

V10A
Department of Juvenile Services

Operating Budget Data

(\$ in Thousands)

	<u>FY 11</u> <u>Actual</u>	<u>FY 12</u> <u>Working</u>	<u>FY 13</u> <u>Allowance</u>	<u>FY 12-13</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$257,514	\$257,695	\$263,517	\$5,822	2.3%
Adjusted General Fund	\$257,514	\$257,695	\$263,517	\$5,822	2.3%
Special Fund	404	481	2,669	2,188	454.5%
Adjusted Special Fund	\$404	\$481	\$2,669	\$2,188	454.5%
Federal Fund	14,158	10,374	8,337	-2,037	-19.6%
Adjusted Federal Fund	\$14,158	\$10,374	\$8,337	-\$2,037	-19.6%
Reimbursable Fund	339	8	69	61	771.3%
Adjusted Reimbursable Fund	\$339	\$8	\$69	\$61	771.3%
Adjusted Grand Total	\$272,415	\$268,558	\$274,593	\$6,035	2.2%

- The Department of Juvenile Services (DJS) budget includes nearly \$5.9 million in fiscal 2012 general fund deficiency appropriations. The majority of the funding is needed to support staffing deficiencies, including \$2.2 million for employee overtime and \$1.5 million for contractual employment used to improve the hiring process for residential direct care staff. An additional \$2.2 million is provided to address critical facility maintenance needs.
- The fiscal 2013 allowance for DJS reflects an increase of approximately \$6.0 million, or 2.2%, when compared with the fiscal 2012 working appropriation. Personnel expenses increase by \$1.9 million, accounting for 32.1% of the growth. The agency also receives additional funding for critical facility maintenance projects and motor vehicle replacements.
- Evidence-based services decline by \$1.3 million, reflecting an alignment of funding with utilization. A \$1.3 million increase for residential per diems is reflective of new special fund revenue from nonpublic placement reimbursements. Overall, it appears that residential per diems are significantly underfunded in both fiscal 2012 and 2013.

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

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Personnel Data

	<u>FY 11 Actual</u>	<u>FY 12 Working</u>	<u>FY 13 Allowance</u>	<u>FY 12-13 Change</u>
Regular Positions	2,219.05	2,140.05	2,133.05	-7.00
Contractual FTEs	<u>85.69</u>	<u>107.58</u>	<u>107.20</u>	<u>-0.38</u>
Total Personnel	2,304.74	2,247.63	2,240.25	-7.38

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	88.95	4.17%
Positions and Percentage Vacant as of 12/31/11	194.00	9.07%

- DJS loses 7 regular positions in the fiscal 2013 allowance as part of a statewide effort to reduce the size of the State employee workforce. In total, the agency has lost 86 positions since fiscal 2011.
- DJS currently has 105 vacant regular positions in excess of what is required to meet fiscal 2013 budgeted turnover expectancy.

Analysis in Brief

Major Trends

Part I Crime Rates: The number of juvenile arrests continued to trend downward in calendar 2010, although the pace slowed slightly in comparison to calendar 2009. The Part 1 arrest rate declined 14.2% between calendar 2009 and 2010. Most notable was the 15.0% reduction in the arrest rate for property crimes; however, the violent crime rate also declined by 11.2%. Part 2 crimes also declined by 4.0% during the same time period.

Secure Detention and Pending Placement: The use of secure detention for pre-adjudicated youth declined by 9.5% between fiscal 2010 and 2011. The pending placement population represents more than 40.0% of the total population in DJS detention facilities. The population increased in fiscal 2011 by 10.6%. Between fiscal 2009 and 2011, when the average length of stay (ALOS) for pending placement youth increased by 33.3%, the average daily population (ADP) increased by 11.1%. However, fiscal 2012 year-to-date data is indicating a 9.1% decline in ALOS and a 20.4% decrease in the pending placement ADP.

Committed Placements: Between fiscal 2009 and 2011, the committed residential population remained relatively stable, with an ADP of approximately 926 youth. Preliminary fiscal 2012 data reflects an 8.2% increase in the total committed residential population. The use of in-state private per diem placements declined 23.4% between fiscal 2006 and 2011 to 586 youth. At the same time, the number of youth in State residential facilities increased 5.7%. The ADP for out-of-state placements rose to 116 youth in fiscal 2011. The upward trend continues in fiscal 2012, with DJS averaging 119 youth in out-of-home placements in the first six months of the fiscal year.

Issues

Implementing a New Behavior Management Program for DJS Treatment Facilities: To help improve operations at the State's committed facilities, the department is implementing a new behavior management program based on behavior modification principles for developing prosocial skills by rewarding appropriate/desired behaviors and holding youth accountable for inappropriate behaviors through the issuance of consequences and loss of privileges. The program was implemented in November 2011 at the Carter Center, with the intention of expanding the program to all six State-operated treatment facilities. **DJS should comment on how implementation of the Challenge Program has impacted the behavior of the youth at the Carter Center. The department should also discuss how the program will be regularly evaluated to determine whether the desired outcomes are being achieved and the program is being properly implemented.**

Evidence-based Services Outcomes: DJS provides three types of evidence-based services (EBS) treatment, but the majority of youth participate in either multisystemic therapy or family functional therapy (FFT). EBS outcome measures reported by the department include the percent of youth who

have received treatment and are living at home, are working or are in school, and have had no new arrests. Data provided since the third quarter of fiscal 2010 suggests that FFT participants are more successful at meeting the designated targets for these measures. **DJS should comment on the variances between the programs in achieving the desired outcomes and whether the identified outcome measures can be used to gauge the effectiveness of the EBS services provided. DJS should also comment on how youth are selected for EBS participation and which type of program is most appropriate. The Department of Legislative Services (DLS) recommends that DJS report EBS outcome measure as part of its Managing for Results performance measures.**

Transferring Juvenile Education Services to the Maryland State Department of Education: Chapter 535 of 2004 transferred responsibility for educational programming at all residential juvenile facilities from DJS to the Maryland State Department of Education (MSDE). Chapter 487 of 2009 specifies that the transfers should occur by the end of fiscal 2014. At this point, seven years have elapsed and seven programs have been transferred, leaving seven programs to be transferred in about two years. **DLS recommends budget language restricting funding and positions in the DJS allowance associated with providing education services at William Donald Schaefer House, Alfred D. Noyes Children’s Center, and Thomas J. S. Waxter Children’s Center and transferring control of these programs to MSDE in fiscal 2013. The proposed language also expresses legislative intent that education services at the four youth centers be transferred from DJS to MSDE no later than July 1, 2013.**

Recommended Actions

1. Add language requiring that funding and positions for education services at three juvenile facilities be transferred to the Maryland State Department of Education.
2. Add budget bill language requiring the Department of Juvenile Services to submit a report detailing the plan for implementing a new reception and evaluation center.
3. Add budget bill language requiring submission of the department’s caseload ratio staffing analysis.
4. Add language restricting funds for an anonymous employee survey to better understand staffing issues.
5. Adopt committee narrative directing the Department of Juvenile Services to report outcome measures for evidence-based services.
6. Adopt committee narrative directing the Department of Juvenile Services and the Juvenile Justice Monitoring Unit to review the use of secure detention.

Updates

Improving DJS Operations: In response to a fiscal 2012 *Joint Chairmen’s Report* request, DJS evaluated ways to improve its operations with regard to staffing, communication, and improved resource utilization. The report provides detail on the department’s administrative reorganization and procedural changes made to improve hiring and employee training. The review also includes a status update of outstanding audit findings from the September 2010 Office of Legislative Audits audit.

Substance Abuse Treatment Options for Court-involved Youth: According to a report jointly submitted by DJS, the Alcohol and Drug Abuse Administration (ADAA), and the Office of Problem-solving Courts, approximately 4,000 to 6,000 court-involved youth are in need of substance abuse treatment services. In addition to juvenile drug courts, a variety of community-based and residential treatment services are provided by DJS and ADAA; however, this is still likely inadequate to meet demand. DJS has significantly increased the number of referrals to drug court, in an effort to improve utilization. The impact has not been as significant, indicating other factors are affecting utilization.

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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

Maryland Juvenile Arrest Data

Exhibit 1 presents Maryland juvenile arrest data for calendar 2006 through 2010. 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 including offenses such as vandalism, drug abuse violations, weapons offenses, and fraud. The exhibit also distinguishes Part 1 arrests between violent and serious property crimes.

**Exhibit 1
Juvenile Arrest Data (Age 10-17)
Calendar 2006-2010**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Annual % Change 2006-2010</u>	<u>Annual % Change 2009-2010</u>
Total Arrests	50,153	47,952	47,632	41,425	39,642	-5.7%	-4.3%
Arrest Rate	7,893	7,681	7,839	6,892	6,377	-5.2%	-7.5%
Part 1 Arrests	15,764	15,457	6,075	14,223	12,626	-5.4%	-11.2%
Part 1 Arrest Rate	2,481	2,476	2,646	2,366	2,031	-4.9%	-14.2%
Part 1 Arrests:							
a. Violent Crimes	3,732	3,504	3,655	3,215	2,953	-5.7%	-8.1%
Violent Crime Rate	587	561	602	535	475	-5.2%	-11.2%
b. Property Crimes	12,032	11,953	12,420	11,008	9,673	-5.3%	-12.1%
Property Crime Rate	1,894	1,915	2,044	1,832	1,556	-4.8%	-15.0%
Part 2 Arrests	34,389	32,495	31,557	27,202	27,016	-5.9%	-0.7%
Part 2 Arrest Rate	5,412	5,205	5,193	4,526	4,346	-5.3%	-4.0%

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

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

Between calendar 2006 and 2010, total arrests decline on average by 5.7% each year, and the arrest rate per 100,000 juveniles between the ages of 10 and 17 also declines on average by 5.2% each year. Part 1 and Part 2 arrests decline at relatively the same pace over the five-year period. The Part 1 arrest rate decreases by 4.9% on average per year since 2006, indicating that calendar 2006

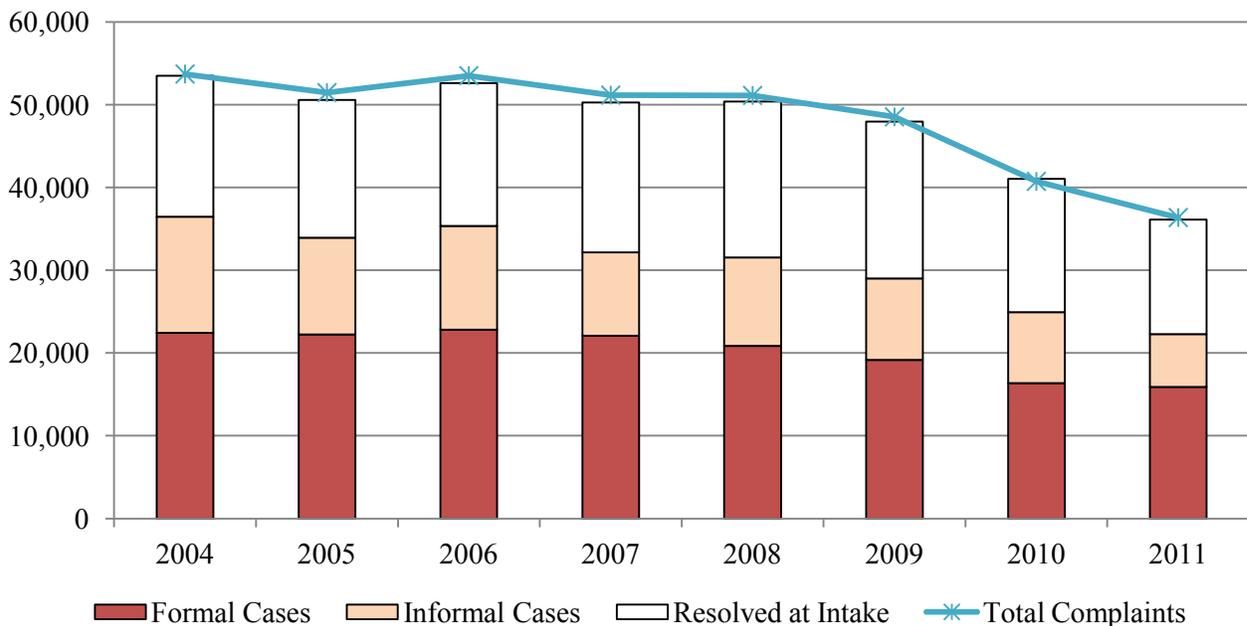
is a turning point in the trend. A comparison of data from calendar 2005 through 2009 showed the Part 1 arrest rate increasing 0.3%, attributable to a slight annual increase, or 1.7%, in the violent crime arrest rate. For the five-year period beginning in calendar 2006, the violent crime arrest rate decreases on average by 5.2% each year, and the arrest rate for property crimes also declines on average by 4.8% each year. The most significant reductions have been in recent years, with the juvenile arrest rate falling 12.1% between calendar 2008 and 2009, and Part 1 and Part 2 arrest rates declining by 10.6 and 12.8%, respectively. Between fiscal 2009 and 2010, Part 1 and Part 2 arrest rates declined by 14.2 and 4.0%, respectively.

DJS Complaint Totals and Complaint Disposition

Mirroring the trends in juvenile arrests, **Exhibit 2** shows the total number of complaints received by DJS in recent years and the dispositions of those cases. As shown in the exhibit:

- The total number of complaints continues to decline for the fourth consecutive fiscal year. DJS handled just over 36,300 complaints in fiscal 2011, which reflects a 10.7% decrease when compared with fiscal 2010, and a 32.3% decrease from the most recent peak of more than 53,500 complaints in fiscal 2006.

Exhibit 2
Juvenile Complaint and Complaint Disposition
Fiscal 2004-2011



Source: Department of Juvenile Services StateStat

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- Formal cases, those where DJS believes court intervention is required, fell by 467 cases, or 2.9%, between fiscal 2010 and 2011. As a percent of total case dispositions, formal caseloads increased from 40.2% of the total caseload in fiscal 2010 to 43.8% of the total caseload in fiscal 2011.
- The actual number of cases resolved at intake continued to decline in fiscal 2011, falling by 14.1% in comparison to fiscal 2010. Cases resolved at intake also declined as a proportion of the total caseload in fiscal 2011, by approximately 1.5 percentage points. These cases now account for 38.0% of all complaint dispositions, which is still a significant increase over the past eight fiscal years. In fiscal 2004, cases resolved at intake represented less than 32.0% of the total caseload.
- Those cases that are considered to require some form of intervention but do not rise to the level of court intervention (the informal caseload) declined significantly in fiscal 2011, falling by 25.4%, to less than 6,400 cases. Informal cases represent 17.6% of the total caseload in fiscal 2011, a 3.4 percentage point reduction from fiscal 2010 and a significant change from fiscal 2004, when informal cases represented 26.0% of the total caseload.

