

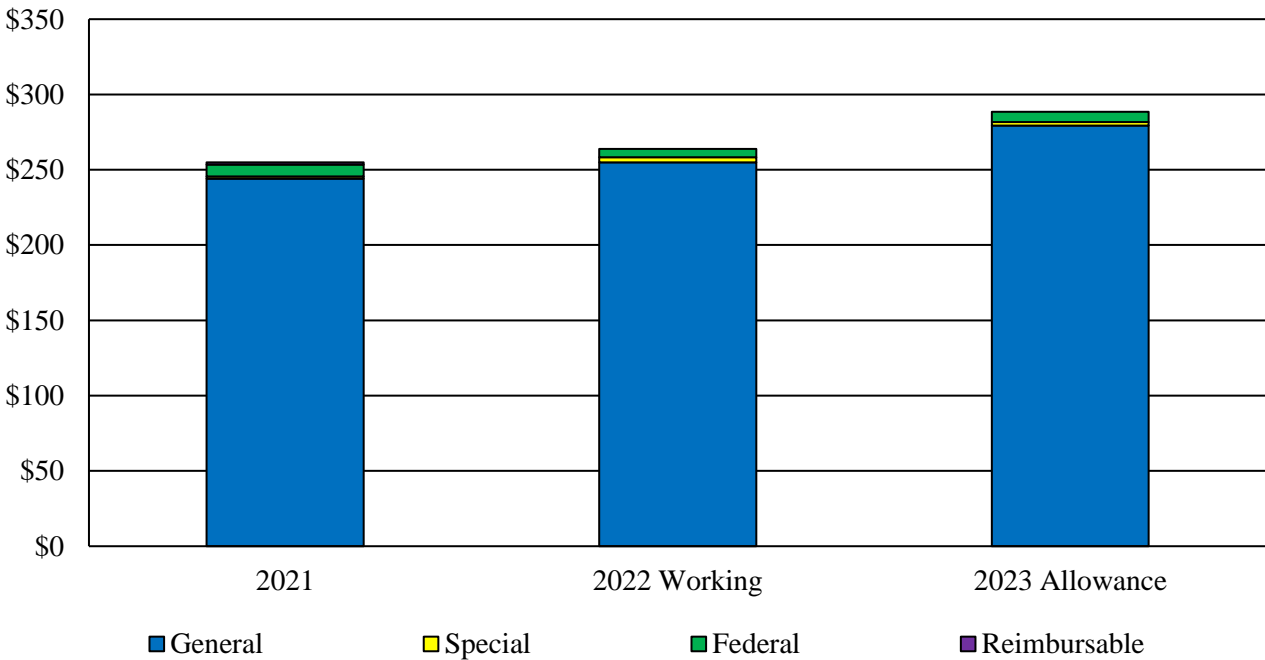
V00A
Department of Juvenile Services

Executive Summary

The Department of Juvenile Services (DJS) is responsible for managing, supervising, and treating youth who are involved in the juvenile justice system in Maryland. DJS does this by providing needs assessment, intake, detention, probation, commitment, and aftercare services.

Operating Budget Summary

**Fiscal 2023 Budget Increases \$24.8 Million, or 9.4%, to \$288.6 Million
(\$ in Millions)**



Note: The fiscal 2022 working appropriation includes deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance do not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

- The transfer of the Juvenile Services Education Program (JSEP) from the Maryland State Department of Education (MSDE) to DJS in fiscal 2023 adds 173.0 positions and a proposed budget of \$22.4 million.

Key Observations

- ***Juvenile Population Levels Remain Suppressed...:*** Complaints fell 52.3% between fiscal 2020 and 2021, primarily driven by the closure of schools. Fiscal 2022 year-to-date (YTD) data suggests that complaints will continue to stay below their prepandemic levels, though they may increase slightly compared to fiscal 2021. The detained and committed populations have similarly declined, though average lengths of stay have increased.
- ***...but Programmatic Funding Increases Due to an Interagency Rates Committee (IRC) Provider Rate Increase and in Anticipation of Population Growth:*** Funds provided for per diem purposes grow compared to fiscal 2021, as the department’s populations show signs of increase. Most of this additional funding is caused by an increase in provider rates set by IRC.
- ***Direct Care Staff Vacancies Have Increased:*** Vacancies among direct care staff have increased since the start of fiscal 2021. Hiring of direct care staff has worsened since the start of the pandemic. The average number of days to fill vacant positions increased from 188.0 in fiscal 2020 to 197.1 in fiscal 2021.
- ***JSEP Will Be Implemented in Fiscal 2023:*** Chapter 147 of 2021 transfers to DJS the responsibility of providing educational programming and services to all juveniles placed in DJS-operated detention and residential facilities from MSDE.
- ***Office of Legislative Audits (OLA) Notes Six Findings in the Most Recent Fiscal Compliance Audit:*** OLA released its most recent fiscal compliance audit for the department in September 2021. Of its six findings, two were repeat findings from the previous audit.
- ***Baltimore City Strategic Partnership:*** In December 2019, DJS announced a new partnership aimed at reducing youth violence in Baltimore City. Programming under this partnership is expected to be funded utilizing available resources currently within DJS’ budget. These programs are not explicitly budgeted, however, so it is not clear from where the available funding is coming. DJS did not submit a requested *Joint Chairmen’s Report* (JCR) report on this topic as of February 12, 2022.

Operating Budget Recommended Actions

1. Add committee narrative to create educational outcome performance measures.
2. Add language restricting funds pending the submission of a report on the Baltimore City Strategic Partnership.

V00A
Department of Juvenile Services

Operating Budget Analysis

Program Description

DJS is an executive agency tasked with supervising and treating youth involved in Maryland's juvenile justice system. The department oversees youth from the point of referral, through the adjudication process, to reentry into society. DJS consists of several units, which are broadly divided into two categories: (1) administration and support; and (2) community and facility operations.

The Office of the Secretary and Departmental Support make up the centralized leadership of the department and provide various departmentwide services. Departmental Support includes research and evaluation, information technology, budget services, general services, capital planning, human resources, and professional development and training.

Community and Facility Operations is the more regionally focused part of the department, which provides services to youth in community and residential settings. It consists of three programs: (1) Community Operations Administration and Support; (2) Facility Operations Administration and Support; and (3) JSEP. Programming and operations are organized around eight regions:

- Region 1 (Dorchester, Somerset, Wicomico, and Worcester counties);
- Region 2 (Caroline, Cecil, Kent, Queen Anne's, and Talbot counties);
- Region 3 (Baltimore and Harford counties);
- Region 4 (Allegany, Garrett, and Washington counties);
- Region 5 (Anne Arundel, Carroll, and Howard counties);
- Region 6 (Frederick and Montgomery counties);
- Region 7 (Calvert, Charles, Prince George's, and St. Mary's counties); and
- Region 8 (Baltimore City).

The department's stated goals are to ensure the safety of the public and of youth, reduce recidivism rates of supervised and committed youth, and reduce youth involvement with the juvenile justice system through diversion efforts and partnerships with law enforcement.

Performance Analysis: Managing for Results

1. Complaints and Dispositions Continue to Drop Significantly

Juvenile Arrest Trends

Juvenile arrest trends for calendar 2016 to 2020 are shown in **Exhibit 1**. Overall arrest trends are categorized by Part I and Part II offenses. Part I offenses are subdivided into violent crimes (murder, rape, robbery, and assault) and property crimes (burglary, larceny, motor vehicle theft, and arson). All other crimes reported in the *Uniform Crime Report* are considered Part II offenses.

Exhibit 1
Juvenile Arrest Trends
Calendar 2016-2020

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>% Change</u> <u>2016-2020</u>	<u>% Change</u> <u>2019-2020</u>
Total Arrests	20,807	21,158	18,352	18,583	10,259	-50.7%	-44.8%
Arrest Rate	3,442	3,493	3,033	3,081	1,699	-50.6%	-44.8%
Part I Arrests	7,201	7,503	5,685	5,915	3,742	-48.0%	-36.7%
Part I Arrest Rate	1,191	1,239	939	981	620	-48.0%	-36.8%
Part I Arrests:							
a. Violent Crimes	2,069	2,261	1,921	2,003	1,301	-37.1%	-35.0%
Violent Crime Rate	342	373	317	332	216	-37.0%	-35.1%
b. Property Crimes	5,132	5,242	3,764	3,912	2,441	-52.4%	-37.6%
Property Crime Rate	849	866	622	649	404	-52.4%	-37.7%
Part II Arrests	13,606	13,655	12,667	12,668	6,517	-52.1%	-48.6%
Part II Arrest Rate	2,251	2,255	2,093	2,100	1,080	-52.0%	-48.6%

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

Source: 2020 *Uniform Crime Report*; Department of Juvenile Services; U.S. Census Bureau

