

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



FY 2013-14 STAFF BUDGET BRIEFING

DEPARTMENT OF PUBLIC SAFETY

(Division of Criminal Justice)

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

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JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

TABLE OF CONTENTS

Department Overview.....	2
Department Budget: Recent Appropriations.....	3
Department Budget: Graphic Overview	4
General Factors Driving the Budget	6
Summary: FY 2012-13 Appropriation & FY 2013-14 Request	20
Issues:	
Subsistence Grace Period.....	28
Appendices:	
A - Numbers Pages	
B - Recent Legislation Affecting Department Budget	
C - Update on Long Bill Footnotes & Requests for Information	
D - Indirect Cost Assessment Methodology	
E - Appendix E: Change Requests' Relationship to Performance Measures	

DEPARTMENT OF PUBLIC SAFETY

(Division of Criminal Justice only)

Department Overview

The Division of Criminal Justice has the following responsibilities:

- Oversee Colorado's community corrections system by:
 - Providing funding to local community corrections boards, which the boards use to fund their operations and to contract with the community corrections programs in their judicial districts.
 - Establishing standards for community corrections programs and providing training for those who work for these programs.
 - Auditing community corrections programs to evaluate compliance with standards.
- Collect, analyze, and disseminate statewide criminal-justice statistics and other criminal-justice information.
- Provide recommendations and develop plans of action for the General Assembly, state agencies, and local governments detailing measures to improve the criminal justice system and reduce crime and juvenile delinquency.
- Help law enforcement agencies improve their law enforcement systems and their relationships with other agencies and the statewide system.
- Administer federal and state criminal and juvenile justice grant programs.
- Administer victim assistance programs, including the State VALE program (Victims Assistance and Law Enforcement), the federal VOCA program (1984 Victims of Crime Act) and the federal VAWA program (1994 Violence against Women Act).
- Provide support to the Domestic Violence Offender Management Board (DVOMB) and the Sex Offender Management Board (SOMB). Administer related programs.

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Staff Working Document – Does Not Represent Committee Decision

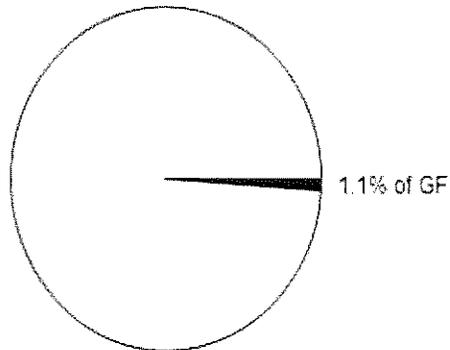
Department Budget: Recent Appropriations

Funding Source	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14 *
General Fund	\$82,314,802	\$82,727,973	\$84,624,139	\$87,200,253
Cash Funds	126,211,938	129,681,033	155,103,072	164,239,554
Reappropriated Funds	21,858,171	24,480,944	27,113,894	28,762,765
Federal Funds	<u>27,885,029</u>	<u>29,559,518</u>	<u>53,355,759</u>	<u>54,363,445</u>
Total Funds	\$258,269,940	\$266,449,468	\$320,196,864	\$334,566,017
Full Time Equiv. Staff	1,349.0	1,354.0	1,558.3	1,579.1

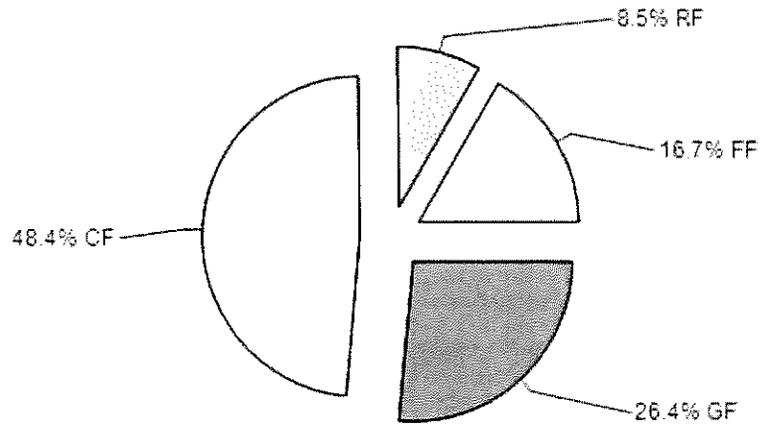
*Requested appropriation.

Department Budget: Graphic Overview

Department's Share of Statewide
General Fund

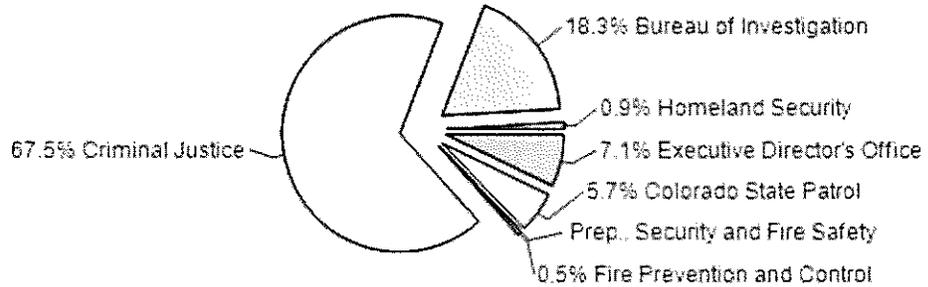


Department Funding Sources

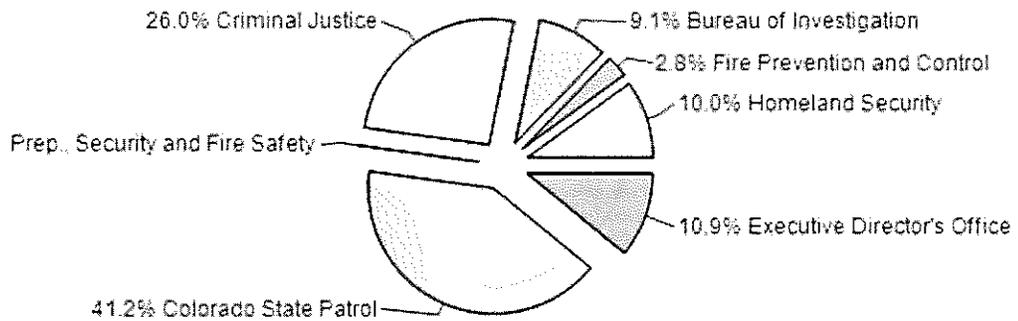


JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Distribution of General Fund by Division



Distribution of Total Funds by Division



General Factors Driving the Budget

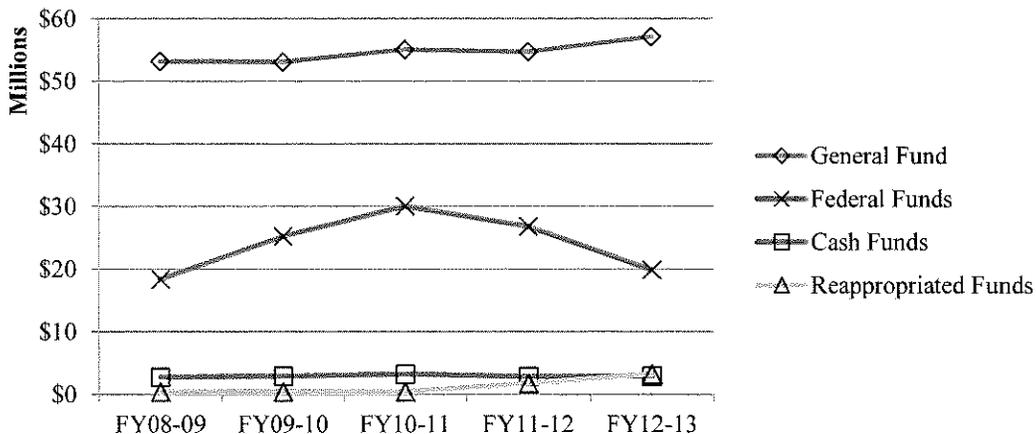
Funding for the Department of Public Safety in FY 2012-13 consists of 26.4 percent General Fund, 48.4 percent cash funds (36.2 percent HUTF "off-the-top"), 8.5 percent reappropriated funds, and 16.7 percent federal funds.

Funding for the Division of Criminal Justice in FY 2012-13 consists of 68.7 percent General Fund, 3.5 percent cash fund, 3.9 percent reappropriated funds, and 23.9 percent federal funds.

Division of Criminal Justice

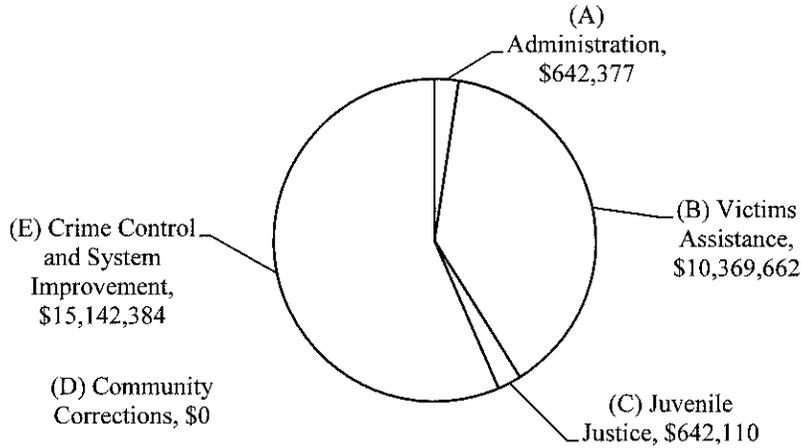
The two largest sources of funding at the Division of Criminal Justice (DCJ) are the General Fund and federal funds. The following chart shows actual spending by the Division between FY 2008-09 and FY 2011-12 and appropriations for FY 2012-13. As the chart indicates, there has been a marked spike in federal funding in recent years, while other fund sources have remained more stable.

**Division of Criminal Justice Recent Actual Expenditures
and Appropriations**



Federal Funds. As the next chart shows, Federal Funds are concentrated in two divisions, the Victim's Assistance subdivision and the Crime Control and System Improvement subdivision.

**Distribution of FY 2011-12 Expenditures
of Federal Funds Among Subdivisions**

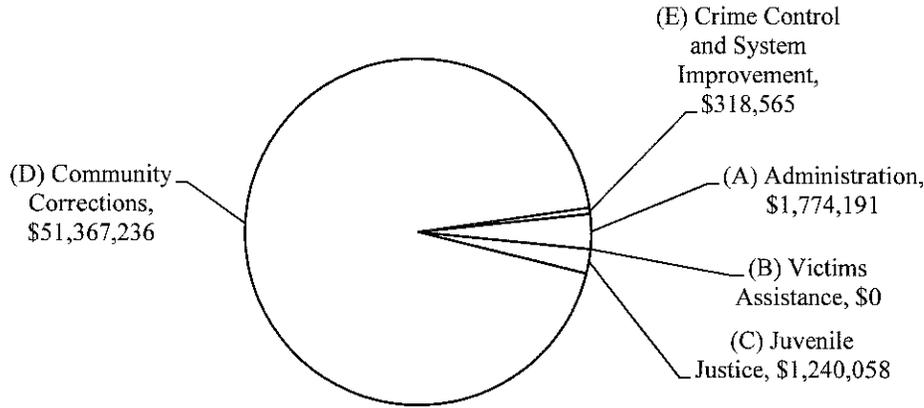


Most of the Federal Funds are pass-through grants. They include the Victims of Crime Act (VOCA), the S.T.O.P. Violence against Women Act (VAWA), the Sexual Assault Service Program (SASP), Justice Assistance Grants (JAG), Juvenile Accountability Block Grants (JABG), Project Safe Neighborhood, Title V, Residential Substance Abuse Treatment for State Prisoners, Coverdell, John R Justice, and the National Criminal History Improvement Program,

The DCJ indicates that the increase and subsequent decrease in federal funds came from four ARRA grants that the DCJ received, starting in 2009. The grants were for (1) Justice Assistance, (2) Violence Against Women, (3) the Victims of Crime Act, and (4) Victims Compensation. All of these special grants have ended, except the Justice Assistance grant which has been extended until June 2013. DCJ believes all of its federal funding could be affected by sequestration, of particular concern are the formula funds. It states that potential cuts of 10 percent or more could be anticipated.

