

V10A
Department of Juvenile Services

Operating Budget Data

(\$ in Thousands)

| | <u>FY 09</u> <u>Actual</u> | <u>FY 10</u> <u>Working</u> | <u>FY 11</u> <u>Allowance</u> | <u>FY 10-11</u> <u>Change</u> | <u>% Change</u> <u>Prior Year</u> |
|--------------------------------------|-------------------------------|--------------------------------|----------------------------------|----------------------------------|--------------------------------------|
| General Fund | \$266,941 | \$254,580 | \$260,974 | \$6,393 | 2.5% |
| Contingent & Back of Bill Reductions | 0 | 0 | -3,753 | -3,753 | |
| Adjusted General Fund | \$266,941 | \$254,580 | \$257,220 | \$2,640 | 1.0% |
| Special Fund | 165 | 203 | 203 | 0 | |
| Adjusted Special Fund | \$165 | \$203 | \$203 | \$0 | 0.0% |
| Federal Fund | 7,383 | 16,171 | 15,971 | -200 | -1.2% |
| Contingent & Back of Bill Reductions | 0 | 0 | -62 | -62 | |
| Adjusted Federal Fund | \$7,383 | \$16,171 | \$15,908 | -\$263 | -1.6% |
| Reimbursable Fund | 880 | 883 | 225 | -658 | -74.5% |
| Adjusted Reimbursable Fund | \$880 | \$883 | \$225 | -\$658 | -74.5% |
| Adjusted Grand Total | \$275,369 | \$271,838 | \$273,557 | \$1,719 | 0.6% |

Note: For purposes of illustration, the Department of Legislative Services has estimated the distribution of selected across-the-board reductions. The actual allocations are to be developed by the Administration.

- A fiscal 2010 deficiency provides \$1.0 million in additional funding for overtime and just over \$5.0 million in additional funding to support residential per diem placements.
- The fiscal 2011 allowance, after adjusting for contingent reductions, is \$1.7 million (0.6%) above the fiscal 2010 working appropriation.

Note: Numbers may not sum to total due to rounding.

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Personnel Data

| | <u>FY 09 Actual</u> | <u>FY 10 Working</u> | <u>FY 11 Allowance</u> | <u>FY 10-11 Change</u> |
|------------------------|--------------------------------|---------------------------------|-----------------------------------|-----------------------------------|
| Regular Positions | 2,271.65 | 2,254.05 | 2,240.05 | -14.00 |
| Contractual FTEs | <u>121.40</u> | <u>126.35</u> | <u>98.45</u> | <u>-27.90</u> |
| Total Personnel | 2,393.05 | 2,380.40 | 2,338.50 | -41.90 |

Vacancy Data: Regular Positions

| | | |
|---|--------|-------|
| Turnover and Necessary Vacancies, Excluding New Positions | 86.69 | 3.87% |
| Positions and Percentage Vacant as of 12/31/09 | 138.90 | 6.16% |

- The fiscal 2011 allowance abolishes 14 full-time equivalent positions, 10 of which are vacant, 4 of which are filled.

Analysis in Brief

Major Trends

Part I Crime Rates: Although the number of juvenile arrests is down in calendar 2008 from the prior year, the rate of arrests increases. Particularly sharp increases are found in violent and serious property (Part 1) arrest rates. These rates broadly mirror national trends.

Secure Detention and Pending Placement: The use of secure detention, while marginally lower than the recent high mark in fiscal 2007, has increased in the first seven months of fiscal 2010 compared to fiscal 2009. Pending placement trends have also jumped, although secure pending placement average length of stay continues to fall.

Committed Placements: The number of youth in committed residential placements is flat in fiscal 2010 year-to-date compared to fiscal 2009, and there has been a welcome drop in the use of out-of-state placements.

Issues

Issues Raised by the 2009 Department of Juvenile Services Gap Analysis: The Department of Juvenile Services submitted its long-awaited gap analysis and facilities master plan in March and April 2009, respectively. An analysis of some of the important policy and other issues raised by those documents will be presented.

Juvenile Drug Courts: Another Year of Underutilization: The latest report on utilization of juvenile drug courts shows continued underutilization and the suspension of two drug courts because of low enrollment.

Department of Justice Sexual Victimization Report: A January 2010 report on sexual victimization at juvenile justice facilities included data on three Maryland facilities.

Recommended Actions

| | <u>Funds</u> | <u>Positions</u> |
|---|---------------------|-------------------------|
| 1. Delete 3 long-term vacant non-direct care positions. | \$ 215,671 | 3.0 |
| 2. Reduce funding for contractual support. | 748,000 | |

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3. Adopt narrative on substance abuse treatment options for court-involved youth.

| | | |
|-------------------------|-------------------|------------|
| Total Reductions | \$ 963,671 | 3.0 |
|-------------------------|-------------------|------------|

Updates

Civil Rights of Institutionalized Persons Act Investigations: The most recent Civil Rights of Institutional Persons Act (CRIPA) monitor report for the Baltimore City Juvenile Justice Center is summarized. It offers real promise that the State will shortly be able to be in full compliance with CRIPA requirements.

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Department of Juvenile Services

Operating Budget Analysis

Program Description

Functionally, the Department of Juvenile Services (DJS) is broken down into two major areas:

- **Leadership Support** which is essentially headquarters operations that provide guidance and centralized services to the other part of the agency. It consists of two areas:
 - Office of the Secretary; and
 - Departmental Support, which includes such functions as human resources, capital planning, property management, procurement, information technology, professional development and training, and professional responsibility and accountability (for example, audits, professional standards, and quality assurance).
- **Residential, Community, and Regional Operations** which incorporates the actual delivery of services to youth in community and residential settings. A leadership division provides direction to regional operations and programs that are organized around six regions:
 - Baltimore City;
 - Central (Baltimore, Carroll, Harford, and Howard counties);
 - Western (Allegany, Frederick, Garrett, and Washington counties);
 - Eastern (Caroline, Cecil, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester counties);
 - Southern (Anne Arundel, Calvert, Charles, and St. Mary's counties); and
 - Metro (Montgomery and Prince George's counties).

The key goals of the department are public safety, juvenile offender accountability, and the development of a level of competency in juvenile offenders to reduce the risk of recidivism.

Performance Analysis: Managing for Results

U.S. and Maryland Juvenile Arrest Data

Exhibit 1 presents certain Maryland juvenile arrest data for calendar 2004 through 2008. The data uses distinctions found in the *Uniform Crime Reports*. Part 1 arrests are those for murder, manslaughter, rape, robbery, felonious assault, breaking or entering, larceny-theft, motor vehicle theft, and arson. Part 2 arrests are all other arrests and include such things as vandalism, drug abuse violations, weapons offenses, and fraud. The exhibit also distinguishes Part 1 arrests between violent and serious property crimes.

Exhibit 1
Maryland: Juvenile Arrest Data (Age 10 through 17)
Calendar 2004-2008

| | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>Annual % Change 2004-08</u> | <u>Annual % Change 2007-08</u> |
|---------------------|-------------|-------------|-------------|-------------|-------------|--|--|
| Total Arrests | 51,649 | 49,849 | 50,153 | 47,952 | 47,632 | -2.0% | -0.7% |
| Arrest Rate | 8,024 | 7,760 | 7,893 | 7,681 | 7,839 | -0.6% | 2.0% |
| Part 1 Arrests | 15,910 | 15,036 | 15,764 | 15,457 | 16,075 | 0.3% | 4.0% |
| Part 1 Arrest Rate | 2,472 | 2,341 | 2,481 | 2,476 | 2,646 | 1.7% | 6.8% |
| Part 1 Arrests: | | | | | | | |
| a. Violent Crimes | 3,285 | 3,213 | 3,732 | 3,504 | 3,655 | 2.7% | 4.3% |
| Violent Crime Rate | 510 | 500 | 587 | 561 | 602 | 4.2% | 7.2% |
| b. Property Crimes | 12,625 | 11,823 | 12,032 | 11,953 | 12,420 | -0.4% | 3.9% |
| Property Crime Rate | 1,961 | 1,841 | 1,894 | 1,915 | 2,044 | 1.0% | 6.8% |
| Part 2 Arrests | 35,739 | 34,813 | 34,389 | 32,495 | 31,557 | -3.1% | -2.9% |
| Part 2 Arrest Rate | 5,552 | 5,419 | 5,412 | 5,205 | 5,193 | -1.7% | -0.2% |

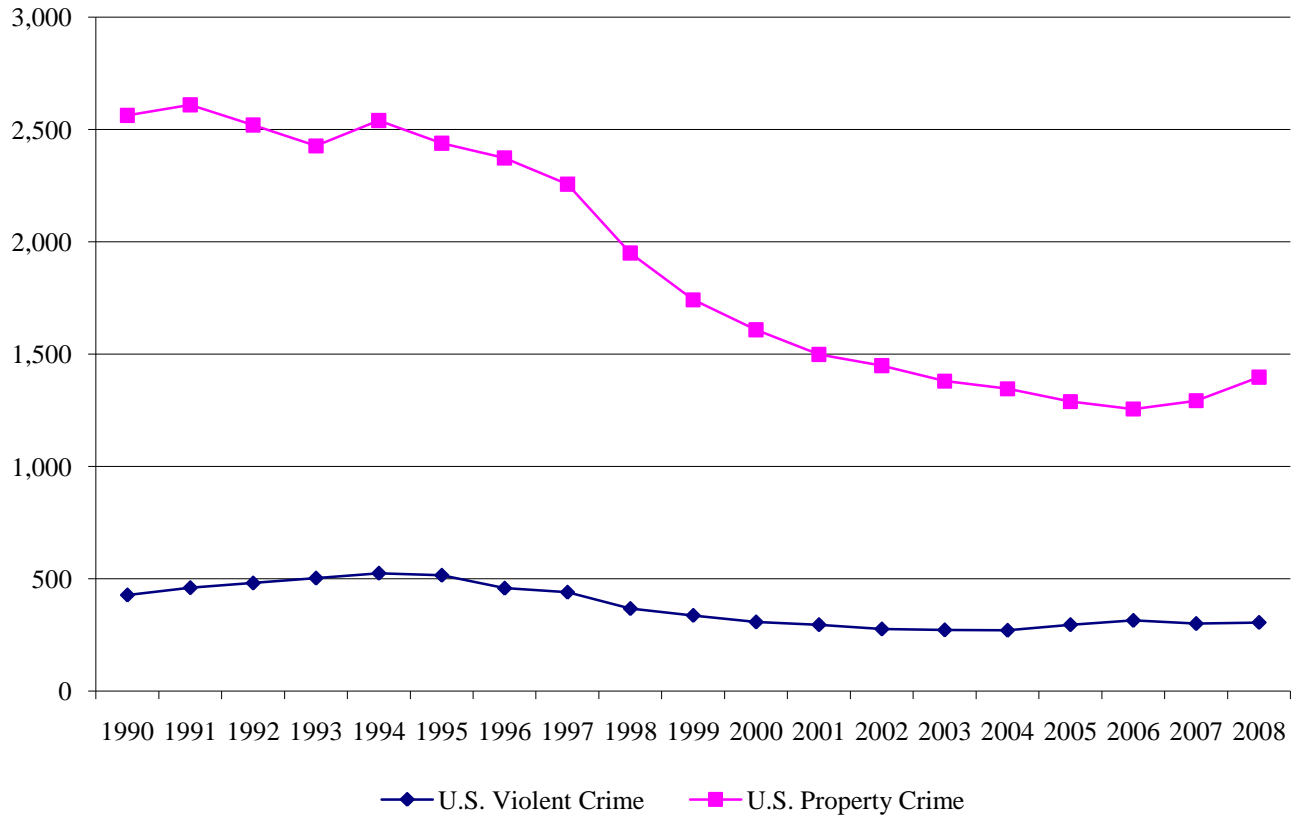
Note: Arrest rates are per 100,000 juveniles age 10 through 17.

Source: U.S. Census; *Uniform Crime Reports*; Department of Legislative Services

As shown in Exhibit 1, long-term (2004 through 2008) trends in this data reveal that total arrests fall in the period, with Part 1 arrests up slightly and Part 2 arrests down. The long-term trend in arrest rates is broadly similar. Short-term (2007 to 2008) trends are similar in terms of overall arrest numbers, although arrest rates show a fairly sharp increase in Part 1 arrest rates (6.8%, with the violent crime rate up 7.2% and the property crime rate up 6.8%). The sharp rise in rates despite a smaller increase in absolute arrests reflects the shrinking of the age 10 to 17 population.

The trends in Maryland’s juvenile violent and property crime rates are broadly similar to those reported at the national level. While violent crime and property rates reported in Exhibit 1 are higher than the national averages shown in **Exhibit 2**, reporting issues make direct comparisons problematic.

Exhibit 2
National Juvenile Arrest Data (Age 10 through 17)
Calendar 1990-2008



Note: Arrest rates are per 100,000 juveniles age 10 through 17.

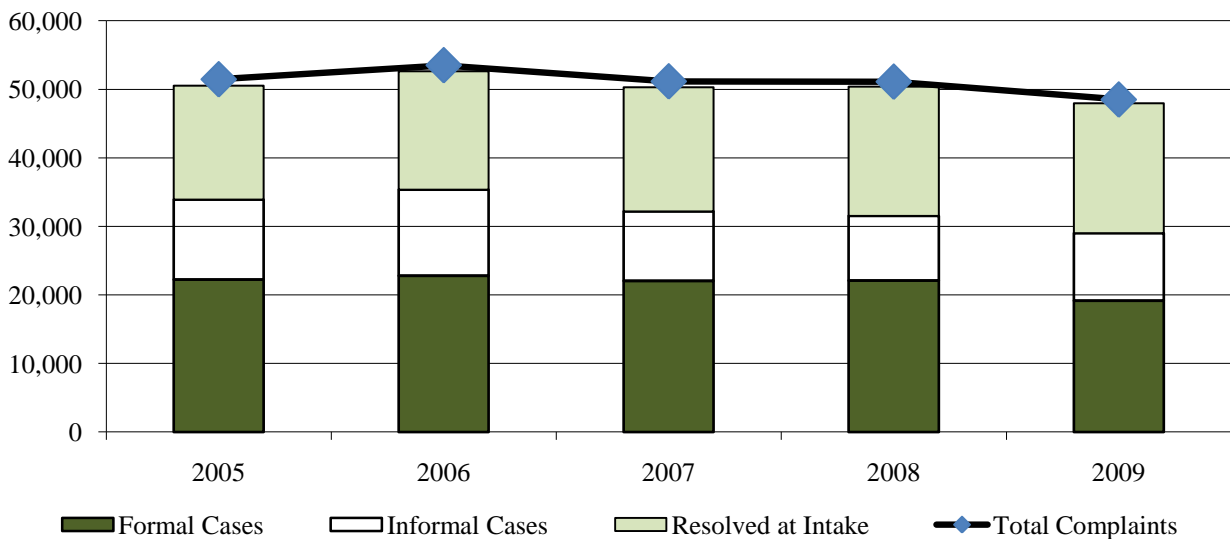
Source: U.S. Department of Justice, Office of Juvenile Justice and Delinquency Prevention; Department of Legislative Services

DJS Complaint Totals and Complaint Disposition

Exhibit 3 details the total number of complaints received by DJS in recent years, as well as complaint disposition. As shown in the exhibit:

- ! The total number of complaints handled in fiscal 2009, just over 48,500, is the lowest number for the period shown and represents a 5.1% drop over fiscal 2008. DJS notes that this trend appears to be continuing into fiscal 2010.
- ! Formal caseloads, those where DJS believes court intervention is required, fell sharply between fiscal 2008 and 2009 (13.4%). As a percent of total case dispositions, at just under 40.0%, formal caseloads are also at their lowest share of total caseload for the period shown.
- ! Even with the drop in total cases, cases resolved at intake continue to increase in real and relative terms, a trend that has been true for the entire decade. Cases resolved at intake now account for almost 40.0% of all complaint dispositions. Those cases that are considered to require some form of intervention but do not rise to the level of court intervention (the informal caseload), show a year-over-year increase for the first time since 2006, although are still well below historic levels (for example, remaining less than half of the informal caseload of the late 1990s).