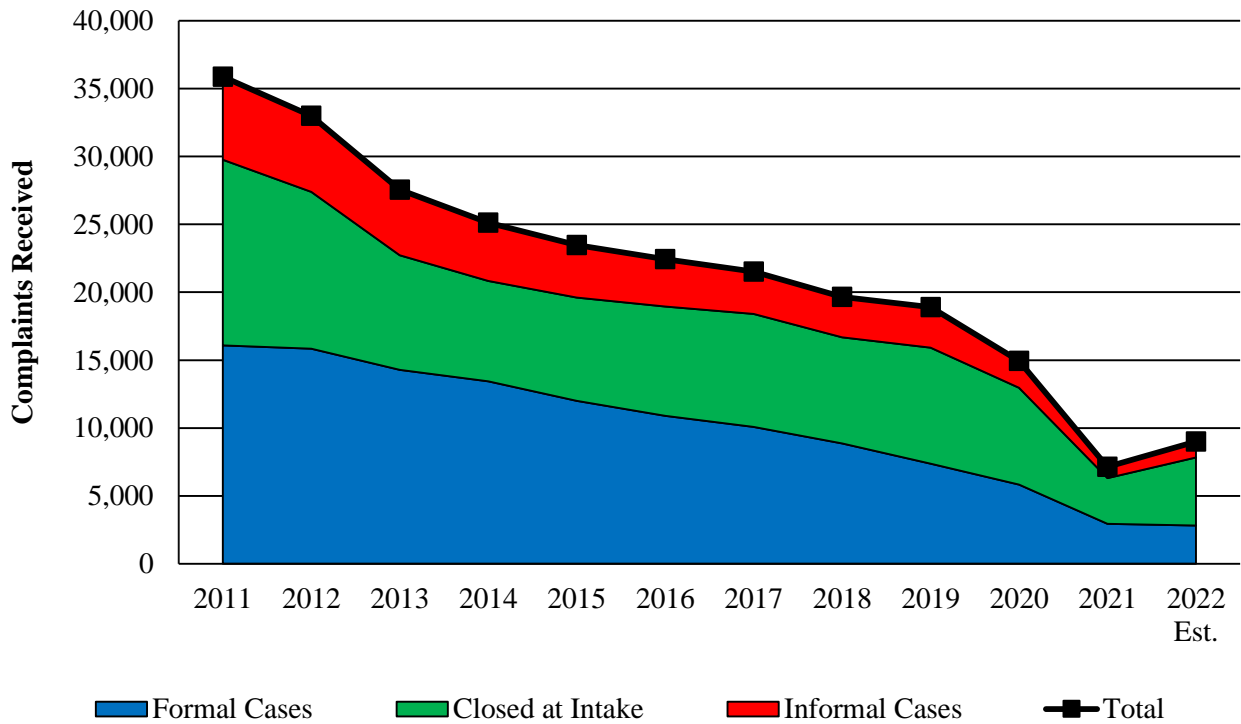
Total juvenile arrests over the five years are down 50.7%, led primarily by the 52.4% drop in the property crime rate. The violent crime rate has also dropped 37.0% between calendar 2016 and 2020, and Part II arrests have decreased by 52.1%. Though the juvenile arrest rate increased across the board between calendar 2018 and 2019, it fell 44.8% in calendar 2020.

Complaints and Dispositions Drop as COVID-19 Continues

Exhibit 2 displays the total number of complaints received by DJS over the past decade and complaint dispositions. Key trends are as follows:

- The number of complaints closed at intake has become a larger percentage of all complaint decisions, rising from approximately 38.1% to 47.2% between fiscal 2011 and 2021. This figure was slightly higher in fiscal 2020, at 47.7%.
- The number of cases referred to informal interventions fell to 821 in fiscal 2021 and accounted for 11.5% of all dispositions. This reflects a modest decrease from fiscal 2011, when informal cases accounted for 17.0% of dispositions.
- Formal cases refer to those that require court intervention. The 2,941 formal cases accounted for 41.3% of all dispositions in fiscal 2021. Over the past decade, these cases have fallen by 81.7% from fiscal 2011 and 49.6% compared to fiscal 2020.
- Fiscal 2021 represents the third year that the number of cases closed at intake exceeded the number formally referred to the State Attorney’s Office. This is consistent with the department’s efforts to minimize youth interactions with the criminal justice system, as well as with the recent decreases in juvenile crime rates (as shown in Exhibit 1).
- Fiscal 2022 YTD data suggest that there will be an increase in closed at intake and informal cases compared to fiscal 2021. Based on data through December 2021, complaints are projected to increase 26.2% from fiscal 2021. This is likely driven by the reopening of schools. Annually, the number of referrals and detained youth dip slightly in July, August, and September during students’ summer vacation – these months are included in the YTD data.

**Exhibit 2
Complaints and Dispositions
Fiscal 2011-2022 Est.**



Note: Fiscal 2022 estimate is based on data from the first six months of the fiscal year.

Source: Department of Juvenile Services; Department of Legislative Services

2. Nonresidential Population Trends

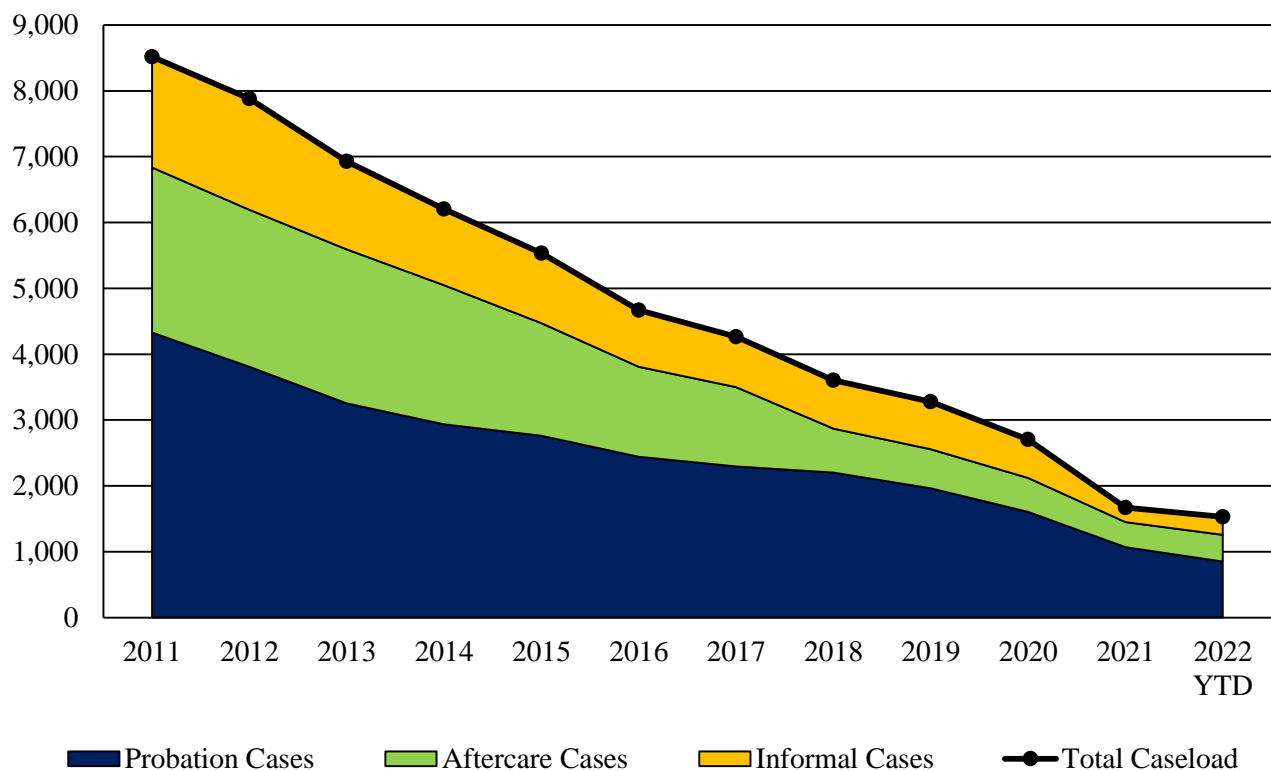
The nonresidential placement population includes youth who are receiving informal supervision, on probation, or in aftercare programming. There are three types of nonresidential populations:

- Informal, or pre-court, supervision is an agreement between DJS and a youth and their family to enter into counseling and/or DJS monitoring. The youth can avoid court involvement.
- Youth on probation receive court-ordered supervision in the community that requires the youth to meet court-ordered probation conditions, which may include school attendance, employment, community service, restitution, counseling, *etc.*

- Aftercare programming provides supervision and individualized treatment services to youth in the community following discharge from a residential program.

Nonresidential population trends are shown in **Exhibit 3**. Consistent with the overall decline in complaints, the department’s nonresidential caseload trends have similarly declined over the past decade, as well as since the start of the pandemic. Between fiscal 2011 and 2021, the total nonresidential caseload has dropped 80.4%. In fiscal 2021, probation cases accounted for 64.0% of caseloads, aftercare cases for 13.2%, and informal cases for 22.8%. YTD data for fiscal 2022 suggests that aftercare and informal caseloads will begin to increase, particularly as the pandemic heightens efforts to divert youth from residential placements. Probation cases are projected to be historically low, consistent with efforts to keep youth from becoming court involved.

