

# Legislative Audit Division

---

State of Montana



---

Report to the Legislature

November 1999

## Performance Audit

# Out-of-home Placement of Juvenile Offenders

## Department of Corrections

This report addresses out-of-home placement of juvenile offenders funded through appropriations to the Department of Corrections. Findings and recommendations cover the placement decision-making and funding process.

Direct comments/inquiries to:  
Legislative Audit Division  
Room 135, State Capitol  
PO Box 201705  
Helena MT 59620-1705

99P-02

Help eliminate fraud, waste, and abuse in state government. Call the Fraud Hotline at 1-800-222-4446 statewide or 444-4446 in Helena.

## **PERFORMANCE AUDITS**

Performance audits conducted by the Legislative Audit Division are designed to assess state government operations. From the audit work, a determination is made as to whether agencies and programs are accomplishing their purposes, and whether they can do so with greater efficiency and economy. In performing the audit work, the audit staff uses audit standards set forth by the United States General Accounting Office.

Members of the performance audit staff hold degrees in disciplines appropriate to the audit process. Areas of expertise include business and public administration, statistics, economics, computer science, and engineering.

Performance audits are performed at the request of the Legislative Audit Committee which is a bicameral and bipartisan standing committee of the Montana Legislature. The committee consists of six members of the Senate and six members of the House of Representatives.

### **MEMBERS OF THE LEGISLATIVE AUDIT COMMITTEE**

Senator Linda Nelson, Vice Chair  
Senator Reiny Jabs  
Senator Ken Miller  
Senator Barry "Spook" Stang  
Senator Mike Taylor  
Senator Jon Tester

Representative Bruce Simon, Chair  
Representative Beverly Barnhart  
Representative Mary Anne Guggenheim  
Representative Dick Haines  
Representative Robert Pavlovich  
Representative Steve Vick

# LEGISLATIVE AUDIT DIVISION

Scott A. Seacat, Legislative Auditor  
John W. Northey, Legal Counsel  
Tori Hunthausen, IT & Operations Manager



Deputy Legislative Auditors:  
Jim Pellegrini, Performance Audit  
James Gillett, Financial-Compliance Audit

November 1999

The Legislative Audit Committee  
of the Montana State Legislature

We conducted a performance audit of the process used for out-of-home placement of juvenile offenders. The Community Corrections Division in the Department of Corrections is responsible for oversight of juvenile placement activities. Judicial district youth courts and youth placement committees are also key participants in the process. This report contains recommendations for improving the juvenile placement decision-making process. Written response from the Department of Corrections is included at the end of the report.

We appreciate the cooperation and assistance of department staff during the audit.

Respectfully submitted,

“Signature on File”

Scott A. Seacat  
Legislative Auditor



# **Legislative Audit Division**

---

## **Performance Audit**

# **Out-of-home Placement of Juvenile Offenders**

## **Department of Corrections**

Members of the audit staff involved in this audit were Tom Cooper and Mike Wingard.



## Table of Contents

	Appointed Administrative Officials . . . . .	Page v
	Report Summary . . . . .	Page S-1
<b>Chapter I - Introduction</b>	Introduction . . . . .	Page 1
	Audit Objectives . . . . .	Page 1
	Audit Scope . . . . .	Page 1
	Placement and Expenditure Information . . . . .	Page 2
	Audit Methodologies . . . . .	Page 3
	Management Memorandums . . . . .	Page 3
	Compliance . . . . .	Page 4
	Audit Follow-up . . . . .	Page 4
	Report Organization . . . . .	Page 5
<b>Chapter II - Background</b>	Introduction . . . . .	Page 7
	Juvenile Residential Placement Unit . . . . .	Page 7
	Regional Financial Specialists . . . . .	Page 7
	Juvenile Placement Funding and Expenditures . . . . .	Page 8
	Regional Distribution of Funding . . . . .	Page 8
	Placement May be In-state or Out-of-state . . . . .	Page 9
	Three In-state DOC Contracts . . . . .	Page 9
	Out-of-state Contracts . . . . .	Page 11
	DPHHS In-state Contracts . . . . .	Page 11
	Daily Rates for Youth Care Facilities . . . . .	Page 12
	Youth Court Probation is Starting Point for	
	Juvenile Placement . . . . .	Page 12
	Probation Referral and Inquiry . . . . .	Page 13
	Options Include Informal and	
	Formal Proceedings . . . . .	Page 13
	Consent Adjustment is Informal . . . . .	Page 14
	Formal Proceedings . . . . .	Page 15
	Consent Decree . . . . .	Page 15
	Adjudication . . . . .	Page 15
	Youth in Need of Intervention	
	or Delinquent . . . . .	Page 16
	Youth Placement Committees Review Placement	
	Recommendation . . . . .	Page 17

## Table of Contents

---

Placement Guidelines are Used by the YPC . . . . .	Page 18
Primary and Secondary Recommendations are Reviewed . . . . .	Page 18
Department May Reject Recommendations . . . . .	Page 18
Youth Court Disposition . . . . .	Page 18
Formal Probation is an Option . . . . .	Page 20
Disposition Can Require Placement . . . . .	Page 20
Custody Assigned to DOC . . . . .	Page 21
Six-Month Placement Reviews Required . . . . .	Page 21
Juvenile Placement Information for Fiscal Year 1997-98 . . . . .	Page 22
Extended Placements . . . . .	Page 23
Short Term Placement . . . . .	Page 24
<b>Chapter III - Juvenile Placement Process</b>	
Process Meets Intent of Youth Court Act . . . . .	Page 27
Adjudication is Prerequisite to Funding . . . . .	Page 28
Adjudication May not be Necessary . . . . .	Page 29
Statutory Ambiguity Adds to the Lack of Consensus . . . . .	Page 29
Court Resources Impacted . . . . .	Page 29
Urban Versus Rural Alternatives Influence Adjudication . . . . .	Page 29
Pilot Project Encourages Use of Placement Funding for Intervention . . . . .	Page 30
Department Should Clarify Adjudication Requirement . . . . .	Page 31
Department Supports Need for Clarification . . . . .	Page 31
Youth Assessments . . . . .	Page 32
Assessments Help Determine Treatment Needs . . . . .	Page 32
YPCs Rely on Assessment Results . . . . .	Page 33
YPC Placement Review Process Should Include Assessment . . . . .	Page 33
Department Agrees with Need for ARMs Revision . . . . .	Page 34
Financial Support Alternatives . . . . .	Page 34
Resolution Alternatives Include Joint Funding . . . . .	Page 35
Compliance with Existing Statute Should Allow Resolution . . . . .	Page 35



## Table of Contents

---

	Is Statutory Revision Needed? . . . . .	Page 36
	Department Supports Formalizing Funding Procedures . . . . .	Page 36
	Six-month Placement Reviews . . . . .	Page 37
	Purpose of Committees and Boards Differ . . . . .	Page 37
	Valid Reasons for Substituting Review Groups . . .	Page 38
	Officers Proposed Local Flexibility for Reviews . .	Page 38
	Department Wants to Assure Reviews are Complete and Eliminate Duplication . . . . .	Page 39
<b>Chapter IV - Staff Roles and Responsibilities</b>		
	Introduction . . . . .	Page 41
	Financial Specialists . . . . .	Page 41
	Services are Extensive . . . . .	Page 41
	Services Could be More Consistent . . . . .	Page 42
	Several Reasons for Differences . . . . .	Page 43
	Work Emphasis and Priorities Should be Identified . . . . .	Page 43
	Policy and Procedure Guidelines are Needed . . . . .	Page 43
	Department to Revise Position Descriptions and Develop a Procedures Manual . . . . .	Page 44
	Juvenile Residential Placement Unit (JRPU) . . . . .	Page 44
	Current Priority is Placement Review . . . . .	Page 44
	Other Priorities include Contract Negotiation and Oversight . . . . .	Page 45
	Pilot Project Workload . . . . .	Page 45
	Pilot Project Policies and Procedures Needed . . . . .	Page 45
	JRPU Priorities Should Include Pilot Project Procedures and Oversight . . . . .	Page 46
	Department Proposes Developing a Work Plan as the First Step . . . . .	Page 46
<b>Agency Response</b>		
	Department of Corrections . . . . .	Page 49

## List of Figures & Tables

---

<u>Figure 1</u>	Formal or Informal Proceedings . . . . .	Page 14
<u>Figure 2</u>	Consent Decree or Adjudication . . . . .	Page 16
<u>Figure 3</u>	Adjudication to Disposition . . . . .	Page 19
<u>Figure 4</u>	Juvenile Placement and Review . . . . .	Page 22
<u>Table 1</u>	Budget and Expenditures (Fiscal Year 1997-98) . . . . .	Page 8
<u>Table 2</u>	Regional Allocation of Placement Funding (Fiscal Year 1997-98) . . . . .	Page 9
<u>Table 3</u>	In-state DOC Contract Facilities . . . . .	Page 10
<u>Table 4</u>	Private Provider Daily Rates . . . . .	Page 12

## Appointed and Administrative Officials

### **Department of Corrections**

Rick Day, Director

Mike Ferriter, Administrator  
Community Corrections Division

Sam Lemaich, Region I Administrator

Ron Alsbury, Region II, Administrator

Mike Gersack, Region III, Administrator

Pam Bunke, Region IV, Administrator

Gene Gemignani, Region V, Administrator

Loreen Barnaby, Region VI, Administrator



---

### **Introduction**

The Legislative Audit Committee requested a performance audit of the out-of-home placement of juvenile offenders funded through appropriations to the Department of Corrections (DOC). The Juvenile Residential Placement Unit (JRPU) in DOC's Community Corrections Division and the department's regional offices are responsible for oversight of the juvenile placement process.

---

### **Background**

The Youth Court Act was established to prevent and reduce youth delinquency through immediate, consistent, enforceable, and avoidable consequences. The juvenile correctional policy of the state of Montana is to provide custody, assessment, care, supervision, treatment, education, rehabilitation, and work and skill development for youth in need of these services.

---

### **Juvenile Placement Funding**

For fiscal year 1997-98, the appropriated budget for juvenile placements was \$8,229,519. In addition, the contract for Aspen Youth Alternatives facility operations was appropriated separately for \$2,200,000.

DOC staff administer contracts with three in-state providers and has an agreement with the Department of Public Health and Human Services (DPHHS) allowing placement of juvenile offenders with providers already contracting with DPHHS for youth care. DOC provides the funding for these placements. To access treatment not available in Montana, the DOC also administers contracts with out-of-state facilities. For fiscal year 1997-98, expenditures in these three categories were: DOC in-state -- \$3,213,439, other in-state placements -- \$3,461,290, and DOC out-of-state -- \$3,437,680.

---

### **Juvenile Placement Information for FY 1997-98**

We noted 727 of 1,346 (54 percent) of the youth placed during fiscal year 1997-98 were placed out-of-home over 45 days. Total funding for this category of placements exceeded \$8,995,000 of the \$9,927,479 (90 percent) placement costs for the fiscal year.

For placements less than 45 days, we identified 768 youth placed during the fiscal year. These youth accumulated a total cost of \$1,072,194.

