

# Executive Budget on Finance/Public Safety

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ROBERT M. MORGENTHAU  
DISTRICT ATTORNEY

# New York County District Attorney's Office

## Testimony

before the

## City Council Public Safety Committee

*FY 2008-2009*

**May 19, 2008**

**TESTIMONY OF  
ROBERT M. MORGENTHAU**

**BEFORE THE**

**CITY COUNCIL  
PUBLIC SAFETY COMMITTEE  
MAY 19, 2008**

Thank you for the opportunity to address the Mayor's Proposed Fiscal Year 2009 Executive Budget and its impact on the New York County District Attorney's Office. The city has informed us that it will cut our budget 3.63 percent, or more than \$2.6 million in Fiscal Year 2009. These cuts are on top of the \$7.2 million in cuts we have sustained since Fiscal Year 2002. It is clear that the funding City Council has provided this office previously, which totaled \$1.1 million in FY08, will be even more crucial in FY09 if we are to maintain vital services to the community. We ask that the Council support the restoration of the \$7.2 million in past cuts as well as allocate at least the \$1.1 million to us you have done in the past.

The large reduction in funding we face will force us to terminate some important programs and severely curtail others, hampering our ability to provide the level of prosecutorial services to which the people of New York are entitled. The proposed cuts will also make it difficult for us to pursue worthwhile initiatives for which the city provided funding only last year, in the critically important areas of gun crimes, child abuse and internet crimes. These reductions will not only lessen our ability to prosecute crimes, they will also adversely affect the amount of revenue that we can return to the city. We will be limited in our capacity to conduct many of our most complex and important white collar crime investigations, which produce millions of dollars in fines, taxes and other payments for the city treasury every year.

It is particularly important in a time of economic uncertainty for the city and the City Council to support the city's prosecutors in their efforts to reduce crime and thereby maintain the city's economic health. The reduction in crime over the last decade has been the foundation for the economic renaissance in the City of New York. While other cities have faltered, seeing their crime rates rise and their economic activity decline, New York has kept crime down and continued its economic success. This is due, in no small part, to the efforts of the city's prosecutors. In addition to working with the police to fight violent crime, we play a vital role in helping to ensure safety, honesty, and fair-dealing in business and labor practices, and in maintaining the integrity of the financial markets. It would be extremely short-sighted -- especially in these uncertain economic times -- for the city to impose further cuts on the budgets of offices that are such a vital part of the success of New York. The Council must also do whatever it can to see that we can continue this vital mission.

We need look only to news reports from the not-so-distant past to find a New York which appeared to have no hope of reducing crime and stemming the loss of population. In the 1980's and 1990's, there was a steady escalation of crime that the public saw as unstoppable. Homicides had risen to unprecedented levels. After a long-term effort on the part of police and prosecutors, the city has made a near miraculous recovery where residents, tourists, and businesses feel safe in the city. The economy has responded more favorably than anyone could have expected. It is simply wrong for the city to jeopardize these hard-won gains against crime by imposing new and burdensome cuts on the city's prosecutors.

### Effects of the Proposed Cuts

Reductions of the magnitude proposed, over \$2.6 million for the New York County District Attorney's Office alone, will greatly affect our ability to perform important functions. Our workload has been increasing even as our budgets have been severely reduced. Arrests are up 12.1 percent since 2003. Cuts in our budget in light of caseload increases will no doubt result in increased arrest to arraignment times, longer pre-trial city jail delays, and increased police overtime as prosecutors are forced to reduce staff throughout the office, including many of those responsible for handling and processing new arrests. Additional cuts will cost the city millions in additional police and corrections expenses and risk the release of dangerous arrestees, who, because of delays in arraignment, may be eligible for judicial release. These increased costs will amount to many multiples of the money saved by the \$2.6 million budget reduction proposed for the Manhattan District Attorney's Office.

In addition to meeting our responsibilities to prosecute violent crime, we are obligated to investigate numerous matters beyond street crime. For example, our construction industry investigations have become even more vital during this unprecedented building boom, and the attendant life threatening working conditions and financial corruption.

