

**Department of Juvenile Corrections**

**A.R.S. § 41-2802**

Director: David Gaspar

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	<b>FY 2000 Actual</b>	<b>FY 2001 Estimate</b>	<b>FY 2002 Approved</b>	<b>FY 2003 Approved</b>
<b>PROGRAM BUDGET</b>				
Administration	6,676,900	6,337,200	7,031,500	7,302,700
Housing				
<u>Subprograms</u>				
Security	19,616,700	20,923,700	20,233,300	21,272,400
Health Care	5,584,000	5,134,900	4,947,800	5,094,600
Facilities Support	5,640,300	6,424,800	5,739,300	5,854,900
<i>Program Subtotal - Housing</i>	30,841,000	32,483,400	30,920,400	32,221,900
Rehabilitation				
<u>Subprograms</u>				
Education	6,974,000	5,938,300	5,990,200	6,249,700
Secure Care Treatment	9,867,700	14,222,900	13,422,400	14,143,700
Community Care Treatment	14,360,300	15,718,800	15,775,800	15,926,100
<i>Program Subtotal - Rehabilitation</i>	31,202,000	35,880,000	35,188,400	36,319,500
<b>TOTAL APPROPRIATIONS</b>	<b>68,719,900</b>	<b>74,700,600</b>	<b>73,140,300</b>	<b>75,844,100</b>
<b>OPERATING BUDGET</b>				
Full Time Equivalent Positions	1,327.2	1,402.2	1,300.7	1,300.7
Personal Services	36,228,000	41,231,500	40,276,600	42,899,900
Employee Related Expenditures	9,686,500	10,970,300	10,296,700	10,216,000
Professional and Outside Services	12,191,600	13,013,500	12,927,000	12,928,600
Travel - In State	496,300	794,600	774,500	774,500
Travel - Out of State	53,100	16,300	16,300	16,300
Food	913,900	1,022,400	808,200	808,200
Other Operating Expenditures	7,144,400	7,549,100	7,121,000	7,280,600
Equipment	2,006,100	102,900	920,000	920,000
<b>TOTAL APPROPRIATIONS</b>	<b>68,719,900</b>	<b>74,700,600</b>	<b>73,140,300</b> <sup>1/2/3/</sup>	<b>75,844,100</b> <sup>1/2/3/</sup>
<b>FUND SOURCES</b>				
General Fund	64,776,700	69,675,400	68,365,700	70,962,800
<u>Other Appropriated Funds</u>				
State Education Fund for Committed Youth	3,343,200	4,040,200	3,749,900	3,911,000
Criminal Justice Enhancement Fund	300,000	685,000	724,700	610,300
State Charitable, Penal and Reformatory				
Institutions Land Fund	300,000	300,000	300,000 <sup>4/</sup>	360,000 <sup>4/</sup>
<i>Subtotal - Other Appropriated Funds</i>	3,943,200	5,025,200	4,774,600	4,881,300
<b>TOTAL APPROPRIATIONS</b>	<b>68,719,900</b>	<b>74,700,600</b>	<b>73,140,300</b>	<b>75,844,100</b>

1/ The department shall provide a travel stipend to all Southwest Regional Juvenile Correction Complex staff whose residence is at least 20 miles from work. (General Appropriation Act footnote)  
 2/ Following implementation of the travel stipend the department shall study the relationship between the stipend, turnover and overtime pay. The department shall provide a report to the Joint Legislative Budget Committee Staff on its findings no later than September 15, 2002. (General Appropriation Act footnote)  
 3/ General Appropriation Act funds are appropriated as a Lump Sum by Agency.  
 4/ Twenty-five percent of land earnings and interest from the State Charitable, Penal and Reformatory Institutions Land Fund shall be distributed to the Department of Juvenile Corrections, in compliance with Section 25 of the Enabling Act and with the Constitution, to be used for the support of state juvenile institutions and reformatories. (General Appropriation Act footnote)

