

oppaga

Justification Review



July 2002

Report No. 02-42

The Juvenile Justice Residential Program Should Improve Contracting Processes

at a glance

The department has reduced recidivism, escapes, and the percentage of programs that do not meet operating standards.

Residential facilities are 87% outsourced to contract providers. To contain contract costs, the department should

- collect and compare the costs of contracted services and state services;
- recover the rental value of state-owned facilities used by contract providers; and
- require providers to follow a preventive maintenance schedule and promptly report needed facility repairs.

The department should strengthen routine monitoring to reduce safety and fiscal risks by

- implementing standards, forms, and training for program monitors;
- reducing payments to non-compliant providers; and
- developing a more rigorous invoice approval process.

The department needs to reassess what types of non-residential programs are needed to ensure that costly residential beds are used for the highest risk youth.

Purpose

This report presents the results of our program evaluation and justification review of the Residential and Correctional Facilities Program administered by the Department of Juvenile Justice. State law directs OPPAGA to conduct justification reviews of each program operating under a performance-based program budget. Justification reviews assess agency performance measures and standards, evaluate program performance, and identify policy alternatives for improving services and reducing costs. Appendix A summarizes our conclusions regarding the issue areas the law requires be considered in a justification review.

Background

The purpose of the Residential and Correctional Facilities Program is to protect the public from acts of delinquency and to rehabilitate juvenile offenders by providing discipline, control, and treatment. The program provides 24-hour residential supervision for delinquent youth placed in Department of Juvenile Justice custody by the courts. Juvenile courts and the department have distinct roles regarding delinquent youth.

- Juvenile judges commit juvenile offenders to program levels based on the risk youth pose to public safety. Program levels are low risk, moderate risk, high risk, and maximum risk.

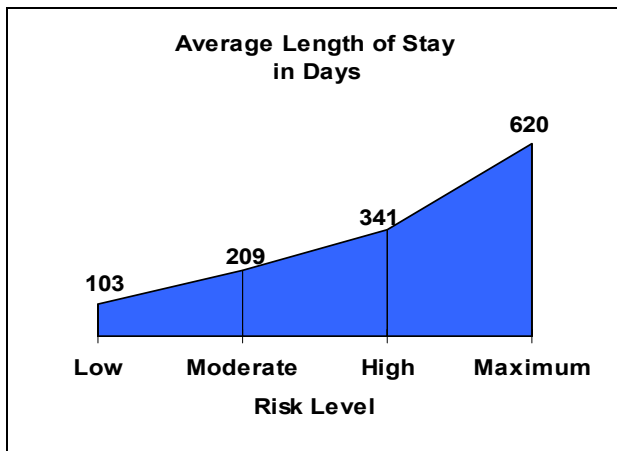
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- Within the court-specified level, department staff assigns each youth to a specific residential facility.

Facilities range from low-risk wilderness programs, to moderate-risk halfway houses and high risk secure, highly structured training schools, to long-term maximum-security institutions. Some programs, such as boot camps, operate at more than one risk level. About 60% of youth sent to residential programs are placed in moderate risk facilities.

Depending on the severity of their crimes and their behavior in the program, youth remain in residential programs from a few months to over a year and a half, as shown in Exhibit 1. Average length of stay increases progressively with each increase in risk level.

Exhibit 1
Average Length of Stay Increases With Higher Risk Levels



Source: Department of Juvenile Justice *2002 Outcome Evaluation Report*.

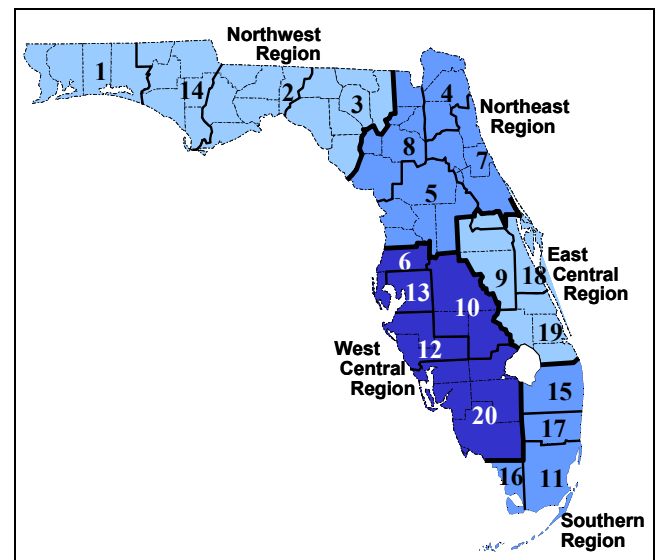
While in residential programs, youth attend educational classes provided by the local school district. Residential programs also may provide vocational training, mental health counseling, substance abuse treatment, or sex offender treatment.

Organization

The Residential and Correctional Facilities Program oversees approximately 216 residential commitment programs, 87% of which are provided by private contractors. Program size ranges from 2 to 350 beds. According to an Auditor General on-site count on June 27, 2001, the department was operating 832 state-run commitment beds and 5,546 contracted beds.

The assistant secretary for Residential and Correctional Facilities administers the program, and a regional director coordinates staff in each of five regions, as shown in Exhibit 2.¹

Exhibit 2
The Residential Program Is Divided Into Five Regions



Source: Department of Juvenile Justice.

Funding

The Legislature appropriated the program \$305 million and 1,250 staff positions for the 2002-03 fiscal year. Florida's general revenue fund provides \$248 million, or 81%, and trust funds provide the remaining \$57 million.

¹ The program's current organizational structure is the result of the department's reorganization effective July 1, 2000.

**Exhibit 3
Program Appropriations Have Decreased**

Fiscal Year	General Revenue	Trust Funds	Total
2001-02	\$256,591,279	\$51,512,927	\$308,104,206
2002-03	248,138,375	57,088,142	305,226,517

Source: LAS/PBS for Fiscal Years 2001-02 and 2002-03.

Program Placement ———

The 1994 Juvenile Justice Reform Act created the Department of Juvenile Justice to provide a continuum of care and services for juvenile offenders and enhance public safety. The department administers the Residential and Correctional Facilities Program as a part of this continuum. The placement of this program within the department is consistent with the department’s mission and has a number of advantages over alternative placements.

The centralized administration of juvenile commitment services at the state level is preferable to administration by 67 county governments because it addresses the need for equity and accountability. Before the Legislature created the department, Florida encountered legal challenges related to the fair and equal treatment of delinquent youth placed in the state’s custody. In part, this was due to the failure of a decentralized system to ensure accountability for how local entities allocated and managed juvenile justice services. The administration of juvenile commitment programs at the state level by a single entity provides a mechanism for the equitable distribution of services and increases accountability for ensuring that these services meet accepted standards of custody and care.

Transferring the program to the Department of Corrections would reduce the coordination of resources across the juvenile justice continuum. Florida currently has the advantage of having its entire continuum of juvenile justice services centralized within a single agency. This organizational structure allows for the coordination of services at all stages of the juvenile justice system. Moving

the Residential and Correctional Facilities Program to another agency would remove this advantage.

Transferring the program to the Department of Corrections might decrease program effectiveness. A number of studies indicate that Florida’s adult system is less effective at preventing juvenile recidivism. For example, a 2002 study that matched pairs of youth for criminal history and other characteristics found that juveniles sentenced to the Department of Corrections had a re-arrest rate of 49%, compared to 35% for juveniles committed to the Department of Juvenile Justice.² In addition, the Department of Corrections does not oversee contracted facilities, and 87% of juvenile residential commitment services are contracted.³ Finally, placing state-run residential facilities in the Department of Corrections could increase state costs if the juvenile corrections officers, like the corrections officers in the adult system, were to qualify for special-risk retirement.

Program Performance ———

The Legislature has adopted nine performance measures for the Residential and Correctional Facilities Program. The program has improved its performance for three key measures: reducing recidivism, preventing escapes, and increasing the percentage of residential facilities that score satisfactory or above on quality assurance reviews. Two measures, for youth-on-youth and youth-on-staff batteries, are not useful because they are confusing. Unreliable data has precluded determination of performance for the remaining four measures, number of beds in operation, number of youth served, average daily population of youth served, and number of youth receiving substance abuse treatment. The department is revising its data collection processes to improve the accuracy of the data it reports for these four measures.

² Lanza-Kaduce, L., Frazier C., et al. *Juvenile Transfer to Criminal Court Study: A Final Report*. A research report submitted to the Department of Juvenile Justice, January 8, 2002.

³ The Legislature established the Correctional Privatization Commission to manage and monitor contracts for the state’s five private prisons.

Youth recidivism has declined

The department has successfully reduced youth recidivism. As shown in Exhibit 4, the percentage of youth that remained crime-free, which the department defines as not adjudicated or convicted of an offense within 12 months of release, has increased over the past five years.⁴ This is a positive trend that suggests services to youth in residential commitment programs have become more effective since the Legislature established the Department of Juvenile Justice as a separate agency in 1994.