## Report Summary

---

---

### **Process Meets Intent of Youth Court Act**

We conclude the juvenile placement decision-making process generally meets the intent of the Youth Court Act. Youth court officials, Youth Placement Committee (YPC) members, and department staff are all involved in the process as required by the Act. These participants focused on three responsibilities: 1) process timeliness, 2) placement appropriateness, and 3) fiscal control. However, ambiguities in statute and procedures caused placement decision-making participants to informally revise procedures to accommodate the needs of individual youth.

---

### **Access to Funding is Restricted**

Using section 53-1-203, MCA, as the basis for their decision, DOC officials issued an internal legal opinion to regional officials requiring adjudication as a “youth in need of intervention” or a “delinquent” to access juvenile placement funding. This requirement results in more restrictive eligibility for use of this funding than in the past. We found many, but not all, youth court officials disagreed with this interpretation and indicated youth should have access to placement funding through less formal proceedings such as consent adjustments or decrees.

In 1997, the legislature approved a pilot project to determine whether allocating a portion of the placement budget to judicial districts would improve the utilization of available funding. Department officials indicated pilot project legislation eliminates the need for adjudication in pilot-designated districts because DOC is no longer administering the funds. As a result, DOC does not anticipate requiring adjudication in pilot districts, while requiring it in non-pilot districts.

---

### **Department Should Clarify Adjudication Requirement**

To address conflicts between judicial districts and the department regarding the use of placement funding, statutory clarification is needed. The intent of the Youth Court Act should be clarified by the 2001 Legislature to assure access to juvenile placement funding without adjudication.

---

**Assessments Help  
Determine Treatment  
Needs**

Draft DOC policy indicates officers should use standardized assessment tools to provide the YPC with consistent information about youth being considered for out-of-home placement. We noted some officers decided not to use these tools, believing their time with the youth, experience with other youth, and professional judgement provide the same results as a formal assessment. Existing department policies are not specifically directive to youth court probation officers.

According to information from other states, assessments can be used to help determine the type of intervention and/or treatment based on the youth's needs. Further, officials use assessments to help determine what types of placement facilities and intervention alternatives are needed in the state. YPC members also rely on the results of assessments to become more consistent in the placement of youth.

---

**Revise Administrative Rule  
to Require Assessments**

The department should revise administrative rules to provide the authority for the chairperson and/or the committee to request assessments or delay proceedings until results are available for review.

---

**Financial Support  
Alternatives**

Section 41-5-122, MCA, requires the YPC to consider options for financial support of the youth's placement. Probation officers and other YPC members expressed concern about how to resolve the funding responsibility for a youth who has been or is currently designated as a "youth in need of care" due to abuse, neglect, disability, or mental health issues. Their primary concern was whether a youth should be adjudicated as a delinquent, because the care/treatment provided previously through DPHHS funding did not or could not deter delinquent activity.

Most officers agreed these cases should be resolved at the lowest level to assure court activity and access to treatment are not delayed. Officers suggested resolution was more timely and effective when the YPC membership included management level staff from DOC and DPHHS. Additionally, we noted some judicial districts have directed a joint-agency funding approach.

## Report Summary

---

---

### **Compliance with Existing Statute Should Allow Resolution**

Since statute requires the YPC to review financial support options, members should be examining pre-disposition reports to consider relevant information and funding options. When the YPC does not reach consensus on funding, pursuit of resolution at a higher level of authority should be a DOC regional administrator responsibility. The department should formalize YPC procedures for resolving potential alternative funding cases and include them in training for YPC members, regional administrators, and financial specialists.

---

### **Six-Month Placement Reviews**

Section 41-5-122(7), MCA, requires YPCs to “conduct placement reviews at least semiannually.” The purpose of these reviews is to evaluate resources which meet the needs of the youth based on treatment recommendations of professionals while considering financial support options. While most probation officers indicated some kind of six-month review was performed for their youth, we found this process was not consistent across-the-state.

Foster Care Review Committees (FCRC) and Citizen Review Boards (CRB) are used in some communities because federal criteria also requires 6-month placement reviews to support payments such as Medicaid and Social Security benefits. Since many juvenile offenders qualify for federal support payments and/or are in foster care, both the FCRC/CRB and YPC have a statutory review requirement. We noted the FCRCs/CRBs were used for juvenile offenders because of the preference of the courts to work with members of FCRC/CRBs already reviewing placements of youth who are not in trouble with the law.

---

### **Allow Local Flexibility for Reviews**

We found the consensus of most probation and parole officers was to allow judicial districts the flexibility to use either the YPC or a FCRC/CRB to assure complete reviews and eliminate duplication of reviews. We recommend revising state law to allow an alternative to the YPC.



---

**Financial Specialists**

The focus of financial specialists is to evaluate funding alternatives for out-of-home placements to maximize the coverage of General Fund juvenile placement appropriations. By verifying youth eligibility and determining if case managers applied for available financial resources, financial specialists extend the department's funding. While the range of services provided by financial specialists was extensive, we found the provision of these services was inconsistent between DOC regions.

Financial specialist positions were established following the 1997 legislative session and duties are still evolving. It also appeared officers in the judicial district where the regional office and financial specialist are co-located had more frequent contact. Further, the department has not established formal guidelines to identify fundamental duties and responsibilities. Finally, services provided by financial specialists have not been determined for pilot versus non-pilot districts.

---

**Work Emphasis and  
Priorities should be  
Formalized**

Based on these differences, we noted financial specialists in some regions are not sure how much emphasis to place on any one type of workload, particularly when this work is at the expense of other placement duties. Financial specialists in all regions identified existing workload backlogs and suggested there was a need to establish guidelines for day-to-day priorities. While allowing for some independence and creativity, duties and responsibilities should be formalized to clarify the role of financial specialists.

---

**Juvenile Residential  
Placement Unit (JRPU)**

The mission of the JRPU is to provide the most appropriate placements with available resources. The unit manager's defined duties include residential placement program development, monitoring placement services, and oversight of placement costs to maximize funding resources.

## Report Summary

---

---

### **Current Priority is Placement Review**

We found the current workload priority is after-the-fact review of placements, including YPC referral forms, court orders, and six-month review documentation. The second workload priority involves negotiating placement contracts with private providers. The next priority is oversight of contract facilities through review of reports and/or on-site visits. Additionally, JRPU staff have been involved with monitoring of the two pilot project districts.

---

### **JRPU Priorities Should Include Pilot Project Procedures and Oversight**

The expansion of the pilot approach will significantly increase the number of questions and problems compared to the two districts currently involved. Probation officers expressed concern about a variety of operating procedures such as: allocation of funding, payment processing, over-budget conditions, intervention funding, and impact of correctional facility placements.

The department should review current and anticipated workload for the JRPU and establish priorities which include development of standard procedures for operations and oversight of an expanded pilot project.

# Chapter I - Introduction

---

## **Introduction**

The Legislative Audit Committee requested a performance audit of the out-of-home placement of juvenile offenders funded through appropriations to the Department of Corrections (DOC). The department oversees placement of juvenile offenders in both community-based and secure facilities. The Juvenile Residential Placement Unit (JRPU) in the Community Corrections Division and the department's regional offices are responsible for oversight of the juvenile placement process.

Throughout this report, references to juveniles mean youth who have committed offenses resulting in further involvement in the juvenile justice system. Offenses range from status offenses such as truancy or illegal use of alcohol to misdemeanors and felonies.

## **Audit Objectives**

We established three objectives to meet the audit requirement:

- Provide the legislature information on juvenile placement criteria and DOC juvenile placement program activities.
- Examine the process used by youth courts, youth placement committees and the department to select private out-of-home placement for juveniles.
- Provide the legislature relevant information on private out-of-home juvenile placements such as the number of juvenile offenders placed, length of stay, and cost.

## **Audit Scope**

The scope of this performance audit included:

- Examining division staff oversight roles and responsibilities for out-of-home placement in private facilities.
- Reviewing the roles and responsibilities of youth court officials and youth placement committee members regarding out-of-home placement in private facilities.
- Examining juvenile placement and case files to verify compliance with statutory/rule criteria.

## Chapter I - Introduction

---

- Examining out-of-home placement and funding information for in-state and out-of-state juvenile placements for fiscal year 1997-98.
- Reviewing reports from other states in the process of changing their emphasis on juvenile justice from residential placement to community intervention.
- We did not examine the quality of treatment and care provided at residential treatment facilities.
- The department operates two secure youth correctional facilities: Pine Hills (male) and Riverside (female) Youth Correctional Facilities (YCF). The audit did not address placement to these facilities.

---

### Placement and Expenditure Information

To compile placement and expenditure information, we examined data for fiscal year 1997-98 because it provided the most current and complete data available. Placement data entry for fiscal year 1998-99 (at the time of our audit) was not complete because of billing, payment, and data processing entry delays. The department uses the Child and Protective Services System (CAPS) to process payments for placements to private providers. Using CAPS data along with placement and case file information, the department developed an electronic spreadsheet to track all juvenile placement activities and costs.

This spreadsheet reflects transactions/payments for services such as therapy, counseling, and medical care, as well as fundamental data such as length of stay, daily facility rates, and total cost of individual placements. By using this database, the department compiles summary information to reflect state and regional budget balances and to project expenditures during the year. Throughout our report, references to fiscal year 1997-98 placement information are based on the department's electronic juvenile placement spreadsheet (unaudited).

### **Audit Methodologies**

To address our audit objectives we:

- Reviewed and documented juvenile placement decision-making statutory criteria (Title 41, chapter 5, MCA), Administrative Rules of Montana (section 20.9.100, et seq, ARM), and DOC policies and procedures.
- Interviewed Community Corrections Division personnel, regional staff in all 6 DOC regions, youth court/probation officials in 12 of 21 judicial districts, and youth placement committee members in the six regions.
- Reviewed a judgmental sample of 5 DOC juvenile placement files/documentation in three regions (15 total) to determine department, youth court/probation, and youth placement committee compliance with juvenile placement processing statutory/rule criteria.
- Examined DOC juvenile placement program appropriation, budget, and expenditure information for fiscal year 1997-98 to compile information such as the number of juveniles placed, types of placements, length of stay, and cost of placements.

### **Management Memorandums**

During the course of the audit, we sent management memorandums on two issues:

- CAPS Training. The majority of the probation and parole officers interviewed indicated both infrequent use and system complexity result in incomplete and/or late entry of data into CAPS by some officers. Financial specialists in some regions developed informal "how to" training documents for case managers (probation and parole) to help resolve these problems. The department should examine options for establishing an on-going approach to training officers to ensure more effective use of CAPS.
- Aftercare Alternatives. Based on discussion with probation and parole officers, we identified concerns with the quality of private provider aftercare services. According to the department's contract with the provider, aftercare should include individualized

## Chapter I - Introduction

---

supervision and treatment services. Officers indicated the provision of treatment was not consistent across-the-state. Officers suggested an alternative would be for probation officers to assume aftercare responsibilities and receive the funding currently given to the private provider. The department has revised the current contract to allow for aftercare alternatives.

---

### Compliance

We found the department generally in compliance with the regulatory requirements for the juvenile placement process. In Chapter III, we address concerns about compliance with the statutory requirement for six-month review of juvenile offenders in out-of-home placements.

---

### Audit Follow-up

Since October 1997, the department has monitored a placement budget pilot project with Judicial District 1 (Helena) and Judicial District 16 (Miles City). Each district was allocated funding by the department and provided an opportunity to manage all aspects of juvenile placements. In the other districts, the department retained control of placement funding. The project was designed to test the outcome of local control of appropriated placement funding in an urban and a rural judicial district.