Placement Trends

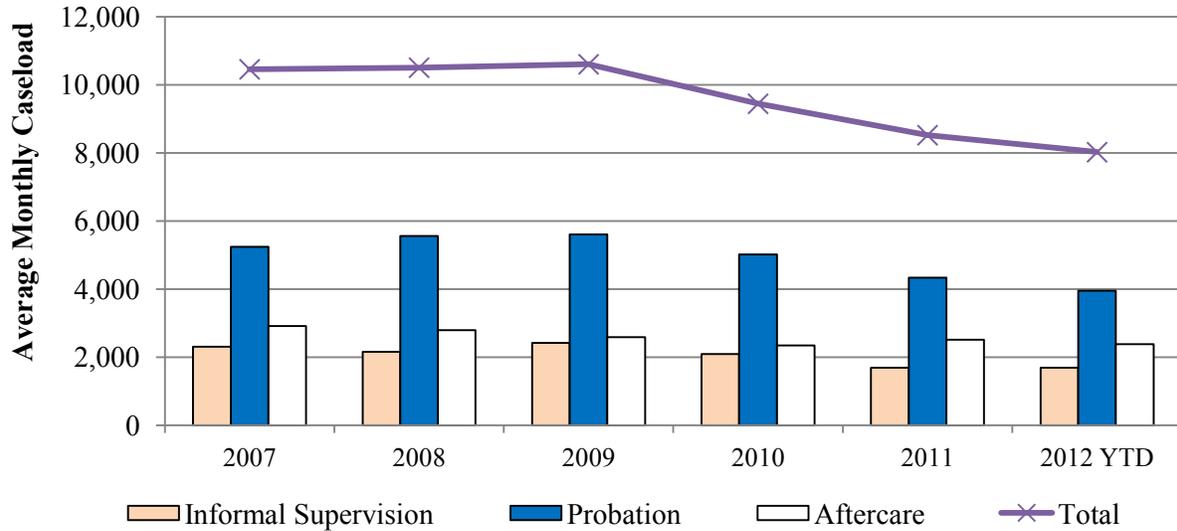
Nonresidential Placement Trends

As shown in **Exhibit 3**, fiscal 2011 and 2012 year-to-date data reflects a continued drop in overall nonresidential placements. This drop generally relates to the declining referrals for informal supervision and probation. The average monthly aftercare caseload actually increased by 7.2% in fiscal 2011, although year-to-date data for fiscal 2012 indicates aftercare caseloads are returning to the fiscal 2010 level of approximately 2,400 cases per month. Overall, in the past five fiscal years, aftercare caseloads have fallen 14.0%. The most notable drop in nonresidential placements between fiscal 2007 and 2011 was among the informal supervision population, which declined by 26.9%. Data from the first six months of fiscal 2012 shows a stable caseload, averaging 1,685 informal supervision cases per month. Probation caseloads decline 14.0 % between fiscal 2010 and 2011; this trend appears to continue in fiscal 2012 as well.

Pre-adjudication/Pending Placement Trends

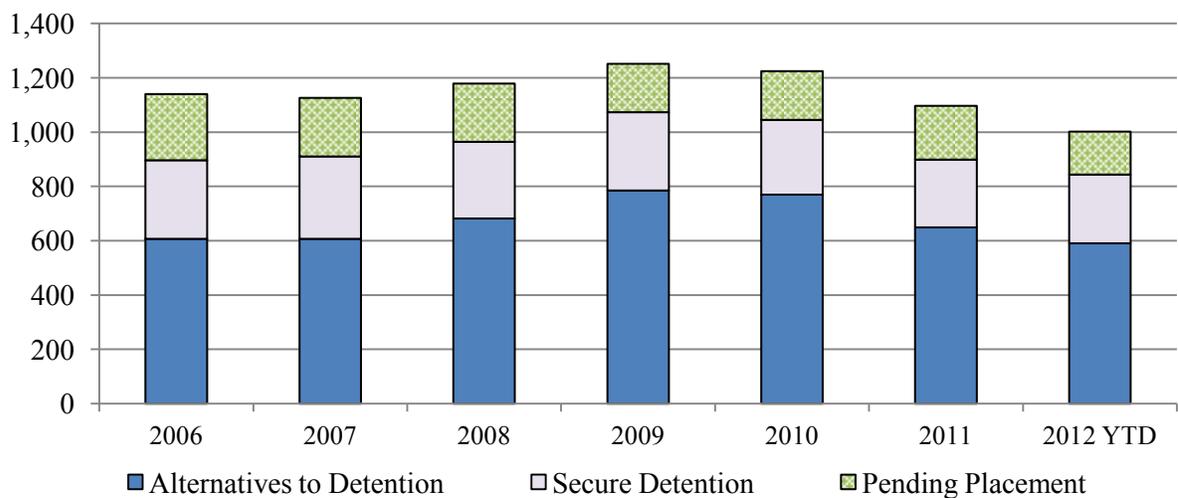
Exhibit 4 details average daily population (ADP) trends for youth who are in either pre-adjudication or pending placement status. This population includes youth who are provided services as an alternative to detention, are awaiting adjudication in secure detention, and those who are pending placement in a secure detention facility (youth who have been adjudicated delinquent and are held in secure detention pending a permanent committed placement). Alternatives to detention primarily include shelter care, evening reporting center participation, and community detention/electronic monitoring.

Exhibit 3
Nonresidential Caseload Trends
Fiscal 2007-2012 Year-to-date



Source: Department of Juvenile Services State Stat

Exhibit 4
Pre-adjudication and Pending Placement Population
Average Daily Population
Fiscal 2006-2012 Year-to-date



Source: Department of Juvenile Services State Stat

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As seen in the exhibit:

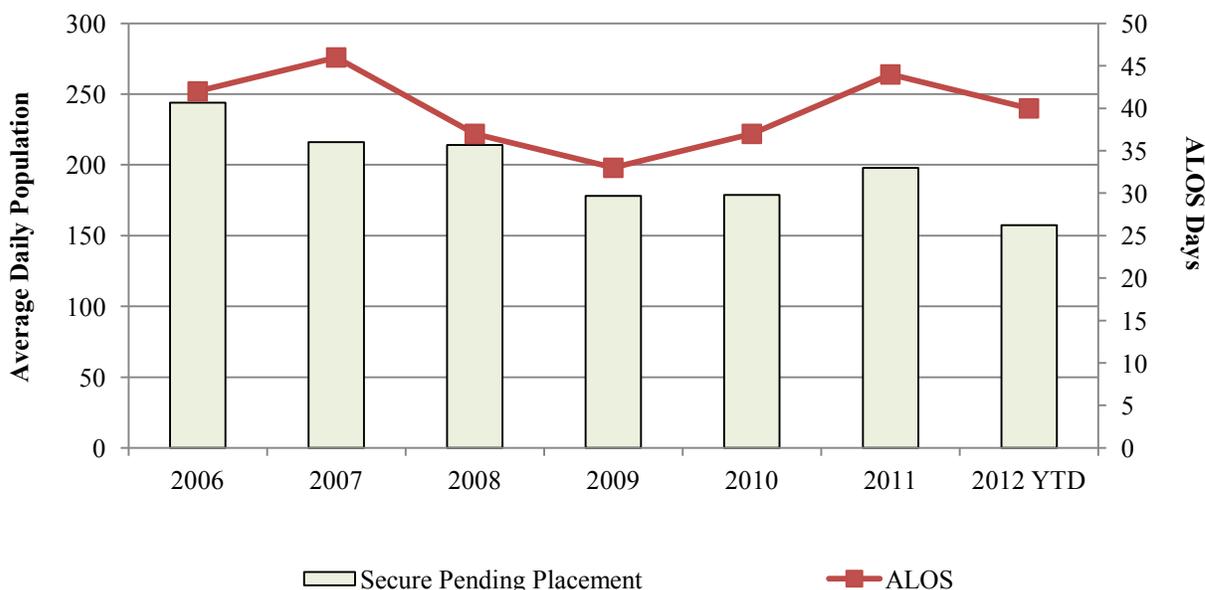
- The overall population of pre-adjudication and pending placement youth has fallen in recent years, particularly since fiscal 2009. In fiscal 2011, 1,097 youth were either in an alternative to detention program or in a detention facility, a 10.4% reduction from fiscal 2010. Youth who are provided community-based services as an alternative to detention account for nearly 60.0% of the total population.
- The utilization of secure detention for pre-adjudicated youth declined by 9.5% between fiscal 2010 and 2011. Data from the first six months of fiscal 2012, however, suggests that the secure detention population is increasing, rising 1.6% to an ADP of 254, in comparison to fiscal 2011. This still reflects a 16.3% decline from the most recent high of 303 pre-adjudicated youth held in secure detention each month in fiscal 2007.
- 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, although somewhat improved in fiscal 2011. The measure used to indicate this disproportionate use of secure detention among minority youth is the Relative Rate Index (RRI). An RRI of 1.0 indicates a completely even decision point. After increasing for three consecutive fiscal years, the RRI for African American youth, in cases involving secure detention, declined from 3.07 to 2.25 between fiscal 2010 and 2011. The RRI for Hispanic youth also fell in fiscal 2011 to 1.50, after spiking to 1.97 in fiscal 2010. Despite the improvements in fiscal 2011, both of these measures are still above the 1.0 target which is the point at which a minority youth is just as likely to be detained as any other youth. This has been an issue noted in recent reports by the Juvenile Justice Monitoring Unit. In August 2011, DJS hired a new Juvenile Detention Alternatives Initiative coordinator who will also be handling disproportionate minority contact (DMC) issues.
- The use of alternatives to detention peaked in fiscal 2009 and has since declined by 17.2%. Fiscal 2012 year-to-date data indicates that the downward trend will continue. In comparison to fiscal 2006, however, the fiscal 2011 population of youth receiving alternatives to detention still reflects a 6.9% increase. More than 85.0% of the youth who are participating in alternatives to detention are on community detention/electronic monitoring.
- As a percentage of the total population of youth either in an alternative to detention program or in secure detention (pre-adjudication and pending placement), the alternative to detention population declined from 63% in fiscal 2009 to 59% in fiscal 2011. DJS has indicated that the decline is the result of detention policies and practices that detain relatively moderate risk youth who could otherwise successfully participate in an alternative to detention program, and are too quick to remove a youth from an alternative to detention program back into detention. A recent study completed by the department shows that a majority of youth in detention in Baltimore City are in detention for policy-driven reasons, and not necessarily risk. If sufficient resources were made available and detention decision policies were more aligned

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with risk assessment findings, it is likely that the department could significantly reduce the secure detention population and effectively monitor youth in the community. **The Department of Legislative Services (DLS) recommends the Juvenile Justice Monitoring Unit, within the Office of the Attorney General (OAG), review the use of secure detention in comparison to risk assessment findings to ensure that secure detention is being utilized appropriately.**

- The pending placement population represents more than 40.0% of the total population in DJS detention facilities. Pending placement trends had dropped significantly in fiscal 2009 and 2010, falling to an ADP below 180, the lowest level seen in recent years. This reduction proved unsustainable in fiscal 2011, however, as the pending placement population increased again by 10.6%. However, data from the first six months of fiscal 2012 show the pending placement population again declining to an ADP of 157 youth. As shown in **Exhibit 5**, increases in the secure pending placement population are closely linked with trends in the average length of stay (ALOS) Between fiscal 2009 and 2011, when the ALOS for pending placement youth increased by 33.3%, the ADP increased by 11.1%. However, fiscal 2012 year-to-date data is indicating a 9.1% decline in ALOS and a 20.4% decrease in the pending ADP placement.

Exhibit 5
Pending Placement Population Average Daily Population and Length of Stay
Fiscal 2006-2012 Year-to-date



ALOS: average length of stay

Source: Department of Juvenile Services State Stat

Committed Residential Population Trends

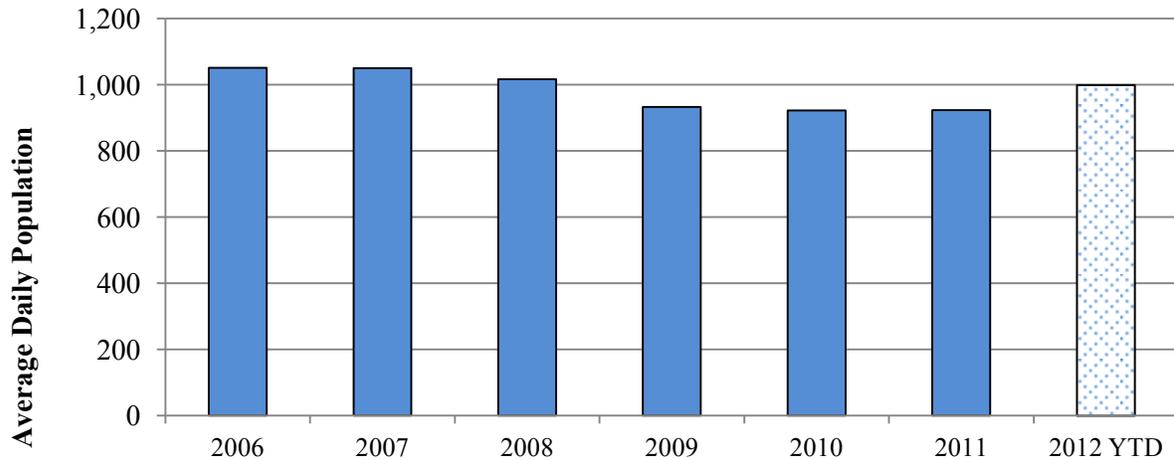
As show in **Exhibit 6**, the ADP of youth in all types of committed residential programs declined significantly in fiscal 2009, falling by 11.2% from the recent high of 1,051 in fiscal 2006. Between fiscal 2009 and 2011, the committed residential population remained relatively stable, with an ADP of approximately 926 youth. Preliminary fiscal 2012 data reflects an 8.2% increase in the total committed residential population. Such an increase is consistent with the reductions in pending placement population, as seen in Exhibit 5, due to the department increasing its efforts to move youth into committed residential programs more quickly.

Of all youth in committed residential placements, approximately 90.0% remain in-state, although that percentage has been decreasing over the past six fiscal years. Youth committed to out-of-state residential programs represented 7.3% of the total committed population in fiscal 2006. By fiscal 2011, out-of-state placements accounted for 12.6%. Youth committed to State-operated residential programs accounted for 23.9% of all placements in fiscal 2011, and the final 63.5% of the population remained in-state but was committed to a private per diem facility.

Exhibit 7 provides population and length of stay data for youth committed to in-state residential programs. Most youth committed to in-state residential placements, 72.6% in fiscal 2011 and 74.4% to date in fiscal 2012, continue to be placed in private per diem facilities (a mix of foster care, group homes, substance abuse and mental health treatment programs, residential treatment centers, and staff secure facilities). Overall, the in-state residential per diem population has been in decline since fiscal 2006, as the proportion of youth committed to State facilities increased from 21.5% in fiscal 2006 to 27.4% in fiscal 2011. The use of in-state private per diem placements declined 23.4% between fiscal 2006 and 2011 to 586 youth. At the same time, the number of youth in State residential facilities increased 5.7%. Preliminary fiscal 2012 data shows the population of youth in State-operated placements remaining stable at approximately 225, while the number of youth in private, in-state placements is increasing by 11.8%.