**Exhibit 4
More Youth Remain Crime-Free After Release from Residential Commitment**

Release Year	Percentage of Youth Who Remain Crime-Free One Year After Release
1995-96	51.6%
1996-97	53.2%
1997-98	55.2%
1998-99	56.1%
1999-00	58.4%

Source: Florida Department of Juvenile Justice, Bureau of Data and Research.

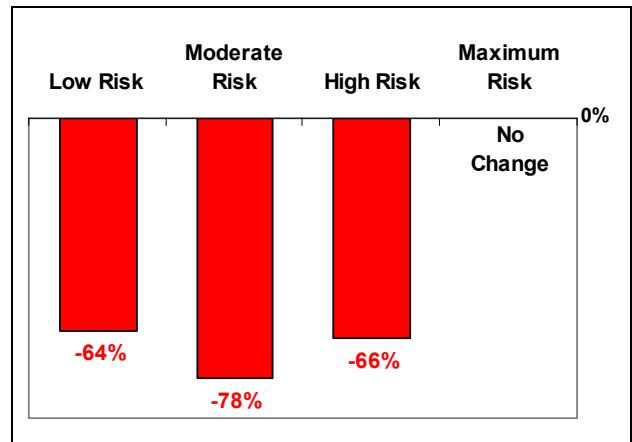
While the recidivism rate is crucial to assessing program performance, it cannot be used to assess current performance because data is not available until more than a year after a youth is released. For example, in Exhibit 4, youth released in Fiscal Year 1999-2000 were crime-free during Fiscal Year 2000-01, and the department was able to aggregate and report the data in its *2002 Outcome Evaluation Report*. The department exceeded the legislative standard for this measure of 53% of youth remaining crime-free.

⁴ The Bureau of Data and Research conducts annual studies to develop recidivism data. The methodology used by the bureau ensures that the department’s recidivism data is reasonably reliable.

Escapes from residential correctional facilities have decreased

The department reduced escapes from residential commitment facilities. The department’s Office of Inspector General Bureau of Investigations data shows that from 1995 to 2000, the total number of escapes from residential commitment declined by 73%. As shown in Exhibit 5, reductions occurred at every level except high risk, where three youth escaped in 1995 and 2000.⁵ This decline is noteworthy because it coincided with a 108% increase in overall operating capacity.

**Exhibit 5
Escapes Declined from 1995 to 2000**



Source: Department of Juvenile Justice, Office of the Inspector General.

The downward trend in escapes continued in calendar year 2001. The department’s 2001 performance measures distinguish between escapes from non-secure and secure facilities. The department classifies low-risk and moderate-risk facilities as non-secure because they usually have less security hardware, such as high fencing. Although the Legislature did not establish a standard, the department reported 205 escapes from non-secure facilities during the 2001 calendar year.⁶

⁵ Due to data entry errors, the escape data may not be totally accurate, but is acceptable for the purpose of observing these general trends.

⁶ The department reports escape data by calendar year. Until 2001, the department’s inspector general reported this data. Since 2001, the data has been reported by the Residential Program headquarters staff.

Secure facilities are fenced and equipped with locking systems and other security hardware. Escapes from these facilities are usually associated with inadequate supervision or failure to follow proper security procedures. The 17 escapes from secure facilities reported for the 2001 calendar year exceeded the legislative standard of zero.

The department increased emphasis on facility security during the 2000-01 and 2001-02 fiscal years. As a part of its overall reorganization, the department appointed a security chief for each of its five residential regions. Department personnel report that this has resulted in more expertise directed at security matters at the local level. In addition, the department has implemented a standardized security audit checklist. Previously, the department had four separate checklists in use by regional security teams, which confused providers and duplicated quality assurance reviews and Office of the Inspector General security audits. As a disincentive for escapes, the department also added a “liquidated damages” clause to new contracts for secure facilities.

The percentage of residential facilities scoring satisfactory or higher on quality assurance reviews has increased

The department conducts annual quality assurance reviews of all residential facilities to determine whether they meet departmental standards for safe and effective operations. Each facility is scored on a series of standards, and awarded a total classification of failed, minimal, acceptable, commendable, or exceptional performance.⁷ The percentage of facilities that scored acceptable and above varies, but has increased significantly over time from 52% in calendar year 1996 to 81% in calendar year 2001, as shown in Exhibit 6. The 81% of programs that scored acceptable and above for calendar year 2001 is slightly below the legislative standard of 82%.

**Exhibit 6
The Percentage of Acceptable and Above Residential Programs Increased**

Calendar Year	Percentage of Programs That Scored Satisfactory and Above
1996	52%
1997	82%
1998	70%
1999	75%
2000	83%
2001	81%

Source: Department of Juvenile Justice, Bureau of Quality Assurance.

The measures for tracking batteries committed by youth are not useful

Youth-on-youth batteries and youth-on-staff batteries are important measures of program safety and security. However, the department’s performance in these areas cannot be determined because the measures are not meaningful, and no standards have been set.

The department reports 0.16 youth-on-youth batteries per 1,000 youth served daily in low and moderate risk facilities and 0.13 in high and maximum risk facilities in Fiscal Year 2000-01. During that same period there were 0.21 youth-on-staff batteries per every 1,000 youth served daily in low and moderate risk facilities and 0.33 in high and maximum risk facilities.

These daily measures do not indicate the number of batteries during the year. In addition, it cannot be determined whether daily rates represent an improvement in performance because the measures have been defined and reported differently from year to year. For the 2000-01 fiscal year, the Legislature did not establish standards for these measures, but required the department to report the number of batteries.

⁷ This performance data, which is maintained by the Bureau of Quality Assurance, is very reliable.

Unreliable department data limits the usefulness of other critical performance measures

In addition to those discussed above, the Legislature has directed the department to report on four additional performance measures: number of beds on line, number of youth served, average daily population of youth served, and number of youth receiving substance abuse treatment. However, department data for these measures has been unreliable.

The department derives data for the first three measures from its Juvenile Justice Information System. This system, under development since 1995, is intended to provide extensive and reliable data for performance-based budgeting. However, design problems and inadequate controls have limited the system's ability to meet this goal. An October 2001 department inspector general audit found that output data from the juvenile justice information system was unreliable.⁸ The Auditor General also reported in October 2001 that the system did not provide an accurate count of beds on line.⁹ Because the department has not had reliable data for these measures, we could not determine whether their legislative standards were met.

During the 2001-02 fiscal year, the department acted to improve the quality of this data. Department monitoring staff has been directed to make quarterly physical counts of the youth and beds in each residential program, compare the results to the Juvenile Justice Information System data, and correct the errors they identify. Staff is also auditing and correcting other elements of the data system, including admission and release dates, so that the data used for determining average daily population is more accurate. At this stage, staff and supervisors are still finding many errors, and staffs need additional training to assure that

they conduct the physical checks properly. By continuing to aggressively train staff and correct errors in the computer system, the department predicts that by next year data for these measures will be markedly improved.

Data problems also have negated the usefulness of the fourth measure, number of youth receiving substance abuse treatment. The measure was not a reliable performance indicator due to unreliable data, and the method for determining the estimate changed from year to year. For example, the department reported that the number of youth receiving substance abuse treatment changed dramatically between Fiscal Year 1999-00 and 2000-01. The department reported that 5,280 juveniles received treatment in Fiscal Year 1999-00. However, the department based the estimate on a sample of residential programs without providing a consistent definition of treatment. Some providers counted the initial assessment when youth entered the program as a treatment, which inflated the estimate.

In contrast, the department estimated that 1,043 youth received substance abuse treatment in Fiscal Year 2000-01. This estimate was based on the number of substance abuse beds in operation multiplied by the average length of stay per bed.¹⁰ So, the estimate counted the number of beds rather than the number of services youth received during commitment.

During the 2001-02 fiscal year, the department revised its procedures to improve the accuracy of the data reported for this measure. The department now obtains information from each program on specific youth that receive mental health and substance abuse treatment. As a result, the department's information for Fiscal Year 2001-02 should be more accurate.

To provide this information to the Legislature in context, we recommend that the department report the ratio of the number of youth assessed as needing substance abuse treatment to the number of youth receiving treatment.

⁸ *Assessment of Juvenile Offender Program*, Review Report R20103, Department of Juvenile Justice Inspector General, October 10, 2001.

⁹ *Fixed Capital Outlay Appropriations and Contracted Services for Beds, an Operational Audit of the Department of Juvenile Justice*, Auditor General [Report No. 02-057](#), October 2001.

¹⁰ For this measure, the number of beds is tracked by a mental health/substance abuse specialist rather than derived from the Juvenile Justice Information System.

This information should be reported for mental health treatment as well.