Both districts submitted preliminary reports which indicate the pilot projects stayed within DOC-established judicial district budget allocations. The reports also indicate these two districts increased the use of community-based programs. The 1999 Legislature expanded the pilot project approach for up to ten more judicial districts in the 2000-2001 biennium. In Chapters III and IV, we discuss issues related to the pilot project approach. Our recommendations are intended to improve the current placement decision-making process.

The pilot project approach to funding out-of-home placements could significantly impact the juvenile justice system in Montana as resources shift from state to local control. Potentially, as communities develop local intervention programs, the more expensive long term out-of-home placements will decrease. As a result of pilot project expansion and these anticipated process changes, we recommend delaying the normal follow-up to this audit.

## **Chapter I - Introduction**

---

Instead of conducting follow-up audit work twelve months after the initial audit, we propose scheduling follow-up in approximately two years, and including a review of the impact of the pilot project approach.

---

### **Report Organization**

The remainder of this report is organized as follows:

- Chapter II, Background.
- Chapter III, Juvenile Placement Process.
- Chapter IV, Staff Roles and Responsibilities.





# Chapter II - Background

---

---

## Introduction

The Youth Court Act was enacted by the legislature to prevent and reduce youth delinquency through immediate, consistent, enforceable, and avoidable consequences. The Act is intended to assure a program of supervision, care, rehabilitation, detention, competency development, community protection, and restitution. The juvenile offender correctional policy of the state of Montana is to provide custody, assessment, care, supervision, treatment, education, rehabilitation, and work and skill development for youth in need of these services.

In this chapter, following a discussion of funding and expenditures, we present an overview of the juvenile placement decision-making process and funding procedures. Our examination of the process includes the decision-making steps beginning with a youth court probation officer's identification of the potential need for an out-of-home placement. We discuss procedures used by youth court officials, youth placement committees, and department staff to provide placement services.

---

## Juvenile Residential Placement Unit

The Juvenile Residential Placement Unit (JRPU) in the Community Corrections Division oversees the placement process and funding for out-of-home placement for juvenile offenders. The unit's mission is to provide the most appropriate, least restrictive placement for delinquent youth in the state within the available resources. The JRPU goal is to develop a system of resources to support and strengthen the youth court system.

---

## Regional Financial Specialists

Following authorization by the 1997 Legislature, the department established financial specialist positions in each region responsible for verifying access to financial resources to pay for a youth's placement. Funding sources which must be examined include: parental contribution and insurance capability, child support payments, Supplemental Security Insurance and Social Security Survivor's Benefits, Social Security IV-E, school/special education funding, Medicaid, and other state-funded sources (mental health, disabilities, etc.). Review and verification by financial specialists involves researching state systems such as TEAMS (The Economic Assistance Management System) and SEARCHS (System of

## Chapter II - Background

---

Enforcement and Recovery of Child Support), as well as contacting parents and supporting agencies to determine specific eligibility for the various funding resources.

---

### Juvenile Placement Funding and Expenditures

For fiscal year 1997-98, the appropriated budget for juvenile placements was \$8,229,517. In addition, the funding for a contract for Aspen Youth Alternatives, an alternative care program, facility operations was appropriated separately for \$2,200,000. Total expenditures for juvenile placements for the year were \$9,927,479. The following table summarizes DOC out-of-home placement budget and expenditures for fiscal year 1997-98.

<b><u>Appropriation Category</u></b>	<b><u>Budget</u></b>	<b><u>Expenditures</u></b>
Juvenile Placements	\$ 8,229,517	\$7,738,074
Aspen Contract	<u>2,200,000</u>	<u>2,189,405</u>
<b>Total</b>	<b>\$10,429,517</b>	<b>\$9,927,479</b>
<b>Source: Compiled by the Legislative Audit Division from department records (unaudited).</b>		

---

### Regional Distribution of Funding

Annually, the department allocates appropriated out-of-home placement funding among the six DOC regions. For fiscal year 1997-98, the allocations were based on the number of at-risk youth in each region. Prior to making the regional allocations, the department subtracts funding from the total juvenile placement appropriation to pay for DOC contracts discussed in the next section. A total of \$6,803,695 was allocated to the regions. Table 2 shows

## Chapter II - Background

the regional budget allocation of placement funding for fiscal year 1997-98. (Region VI was established in fiscal year 1998-99.)

**Table 2**  
**Regional Allocation of Placement Funding**  
**(Fiscal Year 1997-98)**

<b><u>Region</u></b>	<b><u>Allocation</u></b>
I Missoula	\$ 951,254
II Helena	1,637,156
III Great Falls	1,502,032
IV Kalispell	1,728,218
V Billings	<u>985,035</u>
<b>Total</b>	<b>\$ 6,803,695</b>
<b>Source: Compiled by the Legislative Audit Division from department records.</b>	

---

### **Placement May be In-state or Out-of-state**

Juvenile placement program staff identify resources which may be used by judicial district probation officers and courts, as well as department juvenile parole officers to place juveniles. DOC staff administer contracts with three in-state providers and various out-of-state providers. The Department of Public Health and Human Services (DPHHS) administers contracts with other in-state providers established for DPHHS youth in need of care.

### **Three In-state DOC Contracts**

The department contracts with three in-state providers for juvenile offender services: Aspen Youth Alternatives (AYA), Life Skills, and Montana Thresholds for Change. AYA is based in Boulder near Riverside Youth Correctional Facility (YCF). AYA includes a backcountry experience as part of its four-phase program. AYA's four

## Chapter II - Background

---

phases can last a total of 170 days. Department records indicate 193 youth were placed at AYA during fiscal year 1997-98.

Life Skills, a 90-day program, is located in Butte and teaches juvenile offenders skills necessary for independent living. Life Skills placements totaled 44 youth during fiscal year 1997-98.

Montana Thresholds for Change is located in Deer Lodge and provides a secure care facility for juvenile sex offender treatment. Department planning indicates the sex offender treatment capability will be re-established at Pine Hills YCF in early calendar year 2000. The continued need for a Thresholds contract will be evaluated at that time. A total of 26 youth were placed at Thresholds during fiscal year 1997-98.

For fiscal year 1997-98, expenditures for these three contract programs were \$3,213,439. Table 3 summarizes the negotiated daily rates, expenditures and juvenile placements for the three DOC contract facilities.

<b><u>Facility</u></b>	<b><u>Daily Rate</u></b>	<b><u>Expenditures</u></b>	<b><u>Placements</u></b>
Aspen	\$147.00	\$2,189,405	193
Life Skills	115.00	301,959	44
Thresholds	199.00	<u>722,075</u>	<u>26</u>
<b>Total</b>		<b>\$3,213,439</b>	<b>263</b>
<b>Source:</b>	<b>Compiled by the Legislative Audit Division from department records (unaudited).</b>		

### **Out-of-state Contracts**

To access treatment not available in Montana, the department administers contracts with a variety out-of-state facilities. Out-of-state placement of a juvenile offender occurs when: 1) in-state facilities cannot provide the services needed, or 2) in-state facilities are not willing to accept the youth into their program. A directory of treatment facilities developed and maintained by the department identifies 35 out-of-state facilities in states such as North Dakota, Texas, Utah, and Washington.

The department has maintained contracts with approximately one third of the out-of-state facilities in the directory. These contracts identify specific therapeutic and residential treatment services and establish daily cost rates for Montana youth. The out-of-state contracts are negotiated to assure an availability of services at established rates, but do not obligate the department to placing a specific number of juveniles. The department's spreadsheet indicates \$3,437,680 was expended for out-of-state placements in fiscal year 1997-98. Out-of-state funds are not budgeted separately from other juvenile placement funding. Out-of-state residential placement funding supported 148 youth during fiscal year 1997-98.

Recently, the department decided to reduce the use of negotiated out-of-state contracts and save time by using individual placement agreements completed at the time of the placement.

### **DPHHS In-state Contracts**

DOC provides the funding for placements in DPHHS contracted facilities on a case by case basis. The department's directory of DPHHS contracted treatment facilities in Montana identifies 63 providers ranging from short term shelter care services, which provides intervention to allow for resolution of juvenile issues, to therapeutic group homes and residential treatment facilities, which can provide specialized counseling, treatment, and security. These in-state contracts accounted for \$3,461,290 in expenditures for fiscal year 1997-98, and included 499 youth in residential treatment and group homes. In addition, 695 youth were placed in shelter care and 106 in foster care using juvenile placement funds.

## Chapter II - Background

---

### Daily Rates for Youth Care Facilities

Daily rates for the DPHHS contract and out-of-state private facilities vary depending on the services provided. Some facilities establish a base cost for treatment separate from food and lodging; others establish a single rate, then add for specialized services such as individual versus group therapy. Table 4 identifies the range of daily rates for the primary types of placements used for juveniles.

**Table 4**

**Private Provider Daily Rates**  
(Fiscal Year 1997-98)

<b><u>Facility Type</u></b>	<b><u>Daily Rate</u></b>
Shelter Care	\$61.00-\$85.00
Group Homes	\$43.00-\$113.00
Therapeutic Foster Care	\$55.00-\$104.00
Maternal Programs	\$115.00
Therapeutic Group Homes	\$55.00-\$182.00
Residential Treatment	\$67.00-\$240.00
<b>Source: Compiled by the Legislative Audit Division from the department's Youth Services Residential Placement Resources Directory.</b>	

### Youth Court Probation is Starting Point for Juvenile Placement

Statute requires the establishment of youth courts within each judicial district and at least one judge is designated as a youth court judge. There are several districts with multiple youth court judges; the judgeship either rotates or there is a designated chief youth court judge. Youth court judges appoint probation officers responsible for supervision of juvenile offenders. Probation is the starting point for juveniles entering the juvenile justice system.

