides \$25,000 General Fund for ongoing maintenance and upgrades to the Community Corrections Information and Billing (CCIB) system, which tracks billing and statistical information submitted by community corrections facilities.

**End Subsistence Grace Period Pilot Project:** The recommendation reduces the Division's General Fund appropriation by \$591,200, reflecting the end of a temporary Subsistence Grace Period pilot project. Data from the project will be analyzed to determine whether the experiment improved community corrections outcomes.

**Indirect cost assessment:** The recommendation adjusts indirect cost assessments.

## (A) Administration

This subdivision contains appropriations for the employees who staff five of the Division's seven offices as well as the operating expenses that support those employees.

### SUBDIVISION REQUEST AND RECOMMENDATION SUMMARY

|   | Administration     |                    |                  |                         |                  |             |
|---|--------------------|--------------------|------------------|-------------------------|------------------|-------------|
|   | Total<br>Funds     | General<br>Fund    | Cash<br>Funds    | Reappropriated<br>Funds | Federal<br>Funds | FTE         |
| <b>FY 2013-14 Appropriation</b>             |                    |                    |                  |                         |                  |             |
| SB 13-230 (Long Bill)                       | 3,293,812          | 1,596,373          | 566,034          | 504,140                 | 627,265          | 29.3        |
| Other legislation                           | 418,497            | 264,463            | 154,034          | 0                       | 0                | 2.6         |
| HB 14-1245 (Supplemental)                   | (64,636)           | 0                  | (64,636)         | 0                       | 0                | 0.0         |
| <b>TOTAL</b>                                | <b>\$3,647,673</b> | <b>\$1,860,836</b> | <b>\$655,432</b> | <b>\$504,140</b>        | <b>\$627,265</b> | <b>31.9</b> |
| <b>FY 2014-15 Recommended Appropriation</b> |                    |                    |                  |                         |                  |             |
| FY 2013-14 Appropriation                    | \$3,647,673        | \$1,860,836        | \$655,432        | \$504,140               | \$627,265        | 31.9        |
| R6 Community Corrections FTE Support        | 175,803            | 175,803            | 0                | 0                       | 0                | 2.1         |
| Centrally appropriated line items           | 110,911            | 73,454             | 13,439           | 8,121                   | 15,897           | 0.0         |
| Annualize prior year legislation            | 61,565             | (9,020)            | 70,585           | 0                       | 0                | 1.9         |
| R13 CCIB System Improvement and Maintenance | 25,000             | 25,000             | 0                | 0                       | 0                | 0.0         |
| Indirect cost assessment                    | (60,144)           | 0                  | 6,794            | 144                     | (67,082)         | 0.0         |
| Align appropriation with revenue            | (36,674)           | 0                  | (36,674)         | 0                       | 0                | 0.0         |
| <b>TOTAL</b>                                | <b>\$3,924,134</b> | <b>\$2,126,073</b> | <b>\$709,576</b> | <b>\$512,405</b>        | <b>\$576,080</b> | <b>35.9</b> |
| <b>Increase/(Decrease)</b>                  | \$276,461          | \$265,237          | \$54,144         | \$8,265                 | (\$51,185)       | 4.0         |
| Percentage Change                           | 7.6%               | 14.3%              | 8.3%             | 1.6%                    | (8.2%)           | 12.5%       |
| <b>FY 2014-15 Executive Request</b>         | <b>\$3,987,507</b> | <b>\$2,152,772</b> | <b>\$746,250</b> | <b>\$512,405</b>        | <b>\$576,080</b> | <b>36.6</b> |
| Request Above/(Below) Recommendation        | \$63,373           | \$26,699           | \$36,674         | \$0                     | \$0              | 0.7         |

**R6 Community Corrections FTE Support:** The recommendation provides \$175,803 General Fund and 2.1 FTE to monitor specialized Community Corrections programs, help with implementation of Evidence-Based Practices in community corrections facilities, and comply with the Prison Rape Elimination Act (PREA).

**Centrally appropriated line items:** The recommendation annualizes FY 2013-14 salary survey allocations.

**Annualize prior year legislation:** The recommendation adjusts appropriations to reflect the second year impact of 2013 legislation.

**R13 CCIB System Improvement and Maintenance:** The recommendation provides \$25,000 General Fund for ongoing maintenance and upgrades to the Community Corrections Information and Billing (CCIB) system, which tracks billing and statistical information submitted by community corrections facilities.

**Indirect cost assessment:** The recommendation adjusts indirect cost assessments.

**Align appropriation with revenue:** The recommendation eliminates an appropriation from a funding source that is no longer available.

## LINE ITEM DETAIL

### DCJ Administrative Services

This line item was created in the FY 2012-13 Long Bill by combining the subdivision's personal services and operating expenses appropriations in order to increase the Division's flexibility. The line item funds most of the personnel for six of the division's offices:

| <b>DCJ Administrative Services, Staffing summary by program</b>                      |             |             |             |             |
|--|-------------|-------------|-------------|-------------|
|  | FY 10-11    | FY 11-12    | FY 12-13    | FY 13-14    |
|  | Actual      | Actual      | Actual      | Estimate    |
| Division Administrative Office   | 7.0         | 10.0        | 9.0         | 10.0        |
| Research and Statistics  | 5.9         | 3.3         | 3.5         | 6.9         |
| Community Corrections  | 6.2         | 6.9         | 6.6         | 5.9         |
| Victim Programs  | 5.5         | 5.4         | 5.2         | 5.4         |
| Adult and Juvenile Justice Assistance  | 2.7         | 2.2         | 2.1         | 2.2         |
| Domestic Violence FTE of the Office of Domestic Violence and Sex Offender Management | 2.5         | 2.5         | 2.3         | 2.5         |
| <b>Total</b>   | <b>29.8</b> | <b>30.3</b> | <b>28.7</b> | <b>32.9</b> |

Sex Offender Management FTE are appropriated in subdivision (E) *Crime Control and System Improvement*. The FTE who support the Colorado Commission on Criminal and Juvenile Justice are in the Division Administrative Office.

The sources of cash funds are:

- The Victims Assistance and Law Enforcement Fund (the State VALE fund) established in Section 24-33.5-506 (1), C.R.S., which supports victim programs,
- The Correctional Treatment Cash Fund established in Section 18-19-103 (4) (a), C.R.S.;
- Gifts, grants and donations.

The source of reappropriated funds is indirect cost recoveries which help pay for oversight of all programs by the Division Administrative Office. Indirect cost recoveries are collected from:

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- State sources (the Correctional Treatment Cash Fund, the Sex Offender Surcharge Fund, and the State VALE fund), and
- Federal sources (VOCA, VAWA, Juvenile Justice, and other federal grants administered by the division).

The following table summarizes the recommendation and the request.

| <b>Division of Criminal Justice, Administration, DCJ Administrative Services</b> |                        |                         |                       |                                 |                          |             |
|--|------------------------|-------------------------|-----------------------|---------------------------------|--------------------------|-------------|
|  | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Cash<br/>Funds</b> | <b>Reappropriated<br/>Funds</b> | <b>Federal<br/>Funds</b> | <b>FTE</b>  |
| <b>FY 2013-14 Appropriation</b>  |                        |                         |                       |                                 |                          |             |
| SB 13-230 (Long Bill)  | \$2,696,215            | \$1,596,373             | \$517,492             | \$498,312                       | \$84,038                 | 29.3        |
| Other legislation  | 418,497                | 264,463                 | 154,034               | 0                               | 0                        | 2.6         |
| HB 14-1245 (Supplemental)  | <u>(64,636)</u>        | <u>0</u>                | <u>(64,636)</u>       | <u>0</u>                        | <u>0</u>                 | <u>0.0</u>  |
| <b>TOTAL</b>   | <b>\$3,050,076</b>     | <b>\$1,860,836</b>      | <b>\$606,890</b>      | <b>\$498,312</b>                | <b>\$84,038</b>          | <b>31.9</b> |
| <b>FY 2014-15 Recommended Appropriation</b>                                      |                        |                         |                       |                                 |                          |             |
| FY 2013-14 Appropriation   | \$3,050,076            | \$1,860,836             | \$606,890             | \$498,312                       | \$84,038                 | 31.9        |
| R6 Community Corrections FTE Support   | 175,803                | 175,803                 | 0                     | 0                               | 0                        | 2.1         |
| Centrally appropriated line items  | 110,911                | 73,454                  | 13,439                | 8,121                           | 15,897                   | 0.0         |
| Annualize prior year legislation   | 61,565                 | (9,020)                 | 70,585                | 0                               | 0                        | 1.9         |
| R13 DCJ CCIB System Improvement and Maintenance                                  | 25,000                 | 25,000                  | 0                     | 0                               | 0                        | 0.0         |
| Align appropriation with revenue   | <u>(36,674)</u>        | <u>0</u>                | <u>(36,674)</u>       | <u>0</u>                        | <u>0</u>                 | <u>0.0</u>  |
| <b>TOTAL</b>   | <b>\$3,386,681</b>     | <b>\$2,126,073</b>      | <b>\$654,240</b>      | <b>\$506,433</b>                | <b>\$99,935</b>          | <b>35.9</b> |
| <b>Increase/(Decrease)</b>   | <b>\$336,605</b>       | <b>\$265,237</b>        | <b>\$47,350</b>       | <b>\$8,121</b>                  | <b>\$15,897</b>          | <b>4.0</b>  |
| Percentage Change  | 11.0%                  | 14.3%                   | 7.8%                  | 1.6%                            | 18.9%                    | 12.5%       |
| <b>FY 2014-15 Executive Request:</b>   | <b>\$3,450,054</b>     | <b>\$2,152,772</b>      | <b>\$690,914</b>      | <b>\$506,433</b>                | <b>\$99,935</b>          | <b>36.6</b> |
| Request Above/(Below) Recommendation   | \$63,373               | \$26,699                | \$36,674              | \$0                             | \$0                      | 0.7         |

### **è Request R6 – Community Corrections FTE Support**

*Request:* The Department requests an increase of \$240,460 General Fund and 2.8 FTE in FY 2014-15 and \$245,169 General Fund and 3.0 FTE in FY 2015-16 and later years. The request would add 2.0 FTE for monitoring of specialized Community Corrections treatment programs and implementation of Evidence-Based Practices in community corrections and would add 1.0 FTE for a statewide coordinator for the federal Prison Rape Elimination Act (PREA).

*Recommendation:* Staff recommends an appropriation of \$175,803 General Fund and 2.1 FTE for FY 2014-15, which annualizes to 2.3 FTE and \$213,579 General Fund in subsequent years.

*Analysis:* The workload of the Office of Community Corrections has grown substantially over the last 15 years without an increase in FTE.

- The creation and growth of specialized community corrections programs that serve high risk and high need offenders has placed additional workload on the Office, especially on staff trainers and on staff auditors who must monitor compliance with a variety of state standards



and contracts. The number of specialized community corrections treatment programs has increased from 5 in 1999 to 21 in 2013 and the total number of residential and non-residential programs has grown from 28 to 53.

- The implementation of Evidence Based Practices (EBP) is requiring the Office to take a more sophisticated and systematic approach to its training, monitoring, and compliance activities. The Division states that in addition to classroom training and auditing tasks performed by existing staff, proper implementation, in accord with findings in the emerging field of implementation science, requires structured planning, individual coaching, group coaching, coach training, regular fidelity measurement, and directed skill practice sessions. The Division notes that the work is double or triple that required by traditional implementation methods that rely on classroom training and auditing.
- The Prison Rape Elimination Act (PREA), which went into effect in August 2013, has placed new regulatory requirements on community corrections programs and on the Office of Community Corrections. There are two alternative penalties if the state fails to fully comply with PREA requirements: either the state can accept a 5 percent reduction in prison-related federal grant funding or it can choose to spend 5 percent of its prison-related federal grant funding on PREA compliance. The potential 5 percent penalty for federal funding that flows through the Department of Public Safety equals approximately \$242,000.

Staff is sympathetic to the increased demands that a variety of special programs place upon the Office. Staff also supports the Office's Evidence Based Practice initiatives and believes that they have the potential to measurably improve community corrections outcomes, if they are properly implemented. For this reason, staff recommends that the Committee approve the requested two additional FTE.

However, Staff disagrees with the Department's assessment of the workload imposed on it by PREA. The Department correctly states that it (1) must collect compliance data from each contract facility and report the data to the federal government and (2) must certify PREA compliance to the Governor. But Staff believes that the Office can take a much more hands-off approach to PREA compliance by community corrections programs than it contemplates. Community corrections programs have a strong incentive to comply with PREA; if they fail the PREA audits that they must undergo (and subsequently are unable correct deficiencies) the state cannot contract with them. The Department suggests that it may conduct practice audits of community corrections facilities that parallel the real PREA audits. Staff considers practice audits unnecessary; programs can be expected to seek and adequately prepare for the required audits with relatively little help from the Office. The Office also does not need to provide extensive PREA training and compliance materials; there are a wide variety of quality PREA materials available online. PREA implementation is not like EBP implementation.

The federal audit instrument for auditing community corrections facilities is not yet available, but it will presumably parallel the recently released federal audit instrument titled *Audit pre-audit questionnaire for prisons and jails*. Page 4 of that document, which is available online at the PREA Resource Center, suggests that the state's PREA-compliance monitoring activities will be lightly audited. Staff considers it unlikely that the Office of Community Corrections would fail a PREA audit. Nor does 28 CFR 115.501 imply that the Office must perform audits of

community corrections facilities in order to certify to the Governor that DCJ's community corrections contractors are in compliance.

For these reasons, Staff recommends that the Committee provide an extra 0.3 FTE to the Office for its PREA compliance work rather than the requested 1.0 FTE.

Staff also recommends, in accord with Committee policy, that central appropriations not be included in the funding for FY 2014-15 requests.

Finally, Staff believes that quality employees are critical to the proper implementation of evidence based practices and is mindful of the difficulty that the Department may encounter hiring quality employees at the minimum of the General Professional 4 range. For this reason staff recommends that the 2.3 recommended positions for this decision item be hired at salaries equal to the bottom of the second quartile of the General Profession 4 class.

### **è Request R13 -- Information and Billing System Improvement and Maintenance**

*Request:* The Department requests an increase of \$25,000 General Fund for FY 2014-15 and subsequent years for ongoing maintenance and upgrades to the Community Corrections Information and Billing (CCIB) system, which tracks billing and statistical information collected by community corrections facilities.

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

*Analysis:* The Community Corrections Information and Billing (CCIB) system is used to collect and report criminal history and service data for community corrections offenders. The system is the exclusive method by which community corrections boards and providers request payments and by which offender services are tracked. The system must be regularly upgraded to perform new tasks such as tracking Correctional Treatment Cash Fund expenditures and tracking the Subsistence Grace Period Pilot Project.

#### **Indirect Cost Assessment**

All indirect cost assessments paid from the DCJ's cash and federal funds are combined in this indirect cost assessment line item. All programs in DCJ that are supported by cash, reappropriated, or federal funds pay these assessments, which help pay for (1) statewide indirect costs, (2) departmental indirect costs, and (3) indirect costs within DCJ. The JBC staff member who handles the rest of the Department of Public Safety is responsible for the Department's indirect costs. This explanation summarizes the indirect cost plan.

The indirect cost assessments are based on assessment percentages that are applied to personal services appropriations. These rates are set at levels that will recover current-year indirect costs. The FY 2014-15 Department of Public Safety assessment rate for statewide and departmental indirect costs will equal approximately 10%, a uniform rate that applies to cash, reappropriated, and federal funds. In addition there is an internal indirect cost assessment within DCJ that applies to DCJ personal services appropriations. The FY 2014-15 assessment will equal approximately 36%, meaning that the total assessment in DCJ on cash, reappropriated, and federal personal-

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services appropriations equals forty-six percent (10% + 36%). The statewide and departmental collections are used to offset the use of General Fund throughout the Department, the internal DCJ assessment is used to offset General Fund within DCJ's Administration subdivision.

The sources of cash funds for indirect cost recoveries are the State Victims Assistance and Law Enforcement (State VALE) Fund established in Section 24-33.5-506 (1), C.R.S., and the Sex Offender Surcharge Fund established in Section 18-21-103 (3), C.R.S.

The JBC may make changes to staff recommendations or to common policies that alter the recommended indirect cost assessments. **Staff requests permission to re-calculate the indirect cost recoveries if subsequent Committee decisions require changes.**

**Request:** The Division requests an appropriation of \$537,453 total funds.

**Recommendation:** Staff recommends the Department's request.

| <b>Division of Criminal Justice, Administration, Indirect Cost Assessment</b> |                        |                         |                       |                                 |                          |            |
|---|------------------------|-------------------------|-----------------------|---------------------------------|--------------------------|------------|
|   | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Cash<br/>Funds</b> | <b>Reappropriated<br/>Funds</b> | <b>Federal<br/>Funds</b> | <b>FTE</b> |
| <b>FY 2013-14 Appropriation</b>   |                        |                         |                       |                                 |                          |            |
| SB 13-230 (Long Bill)   | <u>\$597,597</u>       | <u>\$0</u>              | <u>\$48,542</u>       | <u>\$5,828</u>                  | <u>\$543,227</u>         | <u>0.0</u> |
| <b>TOTAL</b>  | <b>\$597,597</b>       | <b>\$0</b>              | <b>\$48,542</b>       | <b>\$5,828</b>                  | <b>\$543,227</b>         | <b>0.0</b> |
| <b>FY 2014-15 Recommended Appropriation</b>                                   |                        |                         |                       |                                 |                          |            |
| FY 2013-14 Appropriation  | \$597,597              | \$0                     | \$48,542              | \$5,828                         | \$543,227                | 0.0        |
| Indirect cost assessment  | <u>(60,144)</u>        | <u>0</u>                | <u>6,794</u>          | <u>144</u>                      | <u>(67,082)</u>          | <u>0.0</u> |
| <b>TOTAL</b>  | <b>\$537,453</b>       |                         | <b>\$55,336</b>       | <b>\$5,972</b>                  | <b>\$476,145</b>         | <b>0.0</b> |
| <b>Increase/(Decrease)</b>  | (\$60,144)             | \$0                     | \$6,794               | \$144                           | (\$67,082)               | 0.0        |
| Percentage Change   | (10.1%)                | 0.0%                    | 14.0%                 | 2.5%                            | (12.3%)                  | 0.0%       |
| <b>FY 2014-15 Executive Request:</b>  | <b>\$537,453</b>       | <b>\$0</b>              | <b>\$55,336</b>       | <b>\$5,972</b>                  | <b>\$476,145</b>         | <b>0.0</b> |
| Request Above/(Below)   |                        |                         |                       |                                 |                          |            |
| Recommendation  | \$0                    |                         | \$0                   | \$0                             | \$0                      | 0.0        |

## **(B) Victims Assistance**

The Office for Victims Programs administers state and federally funded grant programs that provide funding to state and local agencies that assist crime victims. The appropriation for most of the Office's staff is in subdivision (A) Administration. Appropriations for grants that the Office administers are in this subdivision (B). Grant recipients include district attorneys, local law enforcement, and local programs that provide victim-assistance services. The subdivision

also contains appropriations for the Sexual Assault Victim Emergency Payment Program and the Statewide Victim Information and Notification System (VINE).

## SUBDIVISION REQUEST AND RECOMMENDATION SUMMARY

*Request:* The Division requests that its appropriation be increased by \$866, the annualization indicated in the fiscal note for H.B. 13-1163 Sex Assault Victim Emergency Payments.

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

| <b>Victims Assistance</b>                       |                        |                         |                       |                          |            |
|---|------------------------|-------------------------|-----------------------|--------------------------|------------|
|   | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Cash<br/>Funds</b> | <b>Federal<br/>Funds</b> | <b>FTE</b> |
| <b>FY 2013-14 Appropriation</b>                 |                        |                         |                       |                          |            |
| SB 13-230 (Long Bill)                           | \$12,100,000           | \$0                     | \$1,700,000           | \$10,400,000             | 0.4        |
| Other legislation                               | <u>601,787</u>         | <u>601,787</u>          | <u>0</u>              | <u>0</u>                 | <u>0.2</u> |
| <b>TOTAL</b>                                    | <b>\$12,701,787</b>    | <b>\$601,787</b>        | <b>\$1,700,000</b>    | <b>\$10,400,000</b>      | <b>0.6</b> |
| <b>FY 2014-15 Recommended Appropriation</b>     |                        |                         |                       |                          |            |
| FY 2013-14 Appropriation                        | \$12,701,787           | \$601,787               | \$1,700,000           | \$10,400,000             | 0.6        |
| Annualize prior year legislation (H.B. 13-1163) | <u>866</u>             | <u>866</u>              | <u>0</u>              | <u>0</u>                 | <u>0.0</u> |
| <b>TOTAL</b>                                    | <b>\$12,702,653</b>    | <b>\$602,653</b>        | <b>\$1,700,000</b>    | <b>\$10,400,000</b>      | <b>0.6</b> |
| <b>Increase/(Decrease)</b>                      | \$866                  | \$866                   | \$0                   | \$0                      | 0.0        |
| Percentage Change                               | 0.0%                   | 0.1%                    | 0.0%                  | 0.0%                     | 0.0%       |
| <b>FY 2014-15 Executive Request</b>             | <b>\$12,702,653</b>    | <b>\$602,653</b>        | <b>\$1,700,000</b>    | <b>\$10,400,000</b>      | <b>0.6</b> |
| Request Above/(Below) Recommendation            | \$0                    | \$0                     | \$0                   | \$0                      | 0.0        |

## LINE ITEM DETAIL

### Federal Victims Assistance and Compensation Grants

The Office for Victim Programs manages three federal grant programs:

**VOCA (Victims of Crime Act) grants** enhance, expand, and develop programs to serve victims of crime. These services include counseling, providing shelter, assistance in filing compensation applications, crisis intervention services, assistance in court proceedings, and assistance in filing protection orders.

**VAWA (Violence Against Women Act) grants** develop and strengthen effective law enforcement, prosecution, judicial strategies and victim services throughout Colorado in cases involving violent crimes against women, which are defined as domestic violence, sexual assault, stalking and dating violence.

**SASP (Sexual Assault Service Program) grants** provide direct services, including intervention, advocacy, accompaniment (e.g., accompanying victims to court, medical facilities, police

departments, etc.), support services, and related assistance for victims of sexual assault, family and household members of victims, and those collaterally affected by the sexual assault.

**The Federal Victims Assistance and Compensation Grants** line item is an informational appropriation that reflects expected expenditures of federal funds. The following table presents the recommendation and the request.

**Request:** The Division requests an unchanged continuation appropriation for this subdivision of \$10,400,000 federal funds.

**Recommendation:** Staff recommends the Committee approve the Division's request.

**State Victims Assistance and Law Enforcement Program:**

The Victims Assistance and Law Enforcement (VALE) program began in 1984 when the General Assembly enacted the Assistance to Victims of and Witnesses to Crimes Aid to Law Enforcement Act. In 1992 voters boosted victim rights by approving the Victim Rights Amendment, which is found in Article 2, Section 16a of the Colorado Constitution. The amendment states that crime victims have the "right to be heard when relevant, informed, and present at all critical stages of the criminal justice process."