Exhibit 3
Nonresidential Caseloads
Fiscal 2011-2022 YTD



YTD: year to date

Note: Fiscal 2022 data reflects the first six months of the fiscal year.

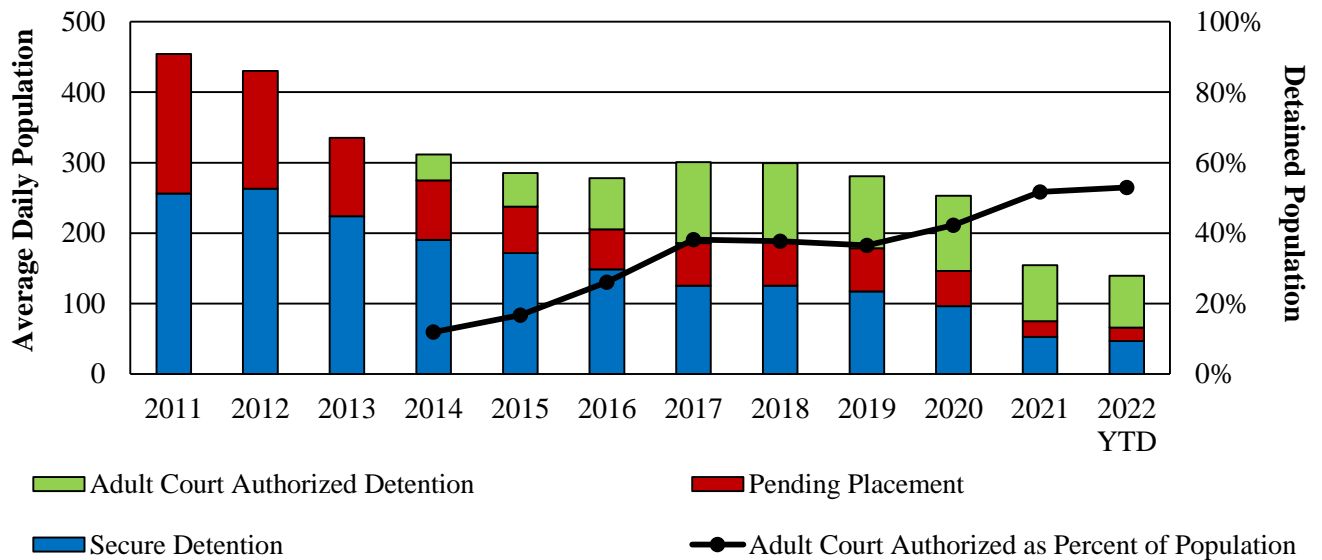
Source: Department of Juvenile Services

3. Secure Detention Population Trends

The detained average daily population (ADP) consists of three populations: (1) the secured detention population; (2) the secured pending placement population; and (3) the adult court authorized detention population (or “adult court population”). In fiscal 2014, DJS began to divert youth charged as adults from adult detention to juvenile detention, per an agreement with Baltimore City. This agreement was codified and expanded statewide with the enactment of Chapter 69 of 2015, which requires a court to order a youth charged as an adult to be held in juvenile detention pending transfer if that youth is eligible to be transferred to the juvenile system.

In recent years, the total detained population had shown signs of relative stability, prior to the onset of the pandemic. Whereas the detained ADP totaled 280 youth in fiscal 2019, ADP fell to 253 in fiscal 2020, 155 in fiscal 2021, and then to 140 in fiscal 2022 YTD. At the same time, the adult court population has become a larger percentage of the overall detained ADP with each year, as seen in **Exhibit 4**. The adult court population now accounts for 52.9% of the detained population – the highest proportion since entering DJS’ custody in fiscal 2014. This is the second year in a row that the adult court population has made up over half of the detained population.

Exhibit 4
Detained Population
Average Daily Population and Percentage of Adult Court Authorized
Fiscal 2011-2022 YTD



YTD: year to date

Note: Fiscal 2022 data reflects the first six months of the fiscal year.

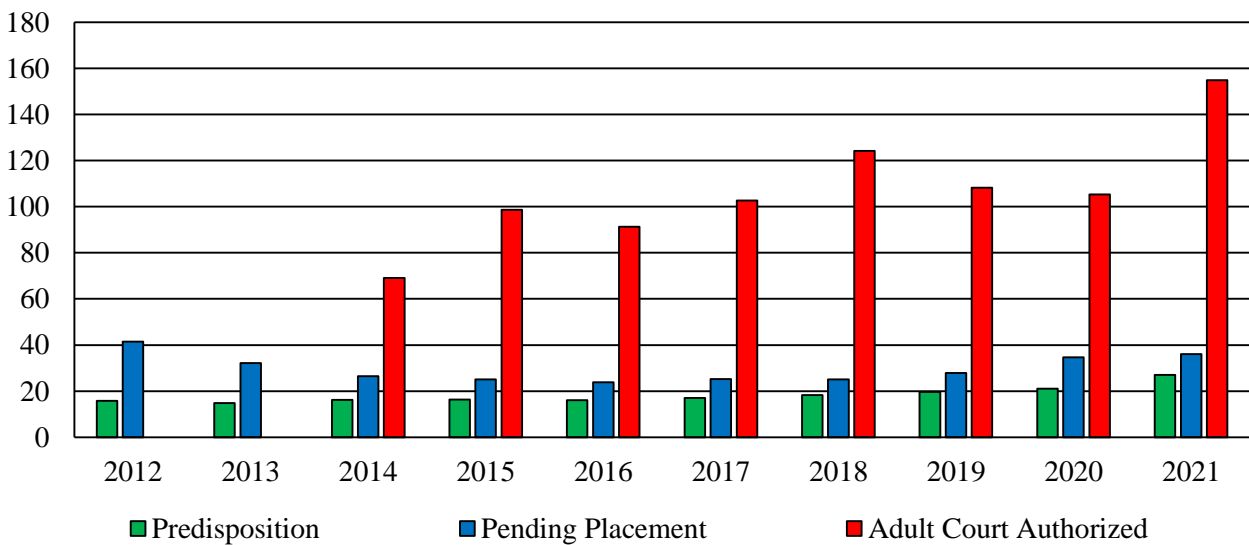
Source: Department of Juvenile Services

In addition to the drop in referrals to DJS, changes in the Judiciary’s operations have yielded reductions in both the detained and committed populations compared with pre-pandemic figures. On April 13, 2020, then Chief Judge Mary Ellen Barbera issued an order directing local courts to find alternatives to detaining juveniles in facilities to minimize their risk of contracting COVID-19. This order formalized DJS’ practice of minimizing youth interaction with the juvenile court system, as well as their pivot toward community, rather than residential, programming during the pandemic. The Judiciary has operated in various phases of its reopening plan, including fully operational. It is currently in Phase III, having reverted from fully operational on December 29, 2021, in response to the Omicron variant surge. In this phase, there is priority scheduling for juveniles meeting certain conditions. One such group is individuals turning 21 within 90 days of the beginning of the phase. Limited juvenile cases can be heard, including, but not limited to, juvenile expungements and all matters that are contested and/or require testimony.

Average Length of Stay Increases for All Placements

Though the ADP of the detained population has decreased compared with fiscal 2019 or pre-pandemic levels, the average length of stay (ALOS) for the secure detention, pending placement, and adult court authorized populations have increased since that time. As shown in **Exhibit 5**, the ALOS for the predisposition population increased 37.0% between fiscal 2019 and 2021. The ALOS for the pending placement population increased 29.5% in the same period, and the ALOS for the adult court authorized population increased 43.2%.

Exhibit 5
Average Length of Stay by Placement
Fiscal 2012-2021



Source: Department of Juvenile Services

In addition to court restrictions potentially increasing the ALOS of detained populations, the adult court authorized ALOS may have been impacted by the implementation of the reauthorization and reform of the federal Juvenile Justice and Delinquency Prevention Act (JJDP). The JJDP mandates that youth held in adult facilities and adult authorized youth be moved to juvenile detention centers by December 21, 2021 (the middle of fiscal 2022). Though DJS was largely fulfilling the mandate prior to December 21, 2021, the ALOS for the adult authorized population was 154.9 days in fiscal 2021, more than five and a half times that of predisposition youth, and over four times that of youth pending placement. The previous high point for this figure was 124.2 in fiscal 2018.