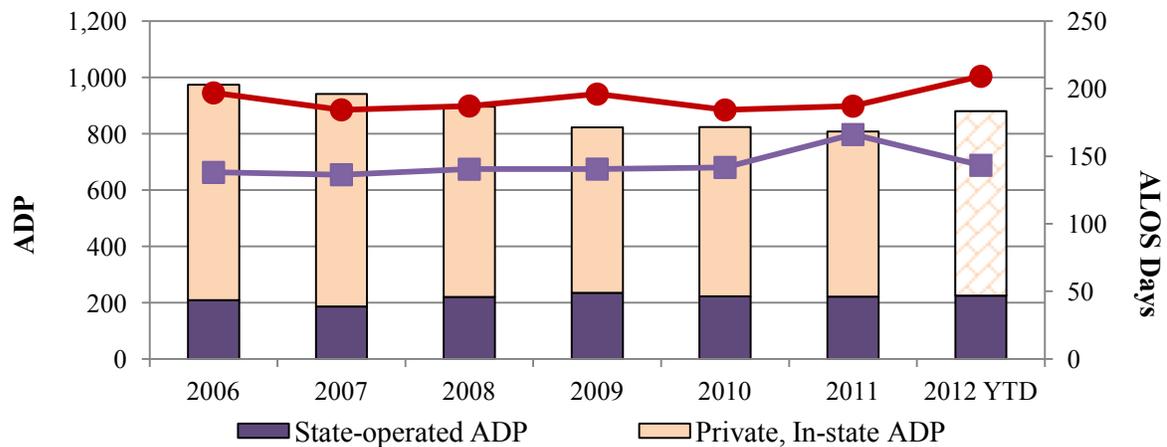
The ALOS for youth in private per diem placements is typically longer than for youth in State-operated committed programs, although there has been some convergence in recent years. In fiscal 2006, youth stayed in private placements an average of 59 days longer than youth in State-operated residential facilities. In fiscal 2011, the ALOS for youth in private placements was 187 days versus the 166 days for youth in State-operated programs, a difference of only 21 days. This was primarily attributable to an increase in the ALOS for youth in State-operated facilities, as the department focused its attention in fiscal 2011 on releasing youth who had been in committed programs for long periods of time. Preliminary fiscal 2012 data indicates that the ALOS for State-operated and private, in-state residential programs may again be diverging, as DJS continues to monitor ALOS to avoid unnecessarily prolonging committed stays.

Exhibit 6
Department of Juvenile Services
Committed Residential Population
Fiscal 2006-2012 Year-to-date



Source: Department of Juvenile Services State Stat

Exhibit 7
In-state Committed Residential Population
Average Daily Population and Length of Stay
Fiscal 2006-2012 Year-to-date



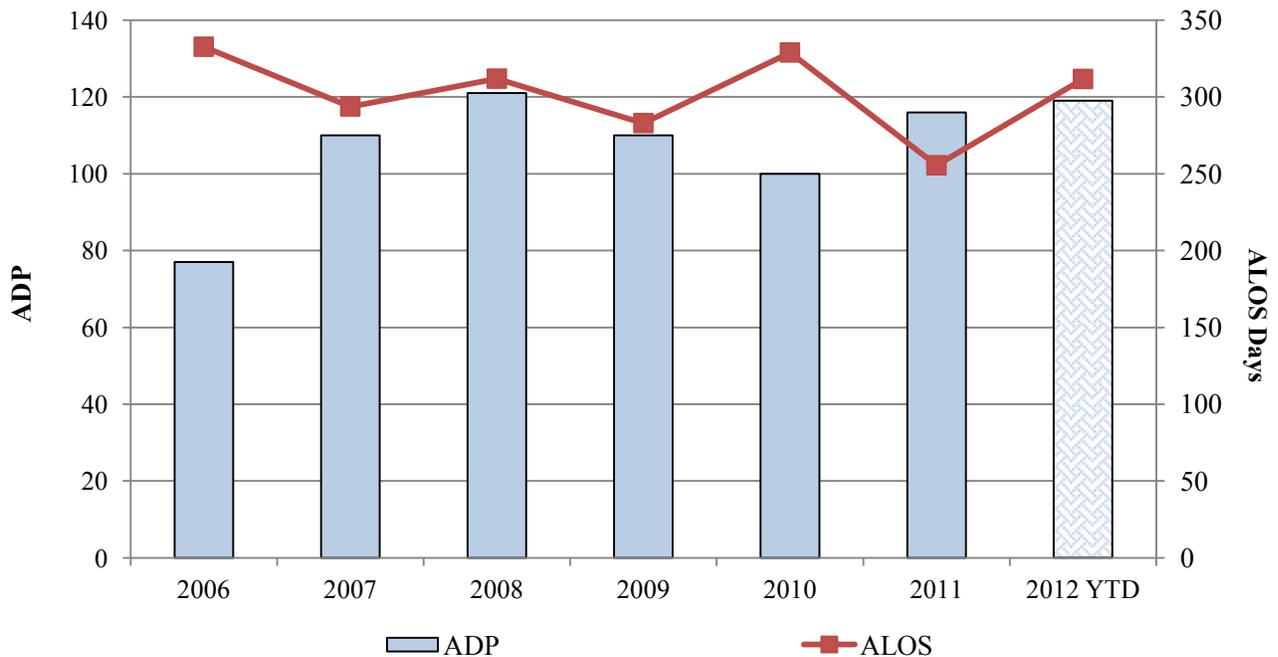
ADP: average daily population
 ALOS: average length of stay

Source: Department of Juvenile Services State Stat

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The department was successful in fiscal 2009 and 2010 in reducing out-of-state placements. As shown in **Exhibit 8**, out-of-state placements declined 17.4% between fiscal 2008 and 2010. Fiscal 2010 was the first year since fiscal 2007 that the agency was able to achieve its goal of not exceeding 100 youths in out-of-state placements. Unfortunately, the trend did not continue in fiscal 2011, and the ADP for out-of-state placements rose to 116 youths. The trend continues upward in fiscal 2012, with DJS averaging 119 youths in out-of-home placements in the first six months of the fiscal year. Although the ALOS for out-of-state youths had declined in fiscal 2011 to 256 days, it appears to be increasing again in fiscal 2012, with youths averaging 312 days in an out-of-state placement before achieving release.

Exhibit 8
Out-of-state Committed Residential Population
Average Daily Population and Length of Stay
Fiscal 2006-2012 Year-to-date



ADP: average daily population
ALOS: average length of stay

Source: Department of Juvenile Services State Stat

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.

Overall, the longer term recidivism (three-year) rates increased slightly in fiscal 2007 and remained at that level in fiscal 2008. In fiscal 2007, 76% of juveniles were re-arrested, 47% were re-adjudicated, and 41% were recommitted within three years of release. In fiscal 2008, the three-year re-arrest rate returned to the fiscal 2006 level of 74%, while the re-adjudication and recommitment rates remained at the elevated fiscal 2007 level. Two-year trends mirrored the three-year trends, increasing in fiscal 2007 and 2008; however, the re-adjudication and recommitment rates improved in fiscal 2008. The number of youth re-arrested in fiscal 2009 continued to increase to 71%.

As seen in **Exhibit 10**, recidivism within one year of release from a residential program in terms of re-referral/arrest increased slightly in fiscal 2010 to 57.0%. Youth released from secure programs accounted for 6.3% of all releases in fiscal 2010, and 61.0% were re-arrested within one year of release. Releasing relatively small numbers of youth from a program can generate wide fluctuations in the recidivism rate, but the fiscal 2010 data does reflect a 6 percentage point increase in comparison to fiscal 2009. A total of 852 youth were re-arrested within one year of release from nonsecure programming, reflecting a re-arrest rate of 57.0%. This reflects a slight improvement over fiscal 2009, yet is still above the nonsecure re-arrest rate from fiscal 2004 through 2006. The one-year recommitment/incarceration rate remains stable for the third consecutive year at 14.0%.

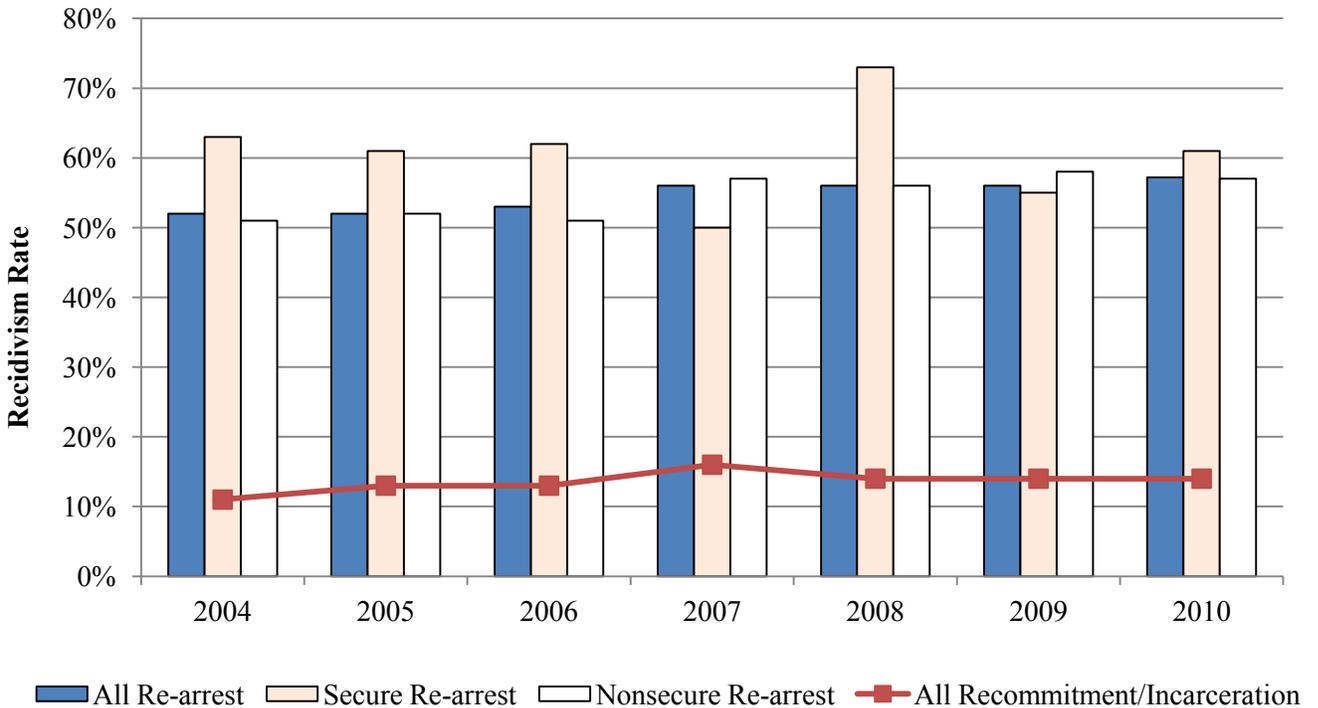
Exhibit 9

Recidivism Rates to the Juvenile Justice and Criminal Justice System for Youth Released from Residential Placements within Two and Three Years of Release Fiscal 2006-2009

	2006		2007		2008		2009	
	<u>2 Years</u>	<u>3 years</u>						
Re-arrest Juvenile/Adult	67%	74%	70%	76%	70%	74%	71%	
Re-adjudication/Conviction	35%	45%	37%	47%	37%	47%	36%	
Recommitment/Incarceration	28%	39%	30%	41%	30%	41%	29%	

Source: Department of Juvenile Services; Department of Legislative Services

Exhibit 10
Rereferrals to Adult or Juvenile System
Within One Year of Release from a Residential Placement
Fiscal 2004-2010



Source: Department of Juvenile Services

Fiscal 2012 Actions

Proposed Deficiency

The fiscal 2013 allowance for DJS includes three general fund deficiency appropriations totaling \$5.9 million. The proposed deficiencies include:

- \$2.2 million for employee overtime expenses. This increases the fiscal 2012 working appropriation to \$9.4 million; however, this is still approximately \$2.0 million below fiscal 2011 actual expenditures.

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- \$1.5 million for contractual employment in the residential facilities. DJS has been utilizing contractual full-time equivalents (FTE) as a means of improving the recruitment and training process in order to have an adequate pool of qualified applicants for when vacancies occur. Applicants for direct care positions are hired as contractual employees while they complete the necessary testing and entry-level training, and are transferred to merit positions as they become available. The deficiency appropriation increases fiscal 2012 contractual employment to \$5.0 million and 107 FTEs.
- \$2.2 million for building maintenance and residential facility repairs. This increases the fiscal 2012 working appropriation to \$3.3 million. The fiscal 2013 allowance also includes nearly \$2.0 million to continue to address maintenance problems at DJS facilities; however, according to the department, actual known maintenance needs exceed \$6.0 million. DJS is prioritizing projects to focus the deficiency funding on the most critical needs.

Section 47 Position Reductions

Section 47 of the fiscal 2012 budget bill required the Governor to abolish 450 positions as of January 1, 2012. This agency's share of the reduction was 21 positions. The annualized salary savings due to the abolition of these positions is expected to be \$1.0 million in general funds.

Proposed Budget

As seen in **Exhibit 11**, the Governor's fiscal 2013 allowance increases by \$6.0 million, or 2.2%.

Exhibit 11
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>
2012 Working Appropriation	\$257,695	\$481	\$10,374	\$8	\$268,558
2013 Allowance	<u>263,517</u>	<u>2,669</u>	<u>8,337</u>	<u>69</u>	<u>274,593</u>
Amount Change	\$5,822	\$2,188	-\$2,037	\$61	\$6,035
Percent Change	2.3%	454.5%	-19.6%	771.3%	2.2%
 Contingent Reduction	 \$0	 \$0	 \$0	 \$0	 \$0
Adjusted Change	\$5,822	\$2,188	-\$2,037	\$61	\$6,035
Adjusted Percent Change	2.3%	454.5%	-19.6%	771.3%	2.2%

Where It Goes:

Personnel Expenses

Abolished/transferred positions	-\$455
Increments and other compensation	-506
Employee overtime	1,925
Employee and retiree health insurance	1,306
Employees retirement system	2,028
Workers' compensation premium assessment	-966
Turnover adjustments	-303
One-time fiscal 2012 employee bonus	-1,596
Other fringe benefit adjustments	504
Contractual full-time equivalent employment	484

Programmatic Changes

Residential per diems	1,292
Mental health evaluations	345
GPS and electronic monitoring equipment	152
Nonresidential programming	41
Evidence-based services	-1,317

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Where It Goes:

Cost Allocations

Statewide personnel system allocation	1,029
Retirement administrative fee.....	273
DoIT information technology services allocation	272
DBM paid telecommunications	60
Office of the Attorney General administrative fee	11

Other Changes

Motor vehicle purchases, maintenance, and repair.....	516
Fuel and utilities	196
Building/equipment repairs and maintenance	938
Other.....	-194