### Ongoing Construction Industry Investigations

This office has been conducting an intensive investigation into the deaths of two firefighters at the Deutsche Bank fire. This complex case has required a tremendous investment in office resources, drawing personnel and funds from our limited resources. In just one case, the office has dedicated millions in unreimbursed funds: 6 assistant district attorneys, 4 trial preparation assistants, 3 forensic investigators, a number of investigative analysts, expert witnesses; and the purchase of two expensive new software programs. Yet, while proposing cuts to our budget, the City and State have spent over \$2 million in legal fees to hire private counsel to deal with the Deutsche Bank fire investigation that we are conducting. Spending at a rate of \$200,000 a month for private legal fees, while cutting the budget of the office investigating the matter, is not a defensible allocation of taxpayer funds.

In addition, this office is further required to investigate other construction related incidents, such as the recent tragic crane collapse on the east side of Manhattan, which resulted in the deaths of seven and injury of many others. These cases are expensive to undertake, involving legal and investigative personnel, as well as the hiring of engineering and construction experts. In such cases, we have no discretion as to whether to investigate -- it is a sworn responsibility. The proposed cuts, however, severely undermine our ability to undertake this crucial work in the most professional manner possible.

In the past year alone, there were 40 construction accidents which resulted in a total of 14 fatalities. These events require this office to investigate not only to determine if there is criminal responsibility for the loss of life, injury, and property damage; but also determine whether City regulatory agencies are complicit, or negligent in providing safe working conditions. Through its investigative work, the District Attorney's Office is fulfilling the crucial role of neutral, investigatory agency rooting out criminality, as well as ensuring future safer practices.

According to the New York Building Congress, construction spending in New York City by government, businesses and institutions will reach \$83 billion in the years 2007 through 2009, much of it in Manhattan.<sup>1</sup> Despite all of these positive developments, however, the sheer volume of construction activity has produced a fertile environment for crime and corruption. This level of criminality creates tremendous obstacles to businesses in New York City and threatens the city's reputation as a safe and desirable place to work and conduct business.

Corruption and bribery in the construction industry, costs New Yorkers hundreds of millions of dollars each year in the form of lost tax revenue and inflated direct and indirect construction costs. Corruption enters the construction industry through mechanisms including bribery, bid rigging, and kickbacks. These and other illegal activities permeate all levels of the industry, from the agents to the general contractors, from the sub-contractors to the unions. Long-standing relationships between corrupt developers and contractors facilitate covert business dealings that siphon funds from property owners to corrupt personnel. The complex and diffuse nature of construction fraud hinders the investigation of corrupt practices. Most fraud is left undetected by all but the most focused and sophisticated surveillance efforts and investigative personnel.

The New York County District Attorney's Investigation Division has developed the expertise to investigate and prosecute corrupt practices in the Manhattan construction industry. Elimination of the systemic problems that characterizes the construction industry requires this office to conduct long term investigations involving complex surveillance, the use of informants, and the expertise of financial investigators and accountants. Expanded undercover operations are needed to conduct business with, and

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<sup>1</sup> "Construction Remains White Hot: \$83 Billion in Spending Projected Over Three Year Period," New York Building Congress Research & Analysis, <<http://www.buildingcongress.com/code/outlook/2007-2009-outlook.htm>> 16 May 2008.

thereby collect evidence on, the suspected firms. Although these types of operations are extremely expensive, they have led to successful prosecutions.

With the nature of the construction industry evolving to utilize more technologically advanced and sophisticated methods for wrong doing, investigative and prosecutorial activities have also been enhanced accordingly. In order to ensure the health and safety of the citizens of New York, and a favorable climate for legitimate business, we must receive adequate funding.

### Manhattan's Role in the Economic Fortunes of the City

From construction to finance to tourism, Manhattan plays a dominant role in the economy of the city. For example, Manhattan accounted for 79.8 percent of the payroll earnings in the city, and 89.8 percent of the total city personal income tax in 2005. Manhattan also generates 63.6 percent of New York City's total tax revenue. Manhattan will continue to play an essential role in city's economy in the case of an economic downturn and will, inevitably, take the lead in the recovery.

Mindful that Manhattan is the heart of the economy of the city, the Manhattan District Attorney's Office has worked effectively to create an environment that is welcoming to residents, tourists, and businesses. In addition to our continued efforts to reduce violent crime, the office commits substantial resources to the prosecution of white collar crimes, organized crime and corruption in labor and management.