Exhibit 3
Juvenile Complaint and Complaint Disposition
Fiscal 2005-2009



Note: Total complaints typically are 1 to 2% higher than the sum of those resolved at intake and the informal and formal caseload. The difference relates to jurisdictional issues or when a decision is not recorded.

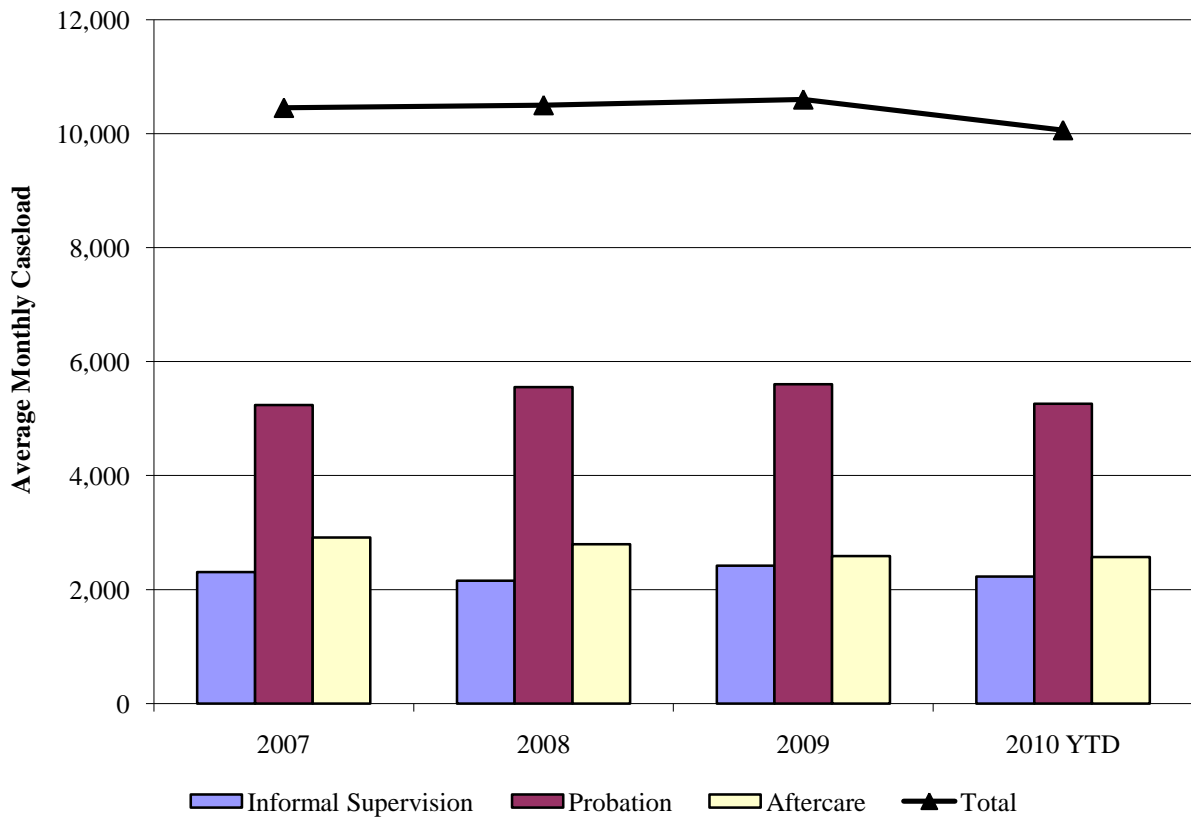
Source: Department of Juvenile Services; Department of Legislative Services

Placement Trends

Non-residential Placement Trends

As shown in **Exhibit 4**, after three years of relatively stable caseloads, the average monthly caseload in informal supervision appears to fall in fiscal 2010 year-to-date. This drop relates to the declining referrals, generally, and is particularly pronounced in probation and informal supervision. Aftercare caseloads are relatively stable between fiscal 2009 and 2010 year-to-date but are down 12% from fiscal 2007, again attributed to declining referrals.

Exhibit 4
Department of Juvenile Services
Various Non-residential Placement Trends
Fiscal 2007-2010 Year-to-date



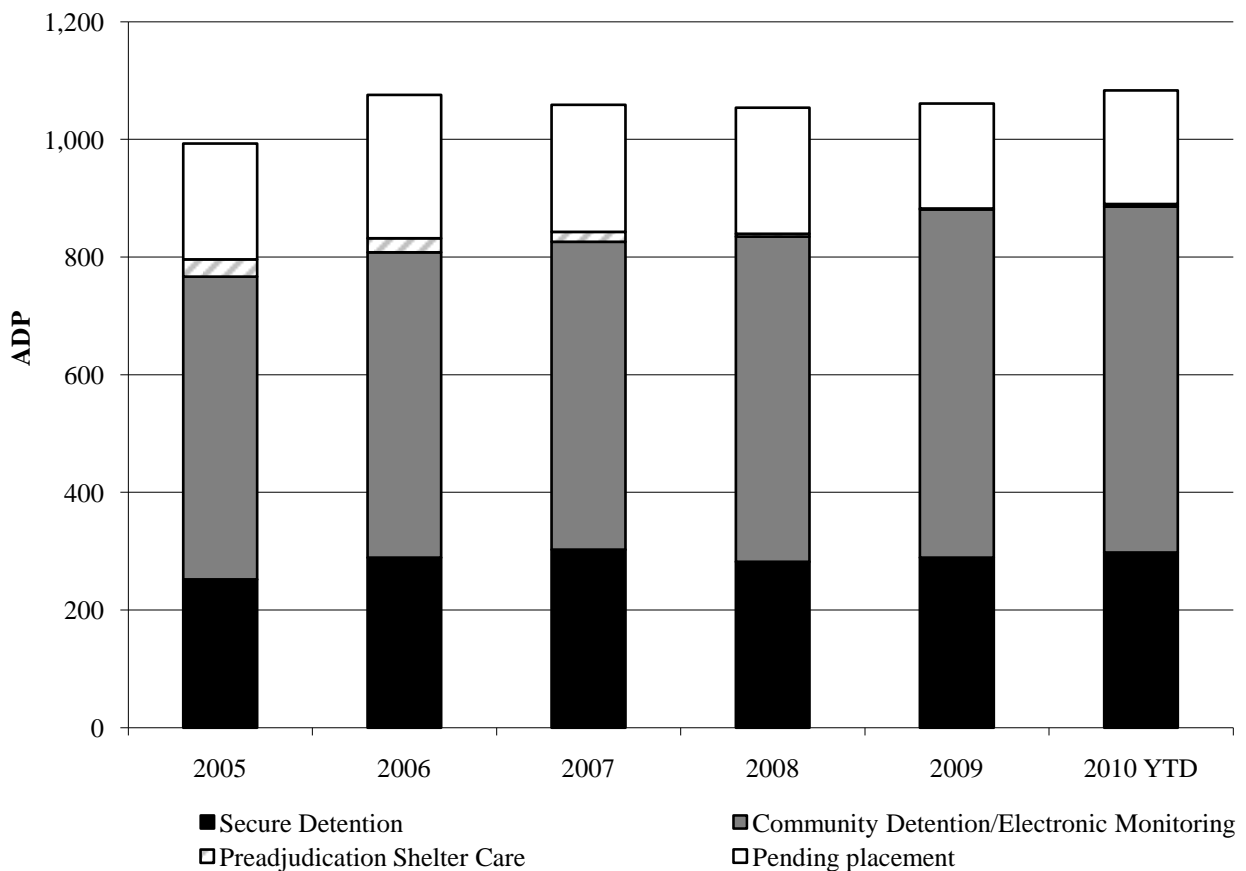
Note: Fiscal 2010 data is through December 2009.

Source: Department of Juvenile Services; Department of Legislative Services

Preadjudication/Pending Placement Trends

Exhibit 5 details average daily population (ADP) trends for DJS’s more intensive preadjudication programs (including non-residential community detention/electronic monitoring), as well as the pending placement population (youth who have been adjudicated delinquent and are held in secure detention, community detention usually in combination with electronic monitoring, or shelter care pending a permanent committed placement).

**Exhibit 5
Various Preadjudication and Pending Placement Data
Fiscal 2005-2010 Year-to-date**



ADP: average daily population

Note: Fiscal 2010 data is through January 2010. Pending placement data can include placement in shelter care, community detention/electronic monitoring, or secure detention.

Source: Department of Juvenile Services; Department of Legislative Services

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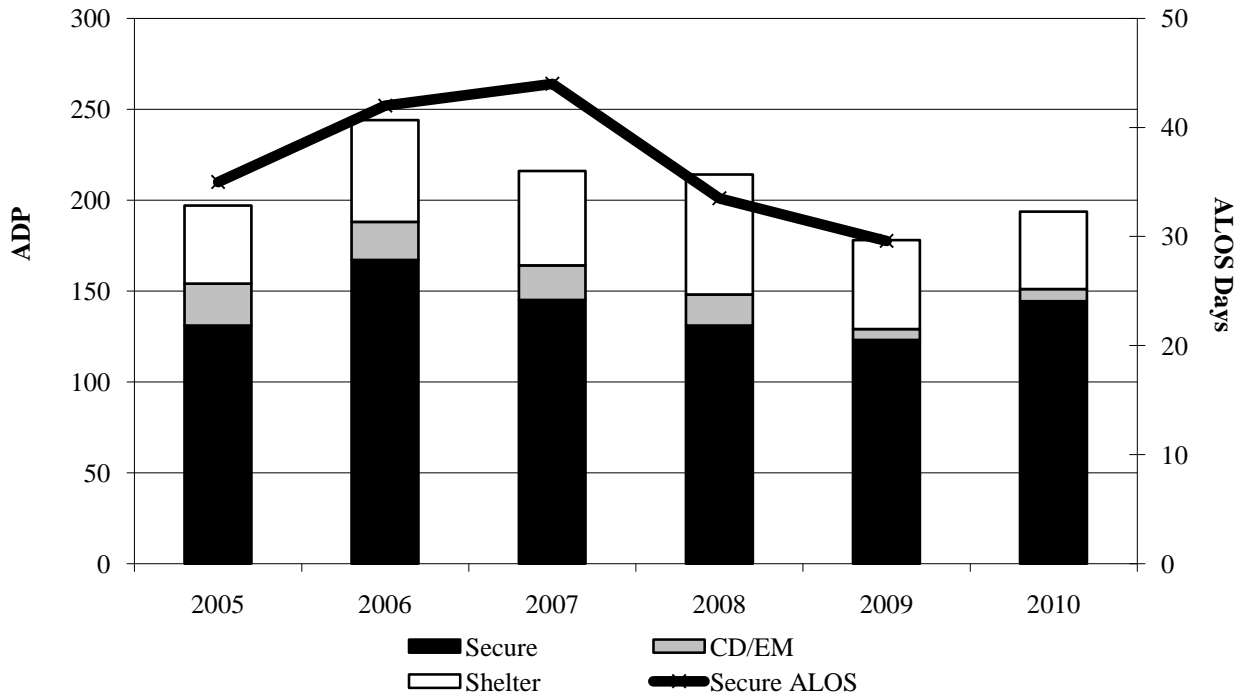
A number of points may be made from this chart:

- The utilization of secure detention through the first seven months of fiscal 2010 has increased by 3% over fiscal 2009, although it is still below the recent ADP watermark of 303 in fiscal 2007. Indeed, fiscal 2009 secure detention utilization ended slightly higher than fiscal 2008 even though at the 2009 budget hearings through the first seven months of fiscal 2009 the use of secure detention was 4% lower than fiscal 2008.
- It should be noted that the use of secure detention among African American and Hispanic youth is still disproportionate to the population as a whole. The measure used to indicate this disproportionate use of secure detention among minority youth is the Relative Rate Index (RRI). The RRI for African American youth in cases involving secure detention increased from 2.44 to 2.64 between fiscal 2008 and 2009. The RRI for Hispanic youth fell in the same period, from 1.92 to 1.78, but it is still above 1.0 which is the point at which a minority youth is just as likely to be detained as any other youth.
- The use of community detention/electronic monitoring increased significantly between fiscal 2008 and 2009 before leveling off in fiscal 2010 year-to-date.
- Pending placement trends, which showed a sharp decline in fiscal 2009 over fiscal 2008, falling to the lowest level seen in recent years, jumped 9% in the first seven months of fiscal 2010. According to the department, this appears to be predominantly due to failed placements that result in a return to secure detention pending a subsequent placement. The department also noted that even with the decline in formal caseloads, there appears to be an increase in youth being committed which similarly plays into the pending placement population. As shown in **Exhibit 6**, even with this recent rise, pending placement numbers are still low relative to all but fiscal 2009. Average-length-of-stay (ALOS) for youth in secure detention pending placement in fiscal 2009 (29.6 days) continues to be above 25.0 days that has always been the articulated goal for ALOS, but it continues to move in a positive direction and is the lowest secure pending placement ALOS for the time period shown.