Total **\$6,035**

DBM: Department of Budget and Management

DoIT: Department of Information Technology

GPS: global positioning system

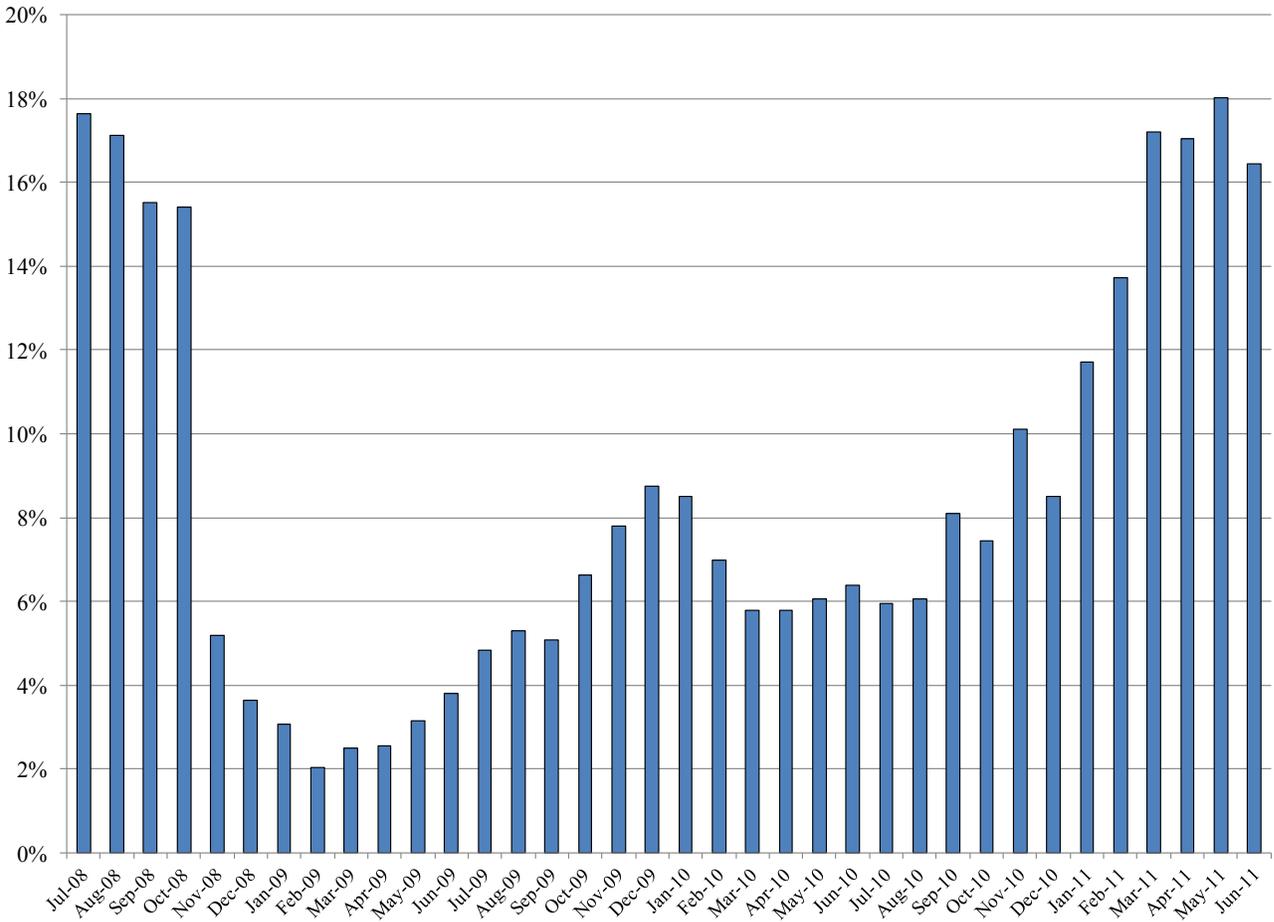
Note: Numbers may not sum to total due to rounding.

Personnel Expenses and Staffing Deficiencies

Regular position personnel expenses increase by a net \$1.9 million in fiscal 2013. Funding for employee retirement and health insurance increases by \$3.3 million. The agency also received an additional \$1.9 million for employee overtime. Approximately \$9.2 million is provided in fiscal 2013 for overtime, which, once the deficiency appropriation is accounted for, is nearly \$270,000 below fiscal 2012. Overtime funding in both fiscal 2012 and 2013 is more than \$2.0 million below fiscal 2011 actual expenditures. Offsetting these increases, the agency loses 7 positions as part of a statewide effort to reduce the size of the State employee workforce, reducing the allowance by \$455,000. Funding for employee salaries are also reduced by \$506,000 to align the allowance with the actual positions lost through the Voluntary Separation Program. The elimination of the one-time fiscal 2012 employee bonus provides for a decrease of nearly \$1.6 million. The agency’s fiscal 2013 allowance is also reduced by an additional \$303,000 due to a higher budgeted turnover rate. The 4.17% budgeted turnover rate is still well below the agency’s actual vacancy rate of 9.07%. DJS currently has 105 more vacancies than what is needed to meet turnover.

Staffing has been an ongoing problem for the department, particularly with hiring direct care staff positions. Poor recruitment and retention have led to increases in overtime spending, high turnover rates, and difficulty managing the department’s facilities. **Exhibit 12** shows the monthly vacancy rate for facility resident advisor positions for fiscal 2008 through 2011. Over the course of fiscal 2011, the vacancy rate for the facility direct care staff increased from 6 to 18%.

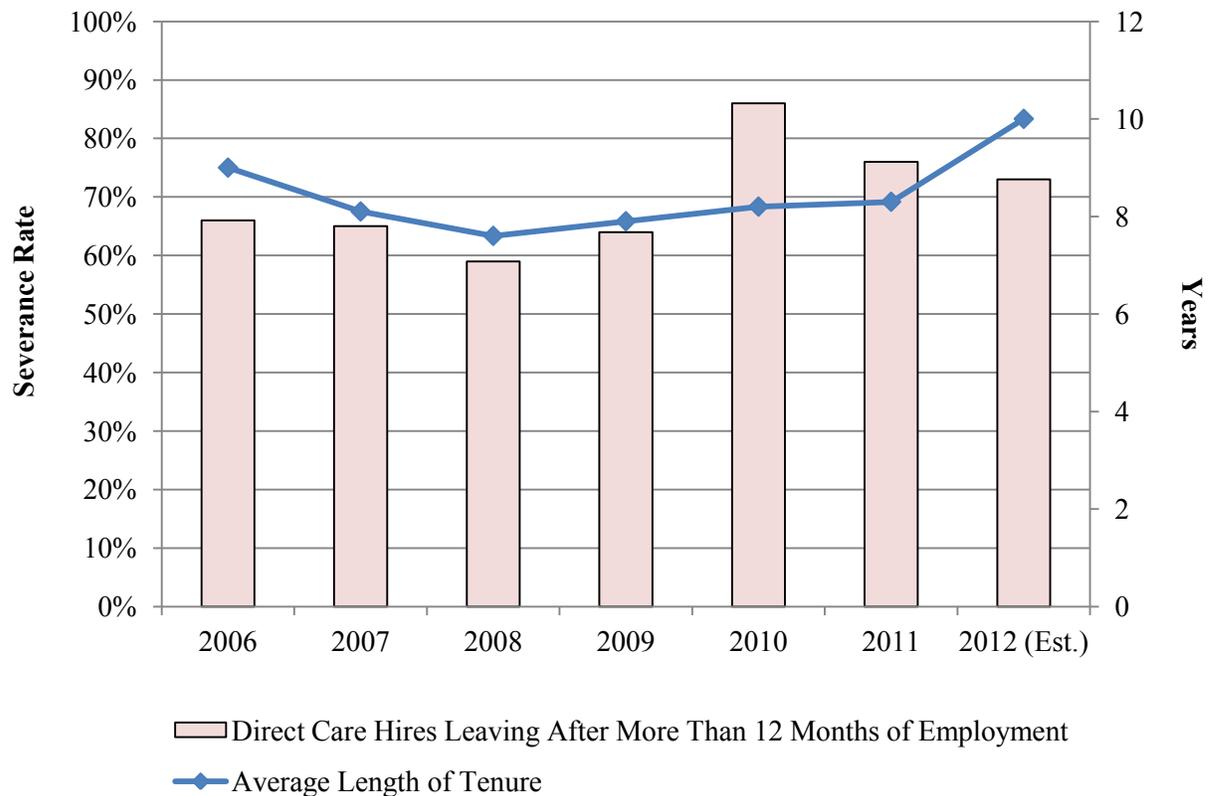
Exhibit 12
Facility Resident Advisors Monthly Vacancy Rate
Fiscal 2008-2011



Source: Department of Juvenile Services State Stat

Exhibit 13 shows the department’s progress toward improving the long-term retention of its employees since fiscal 2006. The goal is to have the average length of tenure for all residential and community direct care staff be 10 years by fiscal 2013. Between fiscal 2008 and 2010, tenure increased from 7.6 to 8.3 years; however, the percent of direct care staff leaving after more than 12 months of employment also increased in fiscal 2010, from 64 to 84%.

**Exhibit 13
Residential and Community Direct Care Staff Long-term Retention
Fiscal 2006-2012**

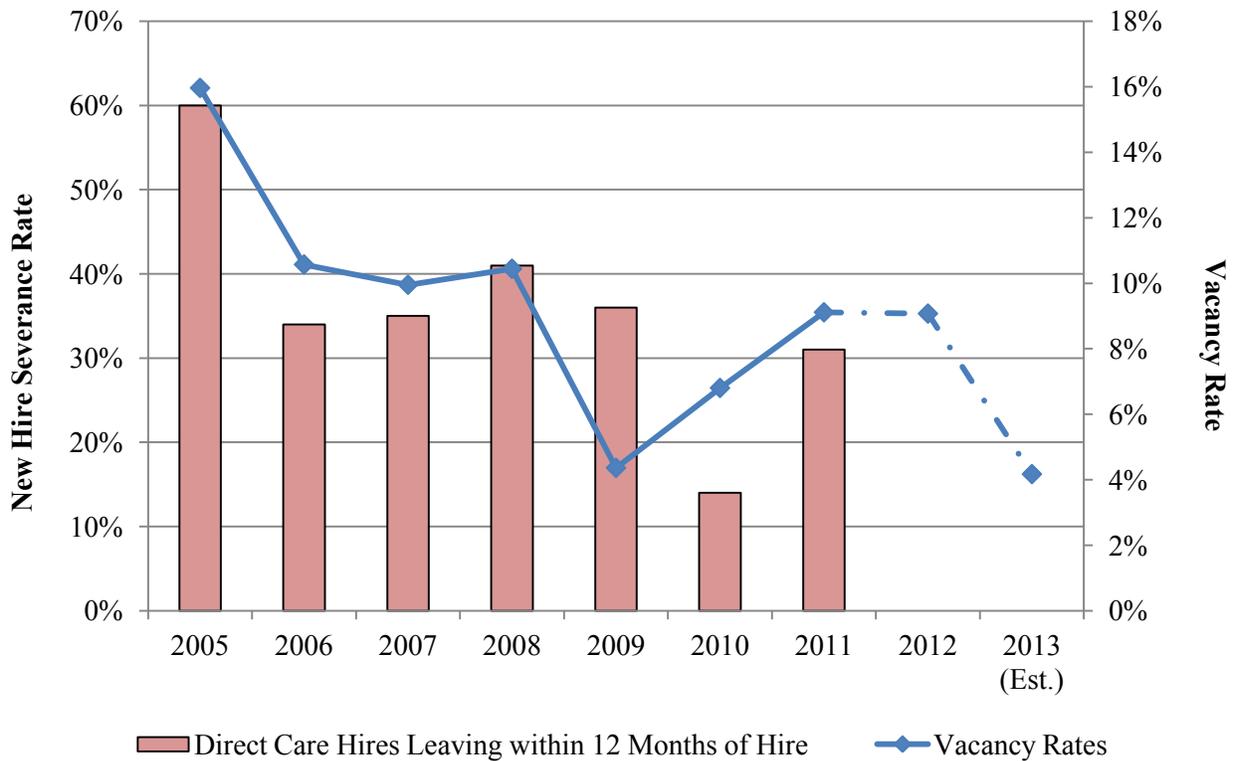


Source: Governor’s Budget Books

The majority of the department’s staffing issues occur with the entry-level positions. **Exhibit 14** shows staffing trends for newly hired direct care staff positions (less than 12 months employment). In fiscal 2010, when DJS experienced an increase in the number of tenured employees leaving, the percent of new hires leaving was at a six-year low. Since fiscal 2010, however, the percent of employees leaving within 12 months of being hired increased significantly, from 14% in fiscal 2010 to 31% in fiscal 2011. The department’s current vacancy rate for all positions is nearly 9.1%. Although this is not as high as fiscal 2005 through 2008, it still poses a significant problem for DJS. DJS cites problems with compensation, working hours, and conditions (including the use of an overtime draft), and competition from other similarly missioned government agencies as factors contributing to the retention issue.

To address the staffing issues, DJS has been conducting hiring blitzes, which allows a prospective employee to apply for a position and complete the entire hiring process, including an

Exhibit 14
New Hire Staffing Trends
Fiscal 2005-2013



Source: Department of Juvenile Services

interview, in one day. This provides a consistent pool of qualified applicants to employ as positions become available. In addition, entry-level direct care staff positions are being hired as contractual employees while they complete any necessary testing, background checks, and entry-level training. The entry-level training program has been expanded from two to six weeks to ensure that direct care personnel are properly prepared for their work assignments in the facilities. New hires are also provided an opportunity to job shadow prior to training, to provide prospective employees exposure to the work environment prior to investing training resources. As direct care vacancies become available, trained contractual employees are then converted to regular positions.

A total of \$5.0 million is provided in fiscal 2012 to support contractual employment, including the \$1.7 million deficiency appropriation. The fiscal 2013 allowance reflects a \$484,000 increase for contractual employment; however, once the deficiency is accounted for, the allowance is actually \$1.0 million below anticipated spending in fiscal 2012. According to DJS, the increased level of contractual employment funding is not meant to be ongoing spending. The intention is to

provide an influx of hiring in fiscal 2012 using FTEs and transfer personnel to regular positions as soon as they become available. So long as DJS can retain those employees, the number of vacancies will decline, and with fewer vacancies, the department will not need to utilize as much contractual employment. However, to the extent that DJS is not able to improve retention, additional funding for contractual employment and employee overtime will be required. Including the deficiency appropriations, total funding in fiscal 2013 for regular and contractual employment is approximately \$1.3 million below fiscal 2012. In addition, the allowance includes \$1.0 million in anticipated special funds revenue from nonpublic placement reimbursements to fund salary expenses. To the extent that revenue is not attained, personnel expenses could be further underfunded.

The department's ability to retain new hires is a significant concern. According to an analysis of fiscal 2011 turnover data, DJS has been able to improve recruitment, but retention of new hires remains a major obstacle. In fiscal 2010, DJS hired 85 entry-level direct care staff. Within 24 months, 49.4% of those hires left the department. Hiring improved in fiscal 2011, when the department hired 151 new staff. In the 15 months since the start of fiscal 2011, however, 31.8% of the new employees have left. Likewise, the number of entry-level employees hired in the first two quarters of fiscal 2012 totaled 106, on pace to exceed fiscal 2011 employees hired, by 40.3%. Within the first six months of the fiscal year, however, 20.8% of those employees have separated. In total, since July 2009, DJS has hired 342 entry-level direct care personnel with a turnover rate of 32.7%. Of the 112 new hires that have separated from the department, the average months of service prior to separation was 6.4 months. Furthermore, when the turnover analysis is expanded to include all entry-level direct care staff, not just newly hired personnel, 43.0% left DJS employment in fiscal 2011. Turnover rates were highest at the Cheltenham Youth Facility (CYF), the Victor Cullen Center, and the Thomas J. S. Waxter Children's Center.

DJS should comment on what is being done to address the problems with retaining new direct care staff. The department should also discuss the new job shadowing program and whether this is having an impact on the comfort level of new direct care employees. DLS recommends restrictive budget bill language directing the department to conduct an anonymous survey of current direct care staff to better understand the retention problem and identify possible solutions.