Bringing these complex white collar crime cases, the office plays a crucial role, unique among the city's prosecutors, in maintaining the integrity of the financial markets and ensuring honesty and fair dealing in business and labor practices. In addition, these cases return substantial revenues to the city. Since Fiscal Year 2004, this office has returned nearly \$98.5 million to the city as a result of these investigations. Budget cuts will force this office to reduce the resources devoted to prosecuting white collar crime disproportionately, affecting financial markets and business development in the city and ultimately reducing revenue returned to the city. In fact, the amount of revenue that the city will lose as a result of reducing the investigations that we can bring will be many times greater than the amount of city cuts to our budget.

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In sum, we ask the City Council for its help in eliminating the budget cuts that the city has planned for next year and restoring the funds that have been lost to our baseline budget over the years. We also ask that you keep providing this office with the extremely important funding you have provided to us. Without this funding, our offices cannot continue our important work, fighting street crime and economic crime, at a level which will ensure safety and well-being of all residents, workers, and visitors to New York and promote the continued economic strength of New York City and the metropolitan area.

### **Important Programs at Risk**

This office commits major resources to fighting violent crime and crimes against personal property. Further, we commit resources to the investigation and prosecution of white collar crime. Cuts of the magnitude proposed will affect these efforts. In addition, cuts will also destroy our office's ability to carry out the Mayor's mandate to enhance programs in the areas of child abuse, internet crime, and gun prosecutions.

The following are among the programs that will be affected by the city's cuts:

**Gun Crimes:** Recent cases demonstrate the success of the office in investigating and prosecuting perpetrators of gun crime. Guns and drugs are frequently linked together in criminal activity as demonstrated by another case in which 25 individuals were arrested stemming from two separate year-long investigations into crack-cocaine and heroin dealing in and around the Polo Grounds Towers housing development in Harlem. Fifteen of the defendants, most of whom reside within the Polo Grounds and some of whom are members of "The Best Out" Bloods gang, were indicted on charges of criminal sale of a controlled substance. Twelve others were arrested and charged in Criminal Court complaints with various counts of criminal possession of a weapon, criminal possession of a controlled substance, criminally using drug paraphernalia, and unlawful possession of marijuana.

The stunning decline in the number of homicides and in the level of violence illustrates the excellent work done by the police and prosecutors. The drop in murders has been particularly dramatic in Manhattan. The work of senior assistant district attorneys in the Trial Division and specialized programs in this office, such as the Firearms Trafficking Unit and the Homicide Investigation Unit, have played a major role in lowering the number of homicides and violent crime in Manhattan. Labor intensive investigations using senior investigative legal staff are expensive and are at risk given the magnitude of the proposed cuts.

**Identity Theft:** In recognition of the growing threat posed by identity theft, this office established a unit dedicated solely to the investigation and prosecution of this type of crime. Believed to be the first and largest of its kind, the unit was established in response to the marked rise in complaints from individual and corporate victims in our jurisdiction, as well as to the growing sophistication of the criminals perpetrating these crimes. The cases include everything from simple credit card theft to complex international criminal rings engaged in the highest levels of fraud.<sup>2</sup>

In one notable case, this office investigated and prosecuted two defendants who, in just five months, stole over \$1 million dollars. Using stolen identity information, the

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<sup>2</sup> This office has an Edward R. Byrne federal grant for the investigation and prosecution of identity theft. This grant is currently in peril, as there are plans to reduce federal expenditures for crime fighting. If we lose this federal funding and it is not replaced by the city or state, it will have a devastating impact on our identity theft investigations.

defendants siphoned money from the victims' bank accounts by transferring funds into other accounts they had fraudulently established. In addition, the defendants deposited a number of forged checks, thereby stealing from several local corporations. The defendants were convicted at trial and sentenced to 15-30 and 12-36 years in state prison respectively.

In another case, seventeen individuals and one corporation were indicted on charges related to global trafficking in stolen credit card numbers, cybercrime, and identity theft. This indictment marks the second major phase in a joint two-year investigation by our Identity Theft Unit and the United States Secret Service. The 173-count indictment charges that from 2001 through 2007, the defendants participated in a multi-national, internet-based criminal enterprise -- the "Western Express Cybercrime Group" -- dedicated to trafficking in stolen credit card numbers and other personal identifiers. The group realized millions in illicit profits from the sale and fraudulent use of this personal data, with some members of the enterprise laundering these profits in a variety of technologically savvy ways.