Controlling the Costs of Outsourced Programs —

Since contract providers operate 87% of residential juvenile justice programs, it is critical that the department have an effective contract management system. Inadequate contracting and monitoring can lead to high costs and service quality problems. The department is acting to control costs by comparing specific costs across programs. The department could improve its contracting process by recovering the rental value of state facilities used by contract providers and requiring these providers to adhere to maintenance standards for use of state-owned facilities.

Controlling costs through comparisons

Comparing program costs of various contractors can help ensure that costs do not get out of line for similar services within the juvenile justice system. Although some providers disparage such comparisons, data derived from cost analyses strengthens the department’s position when negotiating initial and renewal rates with providers. Collecting similar costs for state-run programs would provide additional grounds for comparison and help contain state costs as well.

The department has revised its contracts to require each provider’s independent auditor to report annually on costs in several categories, including

- direct care, subsistence, supervision;
- subcontracted treatment services;
- education services;
- medical care;
- client transportation; and
- administration and corporate overhead, including property rental.

The cost report form also requires providers to report the value of donated goods and services. The department will use this information to negotiate appropriate contract costs, which should help avoid overpricing and contain per diem costs.

Some providers contend that attention to individual cost categories, rather than a total per diem cost, is intrusive and should not concern the state, so long as the vendor provides the services stipulated at the per diem rate. However, the program models vary so much that straight comparisons of total costs can mask important differences among the types and costs of treatment and services provided to youth in residential programs. We concur with the department that collecting and using categorized cost information is useful for controlling costs and developing reasonable per diem rates.

Contract rates should consider rental value of state-owned facilities

A related problem is that the department is not considering the cost of state-owned facilities when determining payment rates. Currently, the department provides facilities to many providers at no cost without negotiating lower rates from them.

As shown by Exhibit 7, the department oversees 216 juvenile residential programs in facilities owned by federal, state, and local governments and contractors.

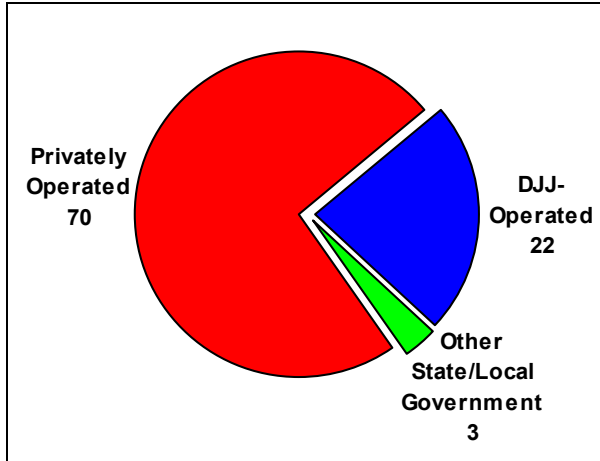
Exhibit 7 Juvenile Justice Residential Programs Are Housed in Facilities Under Various Ownership

Ownership	Number	Percentage
Federal government	8	4%
Local government	25	11%
Contractor	88	41%
State government	95	44%
Total Facilities	216	100%

Source: Department of Juvenile Justice data.

Many (95) programs operate from state-owned facilities. As shown in Exhibit 8, contract providers operate 70 programs in these state-owned facilities, the department operates 22, and 3 are operated by another state agency or university.¹¹

**Exhibit 8
Contract Providers Operate in 70 of 95 State
Facilities**



Source: Office of the Auditor General.

Operation of contracted programs in state-owned facilities enables replacement of an unsatisfactory provider without the expense and disruption of moving the youth. It also avoids the time required for a vendor to establish a facility or obtain new zoning permits to open a program.

However, the department has not developed a method for valuing facilities when determining contractor payment rates. Our comparison of the per diem rates paid providers showed that the department has paid the same rates to contractors regardless of whether they have been required to provide their own facility or use a state-owned facility. For example, many moderate-risk programs are paid \$75 per day per bed for services regardless of whether they are housed in provider-owned facilities or in state-owned facilities. Disc Village operates Madison and Jefferson Halfway Houses in provider-owned facilities at a per diem rate of \$75, whereas North American Family

Institutes operated the Sawmill Halfway House in a state-owned facility at the same per diem rate of \$75. Similarly, Correctional Services Corporation also operated a halfway house in a state-owned facility for a per diem rate of \$75.

According to department staff, when the state first provided vendors with state facilities, the vendors agreed to provide some additional services in their programs to compensate the state for the use of its property. However, the value of state-owned facilities is no longer considered in rate negotiations.

By providing the use of state property at no cost to a vendor, the department is reducing the vendor's expenses, thereby increasing the vendor's profitability. The per diem rate should be less when the state provides the facility.

To increase vendor parity and ensure proper compensation to the state, the department should determine the rental value of the state property so that it can be taken into account when the department negotiates the terms of contracted services. The department could request the assistance of facility managers at the Department of Management Services to establish rental values, as well as drawing from the cost information obtained through the contract provider contracts, as described above. At the current time, the value of state property is recorded as "donated goods and services," which is not a fiscally responsible use of state property.

The department should use the rental value information to reduce per diem payments to the private providers that use state-owned facilities to house their programs.

The department should hold providers accountable for their maintenance failures

A related problem in the department's contracting process is that providers have not been held accountable for their failure to perform routine maintenance at state-owned facilities. As a result, repairs that could compromise security may languish, and routine maintenance may be neglected, leading to expensive repairs. Department staff reported the examples below of this problem.

¹¹ In some cases, multiple programs operate from one location.

- Poor grounds maintenance led to erosion under a perimeter fence, which contributed to an escape from a maximum-security facility.
- A health department inspection showed that a facility needed a new grease field; the department discovered that the provider had not changed the grease trap, which would have prevented the need for this expensive repair.
- A physician noticed a high rate of respiratory problems among youth at a large residential facility. The Health Department inspected the facility and found an air conditioner mold problem.
- At another facility, failure to clean air conditioner filters contributed to failure and replacement of the entire air conditioning system.

To address these problems, the department now includes standard contract language stipulating that providers in state-owned facilities are responsible for “routine maintenance in accordance with sound practice.” The department’s new contracts also require providers in state-owned facilities to contribute maintenance fees to the Administrative Trust Fund. However, current contracts do not specify preventive maintenance tasks in operational terms. Also, the department’s policy that providers in state-owned facilities are responsible for repairs up to a designated amount (\$500 to \$2,000), while the department is responsible for more expensive repairs and renovations, could act as a perverse incentive to delay small repairs. We noted that the responsibility of providers to inform the department when repairs are required has not been clearly delineated, nor has the department set guidelines for documenting or tracking the status of maintenance requests.

Recommendations

We recommend that the department take the actions below to control facility costs.

- Continue collecting and comparing costs for similar services among contractors and state-operated facilities and using this information in contract negotiation.
- Identify the rental value of state-owned facilities and make these costs an integral part of price negotiations when contracting for residential services.
- Include a required preventive maintenance schedule, geared to the facility’s overall condition, age, and design, in contracts for programs that operate in state-owned facilities. The department should hold vendors accountable for repair costs that result from failure to conduct routine maintenance.

Monitoring the Quality of Outsourced Programs —

When government services are outsourced, public agencies must assume responsibility for monitoring the performance of contracted providers as well as the cost. This is especially important in the area of juvenile justice because youth placed in contracted programs continue to be the state’s responsibility.

The department monitors the quality of residential programs by sending a quality assurance review team to each residential program annually to determine compliance with department standards. Department monitors also check program performance throughout the year.

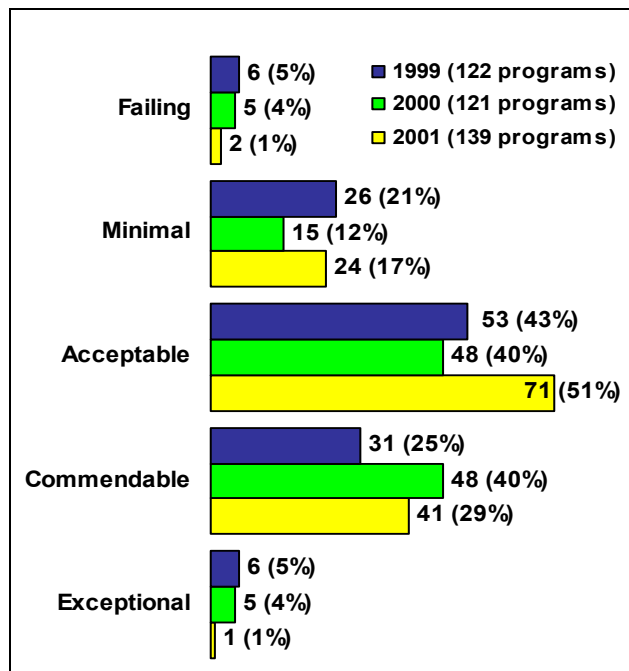
The department’s routine monitoring and contracting processes should be improved to increase provider accountability and prevent prolonged deficiencies. The department reports that it is important that it receive funding for a sufficient number of state-operated programs so that trained, experienced state staff can be sent to stabilize contracted programs that become unsafe.