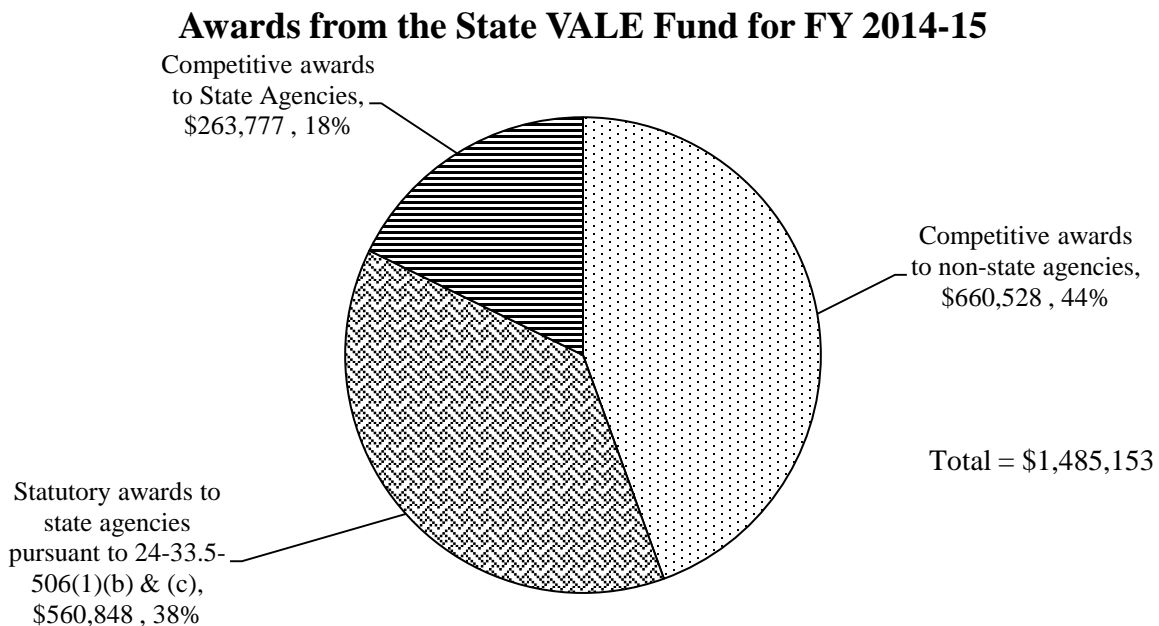
Section 24-33.5-506, C.R.S., establishes the Victims Assistance and Law Enforcement (State VALE) Fund, which is administered by the State VALE Advisory Board. Each judicial district also has its own local VALE fund, distinct from the State VALE fund. These local VALE funds receive revenues from surcharges on fines imposed for felonies, misdemeanors, juvenile offenses, and certain traffic infractions within the district. Pursuant to Section 24-4.2-105 (1), C.R.S., 13 percent of each district's surcharge revenue is transferred to the State VALE Fund. Local VALE boards, which are appointed by the chief judge of the judicial district, make grants to agencies that provide services to crime victims within the district in which the monies are collected. The Office for Victims Programs issues standards that govern the administration of Local VALE programs. There are two priority areas for VALE funding: implementation of the Victim Rights Act and (2) victim and witness services, including crisis intervention services, referrals of victims to appropriate community services and victim compensation programs, translator services, and counseling.

Pursuant to statute, the State VALE fund is appropriated to the Division for

- Payment of DCJ's costs of administering state and federal victim programs,
- Distributions to the
  - Department of Public Safety to support several Victim Advocates positions around the state that provide comprehensive services to victims of traffic crashes (and their families) on Colorado highways where an injury or death occurs.;
  - Division of Youth Corrections (in the Department of Human Services) to provide notification of movements and changes involving the juvenile perpetrator, such as escapes, return to custody, eligibility for visits to the community, hearings, recommitments, transfers to the adult system, and expiration of commitment;

- Department of Corrections to provide notifications similar to those provided by the Division of Youth Corrections including assistance and support to victims who attend Parole Board Hearings and Community Corrections Board reviews;
  - Office of the State Court Administrator to implement and coordinate statewide victim services programs; and
  - Department of Law to provide notifications to victims of appellate actions involving the perpetrator and cases in which the Department of Law prosecutes the accused perpetrator in a trial court,
- A competitive VALE grant program that makes grants to state government criminal justice agencies and non-profit victim service agencies. A Governor-appointed board reviews grant requests and makes funding recommendations to the Department.

The following chart shows the projected distribution of grants for FY 2014-15.



**Request:** The Department requests a continuation appropriation of \$1,500,000 cash funds.

**Recommendation:** Staff recommends the Committee approve the Division's request.

**Child Abuse Investigation**

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

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

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

The centers serve children who are suspected victims of sexual abuse (80% of Colorado cases in 2012) followed by physical abuse (9% of Colorado cases) and witness to violence (often domestic, 9% of Colorado cases). The CAC objective is for a single, sensitive, thorough, and neutral forensic interview to take place following a suspected case of abuse. Multiple interviews can be difficult for the child, who must repeatedly describe what happened. Children can also be influenced by interviewers; a child may change his or her story as it is repeated to adults who ask leading questions or react in non-neutral ways as the story unfolds. A single, well-conducted forensic interview reduces the chance that this will occur.

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

If it is determined that a forensic physical exam of the child could provide evidence for a prosecution, an exam will be conducted by a SANE (Sexual Assault Nurse Examiner) nurse or by someone else who is trained in forensic exams. The cost of this evidence gathering forensic exam is paid by law enforcement. The NCA statistical report for Colorado for 2012 shows that 720 out of 5064 (14%) of CAC child clients received “Medical Exam/Treatment”.

The budgets for individual CAC's run from \$180,000 to \$1 million. Most of this funding comes from fund raising efforts in local communities. They may also receive support from local government in the form of a grant. Each center gets \$10,000 of pass-through federal money as well as about \$10,000 of state money from this appropriation.

Colorado CACs also provides counseling therapy for 18% of clients and referred 55% of child clients for therapy. The CACs also engage in prevention activities, primarily by providing abuse education for children and adults. (The 2012 report says over 14,000 children and adults received “prevention” services from Colorado CACs).

The FY 2011-12 dip in spending reported in the numbers pages is due to an accounting error that was detected too late to be fixed. There was, in fact, no spending dip. The FY 2011-12 expenditure was inadvertently reported as a FY 2010-11 expenditure, leading to reported expenditure for FY 2010-11 that was about \$90,000 too high. In reality, spending in FY 2010-11 was about \$80,000 and in FY 2011-12 was about \$90,000.

**Request:** The Department requests a continuation appropriation of \$200,000 cash funds.

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

**Sexual Assault Victim Emergency Payment Program**

Section 18-3-407.7, C.R.S., which was added to statute by H.B.13-1163, creates the Sexual Assault Victim Emergency Payment Program for victims of sexual assault who need additional time to determine if they wish to pursue legal action. The program serves as payor of last resort for victims who require financial assistance to pay the costs of a medical forensic exam. The Department establishes a per victim cap of not less than \$1,000 on eligible expenses, which are to cover emergency room fees and costs, laboratory fees, prescription medication, and physician's fees related to the medical examination and injuries sustained during the assault.

**Request:** The Department requests an appropriation of \$167,933 General Fund and 0.2 FTE, an increase of \$866, which reflects the second year impact of H.B.13-1163.

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

**Statewide Victim Information and Notification System (VINE)**

Section 24-33.5-515 (2), C.R.S. which was added to statute by H.B. 13-1241, allows the General Assembly to annually appropriate moneys to the general fund for the operation of the Statewide Automated Victim Information Notification Everyday (VINE) system. The system is operated by the County Sheriffs of Colorado under the supervision of the Department of Public Safety. The VINE system allows crime victims to obtain free information on the custody status of inmates under supervision in county jails.

**Request:** The Department requests a continuation appropriation of \$434,720 General Fund for this item.

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

**(C) Juvenile Justice and Delinquency Prevention**

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The Office of Adult and Juvenile Justice Assistance administers federally funded grant programs that help local and state law enforcement agencies improve the services they deliver and administers state and federally funded grant programs that target juvenile delinquency. The appropriation for most of the Office's staff is in subdivision (A) Administration. Appropriations for grants the Office administers are in this subdivision (B).

**SUBDIVISION REQUEST AND RECOMMENDATION SUMMARY**

As the following table shows, there are no requested changes for this division but there is a recommended change: staff recommends that the federal funds appropriation for Juvenile Justice Disbursements be reduced by \$100,000 to more closely align it with revenue.



*JBC Staff Figure Setting – FY 2014-15*  
*Staff Working Document – Does Not Represent Committee Decision*

| <b>Juvenile Justice and Delinquency Prevention</b> |                        |                         |                          |            |
|--|------------------------|-------------------------|--------------------------|------------|
|  | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Federal<br/>Funds</b> | <b>FTE</b> |
| <b>FY 2013-14 Appropriation</b>                    |                        |                         |                          |            |
| SB 13-230 (Long Bill)                              | \$2,091,139            | \$1,241,139             | \$850,000                | 0.9        |
| <b>TOTAL</b>                                       | <b>\$2,091,139</b>     | <b>\$1,241,139</b>      | <b>\$850,000</b>         | <b>0.9</b> |
| <b>FY 2014-15 Recommended Appropriation</b>        |                        |                         |                          |            |
| FY 2013-14 Appropriation                           | \$2,091,139            | \$1,241,139             | \$850,000                | 0.9        |
| Align appropriation with revenue                   | (100,000)              | 0                       | (100,000)                | 0.0        |
| <b>TOTAL</b>                                       | <b>\$1,991,139</b>     | <b>\$1,241,139</b>      | <b>\$750,000</b>         | <b>0.9</b> |
| <b>Increase/(Decrease)</b>                         | (\$100,000)            | \$0                     | (\$100,000)              | 0.0        |
| Percentage Change                                  | (4.8%)                 | 0.0%                    | (11.8%)                  | 0.0%       |
| <b>FY 2014-15 Executive Request</b>                |                        |                         |                          |            |
| Request Above/(Below)                              | \$2,091,139            | \$1,241,139             | \$850,000                | 0.9        |
| Recommendation                                     | \$100,000              | \$0                     | \$100,000                | 0.0        |

## LINE ITEM DETAIL

### Juvenile Justice Disbursements

The Office of Adult and Juvenile Justice Assistance provides federally funded grants to units of local government (including law enforcement, district attorneys, and judicial districts), state agencies, and non-profit/local private community-based agencies to assist in local efforts that enhance or respond to a variety of juvenile justice and delinquency issues from prevention through aftercare. These grants address such issues as jail removal; separation of juveniles from adult inmates; over representation of minorities in the justice system; mental health and substance abuse; gender specific services; and juvenile justice system improvement. The monies are used for program development, service delivery, policy design, research and other activities.

The federal funds for this line item are shown for informational purposes only. The funds are from the federal Office of Juvenile Justice and Delinquency Prevention in the U.S. Department of Justice.

**Request:** The Division requests a continuation appropriation.

**Recommendation:** Staff recommends that this appropriation be reduced by \$100,000 federal funds to more closely align it with revenue.

| <b>Juvenile Justice and Delinquency Prevention</b> |                        |                         |                          |            |
|--|------------------------|-------------------------|--------------------------|------------|
|  | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Federal<br/>Funds</b> | <b>FTE</b> |
| <b>FY 2013-14 Appropriation</b>                    |                        |                         |                          |            |
| SB 13-230 (Long Bill)                              | \$2,091,139            | \$1,241,139             | \$850,000                | 0.9        |
| <b>TOTAL</b>                                       | <b>\$2,091,139</b>     | <b>\$1,241,139</b>      | <b>\$850,000</b>         | <b>0.9</b> |

*JBC Staff Figure Setting – FY 2014-15*  
*Staff Working Document – Does Not Represent Committee Decision*

| <b>Juvenile Justice and Delinquency Prevention</b> |                        |                         |                          |            |
|--|------------------------|-------------------------|--------------------------|------------|
|  | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Federal<br/>Funds</b> | <b>FTE</b> |
| <b>FY 2014-15 Recommended Appropriation</b>        |                        |                         |                          |            |
| FY 2013-14 Appropriation                           | \$2,091,139            | \$1,241,139             | \$850,000                | 0.9        |
| Align appropriation with revenue                   | (100,000)              | 0                       | (100,000)                | 0.0        |
| <b>TOTAL</b>                                       | <b>\$1,991,139</b>     | <b>\$1,241,139</b>      | <b>\$750,000</b>         | <b>0.9</b> |
| <b>Increase/(Decrease)</b>                         |                        |                         |                          |            |
|  | (\$100,000)            | \$0                     | (\$100,000)              | 0.0        |
| Percentage Change                                  | (4.8%)                 | 0.0%                    | (11.8%)                  | 0.0%       |
| <b>FY 2014-15 Executive Request</b>                |                        |                         |                          |            |
| Request Above/(Below)                              | <b>\$2,091,139</b>     | <b>\$1,241,139</b>      | <b>\$850,000</b>         | <b>0.9</b> |
| Recommendation                                     | \$100,000              | \$0                     | \$100,000                | 0.0        |

**Juvenile Diversion Programs**

Juvenile diversion programs are for youth who are accused of having committed crimes. In lieu of going through the normal judicial process, the youth is placed in a program that holds him accountable for his behavior while involving him in programs and activities that help prevent future criminal behavior. Diversion may take place either before charges are filed, or after a formal hearing as an adjunct to probation, or as part of a court sentence. Diversion programs can include diagnostic needs assessment, restitution programs, community service, job training and placement, specialized tutoring, general counseling, crisis counseling, and follow-up activities. Programs may include a restorative justice component, if the victim agrees to participate.

The Juvenile Diversion Programs line item helps support various juvenile diversion programs around the state. These programs are operated by district attorneys, counties, and community-based agencies. A typical program is that offered by La Plata Youth Services, which serves children aged ten to seventeen who are charged with a misdemeanor or felony. La Plata's program is six months to one year long; youth are referred in lieu of having charges filed against them, avoiding further court processes and a permanent criminal record. (See the *Annual Report to the Governor* by the Colorado Juvenile Justice and Delinquency Prevention Council & Office of Adult and Juvenile Justice Assistance, Colorado Department of Public Safety, October 2012, the most recent report posted on the Office's website. According to this report, during FY 2011-12 a total of 1,591 youth were served through 19 state-funded juvenile diversion programs located in 15 Judicial Districts across the state. A total of 667 youth exited a diversion program during the reporting period, with 82.9% being successful, 5.0% unsuccessfully terminating due to an arrest on a new offense, and 7.9% unsuccessfully terminating due to non-compliance with their diversion contract. A total of 10,949 community service hours were ordered of which 9,556 were completed by diversion program participants and \$49,051 in restitution was collected.)

**Request:** The Division requests a continuation appropriation of \$1,241,139 General Fund.

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

## (D) Community Corrections

The Office of Community Corrections oversees community corrections programs in Colorado. The appropriation for the Office's staff is in subdivision (A) Administration. The appropriations that fund community corrections programs around the state are located in this subdivision (D).

### SUBDIVISION REQUEST AND RECOMMENDATION SUMMARY

|   | Total<br>Funds      | General<br>Fund     | Cash<br>Funds | Reappropriate<br>d<br>Funds | FTE        |
|---|---------------------|---------------------|---------------|-----------------------------|------------|
| <b>Community Corrections</b>                        |                     |                     |               |                             |            |
| <b>FY 2013-14 Appropriation</b>                     |                     |                     |               |                             |            |
| SB 13-230 (Long Bill)                               | \$59,704,297        | \$56,891,528        | \$0           | \$2,812,769                 | 0.0        |
| <b>TOTAL</b>  | <b>\$59,704,297</b> | <b>\$56,891,528</b> | <b>\$0</b>    | <b>\$2,812,769</b>          | <b>0.0</b> |
| <b>FY 2014-15 Recommended Appropriation</b>         |                     |                     |               |                             |            |
| FY 2013-14 Appropriation                            | \$59,704,297        | \$56,891,528        | \$0           | \$2,812,769                 | 0.0        |
| R14 Community Corrections Provider Rate Increase    | 6,991,716           | 6,991,716           | 0             | 0                           | 0.0        |
| Added funding from Correctional Treatment Cash Fund | 2,385,000           | 0                   | 0             | 2,385,000                   | 0.0        |
| End Subsistence Grace Period Pilot Project          | (591,200)           | (591,200)           | 0             | 0                           | 0.0        |
| <b>TOTAL</b>  | <b>\$68,489,813</b> | <b>\$63,292,044</b> | <b>\$0</b>    | <b>\$5,197,769</b>          | <b>0.0</b> |
| <b>Increase/(Decrease)</b>                          | \$8,785,516         | \$6,400,516         | \$0           | \$2,385,000                 | 0.0        |
| Percentage Change                                   | 14.7%               | 11.3%               | 0.0%          | 84.8%                       | 0.0%       |
| <b>FY 2014-15 Executive Request</b>                 | <b>\$60,563,927</b> | <b>\$57,751,158</b> | <b>\$0</b>    | <b>\$2,812,769</b>          | <b>0.0</b> |
| Request Above/(Below) Recommendation                | (\$7,925,886)       | (\$5,540,886)       | \$0           | (\$2,385,000)               | 0.0        |

#### Issue Descriptions:

**Community Corrections Provider Rate Increase.** The recommendation increases most community corrections provider rates and recommends a two-part payment system for Community Corrections providers. The first component of the system is a per-offender-per-day payment. The second component is a per-facility-per-day payment that is independent of the number of offenders housed in the facility. Compared with conventional payment systems that pay providers the same daily amount for each offender, this system pays relatively more to small providers, thus offsetting their cost disadvantages.

**Added funding from Correctional Treatment Cash Fund:** The recommendation appropriates additional funding from the Correctional Treatment Cash Fund for Intensive Residential Treatment Beds and for substance abuse services.

**End Subsistence Grace Period Pilot Project:** The recommendation eliminates funding for a subsistence forgiveness experiment for community corrections programs. The experiment has ended and the data it produced will be collected and analyzed over the next two years.

## **Background on Community Corrections**

In 1974 the General Assembly enacted the Community Corrections Act, which created Colorado's residential community corrections programs, also called halfway houses. The Act provided the court system, the Department of Corrections, and the State Board of Parole with a broader range of correctional options for offenders under their jurisdictions. From 1974 to 1986, the Department of Corrections and the Judicial Department administered Colorado's community corrections system. To stabilize and streamline state oversight of the system, the General Assembly moved administration of the community corrections system to the Department of Public Safety's Division of Criminal Justice in 1986.

Community corrections programs are governed by the rules of Title 17, Article 27, C.R.S., and are operated by local governments, private providers, and non-profits. Colorado's 33 halfway houses provide offenders with supervision and structure in both residential and nonresidential settings.

**Terminology: Diversion, transition, and parole.** *Diversion* refers to a direct sentence to community corrections by a judge as the result of a felony conviction. In these cases, community corrections serves as an alternative to prison; offenders who succeed in community corrections avoid prison while those who fail are usually sentenced to prison. *Transition* refers to the placement of Department of Corrections prison inmates in local residential facilities prior to their release on parole. While in the structured environment of a halfway house, offenders get jobs, renew contacts with family, and start developing community support systems prior to full release into the community. *Parolees*, former prison inmates who have been paroled by the Parole Board, are also placed in community corrections facilities. Transition, diversion, and parole offenders live together within the same community corrections facilities.

**Residential and nonresidential programs.** Residential community corrections offenders reside in a community corrections facility, going out to work or to seek work and returning to the facility when work ends. Transition offenders always begin in residential programs; diversion offenders almost always begin in residential programs but occasionally begin in nonresidential programs. Successful residential clients in diversion programs may progress to nonresidential or "day reporting" status; they then live outside the facility but check in as often as daily and are randomly monitored to make sure they are at jobs and other approved locations. Transition offenders who progress to nonresidential status enter the Department of Corrections "ISP-I" program (Intensive Supervision Program for Inmates) where they are supervised by the Department of Corrections. Diversion nonresidential offenders often continue to participate in programs begun while they were in residence at a program.

**Specialized treatment for substance abuse, mental health, and sex offenders.** All community corrections facilities provide services for their offenders. These services generally include individualized case management, life skills training, drug and alcohol education, anger management classes, money management assistance, educational guidance, and vocational guidance. Often, offenders are required to attend and pay for services beyond those provided by their program.

Some community corrections programs provide more extensive treatment:

**Substance abuse only programs.** There are two types of programs for offenders with severe substance abuse problems:

- *Intensive Residential Treatment (IRT)*, a 90 day program in which the offender stays around-the-clock in the community corrections facility, receiving treatment, learning job hunting skills, etc., and
- *Therapeutic Communities (TC)*, which have two phases:
  - (1) an inpatient (i.e. residential) phase that lasts 9 to 12 months, and
  - (2) an outpatient (i.e. nonresidential) phase that lasts 9 to 12 months.

These treatment options are provided by two Denver programs (*Peer I* for men and *The Haven* for women) and one in Pueblo (*Crossroads* for men). A small number of diversion offenders at Peer I attend the first phase on an outpatient basis. The outpatient option for the first phase is referred to as Day Treatment.

**Combined mental health and substance abuse programs.** *Residential Dual Diagnosis Treatment (RDDT)* programs address co-occurring mental health and substance abuse problems. Because substance abuse commonly accompanies mental health problems, there are no programs that deal exclusively with mental health needs. Residential Dual Diagnosis Treatment lasts 6 months or more. Offenders with mental health needs who have *severe* substance abuse problems may be placed in an Intensive Residential Treatment program for 90 days as part of their therapy.

**Supervision and treatment programs for sex offenders:** These programs provide enhanced supervision and case management for offenders but generally do not provide in-house treatment. Sex offenders receive treatment from an independent provider. The community corrections program pays some of the provider's fees.

**Subsistence Payments by Offenders:** Offenders in most (but not all) programs are expected to pay a portion of the cost of their community corrections program:

- Offenders in standard residential community corrections programs are required to work as a condition of being in the program. These residential offenders are expected to pay \$17 per day toward the cost of their room, board, and treatment. This payment, usually referred to as "subsistence," amounts to \$6,205 (= 365 \* \$17) annually.

Offenders also have other expenses, such as paying for required treatment, paying up to 20 percent of their income for restitution and/or child support, and paying for their own medical, dental, and mental health care, including pharmaceuticals. (Residential offenders are deemed to be incarcerated by CMS and, despite the recent broadening of Medicaid eligibility, generally do not qualify for Medicaid.) Offenders in standard programs may have difficulty finding a job, or may lose a job and be unable to pay. An offender's unpaid daily debt to a community corrections program accumulates, but may never be paid in full. According to the *Colorado Community Corrections FY 2012 Annual Report*, during FY 2011-12, the

average offender owed \$666 to his community corrections program at discharge, up from \$598 two years earlier. The average amount of subsistence paid daily by traditional residential community corrections clients was \$12.68 in FY 2009-10, \$11.14 in FY 2010-11, and \$11.56 in FY 2011-12

- Offenders enrolled in Intensive Residential Treatment are not allowed to work while in the program and thus pay no subsistence.
- Offenders in Therapeutic Communities are not allowed to seek work until they have been enrolled in the program for a considerable amount of time and have stabilized; the delay varies and could last months. As a consequence, their subsistence contributions are initially zero.
- Offenders in Residential Dual Diagnosis Treatment work but keep their earnings. Because of their mental health issues, these offenders face special challenges following discharge, extra accumulated savings at discharge are thought to aid reentry after discharge.
- Sex offenders are expected to pay the standard rate from the time they arrive but frequently have trouble finding jobs.
- Offenders in "standard" nonresidential programs are expected to pay \$3 daily or approximately \$90 per month.