DJS recently completed a comprehensive analysis of each facility to identify operational and administrative staffing deficiencies. The assessment of administrative staffing focused on providing proper oversight and decisionmaking abilities. The post analysis for direct care staff was determined based on the staff-to-youth ratio established at each facility, the physical plant design, custody level of the youth, and the security classification of the facility. Staffing needs were also determined by using a relief factor calculation, established for each region, based on calendar 2010 actual data. The analysis concluded that DJS needs an additional 173 positions to address all identified deficiencies. Of the 173 positions, 106 are direct care, 53 are supervisory, and 14 are recreational support positions. **Exhibit 15** shows the total staffing deficit at each facility. The estimated cost of adding these positions, net of anticipated overtime savings, is approximately \$4.7 million.

Exhibit 15
Department of Juvenile Services
Staffing Deficiencies by Facility

<u>Facility</u>	<u>Staffing Deficit (FTE)</u>
Baltimore City Juvenile Justice Center	14.50
Cheltenham Youth Facility	20.71
Charles H. Hickey School	9.56
Victor Cullen Center	8.74
Alfred D. Noyes Children’s Center	22.72
Meadow Mountain Youth Center	17.37
Green Ridge Youth Center	11.57
Backbone Mountain Youth Center	8.57
Savage Mountain Youth Center	5.67
Thomas J. S. Waxter Children’s Center	7.78
Western Maryland Children’s Center	15.49
Lower Eastern Shore Children’s Center	18.83
J. DeWeese Carter Children’s Center	10.59
William Donald Schaefer House	0.42
Total	172.52

FTE: full-time equivalent

Source: Department of Juvenile Services

According to the agency’s Managing for Results submission, DJS is also currently conducting a study of youth caseload ratios for community case managers. The study is expected to be complete by spring 2012. **DLS recommends that DJS submit the findings of the study and a justification for any changes in the caseload ratios to the budget committees.**

Programmatic Changes and Underfunding

In total, fiscal 2013 funding for residential and community-based programs increases by \$513,000. General fund spending is reduced by less than 1.0%, to \$66.9 million, when compared with fiscal 2012. The special fund appropriation increases by \$1.2 million, reflecting anticipated

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revenue from nonpublic placement reimbursements. Federal fund spending decreases by 2.3% reflecting a slight reduction in Title IV-E attainment.

Nonpublic Placements

Chapter 397 of 2011, the Budget Reconciliation and Financing Act (BRFA) of 2011, included a provision to allow DJS to collect reimbursement from local jurisdictions for youth in committed programs who are receiving nonpublic education services. The enactment of the provision reduced the department's fiscal 2012 general fund allowance by \$2.2 million. Approximately \$1.2 million of the reduction was for residential per diems funding and \$1.0 million was for personnel expenses. DJS, along with the Department of Budget and Management (DBM), Department of Human Resources (DHR), and the Maryland State Department of Education (MSDE) have developed a process for identifying eligible youth, calculating the appropriate amount of reimbursement, and receiving payment from the local education agencies (LEA).

The process for fiscal 2012 is as follows:

- DHR and DJS will provide MSDE with a list of eligible youth that received education services during each quarter of fiscal 2012 (July 1 through September 30, 2011).
- Within two weeks, MSDE will compare the list of youth provided by DJS and DHR to the enrollment counts from September 30, 2010, and notify DJS and DHR of youth that are eligible for reimbursement from a LEA.
- DJS and DHR will have two weeks from the time that MSDE completes the necessary data match to submit bills to LEAs.
- LEAs will have two weeks to send payment to DJS and/or DHR. Since the BRFA of 2011 does not provide MSDE with the authority to charge the LEAs for educational services provided at the Victor Cullen Center, DJS will be responsible for collecting payment for these services and will establish a reimbursable agreement with MSDE.

In total, the process is estimated to require six weeks to complete from the time that DJS and DHR provide data to MSDE. The process will occur on a quarterly basis, with DJS and DHR submitting quarterly data match requests to MSDE for periods ending December 31, March 31, and June 30. MSDE will also be responsible for providing DJS and DHR with the daily basic cost for each LEA determined by dividing the current basic expense by 260. DJS and DHR will determine the reimbursable amount by multiplying the daily basic cost with the number of days each eligible youth received educational services.

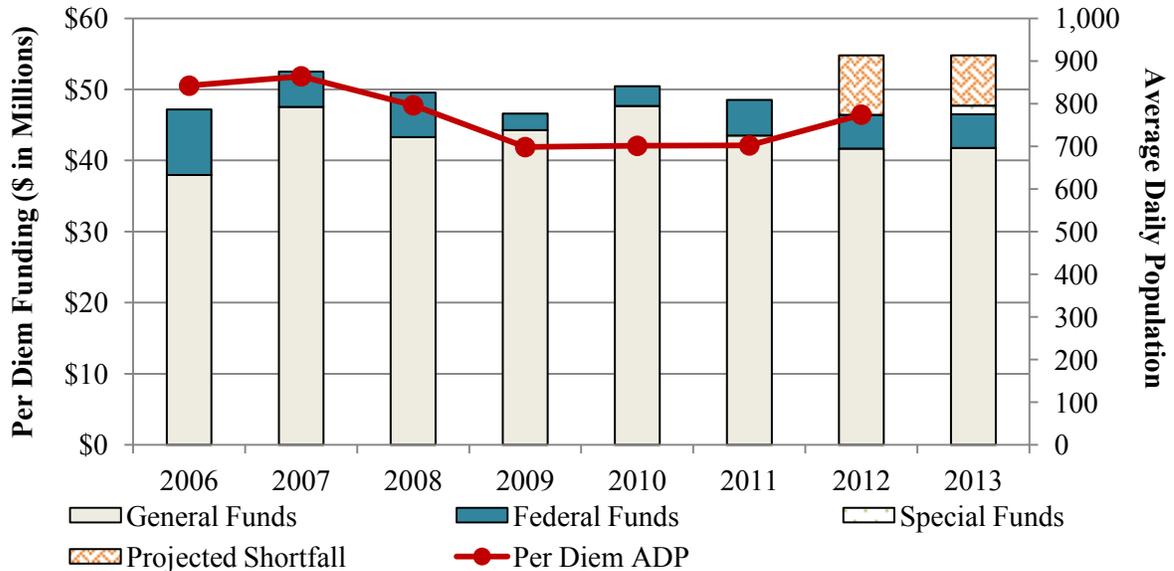
The special fund revenue resulting from the reimbursement is to be appropriated via budget amendment. As such, there is no special fund revenue included in the fiscal 2012 working appropriation. To date, the involved agencies have not completed a single billing cycle. According to DJS, initial youth data has been submitted to MSDE, but match data has yet to be received. It is,

therefore, not known whether the \$2.2 million reduction taken in fiscal 2012 is attainable. To the extent that the full \$2.2 million is not realized, the fiscal 2012 working appropriation will be underfunded. In addition, the allowance includes \$2.2 million in special fund revenue generated from the nonpublic placement reimbursements, which suggests that the underfunding could carry forward into fiscal 2013.

Residential Per Diems

The allowance provides a \$1.3 million increase for residential per diems, increasing fiscal 2013 funding to \$47.7 million. **Exhibit 16** provides funding and population detail for residential per diem placements. Actual per diem expenditures totaled \$48.5 million in fiscal 2011, and the ADP for youth in private placement was 702. The fiscal 2012 working appropriation for residential per diems is \$46.4 million; however, the ADP has increased by 10.3% to 774 youth. Based on year-to-date expenditures, residential per diems will total \$54.8 million in fiscal 2012, creating a funding shortfall of \$8.4 million. To the extent that the nonpublic placement special fund revenue is accurately realized, an additional \$1.5 million could be provided to offset the shortfall; however, this would still leave a fiscal 2012 deficiency of \$6.9 million.

Exhibit 16
Residential Per Diem Placement Funding and Per Diem ADP
Fiscal 2006-2013



ADP: average daily population

Source: Governor’s Fiscal 2013 Allowance; Department of Juvenile Services

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The \$1.3 million increase in fiscal 2013 is the acknowledgement of the special fund revenue. If the current fiscal 2012 spending and population trends carry into fiscal 2013, the allowance for residential per diems is underfunded by \$7.1 million. If the special fund revenue estimate is inaccurate, the estimated additional need in fiscal 2013 could total \$8.4 million.

Community and Evidence-based Programming and Services

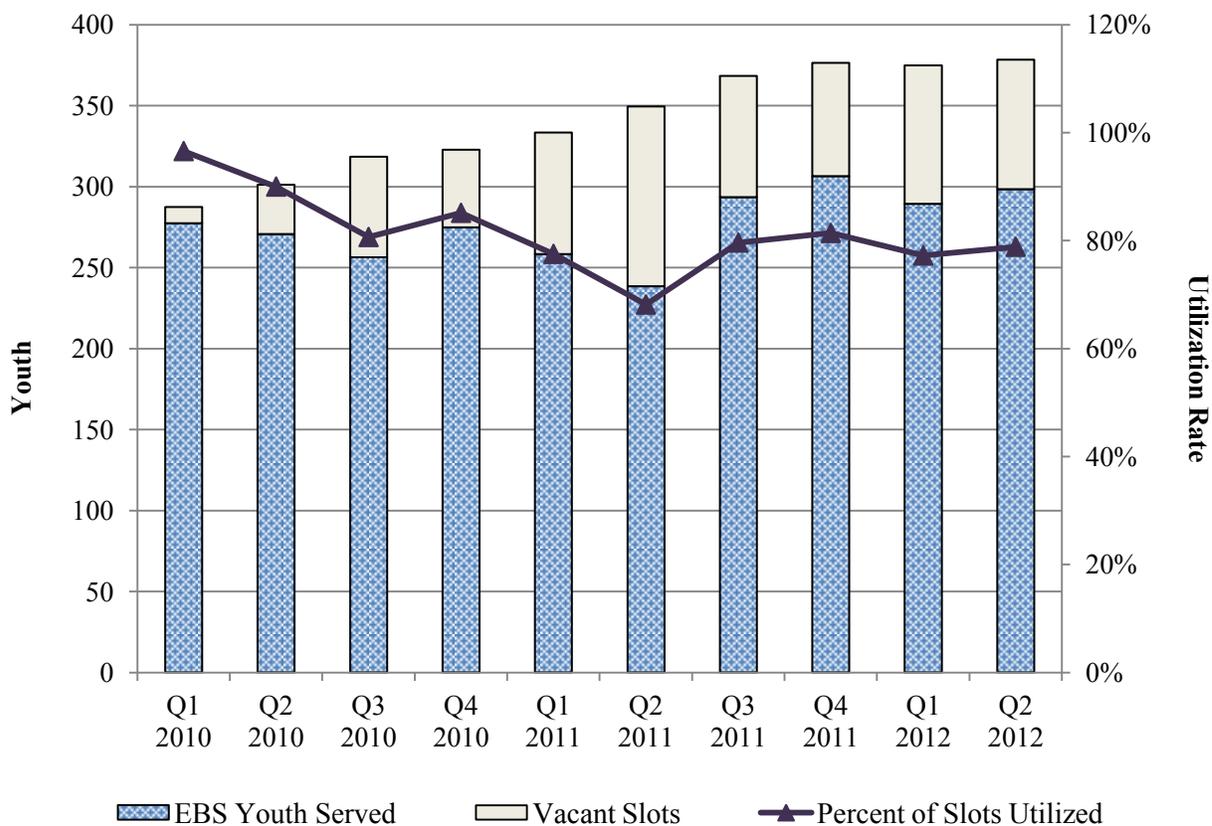
The fiscal 2013 allowance reflects a slight increase (\$345,000) for mental health evaluations. Contractual funding for evaluations was reduced in fiscal 2010 due to cost containment, with the intention of utilizing departmental staff to provide these services. DJS was able to reduce expenditures for evaluation from \$3.4 million in fiscal 2009 to \$1.7 million in fiscal 2011. The allowance includes \$1.2 million for mental health evaluations. Under the current process, there is a lack of standardization in how the evaluation is conducted and the product that is generated. In addition, there is a significant amount of redundancy, as private providers are often conducting their own evaluations, even if a DJS evaluation has already been completed. This can result in significant delays and problems in obtaining residential placements for youth. To address the issue, DJS is restructuring its procedures for providing evaluations, including the creation of a new reception and evaluation center. The concept is still in the early stages of development, and, as such, the department is unable to provide a cost estimate or timeline for implementation.

The department should discuss the plans for implementing a new reception and evaluation center, including how the new process would work. DLS recommends that DJS submit a report detailing the proposed plan for implementing a new reception and evaluation center, including an implementation timeline and cost-benefit analysis.

Funding for Global Positional System (GPS) and electronic monitoring (EM) equipment increases by \$152,000. The \$1.8 million included in the allowance provides funding for 200 GPS units and 625 EM units. The increase in funding is the result of aligning the budget with current contracts, as the department has shifted to utilizing more cell phone based units, as opposed to landline units.

The fiscal 2013 allowance for evidence-based services (EBS) declines by \$1.3 million. This reduces the number of contracted slots to approximately 300. **Exhibit 17** shows quarterly EBS utilization data for fiscal 2010 through 2012. DJS had increased the total number of EBS slots to 428 in fiscal 2011; however, based on the utilization, EBS funding was reduced to fund 374 slots in fiscal 2012. As the exhibit shows, utilization is typically near 80%, with approximately 300 slots filled at any point in time. The reduction in the allowance, therefore, appears to be right-sizing EBS funding with actual utilization.

**Exhibit 17
Utilization of Evidence-based Services
Fiscal 2010-2012**



EBS: evidence-based services

Source: Department of Juvenile Services State Stat

Cost Allocations and Other Changes

Increases for various cost allocations set by DBM account for 27.3% of the department’s \$6.0 million growth in fiscal 2013. Overall, funding for the statewide personnel system increased significantly in fiscal 2013, by \$1.0 million. DJS will be one of the agencies to utilize the full functionality of the system and, therefore, has a significant share of the total project cost. Administrative fees and service allocations for the OAG, retirement, and Department of Information Technology (DoIT) are newly budgeted for fiscal 2013, increasing the allowance by nearly \$556,000. The OAG administrative fee is allocated based on the departments’ OAG staff as a percentage of total OAG staff. The retirement fee is allocated based on the department’s total FTE as a percentage of

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total State FTEs. The DoIT allocation reflects funding based on estimated usage for Geographical Information Systems and the shift to cloud technology, *i.e.*, the implementation of Google mail and collaboration. The DJS allowance funds 3.8% of the total DoIT allocation for these services.

The allowance includes nearly \$1.9 million for motor vehicle-related expenditures, a \$516,000 increase over fiscal 2012. The majority of the increase is for the purchase of 17 replacement sedans and 17 replacement vans/trucks in fiscal 2013. Cost containment has limited the department's ability to purchase new vehicles in prior years. Most of the vans/trucks are used for juvenile transport, and the department has had some recent occurrences of youth escaping or attempting to escape while being transported. The sedans are used by case managers in the community but can also be used for transporting youth.

The fiscal 2013 allowance also includes nearly \$2.0 million to continue to address maintenance problems at DJS facilities, providing an increase of \$938,000 above the fiscal 2012 working appropriation. Once the deficiency appropriation is accounted for, however, the allowance actually reflects a decrease of \$1.3 million. The funding provided in fiscal 2012 and 2013 is for one-time only expenditures; however, according to the department, actual known maintenance needs exceed \$6.0 million. **DJS should comment on whether the level of funding provided in fiscal 2012 and 2013 is adequate enough to address the department's maintenance needs and how it is prioritizing projects to address the most critical needs.**

Budget Summary

Exhibit 18 shows estimated fiscal 2012 and 2013 funding shortfalls for personnel costs and residential per diems.