The majority of programs are rated as satisfactory or better, but there are low performers every year

The majority of providers meets or exceeds the standards set by the department for the operation of safe and effective programs. As directed by the Legislature, the department conducts quality assurance reviews of each residential commitment program on an annual basis.¹² In the 2001 calendar year, the department rated 81% of residential providers as performing acceptably or above.¹³

As shown in Exhibit 9, 18% of the programs evaluated in 2001 received scores of minimal performance or below, an unfavorable increase from 16% in 2000 but an improvement from 26% in 1999. Troubled programs generally are not the same ones from year to year, but change due to program changes and turnover in programs and staff.

**Exhibit 9
Quality Assurance Scores Show Improvement**



Source: Department of Juvenile Justice.

Minimal programs may deliver substandard services while failing programs pose security and safety risks. For example, when the Elaine Gordon Treatment Center failed its quality assurance review in March 2001, the review team cited several critical concerns, including inadequate suicide prevention plans, failure to maintain required staffing ratios, inadequate head count procedures, use of non-approved use of force techniques, and inadequate room check procedures.

Improved monitoring could increase provider accountability

While annual quality assurance reviews provide essential information for assessing provider compliance with important safety and performance standards, they do not preclude the need for routine program monitoring.

If programs are monitored on a regular basis throughout the year, program deficiencies can be identified before conditions deteriorate to a point of imminent danger that requires costly intervention. In addition, routine monitoring using standard procedures is the best means of ensuring that providers consistently deliver the required quality and quantity of services.

The department has acted over the past fiscal year to improve its monitoring procedures. Prior to the department’s reorganization in July 2000, contract procurement was largely decentralized and a major task for contract managers in local districts.¹⁴ According to department staff, the demands of these responsibilities allowed little or no time for monitoring provider performance. With reorganization, the department shifted major responsibility for contract procurement to the central office. The department also made program monitoring and contract management separate functions and allocated staff for both functions to each regional office. The literature on contract management identifies the separation of the program monitoring and

¹² Section 985.412, *Florida Statutes*.

¹³ In 2001, the nomenclature of the categories changed so that what had been described as satisfactory or above is now referred to as acceptable or above.

¹⁴ When the department reorganized effective July 1, 2000, it changed from a structure based on Department of Children and Families districts to a structure based on the state’s 20 judicial circuits.

contract management functions as a best practice.¹⁵

The department also is developing a standard monitoring form and manual. The department has been working on providing this support for some time; however, it asserts that large staff reductions resulting from reduced state revenues have delayed completion of these products. In the meantime, staff uses instruments, monitoring schedules, and procedures that were developed in each region.

The use of standard practices will provide more consistency across districts and programs and enhance accountability. The department should train staff in the use of these new monitoring tools after they are completed.

Lack of financial penalties delays corrective action

Regional department personnel work with providers to develop corrective action plans to address program deficiencies identified in quality assurance reviews and other monitoring events. Deficiencies can range from incomplete file documentation to non-functioning security cameras. Corrective action plans are common, as even programs that are rated as acceptable overall may require attention in some areas.

Department staff expressed frustration that some providers delay taking corrective action for several months. Contracts stipulate that if a provider fails to correct identified deficiencies within a reasonable time, the department may withhold payment. However, according to staff, the department rarely uses this option.¹⁶ Paying deficient providers in full creates little financial incentive to take timely corrective action.

A related concern is that the department does not require sufficient documentation for payment approval to link provider payment to

contract requirements or the quality of delivered services. The department requires providers to submit only a minority vendor form and the monthly census report to support payments.¹⁷ The monthly census report shows how many youth were in the program on each day of the month. No documentation of staff or services provided is routinely required. As a result, providers may receive full payment despite prolonged staff vacancies or failure to meet staff-to-client ratios.

Sanctions are sometimes necessary when a provider fails to perform

If a provider fails to operate a program in a safe and effective manner, the state must act to ensure the safety of youth in its custody. The department uses two kinds of “last-resort” measures to deal with critical situations at contracted programs.

- **Program stabilization.** The department suspends program admissions, provides technical assistance, and closely monitors the program until problems are resolved. In some cases, it is necessary for the department to send in staff to help providers stabilize a program in crisis.
- **Contract termination or non-renewal.** The department issues a “cure notice” to the provider citing program deficiencies that must be addressed or the contract will be cancelled.¹⁸ In addition, s. 985.412, *Florida Statutes*, authorizes the department to terminate contracts with providers that fail a quality assurance review and do not improve within six months.

Over the past three fiscal years, the department suspended admissions or sent in staff to assist with program stabilization on 15 occasions. The department used the option of contract termination or non-renewal on 12 occasions.

¹⁵ *Monograph on Private Sector Options for Juvenile Corrections*, Office of Juvenile Justice and Delinquency, U.S. Department of Juvenile Justice, February 2000.

¹⁶ The department does not aggregate or track this information and so could not report specifically how often it occurs.

¹⁷ The minority vendor form reports the vendor’s expenditures to minority business enterprises for the period, as required by the Department of Juvenile Justice.

¹⁸ In some instances, the contract is not terminated, but the department or the provider may choose not to renew a contract because of performance problems.

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Last resort measures are logistically challenging. The custody and care of program youth does not end when a provider's contract is terminated. If a program is shut down, even temporarily, youth in the program must be transitioned out of residential treatment or transferred to another facility. The appropriate placement of transferred youth can be difficult due to lack of available beds in programs that match their risk level and specific treatment needs. Using experienced state staff to stabilize the program is therefore a better option in some cases.

Some providers have suggested that the department should further privatize. However, the Residential and Correctional Facilities Program is already 87% privatized. The department reports that further outsourcing could limit its ability to send experienced staff to stabilize troubled programs.

State operation of some juvenile justice programs results in a pool of experienced management and direct-care staff that can be sent in for intervention when necessary. The department can deploy staff from its 23 state-operated commitment programs, detention centers, or regional offices on a short-term basis to take over a program or stabilize a crisis situation. Over the past three years, the department has been required to assign state personnel to stabilize provider programs on at least four occasions.

Recommendations

While the department's recent efforts have been aimed at increasing provider accountability, we recommend that the department continue to strengthen program monitoring procedures in the ways noted below.

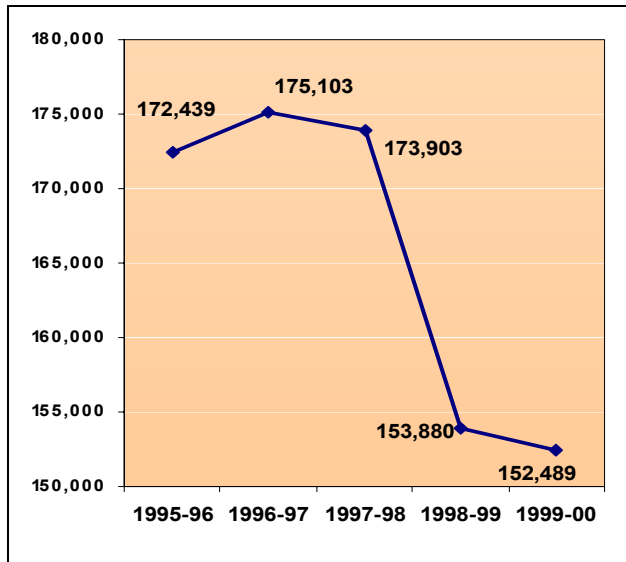
- Implement uniform forms and standards for program monitors that include the required frequency of on-site monitoring and documentation of monitoring events. The department should train staff on these new monitoring tools.
- Establish clear guidelines for withholding or adjusting payment to providers for contract non-compliance. Payment should also be linked to providers' compliance with deadlines for corrective action.
- Develop a more rigorous contract and invoice approval process to ensure that the state receives full services for payments rendered. To receive full payment, providers should be required to list all employee positions and indicate any vacant positions and how long they have been vacant.

Residential Beds in the Juvenile Justice Continuum

Since creating the Department of Juvenile Justice, the Legislature has invested millions of dollars in residential programs for delinquent youth. During the 2002 legislative session, department requests for additional residential delinquency beds led to considerable debate over what should be funded. Not only were resources more limited due to the decline in Florida's economy over the past year, but legislators were concerned about three trends reported by the Department of Juvenile Justice.

First, as shown in Exhibit 10, the number of referrals to the department has been declining. (Referrals are similar to arrests in the adult system.) This was not surprising because of a decline in the overall crime rate.