**Per diem payments by the state: base payments and differentials.** The state currently pays a standard base amount for all residential community corrections beds. If the offender is enrolled in a specialized residential program, the state also pays a "differential" that reflects the higher treatment cost and the fact that offenders enrolled in these programs either do not pay "subsistence" or pay substantially less.

- **Base Per Diem:** For FY 2013-14, the base residential payment, which is often called the per diem payment, equals \$38.68 per offender per day. If an offender is in a standard community corrections program for a year, the cost to the state is \$14,118 (= 365 \*\$38.68).
- **Differential:** If the offender is enrolled in a specialized residential program, the state makes an additional differential payment.
- **Nonresidential:** The amount the state pays for *nonresidential* placements varies by program. There are no differentials.

The following tables show the payments that the state and offenders make for various types of community corrections programs.

| FY 2013-14 Daily Payment Rates for Residential Community Corrections Programs |                          |                   |              |         |           |         |                    |
|---|--------------------------|-------------------|--------------|---------|-----------|---------|--------------------|
| Type of bed   | Special problems treated | Daily payment by: |              |         |           |         | Average Total Paid |
|   |                          | State             |              |         | Offender* |         |                    |
|   |                          | Base              | Differential | Total   | Max       | Actual  |                    |
| Standard residential  |                          | \$38.68           | \$0.00       | \$38.68 | \$17.00   | \$11.56 | \$50.24            |

*JBC Staff Figure Setting – FY 2014-15*  
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| FY 2013-14 Daily Payment Rates for Residential Community Corrections Programs |                                 |                   |              |       |           |        |                    |
|---|---------------------------------|-------------------|--------------|-------|-----------|--------|--------------------|
| Type of bed   | Special problems treated        | Daily payment by: |              |       |           |        | Average Total Paid |
|   |                                 | State             |              |       | Offender* |        |                    |
|   |                                 | Base              | Differential | Total | Max       | Actual |                    |
| Intensive Residential Treatment (IRT)   | Substance abuse                 | 38.68             | \$45.93      | 84.61 | 0         | 0      | 84.61              |
| Therapeutic Community (TC), residential phase of treatment                    | Substance abuse                 | 38.68             | 22.82        | 61.50 | 17.00     | n/a    | n/a                |
| Residential Dual Diagnosis Treatment (RDDT)                                   | Substance abuse & mental health | 38.68             | 33.85        | 72.53 | 0         | n/a    | n/a                |
| JERP (John Eachon Re-entry Program, a very intensive RDDT)                    | Substance abuse & mental health | 38.68             | 54.12        | 92.80 | 0         | 0      | 92.80              |
| Sex Offender  | Sex offense                     | 38.68             | 33.85        | 72.53 | 17.00     | n/a    | n/a                |

\* Max, the maximum amount that can be collected from offenders, is set in the Long Bill. Actual is from the *Colorado Community Corrections FY 2012 Annual Report*.

| FY 2013-14 Daily Payment Rates for Nonresidential Community Corrections Programs              |                          |                   |  |          |        |            |
|---|--------------------------|-------------------|--|----------|--------|------------|
| Type of bed   | Special problems treated | Daily payment by: |  |          |        | Total Paid |
|   |                          | State             |  | Offender |        |            |
|   |                          |                   |  | Max.     | Actual |            |
| Standard non-residential (diversion only)   |                          | \$5.25 avg*       |  | \$3.00   | \$3.00 | \$8.25     |
| Day Treatment (This is the outpatient version of Residential Therapeutic Community Treatment) | Substance abuse          | 34.10             |  | 3.00     | 3.00   | 37.10      |
| Therapeutic Community, nonresidential phase of treatment                                      | Substance abuse          | 13.65             |  | 3.00     | 3.00   | 16.65      |

\* There are four progressively less restrictive levels of standard nonresidential treatment, which cost the state approximately \$8, \$6, \$3, and \$2 daily with a \$5.25 average.

**Oversight of programs and offenders.** Oversight of community corrections *programs* is shared by local Community Corrections Boards and the Office of Community Corrections.

Oversight of *offenders* in community corrections programs is provided by the staff of the community corrections program. Transition offenders are also supervised by parole officers from the Department of Corrections. Probation officers are not typically involved in supervision.

**The Correctional Treatment Cash Fund:** Community Corrections programs are primarily funded by the General Fund, but significant support also comes from the Correctional Treatment Cash Fund created by H.B. 12-1310. This bill

- 1) Consolidated three sources of funding for substance abuse treatment into the Correctional Treatment Cash Fund, which serves adult and juvenile offenders. The redirected fund sources include two that previously provided community corrections funding: the Drug Offender Surcharge Fund and the General Fund savings generated by H.B. 10-1352.
- 2) Created the Correctional Treatment Board, required it to prepare an annual plan for spending the money received by the Correctional Treatment Cash Fund, and required the Judicial Department to submit the plan to the Joint Budget Committee. Since appropriations from the

Correctional Treatment Cash Fund are included in the Long Bill, the General Assembly has the final say on allocation and use. The annual plan specifies the allocation of funding among state agencies and may include direction to those agencies concerning how the allocated moneys are to be spent. Section 18-19-103 (4) (c), C.R.S., states that the Board may direct that moneys be used for the following purposes:

- a) Alcohol and drug screening, assessment, and evaluation;
- b) Alcohol and drug testing;
- c) Substance abuse education and training;
- d) An annual statewide conference regarding substance abuse treatment;
- e) Treatment for assessed substance abuse and co-occurring disorders;
- f) Recovery support services; and
- g) Administrative support to the correctional treatment board.

**Allocation of funding from the Correctional Treatment Cash Fund.** For FY 2013-14 the Division is appropriated \$2,916,766 from the Correctional Treatment Cash fund. During figure setting for the Judicial Branch, the Committee approved an appropriation to the DCJ of \$5,301,766 from the correctional treatment cash fund, which is based on a funding plan from the Correctional Treatment Board that has been approved by the JBC. The appropriation is allocated as shown in the following table. The Board's funding plan states that the additional Community Corrections Placement appropriation is for IRT beds and notes that "there was considerable interest within probation and with local treatment boards in expanding probation IRT bed capacity within community corrections facilities."

**Allocation within DCJ of Moneys Received from the Correctional Treatment Cash Fund**

| Division and Line Item                                  | FY 13-14           | FY 14-15           | Change             |
|---|--------------------|--------------------|--------------------|
| (1) Executive Directors Office                          |                    |                    |                    |
| Health, Life, Dental, Short Term Disability, etc.       | \$ 13,366          | \$13,366           | \$0                |
| (4) Division of Criminal Justice                        |                    |                    |                    |
| DCJ Administrative Services                             | 90,631             | 90,631             | 0                  |
| Community Corrections Placement (Probation IRT beds)    | 1,018,869          | 2,643,869          | 1,625,000          |
| Services for Substance Abuse and Co-occurring Disorders | 1,793,900          | 2,553,900          | 760,000            |
| <b>Total Received</b>                                   | <b>\$2,916,766</b> | <b>\$5,301,766</b> | <b>\$2,385,000</b> |

**House Bill 10-1360** also provided additional funding for Community Corrections. The bill made offenders with class 4 felonies eligible for a program that sends parole violators to community corrections facilities rather than prison. The bill also restricted the amount of time a parole violator can return to prison to 90 or 180 days based on the offender's risk level. In addition, the bill required the parole board to consider placement in a residential treatment program, such as Intensive Residential Treatment, or an outpatient substance abuse program as an alternative to revocation.

House Bill 10-1360 required the General Assembly to appropriate an unspecified *portion* of the savings generated by the bill for re-entry support services targeting parolees. These services include employment, housing, transportation, substance abuse treatment, mental health treatment, and mental health medication. The bill's appropriation clause increased by \$1,285,409 the DCJ General Fund appropriation for parolee residential treatment beds and increased the



appropriation for parolee sex offender beds by another \$260,000. The FY 2011-12 Long Bill added \$180,000 for parolee "aftercare" following Intensive Residential Treatment, which is designed to reduce the odds of relapse. This \$180,000 was identified in the H.B. 10-1360 fiscal note but was not appropriated in the bill's appropriation clause. During figure setting for FY 2012-13, staff recommended that appropriations be shifted toward parolee treatment beds because staff concluded that some of the \$1,285,409 of General Fund provided in H.B. 10-1360 had, for unexplained reasons, increased non-parolee beds. This conclusion was a byproduct of recasting the community corrections appropriations in the new format adopted for the FY 2011-12 Long Bill. (Because Correctional Treatment Cash Fund moneys [i.e. H.B. 12-1352] are reappropriated funds rather than General Fund, it is a simple matter to monitor this source of funding.)

House Bill 10-1360 states that appropriations of H.B. 10-1360 savings are to be made after consideration of a status report that the Division of Adult Parole "shall provide" to the judiciary committees of both houses; however, the bill provided no funding to create the report, nor did it say how frequently the report was to be provided. The bill also required the Division of Criminal Justice to provide a report to the judiciary committees but it again failed to specify a frequency. Neither the Division of Adult Parole nor the DCJ have ever produced these reports. Consequently, no adjustments to the savings resulting from H.B. 10-1360 have been identified since the 2010 fiscal note.

#### **è R14: Community Corrections Provider Rate Increase**

**Request:** The Division requests a 1.5 percent rate increase for FY 2014-15 for community corrections providers. This increase would raise the \$38.68 per diem paid for standard community corrections beds by \$0.58 and would raise each differential by 1.5 percent. If the total population of community corrections offenders did not change and the distribution of offenders among standard and specialized programs remained fixed, this increase would raise the *Community Corrections Placement* appropriation (the line item that funds the base per diem payments and the differentials) by \$826,694.

**Recommendation:** The Committee has approved a larger 3 percent community provider rate increase which would raise the per diem and differentials by twice as much as the DCJ request and would cost \$1,653,388 if the community corrections population did not change.

Staff has examined the 3 percent increase and concludes, for reasons outlined below, that it is inadequate. Staff recommends a more nuanced approach that takes account of the average costs of community corrections facilities of differing sizes.

In summary, Staff recommends that the Committee approve the following increases:

- An increase of \$2.66 for the standard per diem payment, raising it from \$38.68 to \$41.34.
- An increase of \$0.78 for the basic nonresidential payment per offender per day, raising it from \$5.25 to \$ 6.03.

- Related increases of the differentials for some specialized programs and the rates for the non-residential phases of some specialized programs.
- The introduction of a fixed daily payment of \$260.45 to each facility in lieu of the higher per diem that would otherwise be necessary. This payment does not depend upon the number of offenders in the facility.

This recommendation is a refinement of the two-tiered approach to community corrections funding that Staff suggested during last fall's briefing for the DCJ. It avoids the software modification problems that DCJ discussed at its January hearing.

**Analysis:** There are three parts to this analysis.

**Part I** examines community corrections salaries and recommends that the Committee provide sufficient funding for the typical community corrections program to be able to raise salaries by designated amounts. This section also recommends that the Committee provide sufficient funding to pay for operating cost increases equal to the rate of inflation.

**Part II** examines case manager caseloads and recommends that the Committee provide enough funding for the typical community corrections program to be able to reduce caseloads to 20 residents per case manager.

**Part III** translates the salary and caseload adjustments into recommended payments consisting of a per diem increase and a new fixed payment per facility. Together these payments will provide community corrections programs of various sizes with the funding needed for the salary and caseload adjustments proposed in Part I and Part II.

### **Part I: Recommended Salary Increases**

Thanks to a recent DCJ survey,<sup>1</sup> JBC Staff possesses good data on current average salaries for two of the most important classes of employees at a community corrections facility: case managers and security staff. Unfortunately, JBC Staff lacks historical data on average salaries, making it impossible to say whether these averages have risen or fallen in inflation adjusted terms over the past 15 years and making it impossible to say how these salaries have changed relative to those of other occupations. But, as Staff showed during Briefing, in inflation adjusted terms, per diem payments for standard community corrections beds have fallen 22.1 percent since FY 2001-02. Based on financial data received from community corrections facilities, labor costs range from 55 percent of total costs to 75 percent. Thus from a purely mathematical perspective, it is likely that salaries and benefits have also declined in inflation adjusted terms.

Staff notes that there are ways that a facility with a stagnant per diem can keep average salaries rising in step with inflation, but these techniques cannot indefinitely provide wage increases; at some point wages must also stagnate. These techniques include the following: A facility with

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<sup>1</sup> *Staff Salary, Turnover, and Caseloads in Colorado Community Corrections: Survey Results and Cost Analysis*, Department of Public Safety, Division of Criminal Justice, February 2013.

substantial reserves accumulated prior to FY 2001-02 can use those reserves to support wages, as long as the reserves last. A facility can boost salaries by cutting benefit expenses. It can boost salaries by eliminating non-essential staff and non-essential operating expenses. A facility that recently paid off the mortgage on its building will find itself with extra cash flow to support salaries. With all these techniques, however, efforts to keep wages growing in step with inflation will eventually catch up with the extra cash flow and wages will have to be squeezed if per diem is stagnant.

Alternately, some facilities may be able to develop other income sources. For example, Staff knows of one facility in a rural area that performs drug tests for its judicial district (which, inquiry suggests, is not an option for facilities in urban areas). However, Staff believes there are limits to these income-generating alternatives and fears that they may divert staff from the central mission of a community corrections facility.

During briefing, JBC staff argued that small community corrections programs without specialized programs, additional sources of cash flow, or a deep pocket somewhere that is willing to absorb losses, will have a very difficult time covering its costs. Recent experience in Pueblo, where two community corrections facilities recently closed, supports this. One of the Pueblo operations, a small one, has been taken over by a Colorado-based community corrections operator with several other facilities – i.e. a deep(er) pocket. A replacement operator for the other Pueblo facility has not been found. Staff knows that at least one other Colorado-based community corrections operator backed away because of the economic challenge. Employers who are under financial stress are likely to raise wages by a minimal amounts.

In summary, Staff believes that there is good reason to conclude that the decline of the inflation-adjusted value of per diem payments since FY 2001-02 has squeezed community corrections salaries, leading them to also lag inflation.

**Are comparable salaries higher?** State jobs provide some information on salaries for comparable jobs ("comparables"):

- Currently the average salary for a security staffer at a community corrections facility is 66 percent of the *starting* salary of a Corrections Officer I (CO I) at the Department of Corrections. The two jobs have similar education and background requirements.
- Currently, the *average* salary for a community corrections case manager is 69 percent of the *starting* salary of a probation officer and 75 percent of the starting salary of a community parole officer. The two jobs have similar background requirements and the skills learned as a community corrections case manager make one a strong candidate for a probation job. Community corrections programs tell Staff that probation is a favorite place for case managers to jump after working in community corrections.

These salary comparisons ignore benefits.

Staff notes that a never-implemented survey conducted by the DPA for FY 2013-14 suggested that salaries for Colorado corrections officers and parole officers were several percentage points high relative to comparables. Comparing community corrections salaries with the comparables reported in that study shows that community corrections security salaries are 70 percent of the

corrections-officer-comparable and community corrections case manager salaries are 77 percent of the parole-officer-comparable.

Based on this evidence, Staff thinks it likely that community corrections salaries are low relative to comparables.

**Are community corrections programs able to attract and retain qualified employees at current salary levels?** It's difficult to evaluate the quality of workers hired by community corrections facilities; Staff lacks data on the educational background and prior work experience of new hires, making comparisons with past years or with other occupations impossible. However, Staff does possess evidence on employee turnover at community corrections facilities and that evidence suggests that, for security staff in particular, turnover is fairly high.

The recent DCJ survey of community corrections staffing, reported a 48.8 percent average turnover rates for security workers, i.e. within the course of a year, a program will replace half of its security staff. This turnover rate varied from 31 percent at large facilities to 71 percent at small facilities. A 48 percent turnover rate equates to an average stay on the job of 2 years while a 70 percent turnover rate equates to an average stay of 1.4 years. Thus high turnover means that at any time a significant portion of a facility's staff is inexperienced. For comparison, the BLS monthly *Job Openings and Labor Turnover* report places the national job turnover rate at 42% which corresponds to an average stay on a job of 2.4 years.

During briefing, JBC Staff noted that security is the main point of contact for clients. Security sets the program's tone. Security staff must be able to effectively communicate and interact with clients. They must be able to handle crisis situations and listen to clients who are struggling while providing daily positive reinforcement for residents. In smaller facilities, security staff outnumber case managers for 3 or 4 to one, thus from a purely mathematical perspective offenders will interact with security staff several times more than they interact with case managers.

The DCJ is now in the process of rolling out three evidence-based initiatives: Motivational Interviewing, the Progressive Matrix, and B-SMART. Security staff are expected to learn motivational interviewing, and subsequently practice and maintain those skills. JBC staff understands that it can take a year to develop effective motivational interviewing skills. Thus, in a facility with a 70 percent security turnover rate, skilled members of the security team will be the exception rather than the rule.

Case managers meet with offenders regularly, assessing their risks and needs, developing plans for them that will help them reintegrate into the community. Fortunately, turnover is not as high for case managers in community corrections as it is for security staff. The recent DCJ survey indicates that the median length of employment for case managers is currently 48 months. However, the three DCJ evidence-based initiatives, Motivational Interviewing, the Progressive Matrix, and B-SMART, are demanding a higher level of skills, increasing training time and increasing the amount of time that must be devoted to skill maintenance.

Based on this analysis, staff recommends that the Committee provide sufficient additional funding to community corrections facilities to increase salaries and benefits by the following amounts:

- A 16.0 percent salary increase for security and case managers, which would place the average security worker's salary at 76.4% of the starting salary of a DOC Corrections Officer and would place the average salary of a case manager at 83.7% of the average of the starting salaries of parole officers and probation officers.
- A 12.0 percent salary increases for administrative personnel, which recognizes that these salaries have probably lagged in the past decade and also recognizes the need to maintain a reasonable relative wage structure within a community corrections facility.
- A 2.5 percent inflation increase for food service workers. This increase corresponds to the rate of inflation projected by Legislative Council Staff. The primary function of these workers is food preparation, they interact with residents who are assigned kitchen duty and are expected to interact in a professional manner, but they are not an integral part of program delivery.

**Part II: Recommended 20:1 Case Manager Caseload**

The recent DCJ survey indicates that the average case manager in community corrections facilities currently carries a caseload of 23.3 residential clients. Based on conversations with community corrections programs, Staff believes that DCJ's evidence-based initiatives (particularly the Progressive Matrix) will require programs to move to caseloads of 20 residents per case manager. The Progressive Matrix is an evidence based practice that should improve program outcomes. Staff notes that a 20 client caseload is mandated by Denver ordinance for Denver community corrections facilities. Thus Staff recommends that the Committee provide sufficient additional funding to allow community corrections facilities to reduce caseloads to 20.

**Part III. Recommended Change of Payments to Community Corrections Programs**

To develop this recommendation, staff constructed the following table, which presents typical staffing patterns for a standard community corrections facility with no specialized beds. All rows in this table except the last (PREA) row are based upon interviews with community corrections programs, staffing data received directly from community corrections programs, and staffing data gathered by the DCJ.

| <b>Staffing at a typical community corrections facility with no specialized beds</b>              |                      |      |       |       |
|---|----------------------|------|-------|-------|
|   | <b>Facility Size</b> |      |       |       |
| <b>Number of Offenders</b>  |                      |      |       |       |
| Average daily population (ADP) of resident offenders<br>(no special programs at these facilities) | 50.0                 | 80.0 | 110.0 | 140.0 |
| Nonresident offenders (=28% of residents for a typical facility)                                  | 14.0                 | 22.4 | 30.8  | 39.2  |
| <b>Number of Staff</b>  |                      |      |       |       |
| Security FTE  | 10.0                 | 11.0 | 12.0  | 13.0  |
| Case Manager FTE for resident offenders (case managers have                                       | 2.1                  | 3.4  | 4.7   | 6.0   |

*JBC Staff Figure Setting – FY 2014-15*  
*Staff Working Document – Does Not Represent Committee Decision*

| <b>Staffing at a typical community corrections facility with no specialized beds</b>                            |                      |     |     |     |
|---|----------------------|-----|-----|-----|
|   | <b>Facility Size</b> |     |     |     |
| an average caseload of 23.3, the statewide average)   |                      |     |     |     |
| Case Manager FTE for nonresident offenders (case managers have a caseload of 46.6, twice the resident caseload) | 0.3                  | 0.5 | 0.7 | 0.8 |
| Facility Director   | 1.0                  | 1.0 | 1.0 | 1.0 |
| Other administrative FTE (Assistant director, etc.)   | 3.0                  | 3.0 | 4.0 | 4.0 |
| Food Service FTE  | 2.5                  | 2.5 | 3.0 | 3.0 |
| PREA (Prison Rape Elimination Act) compliance, EBP (Evidence Based Practice) compliance and training            | 0.5                  | 0.5 | 0.5 | 0.5 |

After constructing an initial version of this table, Staff circulated it among community corrections providers (without the PREA-EBP row) and made adjustments in response to received comments. Staff emphasizes that this table depicts staffing for a *typical* community corrections facility; actual facilities will deviate in one way or another.

The PREA-EBP row of this table is designed to capture the costs of complying with PREA (Prison Rape Elimination Act) regulations, which went into effect in August 2013 and some of the costs of complying with the new evidence based practices (EBP) initiatives which are being rolled out by the Office of Community Corrections. The PREA component of this row (0.25 FTE) is based on the FTE estimate found in the U.S. government publication *Prison Rape Elimination Act Regulatory Impact Assessment* (May 17, 2012, p. 83). This estimate is probably low for the first year of PREA compliance and may be low for years in which an audit occurs (once every three years), but it staff believes it will be compensatingly high in other years. Staff lacks quantitative information on the EBP component of the estimate and chose 0.25 FTE as a deliberately cautious estimate of EBP costs. This component of the cost should be reexamined as the EBP rollout continues.