## Chapter II - Background

---

---

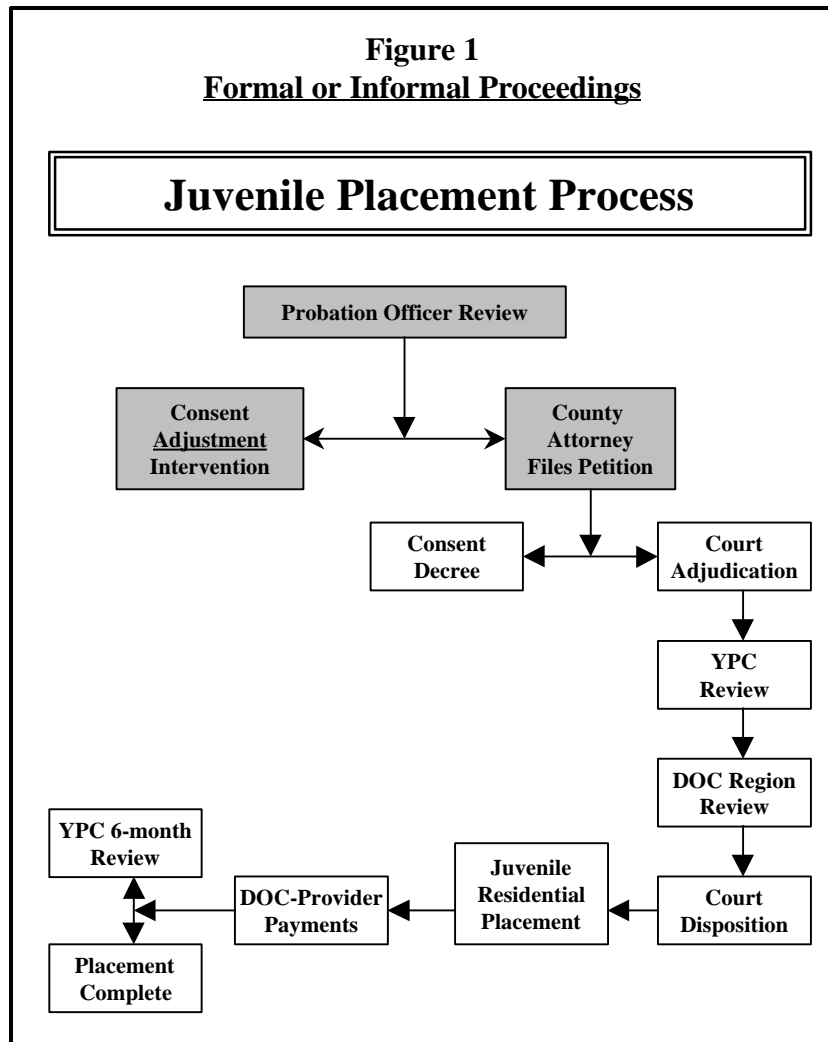
### **Probation Referral and Inquiry**

Typically, law enforcement officers make referrals to youth court probation officers. Parents and school officials may also refer youth to probation officers. Upon referral, probation officers determine the need for investigation and/or intervention. The extent of supervision depends on the probation officer's assessment of parent or guardian ability to control the youth's behavior.

---

### **Options Include Informal and Formal Proceedings**

The probation officer's review and investigation can result in initiation of either informal or formal proceedings (see figure 1, shaded areas). An informal proceeding allows intervention by the probation officer, without involving the youth in court hearings/appearances. The informal process can also result in immediate release, with or without follow-up probation supervision. A formal proceeding is initiated through referral to the county attorney who decides whether to file a petition to the court. Figures 1 through 4 reflecting the juvenile placement process were compiled by the Legislative Audit Division.



**Consent Adjustment is Informal**

If the probation officer proceeds informally, the youth may be placed on probation through the use of a consent adjustment. This is a contract, signed by the youth, parents/guardian, and probation officer, requiring the youth to adhere to specific conditions. The consent adjustment includes conditions such as officer contact frequency, curfews, peer association, counseling, and school attendance.



Other community-based intervention or diversion techniques employed by probation officers include: crisis intervention, shelter care, therapeutic counseling, chemical dependency treatment, and assistance in applying for job skills or vocational training programs. These requirements may be included in a consent adjustment. Historically, intervention funding is a combination of state and local resources, as well as federal grants. For example, the department typically funds shelter care, the community could fund a local crisis intervention program, and the youth may qualify for federal funding for a chemical dependency program. In Chapter III, we discuss the use of consent adjustments for out-of-home placements using DOC juvenile funding.

### **Formal Proceedings**

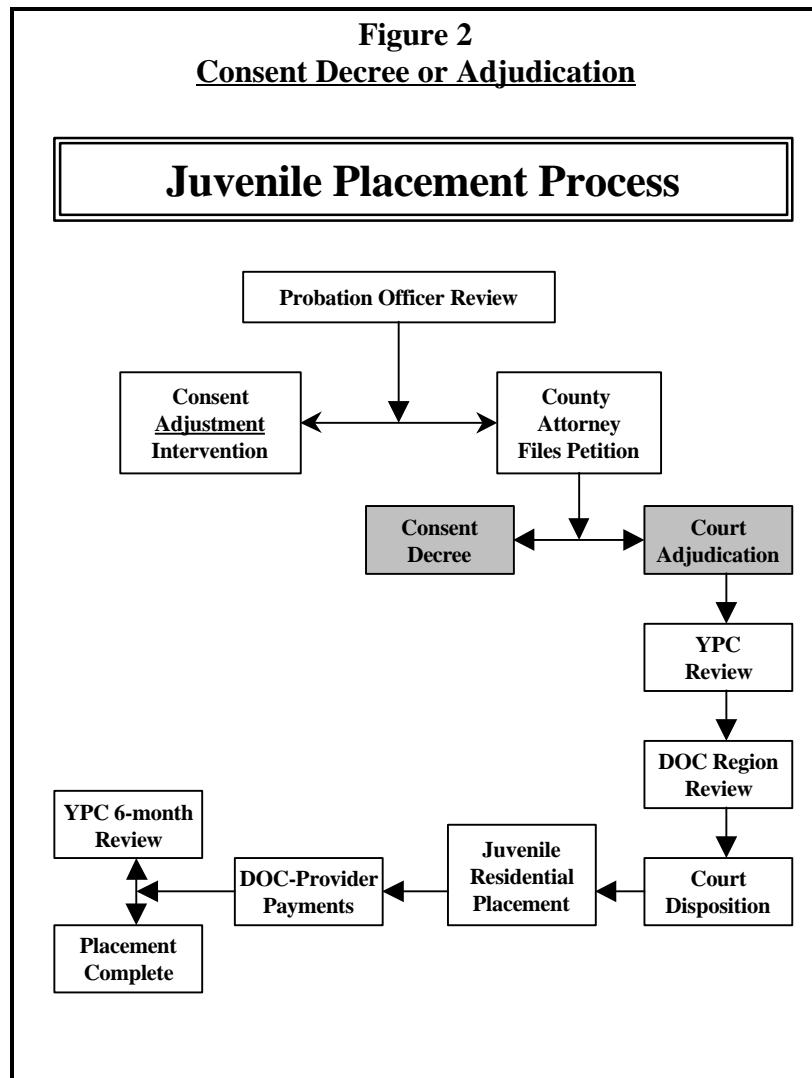
If the case is referred to a county attorney by a probation officer, the county attorney determines whether to proceed with adjudication. To pursue adjudication, a petition is filed and a court hearing date is established which may include witness testimony, usually by law enforcement and probation officers. If the court decides to proceed with adjudication, a date is established for the youth's court appearance before the judge.

### **Consent Decree**

A youth may avoid adjudication court proceedings by agreeing to a consent decree. A consent decree is a contract between the youth and the court signed by the judge, youth, parents or guardian, and probation officer. Consent decrees establish conditions similar to consent adjustments. However, failure to adhere to consent decree conditions is a violation of a court order and can be considered a delinquent offense. Again, these requirements may be funded through a combination of state, local, and federal resources. The use of consent decrees for out-of-home placements funded by DOC is also addressed in Chapter III.

### **Adjudication**

If a consent decree is not used, the youth, parent or guardian, and their legal counsel must be present for an adjudication hearing before the youth court judge (see figure 2, shaded areas). At the hearing, evidence is presented by the county attorney or a representative to determine whether the case is dismissed or whether the youth is judged delinquent or in need of intervention.



**Youth in Need of Intervention or Delinquent**

Typically, juveniles are classified by the court as a youth in need of intervention or a delinquent youth when placed out-of-home. The term "youth in need of intervention" applies to a juvenile adjudicated by the court who commits an offense or offenses prohibited by law, which if committed by an adult would not constitute a criminal offense. This includes violation of state law regarding alcoholic beverages and behavior such as running away from home or habitual truancy. "Delinquent youth" applies to a juvenile adjudicated by the court who committed an offense, which

if committed by an adult would constitute a criminal offense. A delinquent youth can include a juvenile who was placed on probation as a youth in need of intervention and violated a condition of the probation. When a youth commits offenses which could lead to adjudication as a delinquent youth, the court has the discretion to classify the youth "in need of intervention" instead.

If the youth pleads innocent at the adjudication hearing, the youth may request a judge or jury trial. Assuming a guilty plea/verdict at the adjudication hearing, a date for the disposition hearing is scheduled. However, at the discretion of the court, the disposition hearing may immediately follow the adjudication decision.

During adjudication the court indicates whether out-of-home placement should be a consideration based on review of the probation officer pre-disposition report. If so, the local youth placement committee becomes involved in the process.

---

### **Youth Placement Committees Review Placement Recommendation**

According to section 41-5-121, MCA, when the court is considering juvenile out-of-home placement, a five-person Youth Placement Committee (YPC), appointed by DOC, is required to review placement appropriateness and make a recommendation to the DOC. YPCs review all relevant information including available placement/intervention resources, treatment recommendations, and funding alternatives. YPC membership includes representatives from DOC, DPHHS, youth court probation, the mental health profession, a youth services provider, and the school district.

The youth's case file and information relating to placement options, such as a pre-disposition report, evaluations, or school reports, are compiled by the probation officer and presented to the YPC. Placement options identified by the probation officer include alternatives such as foster family homes, therapeutic group homes, private residential treatment facilities, or state youth correctional facilities. DOC regional financial specialists coordinate with probation officers to verify information accuracy for each funding resource. The resulting information is available to the YPC and/or the regional administrator to address the cost implications of placement options.

## **Chapter II - Background**

---

### **Placement Guidelines are Used by the YPC**

YPCs use the department's Montana Placement Guidelines to help determine the appropriate level of a juvenile placement. The guidelines establish point criteria for the type of offense committed, history of offenses, and any mitigating factors such as damage to property or injury to victims. The number of points assessed helps identify the placement options. Ultimately, to determine a placement recommendation, the committee considers the intent of the Youth Court Act which is to place youth in the least restrictive setting meeting the identified treatment needs.

---

### **Primary and Secondary Recommendations are Reviewed**

Based on their assessment of available information and discussions with probation officers, YPCs make a primary and secondary placement recommendation to DOCs regional administrators. Regional administrators are responsible for approving a placement and authorizing payments to providers for juveniles placed out-of-home. If either the primary or secondary YPC recommendation is acceptable, regional staff formally advise the YPC and the court of their decision.