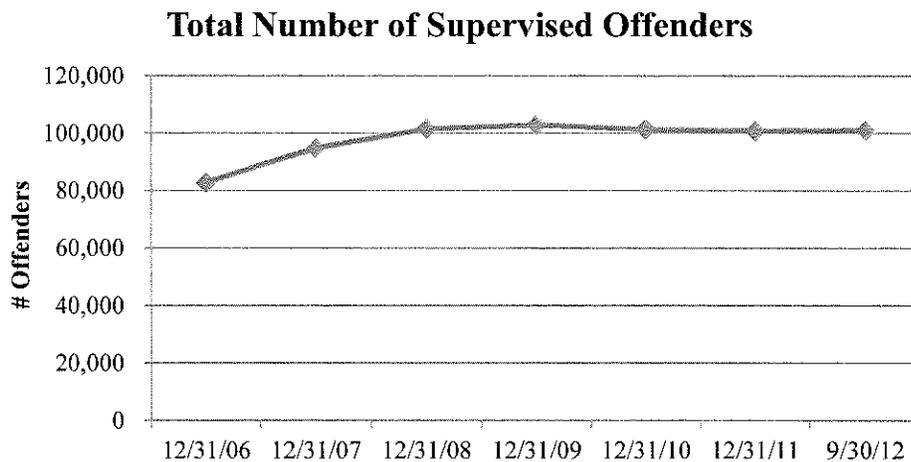
General Fund. The following pie chart shows the distribution of FY 2011-12 General Fund expenditures among the DCJ subdivisions.

Distribution of FY 2011-12 Expenditures of General Funds Among Subdivisions



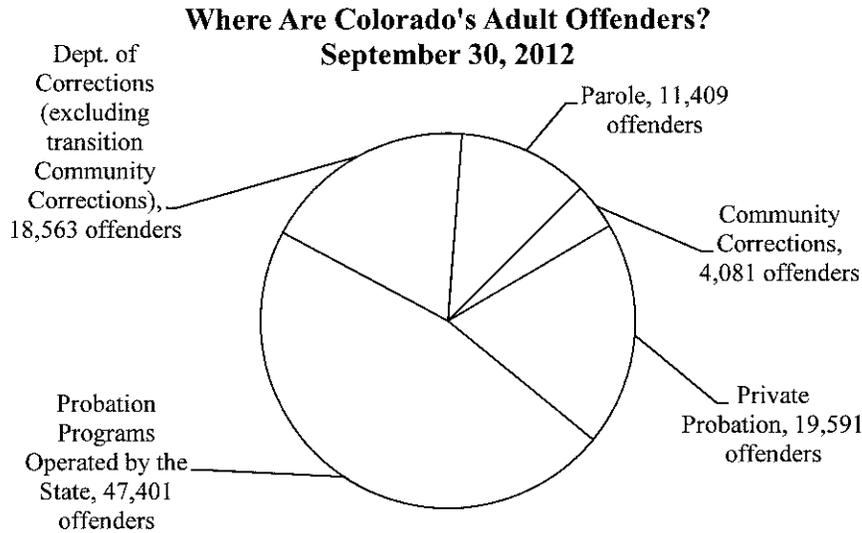
As this diagram indicates, most of the Division's General Fund expenditures are concentrated in the Community Corrections subdivision where they fund the state's approximately three dozen community corrections programs or halfway houses. These programs are based in local communities and are operated by private providers, non-profits, and local governments. These programs provide the courts with an intermediate sanction between probation and prison ("diversion") and provide reintegration services between prison and parole ("transition").

Background on correctional supervision in Colorado. Before examining Colorado's Community Corrections population and budget in more detail, it's useful to take a broader look at correctional supervision in Colorado. As the following diagram indicates, the overall number of offenders under state correctional supervision peaked in 2009 and subsequently has declined modestly. As of September 2012, about one out of every 38 Colorado adults is under some form of state supervision.



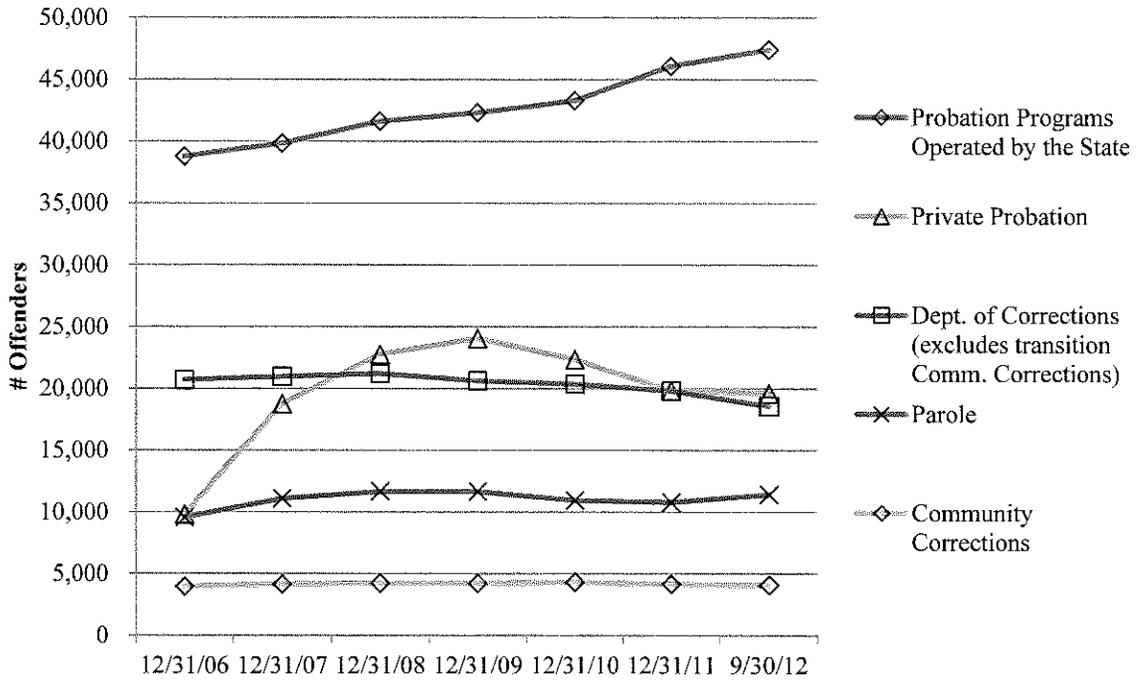
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Correctional supervision can be divided into 4 categories: probation (both private and state operated), community corrections, imprisonment in the Department of Corrections, and parole. The following pie chart shows the relative number of the offenders in each category. Community corrections, with slightly over 4000 offenders, accounts for the smallest slice of this pie--about 4 percent of the total of approximately 101,000. Community corrections is dwarfed by probation, which has almost 67,000 offenders under its charge.



The distribution of the offender population among correctional supervision categories has changed during the past half dozen years. As the following diagram indicates, there was a substantial rise in the number of offenders on probation over the period prior to 2009, with other population components changing less dramatically. After 2009, the number of offenders on probation has remained relatively constant, as the composition of the probation population has shifted toward state-operated probation programs.

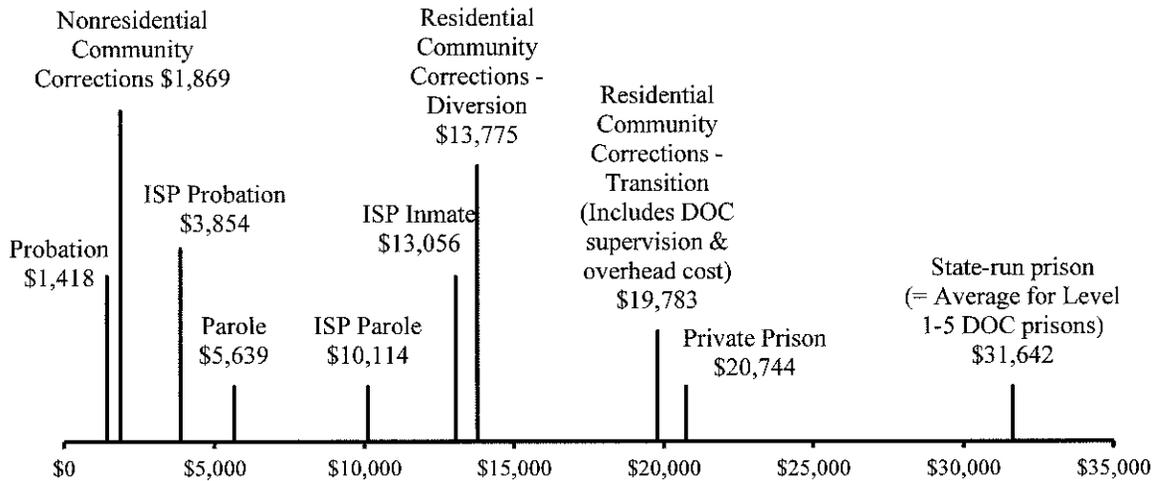
The Changing Composition of Correctional Supervision



Note that the overall population in community corrections has remained relatively constant over this period; it has been the most stable slice of the correctional supervision pie.

Costs of correctional supervision. The following diagram and table show the average cost of a year of correctional supervision in various setting. ISP denotes "Intensive Supervision", as in "Intensive Supervision Probation" or "Intensive Supervision Parole". Offenders in the "ISP-Inmate" program live in an approved private residence under intensive supervision, which frequently includes curfews, electronic monitoring, treatment programs, and drug/alcohol testing.