Committed Residential Population Trends

As shown in **Exhibit 7**, year-to-date in fiscal 2010, the ADP of youth in committed residential programs (928) is flat from fiscal 2009. However, both numbers are lows for the period. As also shown, the use of contracted programming has for the moment been eliminated. The O'Farrell Center was the last major residential committed program operated by a private contractor at a State-owned facility and that contract was ended in the fall of 2008. The last remaining facility, Mount Clare, a DJS-owned and contracted facility, was closed in the fall of 2009.

Exhibit 6
Department of Juvenile Services
Pending Placement Population
Fiscal 2005-2010 Year-to-date

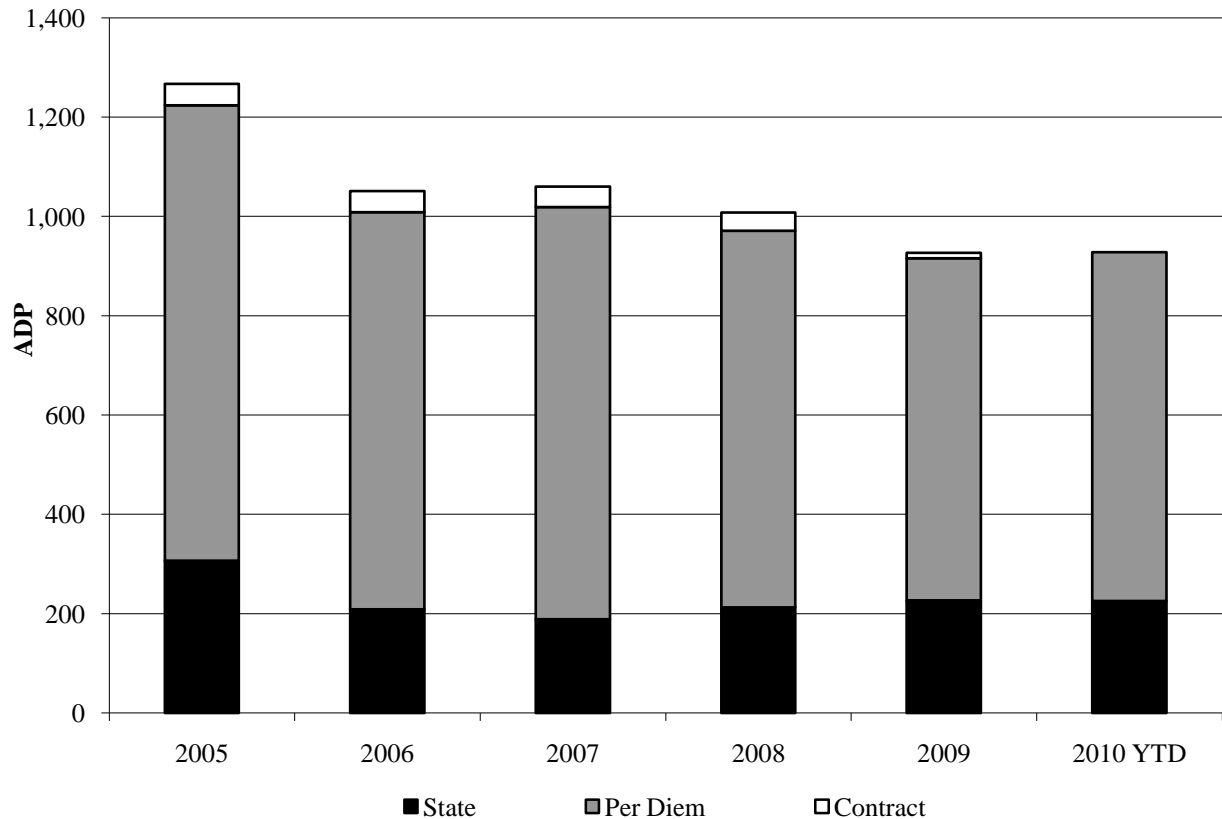


ADP: average daily population
ALOS: average-length-of-stay
CD/EM: community detention/electronic monitoring

Note: Fiscal 2010 data through January 2010.

Source: Department of Juvenile Services

Exhibit 7
Committed Residential Populations Average Daily Population
Fiscal 2005-2010 Year-to-date



ADP: average daily population

Note: Fiscal 2010 data are through January 2010.

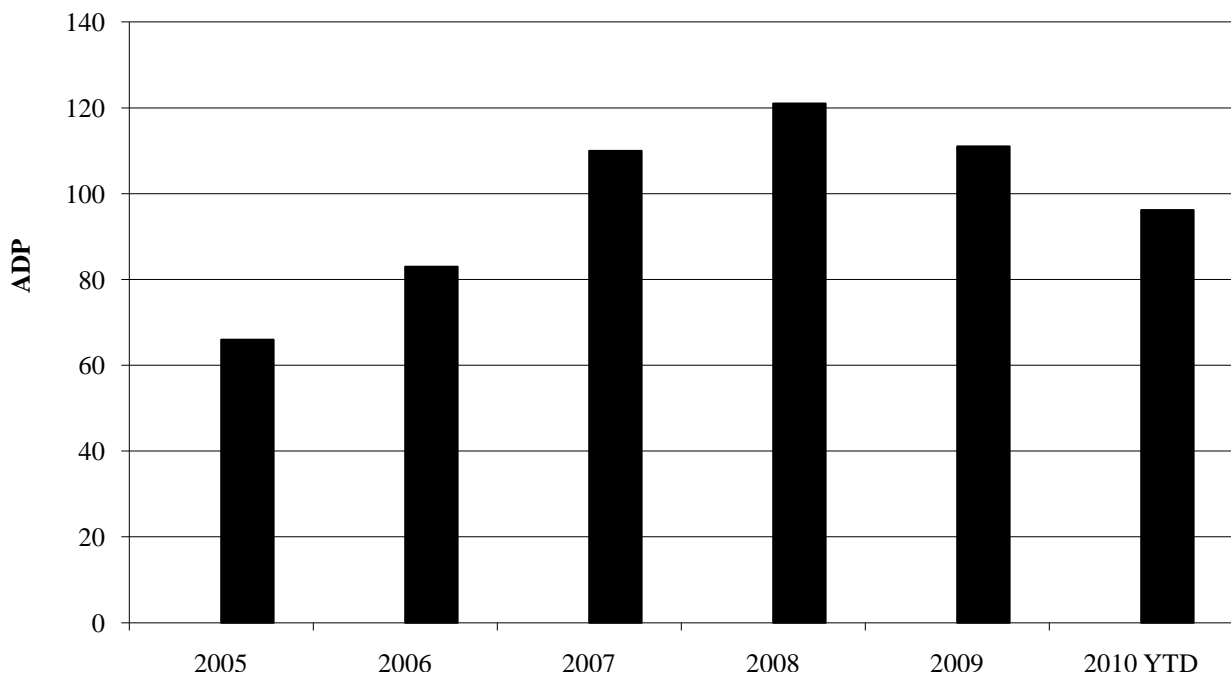
Source: Department of Juvenile Services; Department of Legislative Services

Most youth committed to residential placements, 76% to date in fiscal 2010, continue to be placed in private per diem facilities (a mix of foster care, group homes, residential treatment centers, and more secure out-of-state facilities). The use of private per diem placements fiscal 2010 year-to-date actually increases by 2%, primarily in non-Residential Treatment Center (RTC) placements, primarily it would appear because of the elimination of the remaining contractual residential capacity.

It should also be noted that the department is temporarily reducing programming at the William Donald Schaefer House, one of two State-operated drug treatment facilities. The department indicates that it is reexamining the programming at the facility but intends to operate it in fiscal 2011.

The department has been successful in recent months in reducing out-of-state placements. As shown in **Exhibit 8**, progress was made in fiscal 2009 in reducing these placements from the recent high of over 120 on any given day in fiscal 2008. That progress continues in fiscal 2010 year-to-date, falling to just below 100. This appears almost directly attributable to the gradual expansion of programming at Cullen.

Exhibit 8
Out-of-state Committed Residential Populations
Average Daily Population
Fiscal 2005-2010 Year-to-date



ADP: average daily population

Note: Fiscal 2010 data is through January 2010.

Source: Department of Juvenile Services; Department of Legislative Services

Recidivism Rates

Exhibit 9 presents recidivism rates for youth released from residential placements within two and three years. Recidivism is only one measure of the impact of a residential placement on a youth. However, it is a widely used measure. Recidivism includes both to the juvenile and adult criminal justice system and represents the fuller picture of recidivism for those older youth who age out of the juvenile justice system. Data reflects the most serious subsequent penetration of the juvenile or criminal system by a youth.

Exhibit 9
Recidivism Rates to the Juvenile Justice and Criminal Justice System for Youth Released from Residential Placements within Two and Three Years (%)
Fiscal 2004-2007

| | 2004 | | 2005 | | 2006 | | 2007 | |
|------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | <u>2 Years</u> | <u>3 Years</u> | <u>2 Years</u> | <u>3 Years</u> | <u>2 Years</u> | <u>3 Years</u> | <u>2 Years</u> | <u>3 Years</u> |
| Rereferral Juvenile/Criminal | 66 | 72 | 67 | 74 | 67 | 74 | 70 | |
| Readjudication/Conviction | 36 | 48 | 38 | 50 | 40 | 45 | 39 | |
| Recommitment/Incarceration | 25 | 37 | 29 | 40 | 30 | 39 | 31 | |

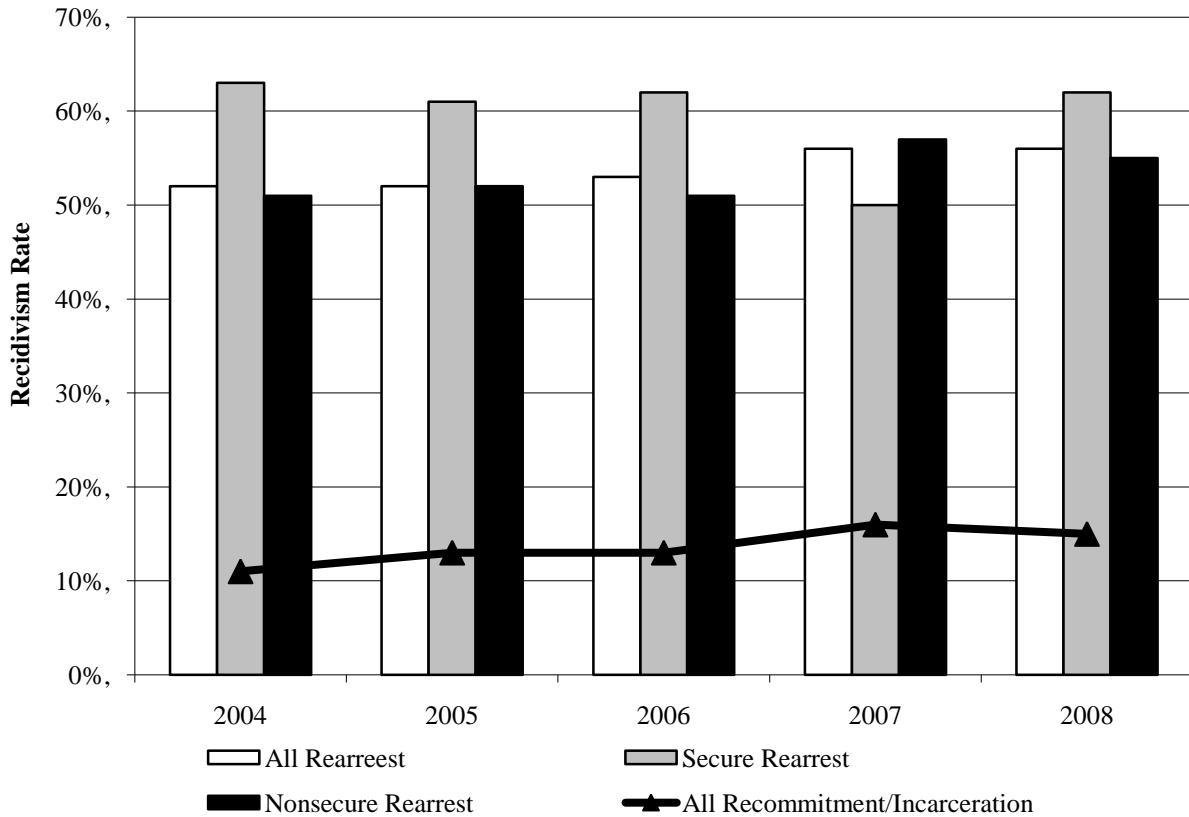
Source: Department of Juvenile Services; Department of Legislative Services

Overall, the longer-term recidivism (three-year) rates show little or no change from fiscal 2005 to 2006 in terms of rereferral/rearrest and recommitment/incarceration rates, although fewer youth were readjudicated/convicted. Two-year trends were marginally worse between fiscal 2006 and 2007, with rereferrals/rearrest and recommitment/incarceration rates increasing although fewer youth were readjudicated/convicted.

As shown in **Exhibit 10**, recidivism within one year of release from a residential program in terms of rereferral/arrest is flat from fiscal 2007 to 2008, although remains at a higher level than any other time shown. Recidivism from secure programs (which made up 17.5% of the releases in fiscal 2008) was sharply higher in fiscal 2008, although recidivism from nonsecure programs fell in fiscal 2008 from fiscal 2007. The deepest end one-year recidivism rates (recommitment/incarceration) is marginally lower in fiscal 2008 from fiscal 2007, 15.0% compared to 16.0% (it should also be noted that the fiscal 2007 number has been revised up to 16.0% in the current budget books compared to the 15.0% stated last year).

DJS makes a valid point that while the recidivism level is relatively unchanged, the number of youth on which this calculation is based is falling. It argues that it is more appropriately screening youth and keeping youth from unnecessary residential placements. However, because there is no widespread or longitudinal recidivism data for non-residential placements, it is impossible to know if youth that are now being placed in non-residential placements that would previously have been placed in residential placements are more likely to recidivate from those programs than in the past. Similarly, the recidivism rates here are not overly different from those shown from the mid-1990s which were from a much more narrow and intensive range of residential placements.