Staff next computed current daily labor costs per resident for a typical community corrections facility excluding PREA-EBP costs. Staff did this by multiplying the FTE in the above staffing table (without the PREA-EBP row) by average salary data obtained from (1) a recent DCJ survey of community corrections salaries,<sup>2</sup> (2) information gathered directly by JBC Staff from community corrections facilities, and (3) nationwide benefit and payroll tax information from the U.S. Department of Labor.<sup>3</sup>

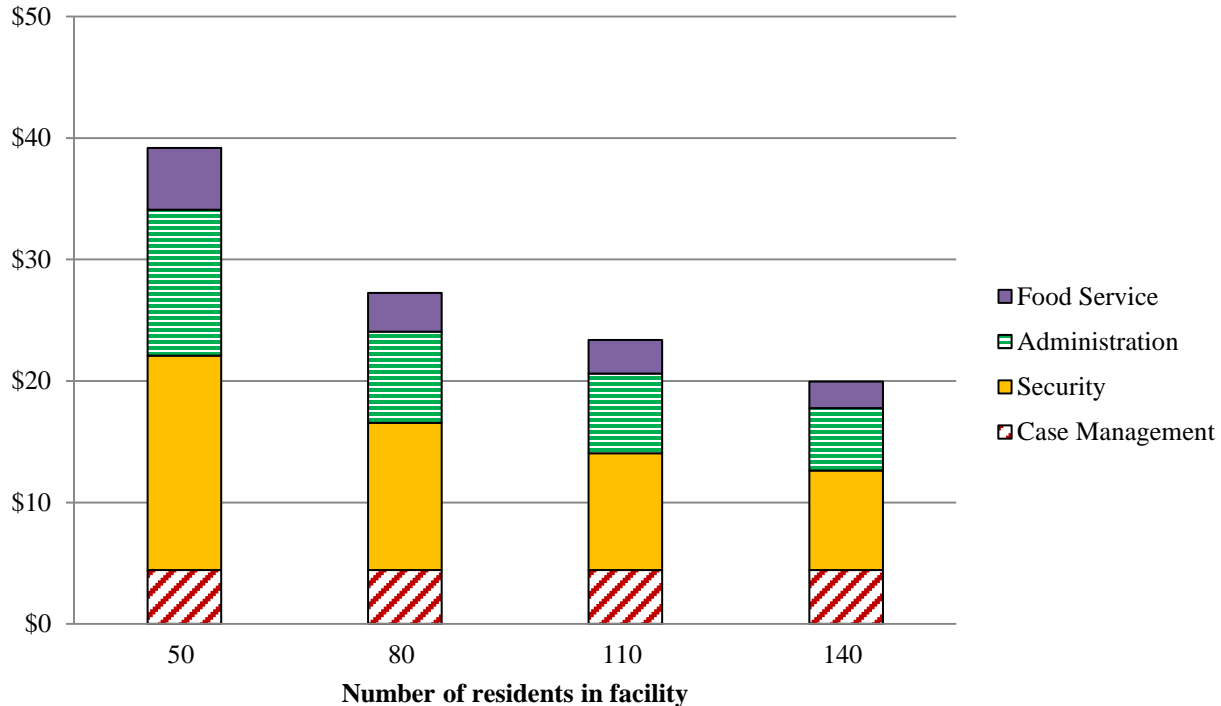
The following chart illustrates the results and points to a key finding: labor costs per resident per day decline substantially as facilities grow in size, i.e. there are substantial economies of scale. These economies arise because facilities do not generally increase staffing levels proportionately as their offender populations rise. As the facility grows, security, administration, and food

<sup>2</sup> *Staff Salary, Turnover, and Caseloads in Colorado Community Corrections: Survey Results and Cost Analysis*, Department of Public Safety, Division of Criminal Justice, February 2013.

<sup>3</sup> *Employer Costs for Employee Compensation – September 2013*, Bureau of Labor Statistics, U.S. Department of Labor.

service staff do not increase proportionately. There is an important exception to this rule however: the number of case managers generally does increase in step with the offender population rises. This can be seen in the following chart where case management costs per resident per day at the bottom of each column remain constant as the resident population rises and other cost components decline.

**Current typical labor costs per resident per day for community corrections facilities of various sizes**



The preceding chart illustrates the dilemma the Committee faces in funding community corrections. Suppose that the per diem rate is set just high enough to cover labor costs at a 50 bed facility. As the chart illustrates, daily labor costs per resident at a 140 bed facility are approximately \$19 lower; thus while the 50 bed facility is exactly covering labor costs, the 140 bed facility will receive  $\$19 \times 140 = \$2,660$  more than it needs to break even on labor. Annually that amounts to  $\$2,660 \times 365 = \$970,900$  more than needed to break even. Conversely, if per diem is set so that a 140 bed facility breaks even, the payment will be \$19 too low for a 50 bed facility. The 50 bed facility will lose  $\$19 \times 50 = \$950$  per day or  $\$950 \times 365 = \$346,750$  in the course of a year.

This also means that even if everyone could agree on salary and benefits and definitively say, “Case managers should be paid \$35,412 per year and receive benefits worth 14.2 percent of salary,” there would be no single per diem rate that would everywhere fund this perfect total compensation package.

The preceding chart only shows typical labor costs. JBC Staff quickly discovered that non-labor costs are very diverse. Rent is an example. Some community corrections programs own their building and record depreciation on their income statements while others rent. Sometimes the rent is paid to a related party, meaning that the rental payment may not reflect fair market value. Food is another example. Community corrections facilities must feed their residents. Many hire cooks who purchase and prepare food; the labor cost chart above was based on this assumption. Other facilities hire outside contractors who buy and prepare the food. A few facilities buy food and let residents prepare meals themselves according to provided instructions. This last option may not save as much as one would expect because the cost of the purchased food is higher, perhaps because it is purchased in smaller serving sizes or because items are purchased that take less time to prepare. Based on limited data, Staff believes that contractor-prepared-meals option is the cheapest, but some argue that there is value in teaching offenders to prepare their own meals.

Because of the diverse nature of non-labor costs, staff decided to assume for purposes of analysis that non-labor costs per resident are a uniform \$17 per resident per day and do not vary with facility size. Staff believes that this operating cost is somewhat low but notes that a higher number would have a minor impact on the Staff recommendation. Staff suspects that non-labor costs, if analyzed in detail, would prove to be another source of economies of scale.

Staff next recomputed costs for a community corrections facility after applying the following adjustments

- 16.0 percent salary increases for security and case managers,
- 12.0 percent salary increases for administrative personnel,
- 2.5 percent inflation increase for food service workers,
- 2.5 percent inflation increase for operating costs,
- reducing case manager caseloads to 20 offenders,
- \$50,000 salary for a PREA coordinator and \$40,000 salary for EBP staff.

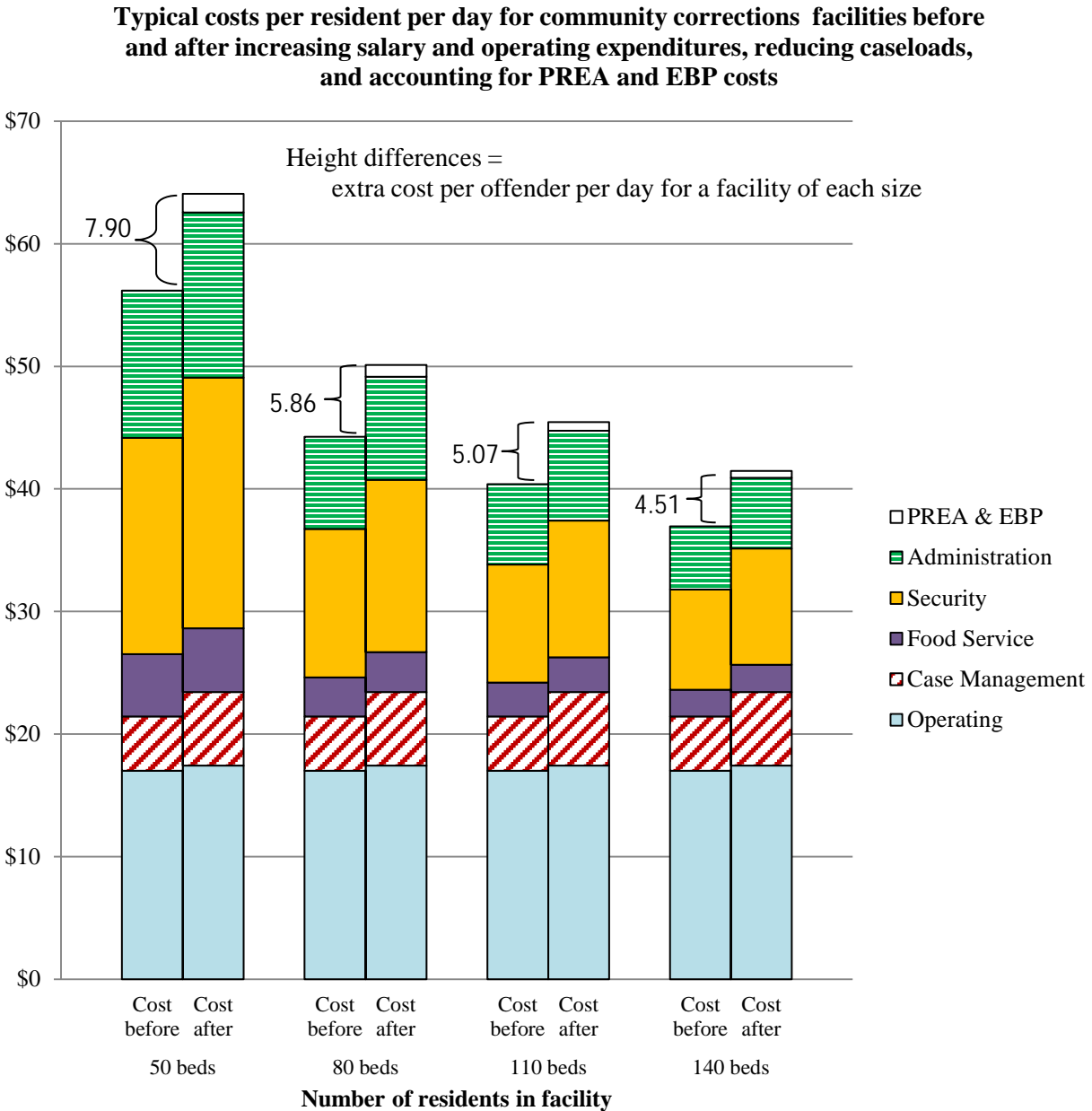
The 2.5% adjustment equals next year’s projected inflation rate from Legislative Council Staff. The PREA salary reflects the PREA requirement that agencies subject to PREA appoint “an upper-level, agency-wide PREA coordinator, with sufficient time and authority to develop, implement, and oversee agency efforts to comply with the PREA standards.” (28 CFR 115.211).

The following table shows the current wage and salary for security workers and case managers along with the wage and salary after the 16 percent adjustment.

|                  | Hourly                 |                         | Annually               |                         | Change |
|------------------|------------------------|-------------------------|------------------------|-------------------------|--------|
|                  | Current average salary | Proposed average salary | Current average salary | Proposed average salary |        |
| Security workers | \$12.44                | \$14.43                 | \$25,875               | \$30,014                | 16.0%  |
| Case managers    | 14.62                  | 16.96                   | 30,410                 | 35,277                  | 16.0%  |



When constructing the cost estimate, Staff assumed that benefits and payroll taxes would change in proportion with salary changes. The results are summarized in the following chart, which shows costs per resident per day before and after the recommended increases.

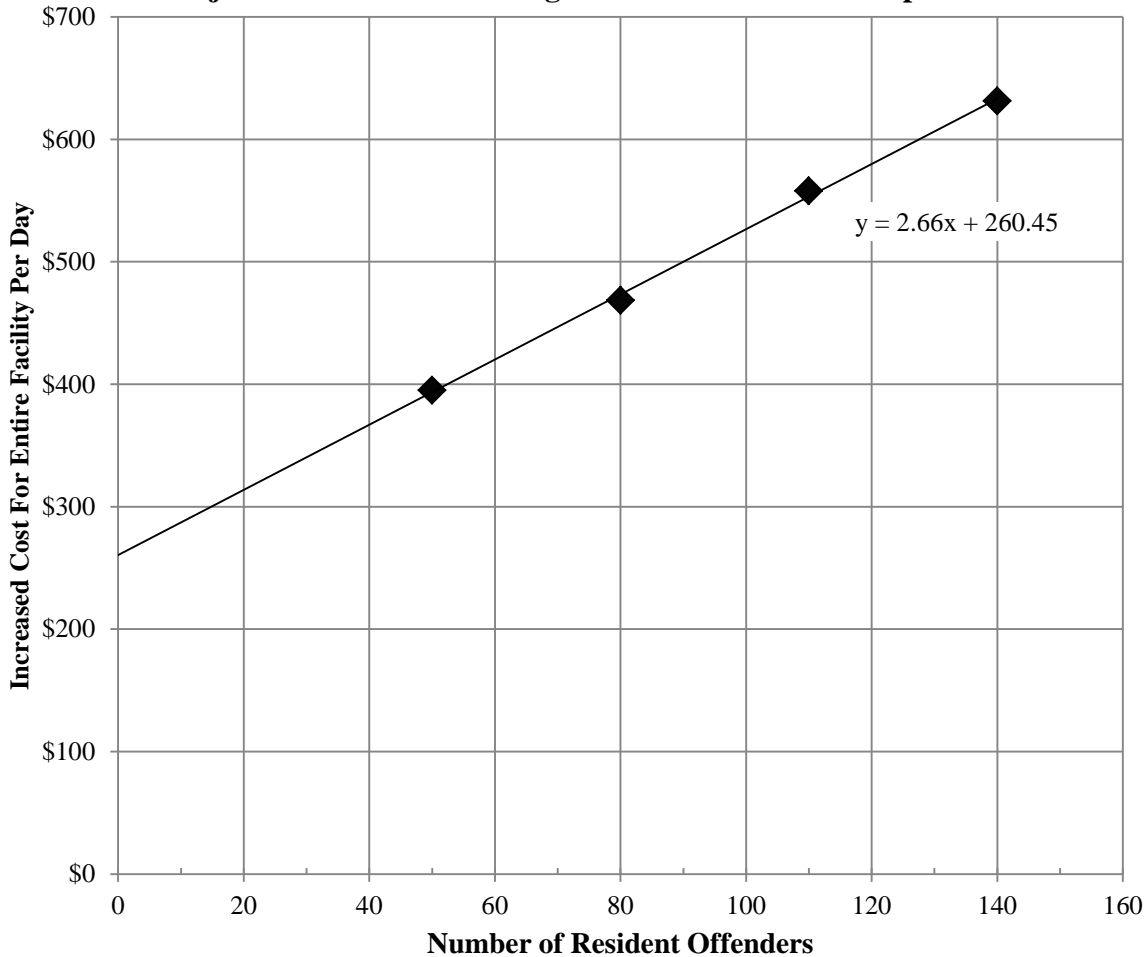


The preceding chart shows that the additional costs per offender from implementing the proposed salary changes are much higher for small than for large facilities and reemphasizes the community corrections funding puzzle: a small program needs per diem to rise by \$7.90 to pay for the proposed changes, but a large program needs per diem to rise by only \$4.51, i.e. by \$3.39

less. If per diem rises by \$7.90, a 140 bed program will receive  $\$3.39 * 140 * 365 = \$173,229$  more than it needs over the course of a year. If per diem rises by \$4.51, a small program will receive  $\$3.26 * 50 * 365 = \$59,495$  less than it needs to implement the proposed salary, caseload, and operating adjustments and pay the extra costs for PREA and EBP.

The following chart, which shows the cost increase per day for an entire facility, suggests a funding system that pays the necessary amount to facilities of differing size. The black diamonds, which show the total daily cost increase for facilities of varying sizes, lie close to a straight line. If a facility receives a fixed extra payment of \$260.45 per day plus \$2.66 of additional per diem for each offender it houses, then facilities of differing size will receive close to the exact amount that they need per offender per day to implement the desired changes. Intuitively, this funding system makes a fixed payment to cover fixed costs.

**Daily cost increase for a typical community corrections facility after implementing the indicated salary, caseload, and operating adjustments and accounting for PREA and EBP compliance**



| A. Number of residents (n) | B. Additional daily payment made to facility = \$260.45 + \$2.66 n | Additional payment per offender (= B/A) |
|----------------------------|--|---|
| 50                         | \$393.52   | \$7.87                                  |
| 80                         | 473.35   | 5.92                                    |
| 110                        | 553.19   | 5.03                                    |
| 140                        | 633.03   | 4.52                                    |

**Are payments of this sort feasible?** Staff spoke with the Division of Criminal Justice about this two-part funding arrangement and asked whether it is workable from DCJ's perspective. Would it run afoul of state contracting rules? Could it be implemented using DCJ's current computer billing system, without reprogramming costs? DCJ indicates that it is feasible and would not require reprogramming.

### Changes for Differentials

**Therapeutic community differential.** The current differential for Therapeutic Communities is \$22.82 per offender per day. Staff recommends that this differential be increased by \$4.45 to \$27.27. Therapeutic communities are largely staffed with “Client Care Aides” and “Health Care Techs” who serve roles that are analogous to security workers and case managers. They are paid similar salaries and will receive salary increases similar to those for security staff and case managers. However, Office of Behavioral Health rules require more staff for a therapeutic community than are required for a standard community corrections program. The extra differential will pay the increased salaries of these additional Client Care Aides and Health Care Techs.

**Residential Dual Diagnosis Treatment:** The current differential is \$33.85 per offender per day. Staff recommends that the differential be increased by 2.5 percent to \$34.70. RDDT programs require additional staff, relative to standard community corrections programs, however, JBC Staff concludes that the extra salaries can be accommodated within a 2.5 percent increase of the differential.

**Intensive Residential Treatment:** The current differential is \$45.93. Staff recommends that the differential remain unchanged. Staff believes that the extra base payment will be sufficient to adequately fund these programs.

**John Eachon Re-entry Program:** The current differential is \$54.12. Staff recommends that the differential remain unchanged. Staff believes that the extra base payment will be sufficient to adequately fund this program.

**Sex Offender:** The current differential is \$33.85 per offender per day. Staff recommends that the differential be increased by 2.5 percent (the projected rate of inflation) to \$34.70.

### Changes Non-residential Rates

**Standard non-residential:** The state’s current average daily payment per offender for standard non-residential programs is \$5.25. Staff recommends that the average payment be

increased by \$0.78 to \$6.03. Services for these programs are largely delivered by case managers who typically have caseloads that are twice the caseloads of case managers who deal with residential offenders. The staff recommendation increases case manager salaries and reduces caseloads, which increases costs per offender per day by an average of 78¢.

**Outpatient Day Treatment:** The state’s current average daily payment per offender for outpatient day treatment is \$34.10. Staff recommends that the payment not be adjusted.

**Outpatient Therapeutic Community:** The state’s current average daily payment per offender for outpatient day treatment is \$13.65. Staff recommends that this rate be increased by 78¢.

**LINE ITEM DETAIL**

**Staff Recommendation: Reorder several line items in this subdivision.** Staff recommends that the line items in the Long Bill for this division be placed in the order presented in the numbers pages, which groups them in a more logical order than they currently appear in the Long Bill.

**Community Corrections Placements**

This line item was created in the FY 2012-13 Long Bill by combining appropriations or parts of appropriations from ten different community-corrections line items. The replacement line item funds all of the daily payments for offenders in community corrections programs, including payments for diversion, transition, and parole offenders; residential and nonresidential offenders; and offenders in standard and specialized programs.

The cash funds for this appropriation are from the Correctional Treatment Cash Fund established in Section 18-19-103 (4) (a), C.R.S.; they pay for placement in specialized programs that provide specialized substance abuse treatment.

**Request:** The Division requests an appropriation of \$55,939,681 total funds for this line item, which is 1.5 percent higher than the FY 2013-14 appropriation and reflects a 1.5 percent provider rate increase.

**Recommendation:** Staff recommends the following appropriation for this line item.

| <b>Division of Criminal Justice, Community Corrections, Community Corrections Placements</b> |                        |                         |                       |                                 |            |
|--|------------------------|-------------------------|-----------------------|---------------------------------|------------|
|  | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Cash<br/>Funds</b> | <b>Reappropriated<br/>Funds</b> | <b>FTE</b> |
| <b>FY 2013-14 Appropriation</b>  |                        |                         |                       |                                 |            |
| SB 13-230 (Long Bill)  | <u>\$55,112,987</u>    | <u>\$54,094,118</u>     | <u>\$0</u>            | <u>\$1,018,869</u>              | <u>0.0</u> |
| <b>TOTAL</b>   | <b>\$55,112,987</b>    | <b>\$54,094,118</b>     | <b>\$0</b>            | <b>\$1,018,869</b>              | <b>0.0</b> |
| <b>FY 2014-15 Recommended Appropriation</b>  |                        |                         |                       |                                 |            |
| FY 2013-14 Appropriation   | \$55,112,987           | \$54,094,118            | \$0                   | \$1,018,869                     | 0.0        |
| R14 Community Corrections Provider Rate  | 3,609,708              | 3,609,708               | 0                     | 0                               | 0.0        |

*JBC Staff Figure Setting – FY 2014-15*  
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| <b>Division of Criminal Justice, Community Corrections, Community Corrections Placements</b> |                        |                         |                       |                                 |            |
|--|------------------------|-------------------------|-----------------------|---------------------------------|------------|
|  | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Cash<br/>Funds</b> | <b>Reappropriated<br/>Funds</b> | <b>FTE</b> |
| Increase   |                        |                         |                       |                                 |            |
| Added Correctional Treatment Cash Fund   |                        |                         |                       |                                 |            |
| Funding  | <u>1,625,000</u>       | <u>0</u>                | <u>0</u>              | <u>1,625,000</u>                | <u>0.0</u> |
| <b>TOTAL</b>   | <b>\$60,347,695</b>    | <b>\$57,703,826</b>     | <b>\$0</b>            | <b>\$2,643,869</b>              | <b>0.0</b> |
| <b>Increase/(Decrease)</b>   | \$5,234,708            | \$3,609,708             | \$0                   | \$1,625,000                     | 0.0        |
| Percentage Change  | 9.5%                   | 6.7%                    | 0.0%                  | 159.5%                          | 0.0%       |
| <b>FY 2014-15 Executive Request:</b>   | <b>\$55,939,681</b>    | <b>\$54,920,812</b>     | <b>\$0</b>            | <b>\$1,018,869</b>              | <b>0.0</b> |
| Request Above/(Below) Recommendation   | (\$4,408,014)          | (\$2,783,014)           | \$0                   | (\$1,625,000)                   | 0.0        |

A crucial part of this recommendation is the Long Bill footnote that is attached to this line item. The footnote details the number of residential and non-residential placements in each category, along with the corresponding rates. The recommended footnote for FY 2014-15 is shown on the next page. Changes to the text of this footnote are shown with struck type; however, struck type has not been used in the table because every number in the table changed.

**Analysis:** The details of the recommended change of the bed appropriation are summarized by the tables starting on page 39.

- Table 1 presents the current FY 2013-14 appropriation of community corrections "placements" (i.e. residential beds and non residential "slots") along with daily rates, the yearly cost, and the average daily population (ADP) for first 7 months of FY 2013-14.
- Table 2A presents the proposed rate changes for FY 2014-15.
- Table 2B presents recommended changes to the placements appropriation for FY 2014-15.
- Table 3 presents the resulting placements appropriation for FY 2014-15.

When considering the recommended placement changes, remember that the Section 17-27-108 (5), C.R.S, allows the Division of Criminal Justice to move up to 10 percent of its community corrections appropriations among or between line items. Thus these placement appropriations provide guidance to the Department but are not binding. Nevertheless, based on conversations with the Department, staff believes that the Committee's bed appropriation decisions will influence the distribution of community corrections beds within the state, moving placements into areas where the Committee approves increases.

Also note that the Correctional Treatment Board, in its FY 2014-15 Funding Plan, which was approved by the JBC, specified that the additional \$1,625,000 that the plan allocated for community corrections placements be used for *condition of probation* placements in Intensive Residential Treatment (IRT). (For example, a judge might sentence an offender with a substance abuse problem to two years of probation with the condition that the offender begins probation by serving 90 days in an intensive residential treatment program. Or an offender on probation who is close to failing due to substance abuse issues and is at risk of being sent to DOC could be sent to IRT.) Such placements are encouraged by S.B. 14-250 (Drug Sentencing Changes) and the allocation from the Correctional Treatment Board provides the funding to enable them.