4. Committed Residential Population Trends

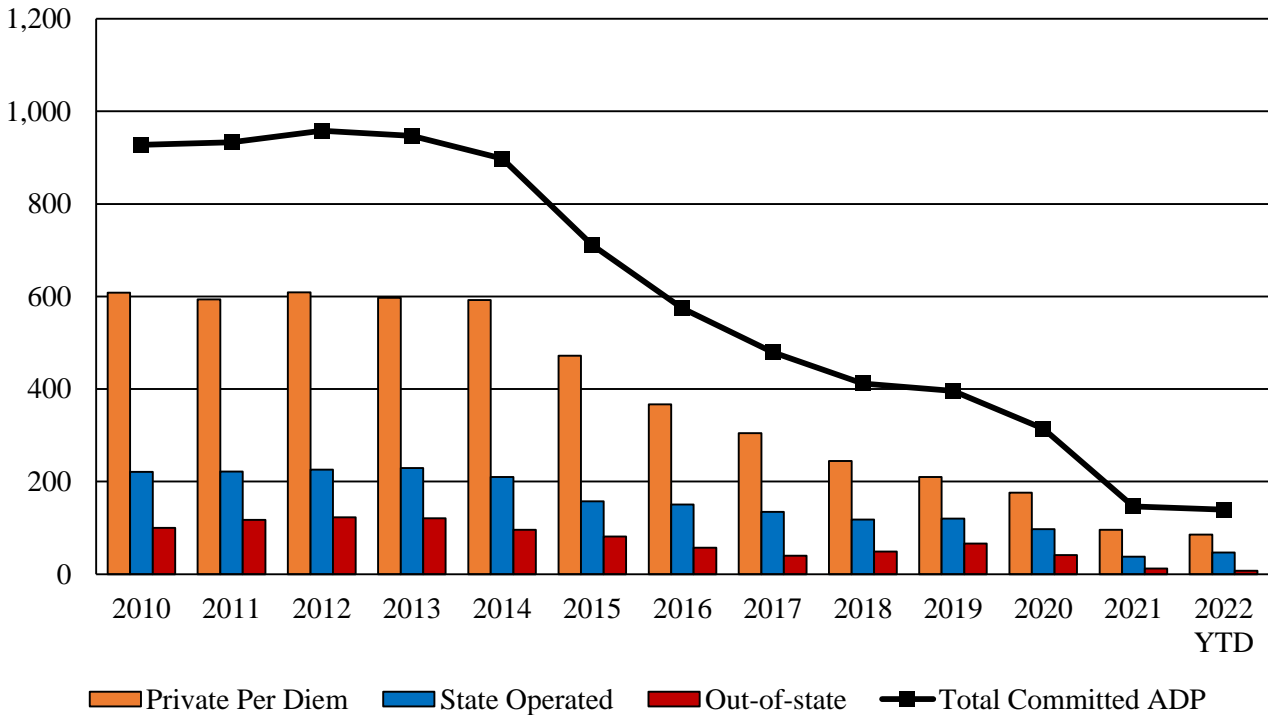
DJS has established three levels of residential program placements based largely on the level of program restrictiveness:

- Level I includes all programs where youth reside in a community setting and attend community schools;
- Level II includes programs where educational programming is provided on grounds, and youth movement and freedom is restricted primarily by staff monitoring or supervision; and
- Level III programs provide the highest level of security by augmenting staff supervision with physical attributes of the facility, *e.g.*, locks, bars, and fences.

State-run committed residential facilities do not provide adequate capacity to accommodate the number of youths requiring out-of-home placements nor do they provide the full complement of programming required to address the variety of treatment needs for the committed population. To that end, DJS contracts with private in-state and out-of-state vendors to provide services to committed youth. DJS also contracted with private providers to operate programs in State-owned facilities until fiscal 2010, when the last of these contracts was discontinued.

Exhibit 6 shows the committed residential ADP for each of the possible committed placements between fiscal 2011 and 2022 YTD. Consistent with the overall DJS population trend, the committed residential ADP continued to decline in fiscal 2020. The committed ADP declined by about 168 youth, or 53.5%, between fiscal 2020 and 2021. The fiscal 2022 YTD ADP continues to drop another 4.8% to 139 youth.

**Exhibit 6
Committed Residential ADP
Fiscal 2011-2022 YTD**



ADP: average daily population
YTD: year to date

Note: Fiscal 2022 data reflects the first six months of the fiscal year.

Source: Department of Juvenile Services

State-operated placements are programs at facilities that are operated and owned by DJS. This population saw a 61.0% decrease in fiscal 2021, with the number of youths falling from 97.4 to 38.

Per diem placements are programs operated by private providers, and the State pays for only the number of days that a youth is actually placed in the program. The private per diem ADP decreased by 80 youth, or 45.3%, between fiscal 2020 and 2021.

The out-of-state ADP dropped by 29 youth, or 70.4% in fiscal 2021. Out-of-state placements accounted for just 8.3% of the department’s total committed ADP in fiscal 2021. During the pandemic, DJS has made efforts to bring youth back in-state and reduce the number of placements made out-of-state; the fiscal 2022 YTD ADP for out-of-state youth is only 7.

5. Strategic Reentry Measures and Recidivism

In fiscal 2016, DJS adopted the Strategic Re-entry Plan as the department began to shift its focus toward improving its community supervision function, particularly aftercare and reentry services. As youth leave the juvenile justice system, they face several challenges in joining their communities once again. This includes reenrolling in school, finding work, or addressing somatic or behavioral health needs. DJS established this plan with the intention of achieving the following goals:

- reduce recidivism rates by providing supervision to all youth returning home from committed care;
- engage families of committed youth at all key case planning decision points;
- connect all committed youth in need of educational services to local education resources;
- connect all youth to local employment services and resources; and
- connect all youth in need of behavioral or somatic health services to local resources to provide continuity of care as the youth leaves committed care.

The reentry process is managed by regional reentry teams who oversee each youth's return to their community. A reentry staffing meeting is held 45 days prior to release from an out-of-home placement. During this meeting, the youth's housing plan, educational and occupational needs, ongoing behavioral/somatic health service requirements, and family relationships are reviewed. Families of committed youth are invited and encouraged to participate in the reentry planning process. After the youth has been in the community for 30 days, a DJS reentry specialist follows up with the youth and family to assure that the youth has accessed all needed services, has successfully enrolled in school, and remains in stable and suitable housing. The outcomes of the follow-up visits are documented and reported to the department, as shown in **Exhibit 7**.

Exhibit 7
Strategic Re-entry Plan Performance Measures
Department of Juvenile Services
Fiscal 2017-2021

<u>Strategic Measure</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Committed youth with identified behavioral health needs connected with service providers 30 days from discharge.	85.1%	71.4%	84.9%	82.4%	82.0%
Families of committed youth who felt informed during their child’s commitment and reentry process.	96.9%	93.2%	94.4%	96.9%	100.0%
Committed youth seeking employment who are employed within 30 days of discharge.	21.1%	14.5%	14.4%	23.9%	23.3%
Youth released from DJS-committed facilities who took part in career development programming during placement.	83.0%	81.0%	83.9%	67.7%	70.0%
Families of committed youth attending youth reentry planning meetings.	72.4%	75.8%	82.4%	86.0%	97.4%

DJS: Department of Juvenile Services

Source: Fiscal 2023 Managing for Results

Most of the performance measures remained stable between fiscal 2020 and 2021, with all but one experiencing a net change of less than 4 percentage points. The percent of families of committed youth attending youth reentry planning meetings was the one exception. This measure increased by 11.4 percentage points in the same period. While these measures detail efforts made to better ease a youth’s transition back into their community, DJS’s recidivism measures provide a greater understanding of how many youths return to the juvenile justice system.

Youth recidivism rates have slightly decreased, as detailed in **Exhibit 8**. The rearrest rate within two years of release is very similar for youth released in fiscal 2019; the readjudication rate fell from 29.9% to 23.9% between the fiscal 2015 and 2019 cohorts; the recommitment rate fell from 23.3% in fiscal 2015 to 16.2% in fiscal 2019. The decline of the rearrest rates suggests that policing practices are beginning to rearrest youth at a slower rate, while the decline in the readjudication and recommitment rates suggest that the juvenile justice system has been effective in reducing youth involvement in the judicial system. One explanation for why youth are beginning to be rearrested at a slower rate is that total youth arrests have decreased, likely in connection to the pandemic. As discussed earlier, there was an almost 45% decline in the number of juvenile arrests between fiscal 2019 and 2020.

Exhibit 8
Youth Recidivism Rates within Two and Three Years of Release
Fiscal 2015-2019

	<u>2015</u>		<u>2016</u>		<u>2017</u>		<u>2018</u>		<u>2019</u>	
	Two Years	Three Years	Two Years	Three Years	Two Years	Three Years	Two Years	Three Years	Two Years	Three Years
Rearrest Juvenile/ Adult	60.6	67.3	60.4	65.9	61.4	67.0	60.7	64.1	60.2	-
Readjudication/ Conviction	29.9	35.1	30.0	34.5	29.4	34.7	30.1	32.2	23.9	-
Recommitment/ Incarceration	23.3	28.2	23.7	26.6	19.7	23.2	20.6	22.5	16.2	-

Source: Department of Juvenile Services

The rearrest rate within three years decreased from 67.0% in fiscal 2017 to 64.1% in fiscal 2018, and the readjudication rate decreased from 34.7% to 32.2% in the same period. The recommitment rate also fell from 23.2% in fiscal 2017 to 22.5% in fiscal 2018. The declines in the two-year recidivism metrics extending to the three-year recidivism measures is a positive indicator that fewer youth are returning to the juvenile justice system.