Exhibit 18
Personnel and Residential Per Diem Underfunding
Fiscal 2011-2013
(\$ in Millions)

	<u>2011 Actual</u>	<u>2012 Working Approp.</u>	<u>2012 with Deficiencies</u>	<u>2012 Projections</u>	<u>2013 Allowance</u>	<u>2012 Estimated Underfunding</u>	<u>2013 Estimated Underfunding</u>
Overtime	\$11.5	\$7.3	\$9.4	\$10.9	\$9.2	\$1.5	\$1.7
Residential Per Diems	48.5	46.4	46.4	54.8	47.7	8.4	7.1
Total Shortfall						\$9.9	\$8.8

Source: Governor's Fiscal 2013 Allowance; Department of Legislative Services

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In summary, it appears that personnel costs in the fiscal 2013 allowance could be underfunded by \$1.5 million in fiscal 2012 and \$1.7 million in fiscal 2013, exclusive of the staffing analysis findings that indicate a need for an additional 173 positions. Addressing the staffing analysis deficiencies would require an additional \$4.8 million, net of anticipated overtime savings. The identified shortfalls in the allowance are largely due to overtime funding budgeted below actual expenditures and issues with employee retention. DJS does currently have 105 vacant positions beyond what is needed to meet fiscal 2013 budgeted turnover. This could offset a portion of the underfunding; however, the goal should be to fill vacant positions. The agency is anticipating cost savings beginning in the third quarter of fiscal 2012, as the plan to increase FTE utilization to improve the hiring process is more fully implemented. This in theory should reduce the number of vacancies; however, with 89 of 115 new hires leaving in fiscal 2012, retention remains a major obstacle, and additional funding could be required in the form of employee overtime.

Residential per diems are estimated to be underfunded by \$8.4 million in fiscal 2012 and \$7.1 million in fiscal 2013, provided that the \$1.2 million in special fund revenue generated from nonpublic placement reimbursements is realized. The shortfall is largely due to significant increases in the residential per diem population and the average cost per youth. Special fund revenue collections could reduce the fiscal 2012 shortfall by \$1.5 million.

Finally, although funding for all community-based programs increases by \$785,000 in fiscal 2013, when compared to fiscal 2009, community-based funding has declined by \$7.1 million, or 26.1%. If evidence-based programs are excluded, funding for all other community-based programming decreased by \$9.1 million, or 36.6%, since fiscal 2009. While this reduction is consistent with the 19.9% reduction in nonresidential caseloads, it is also largely the result of cost containment occurring over the past three fiscal years.

DJS should comment on how the department intends to address the identified funding shortfalls in fiscal 2012 and 2013. The department should also comment on the overall decline in community-based program funding and how this has affected services, particularly for aftercare and transitioning youth.

Issues

1. Implementing a New Behavior Management Program for DJS Treatment Facilities

Assaults on youth and staff, as well as group disturbances and the use of restraints or seclusion, occur at higher rates in State-operated facilities than in facilities operated by private providers. In addition, as seen in **Exhibit 19**, 12-month recidivism rates tend to be higher for youth released from State-operated facilities, versus privately operated facilities of the same security classification. As an example, 68% of fiscal 2010 releases were re-arrested within 12 months of release from the Victor Cullen Center and 24% were re-incarcerated. Only 42% of youth released from out-of-state hardware secure facilities were re-arrested within 12 months, and 21% were re-incarcerated. Recent data would suggest, therefore, that placement in an out-of-state or in-state private program can be more appropriate and more effective in treating juvenile offenders.

Exhibit 19
12-month Juvenile and/or Criminal Justice Recidivism
State and Privately Operated Facility Releases
Fiscal 2008-2010

	<u>2008</u>				<u>2009</u>				<u>2010</u>			
	Releases	Re-arrest	Re-conviction	Re-incarceration	Releases	Re-arrest	Re-conviction	Re-incarceration	Releases	Re-arrest	Re-conviction	Re-incarceration
Staff Secure												
Youth Centers (State)	237	65%	26%	19%	225	61%	24%	19%	206	66%	32%	19%
<i>Backbone Mountain</i>	77	52%	21%	17%	84	50%	20%	17%	90	61%	23%	14%
<i>Green Ridge</i>	94	73%	30%	22%	76	62%	28%	21%	82	70%	39%	23%
<i>Savage Mountain</i>	66	70%	26%	17%	65	74%	26%	18%	34	71%	38%	24%
Silver Oak Academy (Per Diem)	0	N/A	N/A	N/A	0	N/A	N/A	N/A	34	62%	18%	12%
Out-of-state Providers (Per Diem)	81	58%	21%	20%	67	60%	18%	16%	60	57%	12%	10%
Hardware Secure												
Victor Cullen Center (State)	26	77%	27%	19%	78	60%	23%	19%	71	68%	31%	24%
Waxter Children’s Center (State)	7	57%	14%	0%	6	17%	17%	17%	10	50%	10%	10%
Out-of-state Providers (Per Diem)	38	74%	29%	29%	28	50%	14%	14%	19	42%	21%	21%

Note: Although female youth are included in the out-of-state population, the Waxter Children’s Center is the only all-female facility.

Source: Department of Juvenile Services Data Resource Guide, Fiscal 2011

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To help improve operations at the State's committed facilities, the department is implementing a new behavior management program, the Challenge Program. The program is based on behavior modification principles for developing prosocial skills by rewarding appropriate/desired behaviors and holding youth accountable for inappropriate behaviors through the issuance of consequences and loss of privileges. A basic model of behavior management is currently being utilized at the detention centers; however, according to the department, behavior management programming has not been implemented at the State-operated treatment facilities. The treatment facilities have been utilizing Positive Peer Culture (PPC), which is based on peer intervention for problem solving and censuring of negative behaviors. The PPC model requires the development of a strong therapeutic community and works best with an older population. DJS has had limited success with the PPC Program due to age diversities and the aggression level of the youth.

The Challenge Program was developed with the help of a consultant and modeled from existing behavior modification programs, with additional input provided from youth and staff focus groups. The Challenge Program differs from the PPC model because it makes each youth accountable for his/her decisionmaking and does not rely on the peer community to determine the youth's progress. Staff interaction and accountability can be more closely monitored through program documentation and evaluation. DJS intends to provide initial and annual refresher training to ensure staff remain consistent in implementing the program.

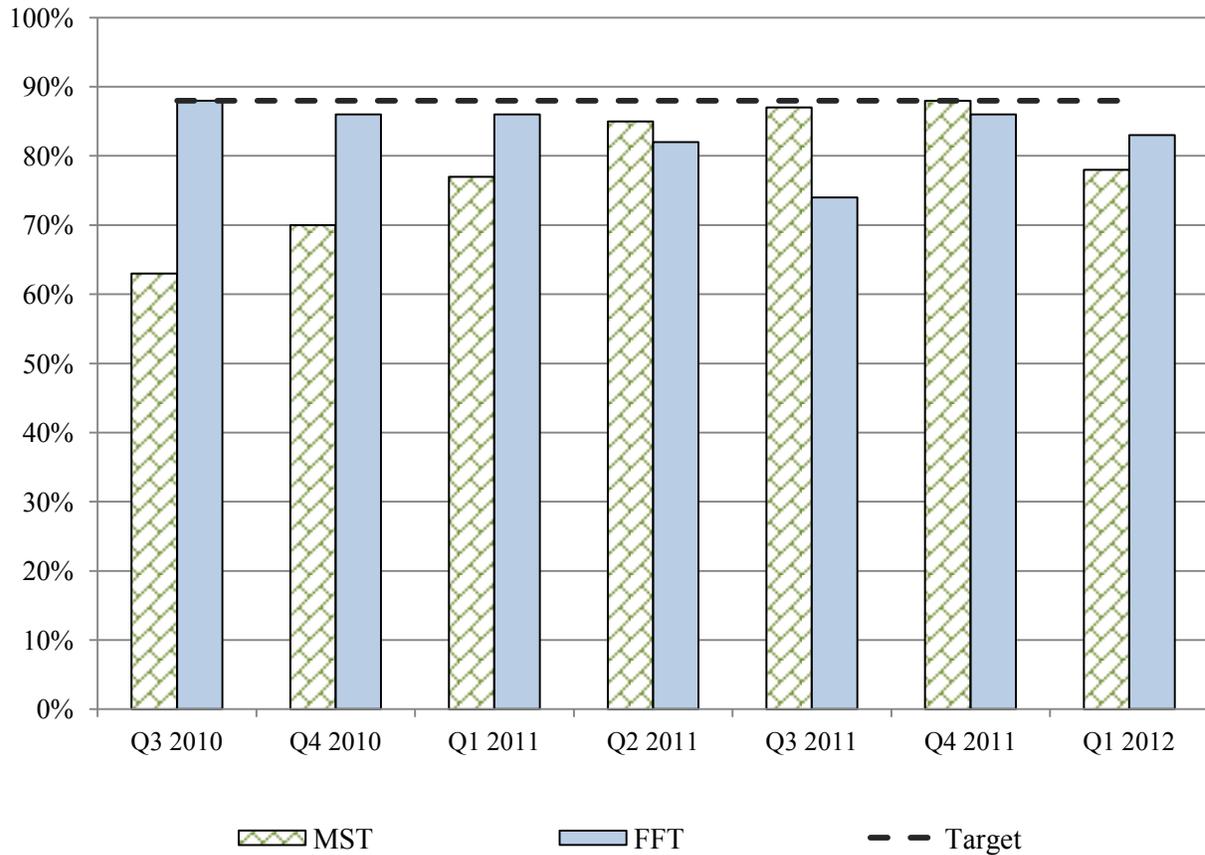
The Challenge Program was implemented in November 2011 at the Carter Children's Center, when the facility was converted to a committed program for female youth. The intention is to have the program implemented at all six State-operated treatment facilities. Staff at the Victor Cullen Center began receiving the necessary training to implement the program in February 2012 with actual program implementation anticipated for March 2012. DJS is currently developing a plan for expanding the program to the youth centers.

DJS should comment on how implementation of the Challenge Program has impacted the behavior of the youth at the Carter Children's Center. The department should also discuss how the program will be evaluated to determine whether the desired outcomes are being achieved and the program is being implemented properly.

2. Evidence-based Services Outcomes

DJS provides three types of EBS programs to youthful offenders: multisystemic therapy (MST), functional family therapy (FFT), and multidimensional treatment foster care (MTFC). The majority of the funded slots (70%) are for FFT. Only 2 of the 385 contracted slots in December 2011 were for MTFC. **Exhibits 20 through 22** shows a variety of outcome measures for youth who have been released with full treatment opportunity, used to gauge the performance of the evidence-based programs.

Exhibit 20
Evidence-based Services Outcome Measures
Percent of Youth Living at Home
Fiscal 2010-2012

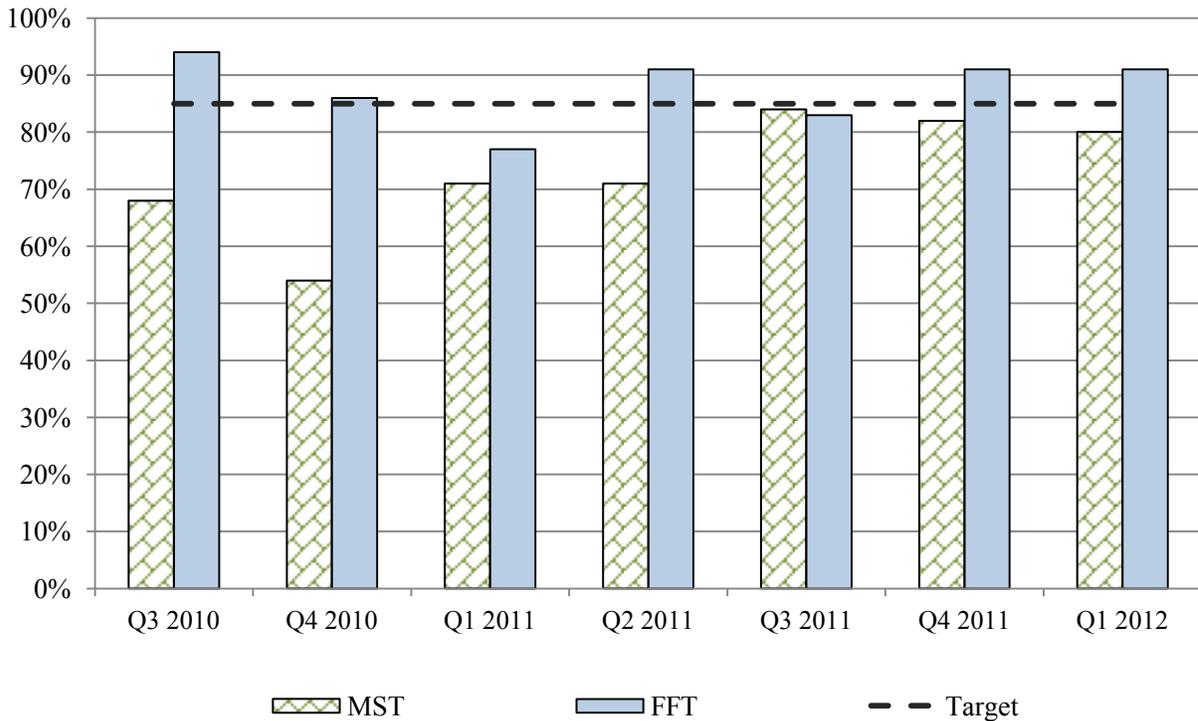


FFT: functional family therapy
MST: multisystemic therapy

Source: Department of Juvenile Services State Stat

Exhibit 20 shows the percent of youth who are living at home. The target is to have 88% achieving this measure. The fiscal 2009 national average for MST participants was 86%. The percent of DJS MST participants living at home has improved since the third quarter of fiscal 2010, meeting the 88% target in the fourth quarter of fiscal 2011. Some drop-off has occurred in early fiscal 2012, with only 78% of youth living at home. On average, a higher percentage of FFT participants live at home, although the 88% target has not been achieved since the third quarter of fiscal 2010.