**AGENCY DESCRIPTION** — *The Department of Juvenile Corrections (DJC) is responsible for the care and treatment of youth offenders adjudicated by the Courts to be delinquent and remanded to the custody of the department. DJC has jurisdiction over youths until they are released from custody or reach age 18.*

<b>PERFORMANCE MEASURES</b>	FY 1999	FY 2000	FY 2001	FY 2002-03
	Est./Actual	Est./Actual	Estimate	Estimate
• Average yearly cost per juvenile in secure care (in \$)*	NA/54,800	50,400/54,600	54,500	54,400
• Average daily population in secure care	1,049/955	1,066/946	978	927/925
• Fiscal year-end bed surplus/(shortage)	NA	2/96	183	41/43
• Escapes from DJC secure care facilities	0/0	0/0	0	0
• Juveniles passing the General Equivalence Degree language test	NA/79	80/56	82	85
• % of juveniles who show progress in their primary treatment problem area	NA/68	72/74	75	77/80
• % of juveniles returned to custody within 12 months of release	NA/20	NA/23	26	22
• % of agency staff turnover	NA/28	NA/29	27	25
• Administration as a % of total cost	NA	6.9/NA	7/NA	8.5/8.5
• Customer satisfaction rating for employee satisfaction (Scale 1-8)	NA	NA	NA	6

\* The average juvenile's length of stay is between 7 and 8 months; these averages assume a 12-month stay.

### **Operating Budget Issues**

**Population Growth** — The approved amount includes a General Fund decrease of \$(4,379,700) and a State Education Fund for Committed Youth decrease of \$(509,700) in both FY 2002 and FY 2003 below FY 2001 due to a decrease in the department's secure care population and the elimination of 200 beds. The approved amount also includes a decrease of (84) FTE Positions funded from the General Fund and (20) FTE Positions funded from Other Funds in both FY 2002 and FY 2003 below FY 2001.

Savings were realized in the department's budget because the FY 2001 funded bed capacity was 1,168; however, the actual committed juvenile population was 911 at the end of May 2001. As a result, the approved amount includes monies for the department to operate 968 beds in both FY 2002 and FY 2003 with a projected population of 927 in FY 2002 and 925 in FY 2003.

The savings appear in the following subprograms: Security subprogram, Health Care subprogram, Facilities Support subprogram, Education subprogram, and Secure Care Treatment subprogram. (*See subprogram descriptions for additional information.*)

**YCO Pay Plan Annualization** — The approved amount includes a General Fund increase of \$343,800 in both FY 2002 and FY 2003 above FY 2001 to annualize the cost of a Youth Correctional Officer (YCO) pay step plan established in FY 2001. The pay plan, which was half-year funded in FY 2001, allows the department to provide step increases for YCO I's and YCO II's based on experience. These increases are in addition to the salary adjustments each YCO series position will receive on

April 1, 2002 (\$2,500) and 2003 (\$1,500). The increases from annualization of the FY 2001 YCO pay plan appear in the Security subprogram and Secure Care Treatment subprogram.

**Female Mental Health Unit** — The approved amount includes a General Fund increase of \$118,000 and 2.5 FTE Positions in both FY 2002 and FY 2003 above FY 2001 to establish a specialized mental health unit for committed female juveniles at the Black Canyon School. The increases appear in the following subprograms: Security subprogram, Health Care subprogram, and Secure Care Treatment subprogram.

**Equipment Replacement** — The approved amount includes a General Fund increase of \$817,100 in both FY 2002 and FY 2003 above FY 2001 for ongoing equipment replacement. The approved amount funds a 10-year replacement schedule for the department's fixed assets, including computers, cars, office equipment and furniture. The increases appear in the following programs and subprograms: Administration program, Security subprogram, Health Care subprogram, Facilities Support subprogram, Education subprogram, and Secure Care Treatment subprogram.