Fiscal 2021

DJS received \$4.9 million in federal American Rescue Plan Act (ARPA) funds from the Department of Budget and Management (DBM) through two budget amendments. Funds were used for retroactive Level I and Level II response pay and for response and quarantine pay. The ARPA funds were provided to DBM through a supplemental budget during the 2021 legislative session.

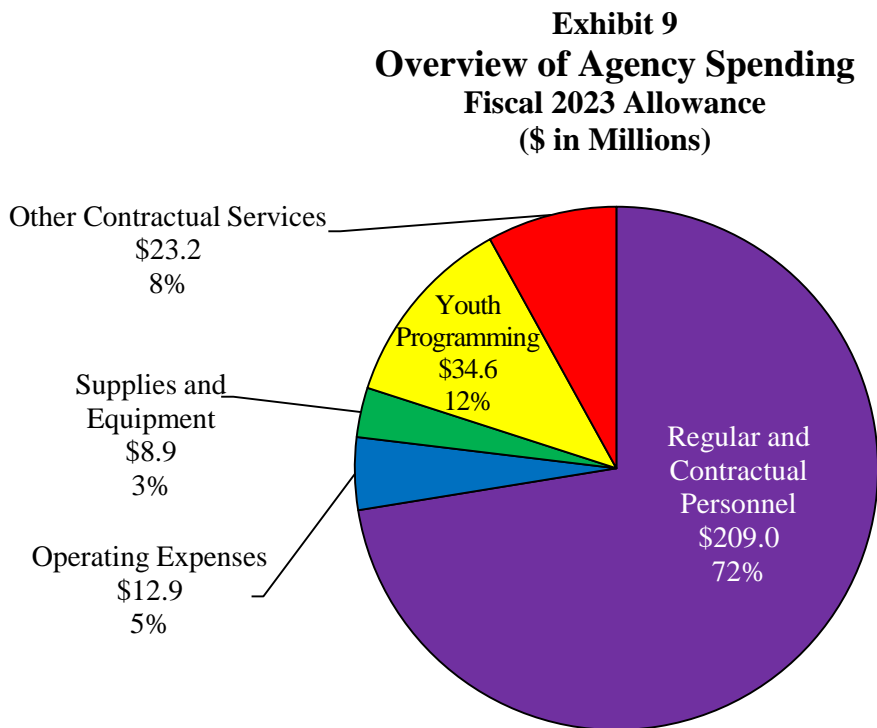
Fiscal 2022

Proposed Deficiency

DJS receives one general fund deficiency appropriation in fiscal 2022 that provides \$1.25 million to fund supplemental grants for IRC providers. IRC providers are residential child care and child placement programs that include but are not limited to the following categories: alternative living unit; education; group home; and nonresidential. IRC – which includes representatives from DBM, the Maryland Department of Health, the Department of Human Services, DJS, the Governor’s Office for Children, and MSDE – sets rates for program providers using a methodology that incorporates service costs and peer program comparisons. Of the \$1.25 million, about \$861,000 will be used for per diem expenditures and \$389,000 will be used for education per diems. The deficiency is required as IRC increased provider rates for fiscal 2022; the fiscal 2023 allowance accounts for the provider rate increases.

Fiscal 2023 Overview of Agency Spending

DJS receives \$288.6 million in the Governor’s fiscal 2023 allowance. **Exhibit 9** shows how the department’s allowance is broken down by object.



Source: Fiscal 2023 Governor’s Allowance

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Approximately 72% of the allowance supports DJS’ personnel expenses; the department relies on its large workforce to not only support day-to-day operations of its facilities but also to provide security at their facilities and the rehabilitative programming for the youth who move through the DJS system. With about 2,200 regular positions, DJS is one of the largest agencies in the Executive Branch.

Youth programming, including purchase of care services and youth education programming, accounts for approximately 12%, or \$34.6 million, of the fiscal 2023 allowance. These services are contracted out to private vendors who provide a variety of programs and services, such as language interpretation, mental health evaluations, and behavioral health treatment. As discussed later in this analysis, these costs fluctuate according to the department’s population trends. Changes to the department’s budget are primarily driven by changes in youth programming expenditures.

The remaining funds, approximately 16% of the total, are allocated toward operating expenses (5%), miscellaneous contractual services (8%), and supplies- and equipment-related expenses (3%).

Proposed Budget Change

DJS’ budget increases by \$24.8 million in fiscal 2023. **Exhibit 10** provides additional detail on the factors driving this change. Much of the increase is attributable to the department’s assumption of JSEP, which is discussed further in the Issues section of this analysis.

Exhibit 10
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>
Fiscal 2021 Actual	\$244,060	\$1,465	\$7,811	\$1,679	\$255,015
Fiscal 2022 Working Appropriation	254,903	3,361	5,513	0	263,777
Fiscal 2023 Allowance	<u>279,438</u>	<u>2,283</u>	<u>6,867</u>	<u>0</u>	<u>288,588</u>
Fiscal 2022-2023 Amount Change	\$24,535	-\$1,079	\$1,354	\$0	\$24,810
Fiscal 2022-2023 Percent Change	9.6%	-32.1%	24.6%		9.4%
Where It Goes:					<u>Change</u>
Personnel Expenses					
173 regular positions for JSEP.....					\$16,360
Employee and retiree health insurance					4,106
Workers’ compensation premium assessment					2,079

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Where It Goes:	<u>Change</u>
Turnover adjustments.....	1,827
Other fringe benefit adjustments.....	194
Employees’ retirement system.....	-124
Overtime earnings.....	-579
Regular earnings.....	-840
Population Driven Adjustments	
Per diem expenditures, including education per diems, net of fiscal 2022 deficiency.....	464
Medical care contracts.....	-148
Youth uniforms.....	-155
Food and food services.....	-376
JSEP Expenses	
Instructional supplies, library supplies, and educational equipment.....	1,795
Other nonpersonnel and non per diem costs.....	711
Office supplies.....	294
Contractual employment.....	193
Travel costs.....	191
Other Changes	
General fund grant for Roca Baltimore, LLC.....	2,000
Equipment repairs and rentals.....	754
Facility leases, particularly for the department’s headquarters and Montgomery County properties.....	425
Contractual employment.....	-43
Departmental vehicle expenditures.....	-184
Other.....	-230
Utilities.....	-392
Intergovernmental agreements for services and purchases of care.....	-598
Statewide cost allocations.....	-649
Reimbursement from local education boards for educational costs of youth accounted for in the counties but attending school through MSDE.....	-2,265
Total	\$24,810

JSEP: Juvenile Services Education Program
MSDE: Maryland State Department of Education

Note: The fiscal 2022 working appropriation includes deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance do not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

General Fund Grant for Roca Baltimore, LLC

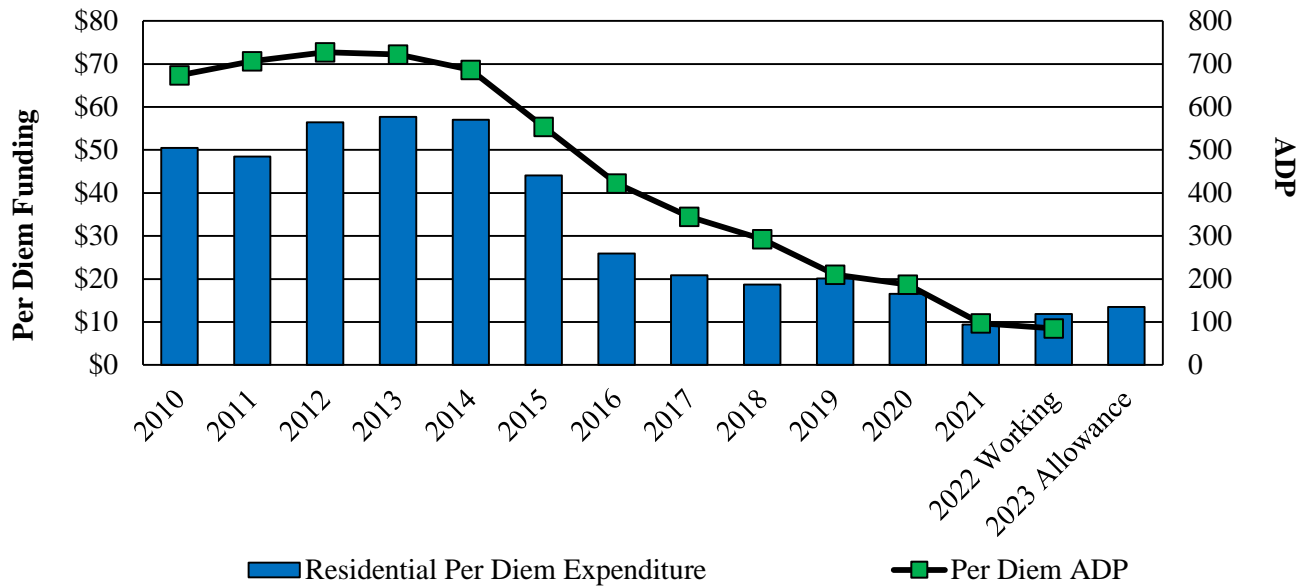
Chapter 596 of 2021 established a mandated annual appropriation of at least \$2.0 million in a general fund grant for Roca Baltimore, LLC. Roca is a violence prevention program provider that operates in Baltimore City. DJS has worked with Roca in connection to the Baltimore City Strategic Partnership. Previously, Roca has provided training to DJS staff to help develop an emerging adult unit within the DJS community supervision team. Roca also leads an after-shooting strategy in partnership with DJS, the Baltimore Police Department (BPD), and the Department of Public Safety and Correctional Services to connect youth to interventions and community-based supports after nonfatal shooting events.