### **Department May Reject Recommendations**

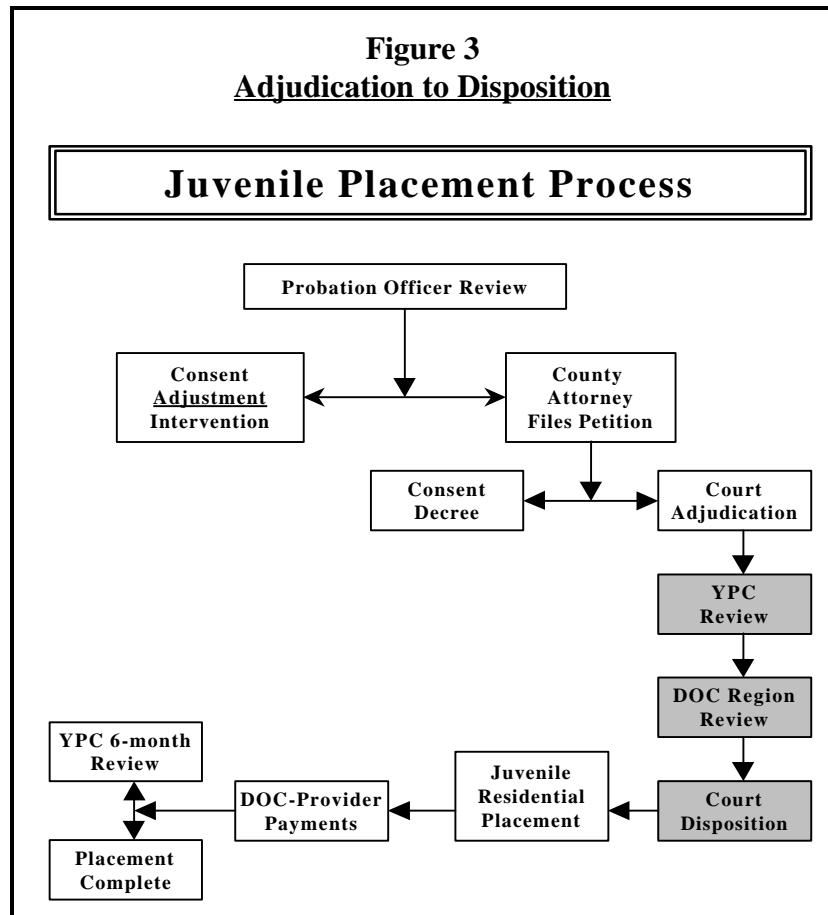
If the regional administrator rejects both of the committee's recommendations, the department is required by rule to notify the YPC in writing of the reasons for rejecting the recommendation and must determine an appropriate placement for the youth. Within 72 hours after making a decision regarding placement or change of placement, the department is required to notify the youth court of the decision.

---

### **Youth Court Disposition**

Disposition evidence is presented to the court to determine the most appropriate disposition benefiting the youth while protecting society. Disposition evidence is typically presented in the form of a social history or pre-disposition report. The report is prepared and presented by the probation officer and supported by reports or testimony of parents, school officials, social workers, and mental health professionals. The youth and legal counsel are provided an opportunity to present testimony on the youth's behalf. In the pre-disposition report, the probation officer recommends whether the youth should be placed on probation, identifies probation conditions, and/or indicates if out-of-home placement and treatment is appropriate. For out-of-home placements, pre-disposition reports

usually reflect the placement recommended by the probation officer to the YPC. The recommendation of the YPC, which is reviewed and approved by the regional administrator, is considered by the court during the disposition hearing. Figure 3 (see shaded areas) shows the placement process as a youth moves from court adjudication to disposition.



## **Chapter II - Background**

---

### **Formal Probation is an Option**

The courts can retain custody of a youth and establish formal probationary periods with specific conditions of probation. The youth is supervised by the probation officer during the formal probationary period. The conditions of court-ordered probation are similar to those in consent adjustments and consent decrees, but are incorporated into the court's disposition order. In addition to probationary conditions, the court disposition can specify placement of the youth into a community setting, such as a parent's home, a foster family home, or group home.

Violations of court orders can result in contempt of court charges, another hearing, and a court declaration of the youth's delinquency if previously adjudicated a youth in need of intervention.

### **Disposition Can Require Placement**

If the court agrees with an out-of-home placement recommendation from the YPC and approved by the regional administrator, a disposition court order is issued. Using the order as authority, the probation officer makes the placement arrangements. When the placement is for foster care, group home, or a residential treatment facility, the probation officer prepares the formal applications for acceptance by the facility. This includes filing the documentation to receive federal or state assistance funds such as Medicaid, Supplemental Security Income, or Supplemental Security Benefits.

The probation officer may contact the facility and prepare most of this documentation prior to the YPC meeting, because the committee and department officials want assurance the recommended placement options are viable, relative to a youth's eligibility and acceptance by private providers. The probation officer, as the case manager, is also responsible for making the appropriate entries into CAPS to assure system tracking and financial payment controls. Final probation officer arrangements include transporting the youth to the facility.

### **Custody Assigned to DOC**

Based on the youth's criminal history and probation officer recommendations, the judge may assign custody to DOC for placement in an appropriate setting. If the court determines the youth is a serious juvenile offender, disposition may include placement in a secure facility. The court may commit serious juvenile offenders to the department for placement in Pine Hills (males) or Riverside (females) YCFs, or in private residential treatment facilities offering secure care. When placed in a private facility, DOC juvenile placement funding is used. For DOC secure facilities, juvenile placement funding is not used; the department receives a separate appropriation for operation of the YCFs.

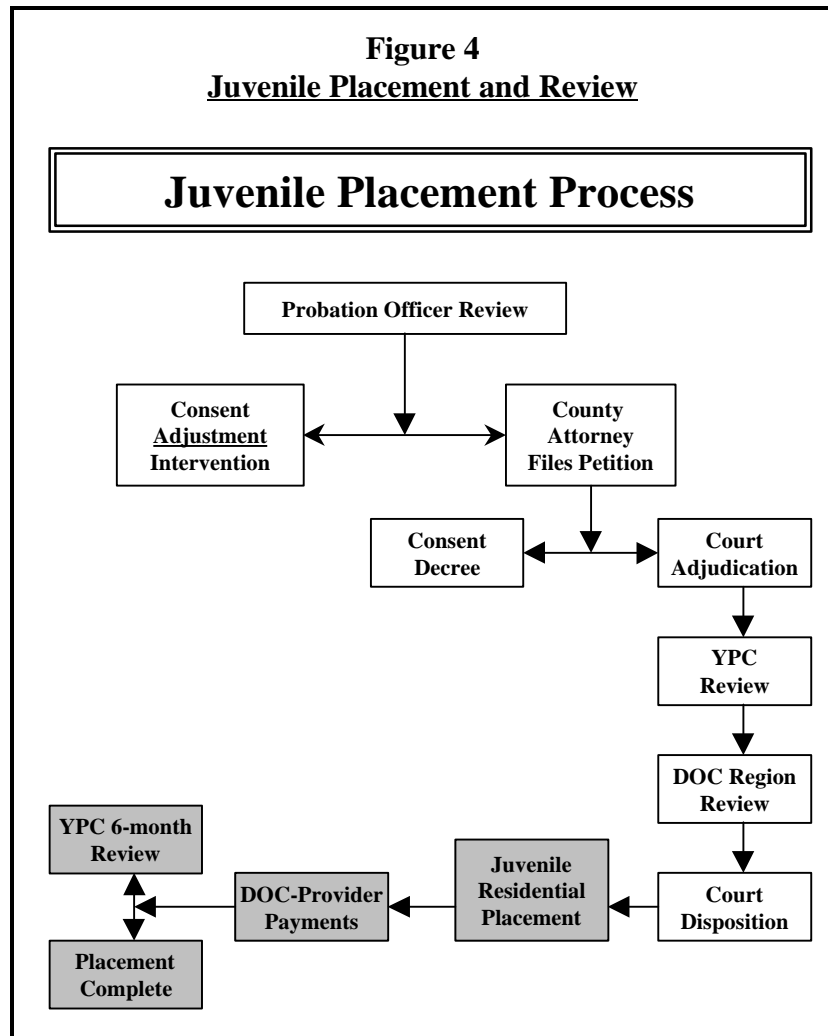
When the court commits a juvenile to the department, case management may be transferred from probation to a DOC juvenile parole officer. Juvenile parole officers are also responsible for supervision of youth paroled from state youth correctional facilities. If these youth are later placed in out-of-home treatment facilities, department parole officers remain responsible for case management and juvenile placement funding is used.

---

### **Six-Month Placement Reviews Required**

Section 41-5-122(7), MCA, requires YPCs to conduct placement reviews at least semi-annually for all youth in extended placements. Similar to initial placements, YPCs are responsible for reviewing all relevant information including available resources, treatment recommendations, and funding alternatives to determine if continued placement or a more appropriate placement is warranted. Following YPC review and referral, the regional administrator is responsible for deciding to continue placement and funding for the youth. If the youth completes the placement, supervision is retained by the case manager until the youth is released by the court (probation youth) or discharged by the department (parole youth).

Figure 4 summarizes (see shaded areas) the final steps in the juvenile placement process.



**Juvenile Placement  
Information for Fiscal  
Year 1997-98**

For fiscal year 1997-98, there were 1,346 juveniles involved in DOC-funded placement and/or treatment activities.



**Extended Placements**

To determine residential placement activity, we sorted the DOC juvenile placement spreadsheet to identify the extended placement entries in private provider facilities. For our review, we defined extended placement as 45 days and over because state law requires a YPC placement review if a youth is placed out-of-home for 45 days or more. We initially excluded the three in-state contract placements (AYA, Thresholds, and Life Skills), because expenditures and data such as length of stay are tracked separately for these contracts. DOC contract facility information is included in the discussion of these facilities on pages 9 and 10. We identified 464 extended placements for fiscal year 1997-98. This list includes youth in shelter care over 45 days. We compiled the following information based on these 464 youth.

EXTENDED PLACEMENTS	
Cost for fiscal year 1997-98:	\$5,783,738
Average cost per youth for fiscal year 1997-98:	\$12,465
Average cost per youth per day:	\$71.05
Number of placement days for fiscal year 1997-98:	81,408
Average number of placement days per youth:	175.5

Source: Compiled by the Legislative Audit Division from department records.

We were aware youth could spend over a year in placements and noted the spreadsheet included youth placed for more than 365 days at daily rates over \$200/day. The extended placement list includes 51 youth in placement over 300 days for fiscal year 1997-98. Based on our review, the highest cost youth for fiscal year 1997-98 was placed for 342 days at \$260 per day, totaling \$88,000. Since the spreadsheet provides data for the number of days and costs from initial placement, we also noted 8 youth were in placement over 800 days and 4 additional youth were over 900 days. One youth was in placement for 983 days accumulating \$165,000 in total cost by the end of fiscal year 1997-98.

## Chapter II - Background

---

When we combine the data compiled for extended placements with data for the three DOC in-state contracts, we noted 727 of 1,346 (54 percent) of the youth placed during fiscal year 1997-98 were long term (over 45 days). Total funding for this combined category of placements exceeded \$8,995,000 of the \$9,927,479 (90 percent) placement costs for the fiscal year.

---

### Short Term Placement

To examine information associated with youth in placements less than 45 days (short term), we identified 768 youth placed during the fiscal year. These youth accumulated 25,560 placement days and a total cost of \$1,072,194. Based on this information, we determined the following:

#### SHORT TERM PLACEMENTS

Average cost per youth for fiscal year 1997-98:	\$1,396
Average cost per youth per day:	\$ 42
Average number of placement days per youth:	33.3

Source: Compiled by the Legislative Audit Division from department records.

The minimum length of stay for a youth is one day at a shelter care facility. Our review identified examples of shelter care placements for individual youth exceeding 45 days such as:

#### SHELTER CARE

- 7 separate placements during a 7-month period for a total of 106 days and a cost of \$6,500.
- 5 separate placements during a 5-month period for a total of 73 days and a cost of \$4,500.
- 4 separate placements during a 5-month period for a total of 73 days and a cost of \$5,000.

We noted these short term placement examples included youth involved in a variety of juvenile offenses, frequent status offenses,

## **Chapter II - Background**

---

whose home environment did not provide an adequate level of supervision. Short term shelter care facilities were used as an intervention alternative to provide time to find a better placement such as foster care, to resolve the supervision issue, or to determine the need for extended treatment.