Exhibit 10
Rereferrals to Adult or Juvenile System within
One Year of Release from a Residential Placement
Fiscal 2004-2008

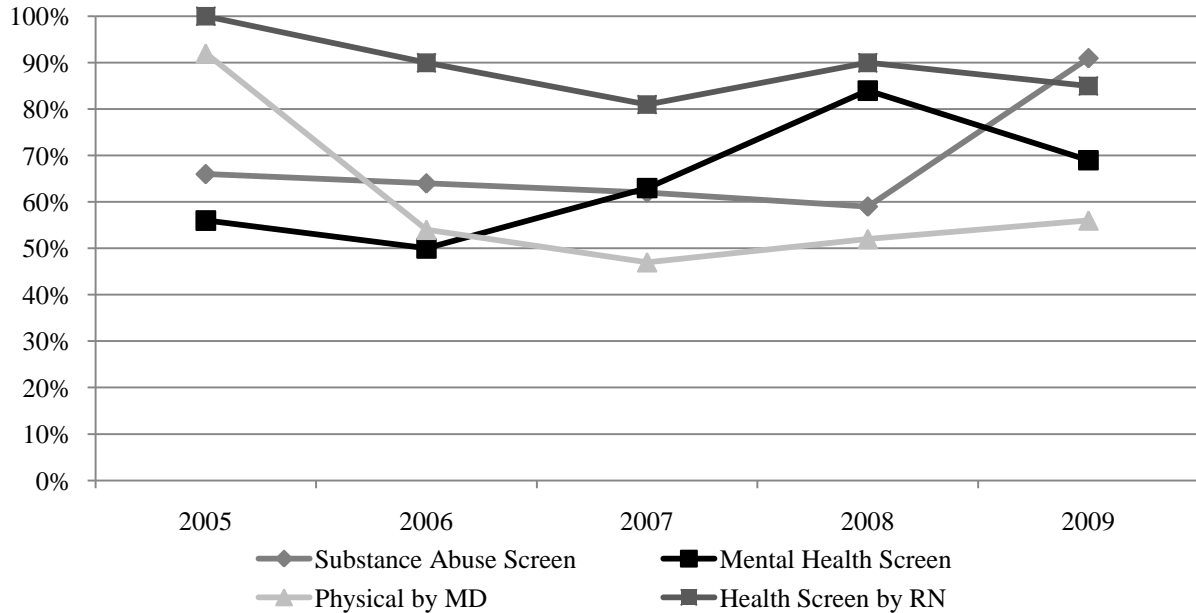


Source: Department of Juvenile Services

Health Screenings

Looking at other outcomes around which the State has made significant investments, there is progress if not yet to the extent that the State would like. Consider, for example, data in **Exhibit 11**, concerning various health screenings. Every youth entering a State-run residential placement (either a secure detention or a committed residential facility operated by the State) is supposed to be screened for mental health, substance abuse, and physical issues. Data in Exhibit 11 reveals significant progress in ensuring every youth has a substance abuse screening, up to 91% in fiscal 2009, and some progress in physicals performed by a physician. However, the percent of youth receiving a mental health screening fell from 84% in fiscal 2008 to 69% in fiscal 2009, and there was a similar if smaller drop in health screenings performed by a Registered Nurse.

Exhibit 11
Physical and Behavioral Health Screenings at DJS-operated Facilities
Fiscal 2005-2009



DJS: Department of Juvenile Services
 MD: Medical Doctor
 RN: Registered Nurse

Source: Department of Juvenile Services

For some number of years, DJS’ goal in the area of facility health screenings has been that all youth receive the appropriate screenings, but it has not been able to meet that goal. A variety of reasons explain this, including youth refusing the screenings, staff availability, and youth being released prior to screenings being undertaken. DLS would note that in making recent internal cost containment actions, DJS has cut funds for behavioral health evaluations intending to rely more on facility-based services. In doing so, the onus is clearly on the department to ensure that screenings are provided.

Fiscal 2010 Actions

Proposed Deficiency

The department receives deficiency appropriations in two areas:

- overtime funding of \$1,000,000; and

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- residential per diem placement funding of \$5,057,036.

In both instances, data from the department confirms the need for these deficiencies and as discussed in the next section, the deficiency appropriations do not appear to fully cover projected expenditures.

Impact of Cost Containment

DJS' fiscal 2010 budget has undergone two different types of cost containment actions: cost containment imposed by the Board of Public Works (BPW) and internal cost containment required for the department to stay within its fiscal 2010 budget.

To date, through three rounds of cost containment, the BPW has reduced the DJS budget by just over \$7.5 million. Reductions are summarized in **Exhibit 12**.

Exhibit 12

DJS Fiscal 2010 Board of Public Works Cost Containment Measures

| | |
|--|--------------------|
| Employee furloughs | \$3,357,439 |
| Elimination of funding for two structured shelter care contracts due to a declining census at these facilities | 1,355,094 |
| Elimination of funding for Mount Clare, a group home facility housing Department of Juvenile Services (DJS), Department of Human Resources, and Department of Health and Mental Hygiene youth. DJS indicates that the other two agencies did not want to continue utilizing the facility and DJS did not want to utilize the full facility because of cost and the state of building disrepair | 882,058 |
| Elimination of funding for three intensive intervention services contracts. Youth served in these programs have been moved to evidence-based practices or under DJS staff supervision | 576,497 |
| DJS share of statewide telecommunications reduction | 415,176 |
| Vehicle replacement | 398,726 |
| DJS share of statewide rent reduction | 300,000 |
| Savings by delaying the issuance of contracts for structured programming at Hickey and Cheltenham | 175,000 |
| Travel | 81,000 |
| Total | \$7,540,990 |

Source: Department of Juvenile Services; Department of Budget and Management; Department of Legislative Services

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As was noted by the Department of Legislative Services (DLS) in the 2009 session, the department's fiscal 2010 budget plan as proposed was likely to be inadequate, and that is proving to be the case. As shown in **Exhibit 13**, the department is faced with \$13.4 million in deficits in a variety of areas. As noted above, and shown in the exhibit, the Governor has provided just under \$6.1 million in deficiency appropriations leaving the department to come up with internal cost containment measures to manage the remaining \$7.3 million problem.

Exhibit 13
DJS Fiscal 2010 Funding Shortfalls and Solutions

| <u>Item</u> | <u>\$</u> | <u>2010 Deficiency</u> | <u>2010 Internal Cost Containment/Other</u> |
|---|---------------------|------------------------|---|
| Residential per diem placements (growth over budget and lower expectation of federal fund recovery) | \$7,500,000 | \$5,060,000 | \$ 2,440,000 |
| Overtime and other regular position expenses | 2,270,000 | 1,000,000 | 1,270,000 |
| Fiscal 2009 unprovided for general fund payables rolled into fiscal 2010 | 1,840,000 | | 1,840,000 |
| Non-residential placements | 1,400,000 | | 1,400,000 |
| Utilization of evidence-based practice slots beyond budget | 400,000 | | 400,000 |
| Total | \$13,410,000 | \$6,060,000 | \$7,350,000 |

Source: Department of Juvenile Services; Department of Legislative Services

DJS has identified just over \$6 million in internal cost containment actions (**Exhibit 14**). Even with these proposed reductions, DJS still faces a potential fiscal 2010 deficit of over \$1 million.

Exhibit 14
Identified DJS Internal Cost Containment

| | |
|---|--------------------|
| Various service contracts with public agencies | \$1,435,106 |
| Family intervention specialists | 1,106,244 |
| Mental health evaluations | 843,667 |
| Maintenance | 750,000 |
| Various service contracts with private agencies | 635,000 |
| Other | 503,933 |
| Shelter care contracts | 413,000 |
| Software applications | 250,000 |
| Night intake | 104,794 |
| Total | \$6,041,744 |

Source: Department of Juvenile Services; Department of Legislative Services

Fiscal 2010 Planned Reversion

The budget assumes one planned reversion from DJS funds, specifically \$376,472 in encumbered gang prevention funding. This funding was part of \$4.6 million in combined operating and capital funding restricted/added to the operating/capital budget in fiscal 2007. DJS and the Governor’s Office for Children announced plans to combine this funding with other delinquency prevention funding and award it under the rubric of gang reduction plans being developed by Local Management Boards. The funding was supposed to have been spent down over a period of two years (fiscal 2008 and 2009).

Proposed Budget

As shown in **Exhibit 15**, the Governor’s fiscal 2011 allowance increases \$1.7 million, 0.6%, over the fiscal 2010 working appropriation. As is clear from the exhibit, the department’s fiscal 2011 budget includes significant ongoing cost containment measures. Key elements of change are discussed below.

Exhibit 15
Proposed Budget
Department of Juvenile Services
(\$ in Thousands)

| How Much It Grows: | <u>General Fund</u> | <u>Special Fund</u> | <u>Federal Fund</u> | <u>Reimb. Fund</u> | <u>Total</u> |
|--|----------------------------|----------------------------|----------------------------|---------------------------|---------------------|
| 2010 Working Appropriation | \$254,580 | \$203 | \$16,171 | \$883 | \$271,838 |
| 2011 Allowance | <u>260,974</u> | <u>203</u> | <u>15,971</u> | <u>225</u> | <u>277,372</u> |
| Amount Change | \$6,393 | \$0 | -\$200 | -\$658 | \$5,535 |
| Percent Change | 2.5% | | -1.2% | -74.5% | 2.0% |
| Contingent Reduction | -\$3,753 | \$0 | -\$62 | \$0 | -\$3,816 |
| Adjusted Change | \$2,640 | \$0 | -\$263 | -\$658 | \$1,719 |
| Adjusted Percent Change | 1.0% | 0.0% | -1.6% | -74.5% | 0.6% |
| Where It Goes: | | | | | |
| Personnel Expenses | | | | \$1,808 | |
| Employee and retiree health insurance including savings from Section 19 | | | | | \$1,817 |
| Retirement contributions | | | | | 1,796 |
| Overtime | | | | | 1,000 |
| Regular earnings including savings from Section 18 | | | | | 684 |
| Miscellaneous adjustments | | | | | 250 |
| Unemployment compensation | | | | | 189 |
| Social Security contributions | | | | | 138 |
| Workers' compensation premium assessment plus savings from Sections 21 and 23 | | | | | -490 |
| Abolished positions (14 full-time equivalents)..... | | | | | -1,159 |
| Turnover adjustments | | | | | -2,417 |
| Major Programmatic Changes | | | | 387 | |
| Residential per diems..... | | | | | 5,323 |
| Evidence-based practice slots | | | | | 1,570 |
| CORPS (federal grant program) | | | | | 886 |
| Offset of one-time cost containment to structured programming contracts at Hickey and Cheltenham | | | | | 175 |
| Programming at Mount Clare (continuation of fiscal 2010 cost containment) | | | | | -224 |
| Shelter Care (continuation of fiscal 2010 cost containment)..... | | | | | -413 |

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Where It Goes:

| | |
|---|----------------|
| Mental health evaluations (full implementation of fiscal 2010 cost containment. Agency intends to rely on facility-based services)..... | -1,459 |
| Behavioral health services (full implementation of fiscal 2010 cost containment. Agency is switching to evidence-based practice slots)..... | -1,655 |
| Non-residential programming (full implementation of fiscal 2010 cost containment)..... | -3,816 |
| Miscellaneous Changes | -479 |
| Contractual employment (various facilities) | 748 |
| Offset of one-time cost containment to vehicle purchases | 323 |
| Rent..... | 265 |
| Statewide personnel system (assigned cost) | 96 |
| Food services | 70 |
| Advertising (align to most recent actual)..... | -85 |
| Victor Cullen substance abuse outside contracts (programming will be handled by in-house resources) | -135 |
| Baltimore City Drug Court case worker funding (the Court is seeking alternative funding sources for this position) | -139 |
| Capital lease payments | -176 |
| Software purchases (continuation of fiscal 2010 cost containment) | -250 |
| Global Positioning System grant funds | -434 |
| Building repair/maintenance (continuation of fiscal 2010 cost containment)..... | -762 |
| Other | 3 |
| Total | \$1,719 |

Note: Numbers may not sum to total due to rounding.

Personnel Growth and Staffing Issues

The fiscal 2011 budget reflects several across-the-board actions to be allocated by the Administration. This includes a combination of employee furloughs and government shut-down days similar to the plan adopted in fiscal 2010; a reduction in overtime based on accident leave management; streamlining of State operations; hiring freeze and attrition savings; a change in the injured workers’ settlement policy and administrative costs; and a savings in health insurance to reflect a balance in that account. For purposes of illustration, DLS has estimated the distribution of selected actions relating to employee furloughs, health insurance, and the Injured Workers’ Insurance Fund cost savings.

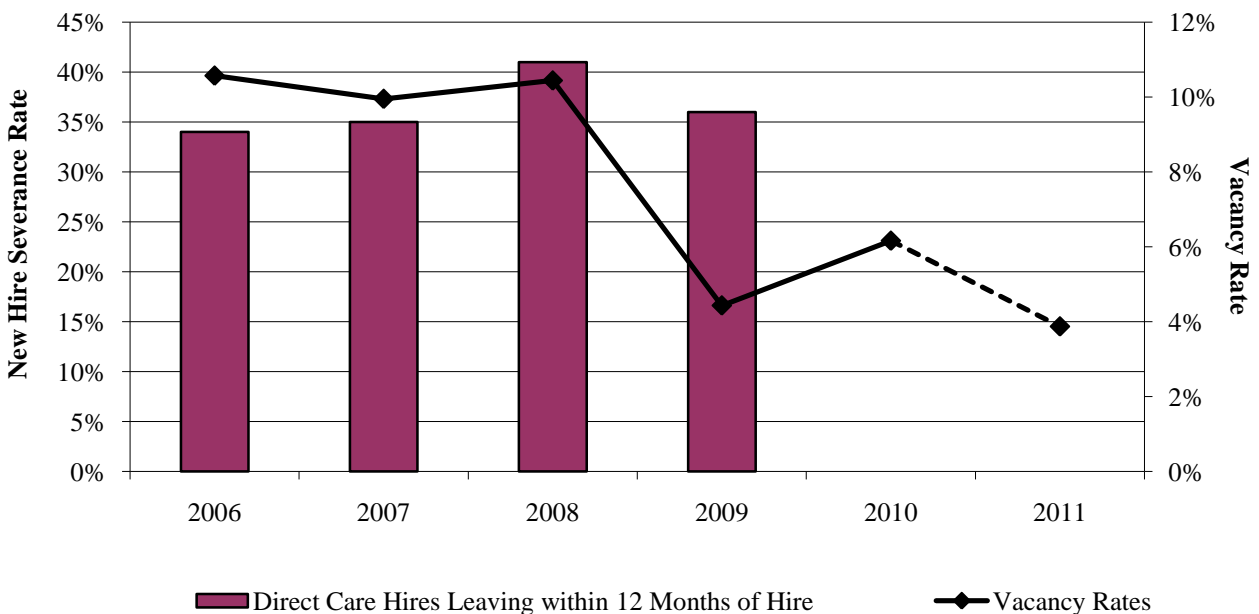
After estimating the impact of across-the-board savings, the personnel budget increases by just over \$1.8 million. This increase includes savings from the abolition of 14 regular positions, 10 of which are vacant and 4 filled.

