



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #300

Juvenile Population Estimates, Daily Rates, and Population-Related Cost Adjustments (Corrections -- Juvenile Corrections)

[LFB 2009-11 Budget Summary: Pages 223 to 225, #1 thru #3, and Page 227, #6]

CURRENT LAW

Daily rates for juvenile care in a given biennium are specified in statute by fiscal year for juvenile correctional facilities, the corrective sanctions program, aftercare supervision, and alternative care settings, which include residential care centers for children and youth, group homes, treatment foster homes, and foster homes. The daily rates for the juvenile correctional facilities, the corrective sanctions program, and aftercare supervision are calculated based on the projected annual cost and the estimated average daily population for each type of care. Alternate care rates are determined by applying percentage adjustments to prior daily rates for each type of care.

GOVERNOR

Juvenile Correctional Facilities

Reestimate the juvenile correctional facilities average daily population from 583 in 2008-09 to 605 in 2009-10 and 610 in 2010-11, as shown in Table 1 below. Population projections for the corrective sanctions program, aftercare services, and alternate care are also identified. The population projections include juveniles in the state-funded serious juvenile offender program. Under the bill, the population projections in the table are used in the calculation of daily rates for each type of care, excluding alternate care.

TABLE 1**Average Daily Population**

	Year-to-Date ADP <u>Thru March, 2009</u>	Projected ADP	
		<u>2009-10</u>	<u>2010-11</u>
Juvenile Correctional Facilities	581	605	610
Other Placements			
Corrective Sanctions	144	136	136
Aftercare Services	<u>74</u>	<u>75</u>	<u>75</u>
Subtotal -- Other	218	211	211
Total ADP	799	816	821
Alternate Care	55	56	56

Provide the following population-based cost adjustments to the projected annual cost of juvenile correctional facility care: (a) \$191,100 PR in 2009-10 and \$211,000 PR in 2010-11 for food costs; (b) \$24,200 PR in 2009-10 and \$29,700 PR in 2010-11 for variable non-food costs (such as laundry, clothing, and personal items); and (c) \$849,400 PR in 2009-10 and \$1,157,100 PR in 2010-11 to reflect juvenile health care costs.

Statutory Daily Rates

Establish the following (Table 2) statutory daily rates for juvenile correctional facilities, corrective sanctions, aftercare supervision, and for each type of alternate care setting, including residential care centers for children and youth, group homes, treatment foster homes, and foster homes.

TABLE 2**Statutory Daily Rates**

	7-1-08 thru <u>6-30-09</u>	AB 75	
		7-1-09 thru <u>6-30-10</u>	7-1-10 thru <u>6-30-11</u>
Juvenile Correctional Facilities*	\$268	\$270	\$275
Corrective Sanctions	101	101	103
Aftercare Supervision	37	40	41
Residential Care Centers	296	294	309
Group Homes	172	190	200
Treatment Foster Homes	145	126	132
Regular Foster Homes	74	72	75

*Including transfers from a juvenile correctional facility to the Mendota Juvenile Treatment Center.

Alternate Care

Modify funding by -\$256,500 PR in 2009-10 and \$7,000 PR in 2010-11 for alternate care to reflect population reestimates. Under the bill, the alternate care ADP is projected at 56 juveniles annually. Further, reduce appropriation funding by \$54,000 PR annually associated with an across-the-board funding reduction of 1%.

DISCUSSION POINTS

This is a modification paper that reestimates the average daily populations at 587 annually for juvenile care at juvenile correctional facilities, and reduces funding associated with population-related costs as a result. In addition, this paper deletes funding associated with vacant positions in the juvenile operations appropriation. As a result of reducing costs along with reestimating populations, the daily rates for juvenile correctional facilities would remain the same as in the bill. Further, this paper modifies the Governor's recommendations by \$108,600 PR in 2009-10 and \$114,100 PR in 2010-11 for juvenile alternate care to reflect modified population estimates. Further, the daily rates for alternate care settings would be modified.

Juvenile Correctional Facilities

1. The juvenile correctional facilities include Ethan Allen School, Lincoln Hills School, Southern Oaks Girls School, the SPRITE adventure-based education program, and the Mendota Juvenile Treatment Center. In 2007-08, the ADP for the juvenile correctional facilities was 586. The average daily rate is calculated based on the projected costs of the schools and the estimated ADP during each year of the biennium. As a result, the projected juvenile population for a given budget cycle can be a critical determination since it affects the rates charged to counties.

2. For its 2009-11 budget request, the Department of Corrections estimated populations for juvenile correctional facilities (605 in 2009-10 and 610 in 2010-11) based on population trends through the summer of 2007-08. Reviewing more recent population trends, the projected populations could be reduced to 587 juveniles annually.