# Chapter III - Juvenile Placement Process

---

## **Process Meets Intent of Youth Court Act**

Chapter II explained the juvenile placement decision-making process based on our examination of statutory and rule criteria, participant interviews, and observations. We conclude the process generally meets the intent of the Youth Court Act. Youth court officials, youth placement committee (YPC) members, and department staff are all involved in the process as required by the Act. We noted these participants focused on three primary responsibilities: timeliness of the process, appropriateness of placements, and fiscal control.

However, there are ambiguities in statute and procedures which caused placement decision-making participants to informally revise procedures to accommodate the needs of individual youth. We also identified activities requiring additional emphasis by the department to improve process effectiveness.

In this chapter, we present four recommendations to the department.

- *Seek legislation regarding the need for adjudication to access juvenile placement funding.*
- *Revise administrative rules to establish procedures that assure results of youth assessments are available to YPCs.*
- *Formalize YPC operating procedures to outline the process for resolving placement funding issues.*
- *Seek legislation to allow alternatives to the YPC for conducting the six-month placement reviews.*

We discuss our findings for each of these recommendations in the following sections.

## **Chapter III - Juvenile Placement Process**

---

### **Adjudication is Prerequisite to Funding**

Throughout the recent history of juvenile justice administration in Montana, control and use of juvenile placement funding has been controversial. Judicial district officials (youth court judges and chief probation officers) and the Montana Supreme Court have interpreted the Youth Court Act language to mean the youth court judge ultimately has the authority to control the placement of juvenile offenders. However, because much of the funding for juvenile placements comes from the state's General Fund, the state agency administering the juvenile placement budget has wanted more control over the expenditure of these funds.

The YPC process was established to assure consideration of placement options by various community resources who are involved with youth, and to provide a greater opportunity for state review of the recommendations.

However, budget control continues to be a significant topic of discussions between department and judicial district officials. Using section 53-1-203, MCA, as the basis for their decision, DOC recently issued an internal legal opinion to regional officials requiring a youth be adjudicated as a youth in need of supervision or as a delinquent to access juvenile placement funding. This requirement results in a more restrictive eligibility for use of placement funding than in the past.

Although most judicial districts are adjudicating youth to access this funding, we found many, but not all, disagree with the legal opinion and believe it negatively impacts the juvenile justice system. The disagreements between DOC officials and judicial district officials cause frequent debate and appear to hamper the communication and coordination effectiveness of the juvenile placement decision-making process.

## Chapter III - Juvenile Placement Process

---

---

### Adjudication May Not be Necessary

Some judicial district officials suggest that in order to access funding, the current DOC interpretation moves youth deeper into the juvenile system than is necessary. In other cases, youth requiring treatment are denied that treatment because the offense does not warrant adjudication. Officers suggested as long as the youth admits to the alleged offense and the parents/guardian and court agree, there should not be any need for the formality of a court appearance (to access placement funding) as presently required by DOC. Youth should have access to placement funding through less formal proceedings such as consent adjustments or consent decrees. To support their interpretation, officers indicated the intent of the Youth Court Act is to resolve juvenile problems at the lowest, least restrictive level.

---

### Statutory Ambiguity Adds to the Lack of Consensus

Statutory ambiguity adds to the lack of consensus on the issue. For example, section 41-5-1302, MCA, appears to support the non-adjudication interpretation by indicating a consent adjustment can be used for youth who “may be” in need of intervention. Section 41-5-1304, MCA, also indicates a consent adjustment can be used to place youth in substitute care including private agencies if reviewed by the YPC.

---

### Court Resources Impacted

Youth court officials also indicated there is an impact on available court resources when youth must be adjudicated to gain access to funding. The requirement for adjudication and disposition hearings and documentation increases the demands on county attorney and public defender staff as well as the youth court.

---

### Urban Versus Rural Alternatives Influence Adjudication

During our visits with probation and parole officers across-the-state, some rural officers indicated their youth are subject to more out-of-home placement with a lower level of delinquent activity than urban juveniles. Currently, in many rural districts there are few local resource options for intervention, and out-of-home placement is the next available alternative. Accordingly, officers suggest youth from these communities do not necessarily require adjudication. These cases could be resolved with either a consent adjustment or consent decree. However, adjudication is recommended because it’s the only way to access out-of-home placement funding.

## Chapter III - Juvenile Placement Process

---

At the opposite end of the spectrum, urban district officials recognized larger communities can provide more intervention options. By the time the youth is considered for out-of-home placement, a legitimate effort has already been made to resolve issues with more intensive community supervision and structure. These officers indicated when out-of-home placement is considered, a formal court appearance and adjudication is appropriate.

---

### **Pilot Project Encourages Use of Placement Funding for Intervention**

In 1997, the legislature approved a pilot project to determine whether allocating a portion of the juvenile placement budget to selected judicial districts would improve the utilization of available funding. The flexibility to develop and improve local intervention resources which could be used in lieu of more expensive residential placements was an inherent part of the pilot project legislation. Reports from other states indicate the cost for supervising individual youth can be reduced as much as 50-60 percent through local intervention programs compared to placement in residential facilities.

Department officials indicated pilot project legislation eliminates the need for adjudication in pilot-designated districts because DOC is no longer administering the funds. As a result, DOC anticipates different approaches for accessing juvenile placement funding depending on whether the district is pilot or non-pilot. The two approaches anticipated are:

- If the department administers the funds in accordance with section 53-1-203, MCA, adjudication is required to access placement funding.
- If the judicial district administers the funds in accordance with chapter 550, Laws of 1997, and chapter 161, Laws of 1999, youth courts may use the funding for intervention to provide for youth needs.



## Chapter III - Juvenile Placement Process

---

---

### Department Should Clarify Adjudication Requirement

To address conflicts between judicial districts and the department regarding the use of placement funding, statutory clarification is needed. We believe the intent of the Youth Court Act should be clarified by the legislature during the 2001 Legislative Session to assure access to juvenile placement funding without adjudication. By allowing the flexibility to adjudicate or not, the efficiency and effectiveness of youth courts and the juvenile justice systems can be improved. Regardless of whether a youth is adjudicated or not, to assure the current controls (described in Chapter II) are retained, the placement review process from probation officer through YPC and regional administration to the youth court should not change.

---

### Department Supports Need for Clarification

The department supports the need to clarify statutory intent regarding whether adjudication is necessary to access juvenile placement funding. However, officials are concerned about the number of statutes which may require revision to achieve clarification. As an alternative, the department is considering seeking guidance from the judicial branch based on the existing language.

The primary focus of our recommendation is to clarify statute and we believe legislation would be the most effective approach. It may not be necessary to change a significant amount of statute to achieve clarification. Potentially by redefining the term “adjudication” to include consent adjustment and/or decree, this issue could be resolved.

### **Recommendation #1**

**We recommend the department seeks legislation to increase the flexibility regarding the need for adjudication to access juvenile placement funding.**

## **Chapter III - Juvenile Placement Process**

---

### **Youth Assessments**

Draft DOC policy indicates officers should use standardized assessment tools to provide the YPC with consistent information about youth being considered for out-of-home placement. We found some officers do not use assessments while others use one or both of the two assessments tools currently available. One of the reasons for this inconsistency involves the reorganization of the juvenile justice function. When DOC's predecessor, the Department of Family Services (DFS), was responsible for juvenile activities, DFS provided training on an assessment tool known as Strategies for Juvenile Supervision (SJS). While many officers and department staff attended the training, others did not. Further, some trained officers elected not to use SJS. When juvenile administration transferred to DOC, the department provided training for officers on a new tool known as Risk Assessment for Treatment (RAFT). Again, not all officers were trained and in some cases those trained elected not to use RAFT. According to staff, SJS is more useful for probation youth because it helps determine the level of supervision needed. RAFT is more appropriate for parole youth, because it identifies treatment requirements. We noted some officers decided not to use either tool, believing their time with the youth, experience with other youth, and professional judgement provide the same results as a formal assessment.

---

### **Assessments Help Determine Treatment Needs**

According to information received from other states, assessments should be used to help determine the type of intervention, and/or treatment based on the youth's needs. Assessments can match the youth's needs with available resource options. In addition, assessments are used to distinguish between youth requiring intensive supervision and structure (intervention) and youth who are a risk to the community. Further, officials can use the results of assessments to help determine what types of placement facilities and intervention alternatives are needed in the state. Then, officials can establish priorities for development of a continuum of services in the state's juvenile justice system. Finally, use of standardized assessment tools allow new case managers and treatment professionals to reproduce the results of an officer's assessment which led to the initial determination of placement and to reaffirm long-term and on-going treatment conditions.

## Chapter III - Juvenile Placement Process

---

### **YPCs Rely on Assessment Results**

YPC members rely upon the results of officer assessments, including SJS and RAFT. While many of Montana's probation and parole officers have the experience to determine appropriate placements without formal assessment results, other committee members do not necessarily possess such background and expertise. YPCs use the Montana Placement Guidelines to help determine the security level required for a juvenile. Officers indicated guidelines scores are frequently overridden due to mitigating circumstances and do not address the type of placement facility. Assessment tool results can further help both individual committee members and YPCs across the state to become more consistent in their decision-making. According to department officials, by using assessment tools, a placement decision for rural youth committing delinquent offenses should be similar to decisions made for an urban youth with the same offenses. Staff believe this is the intent of the Youth Court Act.

The department's draft policy for YPCs also includes a provision indicating the chairperson of the committee may re-schedule the meeting if the referral package is not complete. Existing department policies are not specifically directive to youth court operations. Therefore, use of an assessment tool and providing results to the YPC is considered optional by many probation officers. We observed examples of YPC placement reviews which did not include the results of a standardized assessment. Although allowed by department policy, discussion with committee members indicated a reluctance to delay or re-schedule YPC referrals when information was lacking, because of the perceived urgency to proceed with the youth's placement.

### **YPC Placement Review Process Should Include Assessment**

According to ARMs, the YPC chairperson is already responsible for assuring the availability of referral information to committee members. Since statute indicates members should have access to all relevant information, assessment results should be included. To assure committee members understand their responsibilities and authority regarding review of all relevant information, the department should revise administrative rules to provide authority for the chairperson and/or the committee to request formal assessments and delay proceedings until results are available. We

## Chapter III - Juvenile Placement Process

---

recognize this recommendation may impact YPC referral timeliness for a few initial cases. However, we believe as officers become more familiar with the needs of their respective YPCs, delays should be the exception.

---

### Department Agrees with Need for ARMs Revision

Department officials intend to revise ARMs to require the completion of an acceptable assessment tool prior to a YPC review of placement alternatives. The department anticipates allowing the chairperson to defer reviews until the results of an assessment are available. The department also intends to incorporate the assessment requirement into evaluation and approval of judicial districts seeking participation in the pilot project expansion.

#### **Recommendation #2**

**We recommend the department revise administrative rules to establish procedures which assure results of formal youth assessments are available to YPCs.**

---

### Financial Support Alternatives

Section 41-5-122, MCA, requires the YPC to consider more than the appropriateness of placement options. This statute also requires consideration of options for financial support of the youth. Probation officers and other YPC members frequently expressed concern about how to resolve the funding responsibility for a youth who has previously been or is currently designated as a “youth in need of care” due to abuse, neglect, disability, or mental health issues. Their primary concern was whether a youth should be adjudicated as a delinquent, because the care/treatment provided previously through DPHHS funding did not or could not deter delinquent activity. A secondary concern was whether and when it was appropriate to use DOC funding for youth with an extensive history of youth in need of care issues.