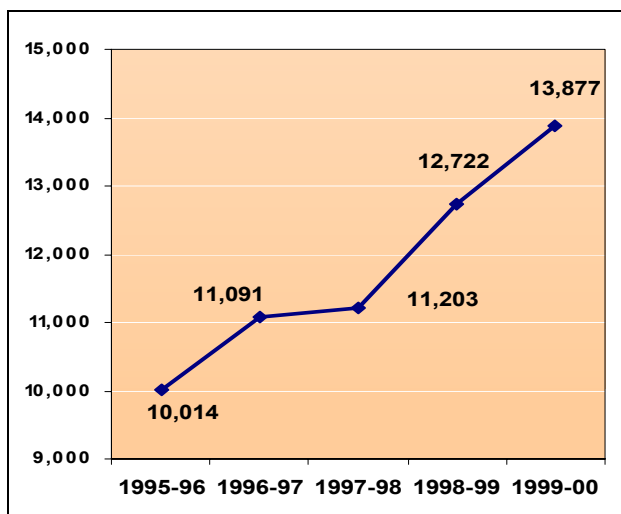
Exhibit 10
The Department Had Reported That Referrals of Juveniles Declined by 12% Over the Past Five Years



Source: Department 2000-2001 Delinquency Profile.

Second, as shown in Exhibit 11, contrary to what might be expected when referrals were in sharp decline, the department reported that the number of delinquency commitments rose 38% over the five-year period.¹⁹

Exhibit 11
The Department Had Reported That Commitments of Juveniles Increased by 38% Over the Past Five Years

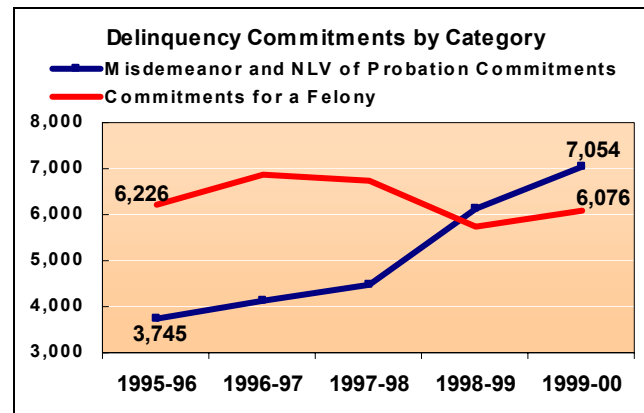


Source: Department 2000-2001 Delinquency Profile.

¹⁹ The department's previous reports defined delinquency commitments as judicial dispositions to commitment.

Third, the department reported that the number of commitments for misdemeanors and non-law violation of probation increased by 88% over the past five years, as shown in Exhibit 12.²⁰ This data showed that beginning in 1998-99, the number of commitments for misdemeanors and non-law violations of probation was higher than the number of commitments for felony offenses.

Exhibit 12
The Department Had Reported That Commitments for Misdemeanors and Non-Law Violations of Probation Increased, Exceeding Commitments of Youth for Felony Offenses



Source: Department 2000-2001 Delinquency Profile.

The department's information suggested that the need for additional commitment beds was being driven by the incarceration of youth with non-felony offenses. If this were true, it could have significant implications for the number and types of programs that would need to be developed to serve this new population of less serious offenders.

The Legislature asked OPPAGA to analyze the number and characteristics of youth in residential programs and to report on the types of delinquency programs in which they had previously participated. The data for these analyses is derived from the Juvenile Justice Information System and requires extensive cleaning and interpretation. To ensure the most accurate possible data, we conducted this

²⁰ Non-law violations of probation occur when youth violate conditions of probation, such as curfew.

Justification Review

analysis jointly with department research and data staff and staff of the Justice Research Center, the department's data and research consultant (see Appendix B for methodology and definitions).

The department's previous data does not present an accurate picture of current trends

Our analysis determined that the data previously reported by the department does not present an accurate picture of current trends in the juvenile justice system. Therefore, using this data to estimate bed needs is not appropriate.

In the joint analysis for this review, we instead examined the number of admissions to the residential programs and the characteristics of these youth. Admissions present a more accurate depiction of the system than the department's reporting of judicial dispositions, which overstates conditions due to duplications in the department's data.

The number of admissions has declined

The data previously published by the department showed commitments increasing from Fiscal Year 1995-96 to Fiscal Year 1999-2000, with a 3.7% decline in commitments in Fiscal Year 2000-01.²¹ Our new analysis also determined that the number of admissions to residential programs declined in Fiscal Year 2000-01, as shown in Exhibit 13. Our analysis shows a decrease of 6.4% from the previous year.²²

²¹ *Juvenile Justice Key Program Statistics 2000-01*, Department of Juvenile Justice Bureau of Data and Research Management Report Number 2002-04, February 2002.

²² The department began using its new data system (the Juvenile Justice Information System) in 1998. The low number of admissions for that year may reflect data loss due to typical start-up difficulties.

Exhibit 13 Admissions to Residential Programs Have Declined

Type of Admission	Fiscal Year		
	1998-99	1999-00	2000-01
First-time admissions	6,224	6,292	6,065
Readmissions	2,472	2,944	2,580
Total	8,696	9,236	8,645

Source: OPPAGA and Department of Juvenile Justice analysis of Juvenile Justice Information System data.

Youth are also admitted to a program when they are transferred there for administrative reasons such as their program closed or their initial program was unable to meet their treatment needs. Transfers have steadily increased, as shown in Exhibit 14. We did not analyze the length of stay in the original or the transfer program in this study. For purposes of policy analysis, youth with a short length of stay in either the original or the transfer bed should only be counted once, instead of for each transfer, when evaluating how many beds the department requires to serve youth. The department should determine why more youth are requiring transfers.

Exhibit 14 Transfers Have Increased

	Fiscal Year		
	1998-99	1999-00	2000-01
Transfers	676	760	1,107

Source: OPPAGA and Department of Juvenile Justice analysis of Juvenile Justice Information System data.

The number of admissions differs from the number of youth admitted because some youth are admitted more than once in the course of a year. However, we found that youth who are admitted for a second or third time in one year account for only 4% of commitment admissions.

The number of youth admitted also declined, as shown in Exhibit 15. The decline in admissions means that additional residential beds are not needed currently unless the Legislature wishes to further extend the length of time youth stay in residential programs.

Exhibit 15
The Number of Youth Admitted to Residential Programs Also Decreased

Type of Admission	Fiscal Year		
	1998-99	1999-00	2000-01
Youth admitted for the first time	6,224	6,292	6,065
Youth readmitted for a new offense	2,067	2,510	2,289
Total youth with a new admission	8,291	8,802	8,354

Source: OPPAGA and Department of Juvenile Justice analysis of Juvenile Justice Information System data.

The number of youth admitted for felonies exceeds the number admitted for misdemeanors and non-law violations of probation

Contrary to what was previously reported by the department, our analysis also showed that the number of youth admitted for misdemeanors and non-law violations has not surpassed the number of admissions for felonies, as shown in Exhibit 16. Therefore, non-felons remain a contributory cause rather than the primary driver of the number of commitment beds that are needed. However, in the 2000-01 fiscal year, the percentage of non-felony admissions increased while felony admissions decreased.

Exhibit 16
Most Youth Are Committed for Felony Offenses

Admissions Reason	Fiscal Year					
	1998-99		1999-00		2000-01	
Misdemeanor	1,929	23%	2,034	23%	1,994	24%
Non-Law Violation of Probation	491	6%	755	9%	926	11%
Felony	5,074	61%	5,693	65%	5,192	62%
Other ¹	797	10%	320	4%	242	3%
Total Youth Admitted	8,291		8,802		8,354	

¹ Other includes case reopened, transferred or pick-up order, original offense unknown and violation of municipal ordinance, non-felony traffic of federal charge.

Source: OPPAGA and Department of Juvenile Justice analysis of Juvenile Justice Information System data.

Most misdemeanor and non-law violation of probation youth had felony histories

We analyzed the prior offenses of youth that had been sent to a residential program for a misdemeanor or non-law violation of probation in Fiscal Year 2000-01. As shown in Exhibit 17, 77% of these youth had a felony in their background; almost half of these youth had been adjudicated for repeated felonies. The remaining 23% of the youth did not have felony histories.

Exhibit 17
Over Three-Quarters of Non-Felony Youth Sent to Commitment Programs Had Prior Felonies

Felony History	Number of Youth	Percentage
Repeat felon	1,048	36%
One-time felon ¹	1,185	41%
Non-felons	687	23%
Total misdemeanor and non-law violation of probation commitments	2,920	100%

¹ These youth had been adjudicated for one felony, had non-adjudicated felony charges associated with the commitment, had felony charges in the year preceding admission, or had two misdemeanor assault or battery adjudications. Since a second adjudication for misdemeanor assault or battery charges may be charged as a felony, they are counted here as a felony. We excluded charges with a disposition of not guilty.

Source: OPPAGA and Department of Juvenile Justice analysis of Juvenile Justice Information System data.