### **Program Budget**

**Administration Program** — This program provides general administrative support to the agency including budget, personnel, computer services, and strategic management. The approved appropriation is funded from the General Fund. The approved amount includes an increase of \$55,800 in both FY 2002 and FY 2003 above FY 2001 for ongoing equipment replacement. (*See*

*Equipment Replacement discussion for additional information.)*

**Housing Program** — This program provides supervision, control, housing, and health services for committed juveniles requiring placement in a secure facility.

**Security Subprogram** — This subprogram maintains safe and secure facilities through the training and management of security staff and oversight of the committed juvenile population. The approved amount is funded from the General Fund and the State Charitable, Penal and Reformatory Institutions Land Fund.

<b>Security Subprogram by Fund Source</b>		
<b>Fund Source</b>	<b>FY 2002</b>	<b>FY 2003</b>
General Fund	\$19,933,300	\$20,972,400
State Charitable, Penal and Reformatory Institutions Land Fund	<u>300,000</u>	<u>300,000</u>
<b>TOTAL</b>	<b>\$20,233,300</b>	<b>\$21,272,400</b>

The approved amount includes a General Fund decrease of \$(2,327,600) and (53) FTE Positions in both FY 2002 and FY 2003 below FY 2001 due to the elimination of 200 beds because of lower than projected population growth. *(See Population Growth discussion for additional information.)*

The approved appropriation includes a General Fund increase of \$616,900 in both FY 2002 and FY 2003 above FY 2001 to fund a travel stipend for department personnel who work at the Buckeye juvenile facility (Southwest Regional Juvenile Corrections Complex). A new footnote limits the stipend to staff whose residence is at least 20 miles from work.

The approved amount includes a General Fund increase of \$271,100 in both FY 2002 and FY 2003 above FY 2001 for ongoing equipment replacement. *(See Equipment Replacement discussion for additional information.)*

The approved amount also includes a General Fund increase of \$172,700 in both FY 2002 and FY 2003 above FY 2001 to annualize the cost of a YCO pay step plan established in FY 2001. *(See YCO Pay Plan Annualization for additional information.)*

In addition, the approved amount includes a General Fund increase of \$65,300 and 1.5 FTE Positions in both FY 2002 and FY 2003 above FY 2001 for security costs associated with the establishment of a mental health unit for female juveniles. *(See Female Mental Health Unit for additional information.)*

**Health Care Subprogram** — This subprogram provides health services and education to committed juveniles in secure facilities utilizing both on-site professional staff and off-site hospitals and specialists. The approved appropriation is funded from the General

Fund. The approved amount includes a General Fund decrease of \$(230,100) and (2) FTE Positions in both FY 2002 and FY 2003 below FY 2001 due to the elimination of 200 beds because of lower than projected population growth. *(See Population Growth discussion for additional information.)*

The approved amount also includes a General Fund increase of \$38,200 and 0.5 FTE Positions in both FY 2002 and FY 2003 above FY 2001 for costs associated with hiring a psychiatrist to staff a mental health unit for female juveniles. *(See Female Mental Health Unit for additional information.)*

In addition, the approved amount includes a General Fund increase of \$13,800 in both FY 2002 and FY 2003 above FY 2001 for ongoing equipment replacement. *(See Equipment Replacement discussion for additional information.)*

**Facilities Support Subprogram** — This subprogram inspects and maintains the agency’s buildings, including office space, juvenile housing and programming facilities. The approved appropriation is funded from the General Fund. The approved amount includes a General Fund decrease of \$(367,500) in both FY 2002 and FY 2003 below FY 2001 due to the elimination of 200 beds because of lower than projected population growth. *(See Population Growth discussion for additional information.)*

The approved amount also includes a General Fund decrease of \$(580,400) in FY 2002 below FY 2001 and a FY 2003 decrease of \$(560,600) below FY 2001 to reflect reduced lease costs for land that the department leases from the State Land Department for the Adobe Mountain facility.