Average Annual Cost of Correctional Supervision



Type of Correctional Supervision	Annual Cost	Daily Cost
Probation	\$1,418	\$3.88
Nonresidential Community Corrections	1,869	5.12
Intensive Supervision (ISP) Probation	3,854	10.56
Parole	5,639	15.45
Intensive Supervision (ISP) Parole	10,114	27.71
Intensive Supervision (ISP) Inmate	13,056	35.77
Residential Community Corrections--Diversion (37.74 per day paid to the facility)	13,775	37.74
Residential Community Corrections--Transition (37.74 per day paid to the facility + \$14.59 per day for DOC supervision of transition offenders in community corrections + \$1.87 for DOC administrative costs)	19,783	54.20
Private Prison	20,744	56.83
State-run prison (Average for Level 1-5 DOC prison)	31,642	86.69

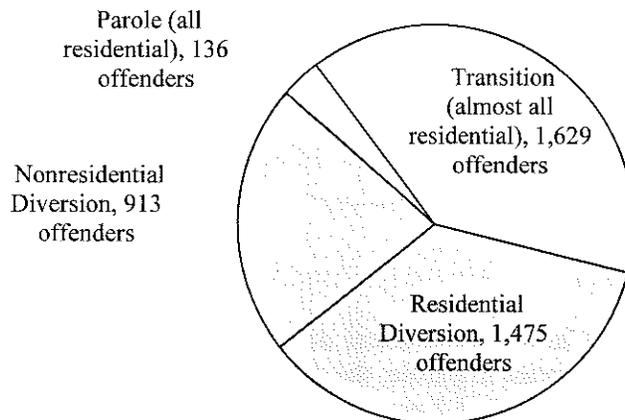
Sources:
FY 2011-12 Cost Per Day data from the Department of Corrections.
Judicial Branch, JBC Hearing Responses, December 8, 2011

Background on Community Corrections: Colorado's 35 halfway houses provide offenders with supervision and structure in both residential and nonresidential settings. *Diversion* clients are directly sentenced to community corrections by a judge as the result of a felony conviction while *Transition* clients are in prison and are placed in a halfway house prior to release on parole, following a stay in the Department of Corrections. *Parolees*, former prison inmates who have been paroled by the parole board, are also placed in community corrections facilities, though in smaller numbers. The parolees would be required by the parole board to live in a community corrections facility as a condition of parole. Another group of parolees also reside in

community corrections facilities, but are included in the Department of Corrections population count in the preceding table, rather than the Community Corrections count. These parolees have committed class 4, 5 or 6 felonies (some class 4 to 6 felons are ineligible) and have been sentenced to up to 180 days in residence at "Community Return to Custody" facilities due to a technical parole violation. These Community Return to Custody facilities are also operated by Colorado's halfway houses and are similar to residential community corrections programs. Funding for these parole-revocation programs is included in the Department of Corrections budget, rather than the Division of Criminal Justice budget.

The following pie chart shows the relative number of transition, diversion, and parole offenders in community corrections, not counting revoked parolees in community return to custody facilities. The two shaded slices divide diversion offenders into residential and non-residential categories to help show that total diversion offenders exceed total transition offenders, but residential transition offenders exceed residential diversion offenders. Implicitly, the pie chart also shows that there are about 3 residential beds for each nonresidential slot and that residential transition offenders outnumber residential diversion offenders 52 percent to 48 percent.

Distribution of Community Corrections Offenders
FY 2011-12



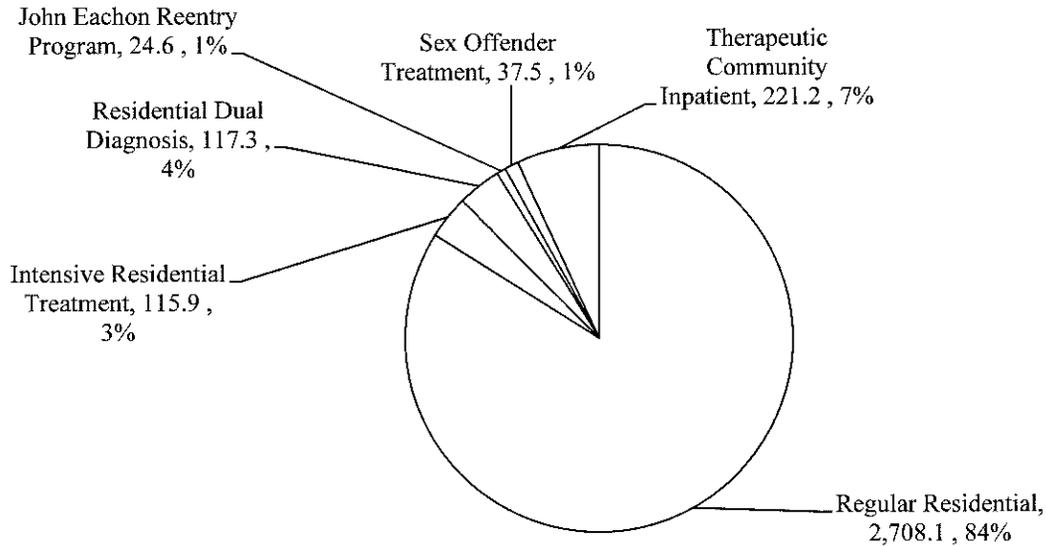
Residential community corrections offenders live in community corrections facilities, going out to work or to seek work and returning when work ends. Transition offenders always begin in residential programs; diversion offenders almost always begin in residence but commonly progress to nonresidential status; they then live outside the facility but check in regularly and are monitored to make sure they are at jobs and other approved locations.

Specialized Treatment. All residential community corrections facilities provide programs for their offenders, covering such things as drug and alcohol education, anger management classes, parenting, and money management. Some residential programs provide more extensive, specialized therapy such as *Intensive Residential Treatment (IRT)*, a 90-day substance-abuse program, and *Therapeutic Communities*, which also focus on substance abuse. *Residential Dual*

Diagnosis and Treatment programs address co-occurring mental health and substance abuse problems. Some residential programs host sex offenders. Standard residential community corrections programs receive a state payment of \$37.74 per day for each offender they house. Specialized programs receive larger payments that range from \$52 to \$90 per offender per day. Standard nonresidential community corrections programs receive an average state payment of \$5.12 per day, while payments for specialized non-residential programs range up to \$33 per day.

The following pie chart shows that 16 percent of the residential beds in the system provide specialized services.

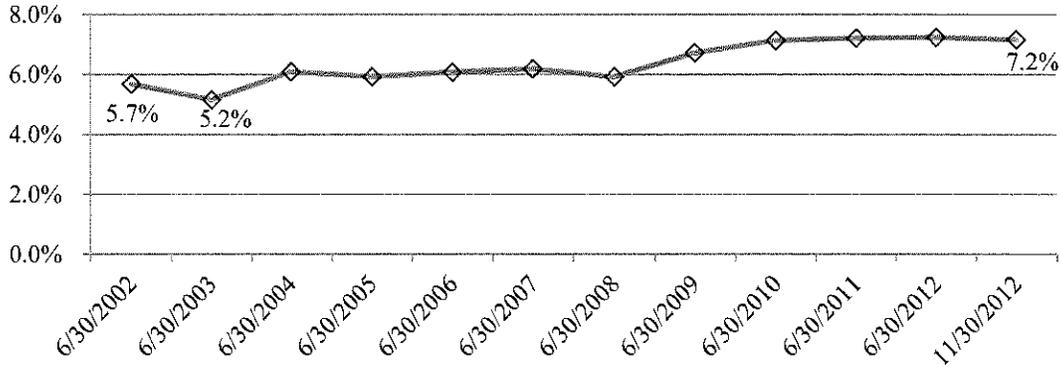
The Number of Residential Community Corrections Regular and Specialized Beds, FY 2011-12



Facts and trends

1. About a third of the offenders in the Department of Corrections pass through a residential community corrections program prior to parole; the other two thirds are paroled directly from prison. At the end of November 2012, 7.2 percent of the Department of Corrections inmate population and 1.7 percent of its parole population were in community corrections placements. An additional 5.3 percent of the Department’s parole population were in Community Return to Custody programs (which are also in community corrections facilities) due to technical parole revocations. The following chart shows recent trends.

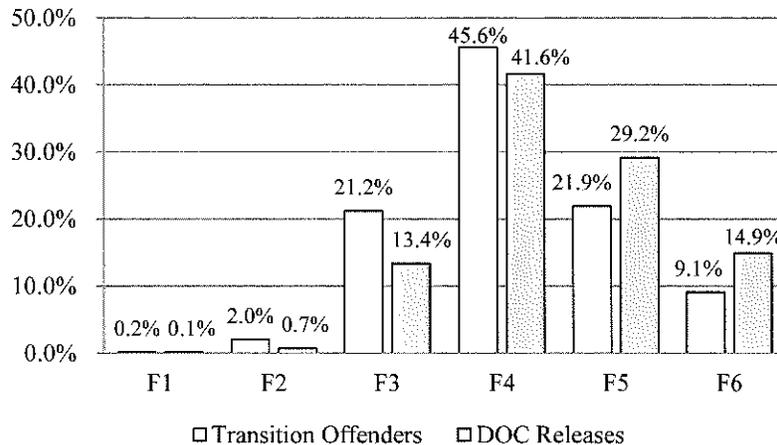
DOC Transition Population in Community Corrections As Percent of Total Inmate Population



- Residential *transition* offenders have on average committed somewhat more serious felonies than residential *diversion* offenders; eighty-eight percent of diversion offenders and 77 percent of transition offenders are serving sentences for either a class 4, 5 or 6 felony.

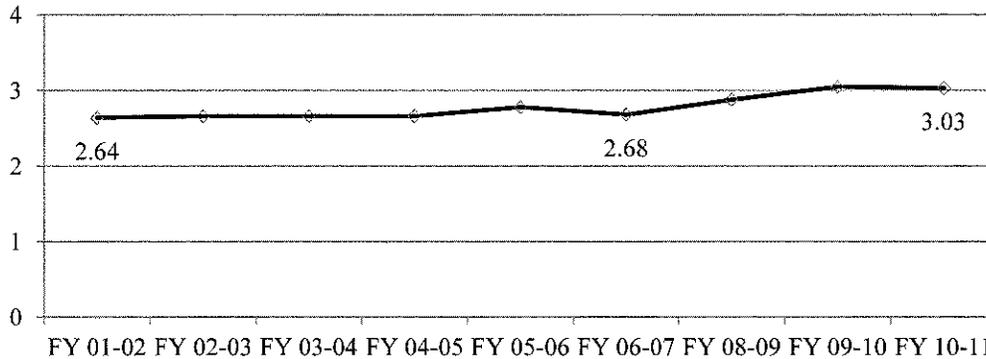
FY 2009-10 and FY 2010-11 data from the DOC and the DCJ indicates that offenders who committed class 3 and class 4 felonies are proportionately more heavily represented among the population of transition offenders in community corrections than among the population of offenders released from the DOC. There are limitations to this comparison (felony class is an imperfect indicator of future criminal risk; the comparison does not distinguish between violent and nonviolent felonies) but it suggests that the commonly heard assertion that community corrections boards and programs cherry pick offenders may be overstated or incorrect. The following chart compares FY 2010-11 data from the DOC *Annual Statistical Report for Fiscal Year 2011* and the *Colorado Community Corrections FY 2010 and FY 2011 Annual Report*. Note that relatively more transition offenders are in felony classes 1 to 4.