Programmatic Funding Increases Due to IRC Provider Rate Increases and in Anticipation of Population Growth

Consistent with the pandemic-driven population trends, the committed residential ADP has continued to decline in fiscal 2022. The YTD ADP for fiscal 2022 is currently 85, which is 12% below that of fiscal 2021; this marks the second smallest decline in ADP since 2014. As the DJS per diem population has continued to drop, the department's funding for per diem programming has accordingly declined through fiscal 2021 to historically low levels. This trend is highlighted in **Exhibit 11**. Per diem funding increases 25.7% in the fiscal 2022 working appropriation due to the deficiency appropriation that the department receives for increased IRC provider rates. Per diem funding further increases 13.9% in the fiscal 2023 allowance to \$13.5 million.

While the per diem population has consistently declined for a decade, factors related to the pandemic accelerated the population's decline. DJS was required to consider ways to further decrease their residential population to mitigate the spread of COVID-19. The closure of schools contributed to fewer youth referrals to DJS, particularly in fiscal 2020 and 2021, and limitations to the Judiciary's resumption of adjudication hearings has impacted the size of the committed population as well. DJS reports that it expects the per diem population to increase in fiscal 2023 as pandemic-related factors change. As previously discussed, fiscal 2022 YTD data suggest that total complaints and disposition figures will be higher than in fiscal 2021.

Exhibit 11
Residential Per Diem Funding versus Per Diem ADP
Fiscal 2010-2023
(\$ in Millions)



ADP: average daily population

Source: Department of Juvenile Services; Governor’s Fiscal 2023 Allowance

Personnel Data

	FY 21 <u>Actual</u>	FY 22 <u>Working</u>	FY 23 <u>Allowance</u>	FY 22-23 <u>Change</u>
Regular Positions	1,995.55	1,995.55	2,163.95	168.40
Contractual FTEs	<u>45.74</u>	<u>98.30</u>	<u>97.00</u>	<u>-1.30</u>
Total Personnel	2,041.29	2,093.85	2,260.95	167.10

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	107.33	5.38%
Positions and Percentage Vacant as of 12/31/21	254.35	12.74%
Vacancies Above Turnover	147.02	

Vacancies Rise for Direct Care Staff

One area that has historically been of concern is DJS' ability to maintain adequate staffing levels within its facilities. As evidenced in the Personnel Data table, the department current has a vacancy rate of 12.74%, well above its budgeted turnover rate. The Personnel Data table is meant to capture vacancies as of the end of calendar 2021 and may understate the total number of vacancies that the department will have when JSEP transfers from MSDE on July 1, 2022.

Exhibit 12 shows the monthly vacancy rates for community and facility direct care staff between June 2017 and December 2021; because of the volatility of monthly vacancy rates, a linear trend line is provided to show the overall trend more smoothly.

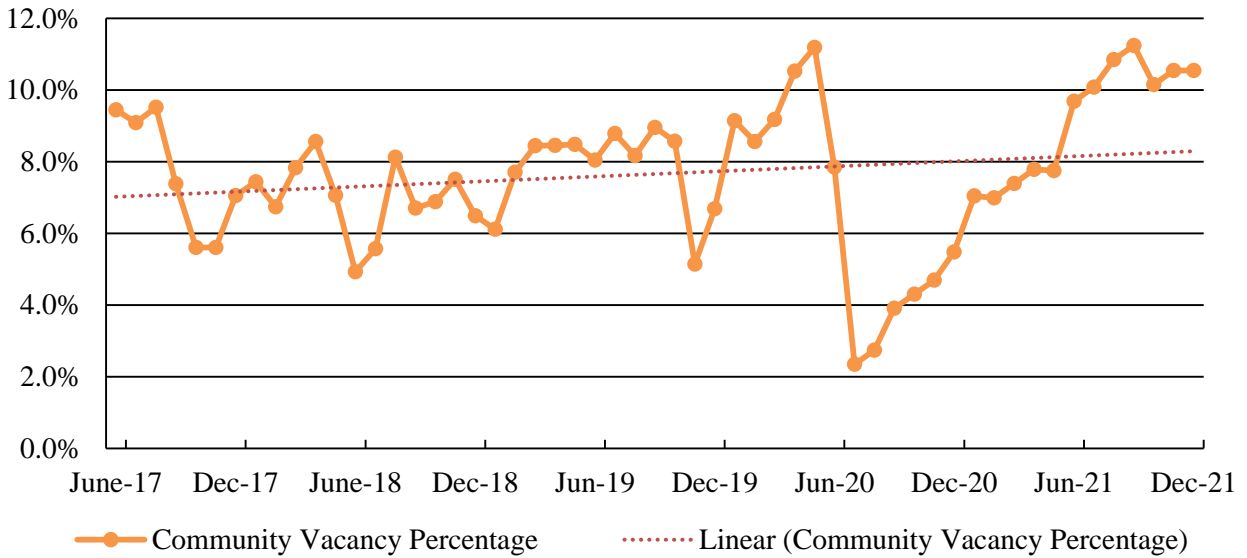
Community direct care staff vacancies have increased 8.2 percentage points since the start of fiscal 2021 to 10.5% in December 2021. Over time, the increase in the vacancy rate is smoother; however, the trend line does show an overall increase of roughly 1 percentage point since July 2017. Residential direct care staff vacancies have also increased since the start of fiscal 2021, with the rate increasing 10.7 percentage points since then. In contrast to community direct care staff vacancies, the trend line shows an overall decrease of roughly 7 percentage points over the last four years.

Hiring direct care staff has worsened since the start of the pandemic. The average number of days to fill vacant positions increased from 188.0 in fiscal 2020 to 197.1 in fiscal 2021. The department may also be receiving applications from less desirable candidates than it has in the past or may have increased its hiring standards; the percent of positions filled on first solicitation fell from 93.2% in fiscal 2019 to 72.4% in fiscal 2021. Retention of direct care staff appears to have increased, as the average length of tenure is now 9.7 years, while it was only 8.9 years in fiscal 2020.

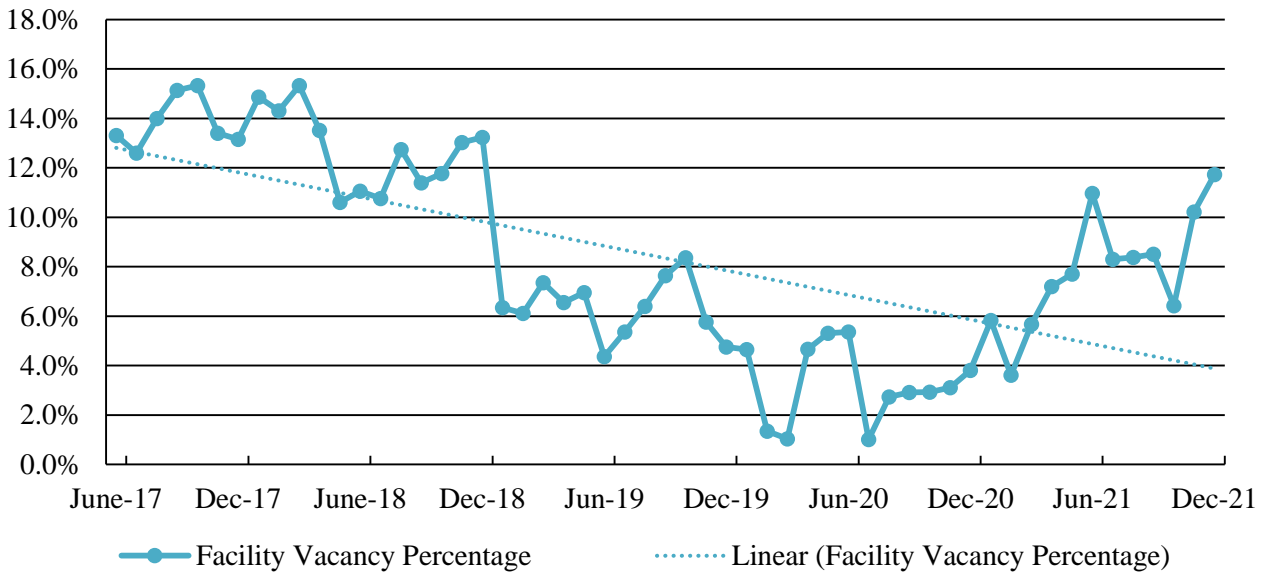
DJS should comment on recent or planned actions to reduce community and residential direct care staff vacancies.