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Some of the youth that did not have a felony background did have three or more misdemeanors, including assault and battery, as shown in Exhibit 18.

A group of 276 youth had very limited prior histories of delinquency—these youth had no prior felonies, two or fewer adjudicated misdemeanors, and no assault and battery adjudications.

Exhibit 18 Most Youth Admitted Without Prior Felonies Had Violent or Multiple Prior Misdemeanors

Misdemeanor History	Number of Youth	Percentage
No felonies, three or more adjudicated misdemeanors	220	8%
No felonies, two or fewer adjudicated misdemeanors, one assault and battery adjudication	191	6%
No felonies, two or fewer adjudicated misdemeanors, no assault and battery adjudications	276	10%
Total	687	24%

Source: OPPAGA and Department of Juvenile Justice analysis of Juvenile Justice Information System data.

Most youth admitted for misdemeanors and non-law violations of probation had been on probation

Florida's juvenile justice system provides a continuum of non-residential as well as residential programs. Non-residential programs range from diversion (such as Teen Court) to probation (periodic contacts with the youth) to day treatment (youth spend part of each weekday at the program).

The Legislature asked OPPAGA to describe which non-residential programs youth had attended prior to being sent to a residential program. We were asked to report this information for the youth that had been committed to a residential program for a misdemeanor or a non-law violation of probation. Legislators inquired whether judges had exhausted the non-residential sanctions before sending these youth to

residential programs given that non-residential sanctions are considerably less expensive than residential sanctions.²³ It seemed logical that sanctions would progress from probation to commitment to a non-resident program, and if not successful, to a residential program.

We found that most (80%) of youth admitted to a residential program for a misdemeanor offense had been on probation prior to admission. However, as shown in Exhibit 19, most of these youth had not participated in diversion or day treatment.

The youth admitted for a non-law violation of probation had, by definition, been on probation. Similar to the misdemeanants, 28% of non-law violation of probation youth had participated in a diversion program. However, only 18% had been in a non-residential program such as day treatment, whereas 28% of youth admitted for misdemeanors had been in such a program.

Exhibit 19 Most Youth Admitted to Residential Programs for Misdemeanors Had Been on Probation

Type of Program	Number
Diversion	545
Probation	1,531
Non-residential (day treatment and special intensive counseling groups)	548

Source: OPPAGA and Department of Juvenile Justice analysis of Juvenile Justice Information System data.

Of the 276 youth admitted to a residential program with less extensive delinquency histories (adjudicated for a misdemeanor or a non-law violation of probation and with delinquency histories of no prior felonies, two or fewer adjudicated misdemeanors, and no assault and battery adjudications), 31% had been in a diversion program, 79% had been on probation, and 9% had been in day treatment

²³ For example, the average cost per case for probation is \$964, while the average cost for a moderate risk residential case is \$14,823. For more information, see Appendix B of *Most Delinquents Sent to Community Supervision; Program Could Improve*, Report No. 02-17, March 2002.

or other non-residential commitment programs prior to being sent to a residential program.²⁴

While admissions are slowing, the department should reassess what types of residential and non-residential programs are needed

Due to the shortage of residential beds in the 1990s, when the department was created, the department's emphasis has been on adding residential beds. To improve the effectiveness of these programs, the department has also lengthened youths' length of stay in residential programs. Now that the number of admissions is slowing, the department should take the opportunity to analyze the criminal and placement histories of youth to determine the number and types of programs that are needed. To assess residential commitment trends, the department should use carefully cleaned and unduplicated data. Rather than relying solely on delinquency commitment data, the department should also use admissions data to improve accuracy.

In earlier OPPAGA reports on the department's residential program, we found that the distinctions among risk levels were unclear; there was often little or no difference from one level to the next in security measures or treatment services. There was also considerable overlap in the criminal histories of the youth that judges assigned to each level. Despite the similarities, there was much variation in the daily rates the department paid to program providers, even within each risk level. For example, at the time of our first report, per diem rates for moderate risk programs ranged from \$47 to \$110.²⁵

Subsequently, the Legislature established a Classification and Placement Work Group to develop a system for classifying and placing youth in residential programs.²⁶ The work group began meeting in December 2000 and issued its report in September 2001. The department is still working to implement the changes proposed by the work group to bring greater predictability and effectiveness to residential placements and programs. The department also developed Program Accountability Measures scores to assess the relative success of its residential programs using a technique that includes program recidivism and cost. Policy discussions about juvenile justice resources often focus on the availability of commitment beds, but do not take into account how other types of programs affect the need for beds. Considering the entire continuum of juvenile justice programs is important in assessing the need for additional resources. Such an analysis is done for the adult corrections system, as the Legislature's Criminal Justice Estimating Conference, which makes projections for the bed needs of the Department of Corrections, examines the need for probation services as well as prison beds. To evaluate the need for juvenile justice beds, policymakers should also assess information about the availability and effectiveness of non-residential programs so as to best plan for the entire juvenile justice continuum.

One reason judges may commit less serious offenders to residential programs is because suitable alternatives are not available. According to the Classification and Placement Work Group, judges are concerned about the lack of non-residential resources, particularly for mental health and substance abuse treatment. Thus, developing additional non-residential resources could help avoid the need to establish additional, more costly residential beds for delinquent youth.

²⁴ Percentages add to more than 100% because some youth were in more than one program.

²⁵ *Review of the Department of Juvenile Justice Residential Commitment Services*, [Report No. 96-48](#), February 1997, and *Follow-Up Report on Department of Juvenile Justice Residential Commitment Services*, [Report No. 98-75](#), March 1999.

²⁶ Section 984.404(14), *Florida Statutes*.

Recommendations

We recommend that the department implement the actions noted below.

- Use carefully cleaned and unduplicated data on youth in programs to plan for the juvenile justice continuum in a systemic way, including allocating sufficient treatment resources to prevention and probation programs to ensure use of more costly residential beds for youth with the highest risk of committing additional offenses and who constitute a danger to the community.
- Survey judges to obtain their advice about what services are needed. In addition, the department should inform judges about what services are available throughout the juvenile justice continuum as changes are made.
- Provide information to the Legislature on the comparative cost-effectiveness of programs across the continuum. Section 985.404, *Florida Statutes*, directs the department to compare the costs and outcomes of commitment programs. The department has refined its program accountability measures report for this purpose. To ensure a whole continuum approach to planning, the department should expand the report to include non-commitment programs for youth supervised in the community.

Agency Response—————

In accordance with the provisions of s. 11.51(5), *Florida Statutes*, a draft of our report was submitted to the Secretary of the Department of Juvenile Justice for his review and response.

The Deputy Secretary of the Department of Juvenile Justice provided a written response to our preliminary and tentative findings and recommendations. The department's response is reprinted herein and, where necessary and appropriate, OPPAGA comments have been inserted (Appendix C, pages 23-27).

Appendix A

Statutory Requirements for Program Evaluation and Justification Reviews

Section 11.513(3), *Florida Statutes*, directs OPPAGA program evaluation and justification reviews to address nine issue areas. Our conclusions on these issues as they relate to the Residential and Correctional Facilities Program are summarized below.

Table A-1
Summary of the Program Evaluation and Justification Review
of the Residential and Correctional Facilities Program

Issue	OPPAGA Conclusions
The identifiable cost of the program	The Legislature appropriated \$305 million and 1,250 FTEs for Fiscal Year 2002-03.
The specific purpose of the program, as well as the specific public benefit derived therefrom	The purpose of the Residential and Correctional Facilities Program is to protect the public from acts of delinquency and to rehabilitate juvenile offenders by providing discipline, control, and treatment. In addition to protecting the public, a major benefit of this program is the avoidance of economic and social costs associated with juvenile crime. According to a recent Department of Juvenile Justice study, reducing juvenile recidivism by 1% is estimated to save \$16.4 million in criminal justice and victim costs over a five-year period.
Progress towards achieving the outputs and outcomes associated with the program	<p>Over the past five fiscal years, the percentage of youth who remained crime-free increased from 51.6% to 58.4%. The 58.4% exceeded the standard approved by the Legislature of 53%.</p> <p>From 1995 to 2000, escapes from residential commitment facilities declined by 73%, while operating capacity increased by 108%. There were 205 escapes from non-secure and 17 escapes from secure residential commitment facilities during the 2001 calendar year. For Fiscal Year 2000-01, the Legislature approved a standard of zero escapes from secure facilities and did not establish a standard for non-secure facilities.</p> <p>A third outcome measure is “the percentage of programs reviewed that receive a satisfactory or higher quality assurance score.” Eighty-one percent of the residential commitment programs reviewed in calendar year 2001 received a satisfactory or higher score. This is slightly less than the standard of 82% approved by the Legislature for Fiscal Year 2000-01.</p> <p>The program’s progress related to its other outputs and outcomes could not be adequately determined due to the elimination of several measures, changes in the way the terms in the measures are defined, and inadequate procedures to ensure data reliability.</p>
An explanation of circumstances contributing to the state agency’s ability to achieve, not achieve, or exceed its projected outputs and outcomes, as defined in s. 216.011, <i>F.S.</i> , associated with the program	<p>Reduced recidivism. The decline in recidivism is encouraging and suggests that the services provided to residential commitment youth have become more effective since the department became a separate agency in 1994. However, the most recent recidivism data available is for youth released in the 1999-2000 fiscal year, so progress in this measure cannot be attributed to recent department initiatives or current program performance.</p> <p>Reduced escapes. During the 2000-01 and 2001-02 fiscal years, the program placed an increased emphasis on facility security. The department appointed a security chief to each of its five residential regions, implemented a standardized security audit check list, and established a “liquidated damages” provision in provider contracts for secure facilities.</p>