Felony Classification of Transition Offenders and DOC Releases, FY 2010-11



There is some evidence that community corrections offenders are becoming tougher. The following chart, again from the *Colorado Community Corrections FY 2010 and FY 2011 Annual Report*, shows that the average offender's "Criminal History Score" has risen about 13 percent since the first half of the last decade. This index is based on a count of the offender's prior juvenile adjudications and commitments, prior adult felony arrests and convictions, and prior adult probation and parole revocations

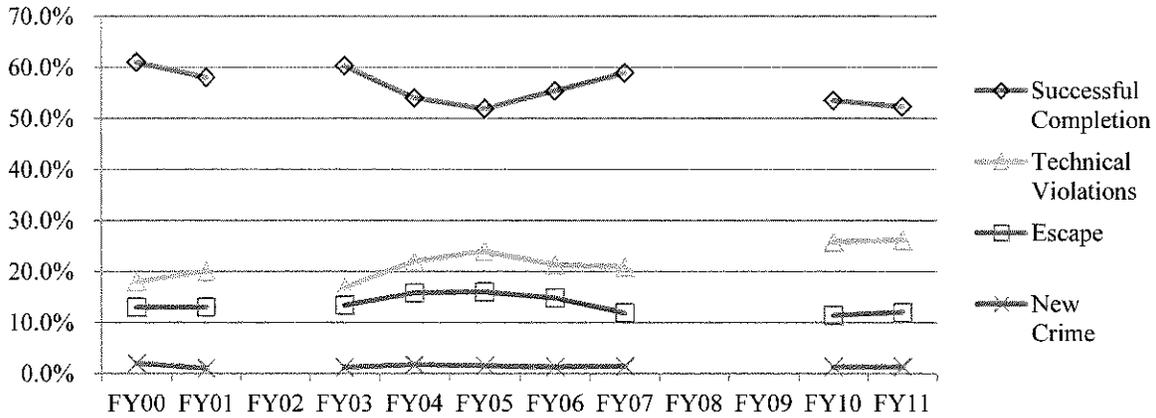
Criminal History Score



3. Residential diversion offenders fail out of community corrections programs at a higher rate than residential transition offenders. In FY 2010-11, 59 percent of transition offenders successfully finished their community corrections programs, compared with 50 percent of diversion offenders. (This supports anecdotal evidence that JBC Staff has heard from staff at community corrections programs who assert that diversion offenders are more challenging than transition offenders.) Of every 10 residential clients who fail, 6 leave due to technical violations and 3 walkaway (i.e. escape). Less than 1 out of 30 who fail do so because of a new crime.

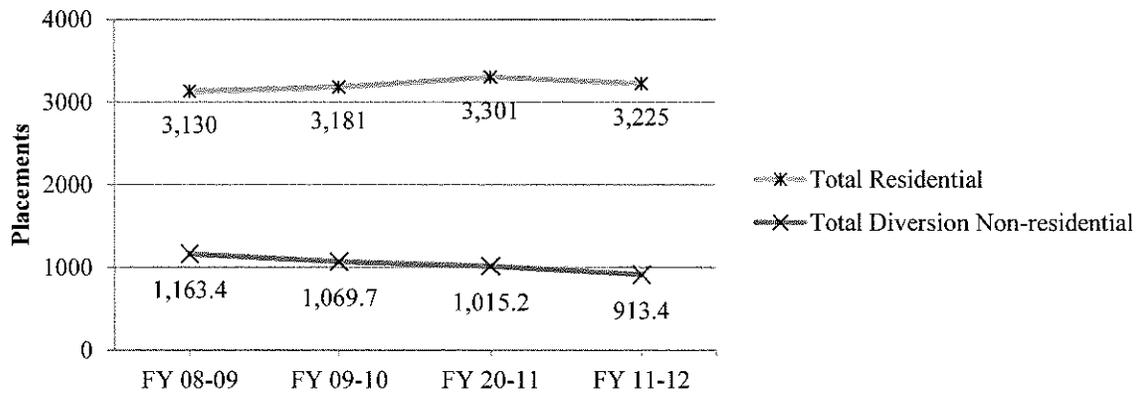
The following chart, based on data extracted from DCJ annual reports on community corrections, shows success and failure rates since FY 1999-00. Note that recent success rates are low compared to some prior years. The rate of failure due to technical violations has recently been higher than it has ever been. There are gaps in this chart because the DCJ has failed to publish annual reports in some years.

**Overall Rates of Successful and Unsuccessful Termination
from Community Corrections Programs**



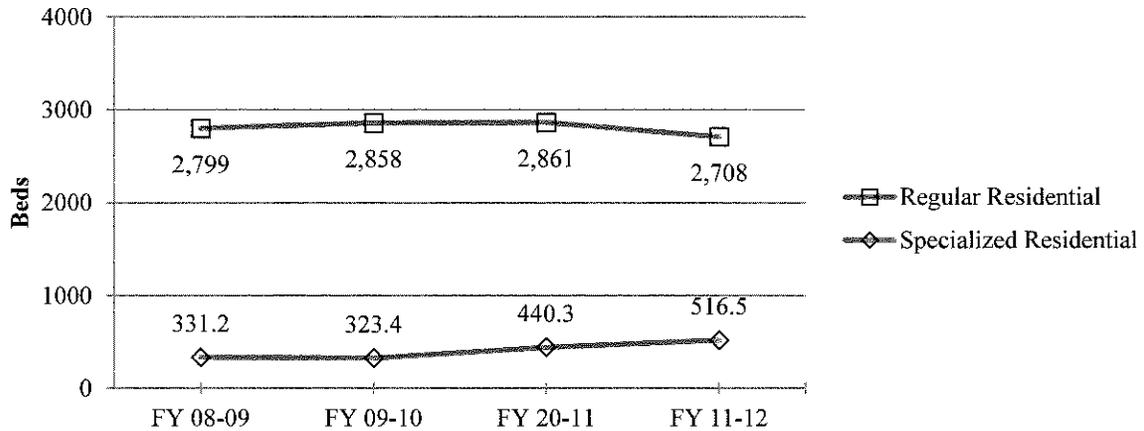
4. The number of non-residential placements has been declining, while residential placements generally have risen. The courts are not sentencing as many offenders to nonresidential community corrections, perhaps because more are being placed on probation.

Residential vs Nonresidential Placements



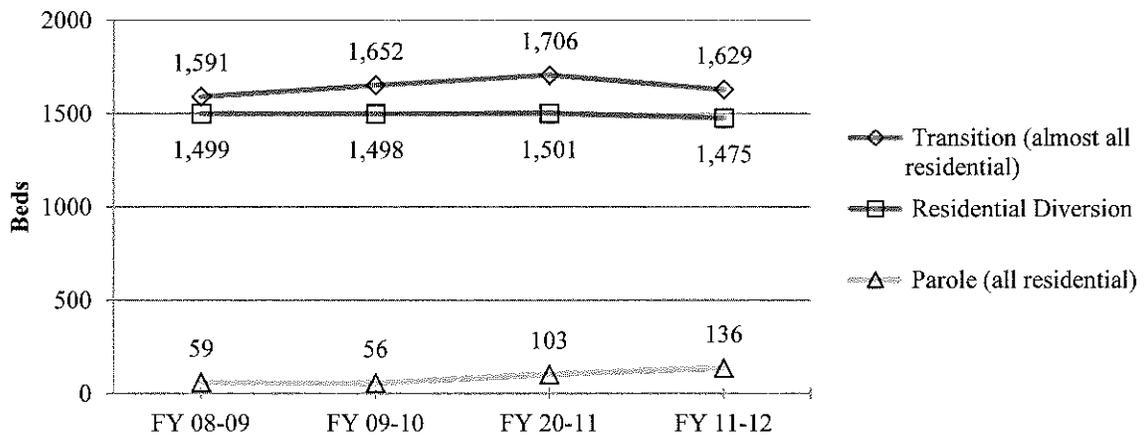
5. The number of specialized beds has been increasing relative to the number of regular beds.

Regular vs Specialized Beds



6. The number of residential diversion offenders has been approximately constant as the number of parole offenders and to a lesser extent transition offenders (almost all of whom are residential) has increased. The parole board appears to be placing more offenders in community corrections as a condition of parole.

The changing distribution of residential beds

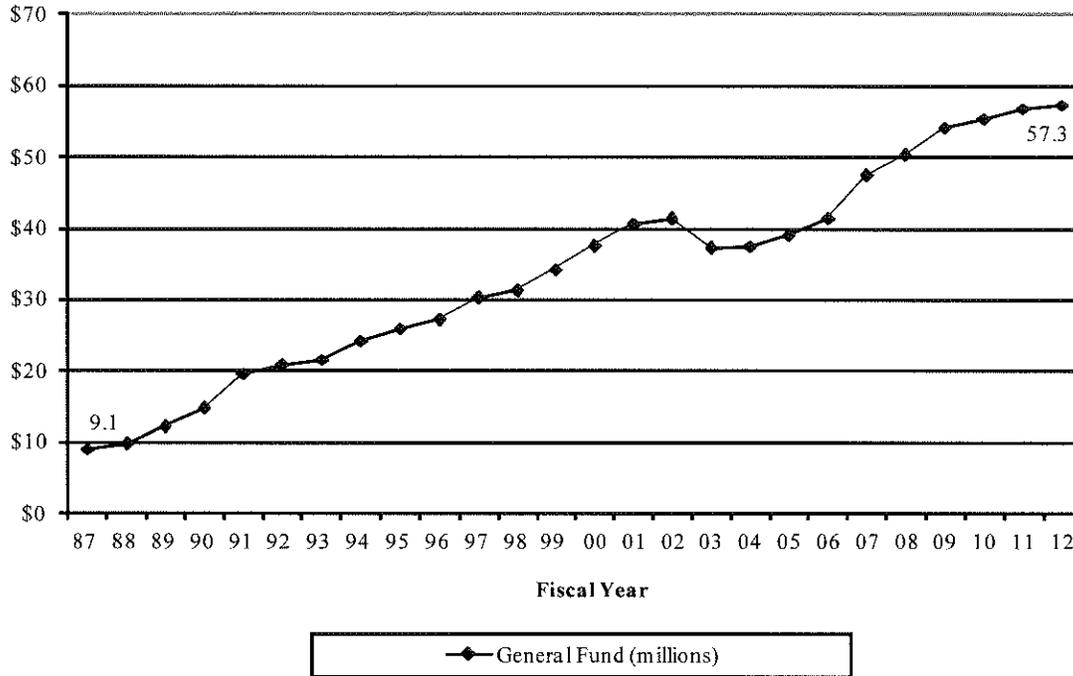


It's interesting to note that parole placements correspond to the following principal, which has been advocated by the Colorado Commission on Criminal and Juvenile Justice:

GP-26 COMMUNITY CORRECTIONS INSTEAD OF PAROLING HOMELESS
 Encourage the use of discretionary parole to community corrections in lieu of homeless parole plans to provide a stable living situation prior to the offender's mandatory parole date (MRD). Six to eight months prior to the MRD, a case manager should submit an application to community corrections for individuals who are likely to parole homeless.

JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Division of Criminal Justice - Annual General Fund Appropriations
(in millions of dollars)



Community Corrections - Residential Placements

A portion of these inmates are placed in a residential community corrections bed in preparation for parole.

Prior to FY 2004-05, the General Assembly funded enough residential beds to place 6.0 percent of the inmate population in residential community corrections placements. Subsequently this target percentage has grown to 11.5 percent.