Exhibit 21
Evidence-based Services Outcome Measures
Percent of Youth in School or Working
Fiscal 2010-2012



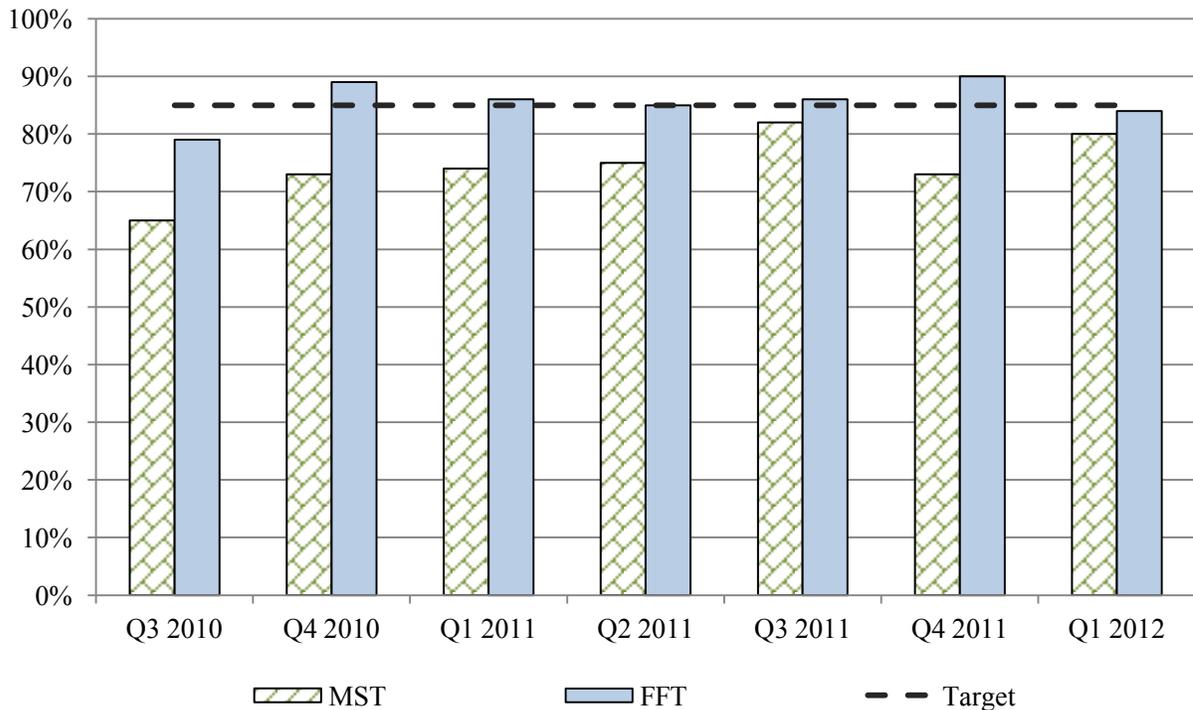
FFT: functional family therapy
MST: multisystemic therapy

Source: Department of Juvenile Services State Stat

Exhibit 21 shows the percent of youth who are in school or working. The target is to have 85% of youth in school or working, and the 2009 national average met that target. For DJS MST participants, the 85% target has yet to be met and appears to be on a downward trend since the third quarter of fiscal 2011. FFT participants were also more successful in achieving this outcome, with an average of 88% of participants in school or working over the past 21 months, versus 73% for MST participants. FFT participants exceeded the 85% target in five of the last seven quarters.

Exhibit 22 shows the percent of youth with no new arrests. Again, MST participants continue to fall below the identified 85% target, with an average of 75% of participants having no new arrests in the past 21 months. In comparison, the percent of FFT participants that have had no new arrests during the same time period has averaged near 85%. FFT participants also met or exceeded the target in five of the last seven quarters.

Exhibit 22
Evidence-based Services Outcome Measures
Percent of Youth with No New Arrests
Fiscal 2010-2012



FFT: functional family therapy
MST: multisystemic therapy

Source: Department of Juvenile Services State Stat

DJS should comment on the variances between the programs in achieving the desired outcomes and whether the identified outcome measures can be used to gauge the effectiveness of the EBS services provided. DJS should also comment on how youth are selected for EBS participation and which type of program is most appropriate.

DLS recommends that DJS report on the EBS outcome measure as part of its Managing for Results performance measures.

3. Transferring Juvenile Education Services to the Maryland State Department of Education

The General Assembly added budget language in the 2011 legislative session requiring that the education program at CYF be transferred from DJS to MSDE in October 2011. The transfer brings the number of education programs operated by MSDE in the 14 DJS facilities to 7. There is a statutory deadline, established by Chapter 535 of 2004 and Chapter 487 of 2009, to transfer all of the juvenile services education programs to MSDE before July 1, 2014.

MSDE reports that it needs more funds for the programming than does DJS and that the remaining DJS facilities have insufficient space to provide adequate educational programming, which has led to a delay in the transfers. A portion of the higher cost for operating DJS education programs is also associated with maintaining a lower student to teacher ratio and the use of more advanced instructional resources and software. Schools operated by MSDE also include a number of additional positions which are not provided at DJS schools, including guidance counselors, records clerks, instructional assistants, and resource/substitute teachers. MSDE has upgraded computer hardware and installed instructional software for educational skills inventory and career interest assessments at its DJS sites.

As a result of the fiscal 2012 budget language described above, education programs at CYF, as well as \$1,482,902 and 23 FTEs, were transferred to MSDE in October 2011 to support program operations through June 2012. According to the budget language, future deficiency appropriations were not to be provided. Nearly 70% of DJS education staff at CYF was retained by MSDE after the transfer.

MSDE reports that it has implemented the following changes at CYF following the transfer of educational programs at the facility:

- a new curriculum based on the Maryland State curriculum for core content areas;
- a new student assessment system – the Basic Achievement Skills Inventory which informs placement into appropriate instructional levels and assesses student achievement gains;
- individualized learning plans for every student;
- staff reconfiguration and new procedures to ensure full compliance with the Individuals with Disabilities Education Act; and
- a new data collection and monthly reporting system that includes enrollment and attendance data, outcomes in mathematics and literacy achievement, and general education development completions.

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MSDE has reallocated approximately \$95,000 of internal resources to implement changes in the education program at CYF to date, and more resources are expected to be expended before the end of fiscal 2012. These funds were originally designated to support education services at the six other MSDE juvenile education sites.

MSDE reports that the agency is in discussion with DJS concerning the transfer of remaining DJS-controlled education programs, all seven of which have space and staffing issues. If space and staffing concerns can be satisfactorily addressed, MSDE reports that it is prepared to move forward with the transfer of one or more additional programs in fiscal 2013, though neither MSDE nor DJS received additional funds in the fiscal 2013 allowance for this purpose.

Exhibit 23 compares MSDE's plan for assuming DJS education programs in both January 2011 and January 2012. In fiscal 2012, MSDE acquired education programs in one DJS facility, though three were planned for transfer according to the January 2011 plan. The tentative January 2012 plan shows MSDE assuming control of education programs at DJS' four youth camps as of July 1, 2014, which is the first day of fiscal 2015, instead of throughout fiscal 2014 as planned in fiscal 2011. **To ensure that DJS and MSDE adhere to statute which requires the transfer of education programs at DJS facilities to MSDE by the end of fiscal 2014, DLS recommends budget language restricting funding and positions in the DJS allowance associated with providing education services at the Alfred D. Noyes Children's Center, the William Donald Schaefer House, and the Thomas J. S. Waxter Children's Center and transferring control of these programs to MSDE in fiscal 2013. The proposed language expresses legislative intent that if additional resources are required to provide adequate education services, MSDE may request a deficiency appropriation to ensure sufficient funds. Finally, it expresses legislative intent that education services at Backbone Mountain Youth Camp, Green Ridge Youth Center, Meadow Mountain Youth Center, and Savage Mountain Youth Center be transferred from DJS to MSDE no later than July 1, 2013.**

Exhibit 23
DJS Education Program Assumption Schedule
January 2011 and 2012

	<u>Proposed Schedule</u> <u>As of January 2011</u>	<u>Revised Tentative Schedule</u> <u>As of January 2012</u>
2012	Alfred D. Noyes Children’s Center Thomas J. S. Waxter Children’s Center William Donald Schaefer House	Cheltenham Youth Center
2013	Cheltenham Youth Facility	William Donald Shaefer House
2014	Backbone Mountain Youth Center Green Ridge Youth Center Meadow Mountain Youth Center Savage Mountain Youth Center	Alfred D. Noyes Children’s Center Thomas J. S. Waxter Children’s Center
2015		Backbone Mountain Youth Center Green Ridge Youth Center Meadow Mountain Youth Center Savage Mountain Youth Center

DJS: Department of Juvenile Services

Source: Maryland State Department of Education

Recommended Actions

1. Add the following language:

Provided that \$1,518,608 in general funds, \$46,478 in special funds, and 21 positions appropriated for the purpose of providing educational services at William Donald Schaefer House, Alfred D. Noyes Children’s Center, and Thomas J. S. Waxter Children’s Center, may not be expended for that purpose by the Department of Juvenile Services (DJS) but may only be transferred by budget amendment no later than October 1, 2012, to the Maryland State Department of Education (MSDE) Juvenile Services Education Program R00A01.15 to be used for the purpose of providing education services for youth at these facilities. General funds not expended for this purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund. Special funds not expended for this purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be cancelled. It is the intent of the General Assembly, that if additional resources are required to provide adequate education services to the juveniles enrolled in these programs, MSDE may request a deficiency appropriation from the Governor to ensure sufficient funds.

Further provided that it is the intent of the General Assembly that the general, special, and federal funds and positions appropriated for the purpose of providing education services at Backbone Mountain Youth Center, Green Ridge Youth Center, Meadow Mountain Youth Center, and Savage Mountain Youth Center be transferred from DJS to the MSDE Juvenile Services Education Program R00A01.15 to be used for the purpose of providing education services for youth at these centers no later than July 1, 2013.

Explanation: Per current law, MSDE is to assume responsibility for providing education services in DJS facilities by the end of fiscal 2014. As of January 2012, MSDE operated 7 of 14 facilities, with the remainder of the facilities to be transferred within the next two fiscal years. There is no funding provided in either the fiscal 2013 operating or capital budgets to support transfer of additional DJS education programs in the upcoming fiscal year. As such, transfer of education services is likely to be delayed. This action restricts funding and positions in the DJS allowance associated with providing education services at the Alfred D. Noyes Children’s Center, the William Donald Schaefer House, and the Thomas J. S. Waxter Children’s Center and transfers control of these programs to MSDE in fiscal 2013. The transfer is to occur by October 1, 2012. This action allows DJS to retain funds in order to continue to provide education services at these centers through September 30, 2012.

The language also expresses the intent of the General Assembly that if additional resources are required to provide adequate education services to the juveniles enrolled in these programs, MSDE may request a deficiency appropriation to provide additional funds. Finally, the language expresses the intent of the General Assembly that the general and special funds and positions associated with the remaining DJS education programs

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(Backbone Mountain Youth Center, Green Ridge Youth Center, Meadow Mountain Youth Center and Savage Mountain Youth Center) be included in MSDE’s fiscal 2014 budget.

2. Add the following language to the general fund appropriation:

. provided that \$100,000 of this appropriation made for the purpose of supporting departmental administration may not be expended until the Department of Juvenile Services submits a report to the budget committees outlining the plan for implementing a new reception and evaluation center. In addition to discussing how the new reception and evaluation center will function and how the new process will be implemented, the submitted report should also include an implementation timeline and a cost-benefit analysis. The report shall be submitted by November 15, 2012, and the budget committees shall have 45 days to review and comment. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The Department of Juvenile Services (DJS) is in the early stages of developing a new reception and evaluation center to address problems with the lack of standardization for evaluations and delays in placing youth in committed treatment. The new reception and evaluation center is one component of the department’s larger plan to develop a continuum of care for committed youth. At this point in the development process, DJS is unable to provide details on when or how the reception and evaluation center will be implemented, or the estimated cost. This language restricts funds until the department submits a report explaining how the reception and evaluation center will function, a timeline for its implementation, and an analysis of the potential costs and benefits to agency operations. The report is to be submitted by November 15, 2012.

Information Request	Author	Due Date
Reception and evaluation center implementation plan	DJS	November 15, 2012

3. Add the following language to the general fund appropriation:

. provided that \$100,000 of this appropriation made for the purpose of supporting residential and community operations may not be expended until the Department of Juvenile Services submits the findings of its community caseload work load data study, evaluating the appropriate staff to youth caseload ratios. The report should provide information on previously utilized ratios and the findings of the study, including any proposed changes to the ratios and the justification for those changes. The report should also identify any changes in resource demand as a result of the findings. The report shall be submitted by September 15, 2012, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report shall not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

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Explanation: The Department of Juvenile Services (DJS) is completing a community caseload workload data study to evaluate the proper staff to youth ratios for community case managers. As a result, DJS was unable to report whether proper staffing ratios were met in fiscal 2011. The caseload study is anticipated to be complete by spring 2012. This language restricts funds until the findings of the study and a justification for any changes in the staffing ratios is submitted to the budget committees. The report is due September 15, 2012.

Information Request	Author	Due Date
Community caseload work load data study	DJS	September 15, 2012

4. Add the following language to the general fund appropriation:

Provided that \$25,000 of this appropriation made for the purpose of departmental support may not be expended for that purpose but instead may only be used to hire an outside consultant to conduct an anonymous survey of current direct care employees in order to gain a better understanding of the reasons behind the department’s ongoing staffing issues. The survey should attempt to identify employees’ concerns with the work environment and any impediments to retention, in addition to possible solutions and areas for improvement. An analysis of the findings should be submitted to the budget committees no later than December 30, 2012. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: Maintaining adequate staffing has been an ongoing issue for the Department of Juvenile Services. Some progress has been made in terms of recruitment, but the retention of direct care staff remains a significant problem. Although the department is able to gain some understanding of the reasons behind the staffing issues through employee exit interviews, input from current staff could also prove valuable. This language restricts funds for the purpose of hiring an outside consultant to conduct an anonymous survey of current direct care employees to help the department understand why retention is such a problem and to identify possible solutions. The language also requires that an analysis of the findings be submitted to the budget committees by December 30, 2012.

Information Request	Author	Due Date
Staffing Survey Analysis	DJS	December 30, 2012

5. Adopt the following narrative:

Evidence-based Services Outcome Measures: The budget committees direct the Department of Juvenile Services (DJS), to develop outcome measures for evidence-based services (EBS) participants and report those measures as part of its annual Managing for Results (MFR) submission. Fiscal 2012 is the third year that the department has been funding EBS programs. Currently, DJS reports the percent of EBS participants who are

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living at home, in work or school, and have had no new arrests to State Stat. DJS should also make EBS outcome data available for evaluation by the General Assembly by reporting it as an MFR measure.

Information Request	Author	Due Date
Evidence-based services outcome measures	DJS	With the Governor’s annual budget submission

6. Adopt the following narrative:

Use of Secure Detention: The budget committees direct the Department of Juvenile Services (DJS) to work in conjunction with the Juvenile Justice Monitoring Unit (JJMU), within the Office of the Attorney General, to conduct a review of the use of secure detention in comparison to risk assessment recommendations. The budget committees are concerned that detention decisions are not being aligned with the risk assessments, meaning youth who could be more cost-effectively supervised in the community with an alternative to detention program are instead being held unnecessarily in secure detention. The analysis will assist the budget committees in ensuring that secure detention is not being excessively utilized and determining whether additional resources are needed for alternative to detention programs. The findings of the review for Baltimore City and Prince George’s County shall be submitted to the budget committees no later than December 15, 2012. The statewide analysis shall be submitted to the budget committees no later than June 15, 2013.

Information Request	Authors	Due Date
Use of Secure Detention	DJS JJMU	December 15, 2012 June 15, 2013

Updates

1. Improving DJS Operations

In response to a fiscal 2012 *Joint Chairmen's Report* request, DJS submitted a report on how to improve a variety of operational issues within the department. The report was submitted in October 2011.

The report first directed DJS to evaluate its operations and organizational structure in order to improve services delivery, resource utilization, and communication. In response to the review, DJS underwent an administrative reorganization. As a result of the reorganization, the Office of the Inspector General now reports directly to the Secretary, as a means of achieving more independence in the investigative process. The department's chief of staff assumed responsibility for both the legislation and policy functions, and is conducting a complete review and update of all policies and procedures. The support services management staff was pared down and personnel resources were redirected to the facility operations function, in order to improve communication and oversight between management and field personnel.