**60 Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Placements** – This appropriation assumes the daily rates and average daily caseloads listed in the following table. THE CASELOAD FOR DIVERSION INTENSIVE RESIDENTIAL TREATMENT INCLUDES 48 CONDITION-OF-PAROLE PLACEMENTS. The base rate for standard nonresidential services is a weighted average of the rates for four different levels of service. The appropriation also assumes that community corrections providers will collect client fees of up to \$17 per day for residential placements and up to \$3 per day for nonresidential placements. Pursuant to its authority to administer and execute contracts under Section 17-27-108, C.R.S., the Division of Criminal Justice is requested to ensure that every reasonable effort is made to achieve such collections.

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

As an adjunct to this footnote, staff recommends an update of the following request for information. In combination, the footnote table and the request provide the General Assembly with a detailed snapshot of appropriated and actual community corrections placements.

**2 Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Placements** – As part of its ~~FY 2014-15~~ FY 2015-16 budget request, the Department is requested to report actual average daily community corrections ~~populations and daily rates for the two most~~ PLACEMENTS FOR recently completed fiscal years WITH A LEVEL OF DETAIL COMPATIBLE WITH ~~in a format compatible with the community corrections~~ THE table in Long Bill footnote 49. THIS DOCUMENT SHOULD ALSO REPORT CONDITION OF PAROLE PLACEMENTS.

**JBC Staff Figure Setting – FY 2014-15**  
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| 1. FY 13-14 Appropriated Community Corrections Placements and Rates with Actual Average Daily Population (ADP) For the first 7 Months of FY 13-14 |               |              |             |                           |                      |                |                   |                       |                |                   |                   |                |                   |                  |              |                |                   |
|---|---------------|--------------|-------------|---------------------------|----------------------|----------------|-------------------|-----------------------|----------------|-------------------|-------------------|----------------|-------------------|------------------|--------------|----------------|-------------------|
| Placement Type  | Rates per day |              |             | Annual cost per placement | Diversion Placements |                |                   | Transition Placements |                |                   | Parole Placements |                |                   | Total Placements |              |                |                   |
|   | Base          | Differential | Daily Total |                           | ADP Approp           | Actual ADP YTD | ADP Over/ (Under) | ADP Approp            | Actual ADP YTD | ADP Over/ (Under) | ADP Approp        | Actual ADP YTD | ADP Over/ (Under) | ADP Approp       | \$ Approp    | Actual ADP YTD | ADP Over/ (Under) |
| <b>Residential</b>  |               |              |             |                           |                      |                |                   |                       |                |                   |                   |                |                   |                  |              |                |                   |
| Standard residential  | \$38.68       |              | \$38.68     | \$14,118                  | 1,300.0              | 1,383.5        | 83.5              | 1,326.5               | 1,117.3        | (209.2)           | 80.0              | 91.6           | 11.6              | 2,706.5          | \$38,210,908 | 2,592.4        | (114.1)           |
| Intensive Residential Treatment   | 38.68         | \$45.93      | 84.61       | 30,883                    | 37.0                 | 40.7           | 3.7               | 49.0                  | 33.3           | (15.7)            | 45.0              | 49.4           | 4.4               | 131.0            | 4,045,627    | 123.4          | (7.6)             |
| Therapeutic Community   | 38.68         | 22.82        | 61.50       | 22,448                    | 149.0                | 149.4          | 0.4               | 59.0                  | 56.7           | (2.3)             | 15.0              | 14.0           | (1.0)             | 223.0            | 5,005,793    | 220.1          | (2.9)             |
| Residential Dual Diagnosis Treatment  | 38.68         | 33.85        | 72.53       | 26,473                    | 70.0                 | 68.9           | (1.1)             | 49.0                  | 28.1           | (20.9)            | 15.0              | 18.0           | 3.0               | 134.0            | 3,547,442    | 115.0          | (19.0)            |
| John Eachon Re-entry Program  | 38.68         | 54.12        | 92.80       | 33,872                    | 11.0                 | 7.0            | (4.0)             | 15.0                  | 11.2           | (3.8)             | 0.0               | 0.0            | 0.0               | 26.0             | 880,672      | 18.2           | (7.8)             |
| Sex Offender*   | 38.68         | 33.85        | 72.53       | 26,473                    | 8.0                  | 33.4           | 25.4              | 8.0                   | 11.1           | 3.1               | 26.0              | 21.3           | (4.7)             | 42.0             | 1,111,885    | 65.8           | 23.8              |
| <b>Non-residential</b>  |               |              |             |                           |                      |                |                   |                       |                |                   |                   |                |                   |                  |              |                |                   |
| Standard Non-residential  | 5.25          |              | 5.25        | 1,916                     | 780.0                | 716.3          | (63.7)            | n/a                   | n/a            |                   | 0.0               | 0.0            | 0.0               | 780.0            | 1,494,675    | 716.3          | (63.7)            |
| Outpatient Day Treatment  | 34.10         |              | 34.10       | 12,447                    | 8.0                  | 0.6            | (7.4)             | n/a                   | n/a            |                   | 0.0               | 0.0            | 0.0               | 8.0              | 99,572       | 0.6            | (7.4)             |
| Outpatient Therapeutic Community  | 13.65         |              | 13.65       | 4,982                     | 77.0                 | 72.9           | (4.1)             | 22.0                  | 26.7           | 4.7               | 0.0               | 0.0            | 0.0               | 99.0             | 493,243      | 99.6           | 0.6               |
| <b>Total</b>  |               |              |             |                           | 2,440.0              | 2,472.7        | 32.7              | 1,528.5               | 1,284.4        | (244.1)           | 181.0             | 194.3          | 13.3              | 4,149.5          | \$54,889,817 | 3,951.4        | (198.1)           |
| % Over / (Under)  |               |              |             |                           |                      | 101.3%         | 1.3%              |                       | 84.0%          | -16.0%            |                   | 107.3%         | 7.3%              |                  |              | 1.0            | -4.8%             |

| 2 A. Rate changes recommended for FY 2014-15 (Δ = change). "\$ Approp change" = cost of rate change based on # of placements shown under FY 13-14 "ADP Approp", i.e. placements shown in FY 13-14 Long Bill. |                       |              |             |                             |                      |                |                   |                       |                |                   |                   |                |                   |                  |                  |                |                   |
|--|-----------------------|--------------|-------------|-----------------------------|----------------------|----------------|-------------------|-----------------------|----------------|-------------------|-------------------|----------------|-------------------|------------------|------------------|----------------|-------------------|
| Placement Type   | Per day rate increase |              |             | Δ Annual cost per placement | Diversion Placements |                |                   | Transition Placements |                |                   | Parole Placements |                |                   | Total Placements |                  |                |                   |
|  | Base 1.5%             | Differential | Daily Total |                             | ADP approp           | Actual ADP YTD | ADP Over/ (Under) | ADP approp            | Actual ADP YTD | ADP Over/ (Under) | ADP approp        | Actual ADP YTD | ADP Over/ (Under) | ADP approp       | \$ Approp Change | Actual ADP YTD | ADP Over/ (Under) |
| <b>Residential</b>   |                       |              |             |                             |                      |                |                   |                       |                |                   |                   |                |                   |                  |                  |                |                   |
| Standard residential   | \$2.66                |              | \$2.66      | +\$971                      |                      |                |                   |                       |                |                   |                   |                |                   |                  | \$2,627,741      |                |                   |
| Intensive Residential Treatment  | 2.66                  | \$0.00       | 2.66        | +971                        |                      |                |                   |                       |                |                   |                   |                |                   |                  | 127,188          |                |                   |
| Therapeutic Community  | 2.66                  | 4.45         | 7.11        | +2,595                      |                      |                |                   |                       |                |                   |                   |                |                   |                  | 578,718          |                |                   |
| Residential Dual Diagnosis Treatment   | 2.66                  | 0.85         | 3.51        | +1,281                      |                      |                |                   |                       |                |                   |                   |                |                   |                  | 171,674          |                |                   |
| John Eachon Re-entry Program   | 2.66                  | 0.00         | 2.66        | +971                        |                      |                |                   |                       |                |                   |                   |                |                   |                  | 25,243           |                |                   |
| Sex Offender   | 2.66                  | 0.85         | 3.51        | +1,281                      |                      |                |                   |                       |                |                   |                   |                |                   |                  | 53,808           |                |                   |
| <b>Non-residential</b>   |                       |              |             |                             |                      |                |                   |                       |                |                   |                   |                |                   |                  |                  |                |                   |
| Standard Non-residential   | 0.78                  |              | 0.78        | +285                        |                      |                |                   |                       |                |                   |                   |                |                   |                  | 222,066          |                |                   |
| Outpatient Day Treatment   | 0.00                  |              | 0.00        | 0                           |                      |                |                   |                       |                |                   |                   |                |                   |                  | 0                |                |                   |
| Outpatient Therapeutic Community   | 0.78                  |              | 0.78        | +285                        |                      |                |                   |                       |                |                   |                   |                |                   |                  | 28,185           |                |                   |
| <b>Total</b>   |                       |              |             |                             |                      |                |                   |                       |                |                   |                   |                |                   |                  | \$3,834,624      |                |                   |
| % Change from FY 13-14 approp  |                       |              |             |                             |                      |                |                   |                       |                |                   |                   |                |                   |                  | 7.0%             |                |                   |

| 2 B. Placement Changes Recommended for FY 2014-15 (Δ = change). "\$ Approp change" = cost of placement change using FY 13-14 rates. |            |                |                   |              |                      |                |                   |                       |                |                   |                   |                |                   |                  |                  |                |                   |
|---|------------|----------------|-------------------|--------------|----------------------|----------------|-------------------|-----------------------|----------------|-------------------|-------------------|----------------|-------------------|------------------|------------------|----------------|-------------------|
| Placement Type  |            |                |                   | Δ ADP approp | Diversion Placements |                |                   | Transition Placements |                |                   | Parole Placements |                |                   | Total Placements |                  |                |                   |
|   | ADP approp | Actual ADP YTD | ADP Over/ (Under) |              | Δ ADP approp         | Actual ADP YTD | ADP Over/ (Under) | Δ ADP approp          | Actual ADP YTD | ADP Over/ (Under) | Δ ADP approp      | Actual ADP YTD | ADP Over/ (Under) | Δ ADP approp     | \$ Approp Change | Actual ADP YTD | ADP Over/ (Under) |
| <b>Residential</b>  |            |                |                   |              |                      |                |                   |                       |                |                   |                   |                |                   |                  |                  |                |                   |
| Standard residential  |            |                |                   | +85.0        |                      |                |                   | -179.5                |                |                   |                   | +11.0          |                   |                  |                  | -83.5          | (\$1,178,870)     |
| Intensive Residential Treatment   |            |                |                   | +48.0        |                      |                |                   | 0.0                   |                |                   |                   | 0.0            |                   |                  |                  | +48.0          | \$1,482,367       |
| Therapeutic Community   |            |                |                   | +0.0         |                      |                |                   | 0.0                   |                |                   |                   | 0.0            |                   |                  |                  | +0.0           | \$0               |
| Residential Dual Diagnosis Treatment  |            |                |                   | +0.0         |                      |                |                   | 0.0                   |                |                   |                   | 0.0            |                   |                  |                  | +0.0           | \$0               |
| John Eachon Re-entry Program  |            |                |                   | 0.0          |                      |                |                   | 0.0                   |                |                   |                   | 0.0            |                   |                  |                  | 0.0            | \$0               |
| Sex Offender  |            |                |                   | +35.0        |                      |                |                   | +15.0                 |                |                   |                   | +5.0           |                   |                  |                  | +55.0          | \$1,456,040       |
| <b>Non-residential</b>  |            |                |                   |              |                      |                |                   |                       |                |                   |                   |                |                   |                  |                  |                |                   |
| Standard Non-residential  |            |                |                   | -50.0        |                      |                |                   | 0.0                   |                |                   |                   | 0.0            |                   |                  |                  | -50.0          | (\$95,813)        |
| Outpatient Day Treatment  |            |                |                   | -5.0         |                      |                |                   | 0.0                   |                |                   |                   | 0.0            |                   |                  |                  | -5.0           | (\$62,233)        |
| Outpatient Therapeutic Community  |            |                |                   | -4.0         |                      |                |                   | +4.0                  |                |                   |                   | 0.0            |                   |                  |                  | +0.0           | \$0               |
| <b>Total</b>  |            |                |                   | 109.0        |                      |                |                   | (160.5)               |                |                   |                   | 16.0           |                   |                  |                  | (35.5)         | \$1,601,492       |
| % Change from FY 13-14 approp   |            |                |                   | 4.5%         |                      |                |                   | -10.5%                |                |                   |                   | 8.8%           |                   |                  |                  | (\$0)          | 2.9%              |

*JBC Staff Figure Setting – FY 2014-15*  
*Staff Working Document – Does Not Represent Committee Decision*

| 3. Recommended FY 2014-15 Appropriated Community Corrections Placements and Rates with Actual ADP for first 7 months of FY 2013-14 |               |              |             |                           |                      |                |                   |                       |            |                   |                   |                |                   |                  |              |                |                   |
|--|---------------|--------------|-------------|---------------------------|----------------------|----------------|-------------------|-----------------------|------------|-------------------|-------------------|----------------|-------------------|------------------|--------------|----------------|-------------------|
| Placement Type   | Rates per day |              |             | Annual cost per placement | Diversion Placements |                |                   | Transition Placements |            |                   | Parole Placements |                |                   | Total Placements |              |                |                   |
|  | Base          | Differential | Daily Total |                           | ADP Approp           | Actual ADP YTD | ADP Over/ (Under) | ADP Approp            | Actual ADP | ADP Over/ (Under) | ADP Approp        | Actual ADP YTD | ADP Over/ (Under) | ADP Approp       | \$ Approp    | Actual ADP YTD | ADP Over/ (Under) |
| <b>Residential</b>   |               |              |             |                           |                      |                |                   |                       |            |                   |                   |                |                   |                  |              |                |                   |
| Standard residential   | \$41.34       |              | \$41.34     | \$15,089                  | 1,385.0              | 1,383.5        | (1.5)             | 1,147.0               | 1,298.9    | 151.9             | 91.0              | 77.8           | (13.2)            | 2,623.0          | \$39,578,709 | 2,760.2        | 137.2             |
| Intensive Residential Treatment  | 41.34         | \$45.93      | 87.27       | 31,854                    | 85.0                 | 40.7           | (44.3)            | 49.0                  | 45.4       | (3.6)             | 45.0              | 45.1           | 0.1               | 179.0            | 5,701,785    | 131.2          | (47.8)            |
| Therapeutic Community  | 41.34         | 27.27        | 68.61       | 25,043                    | 149.0                | 149.4          | 0.4               | 59.0                  | 58.4       | (0.6)             | 15.0              | 13.1           | (1.9)             | 223.0            | 5,584,511    | 220.9          | (2.1)             |
| Residential Dual Diagnosis Treatment   | 41.34         | 34.70        | 76.04       | 27,755                    | 70.0                 | 68.9           | (1.1)             | 49.0                  | 49.0       | 0.0               | 15.0              | 14.5           | (0.5)             | 134.0            | 3,719,116    | 132.4          | (1.6)             |
| John Eachon Re-entry Program   | 41.34         | 54.12        | 95.46       | 34,843                    | 11.0                 | 7.0            | (4.0)             | 15.0                  | 14.5       | (0.5)             | 0.0               | 0.0            | 0.0               | 26.0             | 905,915      | 21.5           | (4.5)             |
| Sex Offender   | 41.34         | 34.70        | 76.04       | 27,755                    | 43.0                 | 33.4           | (9.6)             | 23.0                  | *          | (23.0)            | 31.0              | 26.1           | (4.9)             | 97.0             | 2,692,196    | 65.8           | (31.2)            |
| <b>Non-residential</b>   |               |              |             |                           |                      |                |                   |                       |            |                   |                   |                |                   |                  |              |                |                   |
| Standard Non-residential   | 6.03          |              | 6.03        | 2,201                     | 730.0                | 716.3          | (13.7)            | 0.0                   |            |                   | 0.0               | 0.0            | 0.0               | 730.0            | 1,606,694    | 716.3          | (13.7)            |
| Outpatient Day Treatment   | 34.10         |              | 34.10       | 12,447                    | 3.0                  | 0.6            | (2.4)             | 0.0                   |            |                   | 0.0               | 0.0            | 0.0               | 3.0              | 37,340       | 0.6            | (2.4)             |
| Outpatient Therapeutic Community   | 14.43         |              | 14.43       | 5,267                     | 73.0                 | 72.9           | (0.1)             | 26.0                  | 21.0       | (5.0)             | 0.0               | 0.0            | 0.0               | 99.0             | 521,428      | 93.9           | (5.1)             |
| <b>Total</b>   |               |              |             |                           | 2,549.0              | 2,472.7        | (76.3)            | 1,368.0               | 1,487.2    | 119.2             | 197.0             | 176.6          | (20.4)            | 4,114.0          | \$60,347,695 | 4,142.8        | 28.8              |
| Change from prior Year   |               |              |             |                           |                      |                |                   |                       |            |                   |                   |                |                   |                  | 5,457,878    |                |                   |
| % Change from FY 13-14 approp  |               |              |             |                           |                      |                | -3.1%             |                       |            | 8.0%              |                   |                | -11.6%            |                  | 9.9%         |                | 0.7%              |



The recommended reallocation of placements in Table 2B above, *Placement Changes Recommended for FY 2014-15*, has the following objectives:

**1. Implement the Correctional Treatment Board funding plan approved by the JBC.** Appropriate an additional \$1,625,000 from the Correctional Treatment Cash Fund for Intensive Residential Treatment (IRT) beds for condition of probation clients. At the recommended per diem and differential rates (including an allocated share of the fixed facility payment) this corresponds to 48 extra beds. Due to Office of Behavioral Health regulations, IRT capacity expands in blocks of 12 beds. There are currently IRT programs in

- Denver,
- Weld County,
- Mesa County,
- The San Luis Valley, and
- Larimer County.

The IRT increase may widen the geographic distribution of IRT programs. Note that Larimer has the only IRT program that accepts women, which sometimes requires a woman to move far from family and support networks while in IRT.

**2. Shift placements from standard residential and non-residential to sex offender.** The number of standard residential and non-residential clients is falling while placements of sex offenders have been rising. Staff believes that more sex offenders would be placed in community corrections if more sex offender differentials were available. Staff understands that the Denver Community Corrections Board has accepted sex offenders who have later been rejected by community corrections programs for lack of differentials. The extra beds would give judges more sentencing options when dealing with sex offenders, potentially leading to a community corrections sentence rather than a sentence to the Department of Corrections. Staff also considers it safer to place a transition sex offender in a halfway house rather than paroling the offender without the step-down supervision and support provided by a halfway house.

**3. Hold bed allocations for other specialized treatment programs constant.**

**4. Minimize the impact of bed reallocations on the General Fund.** As table 2B above shows, the proposed bed reallocation increases spending by \$1.6 million, which is slightly less than the extra amount provided from the Correctional Treatment Cash Fund.

**Community Corrections Facility Payments to 34 facilities at \$260.45 per day (New Line Item)**

This new line item implements the per-facility fee that is part of the recommended two-part payment system. Each community corrections facility would receive this payment each day. It is not dependent upon the number of residents in the facility.

There are currently 33 facilities in the state. Two facilities recently closed in Pueblo. One of these facilities has reopened under different management. The Pueblo Community Corrections

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board has had difficulty finding a contractor to operate the other community corrections program, probably because of the low per diem rate paid by the state. However, staff anticipates that the higher reimbursement resulting from the two-part payment system will make it easier to find a new contractor for the closed facility. Thus staff anticipates that there will be 34 facilities in the state during FY 2014-15. Each facility will receive  $365 * \$260.45 = \$95,064.25$  per year, which equates to a total payment of  $\$95,064.25 * 34 = \$3,232,185$  for 34 facilities.

**Request:** The Division did not request this appropriation.

**Recommendation:** Staff recommends a \$3,232,185 General Fund appropriation for this new line item to implement the facility payment portion of the recommended two-part payment system.

| Division of Criminal Justice, Community Corrections, Community Corrections Facility Payments | Total<br>Funds     | General<br>Fund    | FTE        |
|--|--------------------|--------------------|------------|
| <u>Create Facility Payments</u>  |                    |                    |            |
| <b>TOTAL</b>   | <b>\$3,232,185</b> | <b>\$3,232,185</b> | <b>0.0</b> |
| <b>Increase/(Decrease)</b>   | \$3,232,185        | \$3,232,185        | 0.0        |
| Percentage Change  | 0.0%               | 0.0%               | 0.0%       |
| Request Above/(Below) Recommendation   | (\$3,232,185)      | (\$3,232,185)      | 0.0        |

**Recommended Footnote for the Community Corrections Facility Payments line item**

The recommended two-part payment system will establish more reasonable payment levels for community corrections programs, with the expectation that programs will use the new money to increase salaries and reduce case-worker caseloads. These changes should improve program quality. However, there is nothing to stop a facility from using the extra payments in a different fashion. For example, a facility operated by a corporation could distribute a substantial portion of the additional payments to shareholders. A facility operated by a non-profit could place a substantial portion of the additional payment in reserves.

Staff recommends that the following footnote be attached to the Facility Payments appropriation in order to encourage the desired changes. A facility that fails to comply stands to lose as much as \$95,000.

**n Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Facility Payments** – These payments may be withheld in whole or in part from facilities that (1) fail to maintain a ratio of at least one case manager for every 20 residents, (2) fail to raise average pay and benefits of security staff members by at least 10 percent, or (3) fail to raise the average pay and benefits of case managers by 10 percent. A facility is exempt from requirement (2) if the sum of average pay and benefits for security staff members exceeds \$33,000 annually. A facility is exempt from requirement (3) if the sum of average salary and benefits for case managers exceeds \$38,500 annually. For purposes of these computations, payroll taxes are not benefits. Community corrections programs are encouraged to exceed these goals.

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This footnote establishes goals that are more modest than the goals listed in the following table, which served as a key input into the computation of the recommended DCJ payment increases. The alternative goals of \$33,000 and \$38,500 in the footnote equal approximately 110% of the salaries listed in the following table and reflect the cost of benefits. Staff is mindful that some facilities may deviate substantially from these averages and those deviations, or other special circumstances, may make it difficult to achieve the salary objectives listed in the table.

|                  | Hourly                 |                         | Annually               |                         | Change |
|------------------|------------------------|-------------------------|------------------------|-------------------------|--------|
|                  | Current average salary | Proposed average salary | Current average salary | Proposed average salary |        |
| Security workers | \$12.44                | \$14.43                 | \$25,875               | \$30,014                | 16.0%  |
| Case managers    | 14.62                  | 16.96                   | 30,410                 | 35,277                  | 16.0%  |

Note that Facility Payments can be used as performance incentives. For example, a facility could be required to meet certain performance objectives to “earn” some or all of its facility payment.