The Division of Criminal Justice's Office of Community Corrections oversees the state's community corrections program. Community corrections beds are provided by local governments and private providers. Historically, the Joint Budget Committee has treated community corrections providers as community providers, applying the common policy for community provider increases to the community corrections rates. The following table highlights significant community corrections information:

	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Approp. FY 11-12
Transition Residential Beds Funded	1,573	1,688	1,646	1,755	1,662
Diversion Residential Beds Funded	1,615	1,605	1,677	1,650	1,882
Community Corrections Residential Daily Rate per Bed	\$37.18	\$37.74	\$37.74	\$37.74	\$37.74

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	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Approp. FY 11-12
Change in Reimbursement Rate	n/a	1.5%	0.0%	0.0%	0.0%
\$ million GF actually distributed to community corrections programs or appropriated for distribution to programs	\$46.7	\$50.0	\$50.0	\$51.7	\$53.9
Growth of GF distributions to programs	n/a	6.9%	0.1%	3.3%	4.3%

JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Summary: FY 2012-13 Appropriation & FY 2013-14 Request

Department of Public Safety						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2012-13 Appropriation:						
HB 12-1335 (Long Bill)	\$272,658,804	\$84,081,985	\$135,447,278	\$25,064,507	\$28,065,034	1,365.2
HB 12-1019 (POE Transfer to CSP)	10,892,480	(283,704)	10,574,790	601,394	0	122.3
HB 12-1283 (Re-Org. HS and Fire Sfty.)	36,608,071	838,349	10,129,020	349,977	25,290,725	71.3
Other Legislation	<u>37,509</u>	<u>(12,491)</u>	<u>(1,048,016)</u>	<u>1,098,016</u>	<u>0</u>	<u>(0.5)</u>
TOTAL	\$320,196,864	\$84,624,139	\$155,103,072	\$27,113,894	\$53,355,759	1,558.3
FY 2013-14 Requested Appropriation:						
FY 2012-13 Appropriation	\$320,196,864	\$84,624,139	\$155,103,072	\$27,113,894	\$53,355,759	1,558.3
R-1 DCJ CCCJ Continuation Funding	255,443	255,443	0	0	0	2.5
R-2 DHSEM Crit. Infrastructure/Continuity Ops.	74,332	74,332	0	0	0	0.8
R-3 CSP Moffat County Op. Costs	63,525		63,525	0	0	0.0
R-4 CSP Special Events Closures	548,262		548,262	0	0	0.0
R-5 DCJ Provider Rate Increase	841,645	803,204	0	38,441	0	0.0
NP-1 EDO Capitol Complex Buildings	83,266	57,805	24,689	772	0	0.0
NP-2 EDO Employee Survey	29,466	29,466	0	0	0	0.0
NP-3 EDO OIT Enterprise Asset Mgmt.	24,184	24,184	0	0	0	0.0
Base Common Policy Adjustments	10,678,706	2,126,093	7,764,258	131,779	656,576	0.0
Base HB 12-1268 Health Fac. Inspection	1,206,067	87,944	456,868	336,639	324,616	15.0
Base Indirect Costs Adjustments	911,427		868,886	9,380	33,161	0.0
Base Fund Source Adjustments	0	(861,896)	(61,261)	921,912	1,245	0.0
Base IT Common Policy Adjustments	(238,441)	169,018	(526,198)	126,651	(7,912)	0.0
Sunset of the CCJJ	(167,443)	(167,443)	0	0	0	(2.5)
Base Various Annualizations	86,734	3,437	0	83,297	0	0
Base Annualizations Bills	<u>(28,020)</u>	<u>(25,473)</u>	<u>(2,547)</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$334,566,017	\$87,200,253	\$164,239,554	\$28,762,765	\$54,363,445	1,579.1
Increase/(Decrease)	\$14,369,153	\$2,576,114	\$9,136,482	\$1,648,871	\$1,007,686	20.8
Percentage Change	4.5%	3.0%	5.9%	6.1%	1.9%	1.3%

Description of Requested Changes

Highlighted change requests are covered by this briefing. Items that are not highlighted were covered by the briefing for other divisions of the Department of Public Safety.

R-1 DCJ Colorado Commission on Criminal and Juvenile Justice Continuation Funding:

The Division of Criminal Justice (DCJ) requests \$255,443 of General Fund to continue funding for support of the Colorado Commission on Criminal and Juvenile Justice (CCJJ). This request should be considered in conjunction with the "Sunset of the CCJJ" item near the bottom of the table. Legislative authorization for the CCJJ expires on July 1, 2013. As a consequence \$167,443 of General Fund appropriations for the DCJ's support of the Commission along with an appropriation of 2.5 FTE will not be needed for FY 2013-14 if the Commission is not continued. The request includes \$167,443 General Fund and 2.5 FTE to continue support for the Commission at the current base level plus an additional \$88,000 of General Fund to provide

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resources for one part-time consultant position that is currently funded with grant funds that are no longer available.

R-2 DHSEM Critical Infrastructure and Continuity of Operations Request: The Division of Homeland Security and Emergency Management requests \$74,332 General Fund in FY 2013-14 and \$92,018 in FY 2014-15 and beyond to provide funding for 1.0 FTE in the Division of Homeland Security & Emergency Management (DHSEM) to coordinate and manage all critical infrastructure protection activities for State-owned facilities and other key resources, as well as update and administer the State's continuity of operations/continuity of government programs and processes.

R-3 CSP Moffat County Public Safety Center Operating Agreement: The Colorado State Patrol requests an increase of \$63,525 HUTF "Off the Top" in FY 2013-14 and beyond for operating expenses to fund the increase in operating costs at the Craig Colorado troop office.

R-4 CSP Increase Spending Authority for Special Events Road and Lane Closures: The Colorado State Patrol requests an increase of \$548,262 Cash Funds (from state and private entities requesting road and lane closures) in FY 2013-14 and beyond for an increased demand for "Special Event" road and lane closures related to providing escort for Oversize/Overweight loads (OSOW) and for the USA Pro Cycling Challenge.

R-5 DCJ Community Corrections Provider Rate Increase: The Division of Criminal Justice requests a General Fund increase of \$841,645 in FY 2013-14 and beyond in its community corrections line items for a provider rate increase for community corrections providers. Reimbursement rates have not increased since FY 2008-09 when daily rate per offender for a standard residential bed rose from \$37.18 to \$37.74. This request would raise the rate to approximately 38.30.

NP-1 Capitol Complex Building Upgrade, Repair, and Replacement: The request includes an increase of \$83,266 total funds (including \$57,805 General Fund) for FY 2013-14 to fund the Department's share of building maintenance and upgrades in the State Capitol Complex. *This request item will be addressed in a separate staff briefing for the Department of Personnel.*

NP-2 Employee Engagement Survey Adjustment: The request includes an increase of \$29,466 General Fund for FY 2013-14 to fund the Department's share of a survey to gauge employees' attitudes towards their work, their work environment, overall satisfaction, and trends developing within the workforce. *This request will be addressed in a separate staff briefing for the Department of Personnel.*

NP-3 OIT Enterprise Asset Management: The request includes an increase of \$24,184 General Fund to fund the Department's share of an executive branch information technology asset management program and corresponding data system. *This request will be addressed in a separate staff briefing for the Governor's Office of Information Technology.*

Base Common Policy Adjustments: The request includes adjustments to centrally appropriated line items totaling \$10,678,706 (including \$2,126,093 General Fund) for the following: health,

JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; salary increases; shift differential; workers' compensation; payment to risk management and property funds; and capitol complex leased space.

Base HB 12-1268 Transfer Health Facility Safety Inspections to the Division of Fire Prevention and Control: The Division of Fire Prevention and Control requests \$1,206,067 total funds (including \$87,944 General Fund) and 15.0 FTE for the transfer of the life safety code inspections of health facilities from the Department of Public Health and Environment's Health Facilities and Emergency Medical Services Division in FY 2013-14 pursuant to HB 12-1268. The transfer is contingent on the Centers for Medicare and Medicaid (CMS) approving the transfer.

Base Indirect Costs Adjustments: The request includes an increase of \$911,427 total funds for the Department's FY 2013-14 indirect cost assessment. For additional information on the Department's indirect cost assessment methodology see *Appendix D*.

Base Fund Source Adjustments: The request includes various funding source adjustments including for indirect cost recoveries in the EDO and for dispatch billings in the State Patrol.

Base IT Common Policy Adjustments: The request includes adjustments to information technology (IT) centrally appropriated line items totaling a reduction of \$238,441 (including a General Fund increase of \$169,018) for the following: purchase of services from computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communications services payments.

Base Various Annualizations: The request includes an increase of \$176,897 reappropriated funds and 5.0 FTE to annualize a FY 13 funding item for the Ralph Carr Judicial Center, an increase of \$3,437 General Fund to annualize a FY 13 funding item for on-going maintenance and support of the new Colorado Crime Information Center system, and a reduction of \$93,600 reappropriated funds (\$46,800 from the Medical Marijuana Program Fund, Department of Public Health and \$46,800 from the Medical Marijuana License Fund, Department of Revenue) to complete the interface between the Departments of Public Health and Revenue.

Sunset of the Colorado Commission on Criminal and Juvenile Justice (CCJJ): Legislative authorization for the CCJJ expires on July 1, 2013. As a consequence \$167,443 of General Fund appropriations for the DCJ's support of the Commission along with an appropriation of 2.5. FTE will not be needed for FY 2013-14 if the CCJJ is not continued. This base adjustment should be considered in conjunction with request R-1.

Base Annualizations Bills: The request includes an increase of \$23,700 cash funds (CBI Identification Unit Fund) to annualize HB12-1110 (Regulation of Appraisal Management Companies), a reduction of \$26,247 HUTF "Off-the-Top" to annualize HB 12-1019 (Transfer Ports of Entry to State Patrol), and a reduction of \$25,473 General Fund to annualize HB 12-1246 (Reverse Pay-date Shift for State Employees Paid Bi-weekly).

Issue: Subsistence Grace Period

Since 2008, the Colorado Commission on Criminal and Juvenile Justice has recommended that offenders newly arrived in a community corrections center be given a two to four week “grace period” during which fees and subsistence payments are delayed until the offender is stabilized in the community. Subsistence payments are the daily fees that offenders must pay to their community corrections programs. Staff recommends that the Committee provide FY 2013-14 funding for an experimental “subsistence grace period” for offenders in residential community corrections programs.

SUMMARY:

- Subsistence payments are the daily fees that offenders must pay to their community corrections programs.
- The Colorado Commission on Criminal and Juvenile Justice recommends that offenders be given a two to four week “grace period” during which they do not have to pay.
- Staff recommends that the Committee provide FY 2013-14 funding for an experimental “subsistence grace period.”

RECOMMENDATION:

Staff recommends that the Committee provide FY 2013-14 funding for an experimental “subsistence grace period” for offenders in residential community corrections programs.

DISCUSSION:

In its 2008 Annual Report, the Colorado Commission on Criminal and Juvenile Justice (CCJJ) made two related recommendations regarding the operation of Community Corrections programs:

GP-28 COMMUNITY CORRECTIONS GRACE PERIOD STUDY

The Commission supports an initiative by the Governor's Community Corrections Advisory Council to pilot a carefully controlled study to address the value of providing a two to four week “grace period” in which fees and subsistence payments are delayed until the offender is stabilized in the community. After appropriate data is collected and analyzed, the Advisory Council should determine whether further recommendations to the executive and legislative branches are appropriate.

BP-61 DEFER SUBSISTENCE PAYMENTS FOR INDIGENT OFFENDERS IN COMMUNITY CORRECTIONS

JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

For individuals entering community corrections facilities, provide the opportunity to defer the first two to four weeks of subsistence payments for those who are indigent.