**Child Abuse:** Recognizing that child abuse cases are best managed by specially trained attorneys and support staff, the office created its Child Abuse Unit in 1989, which is now part of an expanded Family Violence and Child Abuse Bureau. The Unit has developed a highly effective, multidisciplinary approach to investigating and prosecuting child abuse cases. In the development of these cases, the office uses the services of staff and consultants, including social workers, psychologists, and physicians.

The office's approach to these cases has proven highly effective, but they are also time and labor intensive. In 2007, over 7,600 reports of child abuse and neglect were made to the State Central Registry from Manhattan, leading to over 1,000 criminal prosecutions through our office. Additionally, in 2006, we initiated an interagency task force with the goal of establishing a co-located child advocacy center in Manhattan. This will be the first child advocacy center in the borough to house police, ACS, medical, and legal resources in the same location. The interagency task force now includes representatives from the Mayor's Office, the New York Police Department (NYPD), the Administration for Children's Services (ACS), Safe Horizon, and the five child medical centers in Manhattan. The group has designed a model for a Manhattan Child Advocacy Center that makes the best use of the world-class medical and social services available throughout the borough and the strong collaborative relationships already in place between these service providers and this office. A location for the Center has been chosen, and the task force has been busy developing protocols in anticipation of the Center's opening, expected in the Fall of 2008. This office will become a permanent presence at the site, itself.

This office is also a member of the Mayor's Task Force on Internet Crime which includes members of various law enforcement agencies, including the five prosecutors' offices and the New York City Police Department. We meet regularly to develop approaches to the ever increasing problem of internet exploitation of children. Another initiative is a Department of Justice program that is aimed at preventing the sexual abuse



and exploitation of children through the internet. Representatives from federal, state and local law enforcement work together to coordinate the investigation and prosecution of internet crimes against children.

**White Collar Crimes:** In addition to construction industry investigations discussed above, this office has prosecuted major cases involving racketeering, kickbacks, and other anti-competitive practices. Several of our recent cases illustrate the importance of our investigations.

#### Racketeering/Extortion

This February, the office announced the indictment of two leaders of an organization called the "Committee on Contract Compliance" on racketeering and extortion charges. The investigation revealed that the defendants used the organization -- as a mechanism to extort money from building contractors throughout the City by threatening to report fake violations at job sites. In addition to the inconvenience and increased costs to contractors caused by the defendants, hundreds of fake complaints were lodged with various city and federal agencies.

#### Fraud

In February, the office announced the sentencing of two physicians who participated in a criminal enterprise run out of medical clinics, which stole millions of dollars by defrauding no-fault insurance companies as well as the New York City Transit Authority.

#### Money Laundering

This past September, Meir Efargan was convicted of using several shell companies to launder over \$20 million in proceeds from a prostitution ring. Efargan pled guilty to the top charge of Money Laundering in the 2<sup>nd</sup> degree and was sentenced to 5 years probation. Mr. Efargan and an associate had been laundering money for several years, transmitting the proceeds to bank accounts in Israel. After a lengthy investigation, in which an undercover police officer spoke to prostitutes and monitored bank account activity, it was revealed that Mr. Efargan operated several escort services and websites, laundering the proceeds through limousine, concierge, and catering companies.

#### Tax Crimes

In December a well-known Tribeca restaurant pled guilty to stealing \$1.1 million in taxes from New York State. As a result of his plea, he will be sentenced to jail and be required to sign a restitution order for the entire \$1.1 million as well as be responsible for all accrued interest and penalties that may total an additional \$1 million.

Cuts of the magnitude proposed by the city will jeopardize the work in these critical areas of gun crimes; child abuse; identity theft; internet crimes; and white collar crimes. These areas of great importance only last year, are placed in jeopardy by the proposed cuts. It is critical that we receive the necessary funding to maintain vital initiatives, and ensure the safety of all the residents, businesses, and visitors to the city.

## **Costs to the System Resulting from the 3.6 Percent Cut**

### **1. City Jail Costs**

In 2007, the Office filed 4,808 defendant indictments in Supreme Court.<sup>3</sup> Estimates are that the City spends \$164 per day on each inmate in City jail.<sup>4</sup> A 3.6 percent reduction in the Office's personnel budget could easily slow the system down enough to result in one extra adjournment per felony case. A single adjournment can increase a case's time to disposition by two weeks, meaning that the defendant spends more time in City jail. If there is even one extra adjournment for every indictment filed next year, it could result in a cost to the city of as much as \$11 million.