Officers indicated placement costs for these youth are typically high due to the level of treatment and supervision required and this can increase the reluctance to accept funding responsibility for placement. The examples presented by probation officers reflected disposition and placement delays while the youth remained in

## Chapter III - Juvenile Placement Process

---

detention facilities until funding responsibility was decided. Other examples focused on youth identified as in need of care for developmental disabilities or mental health, who eventually committed a delinquent offense. Even though the use of juvenile placement funding was supported by the YPC as the most expedient option, members expressed concern about whether it was the appropriate source of funding for these youth.

---

### **Resolution Alternatives Include Joint Funding**

Most officers agreed these funding issue cases should be resolved at the lowest possible level to assure prompt court proceedings and access to treatment. Some officers presented alternatives to resolve such cases and suggested resolution was more timely and effective when the YPC membership included management level staff from DOC and DPHHS. In other communities, frequent contact between regional staff at routinely scheduled inter-agency meetings to review youth cases (care, abuse, neglect, disability, truancy, juveniles, etc.) also facilitated resolution of youth placement funding issues. Additionally, we found some judicial districts used a joint-agency funding approach, while others had not considered this alternative. We also noted referrals to county attorneys and directed funding by the youth court were factors in resolving some cases.

---

### **Compliance with Existing Statute Should Allow Resolution**

Based on statute requiring review of financial support options, we believe the YPC meeting is the appropriate level for resolving inter-agency funding issues. When probation officers make referrals to YPCs, pre-disposition reports usually discuss abuse, neglect, mental health, or developmentally disabled history, as well as delinquent activities. YPC members should be reviewing these pre-disposition reports to consider relevant background information and the impact on funding options when preparing a recommendation for the regional administrator. If committee members cannot reach consensus, then their recommendation to the department should reflect both sides of the funding issue.

When the YPC does not reach consensus on funding responsibility, the decision to pursue resolution at a higher level of authority should be a DOC regional administrator responsibility. In addition to contacting other agency counterparts, the regional administrator also has the option to recommend county attorney or court involvement

## Chapter III - Juvenile Placement Process

---

to help resolve such issues. The department should formalize YPC procedures which outline the process for pursuing and resolving potential alternative funding cases and incorporate these procedures into a training package designed for YPC members, regional administrators, and financial specialists.

---

### Is Statutory Revision Needed?

During discussion of this issue with representatives of DOC and DPHHS, one suggestion was to revise state law to define both departments' responsibilities for youth who move from youth in need of care to the juvenile system (youth in need of intervention or delinquent). Staff indicated the two departments should examine approaches which range from:

- Once a youth in need of care, always a youth in need of care and funding is the responsibility of DPHHS, to
- Whenever a youth commits a delinquent offense, funding responsibility belongs to DOC.

Officials in both departments recognize these kinds of definitions would have a long term impact on program budgets and potentially on staff workload in DOC and DPHHS. We do not believe a change in statute is needed at this time. However, we recognize if our recommendation to refine existing procedures to resolve these cases at the lowest level is not effective, another approach may be necessary. Our current recommendation should not preclude the two departments from jointly considering alternatives.

---

### Department Supports Formalizing Funding Procedures

DOC officials indicated their on-going development of a training package for YPC members should help this issue. In addition, staff propose revising formal policy to include procedures for pursuing dispute resolution. Officials also intend to formalize existing meetings between DPHHS and DOC management to include resolution of specific youth and juvenile placement cases.

#### **Recommendation #3**

**We recommend the department formalize YPC operating procedures for pursuing and resolving placement funding issues.**

---

### **Six-month Placement Reviews**

During the audit, we examined procedures used to comply with the requirement in section 41-5-122(7), MCA, which states youth placement committees (YPC) shall “conduct placement reviews at least semiannually.” The purpose of these reviews is the same as the initial placement referral: review all relevant information, evaluate resources which meet the needs of the youth based on treatment recommendations of professionals, and consider financial support options. We found while most probation officers indicated some kind of six-month review was performed for their youth, a variety of procedures were used to actually complete the reviews.

Our audit findings included:

- Districts using either a citizen review board (CRB), foster care review committee (FCRC), or a combination of a probation officer report and youth court judge review in lieu of the YPC to meet statutory intent.
- Case files which did not reflect documentation of a six-month review, indicating non-compliance with statute.
- Duplication such as both the FCRC and YPC reviewed youth for the same six-month period.

---

### **Purpose of Committees and Boards Differ**

The two review groups, YPC versus FCRC/CRB, were established for fundamentally different purposes. YPCs should be considering the most appropriate current placement for youth based on existing treatment needs. The FCRC/CRB is typically more interested in the overall plan and approach for returning youth to the family or finding a permanent placement if family is not an option.

Further, documentation developed for one group was not designed to meet the needs of the other. Therefore, if a FCRC or CRB reviews a

## **Chapter III - Juvenile Placement Process**

---

juvenile case, the necessary documentation may not be provided to the case manager, department, or court.

---

### **Valid Reasons for Substituting Review Groups**

Officers indicated the CRB and FCRC are used in some communities because federal criteria also requires six-month placement reviews to support payments such as Medicaid and Social Security benefits. Sections 41-3-1010 and 41-3-1115, MCA, require reviews of youth in foster care placements by either a CRB or FCRC. Since many juvenile offenders qualify for federal support payments and/or are in foster care, both the FCRC/CRB and YPC have a statutory six-month review requirement. As a result, we noted FCRCs/CRBs were used for juvenile offender reviews because of the preference of the district courts to work with members of FCRC/CRBs already reviewing out-of-home placements of youth who are not in trouble with the law.

---

### **Officers Proposed Local Flexibility for Reviews**

During the audit, probation and parole officers discussed the possibility of revising statute to allow judicial districts the flexibility to use either the YPC or a FCRC/CRB. To assure complete reviews and eliminate duplication of reviews, courts should have the flexibility to select either the YPC or a FCRC/CRB within their district. In some communities, group members may be the same for a YPC and the FCRC/CRB. In other communities, this is not the case.

If a statutory alternative to YPC review is developed, it would also be necessary to establish procedures for documenting the review and assure appropriate attendance to address the intent of the Youth Court Act. These procedures should be formalized in administrative rule, and should identify juvenile justice system representation at FCRC/CRB six-month reviews to address and document YPC-related issues.

We believe revising state law to provide an alternative to the YPC review has merit because it should reduce duplication and/or clarify juvenile offender placement review responsibilities.



## Chapter III - Juvenile Placement Process

---

---

### **Department Wants to Assure Reviews are Complete and Eliminate Duplication**

Department officials indicated their intent to review this issue and evaluate options such as policy changes, education and training, ARMs revision, or legislative change. The department wants to involve YPC members and the Juvenile Probation Officers Association in the evaluation process. While we believe revision of statute would be the most effective method of resolving this issue, the department's approach for examining alternatives by involving the affected parties is reasonable.

#### **Recommendation #4**

**We recommend the department seek legislation to allow alternatives to using the YPC to conduct six-month placement reviews.**



# Chapter IV - Staff Roles and Responsibilities

---

## Introduction

We identified two management areas requiring department attention. In this chapter, we present two recommendations. We recommend the department:

- *Formally identify the roles and responsibilities of financial specialists, and establish workload priorities.*
- *Review anticipated workload for the Juvenile Residential Placement Unit (JRPU) and establish priorities reflecting pilot project expansion.*

We discuss our findings for these recommendations in the following sections.

## Financial Specialists

The primary focus of financial specialists is to evaluate funding alternatives for out-of-home placements to maximize coverage of the General Fund juvenile placement appropriations. By verifying youth eligibility and determining if case managers applied for available financial resources, financial specialists extend the department's funding resources. According to their position descriptions, financial specialists should be advisers and provide assistance to the following:

- Youth courts/probation officers,
- Department parole officers,
- YPC chairperson and members, and
- Regional administrators.

## Services are Extensive

We found the range of services provided by financial specialists were extensive. According to department records, financial specialists assured access to over \$1 million in 1998 which might otherwise not have been available for juvenile placements. In some regions, early notification of the financial specialists by case managers regarding potential placement recommendations results in a more thorough assessment of funding options and financial support alternatives prior to the YPC meeting. This allows YPC members to address the implications of possible parental contributions and insurance, federal

## Chapter IV - Staff Roles and Responsibilities

---

assistance, and/or alternative funding. Since the financial specialists monitor and project placement expenditures, the impact of the cost of a potential placement on the regional budget and therefore the impact on future placements can also be addressed at YPC meetings. At the meetings we observed, the result was a substantive discussion of placement alternatives and costs, and general consensus on the placement recommendation being forwarded to the regional administrator.

---

### Services Could be More Consistent

While the range of services provided by financial specialists was extensive, we found the provision of these services was inconsistent between regions. We noted the following examples of differences and inconsistencies:

- Applications for Supplemental Security Insurance, Social Security Survivors benefits, or Medicaid. In some regions, probation/parole officers complete these types of activities; in others, the financial specialist does the work.
- YPC meeting arrangements and invitation of optional attendees such as mental health agency officials, medical professionals, or parents. In some regions, this is the responsibility of financial specialists, in others, the case manager/officer does the work.
- Development of fiscal alternatives prior to the YPC meeting. We noted some regions or judicial districts within regions developed procedures to accomplish this, others have not.
- Preparation, timing, and documentation of parental contribution determination and requests. In some regions, parental contribution review is initiated prior to the YPC meeting, in other regions the work is not initiated until the regional administrator approves the YPC recommendation.
- CAPS data entry and update. In some regions, officers are responsible for all CAPS data entry, completeness, and accuracy. In other locations, financial specialists assumed portions of this work.
- Budget and expenditure documentation. In some regions, the documentation developed by financial specialists includes detail about types of placements and expenditures as well as

## Chapter IV - Staff Roles and Responsibilities

---

individual placement information. In other regions, only individual placements are tracked in detail.

- Pilot project responsibilities. Financial specialists in all regions indicated their role was not clear relative to pilot project districts and the anticipated expansion of the pilot approach.

---

### Several Reasons for Differences

We identified several reasons for the differences and inconsistencies. First, the financial specialist positions were established following the 1997 Legislative Session and duties are still evolving. Second, although not necessarily the case in every region, it appeared officers in the judicial district where the regional office and financial specialist are co-located had more frequent contact. This resulted in informal operating procedures which officers in other judicial districts may not necessarily be aware of. Further, officers and financial specialists in one region are not aware of local/informal procedures used effectively in another region. Third, the department has not established formal policy and/or procedural guidelines to identify fundamental duties and responsibilities. Finally, with implementation of the pilot projects in two regions, day-to-day services provided by financial specialists have not been determined for pilot versus non-pilot districts.

---

### Work Emphasis and Priorities Should be Identified

Based on the differences identified above, we noted financial specialists in some regions are not sure how much emphasis to place on any one type of workload, particularly when this work is at the expense of other placement-related duties. Financial specialists in all regions identified existing workload backlogs and suggested there was a need to establish guidelines to identify day-to-day priorities.