These recommendations have been repeated in subsequent CCJJ annual reports, but have not been implemented. During 2011-session supplementals, the JBC approved an initiative of this nature, but the initiative was subsequently retracted during budget negotiations over supplementals.

Background: The state pays community corrections programs \$37.74 per day to house offenders in standard residential community corrections programs. The offenders in these programs are expected to pay an additional \$17 daily to the community corrections center. This payment, often referred to as "subsistence", amounts to \$6,205 (= 365 * \$17) annually. Offenders usually have other expenses, such as paying for required counseling and courses, paying up to 20 percent of their income for restitution and/or child support, and paying for their own medical, dental, and mental health needs, including pharmaceuticals. Offenders in standard residential programs who have difficulty finding a job after they arrive, or lose a job, can find that their debts to the community corrections program mount rapidly. The most recent annual report from the DCJ on community corrections shows that during FY 2010-11, offenders collectively owed \$4,950,961 to their community corrections programs when they left the programs.

There is some evidence suggesting that offender indebtedness undermines the effectiveness of community corrections programs, contributing to escapes and to technical violations that lead to regressions to the Department of Corrections for transition offenders, or revocations and alternative placements (such as the DOC) for diversion offenders.

The risky first weeks in community corrections. The CCJJ report cites research showing that the time period immediately following release from prison is the riskiest for the offender and the public. Recidivism is most likely during this period, and death rates among the released population are 12 times that of the general population. Similarly, in most residential community corrections programs, the time of greatest risk for revocation or reoffense is the first weeks of residential treatment, during which many offenders abscond or commit technical violations. However, despite this early risk, offenders are expected to find employment shortly after arrival at the program in order to pay the required subsistence fee of \$17 per day.

The FY 2000-01 therapeutic community experiment. The CCJJ report notes that in FY 2000-01, the Division of Criminal Justice collaborated with Peer 1 and The Haven, two community corrections programs that provide therapeutic community services to drug offenders. This initiative allowed the programs to use Drug Offender Surcharge Funds to offset offender subsistence fees during the first six months of residential placement, which, in turn, allowed offenders to delay seeking employment and focus on adjustment and treatment. Escape rates declined from 25.4 percent in FY 2000 to 15.28 percent in FY 2001.

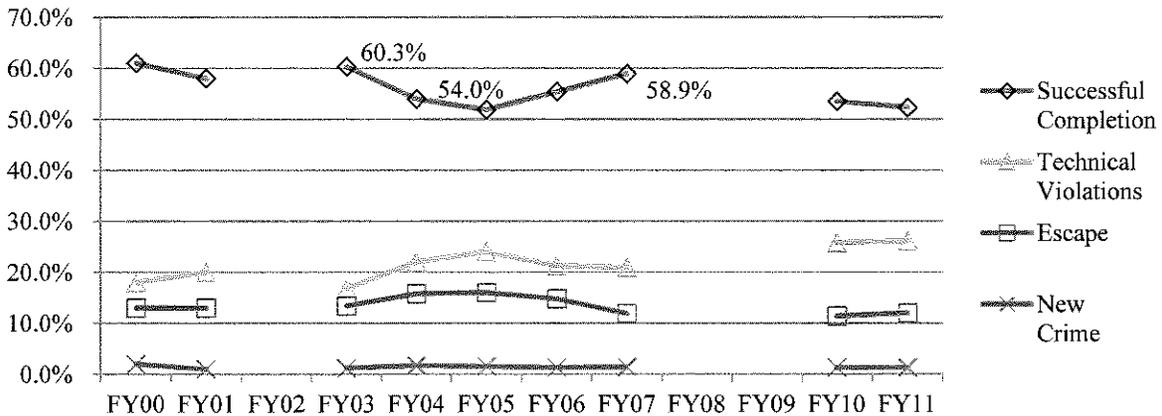
The impact of FY 2002-03 budget cuts. Another "experiment" occurred in FY 2002-03 when budget cuts resulted in an 8 percent reduction in the state reimbursement rate for residential community corrections programs, which was offset by a \$4 increase in subsistence that raised the

JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

fee from \$13 to \$17. Simultaneously the state cut funding for services available to offenders. Between FY 1999-2000 and FY 2002-03, approximately 62-63 percent of offenders successfully completed their stay in community corrections. However, in FY 2003-04, following the increase in subsistence fees and the cut in services, the successful completion rate dropped six percentage points. A 2006 study by the DCJ found that "State budget cuts in FY 2002-03 that directly affected offenders likely played a significant role in the reduction in the success rate." The study suggests that (1) the reduced reimbursement rate may have resulted in a decreased tolerance for offenders who were unemployed or otherwise unable to pay their fees, (2) lack of ability to pay the fees likely increased the escape rate, and (3) the decrease in available programming probably contributed to the decreased success.

This evidence is suggestive, but not conclusive. The following chart, which was also presented in the *Factors Driving the Budget* section of this document, shows the decline in success rates and the rise in escape rates following the subsistence increase. However, it also shows that success rates subsequently rose to nearly their FY 2002-03 level while escape and technical failures decline, even though subsistence payments remained constant at the higher \$17 level.

**Overall Rates of Successful and Unsuccessful Termination
 from Community Corrections Programs**



Impact of a subsistence grace period from the offender’s prospective. Under the current system, offenders usually stay in their community corrections center for several days after arrival, during which they go through orientation and assessment. Subsequently they go into the community to find work. Often it takes a month or more to locate employment. As the job search continues, the offender's debt to the community corrections facility keeps mounting at the rate of \$17 per day--\$510 per month. The offender is likely to incur other expenses during this period: bus tokens to seek work; payments for specialized treatment programs that may have been required as a condition of placement; payments for medication. Specialized work clothing may be required once a job is landed, before the first pay check arrives. Often the community corrections program will lend the offender the money required to pay these costs, which adds to the debt. By the time the offender turns his first paycheck over to his community corrections center, debts to the "com cor" can reach \$1,000 or more, which can seem an overwhelming

JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

amount when one earns the minimum wage. Some offenders respond by walking away. (According to the Department of Corrections, escapees from community corrections programs are almost always recaptured.)

Average length of stay for successful residential community corrections clients may decrease. In addition to reducing the likelihood of escape, a subsistence grace period may reduce the successful offender's length of stay in his residential community corrections program. In order for a diversion offender to progress from residential to nonresidential status or for a transition offender to progress from residential status to independent living in the community under intensive supervision (“ISP-Inmate” status), the offender must demonstrate that he has retained employment, participated in mandatory treatment, remained drug and alcohol free, and honored his financial responsibilities. Honoring financial responsibilities includes paying off debts to the community corrections program. It is not uncommon for an offender to have satisfied all requirements for progression, except for paying off this debt. As a result, many offenders are retained in residential community corrections for the sole purpose of discharging their debt. Thus a 30 day subsistence grace period will probably lead successful offenders to pay off debts earlier and progress sooner. Staff estimates that a 30 day reduction in average length of stay for successful offenders would increase system capacity by about 6 percent, without increasing the number of beds in the system. So there is a possibility that a subsistence grace period will increase system capacity even if success and failure rates remain constant.

In summary, the CCJJ's proposal has apparent merit, but the evidence is not conclusive. For this reason, staff recommends that the General Assembly provide an experimental FY 2013-14 appropriation to the DCJ that will allow it to gather the evidence needed to decide whether a subsistence grace period should be a permanent part of community corrections funding.

How much would an experiment cost? About 400 offenders arrive in community corrections programs each month; thus, a 30 day subsistence grace period would cost

$$400 \text{ offenders} * 30 \text{ days} * \$17 \text{ per offender per day} = \$204,000$$

and a 5 month experiment would cost $\$204,000 * 5 = \$1,020,000$. An additional appropriation would be needed to conduct a statistical analysis of the results to determine whether the experiment was successful and estimate the magnitude of the effect. Staff asked the DCJ to estimate the cost of this analysis, but did not receive a response by the time this document was written.

Funding for this recommendation. During recent years the DCJ has reverted between 1.9 and 5.0 percent of its General Fund appropriation for Community Corrections programs. The following table shows the reversions.

Year	GF Appropriation	GF Reversion	GF reversion as a % of appropriation
FY 2008-09	49,969,056	961,745	1.9%
FY 2009-10	49,883,416	2,271,159	4.6%
FY 2010-11	51,703,404	1,754,494	3.4%
FY 2011-12	51,367,236	2,568,336	5.0%

JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Note that the Governor used \$1,860,000 of the FY 2011-12 reversion to fight last summer's wildfires.

Staff believes that this consistent pattern of reversions indicates that there is sufficient funding in current Community Corrections program lines to pay for an experimental appropriation to evaluate the subsistence grace period proposal.

Staff recommends that the Committee ask the following questions of the Division:

1. What would a statistical evaluation cost?
2. This proposal would reduce appropriations for community corrections placements by approximately 1.2 percent. As a consequence, providers would see a 1.2 percent reduction in the amounts specified in their community corrections contracts with the DCJ. What effects would this have on expansion incentives?
3. Does the Department believe that a 30 day grace period is the appropriate length? Could the department experiment with more than one grace period simultaneously?
4. Does the Department believe that 4 months is an appropriate length for an experiment?
5. Should the grace period apply to any of the specialized programs?

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S STRATEGIC PLAN:

The mission of the Department of Public Safety is to improve public safety, the quality of services to crime victims, and the management of offenders. This briefing issue is designed to improve the management of offenders.

JBC Staff Budget Briefing: FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
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DEPARTMENT OF PUBLIC SAFETY
James Davis, Executive Director

(4) DIVISION OF CRIMINAL JUSTICE

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

(A) Administration

DCJ Administrative Services	0	0	2,874,451	2,951,658 *	
FTE	0.0	0.0	31.8	31.8	
General Fund	0	0	1,763,816	1,851,816	
Cash Funds	0	0	517,492	517,492	
Reappropriated Funds	0	0	509,105	498,312	
Federal Funds	0	0	84,038	84,038	
Personal Services	2,532,483	2,480,579	0	0	
FTE	29.8	30.3	0.0	0.0	
General Fund	1,629,983	1,622,861	0	0	
Cash Funds	502,035	471,907	0	0	
Reappropriated Funds	315,018	319,893	0	0	
Federal Funds	85,447	65,918	0	0	

JBC Staff Budget Briefing: FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Operating Expenses					
General Fund	227,876	213,101	0	0	0
Cash Funds	165,031	151,330	0	0	0
Reappropriated Funds	32,197	31,619	0	0	0
Federal Funds	26,295	28,402	0	0	0
	4,353	1,750	0	0	0
Indirect Cost Assessment					
Cash Funds	556,576	633,984	674,054	688,972	
Reappropriated Funds	55,428	59,275	62,137	74,252	
Federal Funds	0	0	8,401	8,459	
	501,148	574,709	603,516	606,261	
SUBTOTAL - (A) Administration	3,316,935	3,327,664	3,548,505	3,640,630	2.6%
FTE	29.8	30.3	31.8	31.8	(0.0%)
General Fund	1,795,014	1,774,191	1,763,816	1,851,816	5.0%
Cash Funds	589,660	562,801	579,629	591,744	2.1%
Reappropriated Funds	341,313	348,295	517,506	506,771	(2.1%)
Federal Funds	590,948	642,377	687,554	690,299	0.4%
(B) Victims Assistance					
Federal Victims Assistance and Compensation Grants	10,401,876	10,369,662	10,400,000	10,400,000	
Federal Funds	10,401,876	10,369,662	10,400,000	10,400,000	
State Victims Assistance and Law Enforcement Program	1,218,391	1,190,080	1,500,000	1,500,000	
Cash Funds	1,218,391	1,190,080	1,500,000	1,500,000	
Child Abuse Investigation	171,962	3,026	317,415	317,415	
FTE	0.3	0.2	0.4	0.4	
Cash Funds	171,962	3,026	317,415	317,415	