In addition, the approved amount includes a General Fund increase of \$206,700 in both FY 2002 and FY 2003 above FY 2001 for ongoing equipment replacement. *(See Equipment Replacement discussion for additional information.)*

**Rehabilitation Program** — This program provides committed juveniles with the opportunity to improve their education and change their delinquent behavior patterns. The subprogram is funded from the General Fund, the State Education Fund for Committed Youth, and the Criminal Justice Enhancement Fund (CJEF).

**Education Subprogram** — This subprogram provides educational services, including reading, writing, mathematics and computer work, to committed youth to assist the youth to make a successful transition to the community. The approved amount is funded from the General Fund, the State Education Fund for Committed Youth, and the State Charitable, Penal and Reformatory Institutions Land Fund. The State Education Fund for Committed Youth is the state’s statutory K-12 Basic State Aid money that provides funding for the education of committed youth. The funding level is based on the DJC student count.

**Education Subprogram by Fund Source**

<u>Fund Source</u>	<u>FY 2002</u>	<u>FY 2003</u>
General Fund	\$2,240,300	\$2,278,700
State Education Fund for Committed Youth	3,749,900	3,911,000
State Charitable, Penal and Reformatory Institutions Land Fund	0	60,000
<b>TOTAL</b>	<b>\$5,990,200</b>	<b>\$6,249,700</b>

The approved amount includes a General Fund decrease of \$(49,400) and a State Education Fund for Committed Youth decrease of \$(509,700) in both FY 2002 and FY 2003 below FY 2001 due to lower than projected population growth. The approved amount also included a decrease of (20) Other Fund FTE Positions in both FY 2002 and FY 2003 below FY 2001. *(See Population Growth discussion for additional information.)*

In addition, the approved amount includes a General Fund increase of \$216,300 in both FY 2002 and FY 2003 above FY 2001 for ongoing equipment replacement. *(See Equipment Replacement discussion for additional information.)*

**Secure Care Treatment Subprogram** — This subprogram provides programming to facilitate behavioral changes for committed juveniles in the department's secure facilities. Programming includes, but is not limited to, treatment and counseling to address delinquent behavior related to sex offenses, violent offenses, anger management, mental health and substance abuse. This subprogram is funded from the General Fund and CJEF.

**Secure Care Treatment Subprogram  
by Fund Source**

<u>Fund Source</u>	<u>FY 2002</u>	<u>FY 2003</u>
General Fund	\$12,972,700	\$13,808,400
CJEF	449,700	335,300
<b>TOTAL</b>	<b>\$13,422,400</b>	<b>\$14,143,700</b>

The approved amount includes a General Fund decrease of \$(1,405,100) and (29) FTE Positions in both FY 2002 and FY 2003 below FY 2001 due to lower than projected population growth. *(See Population Growth discussion for additional information.)*

The approved amount also includes a General Fund increase of \$171,100 in both FY 2002 and FY 2003 above FY 2001 to annualize the cost of a YCO pay step plan established in FY 2001. *(See YCO Pay Plan Annualization for additional information.)*

In addition, the approved amount includes a General Fund increase of \$72,600 in both FY 2002 and FY 2003 above FY 2001 for ongoing equipment replacement. *(See Equipment Replacement discussion for additional information.)*

The approved amount also includes a General Fund increase of \$14,500 and 0.5 FTE Positions in both FY 2002 and FY 2003 above FY 2001 for secure care programming costs associated with the establishment of a mental health unit for female juveniles. *(See Female Mental Health Unit for additional information.)*

The approved amount includes a funding shift of \$130,200 in FY 2003 due to a declining fund balance in CJEF. The approved amount includes a General Fund increase of \$130,200 and a CJEF decrease of \$(130,200) in FY 2003 from FY 2001.

**Community Care Treatment Subprogram** — This subprogram provides supervision of conditionally released juveniles and coordinates their treatment while in the community. The subprogram is funded from the General Fund and CJEF. The approved amount includes a General Fund decrease of \$(19,200) in both FY 2002 and FY 2003 below FY 2001 for the elimination of one-time FY 2001 equipment funding.