Exhibit 12
Monthly Vacancies for Direct Care Staff
June 2017 to December 2021

Community Direct Care Staff



Residential Direct Care Staff



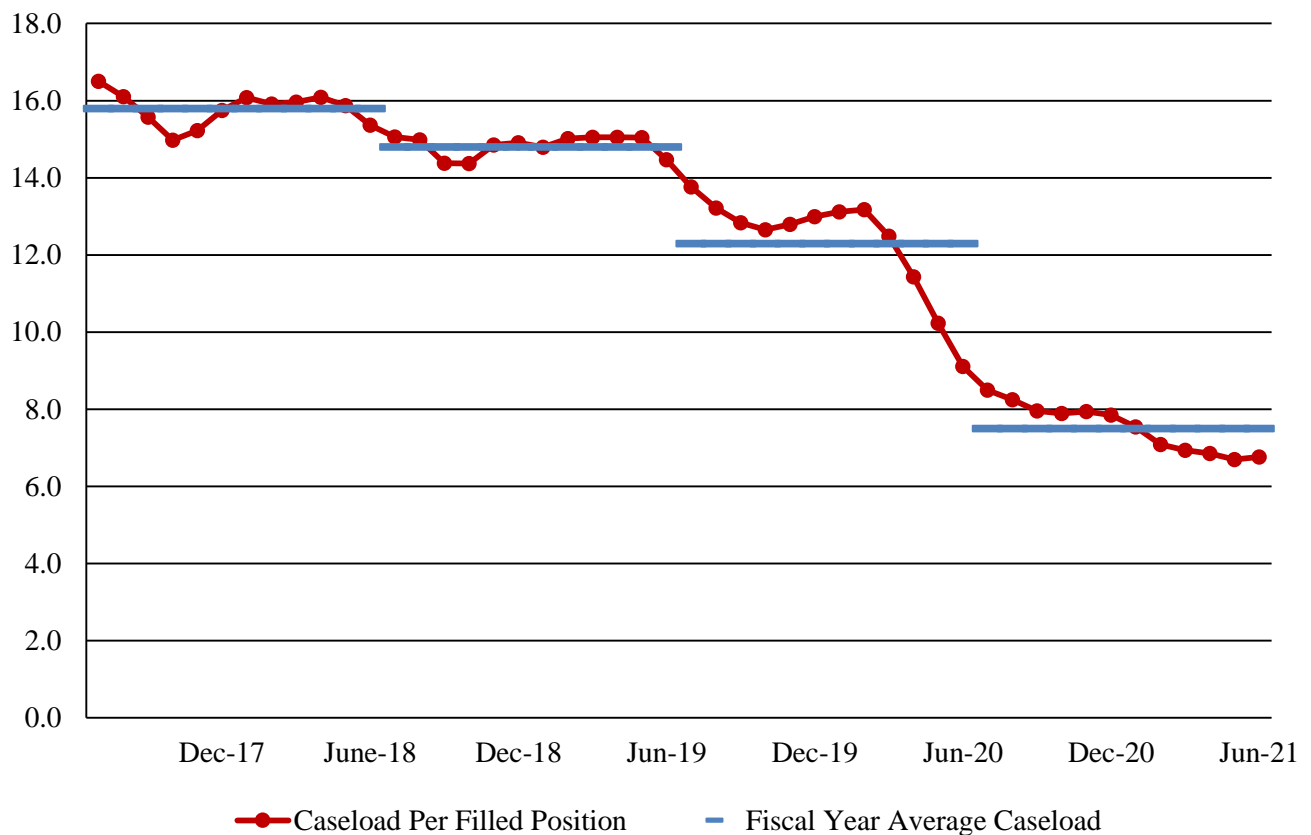
Source: Department of Juvenile Services Performance Report – December 2021; Department of Legislative Services

Community Supervision Caseload Trends

Exhibit 13 below shows the monthly caseload trends for community direct care staff. Caseloads fell 58.8% from 16.5 cases per community supervisor in July 2017 to 6.8 cases in June 2021. Most of the decrease coincided with the onset of the pandemic in March 2020, but the decline has continued. As of December 2021, the caseload is 6.6 cases per community direct care staff, only about 42% of the average caseload in fiscal 2018. This change is likely caused by the department’s decline in youth population.

The department should comment on whether there are community supervision caseload standards and if any such measures are being met.

Exhibit 13
Community Supervision Caseloads
July 2017 to June 2021



Note: For this exhibit, caseloads are equal to the total caseload count for community supervision programming divided by the number of filled community direct care staff positions for each month.

Source: *Department of Juvenile Services Performance Report – December 2021*; Department of Legislative Services

Issues

1. JSEP Moves to DJS

As required by Chapter 147 of 2021, starting in fiscal 2023, DJS and the Juvenile Services Education Board and Program will have the responsibility of implementing and providing educational programming and services to all juveniles placed in DJS-operated detention and residential facilities. This is currently the responsibility of MSDE. In addition to the transfer, Chapter 147 prohibits the disenrollment of a student from their local education system until after the disposition of the juvenile's case; this creates the opportunity for a youth to be enrolled in JSEP and a local education system at the same time. The legislation defines the roles that DJS, the JSEP Board, and the JSEP Superintendent will have:

- The JSEP Board has 11 members and is required to meet monthly. The JSEP Board must appoint a JSEP Superintendent, develop accredited educational programs, and approve educational curriculum. Five of the board members are appointed by the Governor with the advice and consent of the Senate.
- The JSEP Superintendent is responsible for implementing and administering educational programs approved by the JSEP Board.
- DJS shares the responsibility of implementing JSEP and is required to integrate educational services into its residential treatment program. DJS also provides support services for implementing JSEP.

The preparations for the program transfer are underway. DJS and MSDE published the *Joint Report on the Transition of Juvenile Services Education Program* on December 1, 2021. The JSEP Board also published the *Juvenile Services Education Board 2021 Report to the General Assembly* on December 1. These documents detail the transition plan for the program and report on the progress that has been made toward implementing the legislation. The JSEP Board's report also responds to two statutory requirements: to examine and report on how to meet the needs of students who are dually enrolled in JSEP and a local school system and have an individualized education program or other special education plan; and to examine and make recommendations regarding funding for JSEP, including recommendations and improvements. The board stated that it would address dual enrollment after the JSEP Superintendent is hired.

The implementation of JSEP provides an opportunity to improve the educational outcomes of youth in DJS detention and residential facilities. **The Department of Legislative Services (DLS) recommends the addition of committee narrative to require DJS to develop JSEP objectives and educational outcome measures for the Managing for Results section of the fiscal 2024 budget books and for subsequent fiscal years.**

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With the transfer of JSEP, DJS will receive 173.0 regular positions and a proposed budget of \$22.4 million in fiscal 2023. Costs associated with JSEP are identified in Exhibit 10. The department reports that DJS has also changed its program codes for the fiscal 2023 budget to make the costs associated with the program distinct from its other community and facility operations costs. One of the steps that the department has taken to prepare was to conduct an initial facility assessment, the results of which were published in October 2021. The assessment identifies whether there is adequate classroom space in its staff secure youth centers, hardware secure committed programs, and detention facilities, the capacity of each facility, and other potential renovations that would support career and technical education programming. In the board’s report, 12 preliminary recommendations to improve current services are described. Those described with specific estimated costs include the following:

- \$900,000 to create new physical education and fine arts teacher positions at each facility to provide classes that meet the State’s graduation requirements;
- \$325,000 to expand academic classroom and career technology space at Backbone Mountain;
- \$650,000 to reopen and expand the current career technology education building at the Victor Cullen Center; and
- \$295,000 for a buyout option for the current educational trailers at Garrett Children’s Center.

DJS should comment on the progress that has been made toward implementing Chapter 147 of 2021 and identify sources of funding for potential facility renovations to support JSEP.

2. OLA Findings

In September 2021, OLA published a fiscal compliance audit of DJS for the period beginning December 16, 2015, and ending March 31, 2020. **Appendix 2** lists the audit’s six findings, two of which are repeat findings from the previous audit. The first three findings relate to improper procurements and spending that continued even after the previous audit findings identified a former employee that circumvented state procurement regulations for personal gain, which ultimately led to a criminal conviction. The fourth finding is that the department’s use of certain intergovernmental agreements circumvented State procurement regulations, and that DJS did not ensure services were proved and related charges were proper. The department has responded to this issue, and accordingly anticipates that funding for intergovernmental agreements will decrease in fiscal 2023, as shown in Exhibit 10.