JBC Staff Budget Briefing: FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
SUBTOTAL - (B) Victims Assistance	11,792,229	11,562,768	12,217,415	12,217,415	0.0%
<i>FTE</i>	0.3	0.2	0.4	0.4	0.0%
Cash Funds	1,390,353	1,193,106	1,817,415	1,817,415	0.0%
Federal Funds	10,401,876	10,369,662	10,400,000	10,400,000	0.0%

(C) Juvenile Justice and Delinquency Prevention

Juvenile Justice Disbursements	715,124	642,110	866,249	866,249	
Federal Funds	715,124	642,110	866,249	866,249	
Juvenile Diversion Programs	1,235,367	1,240,058	1,241,139	1,241,139	
<i>FTE</i>	0.0	0.8	0.9	0.9	
General Fund	1,235,367	1,240,058	1,241,139	1,241,139	

SUBTOTAL - (C) Juvenile Justice and Delinquency

Prevention	1,950,491	1,882,168	2,107,388	2,107,388	0.0%
<i>FTE</i>	0.0	0.8	0.9	0.9	0.0%
General Fund	1,235,367	1,240,058	1,241,139	1,241,139	0.0%
Federal Funds	715,124	642,110	866,249	866,249	0.0%

(D) Community Corrections

Community Corrections Boards Administration	1,892,362	2,012,823	2,046,868	2,077,571	*
General Fund	1,892,362	2,012,823	2,046,868	2,077,571	
Community Corrections Placement	0	0	52,483,784	53,271,040	*
General Fund	0	0	51,489,765	52,262,111	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	994,019	1,008,929	

JBC Staff Budget Briefing: FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Treatment for Substance Abuse and Co-occurring Disorders	0	0	<u>1,568,750</u>	<u>1,592,281</u> *	
Reappropriated Funds	0	0	1,568,750	1,592,281	
Specialized Services	<u>57,722</u>	<u>61,490</u>	<u>55,000</u>	<u>55,000</u>	
General Fund	57,722	61,490	55,000	55,000	
Offender Assessment Training	0	0	<u>10,300</u>	<u>10,455</u> *	
General Fund	0	0	10,300	10,455	
Intensive Residential Treatment Aftercare	0	0	<u>180,000</u>	<u>180,000</u>	
General Fund	0	0	180,000	180,000	
Transition Programs including standard residential services and specialized substance abuse treatment	24,171,295	24,430,355	0	0	
General Fund	24,171,295	24,430,355	0	0	
Diversion Programs including standard residential services and standard nonresidential services	22,734,780	22,049,315	0	0	
General Fund	22,734,780	22,049,315	0	0	
Transitional Mental Health Bed Differential	906,459	977,945	0	0	
General Fund	906,459	977,945	0	0	
Diversion Mental Health Bed Differential	515,762	484,123	0	0	
General Fund	515,762	484,123	0	0	
John Eachon Re-entry Program	242,854	275,114	0	0	
General Fund	242,854	275,114	0	0	

JBC Staff Budget Briefing: FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Substance Abuse Treatment Program	1,430,180	2,448,432	0	0	0
General Fund	698,944	402,380	0	0	0
Cash Funds	731,236	677,417	0	0	0
Reappropriated Funds	0	1,368,635	0	0	0
Outpatient Therapeutic Community Programs	474,834	548,192	0	0	0
General Fund	474,834	548,192	0	0	0
Intensive Residential Treatment Pilot Project	133,208	291,416	0	0	0
General Fund	0	125,499	0	0	0
Cash Funds	133,208	165,917	0	0	0
Accelerated Non-Residential Community Corrections					
Diversion Pilot Program	8,392	0	0	0	0
General Fund	8,392	0	0	0	0
SUBTOTAL - (D) Community Corrections	52,567,848	53,579,205	56,344,702	57,186,347	1.5%
FTE	0.0	0.0	0.0	0.0	0.0%
General Fund	51,703,404	51,367,236	53,781,933	54,585,137	1.5%
Cash Funds	864,444	843,334	0	0	0.0%
Reappropriated Funds	0	1,368,635	2,562,769	2,601,210	1.5%

(E) Crime Control and System Improvement

State and Local Crime Control and System Improvement					
Grants	4,345,184	4,430,567	3,000,000	3,000,000	
Federal Funds	4,345,184	4,430,567	3,000,000	3,000,000	

JBC Staff Budget Briefing: FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Sex Offender Surcharge Fund Program	112,011	114,569	153,325	153,325	
FTE	1.4	1.4	1.5	1.5	
Cash Funds	112,011	114,569	153,325	153,325	
Sex Offender Supervision	321,609	318,565	328,002	328,002	
FTE	3.2	2.8	3.2	3.2	
General Fund	321,609	318,565	328,002	328,002	
Treatment Provider Criminal Background Checks	27,618	43,523	49,606	49,606	
FTE	0.3	0.4	0.6	0.6	
Cash Funds	27,618	43,523	49,606	49,606	
Colorado Regional and Community Policing Institute	215,162	123,261	275,915	275,915	
FTE	0.8	0.4	4.0	4.0	
Reappropriated Funds	46,668	34,685	175,000	175,000	
Federal Funds	168,494	88,576	100,915	100,915	
Federal Grants	13,818,106	10,623,241	4,800,000	4,800,000	
FTE	21.8	21.3	17.5	17.5	
Federal Funds	13,818,106	10,623,241	4,800,000	4,800,000	
Criminal Justice Training Fund	94,009	80,750	207,351	207,351	
FTE	0.1	0.2	0.5	0.5	
Cash Funds	94,009	80,750	207,351	207,351	
MacArthur Foundation Grant	143,590	0	75,000	75,000	
Cash Funds	143,590	0	75,000	75,000	

JBC Staff Budget Briefing: FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Methamphetamine Abuse Task Force Fund	<u>2,780</u>	<u>7,000</u>	<u>20,000</u>	<u>20,000</u>	
Cash Funds	2,780	7,000	20,000	20,000	
SUBTOTAL - (E) Crime Control and System Improvement					
<i>FTE</i>	19,080,069	15,741,476	8,909,199	8,909,199	0.0%
General Fund	<u>27.6</u>	<u>26.5</u>	<u>27.3</u>	<u>27.3</u>	0.0%
Cash Funds	321,609	318,565	328,002	328,002	0.0%
Reappropriated Funds	380,008	245,842	505,282	505,282	0.0%
Federal Funds	46,668	34,685	175,000	175,000	0.0%
	18,331,784	15,142,384	7,900,915	7,900,915	0.0%
TOTAL - (4) Division of Criminal Justice					
<i>FTE</i>	88,707,572	86,093,281	83,127,209	84,060,979	1.1%
General Fund	<u>57.7</u>	<u>57.8</u>	<u>60.4</u>	<u>60.4</u>	0.0%
Cash Funds	55,055,394	54,700,050	57,114,890	58,006,094	1.6%
Reappropriated Funds	3,224,465	2,845,083	2,902,326	2,914,441	0.4%
Federal Funds	387,981	1,751,615	3,255,275	3,282,981	0.9%
	30,039,732	26,796,533	19,854,718	19,857,463	0.0%
TOTAL - Department of Public Safety					
<i>FTE</i>	88,707,572	86,093,281	83,127,209	84,060,979	1.1%
General Fund	<u>57.7</u>	<u>57.8</u>	<u>60.4</u>	<u>60.4</u>	0.0%
Cash Funds	55,055,394	54,700,050	57,114,890	58,006,094	1.6%
Reappropriated Funds	3,224,465	2,845,083	2,902,326	2,914,441	0.4%
Federal Funds	387,981	1,751,615	3,255,275	3,282,981	0.9%
	30,039,732	26,796,533	19,854,718	19,857,463	0.0%

Appendix B:

Recent Legislation Affecting Department Budget

This section summarizes bills that pertain to the Division of Criminal Justice. Bills affecting other divisions of the Department of Public Safety are excluded.

2011 Session Bills

S.B. 11-076 (PERA Contribution Rates): For the 2011-12 state fiscal year only, reduces the employer contribution rate for the State and Judicial divisions of the Public Employees' Retirement Association (PERA) by 2.5 percent and increases the member contribution rate for these divisions by the same amount. In effect, continues the FY 2010-11 PERA contribution adjustments authorized through S.B. 10-146 for one additional year. Reduces the Department's total appropriation by \$2,074,036 total funds, of which \$437,930 is General Fund, \$1,430,407 is cash funds, \$102,366 is reappropriated funds, and \$103,333 is federal funds.

H.B. 11-1138 (Sex Offender Management Board): Extends the Sex Offender Management Board from July 1, 2010, to September 1, 2016, and makes numerous revisions to the sections of law concerning the board. Makes a General Fund appropriation of \$318,565 and 3.2 FTE and an appropriation from the Sex Offender Surcharge Cash Fund of \$152,536 and 1.5 FTE for FY 2011-12.

2012 Session Bills

H.B. 12-1246 (Reverse Pay-date Shift for Bi-weekly State Employees): Reverses the annual pay date shift as it applies to state employees paid on a biweekly basis. Appropriates \$25,473 General Fund to the Department of Public Safety for FY 2012-13.

H.B. 12-1310 (Crime Proceedings Omnibus Changes): Addresses criminal justice matters in several areas including drug offenses and treatment, sentencing, court proceedings, sex offenses, probation, and parole. Relevant to the Department of Public Safety, consolidates funding for substance-abuse treatment for adult and juvenile offenders, replacing multiple appropriations with a set of similar appropriations involving the Correctional Treatment Cash Fund, which is created by the bill. Implements a consistent appropriation format that initially appropriates all General Fund and cash funds made available for treatment by S.B. 03-318 and H.B. 10-1352 to a single department (Judicial). Transfers funds not used in the Judicial Department to other state agencies as reappropriated funds. Eliminates a statutory requirement that the Division of Criminal Justice analyze and report each year to the Joint Budget Committee concerning the amount of fiscal savings generated by H.B. 10-1352. Increases appropriations of reappropriated funds to the Department by \$1,098,016 while reducing appropriations of cash funds by the same amount. Reduces General Fund appropriations to the Division of Criminal Justice by \$37,964 and 0.5 FTE.