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One of the key problems for DJS in recent years has been attracting and retaining staff, and the fiscal 2011 budget offers little in the way of monetary incentives to improve this situation. However, as shown in **Exhibit 16**, staffing trends are generally encouraging.

- Vacancy rates in the department are still relatively low. While the data in Exhibit 16 for prior years has not been adjusted to reflect high vacancy levels from new positions (for example, those associated with the reopening of Victor Cullen), the underlying vacancy rate has been falling and that was certainly evident by the end of fiscal 2009. However, the calendar 2009 year-end vacancy level has increased somewhat.
- The percent of new direct care hires (regular and contractual employees) leaving within 12 months, fell from 41% in fiscal 2008 to 36% in fiscal 2009. However, this still represents a significant amount of employee churn and a poor return on the investment in training that the department makes.

Exhibit 16
Department of Juvenile Services
Various Staffing Trends
Fiscal 2006-2011



Note: Vacancy rates are as of the end of the fiscal year, except for fiscal 2010 where vacancy rates are for December 31, 2009.

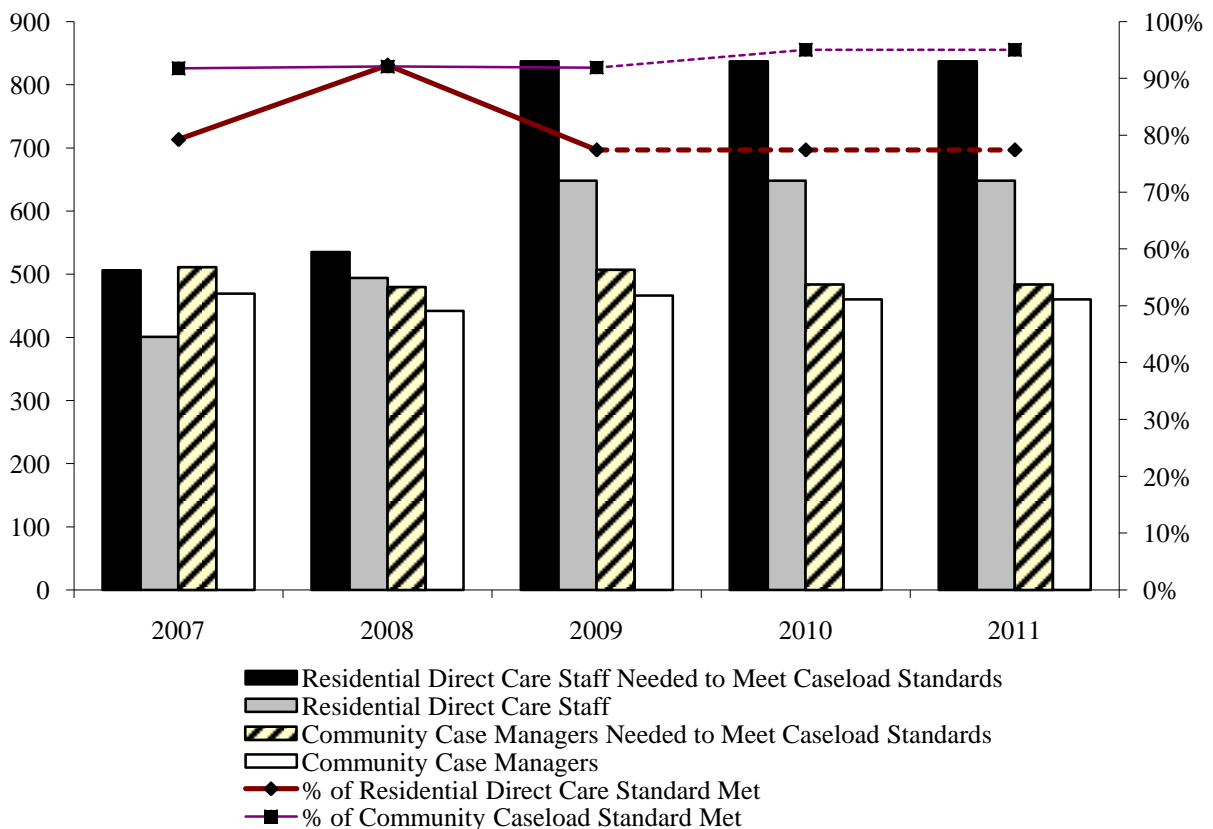
Source: Department of Juvenile Services

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In terms of meeting caseload/staffing standards (which vary by type of service being provided and also by facility), **Exhibit 17** shows:

- little change in the department’s goals of fully meeting its community caseload standards, achieving 92% of the standard annually, although based on revising staffing standards, this is projected to increase to 95% in fiscal 2010 and 2011; and
- a deterioration in efforts to meet residential staffing standards, dropping from 92% in fiscal 2008 to 77% in fiscal 2009, primarily because of recent significant revisions to those standards.

Exhibit 17
Department of Juvenile Services
Meeting Caseload/Staffing Standards
Fiscal 2007-2011



Source: Department of Juvenile Services

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The basis for the staffing standards which have been recently revised and now utilized by the department, was reported to the legislature in response to a 2009 *Joint Chairmen's Report* (JCR) request:

- For residential placements, the prior standard was 1:8 staff:youth ratio during waking hours and 1:16 during sleeping hours and is the standard articulated by DJS since at least 2004. This standard was considered acceptable by the Civil Rights of Institutional Persons Act (CRIPA) monitor but was viewed as a minimal standard. Thus, DJS has revised its standard to 1:6 staff:youth ratio during waking hours and 1:12 during sleeping hours, with the exception of the youth camps and William Donald Schaefer House which are at 1:10 and 1:20, respectively. These revised standards, combined with specific unit bed levels, a relief or coverage factor, and the availability of direct care staff based on job function result in the staffing requirements noted in Exhibit 17.
- For community placements, the staffing determinant is based on a range of caseload standards (from 1:15 for Violence Prevention Initiative programming, intensive aftercare, and intensive probation, to 1:40 for low intensity probation and aftercare, and 1:60 for intake cases). Again, in many areas, these are standards articulated by the department as long ago as 2004.

Not shown in the exhibit, but included in the report, was staffing required for community detention and electronic monitoring programming (including global positioning system (GPS) monitoring). Caseload ratios vary by region from 1:10 to 1:12 (caseloads are lower in Western Maryland and the Eastern Shore because of the additional distances that have to be traveled). According to the JCR report, the department estimates a need for 107 total staff in this function, with staff available of 79 (74% of the established standard).

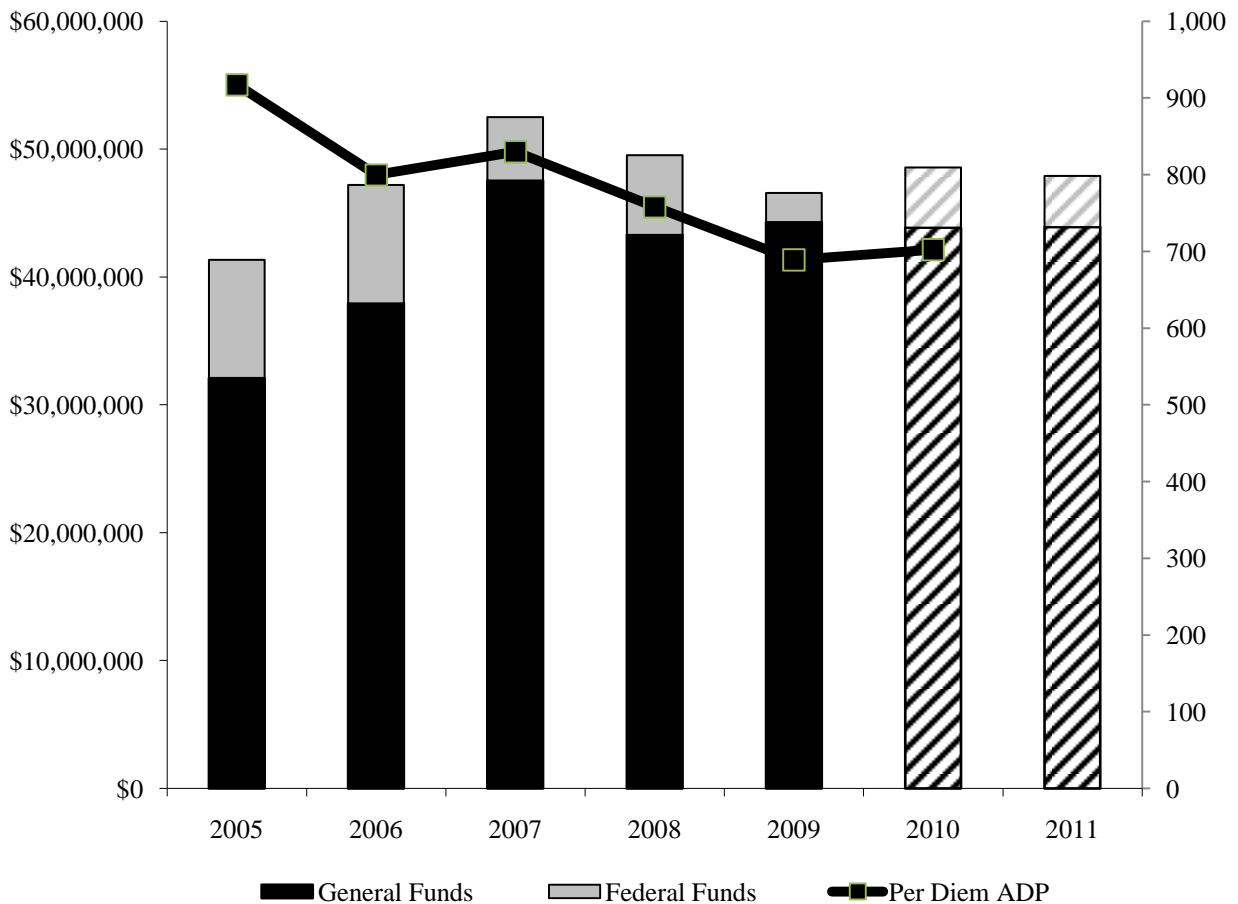
Major Programmatic Changes

There are three major programmatic increases in the DJS budget. However, as shown in Exhibit 15, these increases are essentially funded from ongoing savings in programs and other expenditure reductions implemented in fiscal 2010 either by BPW or as internal cost containment.

The largest increase is in the area of **residential per diems**. As shown in **Exhibit 18**, funding for residential per diem placements fell from a high of almost \$53 million in fiscal 2007 to just under \$47 million in fiscal 2009. The fiscal 2010 allowance called for an aggressive 9% decline in residential per diem expenditures. While DLS believed that the expansion of evidence-based practices should produce some savings in residential placement, the 9% target seemed overly optimistic. However, far from declining, as shown in Exhibit 18, expenditures are projected to increase in fiscal 2010 to just under \$49 million. As also shown in the exhibit, this growth appears to be driven by a slight increase in the residential per diem ADP. As noted earlier, while the total committed population is essentially flat, the department is no longer using contract programs, and the slack has been taken up by per diem placements. The fiscal 2011 allowance is slightly lower, 1.36%, than the projected fiscal 2010 expenditure level.

One issue that remains unresolved with residential per diem placements concerns the ability to claim federal Title IV-E funds. As noted in the fiscal 2010 budget analysis, the federal Department of Health and Human Services Administration for Children and Families determined that under State law, DHR, as the designated single State agency that administers or supervises the administration of the Title IV-E program, is precluded from providing supervision of DJS’ determination of IV-E eligibility and claims. Thus, Maryland operated two separate Title IV-E programs which contravened federal rules. Federal fund reimbursement for the last two quarters of fiscal 2008 and the first two quarters of fiscal 2009 (\$4,504,407.48) had been disallowed, and the department stopped submitting claims after that point.

Exhibit 18
Department of Juvenile Services
Residential Per Diem Placement Funding and Per Diem ADP
Fiscal 2005-2011



ADP: average daily population

Source: Department of Legislative Services

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During the 2009 session, statutory changes were made in order to address the federal concerns. However, subsequently it was discovered that the State also needed to update other documentation before the federal government would reconsider claims. That work has been done and submitted to the federal government and indications are that this matter should soon be resolved. However, it is unclear the extent to which DJS will be able to cover its federal fund receivables as well as submit new claims.

The fiscal 2011 budget continues expansion of **evidence-based practices (EBPs)** that show promise for youthful offenders including multi-systemic therapy (MST), functional family therapy, and multi-dimensional treatment foster care. In fiscal 2011, the department indicates it intends to fund 427 EBP slots with a total budget of just under \$7.3 million. Specifically, the department proposes to operate:

- 267 functional family therapy slots (at an annual cost of \$8,300 per slot);
- 140 multi-systemic therapy slots (\$28,350 per slot); and
- 20 multi-dimensional treatment foster care slots (\$55,000 per slot).

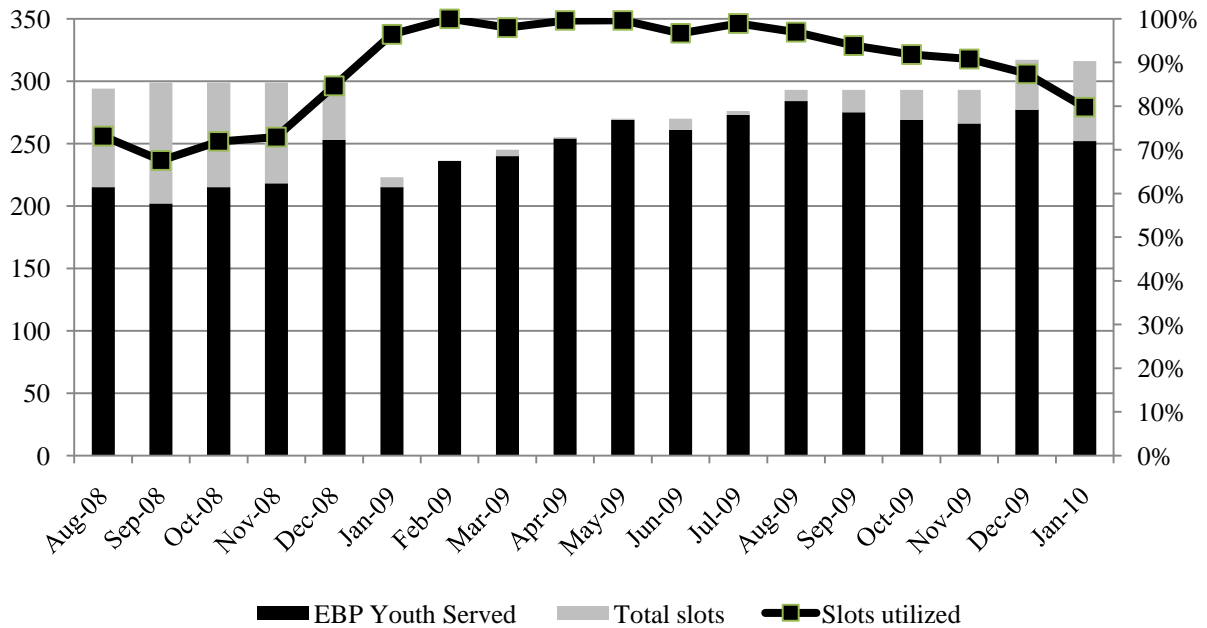
As shown in **Exhibit 19**, the department has been striving to fill the EBP slots that have been made available throughout the current fiscal year. After the drop in slot availability at the beginning of calendar 2009 (because of a transition in Baltimore City between EBP vendors based on concern about service quality) the department has been gradually expanding slots. It reported having 316 total slots in January 2010 and intends to have 383 slots on an annualized basis by the end of the fiscal year.