---

### Policy and Procedure Guidelines are Needed

While allowing for some independence and creativity, duties and responsibilities should be formally identified to clarify the role of financial specialists for everyone involved in the process, including probation and parole officers, YPC members, and regional staff. While neither service to probation and parole officers nor expenditure tracking needs to be exactly the same in all regions or judicial districts, financial specialists should be aware of fundamental work requirements. In addition, financial specialists should have adequate guidance to determine work priorities when backlogs exist.

## Chapter IV - Staff Roles and Responsibilities

---

---

### Department to Revise Position Descriptions and Develop a Procedures Manual

Department officials indicated their intent to address specific duties and responsibilities, in a revision of financial specialist position descriptions. Further, staff are in the process of developing a procedures manual to identify important work tasks. Finally, the department intends to pursue automation of some of the tracking responsibilities to improve financial specialist effectiveness and consistency.

#### **Recommendation #5**

**We recommend the department:**

- A. Develop formal policy guidelines to identify the roles and responsibilities of financial specialists, including services provided to case managers, YPC members, and regional staff, and**
- B. Establish financial specialist workload priorities.**

---

### Juvenile Residential Placement Unit (JRPU)

The formal mission of the JRPU is to provide the most appropriate placements with available resources. The unit manager position description indicates the primary responsibility is to develop effective, innovative strategies to achieve the mission. Defined duties focus on residential placement program development, monitoring/coordinating placement services, and oversight of placement costs to maximize funding resources.

---

### Current Priority is Placement Review

We found the current primary workload priority is after-the-fact review of placements. This includes reviewing placement documentation such as YPC referral forms, court orders, and six-month review documentation. According to department officials, although not a statutory requirement, staff review court orders to verify compliance with Youth Court Act criteria to avoid the risk of liability to the state from a questionable placement. When staff determine placement documentation is not correct for the placement made, they coordinate with DOC regional and youth court officials. While infrequent, in the past these reviews resulted in changes in placements, a determination of alternative funding sources, and/or revision of the disposition court order. Staff indicate based on

## Chapter IV - Staff Roles and Responsibilities

---

existing resources, available time, and other priorities, review of all placements and associated documentation is not possible. Therefore, most reviews involve youth placed in the highest cost facilities or youth in placements proposed for extended periods.

### **Other Priorities include Contract Negotiation and Oversight**

The second workload priority for the JRPU involves negotiating placement contracts with private provider facilities. The department currently administers the three in-state and several out-of-state contracts for juvenile placement identified in Chapter II. These contracts have been re-negotiated annually. With the department's recent decision to use individual placement agreements, staff anticipate a reduction in the work required for contract negotiation.

Oversight of contract facilities includes verification of contract requirements through review of reports and/or on-site visits with provider staff and youths. While JRPU staff recognize an obligation for assessment of contract requirements, due to existing resources and available time, contract oversight has been limited to occasional visits to the three DOC contracted in-state providers. Again, the use of individual agreements for out-of-state placements should reduce the number of facilities requiring oversight.

---

### **Pilot Project Workload**

During the past two fiscal years, JRPU staff were also involved with monitoring of the two pilot project districts. Staff indicated primary pilot project activities to date include: developing funding allocation procedures, resolving intervention program funding issues, and clarifying procedures for case managers, YPCs, and regional staff. Based on chapter 161, Laws of 1999, the pilot project approach could expand to 12 of the 22 judicial districts during the 2000-01 biennium.

### **Pilot Project Policies and Procedures Needed**

Probation officers and DOC staff anticipate expansion of the pilot approach into additional judicial districts will significantly increase the number of questions and problems compared to the two districts currently involved. Probation officers expressed concern about the following issues regarding the pilot project approach and expansion:

- Assurance of a fair allocation of funding.
- Consistent and timely payment procedures.

## **Chapter IV - Staff Roles and Responsibilities**

---

- Resolution of over budget conditions.
- Identification of financial tracking responsibilities.
- Utilization of funds for intervention programs.
- Impact of using correctional facility/contract placements.
- Definition of roles of YPCs, regional administrator, and financial specialist.

For these types of concerns, officers typically wanted formal policies and procedures identified in advance of project participation. As a result, the need to dedicate JRPU resources prior to operations and during the initial stages of expansion is important. Oversight to assure placement decision-making process checks and balances are working should be a secondary responsibility of JRPU. Based on our audit work, it does not appear the current resources allocated to JRPU activities will be adequate to address both current and future workload.

---

### **JRPU Priorities Should Include Pilot Project Procedures and Oversight**

The department should review current and anticipated workload for the JRPU and establish priorities which include implementing an expanded pilot project approach and developing standard procedures for operations and oversight. Based on the department's proposal, we support establishing a working group of officers, both pilot and non-pilot, as well as YPC members to resolve pilot project policy concerns. The unit manager should be responsible for oversight of the working group to assure coordination and timeliness. The ultimate goal should be to issue policy documents and formalize as many of the operational and oversight aspects of the pilot approach as possible early in the expansion process.

---

### **Department Proposes Developing a Work Plan as the First Step**

In support of our recommendation, division officials proposed development of a work plan to examine current and anticipated workloads for the JRPU. Following this review, the division administrator intends to review work priorities and assignment of staff as appropriate.



## **Chapter IV - Staff Roles and Responsibilities**

---

### **Recommendation #6**

**We recommend the department:**

- A. Re-establish workload priorities for the JRPU.**
- B. Include pilot project expansion procedures and oversight as a workload priority for the JRPU.**



# Agency Response

---



# DEPARTMENT OF CORRECTIONS



MARC RACICOT, GOVERNOR

1539 11TH AVENUE

## STATE OF MONTANA

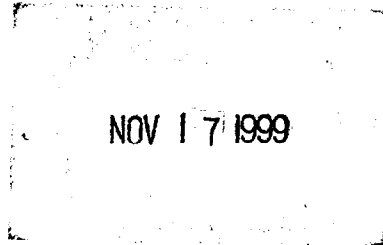
(406) 444-3930  
FAX: (406) 444-4920

PO BOX 201301  
HELENA, MONTANA 59620-1301

November 16, 1999

RE: Response to Legislative Audit Recommendations

Mr. Scott A. Seacat  
Legislative Auditor  
Legislative Audit Division  
Room 135, State Capitol  
PO Box 201705  
Helena MT 59620-1705



Dear Mr. Seacat:

Thank you for the opportunity to respond to the performance audit report of the Department of Corrections for Out-of-home Placement of Juvenile Offenders. We have reviewed the recommendations, and the department concurs with the findings of the audit report. Our responses to each recommendation follow:

RECOMMENDATION # 1:

WE RECOMMEND THE DEPARTMENT SEEKS LEGISLATION TO INCREASE THE FLEXIBILITY REGARDING THE NEED FOR ADJUDICATION TO ACCESS JUVENILE PLACEMENT FUNDING.

Response: We concur. The department has established, in accordance with House Bill 65, 1999 Legislative Session, ten delinquency pilot districts. These pilot districts are designed to provide the district with flexibility over juvenile placement funding. Under the pilot projects the department allocates money to each district and the district is responsible for determining how that money is used as long as it is used on juveniles. If the pilot project continues to operate effectively, the department will seek legislation to broaden this concept to all judicial districts and additional changes in legislation will be made. The department has also appointed a committee charged with making recommendations for department supported legislation for changes to the youth court act. The department would like to note that any change in statute broadening access to juvenile funds would also increase the number of juveniles served thereby increasing the department's expenditures.

RECOMMENDATION # 2:

WE RECOMMEND THE DEPARTMENT REVISE ADMINISTRATIVE RULES TO ESTABLISH PROCEDURES WHICH ASSURE RESULTS OF FORMAL YOUTH ASSESSMENTS ARE AVAILABLE TO YPCS.

Response: We concur. Two department employees and two members of the Juvenile Probation Officers Association have met and have drafted a preliminary revision of the administrative rules pertaining to YPCs. In addition, the first formal training of department staff relative to conducting a YPC has been completed, and formal training of all YPC appointed members has been scheduled for December 1999. Training has and will continue to emphasize the requirement that an inclusion of formal youth assessments in the YPC referral packet is mandatory.

RECOMMENDATION # 3:

WE RECOMMEND THE DEPARTMENT FORMALIZE YPC OPERATING PROCEDURES FOR PURSUING AND RESOLVING PLACEMENT FUNDING ISSUES.

Response: We concur. The department has formalized Youth Placement Committee (YPC) policies and procedures within the Parole and Probation Bureau, in which roles are assigned relative to the pursuit of funding. In addition, formal training has been conducted with department staff relative to the conduct of the YPC. The department has emphasized the authority of the Regional Administrator to indicate that a placement approval may be conditional upon a judicial determination that a custodial agency or guardian provides financial support for the placement. The department has also continued to follow up on establishing an informal dispute resolution process through the interagency committee on multi-agency youth.

RECOMMENDATION # 4:

WE RECOMMEND THE DEPARTMENT SEEK LEGISLATION TO ALLOW ALTERNATIVES TO USING THE YPC TO CONDUCT SIX-MONTH PLACEMENT REVIEWS.

Response: We partially concur. The department agrees that it should seek legislation regarding the six-month placement reviews. Since this issue impacts the Department of Public Health and Human Services and the judicial districts, the department will take this issue to the interagency committee on multi-agency youth. The department will discuss the issue with the committee and the committee will determine how to eliminate duplication. Once the committee decides how it wants to handle the six-month placement reviews the committee will seek appropriate legislation changes.

RECOMMENDATION # 5:

WE RECOMMEND THE DEPARTMENT:

- A. DEVELOP FORMAL POLICY GUIDELINES TO IDENTIFY THE ROLES AND RESPONSIBILITIES OF FINANCIAL SPECIALISTS, INCLUDING SERVICES PROVIDED TO CASE MANAGERS, YPC MEMBERS, AND REGIONAL STAFF, AND
- B. ESTABLISH FINANCIAL SPECIALIST WORKLOAD PRIORITIES.

Response: We concur. The department is in the process of drafting a procedure manual that will identify the specific functions of the Financial Specialists and the procedures that should be followed. The department has also identified specific functions that are related to the cost of care determinations and budget status and the procedures manual will specifically address that these areas are the priority of the Financial Specialists. The supervisor of the Financial Specialists also visits each Financial Specialist every two months to discuss workloads and priorities as well as other issues that may arise. All the Financial Specialists will also meet at least quarterly to discuss and review issues. This will help promote consistency, but the department does not intend to dictate that every Financial Specialist will perform the exact same duties because each region has a different need and the type of juveniles vary from region to region.

RECOMMENDATION # 6:

WE RECOMMEND THE DEPARTMENT:

- A. RE-ESTABLISH WORKLOAD PRIORITIES FOR THE JRPU.
- B. INCLUDE PILOT PROJECT EXPANSION PROCEDURES AND OVERSIGHT AS A WORKLOAD PRIORITY FOR THE JRPU.

Response: We concur. The department has evaluated the workload of the Juvenile Residential Placement Unit (JRPU). Based on that review, the department has decided to outsource the oversight of the pilot project expansion. This will ensure the oversight of the pilot project has a high priority and provide the JRPU more time to issue policy and provide oversight on the day to day activities of juvenile placements.

Thank you again for your time. We wish to thank your staff for their suggestions for improving the effectiveness of the Department of Corrections and for their courtesy in working with our staff.

Sincerely,

  
RICK DAY  
Director

RD/jeb

Page 53