To address persistently high turnover and staffing deficiencies, DJS implemented hiring blitzes for direct care staff positions and is utilizing contractual FTE employment to ensure that a consistent pool of qualified applicants exists as vacancies become available. The department also expanded its training opportunities for both entry-level and tenured staff. Entry-level training was expanded from two to six weeks and includes a graduation ceremony and certificate of completion.

With regard to the September 2010 audit findings by the Office of Legislative Audits (OLA), DJS has been submitting quarterly reports to OLA that provide progress updates on the outstanding items. As of January 2012, satisfactory progress has been made on 10 of the 14 audit findings. The four outstanding findings and related status updates are listed below.

- **Finding #2:** Adequate controls were not established to ensure medicaid claims were accurately submitted and reimbursed.
 - **Status Update:** DJS is in the process of developing a business process for analyzing and verifying Medicaid reimbursement data. The department anticipates implementation of the new system by the end of fiscal 2012.
- **Finding #3 (repeat):** DJS needs to continue to work with the Judiciary to ensure that court decisions contain the requisite language to enable the State to recover federal Title IV-E funding.
 - **Status Update:** Model court orders were issued from the Administrative Office of the Courts to Juvenile Judges and Masters in July 2011. In October 2011, DJS began forwarding cases to local supervisors for follow-up with the local court for any orders

that did not contain the necessary Title IV-E language. This item is pending OLA approval.

- **Finding #12 (repeat):** Access to the automated restitution accounts receivable system was not adequately controlled and adequate internal controls and record keeping procedures had not been established.
 - **Status Update:** Access has been restricted to two employees; however, necessary information technology adjustments are proving difficult. The department anticipates resolving all issues by the end of fiscal 2012.
- **Finding #13 (repeat):** Physical inventories of equipment were not conducted at required intervals and record keeping for property was deficient.
 - **Status Update:** Inventory databases have been established. The only remaining item is to reconcile the department's physical inventory with the Department of General Services' records. DJS anticipates completing this by the end of fiscal 2012.

2. Substance Abuse Treatment Options for Court-involved Youth

Fiscal 2012 budget bill language required that DJS, the Alcohol and Drug Abuse Administration (ADAA), and the Office of Problem-solving Courts (OPSC) jointly submit a report addressing issues with regard to substance abuse options for court-involved youth.

Demand for Services

According to the report, demand for substance abuse services among court-involved youth is estimated to be approximately 4,000 to 6,000 youth annually. Approximately 74% of DJS referrals in fiscal 2010 had no controlled dangerous substance (CDS) charges. Of those with a record of CDS charges, however, 15% of youth had at least one CDS charge during fiscal 2010, 6% had only a history of a CDS offense, and 5% had both a history of CDS charges and a CDS offense as the current charge. According to the report, examination of the self-reported data indicates that nearly 21% of youth referred to DJS in fiscal 2010 reported using drugs within the last three months. In addition, approximately 43% of youth committed to DJS and placed in aftercare in fiscal 2010, reported alcohol or drug use within the last three months. Prior year collections of substance abuse screening data also indicated that approximately 60% or more of DJS youth have a substance abuse problem. In addition to estimating the annual demand for services to be between 4,000 to 6,000 youth, the report also concluded that the deeper a youth goes into the DJS system, the more likely they are to have used drugs or alcohol and to have problems as a result of that use.

Available Treatment Options

According to ADAA, best practice programs and services that address substance abuse issues of court-involved youth should include uniform screening and assessment with proper training and implementation of the approved tool. In addition, secure information sharing, via utilization of an electronic health record, is helpful in monitoring progress and tracking outcome data. Finally, successful programs should have uniform criteria for placing a patient at a specific level of care. Maryland utilizes the American Society of Addiction Medicine Patient Placement Criteria for Adolescents, as required by the *Code of Maryland Regulations*.

ADAA Services

ADAA certifies all substance abuse programs in Maryland but does not fund all programs. Services available to adolescents through ADAA-certified programs are divided into five levels of care:

- **Level 0.5:** early intervention;
- **Level I:** outpatient treatment (less than nine hours of weekly treatment);
- **Level II:** intensive outpatient/partial hospitalization (nine or more hours of weekly treatment);
- **Level III:** residential/inpatient treatment; and
- **Level IV:** medically managed intensive inpatient treatment.

In fiscal 2010, ADAA-funded programs served 4,023 youth, of which 50% were referred by DJS or through the drug court. Every county in Maryland had youth enrolled in ADAA certified substance abuse programs, but not every county has all levels of care available locally. Outpatient and early intervention services are accessible in each county but inpatient treatment options are more scarce. The majority of DJS youth, approximately 81%, were enrolled in either Level I or Level II services. Only 11% of DJS youth received some form of inpatient treatment in fiscal 2010.

DJS Community and Residential Services

DJS provides two evidence-based programs in the community for youth identified as having substance abuse issues: FFT and MST. The department uses these programs as an alternative to out-of-home placements, such as group homes. The length of treatment for these programs can range from three to five months. In fiscal 2010, DJS contracted for 392 program slots and provided services to 940 youth and their families.

In terms of residential treatment, DJS provides screening assessments, brief treatment, and referrals for youth at the eight detention facilities. In the six committed programs operated by the

department, DJS has the capacity to treat 268 youth at any given time via administration of the Seven Challenges Care Program treatment model, a program designed for youth who have substance abuse issues and co-occurring mental health disorders. According to the report, the fiscal 2010 utilization rate for DJS-operated residential facilities was 85%, with an average daily population of 197.

Juvenile Drug Courts

Since 1997, 14 juvenile drug courts have been instituted across the State. Programs in Dorchester and Calvert counties were terminated in part due to lack of utilization. The Montgomery County Drug Court also suspended operations in 2011 to undergo a restructuring in order to allow more youth to participate. The drug court model is designed to provide intensive judicial supervision for substance abusing youth through the coordinated and supervised delivery of a variety of support services, including substance abuse and/or mental health treatment, family counseling, education, employment services, *etc.* In Maryland, youth must choose to voluntarily enter into drug court, but DJS can make referrals and does participate in providing intensive probation supervision.

According to reports from OPSC, graduates of Maryland's drug courts demonstrated a 23% reduction in arrest rates over an 18-month period from entry in the program. The average graduation rate for program participants was 53%. Outcomes aside, the enrollment in drug court programs has been an ongoing issue across the State. As of December 31, 2011, 6 of the 12 drug court programs had utilization rates below 75%. The overall utilization rate was 72%.

Efforts to Improve Referrals

As noted, ADAA recommendations suggest that a uniform, well-implemented assessment, and screening process is vital to having successful substance abuse programming. DJS, in recent years, has taken steps to standardize its assessment process at intake and post-adjudication through administration of the Maryland Comprehensive Assessment and Service Planning (MCASP). Youth determined to demonstrate a moderate to high need for substance abuse treatment are identified for possible referral to the local drug court. In addition, any youth under DJS supervision who demonstrates an indication of the need for substance abuse treatment are to be referred.

As of June 2011, DJS has altered its policies so that any youth who self-report drug use via the MCASP Risk Screen tool will be referred to drug court by DJS intake personnel. In addition, youth already under supervision who obtain a new drug offense charge will also be referred, regardless of whether they self-report drug use. Both DJS and the local juvenile drug courts will track the referrals and subsequent actions taken, with regional directors conducting monthly reviews of the data.

In July 2011, DJS identified 2,093 youth under active supervision who were determined to have a medium or high treatment need. The majority of these youth did not meet drug court eligibility, as they were either in committed residential care, a violent or felony offender, or were not age appropriate. DJS reports that drug court utilization was at 60% in July 2011. In the following six months, DJS referred a total of 550 youth to drug courts statewide, but utilization only increased

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to 64%, indicating that referrals are not the only factor contributing to limited drug court participation.

OPSC is creating a standing Juvenile Drug Court Workgroup to review the monthly referral data from DJS. The workgroup will meet quarterly to address any issues with the referral and/or screening processes.

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 2011					
Legislative Appropriation	\$254,125	\$203	\$15,912	\$225	\$270,465
Deficiency Appropriation	3,391	791	931	0	5,113
Budget Amendments	0	0	0	603	603
Reversions and Cancellations	-1	-590	-2,685	-490	-3,766
Actual Expenditures	\$257,514	\$404	\$14,158	\$339	\$272,415
Fiscal 2012					
Legislative Appropriation	\$257,477	\$481	\$10,478	\$8	\$268,444
Budget Amendments	218	0	-105	0	113
Working Appropriation	\$257,695	\$481	\$10,374	\$8	\$268,558

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

Fiscal 2011

General fund expenditures for fiscal 2011 totaled approximately \$257.5 million.

- Deficiency appropriations increased the legislative appropriation by nearly \$3.4 million. The majority, approximately \$2.7 million, was used to fund personnel-related expenses, employee overtime, and salaries. An additional \$700,000 was used to fund nonresidential per diems.
- The agency reverted approximately \$1,000 at the end of the fiscal year.

Special fund expenditures for fiscal 2011 totaled approximately \$404,000, an increase of \$201,000 from the legislative appropriation.

- The department had \$791,000 in special fund deficiency appropriations providing \$505,000 in security enhancements at DJS facilities and \$286,000 in grant funding for a variety of programs including educating students with disabilities, gang prevention, Juvenile Detention Alternative Initiatives, screening for sexually transmitted diseases, and for workforce development.
- The agency cancelled approximately \$590,000 at the end of fiscal 2011 due to delays in the implementation of a variety of grant projects.

Fiscal 2011 federal fund spending totaled approximately \$14.2 million, a reduction of approximately \$1.8 million from the legislative appropriation.

- Deficiency appropriations increased federal funding by \$931,000. This provided grant funding for a variety of programs, including educating students with disabilities, gang prevention, Juvenile Detention Alternative Initiatives, screening for sexually transmitted diseases, and for workforce development.
- DJS cancelled nearly \$2.7 million in federal funds at the close of fiscal 2011 due to delays in implementation of the Continuum of Opportunity Reentry Programs and Services grant project and shortfalls in Title IV-E attainment.

Reimbursable fund expenditures totaled \$339,000, an increase of \$114,000. Budget amendments provided approximately \$603,000 in funding from a variety of grants from the Governor's Office of Crime Control and Prevention. These grants support a variety of programs, including expansion of the Violence Prevention Initiative, the Seven Challenges Care Program, community-based alternatives to detention, *etc.* The increase was offset by the cancellation of \$490,000 in reimbursable funding due to delays in implementing grant projects.

Fiscal 2012

The fiscal 2012 general fund working appropriation is approximately \$218,000 greater than the legislative appropriation. This reflects the net impact of the \$1.6 million increase from the reallocation of the one-time employee bonus originally budgeted within DBM, offset by the \$1.4 million reduction from the transfer of the education program at CYF to MSDE.

The fiscal 2012 federal fund working appropriation is reduced by \$105,000 in comparison to the legislative appropriation. The transfer of the education program at CYF to MSDE reduced the legislative appropriation by \$127,000; however, the decrease was slightly offset by a \$23,000 increase from the one-time fiscal 2012 employee bonus.

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

<u>Object/Fund</u>	<u>FY 11 Actual</u>	<u>FY 12 Working Appropriation</u>	<u>FY 13 Allowance</u>	<u>FY 12 - FY 13 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	2,219.05	2,140.05	2,133.05	-7.00	-0.3%
02 Contractual	85.69	107.58	107.20	-0.38	-0.4%
Total Positions	2,304.74	2,247.63	2,240.25	-7.38	-0.3%
Objects					
01 Salaries and Wages	\$ 154,641,120	\$ 155,670,638	\$ 157,607,898	\$ 1,937,260	1.2%
02 Technical and Spec. Fees	3,373,172	3,475,714	3,960,199	484,485	13.9%
03 Communication	2,104,301	2,498,473	2,460,918	-37,555	-1.5%
04 Travel	907,331	875,819	897,825	22,006	2.5%
06 Fuel and Utilities	4,289,240	4,255,803	4,451,815	196,012	4.6%
07 Motor Vehicles	1,833,430	1,358,394	1,874,634	516,240	38.0%
08 Contractual Services	90,333,517	88,514,583	91,305,578	2,790,995	3.2%
09 Supplies and Materials	7,095,514	6,072,146	6,436,717	364,571	6.0%
10 Equipment – Replacement	2,435,173	8,600	400,007	391,407	4551.2%
11 Equipment – Additional	1,829,479	1,578,015	932,786	-645,229	-40.9%
12 Grants, Subsidies, and Contributions	342,381	560,834	500,359	-60,475	-10.8%
13 Fixed Charges	3,230,401	3,688,816	3,763,787	74,971	2.0%
14 Land and Structures	210	0	0	0	0.0%
Total Objects	\$ 272,415,269	\$ 268,557,835	\$ 274,592,523	\$ 6,034,688	2.2%
Funds					
01 General Fund	\$ 257,514,443	\$ 257,694,912	\$ 263,517,214	\$ 5,822,302	2.3%
03 Special Fund	403,657	481,367	2,669,003	2,187,636	454.5%
05 Federal Fund	14,158,285	10,373,604	8,337,020	-2,036,584	-19.6%
09 Reimbursable Fund	338,884	7,952	69,286	61,334	771.3%
Total Funds	\$ 272,415,269	\$ 268,557,835	\$ 274,592,523	\$ 6,034,688	2.2%

Note: The fiscal 2012 appropriation does not include deficiencies.

**Fiscal Summary
Department of Juvenile Services**

<u>Program/Unit</u>	<u>FY 11 Actual</u>	<u>FY 12 Wrk Approp</u>	<u>FY 13 Allowance</u>	<u>Change</u>	<u>FY 12 - FY 13 % Change</u>
01 Office of the Secretary	\$ 1,483,082	\$ 1,842,589	\$ 3,912,916	\$ 2,070,327	112.4%
02 Departmental Support	24,168,525	23,898,864	24,193,862	294,998	1.2%
01 Residential Operations	6,266,814	3,999,353	4,833,214	833,861	20.8%
01 Baltimore City Region Operations	66,401,976	65,816,242	64,454,211	-1,362,031	-2.1%
01 Central Region Operations	36,625,363	36,858,711	36,655,081	-203,630	-0.6%
01 Western Region Operations	38,817,559	39,692,522	40,986,520	1,293,998	3.3%
01 Eastern Region Operations	19,195,858	19,664,343	20,662,691	998,348	5.1%
01 Southern Region Operations	22,504,116	23,866,357	23,368,151	-498,206	-2.1%
01 Metro Region Operations	56,951,976	52,918,854	55,525,877	2,607,023	4.9%
Total Expenditures	\$ 272,415,269	\$ 268,557,835	\$ 274,592,523	\$ 6,034,688	2.2%
General Fund	\$ 257,514,443	\$ 257,694,912	\$ 263,517,214	\$ 5,822,302	2.3%
Special Fund	403,657	481,367	2,669,003	2,187,636	454.5%
Federal Fund	14,158,285	10,373,604	8,337,020	-2,036,584	-19.6%
Total Appropriations	\$ 272,076,385	\$ 268,549,883	\$ 274,523,237	\$ 5,973,354	2.2%
Reimbursable Fund	\$ 338,884	\$ 7,952	\$ 69,286	\$ 61,334	771.3%
Total Funds	\$ 272,415,269	\$ 268,557,835	\$ 274,592,523	\$ 6,034,688	2.2%

Note: The fiscal 2012 appropriation does not include deficiencies.