DJS should brief the budget committees on actions taken to address each of the audit findings.

3. Baltimore City Strategic Partnership

In December 2019, DJS announced a partnership aimed at reducing youth violence in Baltimore City. Together with the Baltimore City Mayor’s Office, the Baltimore City State Attorney’s Office, and BPD, DJS will align and coordinate case management resources to more effectively and appropriately intervene in youth juvenile cases within the city. The budget committees restricted funds in the fiscal 2022 budget pending the submission of a report providing a one-year update on the operations of this partnership, its impacts on juvenile caseloads, relevant performance data, and the amount of departmental funds directed toward partnership programming. This report was due on December 31, 2021, but has not been submitted as of February 12, 2022. Previously, the budget committees restricted funds in the fiscal 2021 budget pending the submission of a report detailing DJS’ plan for implementing this strategic partnership. That report was due on December 31, 2020, and it was not submitted until February 16, 2021.

DLS again recommends the committees adopt language restricting funds pending the submission of a one-year update detailing the operations of the Strategic Partnership and the associated programmatic expenditures.

Operating Budget Recommended Actions

1. Adopt the following narrative:

Adding Educational Outcome Performance Measures: The budget committees are interested in securing the best educational outcomes for all youth in Department of Juvenile Services’ (DJS) detention and residential facilities. Chapter 147 of 2021 transfers the responsibility of implementing educational programming from the Maryland State Department of Education to the Juvenile Services Education Board and Program (JSEP). As such, the budget committees direct DJS to develop objectives specific to JSEP and educational outcome performance measures for the Managing for Results (MFR) section of the Governor’s Fiscal 2024 Budget Books and for subsequent fiscal years. The budget committees also direct DJS to submit a draft of the department’s MFR submission not later than October 31, 2022.

Information Request	Author	Due Date
Educational outcome performance MFR	DJS	October 31, 2022 With submission of the fiscal 2024 allowance

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

, provided that \$250,000 of this appropriation made for the purpose of providing administrative support may not be expended until the Department of Juvenile Services (DJS) submits a report to the budget committees detailing updates on the operations of the Baltimore City Strategic Partnership. This report shall:

- (1) identify the entities participating in this partnership and the respective role and responsibilities of each;
- (2) detail the processing of cases under this partnership;
- (3) identity performance measures demonstrating the efficacy of this partnership and provide relevant performance data;
- (4) comment on how the partnership will impact juvenile caseloads; and
- (5) identify the funding associated with this partnership in DJS’ fiscal 2021, 2022, and 2023 budgets.

The report shall be submitted by December 31, 2022, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to

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any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Governor Lawrence J. Hogan, Jr. and DJS announced the Baltimore City Strategic Partnership in December 2019 with the goal to improve early intervention efforts for low-offending youth. This language requests an update on the operations of this partnership, its impact on juvenile caseloads, relevant performance data, and the amount of departmental funds directed toward partnership programming.

Information Request	Author	Due Date
Update on the Baltimore City Strategic Partnership	DJS	December 31, 2022

Appendix 1
2021 Joint Chairmen’s Report Responses from Agency

The 2021 JCR requested that DJS prepare one report. An electronic copy of the full JCR response can be found on the DLS Library website.

- ***Update on the Baltimore City Strategic Partnership:*** Because of the COVID-19 pandemic, progress in developing the Baltimore City Strategic Partnership announced by Governor Lawrence J. Hogan, Jr. and DJS was impeded. The budget committees asked that DJS provide a one-year update on the operations of this partnership, its impact on juvenile caseloads, relevant performance data, and the amount of departmental funds directed toward partnership programming. As of February 12, 2022, this report was not submitted. Further discussion of this report can be found in the Issues section of this analysis.

**Appendix 2
Audit Findings**

Audit Period for Last Audit:	December 16, 2015 – March 31, 2020
Issue Date:	September 2021
Number of Findings:	6
Number of Repeat Findings:	2
% of Repeat Findings:	33.3%
Rating: (if applicable)	n/a

Finding 1: DJS did not consolidate procurements and publish contract awards to maximize State purchasing power and enhance transparency, oversight and control, and could not support certain contract modifications.

Finding 2: DJS did not have a process in place to verify the propriety or reasonableness of certain services prior to payment and could not justify the subsequent payment of certain invoices that were originally rejected for payment.

Finding 3: DJS did not use available automated controls to ensure the propriety of purchasing and disbursement transactions.

Finding 4: **DJS’ use of certain intergovernmental agreements circumvented State procurement regulations. In addition, DJS did not ensure that services were provided and related charges were proper.**

Finding 5: **The youth case management application and database were not properly maintained and secured. In addition, related logging and monitoring controls and settings for application passwords and accounts were not adequate.**

Finding 6: DJS did not maintain materials and supplies inventory records as required.

*Bold denotes item repeated in full or part from preceding audit report.

**Appendix 3
Object/Fund Difference Report
Department of Juvenile Services**

<u>Object/Fund</u>	<u>FY 21 Actual</u>	<u>FY 22 Working Appropriation</u>	<u>FY 23 Allowance</u>	<u>FY 22 - FY 23 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	1,995.55	1,995.55	2,166.95	171.40	8.6%
02 Contractual	45.74	98.30	97.00	-1.30	-1.3%
Total Positions	2,041.29	2,093.85	2,263.95	170.10	8.1%
Objects					
01 Salaries and Wages	\$ 184,055,443	\$ 182,287,880	\$ 205,310,971	\$ 23,023,091	12.6%
02 Technical and Special Fees	1,702,203	3,580,446	3,730,304	149,858	4.2%
03 Communication	1,420,540	1,276,698	1,300,997	24,299	1.9%
04 Travel	129,042	739,896	914,997	175,101	23.7%
06 Fuel and Utilities	4,580,880	4,807,890	4,415,907	-391,983	-8.2%
07 Motor Vehicles	1,076,866	1,311,384	1,149,315	-162,069	-12.4%
08 Contractual Services	49,090,572	56,933,039	57,785,922	852,883	1.5%
09 Supplies and Materials	4,581,837	5,265,700	6,749,304	1,483,604	28.2%
10 Equipment – Replacement	248,723	0	402,332	402,332	N/A
11 Equipment – Additional	827,163	21,816	399,298	377,482	1730.3%
12 Grants, Subsidies, and Contributions	1,248,230	2,559,891	2,068,213	-491,678	-19.2%
13 Fixed Charges	4,222,910	3,742,835	4,360,109	617,274	16.5%
14 Land and Structures	1,830,616	0	0	0	0.0%
Total Objects	\$ 255,015,025	\$ 262,527,475	\$ 288,587,669	\$ 26,060,194	9.9%
Funds					
01 General Fund	\$ 244,059,738	\$ 253,653,134	\$ 279,438,061	\$ 25,784,927	10.2%
03 Special Fund	1,465,263	3,361,353	2,282,645	-1,078,708	-32.1%
05 Federal Fund	7,810,733	5,512,988	6,866,963	1,353,975	24.6%
09 Reimbursable Fund	1,679,291	0	0	0	0.0%
Total Funds	\$ 255,015,025	\$ 262,527,475	\$ 288,587,669	\$ 26,060,194	9.9%

Note: The fiscal 2022 appropriation does not include deficiencies. The fiscal 2022 working appropriation and fiscal 2023 allowance do not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

**Appendix 4
Fiscal Summary
Department of Juvenile Services**

<u>Program/Unit</u>	<u>FY 21 Actual</u>	<u>FY 22 Wrk Approp</u>	<u>FY 23 Allowance</u>	<u>Change</u>	<u>FY 22 - FY 23 % Change</u>
01 Office of the Secretary	\$ 8,257,692	\$ 8,812,295	\$ 8,931,865	\$ 119,570	1.4%
02 Departmental Support	32,502,545	33,008,478	33,755,846	747,368	2.3%
01 Residential Operations	214,254,788	220,706,702	245,899,958	25,193,256	11.4%
Total Expenditures	\$ 255,015,025	\$ 262,527,475	\$ 288,587,669	\$ 26,060,194	9.9%
General Fund	\$ 244,059,738	\$ 253,653,134	\$ 279,438,061	\$ 25,784,927	10.2%
Special Fund	1,465,263	3,361,353	2,282,645	-1,078,708	-32.1%
Federal Fund	7,810,733	5,512,988	6,866,963	1,353,975	24.6%
Total Appropriations	\$ 253,335,734	\$ 262,527,475	\$ 288,587,669	\$ 26,060,194	9.9%
Reimbursable Fund	\$ 1,679,291	\$ 0	\$ 0	\$ 0	0.0%
Total Funds	\$ 255,015,025	\$ 262,527,475	\$ 288,587,669	\$ 26,060,194	9.9%

Note: The fiscal 2022 appropriation does not include deficiencies. The fiscal 2022 working appropriation and fiscal 2023 allowance do not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.