The department tracks outcomes for MST slots on its StateStat template. The outcomes are the percent of youth living at home; the percent of youth in school or working; and the percent of youth with no arrests. Results vary from program to program, but generally (though not universally) results do seem to improve the longer the program is operating. DJS is currently completing a major recidivism study for EBP slots but that study was not available at the time of writing.

It should also be noted that pursuant to the Budget Reconciliation and Financing Act of 2009, the Department of Health and Mental Hygiene is pursuing limited coverage of EBPs under Maryland's State Medicaid Plan. The proposal has been submitted to the Centers for Medicare and Medicaid Services, but this effort is still in a preliminary stage.

The third major program expansion is a federally funded aftercare program funded through the U.S. Department of Labor, **the CORPS program**. The department received a grant of a little over \$3.1 million. Just over \$1.1 million was appropriated in fiscal 2010 by budget amendment, with \$2.0 million in the fiscal 2011 budget. The program is intended to serve 400 youth in Baltimore City, a minimum of 80% coming from residential placement/detention and a maximum 20% from probation. The program emphasizes intensive case management, education and employment, and community involvement and has goals of limiting recidivism for enrollees to 20% or less, increasing school retention rates, and increasing the number of youth receiving high school diplomas.

**Exhibit 19
Department of Juvenile Services
Utilization of Evidence-based Practices**



EBP: evidence-based practices

Source: Department of Legislative Services

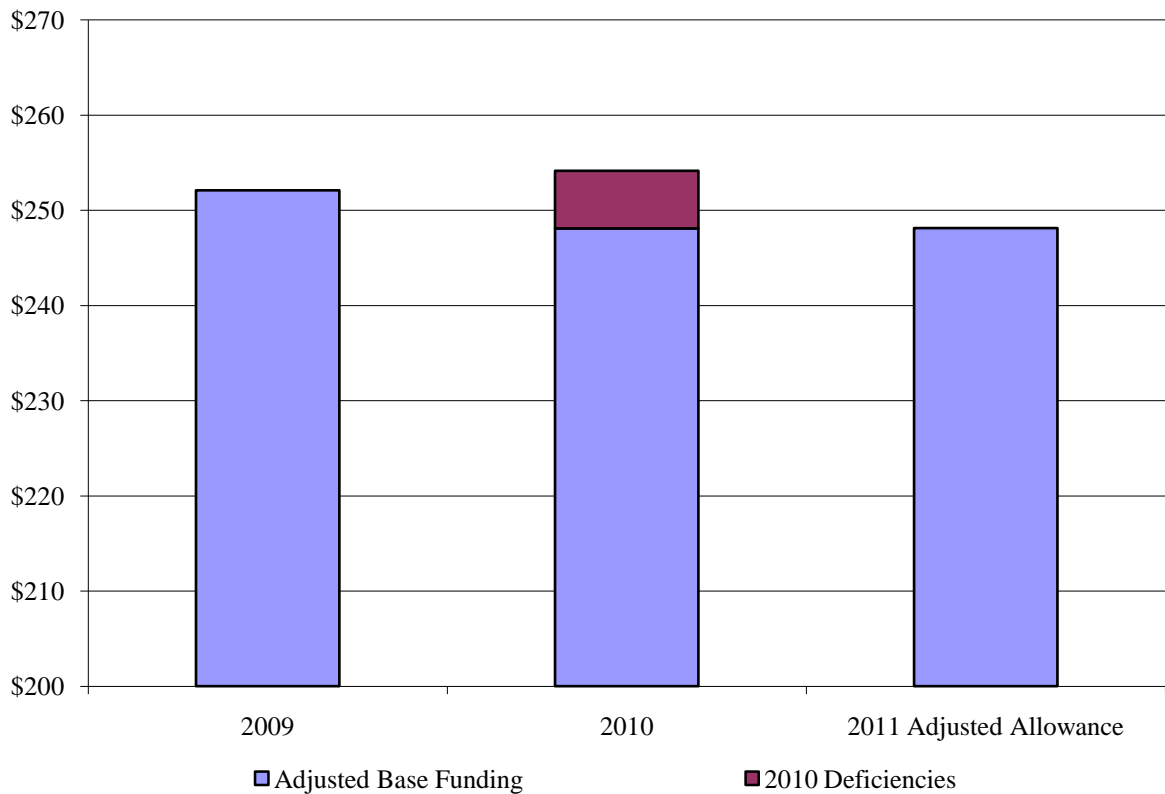
Like all federal programs, the caveat with the CORPS program is what happens when the grant runs out after fiscal 2011. In fiscal 2011, for example, GPS expansion that was funded with just over \$434,000 in federal stimulus dollars in fiscal 2010 (transferred from the Governor’s Office for Crime Control and Prevention (GOCCP)) is no longer available. This additional funding was used by DJS to lease an additional 70 GPS units, bringing the total number of GPS units available to the department to 245 units, and also added 3 new contractual monitoring positions in Community Detention/Electronic Monitoring unit. Absent new grant funds or the reallocation of funding from within its budget, it is unclear if the program can be maintained at the current level.

Budget Summary

Exhibit 20, which offers an alternative view of growth, does not portend well for the department. The chart compares fiscal 2009, 2010, and 2011 based on the following assumptions:

- base funding excludes employee and retiree health insurance, Other Post Employment Benefit (OPEB) liability costs, and deferred compensation costs;

Exhibit 20
Department of Juvenile Services Funding
An Alternative View
Fiscal 2009-2011
(\$ in Millions)



Note: See text for a full explanation of assumptions used in the exhibit.

Source: Department of Legislative Services; Department of Budget and Management

- deficiency appropriations are applied to the appropriate fiscal year; and
- major information technology project development costs and other identifiable one-time expenditures are removed from base funding and deficiency appropriations.

Under these assumptions, the fiscal 2011 growth of \$1.7 million, 0.6% over the fiscal 2010 working appropriation, can be reinterpreted as a decline of just over \$6.0 million, 2.4%. This is absent any estimate of additional underfunding in the fiscal 2010 budget.

Issues

1. Issues Raised by the 2009 DJS Gap Analysis

Background

In the 1998 session, as DJS was planning and constructing a series of regional detention centers, the General Assembly asked the department to submit an up-to-date facilities master plan. Though the department completed a plan, nothing was formally approved and submitted to the legislature.

Chapter 431 of 2004 formally required the department to submit a facilities master plan. In the 2004 interim, DJS contracted with an outside consultant to develop this plan. Two reports were submitted: first, in December 2004, a gap analysis to analyze the needs of the juvenile services system (both residential and non-residential) and to recommend steps to be taken in order to develop an ideal juvenile justice service delivery system; and second, in January 2006, a facilities master plan to articulate an implementation strategy and plan for facilities and programming based on the original gap analysis.

Following the 2006 elections and with the change of Administration, Chapter 498 of 2007 requested DJS to submit an updated facilities master plan to the Department of Budget and Management (DBM) by November 2007. DJS submitted a revised gap analysis and facilities master plan to DBM in January 2008 and, as noted above, these documents were approved by DBM and submitted to the legislature in March and April 2009.

Key Components of the 2009 Facilities Master Plan

The approved facilities master plan provides a \$601.5 million spending plan encompassing 20 projects. That spending plan is guided by three main principles:

- The delivery of services, to the extent practicable, on a regional basis.
- Limiting the construction of new secure detention and committed facilities to no more than 48 beds. This principle was established in statute for State-owned committed facilities by Chapter 498 and is extended here to include new secure detention facilities.
- A relatively straightforward methodology to determine future demand for facilities. Using the 2007 calendar year data as a starting point, the analysis applies a discount rate to the various populations based on the implementation of reforms and the availability of alternative programming to residential placement.

A detailed review of the gap analysis and accompanying facilities master plan was provided to the legislature by DLS in July 2009 (see Analysis of the Department of Juvenile Services' 2009 Gap Analysis and Facilities Master Plan). The key policy issues and other concerns raised in that analysis are summarized in **Exhibit 23**. That review was undertaken because, in the fiscal 2009 capital

Exhibit 23.
Policy Considerations and Other Issues Raised by the Department of Juvenile Services’
2009 Gap Analysis and Facilities Master Plan

| <u>Policy/Other Issue</u> | <u>DJS Proposal</u> | <u>Current Law</u> | <u>Implications</u> |
|---|---|----------------------|--|
| <i>Secure Detention</i> | | | |
| Regionalization | 6 regions | Minimum of 4 regions | Determines the number of facilities required, especially secure detention. The addition of a 6th region, for example, requires the construction of a secure detention facility for the Southern Maryland region (St. Mary’s, Calvert, Charles, and Anne Arundel). Funding to acquire a site for that facility is included in the fiscal 2011 Capital bill. The Department of Legislative Services (DLS) would note that the Office of the Attorney General (OAG) has indicated that the statute with regard to regional delivery of services is unclear and certainly does not require care be delivered regionally, with exceptions, even though that is the intent. |
| Secure detention facility size | 48 bed limit for new facilities (i.e. exc. BCJCC) | No limit | Potential need for multiple new facilities in certain regions. Most obvious example of this is in the Metro area and specifically at Cheltenham where a 48-bed replacement is being proposed although data suggests that a larger (e.g. 72-bed) facility may be more prudent. |
| Attaining reductions in Secure Detention/Pending Placement Population | 20% reduction of admissions for secure detention through Statewide adoption of JDAI and implementation of DRAI and 40% drop in pending placement based on case processing reforms and expanded treatment capacity | n/a | Underpinning the secure detention capacity analysis is the need to reduce the utilization of secure detention. The literature supports the notion that effective implementation of JDAI can result in a drop in the use of secure detention from 10-50%. However, it is unclear what the relative starting-point is for that decline. For example, Maryland’s use of secure detention, a rate of 90 per 100,000 juveniles, is only slightly higher than the national average (84 per 100,000 juveniles). Maryland’s previous efforts to implement JDAI have not been considered successful. Exhibit 24 shows that to date Maryland is making little progress in moving secure detention and pending placement numbers from the calendar 2007 baseline towards the gap analysis goals although pending placement numbers cannot be expected to dramatically move until treatment capacity is expanded. |

| <u>Policy/Other Issue</u> | <u>DJS Proposal</u> | <u>Current Law</u> | <u>Implications</u> |
|--|--|--|---|
| <i>Residential Committed Programming</i> | | | |
| Regionalization | No regional analysis for committed facilities | Allows for exceptions for committed facilities | The lack of analysis around the need for regional treatment undermines the policy basis for developing regional programming (i.e. smaller scale programming in the community that facilitates offender re-integration). Also see earlier OAG comment on the lack of clarity in the statute regarding regional delivery of services. |
| Level V (staff- or hardware-secure) Treatment Capacity | Development of 3 48-bed State-operated facilities for youth with high-risk of reoffense, chronic repeat offenders, and/or serious offenses | Consistent with current law on State-operated committed facility size and allowed as an exception to regional delivery of services | The gap analysis does not justify demand for 3 48-bed State-operated Level V facilities, especially with the recent opening of the Silver Oak Academy. DJS is conducting a new analysis which may result in a very different outcome not only for Level V treatment but also for Level III and IV treatment. That data has yet to be submitted to the legislature. |
| Level V Program Operation | State-operation of facilities | n/a | Initial recidivism data from Victor Cullen is underwhelming. Exhibit 25 compares Victor Cullen one-year recidivism for the fiscal 2008 cohort to out-of-state enhanced programs serving Maryland youth. While these kinds of comparisons can be problematic, the data shows Victor Cullen outperforms those facilities as a group. However, its recidivism rates are still high. It should also be noted that Victor Cullen does not take youth with some of the more violent offenses, and is also significantly more expensive (\$160,000 per year excluding education costs compared to \$133,000 inclusive of education in the more expensive out-of-state programs). Undermining performance at Victor Cullen was a variety of start-up issues (especially around staffing). The department is now utilizing 3 evidence-based programs at Victor Cullen; EQUIP (emphasizing cognitive skills training, moral reasoning and problem solving), ART (to correct anti-social thinking), and Seven Challenges (a drug counseling program) and believes that outcomes will improve. |

Policy/Other Issue

DJS Proposal

Current Law

Implications

Female Programming

Female secure detention programming

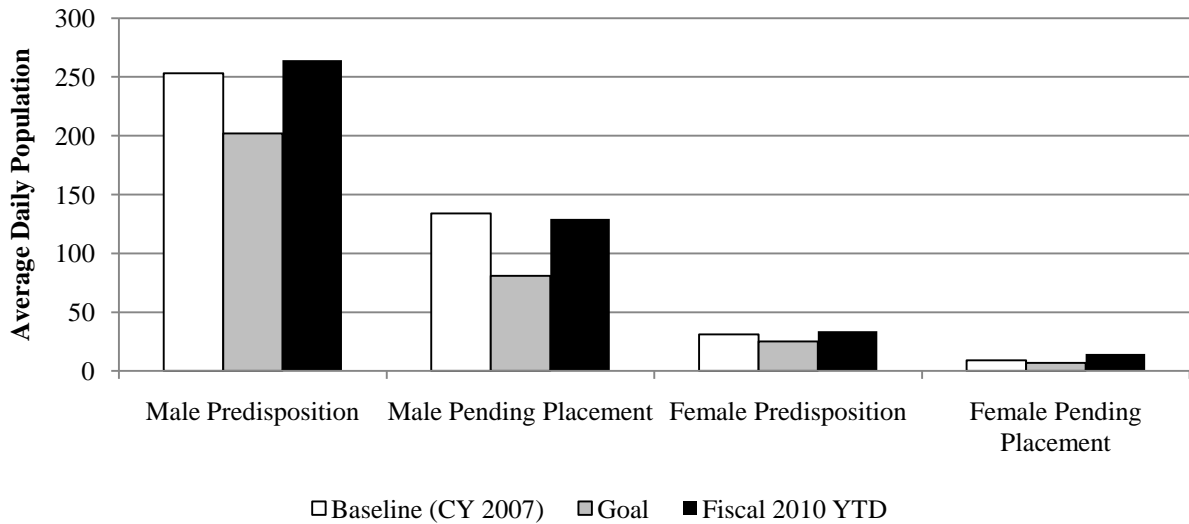
Maintain current structure with limited regional capacity and one central facility

Current law is unclear as to whether each region should have female secure detention capacity. Exceptions to regional delivery of services apply only to committed facilities

The Office of the Attorney General has advised that the current law should be clarified with regard to regional delivery of services and the intent for secure female detention. DLS would note that truly regional system would be expensive.