**The two-part Staff funding plan compared with alternatives**

The following table summarizes the recommended appropriation changes.

|  | Total             | GF                | CTCF             |
|--|-------------------|-------------------|------------------|
| FY 2013-14 Long Bill Community Corrections Placements appropriation  | 55,112,987        | 54,094,118        | 1,018,869        |
| + Discrepancy between the line-item appropriation in the Long Bill and the appropriation shown in the footnote table attaching to that line item | <u>(223,170)</u>  | <u>(223,170)</u>  | <u>0</u>         |
| <b>= FY 2013-14 appropriation in footnote table</b>  | <b>54,889,817</b> | <b>53,870,948</b> | <b>1,018,869</b> |
| + IRT funding from CTCF  | 1,625,000         |                   | 1,625,000        |
| + Funding from the \$2.66 increase of the standard per diem rate and related increases under the 2-part Staff proposal                           | 3,834,624         | 3,834,624         |                  |
| + Community Corrections Facility Payments from the 2-part Staff proposal   | 3,232,185         | 3,232,185         |                  |
| + Bed reallocation   | (23,508)          | (23,508)          |                  |
| + Technical adjustments  | <u>21,761</u>     | <u>21,761</u>     | <u>0</u>         |
| <b>= FY 2014-15 appropriation for Community Corrections Placements and Facility Payments</b>   | <b>63,579,879</b> | <b>60,936,010</b> | <b>2,643,869</b> |

Before proceeding, the second line of this table requires an explanation. While preparing for this presentation, Staff discovered a \$223,170 discrepancy between the FY 2013-14 line item appropriation in the Long Bill for Community Corrections Placements and the appropriation in the Long Bill footnote table that attaches to that appropriation. The rates in the footnote table are the rates that DCJ currently pays to Community Corrections providers; providers had these rates in mind when setting the FY 2013-14 salaries that were used in the calculations in this document. For this reason, Staff will take the *FY 2013-14 appropriation in footnote table* as the starting point for computing the relative cost of the various plans for increasing the amount paid to community corrections providers. All percentage increases are computed relative to this base.

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The following table summarizes the cost of the two-part Staff plan relative to other plans for increasing payments to providers.

| <b>Cost of various ways of increasing community corrections provider payments</b>  |                    |                   |
|--|--------------------|-------------------|
|  | <b>\$ increase</b> | <b>% increase</b> |
| 1. Return rates to FY 2001-02 levels, adjusted for inflation   | \$12,130,650       | 22.1%             |
| 2. Implement the JBC Staff two-part payment plan proposed in this document   | 7,066,809          | 12.9%             |
| 3. Implement the 3.0% common provider rate increase approved by the JBC  | 1,646,695          | 3.0%              |
| 4. Implement the 1.5% provider rate increase requested by the DCJ  | 823,347            | 1.5%              |
| 5. Implement the \$7.23 increase to the standard residential rate indicated in the DCJ document <i>Staff Salary, Turnover, and Caseloads</i> <sup>4</sup> (Provides funding only for case manager and security salaries, caseload reduction, and PREA) | 8,999,764          | 16.4%             |
| 6. Implement the changes envisioned in the DCJ document <i>Staff Salary, Turnover, and Caseloads</i> using the JBC Staff two-part payment system. (Provides funding only for case manager and security salaries, caseload reduction, and PREA)         | 7,534,556          | 13.7%             |

**Cost of changes to Staff’s two-part plan**

If the Committee approves the concept of a two-part payment system for Community Corrections facilities, but wishes to change the associated appropriation, the following table serves as a guide to the appropriation impact of various possible changes:

| <b>Possible change</b>  | <b>Approximate change to appropriation</b> |
|---|--|
| 1. A 1% increase of average administrative salaries                           | \$86,983                                   |
| 2. A 1% increase of average security staff salaries                           | 126,792                                    |
| 3. A 1% increase of average case manager salaries                             | 69,377                                     |
| 4. Eliminating the reduction of average case manager caseload from 23.3 to 20 | (1,150,150)                                |
| 5. Eliminating compensation for PREA and Evidence Based Practices             | (948,621)                                  |
| 6. Eliminate the 2.5% inflation increase for operating costs and for cooks    | (590,724)                                  |

Rows 3 and 4 (the case manager adjustments) interact; if both of the case manager changes are adopted, the result will not equal the sum of the indicated appropriation changes.

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<sup>4</sup> *Staff Salary, Turnover, and Caseloads in Colorado Community Corrections: Survey Results and Cost Analysis*, DCJ, February 6, 2014. This document was distributed to JBC members but should not be viewed as a DCJ request. Neither non-residential rates nor differentials were addressed in this plan, but a proportionate increase of non-residential rates seems a logical extension and accounts for \$330,000 of the \$9 million cost. This proposal was designed to reduce case manager caseloads to 20, raise security salaries by 16 percent, raise case manager salaries by 30 percent, and provide PREA funding. It did not address other community corrections costs.)

**What should be done about the FY 2013-14 Long Bill discrepancy?**

As noted above, there is a \$223,170 discrepancy between the line-item appropriation in the Long Bill for Community Corrections Placements and the appropriation shown in the footnote table attaching to that line item

**Recommendation:** Staff recommends that the Committee reduce the FY 2013-14 Long Bill Community Corrections Placements appropriation by \$223,170 General Fund, which can be done in an add-on to the FY 2014-15 Long Bill.

**è Recommended Bill: Performance-based contracting for Community Corrections**

Performance-based contracts reward contractors for producing better results but are seldom used because it is hard to measure performance.

**Recommendation:** During Briefing, Staff recommended that the Committee introduce a bill that enables local community corrections boards to enter into performance contracts with community corrections providers. The Committee deferred consideration of this bill until figure setting.

This bill could be part of the Long Bill package, but does not have to be.

**Discussion:** During Briefing, Staff argued that current law and current contracting practice give community corrections boards little ability to enter into performance-based contracts with their community corrections programs. Legislative change, backed by a moderate appropriation, would enable such contracting. The legislation could prove to be a beneficial long term addition to statute or it could produce example contracts and data that serve as valuable input for a future performance-based budgeting initiative that centralizes performance contracting at the DCJ.

**Recommendation.** During Briefing Staff recommend that the committee sponsor a bill that:

- Gives the General Assembly the authority to optionally appropriate performance incentive funding to the DCJ for allocation among units of local government with community corrections programs in their judicial districts.
- Gives local governments the authority to enter into performance-based contracts with the community corrections programs in their judicial districts.
- Directs local governments (again acting through their community corrections boards) to distribute the funds in accord with written performance standards established by the board. Payments could be based on outcome measures, correlates of success, or implementation measures. It would be up to the boards to decide which measures to use, but the measures must be connected to performance. The board would not be required to distribute its entire allocation.
- Directs the boards to report annually to the DCJ on the performance measures chosen, why they were chosen, and how they are connected to success; how payments to community

corrections providers were tied to those measures; the extent to which standards were met; and the amounts that were paid out. The board would also be directed to submit its contract along with any data that it collected to measuring performance. DCJ would be directed to keep the reports but, it would not, at this time, evaluate them. Evaluation would occur several years from now, when it would probably require an additional appropriation.

This legislation would create an experimental program that could, because the appropriation is optional, be stopped at any time. It establishes rewards for community corrections programs that perform well but does not establish penalties for programs that perform poorly. Staff recommends that the fiscal power of local boards over community corrections programs be limited, at least initially.

**Amendment to the recommendation made during Briefing:** Staff now recommends that this bill allow community corrections boards to utilize one quarter of the *Community Corrections Facility Payments* appropriation for incentive contracting. This would provide the board with \$23,766 of incentive funds for each program that it oversees. Because Staff has recommended that the *Facility Payments* appropriation also provide an incentive to raise salaries and reduce caseloads, Staff thinks it unwise to allocate more than 25 percent to performance contracting at this time. If too much is allocated to performance contracting, it could reduce the incentive to increase salaries and potentially reduce the funds available with which to do so if a facility fails to earn its \$23,766 incentive. This equals 1.3 percent of the average amount DCJ will pay to each community corrections facility during FY 2014-15. A year from now, when programs have implemented the desired salary increases, a higher percentage of the *Facility Payments* appropriation could be used for performance contracting.

Despite the modest performance reward available to a facility, Staff still believes that it can serve as a meaningful motivator. Suppose for example, that for FY 2014-15 a community corrections board set as its goal the successful roll out of the Office of Community Corrections' Motivational Interviewing initiative, with benchmarks for evaluating various degrees of success. If the Board in its performance contracting agreement with the facility directs that the \$23,766 be used to pay bonuses to security staff, case managers, and administrative staff, the result could be a bonus that tops \$1000 per employee.

If the Committee wants to allocate more for performance contracting, it could use some of the \$591,200 of General Fund freed by ending the Subsistence Grace Period Pilot Project.

### **Community Corrections Boards Administration**

This line item funds payments to the state's community corrections boards to help pay their administrative costs. These boards, which are authorized by Section 17-27-103, C.R.S., are appointed by county commissioners to oversee community corrections programs within their judicial district. There's a board for each of the state's 22 judicial districts. Boards generally contain a mix of members with legal and law enforcement backgrounds as well as members of the general public. Each board

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- Approves community corrections programs in the judicial district, contracts with the program, and oversee the program’s operation. (The DCJ's Office of Community Corrections also oversees the operation of these programs.)
- Accepts or rejects offenders who are referred by the courts or by the Department of Corrections for placement in community corrections programs in the district.
- Receives pass-through state funds from the Office of Community Corrections, which the boards pays to the community corrections providers in their judicial district for housing offenders.

Pursuant to Section 17-27-108 (4), C.R.S., the state makes payments to community corrections boards for their administrative costs. By statute these payments cannot exceed 5 percent of total community corrections appropriations. Prior to FY 2003-04 these payments equaled 5 percent of the sum of certain Long Bill appropriations for community corrections. From FY 2003-04 until FY 2011-12 these payments equaled 4 percent of a similar sum. For FY 2012-13, the Committee approved a payment to boards equal 3.9% of the total appropriation for *Community Corrections Placements*.

**Request:** The Division requests an appropriation of \$2,172,814 General Fund for this line item, which is 1.5 percent higher than the FY 2013-14 appropriation and reflects the provider rate increase.

**Recommendation:** Staff recommends an appropriation of \$2,288,876 General Fund. Because of the substantial increase in funding for community corrections programs that would result from approval of the Staff two-part funding recommendation, Staff recommends that the Committee reduce the percentage of community corrections funding appropriated to Boards from 3.9 percent to 3.6 percent (i.e. to 3.6 percent of the sum of the *Community Corrections Placement* appropriation and the *Community Corrections Facility Payments* appropriation). While a percentage appropriation is not required by statute, staff recommends that this practice be continued.

If the Committee decides to carry the Performance Incentive Contracting bill and it is part of the Long Bill package, Staff would recommend that the *Community Corrections Boards Administration* appropriation remain equal to 3.9 percent of community corrections funding, which would cost an additional \$190,739 relative to the 3.6 percent recommendation and would provide the Boards of each judicial district with an average of \$8,670 extra as they explore performance contracting possibilities, draft and monitor contracts, and report results to the DCJ.

The Staff recommendation may also need to be adjusted if the Committee makes a decision that differs from the staff recommendation for payments to community corrections programs.

| Division of Criminal Justice, Community Corrections, Community Corrections Boards Administration |                    |                    |            |
|--|--------------------|--------------------|------------|
|  | Total<br>Funds     | General<br>Fund    | FTE        |
| <b>FY 2013-14 Appropriation</b>  |                    |                    |            |
| SB 13-230 (Long Bill)  | <u>\$2,140,703</u> | <u>\$2,140,703</u> | <u>0.0</u> |
| <b>TOTAL</b>   | <b>\$2,140,703</b> | <b>\$2,140,703</b> | <b>0.0</b> |

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| <b>Division of Criminal Justice, Community Corrections, Community Corrections Boards Administration</b> | <b>Total Funds</b> | <b>General Fund</b> | <b>FTE</b> |
|---|--------------------|---------------------|------------|
| <b>FY 2014-15 Recommended Appropriation</b>   |                    |                     |            |
| FY 2013-14 Appropriation  | \$2,140,703        | \$2,140,703         | 0.0        |
| R14 Community Corrections Provider Rate Increase  | <u>148,173</u>     | <u>148,173</u>      | <u>0.0</u> |
| <b>TOTAL</b>  | <b>\$2,288,876</b> | <b>\$2,288,876</b>  | <b>0.0</b> |
| <b>Increase/(Decrease)</b>  | \$148,173          | \$148,173           | 0.0        |
| Percentage Change   | 6.9%               | 6.9%                | 0.0%       |
| <b>FY 2014-15 Executive Request:</b>  | <b>\$2,172,814</b> | <b>\$2,172,814</b>  | <b>0.0</b> |
| Request Above/(Below) Recommendation  | (\$116,062)        | (\$116,062)         | 0.0        |

**Subsistence Grace Period Pilot Project**

**Request:** The division did not request this initiative.

**Recommendation:** Staff recommends that the Committee eliminate the \$591,200 General Fund appropriation in the FY 2012-13 Long Bill titled *Subsistence Grace Period Pilot Project*.

Last spring, the General Assembly approved a new appropriation for a FY 2013-14 community corrections pilot project. The pilot project, which is now completed, gave offenders newly arrived in a community corrections programs a four week “grace period” during which the offender’s fees and subsistence payments were waived as the offender stabilized in the community. There is some evidence suggesting that offender indebtedness undermines the effectiveness of community corrections programs, contributing to escapes, technical violations and other failures, but the evidence is suggestive, not conclusive. The Committee approved this temporary experiment to determine whether a grace period would reduce failure rates. The DCJ advised that a three month experiment would provide statistically valid results and the General Assembly provided funding for a slightly longer experiment. The grace period will end later this fiscal year when funding runs out. Thus funding is not needed for FY 2014-15. The Division of Criminal Justice will report on the success of the project by November 1, 2015, and, based on that report, the General Assembly will decide whether future subsistence-forgiveness funding is warranted.

Staff also recommends that the footnote attached to this appropriation be eliminated.

**61 Department of Public Safety, Division of Criminal Justice, Community Corrections, Subsistence Grace Period Pilot Project** – This appropriation is for an experimental 28-day subsistence grace period pilot project and for an evaluation of the project. Of this appropriation, \$20,000 for evaluation may roll forward to FY 2014-15 and FY 2015-16. The unspent balance of the amount rolled forward to FY 2014-15 may further roll forward to FY 2015-16.



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| <b>Division of Criminal Justice, Community Corrections, Subsistence Grace Period Pilot Project</b> | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>FTE</b> |
|--|------------------------|-------------------------|------------|
| <b>FY 2013-14 Appropriation</b>  |                        |                         |            |
| SB 13-230 (Long Bill)  | \$591,200              | \$591,200               | 0.0        |
| <b>TOTAL</b>   | <b>\$591,200</b>       | <b>\$591,200</b>        | <b>0.0</b> |
| <b>FY 2014-15 Recommended Appropriation</b>  |                        |                         |            |
| FY 2013-14 Appropriation   | \$591,200              | \$591,200               | 0.0        |
| End Subsistence Grace Period Pilot Project   | (591,200)              | (591,200)               | 0.0        |
| <b>TOTAL</b>   | <b>\$0</b>             | <b>\$0</b>              | <b>0.0</b> |
| <b>Increase/(Decrease)</b>   | (\$591,200)            | (\$591,200)             | 0.0        |
| Percentage Change  | (100.0%)               | (100.0%)                | 0.0%       |
| <b>FY 2014-15 Executive Request:</b>   | <b>\$591,200</b>       | <b>\$591,200</b>        | <b>0.0</b> |
| Request Above/(Below) Recommendation   | \$591,200              | \$591,200               | 0.0        |

**Services for Substance Abuse and Co-occurring Disorders**

This appropriation pays for treatment vouchers for offenders in standard community corrections programs who need outpatient treatment for substance abuse and co-occurring disorders. Funding comes from the Correctional Treatment Cash Fund and can be spent for substance abuse screening, assessment, evaluation, testing, education, training, treatment, and recovery support. The appropriation can also be spent for treatment of co-occurring disorders, typically mental health problems. The Correctional Treatment Board's annual funding plan proposes changes for this line item.

**Request:** The Division did not request an increase for this line item.

**Recommendation:** The Correctional Treatment Board's funding plan, which was approved by the JBC, includes an increase of \$760,000 for this line item from the Correctional Treatment Cash Fund. Staff recommends that the Committee approve this increase.

| <b>Division of Criminal Justice, Community Corrections, Services for Substance Abuse and Co-occurring Disorders</b> | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Reappropriated<br/>Funds</b> | <b>FTE</b> |
|---|------------------------|-------------------------|---------------------------------|------------|
| <b>FY 2013-14 Appropriation</b>   |                        |                         |                                 |            |
| SB 13-230 (Long Bill)   | 1,793,900              | 0                       | 1,793,900                       | 0.0        |
| <b>TOTAL</b>  | <b>\$1,793,900</b>     | <b>\$0</b>              | <b>\$1,793,900</b>              | <b>0.0</b> |
| <b>FY 2014-15 Recommended Appropriation</b>   |                        |                         |                                 |            |
| FY 2013-14 Appropriation  | \$1,793,900            | \$0                     | \$1,793,900                     | 0.0        |
| Added Correctional Treatment Cash Fund Funding  | 760,000                | 0                       | 760,000                         | 0.0        |
| <b>TOTAL</b>  | <b>\$2,553,900</b>     | <b>\$0</b>              | <b>\$2,553,900</b>              | <b>0.0</b> |
| <b>Increase/(Decrease)</b>  | \$760,000              | \$0                     | \$760,000                       | 0.0        |
| Percentage Change   | 42.4%                  | 0.0%                    | 42.4%                           | 0.0%       |
| <b>FY 2014-15 Executive Request:</b>  | <b>\$1,793,900</b>     | <b>\$0</b>              | <b>\$1,793,900</b>              | <b>0.0</b> |
| Request Above/(Below) Recommendation  | (\$760,000)            | \$0                     | (\$760,000)                     | 0.0        |

**Specialized Offender Services**

This line item, sometimes referred to as "SOS" funds, supports the purchase of mental health treatment, cognitive training, therapists, counselors, medications, sex offender treatment, and other specialized outpatient services that are not typically provided for high risk offenders in standard community corrections settings. The *Services for Substance Abuse and Co-occurring Disorders* appropriation deals with substance abuse problems, this appropriation focus on non-substance-abuse issue.

The Division attempts to avoid duplication of services, and restricts spending to the highest risk offenders in order to increase the offender's probability of success. This line item provides services to approximately 275 offenders at an average annual cost of approximately \$200 per offender. These "SOS" funds, which are primarily for residential offenders, pay for services that may keep an offender in community corrections when he is at risk of termination.

**Request:** The Department requests an appropriation of \$55,825 General Fund for this line item, reflecting a 1.5 percent provider rate increase.

**Recommendation:** Staff recommends an appropriation of \$56,650 General Fund, an increase of \$1650, which corresponds to the 3.0 percent community provider rate increase approved by the Committee.

| <b>Division of Criminal Justice, Community Corrections, Specialized Offender Services</b> |                        |                         |            |
|---|------------------------|-------------------------|------------|
|   | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>FTE</b> |
| <b>FY 2013-14 Appropriation</b>   |                        |                         |            |
| SB 13-230 (Long Bill)   | <u>\$55,000</u>        | <u>\$55,000</u>         | <u>0.0</u> |
| <b>TOTAL</b>  | <b>\$55,000</b>        | <b>\$55,000</b>         | <b>0.0</b> |
| <b>FY 2014-15 Recommended Appropriation</b>   |                        |                         |            |
| FY 2013-14 Appropriation  | \$55,000               | \$55,000                | 0.0        |
| R14 DCJ Community Corrections 3% Provider<br>Rate Increase                                | <u>1,650</u>           | <u>1,650</u>            | <u>0.0</u> |
| <b>TOTAL</b>  | <b>\$56,650</b>        | <b>\$56,650</b>         | <b>0.0</b> |
| <b>Increase/(Decrease)</b>  | \$1,650                | \$1,650                 | 0.0        |
| Percentage Change   | 3.0%                   | 3.0%                    | 0.0%       |
| <b>FY 2014-15 Executive Request:</b>  | <b>\$55,825</b>        | <b>\$55,825</b>         | <b>0.0</b> |
| Request Above/(Below) Recommendation  | (\$825)                | (\$825)                 | 0.0        |

**Offender Assessment Training**

This line item pays for training on the standardized offender assessment instrument used by community corrections facilities. The training is offered at six two-day training sessions that are given by multi-agency training teams at various locations around the state.

**Request:** The Division requests a continuation appropriation of \$10,507 General Fund for this line item.

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

## (E) Crime Control and System Improvement

This subdivision contains funding for a diverse group of programs, including the Sex Offender Management Board.

### SUBDIVISION REQUEST AND RECOMMENDATION SUMMARY

For this subdivision, the General Fund and Cash Fund components of the Staff recommendation are identical to the request, however Staff recommends several changes, not requested by the division, that align appropriations of federal funds and reappropriated fund with recent or expected revenues.

| <b>Crime Control and System Improvement</b>       |                        |                         |                       |                                 |                          |             |
|---|------------------------|-------------------------|-----------------------|---------------------------------|--------------------------|-------------|
|   | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Cash<br/>Funds</b> | <b>Reappropriated<br/>Funds</b> | <b>Federal<br/>Funds</b> | <b>FTE</b>  |
| <b>FY 2013-14 Appropriation</b>                   |                        |                         |                       |                                 |                          |             |
| SB 13-230 (Long Bill)                             | \$10,145,933           | \$328,002               | \$417,931             | \$100,000                       | \$9,300,000              | 25.8        |
| Other legislation                                 | 739,591                | 739,591                 | 0                     | 0                               | 0                        | 6.0         |
| HB 14-1245 (Supplemental)                         | <u>(31,101)</u>        | <u>(31,101)</u>         | <u>0</u>              | <u>0</u>                        | <u>0</u>                 | <u>0.0</u>  |
| <b>TOTAL</b>                                      | <b>\$10,854,423</b>    | <b>\$1,036,492</b>      | <b>\$417,931</b>      | <b>\$100,000</b>                | <b>\$9,300,000</b>       | <b>31.8</b> |
| <b>FY 2014-15 Recommended Appropriation</b>       |                        |                         |                       |                                 |                          |             |
| FY 2013-14 Appropriation                          | \$10,854,423           | \$1,036,492             | \$417,931             | \$100,000                       | \$9,300,000              | 31.8        |
| Align appropriation with revenue                  | 3,900,000              | 0                       | 0                     | (50,000)                        | 3,950,000                | 0.0         |
| Centrally appropriated line items (Salary Survey) | 15,925                 | 11,384                  | 4,541                 | 0                               | 0                        | 0.0         |
| Annualize prior year legislation                  | <u>135,125</u>         | <u>135,125</u>          | <u>0</u>              | <u>0</u>                        | <u>0</u>                 | <u>0.0</u>  |
| <b>TOTAL</b>                                      | <b>\$14,905,473</b>    | <b>\$1,183,001</b>      | <b>\$422,472</b>      | <b>\$50,000</b>                 | <b>\$13,250,000</b>      | <b>31.8</b> |
| <b>Increase/(Decrease)</b>                        | <b>\$4,051,050</b>     | <b>\$146,509</b>        | <b>\$4,541</b>        | <b>(\$50,000)</b>               | <b>\$3,950,000</b>       | <b>0.0</b>  |
| Percentage Change                                 | 37.3%                  | 14.1%                   | 1.1%                  | (50.0%)                         | 42.5%                    | 0.0%        |
| <b>FY 2014-15 Executive Request</b>               |                        |                         |                       |                                 |                          |             |
| Request Above/(Below) Recommendation              | (\$3,867,859)          | \$0                     | \$0                   | \$50,000                        | (\$3,917,859)            | 0.0         |

#### Issue Descriptions:

**Align appropriation with revenue.** Staff recommends several adjustments not requested by the DCJ that will more closely align appropriations with revenue. The largest adjustment is a \$4,000,000 increase in the appropriation for Federal Grants, an informational appropriation.