Issue	OPPAGA Conclusions
<p>Alternative courses of action that would result in administering the program more efficiently or effectively</p>	<p>Improved Quality Assurance scores. The department has increased coordination between the Residential and Correctional Facilities Program and the Bureau of Quality Assurance. As a part of its recent reorganization, the department assigned staff in each branch of the agency to oversee quality assurance activities, including the development of corrective action plans in areas in which programs fail to meet standards or receive a low rating.</p> <p>The program is 87% outsourced. The department maintains a pool of experienced management and direct care staff needed for occasional interventions through state operation of residential programs. The department can deploy staff from its 23 state-operated commitment programs, detention centers, or regional offices on a short-term basis to take over a program or stabilize a crisis situation.</p> <p>OPPAGA recommends that the department take the actions below to improve efficiency and effectiveness of program activities.</p> <ul style="list-style-type: none"> • Control contract costs by comparing costs for similar services among private providers and state operated facilities and use this information in contract negotiation. • Identify the rental value of state-owned facilities used by contract providers and make these costs an integral part of contract negotiation. • Contracts for programs that operate in state-owned facilities should include a required preventive maintenance schedule and require providers to promptly report needed facility repairs. • Implement uniform forms, standards, and training for program monitors. • Establish clear guidelines for withholding or adjusting payment to providers for failure to meet negotiated deadlines for corrective action. • Develop a more rigorous invoice approval process to ensure that the state receives full services for payments rendered. For example, the department should require providers to submit a monthly report that lists all program positions and indicates any vacant positions and how long they have been vacant.
<p>The consequences of discontinuing the program</p>	<p>If the Residential and Correctional Facilities Program were discontinued, the state would have to release dangerous juvenile offenders to the community, send them to county jails, or transfer them to the Department of Corrections. None of these alternatives is advisable. Releasing dangerous juveniles to the community would pose a risk to public safety. State and federal law restrict the use of county jails for the detention of juveniles. The Department of Corrections is not equipped to provide or contract out the services that juvenile offenders require. Its special youthful offender facilities do not have the capacity to accommodate the needs of the younger inmates (those under age 25) who meet youthful offender criteria. Of the 3,309 inmate admissions in Fiscal Year 1998-99 designated as youthful offenders, 1,713 (51.8%) were assigned to an adult institution rather than a designated youthful offender institution. In addition, the Department of Corrections does not administer contracted facilities.</p>
<p>Determination as to public policy, which may include recommendations as to whether it would be sound public policy to continue or discontinue funding the program, either in whole or in part, in the existing manner</p>	<p>The program should be continued. It provides a benefit to the taxpayer through the rehabilitation of juvenile offenders and removal of dangerous delinquents from the community.</p> <p>The 1994 Juvenile Justice Act directs the Department of Juvenile Justice to address the public safety interests of citizens of Florida, meet the needs of juvenile offenders, and provide a continuum of care and services to maximize the use of state resources. The department administers the Residential and Correctional Facilities Program as a part of this continuum. Placement of this program within the department is consistent with this mission. The administration of juvenile commitment services at the state level provides a mechanism for the equitable distribution of services; the administration of commitment services by a single entity increases accountability for ensuring that these services meet accepted standards of custody and care. Transferring the program to the Department of Corrections would likely result in a decrease in the program's effectiveness, increase costs, and reduce the coordination of resources across the juvenile justice continuum.</p>

Issue	OPPAGA Conclusions
<p>Whether the information reported pursuant to s. 216. 031(5), <i>F.S.</i>, has relevance and utility for evaluation of the program</p>	<p>The program's performance measures provide information related to quality control, crime reduction, and facility safety and security.</p> <p>The Bureau of Quality Assurance publishes the scores received by each program reviewed. The bureau uses uniform procedures that promote consistency in the way program scores are determined. However, quality assurance data is reported on a calendar year basis, so it does not reflect fiscal year performance.</p> <p>The data on youth recidivism is based on annual studies conducted by the department's Bureau of Data and Research and is reasonably reliable. However, the most recent recidivism data is for youth released from commitment in the 1999-00 fiscal year, so it cannot be used to assess current performance or recent department initiatives.</p> <p>Escape data is based on incidents reported to the Investigations Unit of the Office of the Inspector General. While some reporting errors occur, the data is sufficiently reliable to assess the program's progress in preventing escapes.</p> <p>Data on youth-on-youth and youth-on-staff batteries, number of beds in operation, number of youth served, average daily population of youth served, and number of youth receiving substance abuse treatment could not be determined due to data reliability concerns.</p>
<p>Whether state agency management has established control systems sufficient to ensure that performance data are maintained and supported by state agency records and accurately presented in state agency performance reports</p>	<p>According to the inspector general's <i>Assessment of Juvenile Offender Program</i>, Review Report R20103, October 10, 2001, the department had not established necessary management reviews, data control and reporting mechanisms to ensure the reliability of reported performance measures. During the 2001-02 fiscal year the department has taken steps to improve the accuracy of this data.</p>

Appendix B

Methodology and Definitions

Number of Admissions

We defined an admission to residential commitment as a new placement for a new crime, including a first-time admission, a readmission after a release, or a readmission from one residential program to another for a new offense.

In the Juvenile Justice Information System, readmissions and transfers are both coded as admissions and are not easily distinguished. We used multiple codes to determine whether a readmission involved a new placement for a new crime or transfers not associated with a new crime. We categorized an admission as a readmission if the youth returned to residential commitment with a new referral (equivalent to an adult arrest) and the release code of the previous program was “program complete” or the release reason was “transfer” but the youth went to aftercare. We defined a transfer as release from one program and readmission to another to meet treatment or security needs, or because a program closed, or because of a court appearance or other temporary absence with a return to the same program. If the youth returned on the same referral, we considered the time between the two programs, the release reason for the first program, whether the youth went to aftercare, and the admissions reason for the second program in determining whether the youth was transferred or readmitted.

Admission Reason

In determining the admission reason, we identified the most serious offense among all adjudications that had the same referral number as the offense disposed to commitment, that were disposed on the same day, or could be identified as having the same court docket number as the commitment offense. This method captures adjudications for cases previously deferred and all adjudications the judge considers part of the commitment reason, regardless of when the offense took place or was adjudicated.

For 1,565 records with no adjudicated offense recorded for the admission reason, we used the most serious non-adjudicated charge associated with the commitment to determine the commitment offense. Most of the cases fell in 1998-99, the first year of implementation of Juvenile Justice Information System, when 1,411 (16%) of commitment admissions had no associated adjudication recorded. It is possible that some charge data is also missing for that year, resulting in an underestimate of the number of felony admissions and an overestimate of misdemeanor admissions for that year.

Delinquency History

In summarizing delinquency history, we defined repeat felons as those with two or more felony adjudications. A “one-time felon” had either one felony adjudication or no felony adjudications but a non-adjudicated felony charge that was associated with the admission, or was disposed within the year preceding the admission. Any charges with a disposition of “not guilty” were excluded in classifying a youth as a one-time felon. If a felony charge was part of a referral associated with the commitment but was not adjudicated, that offense was counted with “recent or adjudicated felony charges” for one-time felons.

Appendix C



STATE OF FLORIDA DEPARTMENT OF JUVENILE JUSTICE

June 4, 2002

Mr. John W. Turcotte, Director
Office of Program Policy Analysis and Government Accountability
Claude Pepper Building, Room 312
111 W. Madison Street
Tallahassee, Florida 32399-1475

Dear Mr. Turcotte,

Pursuant to Section 11.513(3), Florida Statutes, we have provided a written explanation concerning all of the recommendations for the Program Evaluation and Justification Review of the Residential and Correctional Facilities Program of May 2002. What follows are brief responses to each of your recommendations and as you will see, we are in agreement with most of them.

"The Department should collect and compare the costs of contracted services and state services."

Response: We agree. In the fall of 2001 the Department added an independent audit survey to all new contracts. This requires that each provider hire an independent auditor to complete the survey at the end of the provider's fiscal year. The provider has 120 days to return the document to the Department. We are currently receiving the first of these surveys.