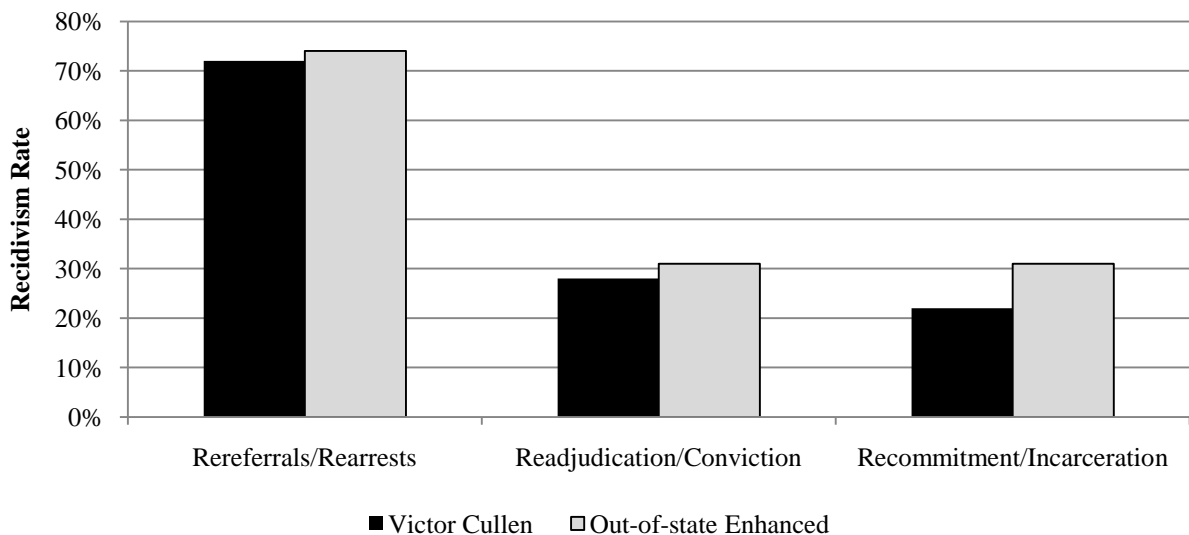
Source: Department of Legislative Services; Department of Juvenile Services

Exhibit 24
Secure Detention; Predisposition and Pending Placement. Various Data



Source: Department of Legislative Services; Department of Juvenile Services

Exhibit 25
Fiscal 2008 One-year Recidivism Data
Victor Cullen and Out-of-State Enhanced Programming



Source: Department of Legislative Services; Department of Juvenile Services

budget, the legislature withheld initial planning and design funds for a 48-bed replacement detention facility at Cheltenham and a new 48-bed treatment facility, also at Cheltenham, pending the submission of the gap analysis and facilities master plan.

Summary

Although DLS in its original review of the gap analysis and facilities master plan recommended releasing the withheld funds for the two projects at Cheltenham, those funds have yet to be released. At this point, the fiscal 2011 capital bill has rearranged priorities, for example delaying the new treatment facility at Cheltenham and deauthorizing the associated fiscal 2009 funds but adding funds to acquire a site for a southern Maryland regional detention facility. Given these changes, DLS will make additional recommendations regarding the capital projects in the DJS capital analysis.

2. Juvenile Drug Courts: Another Year of Underutilization

One of the major expansions in juvenile programming in recent years has been in juvenile drug courts. Enthusiastically supported by the Judiciary's Office of Problem Solving Courts, juvenile drug courts were set up in many jurisdictions. While data on effectiveness of these programs in Maryland is underwhelming, there is little doubt that there is a paucity of program alternatives for youth with substance abuse issues.

In the 2009 session, DLS noted that in the fiscal 2008 annual report of the Office of Problem Solving Courts juvenile drug court slots were being underutilized and in some cases potentially curtailed. The situation in fiscal 2009 slightly worsened: 48% of slots were filled in fiscal 2009 at the time of the report's writing compared to 51% in fiscal 2008. Two courts, in Calvert and Dorchester counties, suspended operations because the caseloads did not justify the cost of the programs. Both courts indicated that referrals from DJS were insufficient to maintain the funding levels to support a program. This continued underutilization of the juvenile drug courts into fiscal 2009 is shown in **Exhibit 26**.

Again, DLS's analysis in the 2009 session indicated that in some jurisdictions it was unclear why slots were not being filled given identified potential demand (for example, in Baltimore City). However, in other smaller jurisdictions, perhaps the issue was more one of planning for the appropriate size of drug court, and perhaps after several years of operation regional drug courts or alternative drug treatment options that are not necessarily court-based may prove to be a better use of resources. That analysis remains pertinent.

The underutilization of juvenile drug court slots comes at the same time that, as noted earlier, DJS is rethinking its drug treatment programming at the William Donald Schaefer House in Baltimore City. DLS would argue that it is appropriate, as part of the reconfiguration of its programming at the Schaefer House, for the department to jointly work with the Office of Problem Solving Courts and the Alcohol and Drug Abuse Administration to holistically ascertain what array of drug treatment programs are available to court-involved youth and what the State should be providing. **DLS is recommending narrative to that end.**

Exhibit 26
Juvenile Drug Court Slots and Utilization
Fiscal 2008 and 2009

| <u>County of Jurisdiction</u> | <u>Drug Court Slots</u> | <u>Judiciary Report Current Participants 2008 Report</u> | <u>Judiciary Report Current Participants 2009 Report</u> | <u>Under/(Over) Utilization in 2009</u> |
|-------------------------------|-------------------------|--|--|---|
| Anne Arundel | 50 | 26 | 28 | 22 |
| Baltimore City | 125 | 65 | 62 | 63 |
| Baltimore County | 80 | 43 | 54 | 26 |
| Calvert | 0 | 13 | 0 | Program suspended |
| Caroline | 25 | 9 | 11 | 14 |
| Charles | 25 | 10 | 12 | 13 |
| Dorchester | 0 | 2 | 0 | Program suspended |
| Harford | 40 | 27 | 12 | 28 |
| Montgomery | 15 | 17 | 12 | 3 |
| Prince George's | 60 | 25 | 20 | 40 |
| Somerset | 10 | 5 | 8 | 2 |
| St. Mary's | 30 | 19 | 17 | 13 |
| Talbot | 25 | 15 | 9 | 16 |
| Worcester | 20 | 15 | 9 | 11 |
| Total | 525 | 291 | 254 | 251 |

Note: Caroline County is listed as 20-25 slots. The higher number is shown in the exhibit.

Source: Department of Legislative Services; Office of the Problem-solving Courts

3. Department of Justice Sexual Victimization Report

In January 2010, the U.S. Department of Justice (DOJ), Bureau of Justice Statistics issued a report on sexual victimization in juvenile facilities reported by youth. The study was conducted between June 2008 and April 2009 at 166 state-owned or operated facilities and 29 locally or privately operated facilities. The survey was restricted to facilities that held adjudicated youth for at least 90 days, as well as various other conditions around facility size and youth length-of-stay. Consent for participation in the survey was provided by program administrators or parental consent and participation in the survey was voluntary.

Results for Maryland facilities sampled are provided in **Exhibit 27**. Backbone Mountain was highlighted in the report as being a facility with a high rate of sexual victimization (although the results are based on a relatively small sample; in fact, Backbone's total number of respondents was the smallest number of respondents for any facility on the highlighted list). That being said, any reports of sexual victimization at the State's juvenile facilities are disturbing.

Exhibit 27
Maryland Results from the Department of Justice
2008-2009 Sexual Victimization Report

| | <u>Backbone Mountain</u> | <u>Cheltenham</u> | <u>Waxter</u> |
|---|--------------------------|-------------------|---------------|
| Youth sampled | 53 | 58 | 18 |
| Eligible youth | 36 | 29 | 7 |
| Sexual Victimization survey: | | | |
| Responents | 11 | 2 | 3 |
| Response rate (%) | 31 | 7 | 43 |
| Youth reporting sexual victimization (%) | 36.4 | 0 | 0 |
| Youth-on-youth victimization (%) | 0 | n/a | n/a |
| Youth-on-youth nonconsensual sex acts (%) | 0 | n/a | n/a |
| Youth reporting all staff sexual misconduct (%) | 36.4 | n/a | n/a |

Source: U.S. Department of Justice, *Sexual Victimization in Juvenile Facilities Reported by Youth, 2008-09* (January 2010)

The department’s response to the report was threefold:

- While not disputing the report’s conclusions, the department did raise concerns that the research group that conducted the interviews did not report any allegations of sexual abuse raised by the participating youth. Allegations of abuse must be reported to Maryland Child Protective Services and law enforcement in accordance with State law. However, since the surveys were administered by computer and not face-to-face, the researchers apparently would have no way to identify specific youth claiming sexual victimization. Further, the research group specifically refused to sign agreements that would have required such reporting.
- A review of its own records indicated that DJS has not had any substantiated complaints for sexual misconduct at Backbone and only one allegation made at that facility since 2007.
- The department also initiated an independent review of all youths currently on the grounds of Backbone Mountain Youth Center. None of the youths made any claims that they were abused during their stay at Backbone. Criminal and sex offender background checks that covered both federal and state databases were redone on all employees of Backbone. All employees cleared their respective background checks and were deemed to be fit for employment at Backbone. The independent investigation is now being undertaken to interview youth at Backbone during the period the DOJ report was conducted.

In summary, overall the department’s response to the report appears appropriate. Perhaps in hindsight, it could have arranged an exit interview between with the research team and Child Protective Services and/or law enforcement to confirm that there were no reports of abuse. However, the structure of the interview process would have in any case prevented identification of individual youth reporting incidents.

Recommended Actions

| | <u>Amount Reduction</u> | <u>Position Reduction</u> |
|---|-----------------------------|-------------------------------|
| 1. Delete 3.0 long-term vacant non-direct care positions. The Department of Juvenile Services has 12.4 full-time equivalent regular position vacancies that have been vacant for over one year. This action deletes 3.0 managerial/administrative positions (027998, 086419, and 028647). | \$ 215,671 GF | 3.0 |
| 2. Reduce funding for contractual support. This reduction level funds general fund support for contractual assistance in fiscal 2011 compared to fiscal 2010. To date in fiscal 2010, the department has been able to stay within its contractual employee budget. Additionally, as of December 31, 2009, the department had 139 vacant positions, over 50 more than needed to meet its fiscal 2010 and 2011 turnover rate. The priority should be filling those positions rather than creating additional contractual positions. This reduction is taken in the Baltimore region but may be allocated by the Department across all regions. | 748,000 GF | |
| 3. Adopt the following narrative: | | |
| <p>Substance Abuse Options for Court-involved Youth: The committees are concerned about the ongoing underutilization of limited substance abuse treatment options for court-involved youth. Participation in juvenile drug courts is particularly low, and the Department of Juvenile Services (DJS) recently suspended programming at one of its two residential drug treatment programs pending a review of that programming. The committees request that DJS, the Office of Problem-solving Courts (OPC), and the Alcohol and Drug Abuse Administration (ADAA) jointly prepare a report assessing what range of treatment options should be available to court-involved youth. In making this assessment, the response should identify demand for substance abuse services from within the juvenile justice system both at the State and local level as well as the evidence-based practice program options available for the different levels of substance abuse treatment considered appropriate.</p> | | |

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| Information Request | Authors | Due Date | |
|--|--------------------|-------------------|------------|
| Substance abuse options for court-involved youth | DJS OPC ADAA | November 1, 2010 | |
| Total General Fund Reductions | | \$ 963,671 | 3.0 |

Updates

1. Civil Rights of Institutionalized Persons Act Investigations

During the 2008 interim, DJS successfully resolved the CRIPA investigations at Cheltenham and the Hickey School. At this time, only one facility, the Baltimore City Juvenile Justice Center (BCJJC), is under a CRIPA agreement. CRIPA findings related to BCJJC were grouped around three broad areas:

Inadequate Protection from Harm: The investigation revealed inadequate protection from youth-on-youth violence, including an inadequate behavior management plan and environmental security hazards, and inadequate protection from risks of suicide including environmental suicide risks and inadequate suicide watch and seclusion monitoring.

Inadequate Mental Health Care: The investigation revealed inadequate mental health screenings and assessments; inadequate mental health treatment and case management; inadequate communication and recordkeeping; and inadequate confidentiality safeguards.

Inadequate Educational Instruction of Youth with Disabilities: The investigation revealed inadequate access to special education and inadequate development of individualized education plans.

During the original one-year compliance period, the State was able to reach substantial compliance with 18 of the 29 provisions. The initial one-year timeline has been extended twice to ensure full compliance with the conditions covered in the agreement, and is now extended to June 30, 2011, as the State seeks to become compliant with the 4 remaining provisions with which the State is not substantially compliant. The most recent report from the independent evaluation team for BCCJC was for the period July 1 through December 31, 2009, and is based on the amended agreement. The findings of that report are summarized as follows in terms of progress towards those four remaining goals:

- protection from youth-on-youth violence. The State was found in partial compliance, and the rate of youth-on-youth violence was slowly declining.
- reporting of youth-on-youth violence. The State was found in substantial compliance;
- senior management review of incidents. The State was found in substantial compliance; and
- behavior management program. The State was found in partial compliance. The State had made significant progress by developing a comprehensive behavior management program, although the implementation of that program still needs some improvement.

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The report complimented the State on the efforts taken during the six-month period of the report and indicated that it was fully expected that the State would be in substantial compliance with all elements of the agreement in the near future.