3. However, a reduction in the estimated ADP would increase the daily rate charged to counties for juvenile correctional facilities without a corresponding decrease in the projected costs for care at the juvenile correctional facilities. In order to recognize the lower population trends but prevent an increase to the daily rates, the Department has identified cost savings of \$1,846,100 PR in 2009-10 and \$2,254,200 PR in 2010-11 associated with: (a) population-related funding, including food, variable non-food (such as clothing and laundry), and health (-\$88,500 PR in 2009-10 and -\$123,100 PR in 2010-11); and (b) funding for salary and fringe benefits associated with 23.0 vacant positions in 2009-10 and 27.0 vacant positions in 2010-11 in the Division of Juvenile Corrections (-\$1,757,600 PR in 2009-10 and -\$2,131,100 PR in 2010-11).

4. As a result of reducing both the projected ADP for juvenile correctional facilities to 587 annually and the projected costs of care at the facilities by \$1,846,100 PR in 2009-10 and

\$2,254,200 PR in 2010-11, the statutory daily rates for the juvenile correctional facilities would remain at \$270 in 2009-10 and \$275 in 2010-11 as provided in AB 75.

Alternate Care

5. The residential aftercare appropriation (alternate care) funds the costs of care for juveniles placed in residential care centers for children and youth, foster care homes, treatment foster care homes, group homes, and certain other living arrangements following their release from juvenile correctional facilities. Base funding for alternate care is \$5,395,300 PR, with an ADP of 48 juveniles in 2007-08. Under the bill, the alternate care ADP is projected at 56 annually.

6. Rates for alternate care settings are estimated by taking the actual average rates paid for each type of care for the first six months in 2008, and applying annual percentage rates of increase. The estimated 2009-10 and 2010-11 average rates for each type of care and projected ADP for each type of care (a total of 56 annually) are then used to calculate the budget recommendation for alternate care.

7. Based on more recent data on the actual average rates paid for each type of care (through December 2008), the 2009-10 and 2010-11 average rates can be adjusted for residential care centers and treatment foster care, as follows: (a) for residential care centers, \$298 in 2009-10 and \$313 in 2010-11 (as compared to \$294 in 2009-10 and \$309 in 2010-11 of AB 75); and (b) for treatment foster care, \$124 in 2009-10 and \$130 in 2010-11 (as compared to \$126 in 2009-10 and \$132 in 2010-11 of AB 75).

8. Under the bill, the projected ADP for alternate care settings is based on data through June, 2008. Utilizing more recent data on alternate care placements, the ADP for each type of care can be reestimated. Although the total number of juveniles would remain the same (56 annually), the projected population at residential care centers and group homes could be adjusted, as follows: (a) for residential care centers, 37 juveniles (as compared to 35 annually); and (b) for group homes, 16 (as compared to 18 annually).

9. Based on the revised average rates and projected ADPs for alternate care, funding in the bill would be modified by \$161,000 PR in 2009-10 and \$166,600 PR in 2010-11.

MODIFICATION

Reestimate the average daily population at 587 annually for the juvenile correctional facilities. Delete \$1,846,100 PR in 2009-10 and \$2,254,200 PR in 2010-11 associated with salary and fringe benefits for vacant positions and reduced population-related costs. Provide \$161,100 PR in 2009-10 and \$166,600 in 2010-11 associated on revised daily rates and population projections for alternate care. As a result of the modifications, the juvenile populations for 2009-11 are estimated, as follows:

Average Daily Population

	<u>AB 75</u>		<u>Projected ADP</u>		<u>Difference</u>	
	<u>2009-10</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2010-11</u>
Juvenile Correctional Facilities	605	610	587	587	-18	-23
Other Placements						
Corrective Sanctions	136	136	136	136	--	--
Aftercare Services	<u>75</u>	<u>75</u>	<u>75</u>	<u>75</u>	--	--
Subtotal -- Other	211	211	211	211	--	--
Total ADP	816	821	798	798	-18	-23
Alternate Care	56	56	56	56	--	--

As a result of the modifications, the following statutory daily rates would be provided:

Statutory Daily Rates

	<u>AB 75</u>		<u>Modified Daily Rates</u>		<u>Difference</u>	
	<u>7-1-09 thru</u> <u>6-30-10</u>	<u>7-1-10 thru</u> <u>6-30-11</u>	<u>7-1-09 thru</u> <u>6-30-10</u>	<u>7-1-10 thru</u> <u>6-30-11</u>	<u>7-1-09 thru</u> <u>6-30-10</u>	<u>7-1-10 thru</u> <u>6-30-11</u>
Juvenile Correctional Facilities	\$270	\$275	\$270	\$275	--	--
Corrective Sanctions	101	103	101	103	--	--
Aftercare Supervision	40	41	40	41	--	--
Residential Care Centers	294	309	298	313	\$4	\$4
Group Homes	190	200	190	200	--	--
Treatment Foster Homes	126	132	124	130	2	2
Regular Foster Homes	72	75	72	75	--	--

Change to Bill Funding
PR - \$3,772,600

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