**Community Care Treatment Subprogram  
by Fund Source**

<u>Fund Source</u>	<u>FY 2002</u>	<u>FY 2003</u>
General Fund	\$15,500,800	\$15,651,100
CJEF	275,000	275,000
<b>TOTAL</b>	<b>\$15,775,800</b>	<b>\$15,926,100</b>

**Capital Outlay Appropriations:** (Chapter 237) — Appropriates \$1,482,000 in FY 2002 from the Corrections Fund to the Arizona Department of Administration (ADOA) for replacement of HVAC systems throughout the DJC system. Also, appropriates \$785,000 in FY 2002 from the Corrections Fund to ADOA for a new medical unit at DJC's Adobe Mountain location.

In addition, appropriates \$440,800 in FY 2002 and \$487,100 in FY 2003 from the Corrections Fund to ADOA for DJC building renewal projects. The appropriations provide 100% of the DJC building renewal formula in both FY 2002 and FY 2003.

**Additional Legislation:** CORP; Members; Normal Retirement (Chapter 309) — Lowers the age for normal retirement from 25 years to 20 years of service for members of the Correctional Officers Retirement Plan (CORP). The bill also raises the cap on the pension amount that a CORP member can receive from 75% to 80% of final average earnings. As contribution rates have been established for FY 2002 and FY 2003 prior to enactment of this bill, the fiscal impact of the bill will not be known until FY 2004. A JLBC Staff fiscal note estimates the FY 2004 General Fund cost at approximately \$4,300,000. *(Please see Arizona State Retirement System for more information on CORP and Chapter 309.)*

**Other Issues:** Community Treatment Provider Increase — The General Appropriation Act, as amended by Laws 2001, Chapter 385, appropriated \$20,578,400 from the

General Fund and \$2,000,000 from the Federal Temporary Assistance for Needy Families (TANF) Block Grant in FY 2003 for community treatment program provider rate adjustments. These monies will be allocated to the following 4 agencies: the Department of Economic Security, the Department of Health Services, the Department of Juvenile Corrections and the Judiciary. The appropriation will provide an average 5% increase on July 1, 2002, with an additional 5% increase on April 1, 2003 for most agencies and January 1, 2003 for the Division of Developmental Disabilities (DDD) in the Department of Economic Security. Because the exact distribution will be reviewed by the Joint Legislative Budget Committee in spring 2002, JLBC Staff will include the final distributions within each agency in its FY 2002 & FY 2003 Supplemental Adjustments book. Therefore, these monies are currently not reflected in agencies' budgets. *(Please see the **Provider Rate Adjustment** discussion in the General Provisions section in the front of this report for further details on this adjustment.)*

The Governor line item vetoed a FY 2002 appropriation of \$5,478,400 from the General Fund and \$400,000 from TANF, which would have started the first 5% increase on January 1, 2002 for DDD and April 1, 2002 for all other agencies. Instead, this first 5% increase will start July 1, 2002 as noted above. *(Please see the **Provider Rate Adjustment** discussion in the General Provision section in the front of this report for further details on this adjustment.)*

No Wrong Door — The Government Information Technology Agency was appropriated \$232,700 in FY 2002 and \$56,300 in FY 2003 from the TANF Block Grant to implement the screening and referral phase of the No Wrong Door Initiative. The initiative is intended to address citizen access to approximately 50 independently-operated state government programs that serve children and families. The agencies participating in the initiative include the Department of Economic Security, the Arizona Health Care Cost Containment System, the Department of Health Services, the Department of Juvenile Corrections and the Judiciary. The other 2 phases of the No Wrong Door initiative include Information Sharing (Phase 2) and Plan Development (Phase 3).

In addition, Laws 2001, Chapter 235, appropriates additional funding in FY 2002 and FY 2003 from the General Fund for the screening and referral phase of No Wrong Door. These appropriations are contingent on the availability of excess revenues in FY 2001 and FY 2002. *(See Government Information Technology Agency for more information on No Wrong Door.)*

[Click here to return to the Table of Contents](#)