Appendix C: Update on Long Bill Footnotes & Requests for Information

Long Bill Footnotes

- 1 Department of Corrections, Management, Executive Director's Office Subprogram; Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Alcohol and Drug Abuse Division; and Division of Youth Corrections; Judicial Department, Probation and Related Services; and Department of Public Safety, Division of Criminal Justice; and Colorado Bureau of Investigation** -- State agencies involved in multi-agency programs requiring separate appropriations to each agency are requested to designate one lead agency to be responsible for submitting a comprehensive annual budget request for such programs to the Joint Budget Committee, including prior year, request year, and three year forecasts for revenues into the fund and expenditures from the fund by agency. The requests should be sustainable for the length of the forecast based on anticipated revenues. Each agency is still requested to submit its portion of such request with its own budget document. This applies to requests for appropriation from the Drug Offender Surcharge Fund, the Offender Identification Fund, the Sex Offender Surcharge Fund, the Persistent Drunk Driver Cash Fund, and the Alcohol and Drug Driving Safety Program Fund, among other programs.

Comment: This footnote is designed to ensure that Departments coordinate requests that draw on the same cash fund. Of the funds listed, the Division of Criminal Justice shares two with other state agencies: the Sex Offender Surcharge Fund, and the Drug Offender Surcharge Fund.

The Sex Offender Surcharge Fund. This fund consists of 95 percent of sex offender surcharge revenues. These surcharges range from \$75 to \$3,000 for each conviction or adjudication. Moneys in the Fund are subject to annual appropriation to the Judicial Department, the Department of Corrections, the Department of Public Safety's Division of Criminal Justice, and the Department of Human Services to cover the direct and indirect costs associated with the evaluation, identification, and treatment and the continued monitoring of sex offenders. Pursuant to Section 16-11.7-103 (4) (c), C.R.S., the Sex Offender Management Board (SOMB) is required to develop a plan for the allocation of moneys deposited in the Fund, and to submit the plan to the General Assembly. Budget instructions issued by the OSPB identify the Department of Corrections as the lead agency for reporting purposes.

The Sex Offender Management Board (SOMB) has determined the following allocation for state agencies in FY 2013-14:

- \$29,311 to the Department of Corrections to be used to manage sex offender data collection, including entry of psychological and risk assessment test results and demographics for use in treatment planning and research;

JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

- \$302,029 to the Judicial Department for direct services, beginning with the funding of sex offender evaluations, assessments and polygraphs required by statute during the pre-sentence investigation;
- \$163,591 to the Division of Criminal Justice in the Department of Public Safety for administration and implementation of the Sex Offender Treatment and Management Standards. \$3,500 of these funds will be used to provide cross-system training. These dollars may be matched by grants as available.
- \$38,250 to the Department of Human Services to be used for training and technical assistance to county departments, the Division of Youth Corrections, and the Division of Child Welfare.

The Drug Offender Surcharge Fund. House Bill 12-1310 consolidated the major state funding sources for substance abuse treatment, including the Drug Offender Surcharge Fund, into the newly created Correctional Treatment Cash Fund. The bill also consolidated oversight into a single Correctional Treatment Board, which has proposed the following allocations for FY 2013-14:

- \$3,002,227 to the Department of Corrections;
- \$4,290,516 to the Department of Human Services; and
- \$6,504,568 to the Judicial Department;
- \$2,916,766 to the Department of Public Safety, Division of Criminal Justice.

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

Placement Type	Rates			Caseload			Funds
	Base	Differential	Total	Diversion	Transition	Parole	
Standard Residential	\$37.74	\$0.00	\$37.74	1,270.0	1,541.5	70.0	\$39,692,951
Intensive Residential Treatment	\$37.74	\$17.78	\$55.52	43.0	42.0	35.0	\$2,431,776
Inpatient Therapeutic Community	\$37.74	\$14.34	\$52.08	114.0	69.0	5.0	\$3,573,730
Residential Dual Diagnosis	\$37.74	\$33.02	\$70.76	50.0	54.0	20.0	\$3,202,598
John Eachon Re-entry Program	\$37.74	\$52.80	\$90.54	0.0	15.0	0.0	\$495,706
Sex Offender Residential	\$37.74	\$33.02	\$70.76	8.0	8.0	10.0	\$671,512
Standard Non-residential	\$5.12	\$0.00	\$5.12	970.0	0.0	0.0	\$1,812,736
Outpatient Day Treatment	\$33.27	\$0.00	\$33.27	8.0	0.0	0.0	\$97,148
<u>Outpatient Therapeutic Community</u>	\$13.32	\$0.00	\$13.32	<u>52.0</u>	<u>52.0</u>	<u>0.0</u>	<u>\$505,627</u>
Total				2,515.0	1,781.5	140.0	\$52,483,784

Comment: This footnote is attached to the *Community Corrections Placement* appropriation, which provides General Fund and a smaller amount of cash funds to the

JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Department. The Department uses this appropriation to contract with the local community corrections boards that oversee and fund local community corrections providers. The Department is complying with the intent of this appropriation.

Requests for Information

Requests Affecting Multiple Departments

- 4 All Departments, Totals** -- Every department is requested to submit to the Joint Budget Committee, by November 1, 2012, information on the number of additional federal and cash funds FTE associated with any federal grants or private donations that were received in FY 2011-12. The Departments are also requested to identify the number of additional federal and cash funds FTE associated with any federal grants or private donations that are anticipated to be received during FY 2012-13.

Comment: The Department included this information in the FY 2013-14 budget request.

Requests Affecting the Department of Public Safety

Requests for Information 1 and 3 have been addressed in a briefing document prepared by another analyst.

- 2 Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Placement** -- As part of its FY 2013-14 budget request, the Department is requested to report actual average daily community corrections placements and daily rates for the two most recently completed fiscal years in a format compatible with the community corrections table in the Long Bill footnote for the Division of Criminal Justice, Community Corrections, Community Corrections Placement line item.

Comment: The Department included this information in the FY 2013-14 budget request. The information served as the basis for some of the analysis in the Factors Driving the Budget section of this document.

Appendix D: Indirect Cost Assessment Methodology

Description of Indirect Cost Assessment Methodology

The Department of Public Safety’s indirect cost assessments are based on three components: an “*Indirect Cost Pool*”, an “*Indirect Cost Base*”, and an “*Indirect Cost Rate*”.

The *Indirect Cost Pool* is comprised of approved Executive Director’s Office (EDO) and other overhead, measured at prior fiscal year actual cost, plus statewide indirect costs. Components of the cost pool provide support to the entire department. **Table 1** presents the lines that are included in the Pool.

Table 1		
Department of Public Safety Indirect Cost Pool		
Division	Line Item	FY 2011-12 Actual
Executive Director's Office		
	Personal Services	\$2,475,083
	Operating Expenses	153,613
	Legal Services	159,975
	Purchase of Services from Computer Center	185,096
	Multiuse Network Payments	117,036
	Management and Administration of OIT	200,138
	Vehicle Lease	6,158
	Lease Space	110,292
	Risk Management	787,107
	Workers' Compensation	2,145,119
	Depreciation	2,889,299
	Termination Costs	536,691
	Audit Costs	34,573
	Statewide Indirect Cost Allocation	1,225,798
Total Indirect Cost Pool		\$11,025,978

The *Indirect Cost Base* is comprised of FY 2011-12 actual personal services costs by division. **Table 2** summarizes the components of the Base.

Table 2	
Department of Public Safety Indirect Cost Base	
Division	FY 2011-12 Actual
Executive Director's Office	\$1,570,711
Colorado State Patrol	\$85,874,085
Office of Preparedness, Security, and Fire Safety	2,601,855
Division of Criminal Justice	4,404,435
Colorado Bureau of Investigation	15,935,635
Total Indirect Cost Base	\$110,386,721

JBC Staff Budget Briefing – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

The *Indirect Cost Rate* is calculated by dividing the *Indirect Cost Pool* by the *Indirect Cost Base*. **Table 3** illustrates how the Indirect Cost Rate is calculated. The Rate equals 10.0 percent of each division's FY 2011-12 actual personal services lines.

Table 3	
Department of Public Safety Indirect Cost Rate	
Division	FY 2011-12 Actual
Indirect Cost Pool	\$11,025,978
Indirect Cost Base	\$110,386,721
Indirect Cost Rate (Base/Pool)	10.0%

FY 2013-14 Indirect Cost Assessment Request

For FY 2013-14 the Department has requested \$11,334,552 for indirect cost assessments. **Table 4** shows the FY 2013-14 Department request for the Indirect Cost Assessment line items in each division. The FY 2013-14 request represents an increase of \$911,537 from the FY 2012-13 indirect cost assessment, mainly due to the transfer of the Ports of Entry from the Department of Revenue to the Colorado State Patrol.

Table 4					
Department Indirect Cost Assessment Request					
Division	Total	CF	HUTF	RF	FF
Colorado State Patrol	\$9,712,115	251,572	8,645,577	479,149	335,817
Division of Fire Prevention and Control	217,991	167,453	0	16,538	34,000
Division of Criminal Justice	688,972	74,252	0	8,459	606,261
Colorado Bureau of Investigation	449,037	320,385	0	109,039	19,613
Homeland Security and Emergency Management	266,437	0	0	8,282	258,155
Total FY 2013-14 Request	\$11,334,552	\$813,662	\$8,645,577	\$621,467	\$1,253,846
FY 2012-13 Indirect Cost Assessment	\$10,423,015	\$759,101	\$7,839,653	\$603,686	\$1,220,575
Difference (FY 14 - FY 13)	\$911,537	\$54,561	\$805,924	\$17,781	\$33,271

Appendix E: Change Requests' Relationship to Performance Measures

This appendix will show how the Department of Public Safety indicates each change request ranks in relation to the Department's top priorities and what performance measures the Department is using to measure success of the request.

Change Requests' Relationship to Performance Measures			
R	Change Request Description	Goals / Objectives	Performance Measures
R-1	DCJ, Colorado Commission on Criminal and Juvenile Justice Continuation Funding	Office of Research and Statistics: Improve public safety, respect the rights of victims of crime, expand the use of evidence based practices and reduce recidivism by ensuring the efficiency and effectiveness of the Colorado Commission on Criminal and Juvenile Justice by convening the multidisciplinary Colorado Commission on Criminal and Juvenile Justice and its task forces and working groups and publish an annual summary of work accomplished by these groups.	Relationship to performance measures not provided.
R-2	DHSEM, Critical Infrastructure and Continuity of Operations Request	For the Critical Infrastructure Protection (CIP) program, the proposal would allow the Office of Preparedness (OP) to work toward certain measures, namely increasing the number of critical infrastructure sites added to the Automated Critical Asset Management System (ACAMS), attend vital information-sharing meetings with key partners, and conduct outreach with the Protective Security Advisor from the U.S. Department of Homeland Security (DHS).	Relationship to performance measures not provided.
R-3	CSP, Moffat County Public Safety Center Operating Agreement	Increase information sharing between the Colorado State Patrol, allied agencies, the public and private sectors.	Relationship to performance measures not provided.
R-4	CSP, Increase Spending Authority for Special Events Road and Lane Closures	<ul style="list-style-type: none"> - Reduce injuries and fatalities resulting from crashes. - Develop predetermined traffic mitigation strategies for major events in collaboration with allied agencies. 	Reduce by 5% the number of fatal and injury crashes investigated by troopers statewide in CY 2012 to 2015.
R-5	DCJ, Community Provider Rate Increase	Relationship to objective not provided.	Relationship to performance measures not provided.
NP-1	EDO – Capitol Complex Building Upgrades	N/A	N/A
NP-2	EDO – Employee Engagement Survey Adjustment	N/A	N/A
NP-3	EDO – OIT Enterprise Asset Management	N/A	N/A