**Centrally appropriated line items:** The recommendation includes annualizations of salary survey.

**Annualize prior year legislation:** The recommendation annualizes H.B. 13-1129 (EPIC Resource Center).

## **LINE ITEM DETAIL**

### **State and Local Crime Control and System Improvement Grants**

This federally funded program supports more than 70 state and local programs that are designed to prevent and reduce crime and delinquency by using collaborative evidence-based practices. The program is also designed to improve outcomes through effective and efficient use of resources (financial, community, and human) to bridge gaps within the criminal and juvenile justice system. These funds may be used for state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, information systems for criminal justice, as well as research and evaluation activities that will improve or enhance: law enforcement programs; prosecution and court programs; prevention and education programs; corrections and community corrections programs; drug treatment and enforcement programs; planning, evaluation, and technology improvement programs; and crime victim and witness programs (other than compensation). These objectives are accomplished through specific programs such as the Communities Against Senior Exploitation Project, Sex Offender Registration and DNA projects, an Engaging Youth in School Not Crime Program, a Regional Technology Improvement Project, and Detentions and Booking Equipment.

**Request:** The Department requests a continuation appropriation of \$4,900,000 federal funds.

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

### **Sex Offender Surcharge Fund Program**

This line item provides funding for staff support and operating expenses for the Sex Offender Management Board (SOMB), which is created in Section 16-11.7-103, C.R.S. The Board has the following duties:

- Develop a standardized procedure for identification of sex offenders;
- Develop standards and guidelines for program intervention, treatment, and monitoring;
- Develop a plan for the allocation of the sex offender surcharge fund;
- Develop a system for tracking of sex offenders who have been identified, evaluated, and treated;
- Develop procedures to research and evaluate sex offender assessment and treatment;
- Provide training on the implementation of standards; and
- Approve the risk assessment screening instrument.

The appropriation is from the Sex Offender Surcharge Fund created in Section 18-21-103 (3), C.R.S., which imposes a surcharge ranging from \$150 (for a class 3 misdemeanor) to \$3,000 (for a class 2 felony) on those who are convicted of a sex offense or those who receive a deferred sentence for a sex offense. Revenues of this fund are allocated between the Division of Criminal Justice, the Department of Corrections, the Department of Human Services, and the Judicial Branch. Pursuant to Section 16-11.7-103 (4) (c), C.R.S., the Board is required to develop a plan

*JBC Staff Figure Setting – FY 2014-15*  
*Staff Working Document – Does Not Represent Committee Decision*

for the allocation of moneys deposited in the Fund, and to submit the plan to the General Assembly. The Sex Offender Management Board met in August 2013 and established a plan for allocating Surcharge funds for FY 2013-14, which will allocate \$163,591 to the Division of Criminal Justice in the Department of Public Safety for administration and implementation of the Sex Offender Treatment and Management Standards. \$3,500 of these funds will be used to provide cross-system training. Some of this funding will be used for this line item; the remainder will be used in (A) Administration.

**Request:** The Division requests an appropriation of \$157,866 cash funds and 1.5 FTE, which includes \$4,541 for annualization of salary survey

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

| <b>Division of Criminal Justice, Crime Control and System Improvement, Sex Offender Surcharge Fund Program</b> |                    |                     |                   |            |
|--|--------------------|---------------------|-------------------|------------|
|  | <b>Total Funds</b> | <b>General Fund</b> | <b>Cash Funds</b> | <b>FTE</b> |
| <b>FY 2013-14 Appropriation</b>  |                    |                     |                   |            |
| SB 13-230 (Long Bill)  | <u>\$153,325</u>   | <u>\$0</u>          | <u>\$153,325</u>  | <u>1.5</u> |
| <b>TOTAL</b>   | <b>\$153,325</b>   | <b>\$0</b>          | <b>\$153,325</b>  | <b>1.5</b> |
| <b>FY 2014-15 Recommended Appropriation</b>  |                    |                     |                   |            |
| FY 2013-14 Appropriation   | \$153,325          | \$0                 | \$153,325         | 1.5        |
| Centrally appropriated line items  | <u>4,541</u>       | <u>0</u>            | <u>4,541</u>      | <u>0.0</u> |
| <b>TOTAL</b>   | <b>\$157,866</b>   | <b>\$0</b>          | <b>\$157,866</b>  | <b>1.5</b> |
| <b>Increase/(Decrease)</b>   | \$4,541            | \$0                 | \$4,541           | 0.0        |
| Percentage Change  | 3.0%               | 0.0%                | 3.0%              | 0.0%       |
| <b>FY 2014-15 Executive Request:</b>   | <b>\$157,866</b>   | <b>\$0</b>          | <b>\$157,866</b>  | <b>1.5</b> |
| Request Above/(Below) Recommendation   | \$0                | \$0                 | \$0               | 0.0        |

**Sex Offender Supervision**

This line item contains funding for the purposes set forth in the Title 18, Article 1.3, Part 10, Lifetime Supervision of Sex Offenders, and Title 16, Article 11.7, Standardized Treatment for Sex Offenders, which requires the Sex Offender Management Board:

- Develop criteria and standards for lifetime supervision of sex offenders;
- Expand sex-offender-treatment research;
- Provide training on, and assistance with, the criteria, protocols, and procedures regarding community notification concerning sexually violent predators;
- Develop standards for adult sex offenders who have developmental disabilities; and
- Provide training on the implementation of the Developmental Disability Standards.

**Request:** The Division requests an appropriation of \$339,386 General Fund and 3.2 FTE, which includes \$11,384 for annualization of salary survey.

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

**Treatment Provider Criminal Background Checks**

Section 16-11.8-104 (2) (b), C.R.S. requires domestic violence treatment providers and sex offender treatment providers to pay for a background check that goes beyond the scope of a typical criminal history check. Fees are set to cover the costs of conducting the investigation. Applicants pay a total of \$139.50, of which \$39.50 is for a CBI background check and \$100 is for a professional background check by a private investigator who verifies references, education, credentials, etc. The fees are deposited in the Domestic Violence Offender Treatment Provider Fund and the Sex Offender Treatment Provider Fund, which are established in Sections 16-11.8-104 (2) (b) and 16-11.7-106 (2) (c), C.R.S. The appropriations are from those funds.

**Request:** The Division requests a continuation appropriation of \$49,606 cash funds and 0.6 FTE.

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

**Colorado Regional Community Policing Institute**

Since 1995, the Colorado Regional Community Policing Institute has provided training for law enforcement officers throughout the state. This line item funds training classes for an average of 100 individuals per month in community policing, ethics, anti-bias, methamphetamine response, domestic violence, risk assessment, counter-terrorism, and weapons of mass destruction first responder awareness. The Institute provides professional skill development training, including ethics and integrity training and basic law enforcement preparatory training.

The Institute receives most of its funding from U.S. Department of Justice grants, a federal source. It receives a lesser amount of reappropriated funds for anti-bias training from the Department of Law's Peace Officer Standards Training (P.O.S.T.) Board Cash Fund.

**Request:** The Division requests a continuation appropriation of \$200,000, comprised of \$100,000 reappropriated funds, \$100,000 federal funds, and 2.5 FTE.

**Recommendation:** Staff recommends that the Committee reduce the appropriation of reappropriated funds by \$50,000 and the appropriation of federal funds by \$50,000 to more closely align the appropriation with recent revenue.

| <b>Division of Criminal Justice, Crime Control and System Improvement, Colorado Regional and Community Policing Institute</b> |                    |                     |                             |                      |            |
|---|--------------------|---------------------|-----------------------------|----------------------|------------|
|   | <b>Total Funds</b> | <b>General Fund</b> | <b>Reappropriated Funds</b> | <b>Federal Funds</b> | <b>FTE</b> |
| <b>FY 2013-14 Appropriation</b>   |                    |                     |                             |                      |            |
| SB 13-230 (Long Bill)   | \$200,000          | \$0                 | \$100,000                   | \$100,000            | 2.5        |
| <b>TOTAL</b>  | <b>\$200,000</b>   | <b>\$0</b>          | <b>\$100,000</b>            | <b>\$100,000</b>     | <b>2.5</b> |
| <b>FY 2014-15 Recommended Appropriation</b>   |                    |                     |                             |                      |            |
| FY 2013-14 Appropriation  | \$200,000          | \$0                 | \$100,000                   | \$100,000            | 2.5        |
| Align appropriation with revenue  | (100,000)          | 0                   | (50,000)                    | (50,000)             | 0.0        |

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|                                      |                  |            |                  |                  |            |
|--------------------------------------|------------------|------------|------------------|------------------|------------|
| <b>TOTAL</b>                         | <b>\$100,000</b> |            | <b>\$50,000</b>  | <b>\$50,000</b>  | <b>2.5</b> |
| Increase/(Decrease)                  | (\$100,000)      | \$0        | (\$50,000)       | (\$50,000)       | 0.0        |
| Percentage Change                    | (50.0%)          | 0.0%       | (50.0%)          | (50.0%)          | 0.0%       |
| <b>FY 2014-15 Executive Request:</b> | <b>\$200,000</b> | <b>\$0</b> | <b>\$100,000</b> | <b>\$100,000</b> | <b>2.5</b> |
| Request Above/(Below) Recommendation | \$100,000        |            | \$50,000         | \$50,000         | 0.0        |

**Federal Grants – Non-Appropriated**

The informational appropriation for this line item reflects projected federal funding and FTE for a variety of grant programs. The grants include Project Safe Neighborhood, Title V, Residential Substance Abuse Treatment for State Prisoners, Coverdell, John R Justice, and the National Criminal History Improvement Program.

**Request:** The Department requests an appropriation \$4,332,141 federal funds and 17.5 FTE, which reflects the annualization of \$32,141 of salary survey.

**Recommendation:** Since this is an appropriation of federal funds that vary substantially from year to year in an unpredictable fashion, staff recommends that the appropriation be set equal to a round number. In addition, even though employees of the Division receive salary survey increases, there is no need to reflect the salary survey increase precisely in the appropriation. Finally, revenue from this fund source has increased substantially; Staff recommends that the Committee approve an appropriation of \$8,300,000 federal funds, which is a better estimate of spending and is a round number to indicate that it is an estimate. The following table shows the adjustment.

| <b>Division of Criminal Justice, Crime Control and System Improvement, Federal Grants</b> |                        |                         |                          |             |
|---|------------------------|-------------------------|--------------------------|-------------|
|   | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>Federal<br/>Funds</b> | <b>FTE</b>  |
| <b>FY 2013-14 Appropriation</b>   |                        |                         |                          |             |
| SB 13-230 (Long Bill)   | \$4,300,000            | \$0                     | \$4,300,000              | 17.5        |
| <b>TOTAL</b>  | <b>\$4,300,000</b>     | <b>\$0</b>              | <b>\$4,300,000</b>       | <b>17.5</b> |
| <b>FY 2014-15 Recommended Appropriation</b>   |                        |                         |                          |             |
| FY 2013-14 Appropriation  | \$4,300,000            | \$0                     | \$4,300,000              | 17.5        |
| Align appropriation with revenue  | <u>4,000,000</u>       | <u>0</u>                | <u>4,000,000</u>         | <u>0.0</u>  |
| <b>TOTAL</b>  | <b>\$8,300,000</b>     |                         | <b>\$8,300,000</b>       | <b>17.5</b> |
| <b>Increase/(Decrease)</b>  | \$4,000,000            | \$0                     | \$4,000,000              | 0.0         |
| Percentage Change   | 93.0%                  | 0.0%                    | 93.0%                    | 0.0%        |
| <b>FY 2014-15 Executive Request:</b>  | <b>\$4,332,141</b>     | <b>\$0</b>              | <b>\$4,332,141</b>       | <b>17.5</b> |
| Request Above/(Below) Recommendation  | (\$3,967,859)          |                         | (\$3,967,859)            | 0.0         |

**EPIC Resource Center**

The EPIC (Evidence-based Practices Implementation for Capacity) Resource Center was established by H.B. 13-1129. The EPIC center helps agencies serving juvenile and adult offender populations develop, implement, and sustain evidence-based practices. The Center was developed in 2009 as an initiative of the Colorado Commission on Criminal and Juvenile Justice and was funded with federal Justice Assistance Grant funds, which ended September 30, 2013.

**Request:** The Division requests an appropriation \$843,615 General Fund and 6.0 FTE, which reflects the annualization of S.B. 13-1129.

**Recommendation:** Staff recommends the Division's Request

| <b>Division of Criminal Justice, Crime Control and System Improvement, EPIC Resources Center</b> |                        |                         |            |
|--|------------------------|-------------------------|------------|
|  | <b>Total<br/>Funds</b> | <b>General<br/>Fund</b> | <b>FTE</b> |
| <b>FY 2013-14 Appropriation</b>  |                        |                         |            |
| Other legislation  | \$739,591              | \$739,591               | 6.0        |
| HB 14-1245 (Supplemental)  | <u>(31,101)</u>        | <u>(31,101)</u>         | <u>0.0</u> |
| <b>TOTAL</b>   | <b>\$708,490</b>       | <b>\$708,490</b>        | <b>6.0</b> |
| <b>FY 2014-15 Recommended Appropriation</b>  |                        |                         |            |
| FY 2013-14 Appropriation   | \$708,490              | \$708,490               | 6.0        |
| Annualize prior year legislation (H.B. 13-1129)  | <u>135,125</u>         | <u>135,125</u>          | <u>0.0</u> |
| <b>TOTAL</b>   | <b>\$843,615</b>       | <b>\$843,615</b>        | <b>6.0</b> |
| <b>Increase/(Decrease)</b>   | \$135,125              | \$135,125               | 0.0        |
| Percentage Change  | 19.1%                  | 19.1%                   | 0.0%       |
| <b>FY 2014-15 Executive Request:</b>   | <b>\$843,615</b>       | <b>\$843,615</b>        | <b>6.0</b> |
| Request Above/(Below) Recommendation   | \$0                    | \$0                     | 0.0        |

**Criminal Justice Training Fund**

The DCJ provides a wide array of training programs on such topics as methamphetamine laboratories, crisis intervention with mentally ill offenders, anti-bias policing, sex offender management, and domestic violence management. Section 24-33.5-503.5, C.R.S., allows the Division of Criminal Justice to charge fees in when it provides training. The fees are deposited in the Criminal Justice Training Cash Fund. Moneys in the Fund are subject to annual appropriation by the General Assembly to cover costs associated with providing training.

The following table shows recent years cash inflows of the Criminal Justice Training Cash Fund.

| <b>Fiscal Year</b> | <b>Revenue</b> |
|--------------------|----------------|
| 2008-09            | \$71,718       |
| 2009-10            | \$84,631       |
| 2010-11            | \$51,089       |
| 2011-12            | \$65,274       |
| 2012-13            | \$85,032       |



**Request:** The Department requests a continuation appropriation of \$120,000 cash funds and 0.5 FTE.

**Recommendation:** Staff recommends that the Committee approve the Department's request.

**MacArthur Foundation Grant**

This line item provides an appropriation for a juvenile justice mental health program that is funded by a private grant received from the MacArthur Foundation.

**Request:** The Department requests a continuation appropriation of \$75,000 cash funds. Though last year's spending was \$0, the Division says that funding from this source is expected to continue.

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

**Methamphetamine Abuse Task Force Fund**

This line item was added during FY 2007-08 to allow the Division to expend private grant funds received from the El Pomar Foundation. The source of cash funds is the Methamphetamine Abuse Prevention, Intervention, and Treatment Cash Fund created in Section 18-18.5-105, C.R.S.

**Request:** The Department requests a continuation appropriation of \$20,000 cash funds.

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

## **Long Bill Footnotes and Requests for Information**

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### **LONG BILL FOOTNOTES**

Staff recommends the following footnote **be eliminated:**

- 61 Department of Public Safety, Division of Criminal Justice, Community Corrections, Subsistence Grace Period Pilot Project** – This appropriation is for an experimental 28-day subsistence grace period pilot project and for an evaluation of the project. The Department is requested not to use the appropriation to pay subsistence for programs that do not normally expect clients to make such payments. The Department is requested to submit an evaluation report to the Joint Budget Committee as soon as feasible after the project is completed but no later than November 1, 2015. The Department is encouraged to submit the report in time for FY 2015-16 figure setting, if meaningful results are available at that time. Of this appropriation, \$20,000 for evaluation may roll forward to FY 2014-15 and FY 2015-16.

Comment: This request for information is not needed because there will be no appropriation for the Subsistence Grace Period Pilot Project in the FY 2014-15 Long Bill.

Staff recommends the following footnote **be continued as modified:**

- 60 Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Placements** – This appropriation assumes the daily rates and average daily caseloads listed in the following table. THE CASELOAD FOR DIVERSION INTENSIVE RESIDENTIAL TREATMENT INCLUDES 48 CONDITION-OF-PAROLE PLACEMENTS. The base rate for standard nonresidential services is a weighted average of the rates for four different levels of service. The appropriation ~~also~~ assumes that community corrections providers will collect client fees of up to \$17 per day for residential placements and up to \$3 per day for nonresidential placements. Pursuant to its authority to administer and execute contracts under Section 17-27-108, C.R.S., the Division of Criminal Justice is requested to ensure that every reasonable effort is made to achieve such collections.

[Table omitted]

Comment: Because the table requires landscape orientation, it is not reproduced here. This footnote is an integral part of the Community Corrections Placements appropriation.

Staff recommends the following footnote **be added:**

- n Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Facility Payments** – These payments may be withheld in whole or in part from facilities that (1) fail to maintain a ratio of at least one case manager for every 20 residents, (2) fail to raise average pay and benefits of security staff members by at least 10 percent, or (3) fail to raise the average pay and benefits of case

managers by 10 percent. A facility is exempt from requirement (2) if the sum of average pay and benefits for security staff members exceeds \$33,000 annually. A facility is exempt from requirement (3) if the sum of average salary and benefits for case managers exceeds \$38,500 annually. For purposes of this footnote, payroll taxes are not benefits. Community corrections programs are encouraged to exceed these goals.

## REQUESTS FOR INFORMATION

Staff recommends that the following request be continued as **modified**:

- 2 Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Placements** – As part of its ~~FY 2014-15~~ FY 2015-16 budget request, the Department is requested to report actual average daily community corrections ~~populations and daily rates for the two most~~ PLACEMENTS FOR recently completed fiscal years WITH A LEVEL OF DETAIL COMPATIBLE WITH ~~in a format compatible with the community corrections~~ THE table in Long Bill footnote 60. THIS DOCUMENT SHOULD ALSO REPORT CONDITION OF PAROLE PLACEMENTS.

Comment: In combination, the footnote appropriation table and this request for information will provide the General Assembly with a detailed yet quickly understood snapshot of appropriated, actual and requested community corrections placements.

Staff recommends that the following request be continued:

- 3 Department of Public Safety, Division of Criminal Justice, Community Corrections, Subsistence Grace Period Pilot Project** – The Department is requested to submit the evaluation report for the Subsistence Grace Period Pilot Project to the Joint Budget Committee as soon as feasible after the project is completed but no later than November 1, 2015. The Department is encouraged to submit the report in time for FY 2015-16 figure setting, if meaningful results are available at that time. The Department is requested to examine whether a subsistence grace period alters length of stay; rates of successful completion, technical violation, or escape; the amount owed to programs at termination; and the amount of savings at termination. The Department is requested to examine whether the effects depend upon the risk level of the offender. The Department is requested to estimate the magnitude of the effects and the precision of the estimates. The Department is also requested to conduct a cost-benefit analysis to determine whether the benefits, if any, observed during the period covered by this study, exceed the cost. The report need not be limited to these questions.

Comment: Though there is no appropriation for the Subsistence Grace Period Pilot Project in the FY 2014-15 Long Bill, the DCJ is still expected to submit a report on the project and this request reminds the Division of that duty.

Staff recommends the following requests **be added**:

**n**     **Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Placements** – As part of its 2015-16 budget request, the Department is requested to report the following information for FY 2013-14 for community corrections facilities of different sizes: (1) the average number of total staff, the average number of security staff, and the average number of case managers, (2) the average wage and salary of security staff and case managers, (3) the average cost of benefits, excluding payroll taxes, for security staff and for case managers, (4) the average turnover rate and length of employment for security staff and the average length of employment for case managers, and (5) average case manager caseloads for resident and non-resident offenders. The Department is also requested to continue collecting periodic financial statements and starting salary information from community corrections programs. The Department is requested to retain the data received from each facility.

Comment: One of the challenges that Staff faced when analyzing the adequacy of the current per diem rate was the lack of historical data on salaries, benefits, turnover, and length of service at community corrections facilities. Staff believes that inflation adjusted average salaries and benefits declined after FY 2001-02, when the inflation-adjusted per diem began to decline, but Staff has only anecdotal data to back this up. Staff also suspects that the average length of service has declined in response to lower salaries, but again has no data. This request, if repeated in future years, will require the DCJ to collect relevant data for future analysis. For example, when the November 2015 report is submitted, Staff will be able to determine whether salaries have risen and turnover has declined as intended.

**n**     **Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Placements** – As part of its FY 2015-16 budget request, the Department is requested to report the estimated impact on community corrections facilities and community corrections boards of any standards or rules that that the Department has issued or revised during the prior 12 months. This report should include a summary of the new standards or rules, an estimate of the amount of time it will take facilities or boards to comply, an estimate of the number of additional FTE that will be required for compliance, and an estimate of additional financial costs that facilities or boards may incur. The Department is also requested to report any new or revised standards, rules, or laws from the federal government, the state government, local governments, or other parties that are likely to have a similar impact on community corrections facilities or on community corrections boards. The Department does not need to estimate the costs of standards, rules, and laws issued by other governments or other parties.

Comment: While estimating the cost of operating a community corrections facility, Staff became aware of the costs that standards and rules can have on DCJ contractors. Some rules may even affect the state budget by increasing contractor costs. Staff recommends that the report requested by this RFI be made a regular part of future DCJ budget

submissions. Staff does not recommend requesting a cost-benefit analysis of standards and regulations because benefits are frequently hard to quantify.

**JBC Staff Staff Figure Setting - FY 2014-15**  
**Staff Working Document - Does Not Represent Committee Decision**

**Appendix A: Number Pages**

|  | FY 2011-12<br>Actual | FY 2012-13<br>Actual | FY 2013-14<br>Appropriation | FY 2014-15<br>Request | FY 2014-15<br>Recommendation |
|--|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|
|--|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|

**DEPARTMENT OF PUBLIC SAFETY**  
**James Davis, Executive Director**

**(4) DIVISION OF CRIMINAL JUSTICE**

Primary functions: Provide funding and set standards for community corrections programs. Administer grant programs that assist local and state law enforcement agencies and juvenile delinquency programs. Administer grant programs that assist crime victims. Assist the Domestic Violence and Sex Offender Management Boards in developing and implementing standards and policies for the treatment, monitoring, and management of adult domestic violence and sex offenders. Conduct studies analyzing criminal justice policies, problems, and programs and make related recommendations. Forecast offender populations.