"The Department should recover the rental value of state-owned facilities used by contract providers."

Response: We agree with this recommendation conceptually. This issue was acknowledged in a rate study, jointly initiated by the Department and the providers, that was completed last year. The Department will evaluate and compare the per diem rates paid to contracted providers that are operating in their own facilities versus those operating in state-owned facilities. This evaluation process will consider disparities in per diem rates; costs paid by providers operating in their own facilities; the rate structure; and per diem increases realized by providers over the past ten years. In light of little or no rate adjustment for providers in several years, implementation of this recommendation may be difficult at this time and could impact the Department's ability to attract quality providers. Based on the results of this evaluation process, per diem rates will be adjusted as appropriate through the procurement and contract processes.

"The Department should require providers to follow a preventive maintenance schedule and promptly report needed facility repairs."

Response: We agree. The Department is currently in the process of developing maintenance and repair checklists and guidelines that will be used by state and contracted providers operating in state-owned

buildings. Contract managers will use the checklists and maintenance logs to monitor preventive routine maintenance activities.

“The Department should implement standards, forms and training for program monitors.”

Response: The Department has already implemented this recommendation. On May 9th and 10th of this year the Department trained 57 staff in the new process for program monitoring. Staff trained included program monitors, contract managers and their supervisors. The new process also requires a minimum monthly facility visit. The training included a uniform format for reporting findings of site visits. As OPPAGA staff correctly noted, these monitoring improvements have been made at a time the Department has experienced workforce reductions due to state revenue shortages.

“The Department should reduce payments to non-compliant providers.”

Response: We agree. The Department will conduct a workshop with contract managers and contracted provider representatives to develop criteria, guidelines, and a plan to implement withholding or adjustments of invoice payments for failure to meet specified contract requirements. We concur that a corrective action process with specified deadlines is a reasonable approach as an implementation strategy to resolve contract compliance issues.

“The Department should develop a more rigorous invoice approval process.”

Response: A contract boilerplate is currently under review for compliance with policy and legislative changes. This will include changes related to invoice approval and supporting documentation from the provider.

“The Department needs to use data on youth in programs to plan for the juvenile justice continuum in a systemic way, including allocating sufficient treatment resources to pre-residential programs to ensure use of more costly residential beds for youth with the highest risk of committing additional offenses and who constitute a danger to the community.”

Response: We agree on most points. With regard to the use of data to plan for the Juvenile justice continuum in a systematic way, the Department is developing a Bed Management system. Bed Management data will better enable the Department to identify available resources and make more appropriate placement of youth. It will also gather data as to the needs of the youth within the juvenile justice continuum for program planning and development. The Bed Management system should be operational by Fall 2002.

The Department has adopted a model to assist with the determination of bed need. This is a research-based tool developed by the Office of Juvenile Justice and Delinquency Prevention to assist agencies in the forecasting of their resource needs. The utilization of this tool will ensure that bed requests are based on a sound analysis of the data.

The OPPAGA report states that “it seems logical that the progression of sanctions would be probation and in turn, commitment to a non-residential program, and if not successful, to a residential program.” In fact, this progression often does not happen for appropriate reasons. Public safety considerations can require residential placement for youth who have not had prior non-residential placements when the committing offense is very serious. Some youth have significant special needs that cannot be addressed in a non-residential placement and an early residential placement can deter a deeper end residential placement at a subsequent date.

"The Department needs to survey judges to obtain their advice about what services are needed. In addition, the department should inform judges about what services are available throughout the juvenile justice continuum as changes are made."

Response: The Department established a monthly newsletter with the juvenile court judges to keep them informed on issues of mutual interest. Our intention is to use this forum to solicit their input on the services that are needed and to keep them informed of services that are available throughout the system. Communication with juvenile judges is an ongoing process. Input is solicited routinely from judges as to the needs of youth within their jurisdictions, realizing that not all treatment alternatives are viable options in all locations. Updates or changes to available programs are also provided routinely to judicial stakeholders.

"The Department needs to expand the Program Accountability Measures (PAM) report to include non-commitment programs."

Response: We agree in principal. The department will pursue this objective during the coming year. One must recognize, however, the complexities in creating such measures. The existing PAM scores for residential programs attempt to "level the playing field" in comparing one program to another. Youth and facilities in residential programs are assigned to different commitment levels, which makes comparison somewhat easier. Probation caseloads, on the other hand, are extremely varied and constantly changing. While we plan to pursue this objective, we do not expect that it can be achieved in a short period of time.

We will actively pursue recommendations identified in this document to improve our operation. Attachment 1 provides additional comments on important issues in the report that were not specifically addressed in a recommendation. If you need further information, please contact Charles Chervanik, Assistant Secretary for Residential and Correctional Facilities at 921-4188.

Cordially,

/s/
Francisco J. Alarcon
Deputy Secretary

FJA/CRC/jf

ATTACHMENT 1

OPPAGA addresses the methods used to establish funding needs for Residential and Correctional Facilities in the last section of the Review. OPPAGA contends that the Department's data on dispositions to commitment "does not present an accurate picture of current trends." The Department stands by the accuracy of the data reported. The number of judicial dispositions to residential commitments is an important trend, although it is certainly not the only trend to be considered in planning for the number of beds needed in the system. Past requests for specialized treatment beds, for example, involved trends for youth with special needs. There are other trends and conditions equally important that ought to be considered together with dispositions, such as the number of admissions. In the past, a large waiting list made the number of admissions an unreliable method for estimating the need for additional resources. As the availability of resources has helped reduce the waiting list, admissions has become a more useful indicator of trends.

OPPAGA Comment

OPPAGA's analysis (*Misdemeanant and Non-Law Violation Youth in Juvenile Justice Commitment Beds*, October 2001) found that the department's methodology of counting judicial dispositions as equivalent to commitments overestimates how many beds are needed and underestimates the criminal histories of the youth. For example, separate charges stemming from one arrest can come before a judge at different times, and the department's methodology counts each as a commitment even when the youth is only admitted to one program as a result of all the charges. In response to the October 2001 report, the department took the position that the most accurate way to determine how many youth begin residential commitment each year would be to use admissions instead of commitments. The department and OPPAGA therefore jointly developed a complex and painstaking methodology that rolls together all the events that result in one admission, thereby overcoming the problems of duplication and inaccuracy in the commitment data.

The Department and OPPAGA worked cooperatively to arrive at figures for youth admitted into programs during the three-year period. By agreement, admissions were classified into three groups: First-time (ever) residential commitments, readmissions (on a new commitment) and transfer admissions.

We believe that admissions by transfer should be included in the total of youth admitted. Unlike the adult correctional system, delinquent youth are given indeterminate sentences. When youth are transferred, they do not simply serve out the remainder of their "sentence." Rather, in most cases they begin the process of treatment all over again in their new setting. A preliminary analysis of average length of stay after admissions for a lateral transfer indicated that the time youth spend in these programs is close to the average time for the restrictiveness level of the new program. A preliminary analysis of the previous stay indicated that youth on average may spend between three to six months in a program before a transfer is accomplished. The Department's estimate of bed needs in the past was based upon the number of dispositions to commitment and the average length of stay at a given level. Increases in length of stay due to transfer have an impact on the number of beds open to new admissions. We believe that most transfers should therefore be considered an admission, and would suggest a revision of Exhibit 13:

**Exhibit 13
Admissions to Residential Commitment Have Declined**

Type of Admission	Fiscal Year		
	1998-99	1999-00	2000-01
First-Time Admissions	6,224	6,292	6,065
Readmissions	2,472	2,944	2,580
Admissions by Transfer	<u>676</u>	<u>760</u>	<u>1,107</u>
Total	<u>9,372</u>	<u>9,996</u>	<u>9,752</u>

Source: Source: OPPAGA and Department of Juvenile Justice analysis of Juvenile Justice Information System data.

In this case, the number of admissions increased slightly between 1998-99 and 1999-2000, and declined only slightly (less than 3%) thereafter. Because the magnitude of the change is small, and only three years of data are presented, it is difficult to conclude that this constitutes a trend. Comparing the decline in the number of referrals in the five-year data to the number of admissions, if anything the trend may be a greater ability and willingness on the part of judges to place youth in residential treatment before their behavior becomes not only a greater threat to public safety, but more entrenched and difficult to treat.

OPPAGA Comment

We disagree that a trend toward an increasing number of transfers should be used to justify additional commitment beds. Preliminary analysis that over a thousand youth are taking up commitment beds by spending approximately 50% more time in commitment than the normal length of stay, due to administrative and not behavioral reasons, is disturbing. Preliminary analysis indicates that many of these transfers are due to changes in program providers. We recommend that the department explore ways to ensure greater consistency and continuity of treatment when changing providers. Starting length of stay over because of a change in providers and requesting additional beds to house this population is not an efficient use of state resources.

The Florida Legislature

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