Current and Prior Year Budgets

Current and Prior Year Budgets Department of Juvenile Services (\$ in Thousands)

| | <u>General Fund</u> | <u>Special Fund</u> | <u>Federal Fund</u> | <u>Reimb. Fund</u> | <u>Total</u> |
|----------------------------------|-------------------------|-------------------------|-------------------------|------------------------|------------------|
| Fiscal 2009 | | | | | |
| Legislative Appropriation | \$260,168 | \$203 | \$11,689 | \$449 | \$272,509 |
| Deficiency Appropriation | 14,705 | 0 | 0 | 0 | 14,705 |
| Budget Amendments | 2,232 | 0 | 0 | 835 | 3,067 |
| Cost Containment | -10,103 | 0 | -2 | 0 | -10,106 |
| Reversions and Cancellations | -60 | -38 | -4,304 | -404 | -4,806 |
| Actual Expenditures | \$266,941 | \$165 | \$7,383 | \$880 | \$275,369 |
| Fiscal 2010 | | | | | |
| Legislative Appropriation | \$262,123 | \$203 | \$15,057 | \$449 | \$277,832 |
| Cost Containment | -7,543 | 0 | 0 | 0 | -7,543 |
| Budget Amendments | 0 | 0 | 1,114 | 434 | 1,549 |
| Working Appropriation | \$254,580 | \$203 | \$16,171 | \$883 | \$271,838 |

Note: Numbers may not sum to total due to rounding.

Fiscal 2009

The fiscal 2009 legislative appropriation for DJS was increased by almost \$2.9 million. This increase was derived as follows:

- Deficiency appropriations added just over \$14.7 million (all general funds) to the legislative appropriation. Details of the deficiencies are provided in **Exhibit 28**.

Exhibit 28
Department of Juvenile Services
Deficiency Appropriations
Fiscal 2009

| <u>Unit</u> | <u>Item</u> | <u>General Fund</u> |
|--|---|---------------------|
| Fiscal 2009 Deficiencies | | |
| Regional Community Operations and Facilities | Overtime and other salary costs | \$5,365,075 |
| Regional Community Operations | Residential per diem placements | 3,139,032 |
| Various | Salary funding due to lack of federal fund attainment | 2,779,320 |
| Regional Community Operations | Non-residential per diem placements | 1,516,489 |
| Facilities | Contractual expenses | 1,300,000 |
| Facilities | Food costs | 605,042 |
| Total | | \$14,704,958 |

Note: The fiscal 2010 budget bill included a \$1,516,489 deficiency that was attributed to residential placements but will in fact be used for non-residential per diem placements as indicated in the exhibit.

Source: Department of Budget and Management; Department of Juvenile Services

- Budget amendments added a little over \$3.0 million to the legislative appropriation. Specifically:
 - General fund budget amendments added just over \$2.2 million. This was almost entirely derived from the department’s share of the fiscal 2009 cost-of-living adjustment originally budgeted in DBM.
 - Reimbursable fund budget amendments increased the legislative appropriation by \$835,000 and represented transfers from the Major Information Technology Development Project Fund for two ongoing information technology projects.
- Fiscal 2009 cost containment actions taken by BPW reduced the DJS budget by just over \$10.1 million. This is primarily derived from savings in personnel expenditures as a result of

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abolishing 25 full-time equivalent vacant positions, deleting funding for OPEB, reducing budgeted funding for health insurance costs based on the use of statewide health insurance balances, and the implementation of furloughs.

Other savings were from reductions in overtime expenditures (\$400,000) and the ending of contractual programming at the O'Farrell Center (\$1,500,000). However, as shown in Exhibit 28, the "savings" from overtime, for example, were more than offset by deficiency appropriations for overtime.

- Finally, reversions and cancellations cut a further \$4.8 million from the increase to the legislative appropriation made by deficiencies and budget amendments. General fund reversions totaled \$60,000. Of the cancellations, just over \$4.3 million was federal funds, virtually all of that being federal IV-E funds. Attainment of those funds was significantly lower than anticipated and was one of the contributory factors to DJS's fiscal 2009 deficit.

Fiscal 2010

To date, the fiscal 2010 legislative appropriation has been reduced by just under \$6.0 million. This reflects:

- just over \$7.5 million in cost containment actions taken by BPW in July, August, and November 2009 (see main body of text for a more detailed explanation);
- an increase of just over \$1.1 million in federal funds from a grant to establish a new CORPS program in Baltimore City targeting predominantly youth returning from residential placements and detention; and
- an increase of \$434,000 in reimbursable funds from GOCCP to increase the number of GPS units utilized by the department. The original funding source was federal Byrne grant stimulus funds.

Audit Findings

| | |
|----------------------------------|---|
| Performance Audit: | Managing for Results Performance Measures: Public Safety and Safer Neighborhoods |
| Issue Date: | March 2009 |
| Number of measures investigated: | 1. Readjudication and rearrest within one year after release (all residential programs) |
| Certification Status | Factors prevented certification |

Finding 1: The methodology used to calculate the measure result was inconsistent with the measure descriptions or definitions. Supporting documentation was not properly maintained. Quality control processes were not in place to verify the reliability of data received from third parties. The department has updated the definition of recidivism to align to actual methodology used by the department, is developing a corrective action plan to address the issue of supporting documentation, and will establish a regular audit procedure to validate third party data.

Note: This performance audit investigated the accuracy of 13 measures. Only one measure was the direct responsibility of the Department of Juvenile Services.

Major Information Technology Projects

Department of Juvenile Services Treatment Assessment, Planning, and Tracking System (TAPTS)

| | | | | | | | | |
|---|--|----------------|----------------|-----------------------------------|----------------------------------|----------------|----------------------------|--------------|
| Project Description: | To create an automated assessment, treatment, and tracking system that identifies criminogenic characteristics or traits and addresses those characteristics or traits in treatment planning. The project will be developed in three phases: the development of an intake tool; an assessment tool for court disposition recommendations; and the development of a comprehensive treatment service plan. | | | | | | | |
| Project Business Goals: | No quantifiable business goals or return on investment analysis has been conducted. Qualitative goals include improved treatment planning and potential reduction of redundant screening and assessment. | | | | | | | |
| Estimated Total Project Cost: | \$1,900,000 | | | | New/Ongoing Project: | Ongoing. | | |
| Project Start Date: | June 2007 | | | Projected Completion Date: | 2010 (but limited functionality) | | | |
| Schedule Status: | Phase I research completed and programming changes developed. Phase II user acceptance testing is complete with feedback incorporated into system's functionality. Phase III documentation has been updated to include changes concerning Title IV-E funding. | | | | | | | |
| Cost Status: | Unknown. Fiscal 2009 funding was reduced leaving \$800,000 appropriated. No funding was provided in fiscal 2010 or fiscal 2011. | | | | | | | |
| Scope Status: | Expanded scope to meet federal requirements concerning Title IV-E funding. | | | | | | | |
| Project Management Oversight Status: | A certified project manager was contracted in April 2009 supplemented with resources from the University of Maryland staff. | | | | | | | |
| Identifiable Risks: | The major identifiable risk is achieving a functional deliverable for Phase III within the current resource allocation. | | | | | | | |
| Additional Comments: | The Department of Juvenile Services is trying to complete Phase III with limited functionality. The Department of Information Technology is not actively seeking additional funding for the project at this time. | | | | | | | |
| Fiscal Year Funding (000) | Prior Years | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | Balance to Complete | Total |
| Personnel Services | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Professional and Outside Services | 800.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,100.0 | 1,900.0 |
| Other Expenditures | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Funding | \$800.0 | 0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$1,100.0 | \$1,900.0 |

**Object/Fund Difference Report
Department of Juvenile Services**

| <u>Object/Fund</u> | <u>FY09 Actual</u> | <u>FY10 Working Appropriation</u> | <u>FY11 Allowance</u> | <u>FY10 - FY11 Amount Change</u> | <u>Percent Change</u> |
|---|------------------------|---|---------------------------|--------------------------------------|---------------------------|
| Positions | | | | | |
| 01 Regular | 2,271.65 | 2,254.05 | 2,240.05 | -14.00 | -0.6% |
| 02 Contractual | 121.40 | 126.35 | 98.45 | -27.90 | -22.1% |
| Total Positions | 2,393.05 | 2,380.40 | 2,338.50 | -41.90 | -1.8% |
| Objects | | | | | |
| 01 Salaries and Wages | \$ 150,463,536 | \$ 152,793,730 | \$ 159,021,220 | \$ 6,227,490 | 4.1% |
| 02 Technical and Spec. Fees | 4,933,870 | 4,127,423 | 4,125,656 | -1,767 | 0% |
| 03 Communication | 2,436,457 | 2,947,185 | 2,934,242 | -12,943 | -0.4% |
| 04 Travel | 1,225,122 | 1,132,552 | 1,002,487 | -130,065 | -11.5% |
| 06 Fuel and Utilities | 4,444,220 | 4,518,993 | 4,453,966 | -65,027 | -1.4% |
| 07 Motor Vehicles | 1,603,660 | 1,539,897 | 1,527,569 | -12,328 | -0.8% |
| 08 Contractual Services | 95,266,410 | 92,662,464 | 92,652,321 | -10,143 | 0% |
| 09 Supplies and Materials | 7,392,549 | 6,335,580 | 6,299,830 | -35,750 | -0.6% |
| 10 Equipment – Replacement | 510,465 | 0 | 0 | 0 | 0.0% |
| 11 Equipment – Additional | 1,181,783 | 1,780,090 | 1,603,871 | -176,219 | -9.9% |
| 12 Grants, Subsidies, and Contributions | 432,742 | 937,399 | 389,000 | -548,399 | -58.5% |
| 13 Fixed Charges | 3,751,398 | 3,062,346 | 3,362,089 | 299,743 | 9.8% |
| 14 Land and Structures | 1,727,018 | 0 | 0 | 0 | 0.0% |
| Total Objects | \$ 275,369,230 | \$ 271,837,659 | \$ 277,372,251 | \$ 5,534,592 | 2.0% |
| Funds | | | | | |
| 01 General Fund | \$ 266,941,195 | \$ 254,580,176 | \$ 260,973,529 | \$ 6,393,353 | 2.5% |
| 03 Special Fund | 165,069 | 203,000 | 203,000 | 0 | 0% |
| 05 Federal Fund | 7,383,339 | 16,171,158 | 15,970,722 | -200,436 | -1.2% |
| 09 Reimbursable Fund | 879,627 | 883,325 | 225,000 | -658,325 | -74.5% |
| Total Funds | \$ 275,369,230 | \$ 271,837,659 | \$ 277,372,251 | \$ 5,534,592 | 2.0% |

Note: The fiscal 2010 appropriation does not include deficiencies.

**Fiscal Summary
Department of Juvenile Services**

| <u>Program/Unit</u> | <u>FY09 Actual</u> | <u>FY10 Wrk Approp</u> | <u>FY11 Allowance</u> | <u>Change</u> | <u>FY10 - FY11 % Change</u> |
|---|------------------------|----------------------------|---------------------------|---------------------|---------------------------------|
| 01 Office of the Secretary | \$ 1,766,873 | \$ 1,569,311 | \$ 1,354,450 | -\$ 214,861 | -13.7% |
| 01 Departmental Support | 24,417,798 | 25,560,692 | 25,827,814 | 267,122 | 1.0% |
| 02 IT Projects - Departmental Support | 800,000 | 0 | 0 | 0 | 0% |
| 01 Residential Services | 4,727,228 | 5,857,731 | 6,647,433 | 789,702 | 13.5% |
| 01 Baltimore City Region Administrative | 3,353,213 | 2,663,024 | 3,060,891 | 397,867 | 14.9% |
| 02 Baltimore City Region Community Services | 41,687,482 | 38,248,524 | 43,712,674 | 5,464,150 | 14.3% |
| 03 Baltimore City Region State Operated Residential | 21,749,732 | 22,526,632 | 22,375,198 | -151,434 | -0.7% |
| 01 Central Region Administrative | 1,196,293 | 1,146,922 | 1,332,096 | 185,174 | 16.1% |
| 02 Central Region Community Services | 24,694,040 | 21,582,970 | 21,532,617 | -50,353 | -0.2% |
| 03 Central Region State Operated Residential | 14,522,192 | 14,891,634 | 14,198,734 | -692,900 | -4.7% |
| 01 Western Region Administrative | 2,179,910 | 1,966,331 | 2,183,230 | 216,899 | 11.0% |
| 02 Western Region Community Services | 9,633,914 | 12,299,986 | 10,538,346 | -1,761,640 | -14.3% |
| 03 Western Region State Operated Residential | 27,583,298 | 25,954,046 | 28,068,326 | 2,114,280 | 8.1% |
| 01 Eastern Region Administrative | 868,169 | 832,779 | 1,071,726 | 238,947 | 28.7% |
| 02 Eastern Region Community Services | 13,427,947 | 13,274,776 | 13,180,477 | -94,299 | -0.7% |
| 03 Eastern Region State Operated Residential | 5,613,282 | 5,786,622 | 6,315,015 | 528,393 | 9.1% |
| 01 Southern Region Administrative | 426,641 | 391,942 | 517,947 | 126,005 | 32.1% |
| 02 Southern Region Community Services | 17,469,074 | 17,239,509 | 17,043,370 | -196,139 | -1.1% |
| 03 Southern Region State Operated Residential | 7,622,238 | 7,302,797 | 7,245,365 | -57,432 | -0.8% |
| 01 Metro Region Administrative | 843,178 | 959,066 | 1,017,659 | 58,593 | 6.1% |
| 02 Metro Region Community Services | 24,385,511 | 27,589,768 | 25,088,014 | -2,501,754 | -9.1% |
| 03 Metro Region State Operated Residential | 26,401,217 | 24,192,597 | 25,060,869 | 868,272 | 3.6% |
| Total Expenditures | \$ 275,369,230 | \$ 271,837,659 | \$ 277,372,251 | \$ 5,534,592 | 2.0% |
| General Fund | \$ 266,941,195 | \$ 254,580,176 | \$ 260,973,529 | \$ 6,393,353 | 2.5% |
| Special Fund | 165,069 | 203,000 | 203,000 | 0 | 0% |
| Federal Fund | 7,383,339 | 16,171,158 | 15,970,722 | -200,436 | -1.2% |
| Total Appropriations | \$ 274,489,603 | \$ 270,954,334 | \$ 277,147,251 | \$ 6,192,917 | 2.3% |
| Reimbursable Fund | \$ 879,627 | \$ 883,325 | \$ 225,000 | -\$ 658,325 | -74.5% |
| Total Funds | \$ 275,369,230 | \$ 271,837,659 | \$ 277,372,251 | \$ 5,534,592 | 2.0% |

Note: The fiscal 2010 appropriation does not include deficiencies.