**(A) Administration**

|                             |                  |                  |                  |                  |                    |
|-----------------------------|------------------|------------------|------------------|------------------|--------------------|
| DCJ Administrative Services | <u>0</u>         | <u>2,702,145</u> | <u>3,050,076</u> | <u>3,450,054</u> | <u>3,386,681</u> * |
| FTE                         | 0.0              | 28.7             | 31.9             | 36.6             | 35.9               |
| General Fund                | 0                | 1,748,154        | 1,860,836        | 2,152,772        | 2,126,073          |
| Cash Funds                  | 0                | 427,139          | 606,890          | 690,914          | 654,240            |
| Reappropriated Funds        | 0                | 482,594          | 498,312          | 506,433          | 506,433            |
| Federal Funds               | 0                | 44,258           | 84,038           | 99,935           | 99,935             |
| Personal Services           | <u>2,480,579</u> | <u>0</u>         | <u>0</u>         | <u>0</u>         | <u>0</u>           |
| FTE                         | 30.3             | 0.0              | 0.0              | 0.0              | 0.0                |
| General Fund                | 1,622,861        | 0                | 0                | 0                | 0                  |
| Cash Funds                  | 471,907          | 0                | 0                | 0                | 0                  |
| Reappropriated Funds        | 319,893          | 0                | 0                | 0                | 0                  |
| Federal Funds               | 65,918           | 0                | 0                | 0                | 0                  |

**JBC Staff Staff Figure Setting - FY 2014-15**  
**Staff Working Document - Does Not Represent Committee Decision**

|                                      | <b>FY 2011-12<br/>Actual</b> | <b>FY 2012-13<br/>Actual</b> | <b>FY 2013-14<br/>Appropriation</b> | <b>FY 2014-15<br/>Request</b> | <b>FY 2014-15<br/>Recommendation</b> |
|--------------------------------------|------------------------------|------------------------------|-------------------------------------|-------------------------------|--------------------------------------|
| Operating Expenses                   | <u>213,101</u>               | <u>0</u>                     | <u>0</u>                            | <u>0</u>                      | <u>0</u>                             |
| General Fund                         | 151,330                      | 0                            | 0                                   | 0                             | 0                                    |
| Cash Funds                           | 31,619                       | 0                            | 0                                   | 0                             | 0                                    |
| Reappropriated Funds                 | 28,402                       | 0                            | 0                                   | 0                             | 0                                    |
| Federal Funds                        | 1,750                        | 0                            | 0                                   | 0                             | 0                                    |
| Indirect Cost Assessment             | <u>633,984</u>               | <u>490,936</u>               | <u>597,597</u>                      | <u>537,453</u>                | <u>537,453</u>                       |
| Cash Funds                           | 59,275                       | 6,000                        | 48,542                              | 55,336                        | 55,336                               |
| Reappropriated Funds                 | 0                            | 7,882                        | 5,828                               | 5,972                         | 5,972                                |
| Federal Funds                        | 574,709                      | 477,054                      | 543,227                             | 476,145                       | 476,145                              |
| <b>SUBTOTAL - (A) Administration</b> | <b>3,327,664</b>             | <b>3,193,081</b>             | <b>3,647,673</b>                    | <b>3,987,507</b>              | <b>3,924,134</b>                     |
| <i>FTE</i>                           | <u>30.3</u>                  | <u>28.7</u>                  | <u>31.9</u>                         | <u>36.6</u>                   | <u>35.9</u>                          |
| General Fund                         | 1,774,191                    | 1,748,154                    | 1,860,836                           | 2,152,772                     | 2,126,073                            |
| Cash Funds                           | 562,801                      | 433,139                      | 655,432                             | 746,250                       | 709,576                              |
| Reappropriated Funds                 | 348,295                      | 490,476                      | 504,140                             | 512,405                       | 512,405                              |
| Federal Funds                        | 642,377                      | 521,312                      | 627,265                             | 576,080                       | 576,080                              |

**(B) Victims Assistance**

Federal Victims Assistance and Compensation

|               |                   |                   |                   |                   |                   |
|---------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Grants        | <u>10,369,662</u> | <u>10,828,211</u> | <u>10,400,000</u> | <u>10,400,000</u> | <u>10,400,000</u> |
| Federal Funds | 10,369,662        | 10,828,211        | 10,400,000        | 10,400,000        | 10,400,000        |

State Victims Assistance and Law Enforcement

|            |                  |                  |                  |                  |                  |
|------------|------------------|------------------|------------------|------------------|------------------|
| Program    | <u>1,190,080</u> | <u>1,218,818</u> | <u>1,500,000</u> | <u>1,500,000</u> | <u>1,500,000</u> |
| Cash Funds | 1,190,080        | 1,218,818        | 1,500,000        | 1,500,000        | 1,500,000        |

**JBC Staff Staff Figure Setting - FY 2014-15**  
**Staff Working Document - Does Not Represent Committee Decision**

|   | FY 2011-12<br>Actual | FY 2012-13<br>Actual | FY 2013-14<br>Appropriation | FY 2014-15<br>Request | FY 2014-15<br>Recommendation |
|---|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|
| Child Abuse Investigation                     | <u>3,026</u>         | <u>146,326</u>       | <u>200,000</u>              | <u>200,000</u>        | <u>200,000</u>               |
| FTE   | 0.2                  | 0.1                  | 0.4                         | 0.4                   | 0.4                          |
| Cash Funds                                    | 3,026                | 146,326              | 200,000                     | 200,000               | 200,000                      |
| Sexual Assault Victim Emergency Payment       |                      |                      |                             |                       |                              |
| Program                                       | <u>0</u>             | <u>0</u>             | <u>167,067</u>              | <u>167,933</u>        | <u>167,933</u>               |
| FTE   | 0.0                  | 0.0                  | 0.2                         | 0.2                   | 0.2                          |
| General Fund                                  | 0                    | 0                    | 167,067                     | 167,933               | 167,933                      |
| Statewide Victim Information and Notification |                      |                      |                             |                       |                              |
| System (VINE)                                 | <u>0</u>             | <u>0</u>             | <u>434,720</u>              | <u>434,720</u>        | <u>434,720</u>               |
| General Fund                                  | 0                    | 0                    | 434,720                     | 434,720               | 434,720                      |
| <b>SUBTOTAL - (B) Victims Assistance</b>      | <b>11,562,768</b>    | <b>12,193,355</b>    | <b>12,701,787</b>           | <b>12,702,653</b>     | <b>12,702,653</b>            |
| FTE   | <u>0.2</u>           | <u>0.1</u>           | <u>0.6</u>                  | <u>0.6</u>            | <u>0.6</u>                   |
| General Fund                                  | 0                    | 0                    | 601,787                     | 602,653               | 602,653                      |
| Cash Funds                                    | 1,193,106            | 1,365,144            | 1,700,000                   | 1,700,000             | 1,700,000                    |
| Federal Funds                                 | 10,369,662           | 10,828,211           | 10,400,000                  | 10,400,000            | 10,400,000                   |

**(C) Juvenile Justice and Delinquency Prevention**

|                                |                  |                  |                  |                  |                  |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| Juvenile Justice Disbursements | <u>642,110</u>   | <u>477,964</u>   | <u>850,000</u>   | <u>850,000</u>   | <u>750,000</u>   |
| Federal Funds                  | 642,110          | 477,964          | 850,000          | 850,000          | 750,000          |
| Juvenile Diversion Programs    | <u>1,240,058</u> | <u>1,241,093</u> | <u>1,241,139</u> | <u>1,241,139</u> | <u>1,241,139</u> |
| FTE                            | 0.8              | 0.7              | 0.9              | 0.9              | 0.9              |
| General Fund                   | 1,240,058        | 1,241,093        | 1,241,139        | 1,241,139        | 1,241,139        |



**JBC Staff Staff Figure Setting - FY 2014-15**  
**Staff Working Document - Does Not Represent Committee Decision**

|   | FY 2011-12<br>Actual | FY 2012-13<br>Actual | FY 2013-14<br>Appropriation | FY 2014-15<br>Request | FY 2014-15<br>Recommendation |
|---|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|
| <b>SUBTOTAL - (C) Juvenile Justice and Delinquency Prevention</b> | 1,882,168            | 1,719,057            | 2,091,139                   | 2,091,139             | 1,991,139                    |
| <i>FTE</i>  | <u>0.8</u>           | <u>0.7</u>           | <u>0.9</u>                  | <u>0.9</u>            | <u>0.9</u>                   |
| General Fund  | 1,240,058            | 1,241,093            | 1,241,139                   | 1,241,139             | 1,241,139                    |
| Federal Funds   | 642,110              | 477,964              | 850,000                     | 850,000               | 750,000                      |

**(D) Community Corrections**

|   |                  |                   |                   |                   |                     |
|---|------------------|-------------------|-------------------|-------------------|---------------------|
| Community Corrections Placements                        | <u>0</u>         | <u>51,760,190</u> | <u>55,112,987</u> | <u>55,939,681</u> | <u>60,347,695</u> * |
| General Fund  | 0                | 50,773,691        | 54,094,118        | 54,920,812        | 57,703,826          |
| Cash Funds  | 0                | 0                 | 0                 | 0                 | 0                   |
| Reappropriated Funds                                    | 0                | 986,499           | 1,018,869         | 1,018,869         | 2,643,869           |
| Community Corrections Facility Payments                 | <u>0</u>         | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>3,232,185</u>    |
| General Fund  | 0                | 0                 | 0                 | 0                 | 3,232,185           |
| Community Corrections Boards Administration             | <u>2,012,823</u> | <u>1,998,817</u>  | <u>2,140,703</u>  | <u>2,172,814</u>  | <u>2,288,876</u> *  |
| General Fund  | 2,012,823        | 1,998,817         | 2,140,703         | 2,172,814         | 2,288,876           |
| Subsistence Grace Period Pilot Project                  | <u>0</u>         | <u>0</u>          | <u>591,200</u>    | <u>591,200</u>    | <u>0</u>            |
| General Fund  | 0                | 0                 | 591,200           | 591,200           | 0                   |
| Services for Substance Abuse and Co-occurring Disorders | <u>0</u>         | <u>2,177,785</u>  | <u>1,793,900</u>  | <u>1,793,900</u>  | <u>2,553,900</u>    |
| General Fund  | 0                | 609,035           | 0                 | 0                 | 0                   |
| Reappropriated Funds                                    | 0                | 1,568,750         | 1,793,900         | 1,793,900         | 2,553,900           |
| Specialized Offender Services                           | <u>61,490</u>    | <u>70,700</u>     | <u>55,000</u>     | <u>55,825</u>     | <u>56,650</u> *     |
| General Fund  | 61,490           | 70,700            | 55,000            | 55,825            | 56,650              |

**JBC Staff Staff Figure Setting - FY 2014-15**  
**Staff Working Document - Does Not Represent Committee Decision**

|   | <b>FY 2011-12<br/>Actual</b> | <b>FY 2012-13<br/>Actual</b> | <b>FY 2013-14<br/>Appropriation</b> | <b>FY 2014-15<br/>Request</b> | <b>FY 2014-15<br/>Recommendation</b> |
|---|------------------------------|------------------------------|-------------------------------------|-------------------------------|--------------------------------------|
| Offender Assessment Training  | <u>0</u>                     | <u>7,387</u>                 | <u>10,507</u>                       | <u>10,507</u>                 | <u>10,507</u>                        |
| General Fund  | 0                            | 7,387                        | 10,507                              | 10,507                        | 10,507                               |
| Intensive Residential Treatment Aftercare   | <u>0</u>                     | <u>180,000</u>               | <u>0</u>                            | <u>0</u>                      | <u>0</u>                             |
| General Fund  | 0                            | 180,000                      | 0                                   | 0                             | 0                                    |
| Transition Programs including standard residential services and specialized substance abuse treatment | <u>24,430,355</u>            | <u>0</u>                     | <u>0</u>                            | <u>0</u>                      | <u>0</u>                             |
| General Fund  | 24,430,355                   | 0                            | 0                                   | 0                             | 0                                    |
| Diversion Programs including standard residential services and standard nonresidential services       | <u>22,049,315</u>            | <u>0</u>                     | <u>0</u>                            | <u>0</u>                      | <u>0</u>                             |
| General Fund  | 22,049,315                   | 0                            | 0                                   | 0                             | 0                                    |
| Transitional Mental Health Bed Differential   | <u>977,945</u>               | <u>0</u>                     | <u>0</u>                            | <u>0</u>                      | <u>0</u>                             |
| General Fund  | 977,945                      | 0                            | 0                                   | 0                             | 0                                    |
| Diversion Mental Health Bed Differential  | <u>484,123</u>               | <u>0</u>                     | <u>0</u>                            | <u>0</u>                      | <u>0</u>                             |
| General Fund  | 484,123                      | 0                            | 0                                   | 0                             | 0                                    |
| John Eachon Re-entry Program  | <u>275,114</u>               | <u>0</u>                     | <u>0</u>                            | <u>0</u>                      | <u>0</u>                             |
| General Fund  | 275,114                      | 0                            | 0                                   | 0                             | 0                                    |
| Substance Abuse Treatment Program   | <u>2,448,432</u>             | <u>0</u>                     | <u>0</u>                            | <u>0</u>                      | <u>0</u>                             |
| General Fund  | 402,380                      | 0                            | 0                                   | 0                             | 0                                    |
| Cash Funds  | 677,417                      | 0                            | 0                                   | 0                             | 0                                    |
| Reappropriated Funds  | 1,368,635                    | 0                            | 0                                   | 0                             | 0                                    |

**JBC Staff Staff Figure Setting - FY 2014-15**  
**Staff Working Document - Does Not Represent Committee Decision**

|   | <b>FY 2011-12<br/>Actual</b> | <b>FY 2012-13<br/>Actual</b> | <b>FY 2013-14<br/>Appropriation</b> | <b>FY 2014-15<br/>Request</b> | <b>FY 2014-15<br/>Recommendation</b> |
|---|------------------------------|------------------------------|-------------------------------------|-------------------------------|--------------------------------------|
| Outpatient Therapeutic Community Programs     | <u>548,192</u>               | <u>0</u>                     | <u>0</u>                            | <u>0</u>                      | <u>0</u>                             |
| General Fund                                  | 548,192                      | 0                            | 0                                   | 0                             | 0                                    |
| Intensive Residential Treatment Pilot Project | <u>291,416</u>               | <u>0</u>                     | <u>0</u>                            | <u>0</u>                      | <u>0</u>                             |
| General Fund                                  | 125,499                      | 0                            | 0                                   | 0                             | 0                                    |
| Cash Funds                                    | 165,917                      | 0                            | 0                                   | 0                             | 0                                    |
| <b>SUBTOTAL - (D) Community Corrections</b>   | <b>53,579,205</b>            | <b>56,194,879</b>            | <b>59,704,297</b>                   | <b>60,563,927</b>             | <b>68,489,813</b>                    |
| <b>FTE</b>                                    | <b>0.0</b>                   | <b>0.0</b>                   | <b>0.0</b>                          | <b>0.0</b>                    | <b>0.0</b>                           |
| General Fund                                  | 51,367,236                   | 53,639,630                   | 56,891,528                          | 57,751,158                    | 63,292,044                           |
| Cash Funds                                    | 843,334                      | 0                            | 0                                   | 0                             | 0                                    |
| Reappropriated Funds                          | 1,368,635                    | 2,555,249                    | 2,812,769                           | 2,812,769                     | 5,197,769                            |

**(E) Crime Control and System Improvement**

|   |                  |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|------------------|
| State and Local Crime Control and System Improvement Grants | <u>4,430,567</u> | <u>3,168,960</u> | <u>4,900,000</u> | <u>4,900,000</u> | <u>4,900,000</u> |
| Federal Funds   | 4,430,567        | 3,168,960        | 4,900,000        | 4,900,000        | 4,900,000        |
| Sex Offender Surcharge Fund Program                         | <u>114,569</u>   | <u>125,451</u>   | <u>153,325</u>   | <u>157,866</u>   | <u>157,866</u>   |
| FTE   | 1.4              | 1.3              | 1.5              | 1.5              | 1.5              |
| Cash Funds  | 114,569          | 125,451          | 153,325          | 157,866          | 157,866          |
| Sex Offender Supervision                                    | <u>318,565</u>   | <u>328,002</u>   | <u>328,002</u>   | <u>339,386</u>   | <u>339,386</u>   |
| FTE   | 2.8              | 3.5              | 3.2              | 3.2              | 3.2              |
| General Fund  | 318,565          | 328,002          | 328,002          | 339,386          | 339,386          |

**JBC Staff Staff Figure Setting - FY 2014-15**  
**Staff Working Document - Does Not Represent Committee Decision**

|   | <b>FY 2011-12<br/>Actual</b> | <b>FY 2012-13<br/>Actual</b> | <b>FY 2013-14<br/>Appropriation</b> | <b>FY 2014-15<br/>Request</b> | <b>FY 2014-15<br/>Recommendation</b> |
|---|------------------------------|------------------------------|-------------------------------------|-------------------------------|--------------------------------------|
| Treatment Provider Criminal Background Checks | <u>43,523</u>                | <u>45,678</u>                | <u>49,606</u>                       | <u>49,606</u>                 | <u>49,606</u>                        |
| FTE   | 0.4                          | 0.4                          | 0.6                                 | 0.6                           | 0.6                                  |
| Cash Funds                                    | 43,523                       | 45,678                       | 49,606                              | 49,606                        | 49,606                               |
| Colorado Regional and Community Policing      |                              |                              |                                     |                               |                                      |
| Institute                                     | <u>123,261</u>               | <u>11,566</u>                | <u>200,000</u>                      | <u>200,000</u>                | <u>100,000</u>                       |
| FTE   | 0.4                          | 0.1                          | 2.5                                 | 2.5                           | 2.5                                  |
| Reappropriated Funds                          | 34,685                       | 0                            | 100,000                             | 100,000                       | 50,000                               |
| Federal Funds                                 | 88,576                       | 11,566                       | 100,000                             | 100,000                       | 50,000                               |
| Federal Grants                                | <u>10,623,241</u>            | <u>8,592,869</u>             | <u>4,300,000</u>                    | <u>4,332,141</u>              | <u>8,300,000</u>                     |
| FTE   | 21.3                         | 19.7                         | 17.5                                | 17.5                          | 17.5                                 |
| Federal Funds                                 | 10,623,241                   | 8,592,869                    | 4,300,000                           | 4,332,141                     | 8,300,000                            |
| EPIC Resources Center                         | <u>0</u>                     | <u>0</u>                     | <u>708,490</u>                      | <u>843,615</u>                | <u>843,615</u>                       |
| FTE   | 0.0                          | 0.0                          | 6.0                                 | 6.0                           | 6.0                                  |
| General Fund                                  | 0                            | 0                            | 708,490                             | 843,615                       | 843,615                              |
| Criminal Justice Training Fund                | <u>80,750</u>                | <u>63,382</u>                | <u>120,000</u>                      | <u>120,000</u>                | <u>120,000</u>                       |
| FTE   | 0.2                          | 0.0                          | 0.5                                 | 0.5                           | 0.5                                  |
| Cash Funds                                    | 80,750                       | 63,382                       | 120,000                             | 120,000                       | 120,000                              |
| MacArthur Foundation Grant                    | <u>0</u>                     | <u>0</u>                     | <u>75,000</u>                       | <u>75,000</u>                 | <u>75,000</u>                        |
| Cash Funds                                    | 0                            | 0                            | 75,000                              | 75,000                        | 75,000                               |
| Methamphetamine Abuse Task Force Fund         | <u>7,000</u>                 | <u>1,291</u>                 | <u>20,000</u>                       | <u>20,000</u>                 | <u>20,000</u>                        |
| Cash Funds                                    | 7,000                        | 1,291                        | 20,000                              | 20,000                        | 20,000                               |

**JBC Staff Staff Figure Setting - FY 2014-15**  
**Staff Working Document - Does Not Represent Committee Decision**

|   | <b>FY 2011-12<br/>Actual</b> | <b>FY 2012-13<br/>Actual</b> | <b>FY 2013-14<br/>Appropriation</b> | <b>FY 2014-15<br/>Request</b> | <b>FY 2014-15<br/>Recommendation</b> |
|---|------------------------------|------------------------------|-------------------------------------|-------------------------------|--------------------------------------|
| <b>SUBTOTAL - (E) Crime Control and System</b>  |                              |                              |                                     |                               |                                      |
| <b>Improvement</b>                              | 15,741,476                   | 12,337,199                   | 10,854,423                          | 11,037,614                    | 14,905,473                           |
| <i>FTE</i>                                      | <u>26.5</u>                  | <u>25.0</u>                  | <u>31.8</u>                         | <u>31.8</u>                   | <u>31.8</u>                          |
| General Fund                                    | 318,565                      | 328,002                      | 1,036,492                           | 1,183,001                     | 1,183,001                            |
| Cash Funds                                      | 245,842                      | 235,802                      | 417,931                             | 422,472                       | 422,472                              |
| Reappropriated Funds                            | 34,685                       | 0                            | 100,000                             | 100,000                       | 50,000                               |
| Federal Funds                                   | 15,142,384                   | 11,773,395                   | 9,300,000                           | 9,332,141                     | 13,250,000                           |
| <b>TOTAL - (4) Division of Criminal Justice</b> |                              |                              |                                     |                               |                                      |
|   | 86,093,281                   | 85,637,571                   | 88,999,319                          | 90,382,840                    | 102,013,212                          |
| <i>FTE</i>                                      | <u>57.8</u>                  | <u>54.5</u>                  | <u>65.2</u>                         | <u>69.9</u>                   | <u>69.2</u>                          |
| General Fund                                    | 54,700,050                   | 56,956,879                   | 61,631,782                          | 62,930,723                    | 68,444,910                           |
| Cash Funds                                      | 2,845,083                    | 2,034,085                    | 2,773,363                           | 2,868,722                     | 2,832,048                            |
| Reappropriated Funds                            | 1,751,615                    | 3,045,725                    | 3,416,909                           | 3,425,174                     | 5,760,174                            |
| Federal Funds                                   | 26,796,533                   | 23,600,882                   | 21,177,265                          | 21,158,221                    | 24,976,080                           |
| <b>TOTAL - Department of Public Safety</b>      |                              |                              |                                     |                               |                                      |
|   | 86,093,281                   | 85,637,571                   | 88,999,319                          | 90,382,840                    | 102,013,212                          |
| <i>FTE</i>                                      | <u>57.8</u>                  | <u>54.5</u>                  | <u>65.2</u>                         | <u>69.9</u>                   | <u>69.2</u>                          |
| General Fund                                    | 54,700,050                   | 56,956,879                   | 61,631,782                          | 62,930,723                    | 68,444,910                           |
| Cash Funds                                      | 2,845,083                    | 2,034,085                    | 2,773,363                           | 2,868,722                     | 2,832,048                            |
| Reappropriated Funds                            | 1,751,615                    | 3,045,725                    | 3,416,909                           | 3,425,174                     | 5,760,174                            |
| Federal Funds                                   | 26,796,533                   | 23,600,882                   | 21,177,265                          | 21,158,221                    | 24,976,080                           |