### **2. Arrest to Arraignment**

Since 2003, arrests have increased by 11 percent, yet arrest to arraignment times have improved to 21.71 hours. This is because the office has devoted additional resources including additional legal and non-legal staff to processing these cases and increased hours of the arrest processing operation (known as Early Case Assessment Bureau or ECAB). Our lawyers typically work until 1:00 am, often later. Because of statutory requirements and police overtime concerns, the office must continue to process cases in a timely fashion. The prospect of a 3.63 percent cut occurring simultaneously with an increase in arrests could lead to a perilous condition for arrest to arraignment times. Reducing the numbers of ADAs and other critical staff by 3.63 percent, in conjunction with the increased volume, would mean a 12 percent increase in workflow in ECAB. This would translate into approximately 2.6 extra hours in processing time, to an average of 24.3 hours per defendant, over the statutory requirement. It would also mean increased police overtime at greatly increased cost to the city. The expenses incurred would likely be more than the 3.63 percent cut to this office itself.

### **3. Police Overtime**

The New York City Independent Budget Office (IBO) tracks police department overtime. A recent report released by IBO, entitled "Police Overtime: Tracking the Big Growth in Spending," analyzed a concept called "operational overtime," which causes unavoidable overtime when an officer is required to work extended hours to process an arrest made late in a tour of duty. Since the majority of police officers use the second half of their shifts to process arrests, an increase in the average arrest-to-arraignment time is bound to affect the amount of operational overtime. The largest source of overtime spending was considered to be "new arrest overtime" when an officer must remain available during the process by which a criminal complaint is sworn. IBO estimates that for every percentage increase in new arrest processing time, police

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<sup>3</sup> DANY Monthly Report of Operations, Term 13 2007.

<sup>4</sup> The Correctional Association of New York, Basic Prison & Jail Fact Sheet, March 2006.

overtime per arrest increased approximately 1.4 percent. Our estimate is that a 12 percent increase in processing time (as noted above) could increase police overtime per arrest by 17 percent in 2008. Since police overtime per arrest averaged \$187 in 2007, an increase of this magnitude would translate to \$3.8 million extra in overtime expenditures.

The increased city expenditures occasioned by the proposed cuts would be far greater than the \$2.6 million cut to our office, on top of increasing the inefficiencies in the criminal justice system we have all worked so hard to overcome.

**E.A.C.'s New York City T.A.S.C.  
and  
Mental Health Programs**

**TESTIMONY**

**PRESENTED TO**

**THE COUNCIL OF THE CITY OF NEW YORK**

**Committee on Public Safety**



**Prepared by:**

**E.A.C., Inc.**

**(EDUCATION & ASSISTANCE CORP.)**

**May 19, 2008**

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New York City Department of Health  
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**Statement on Behalf of E.A.C.'s New York City T.A.S.C.**  
**Programs to the Council of the City of New York**  
**Committee on Public Safety**

March 19, 2008

Honorable ChairpersonVallone, Council Members, Council Staff:

My name is Lauren D'Isselt and I am a Director of one of E.A.C., Inc. (Education and Assistance Corp.), Programs. New York City Council support has enabled TASC to become the most highly effective alternative to incarceration program in the State. In the Bronx, where we operate the Mental Health Court, we were chosen by the Bureau of Justice Assistance (BJA) under the Department of Justice as one of the five Model Mental Health Courts in the entire country, as a teaching Court to teach all of the new Mental Health Courts in how to develop to be Mental Health Courts. The competition was rigorous but Bronx TASC's Mental Health Court was one of the five selected. Our staff is lead by a psychiatrist and we assess the mentally ill clients, place them into programs and monitor them for the Court. This TASC does as well for all of its drug abusing non-violent offenders who go into treatment programs in lieu of prison or jail but for the mentally ill ones we use licensed

psychologists or psychiatrists to make an accurate diagnosis and do rigorous risk assessments to insure to the highest degree possible that diversion is appropriate decision. Not only does TASC screen, assess and place these substance-abusing and mentally ill offenders but also TASC provides clinical case management services to them and the program that they are in and monitors them as well for the Courts and the District Attorney's Offices for up to two (2) years. These placements have come about through the trust and support that TASC receives from the Courts and the District Attorneys in the four counties where we operate. To show to you the level of trust that TASC has from the District Attorneys, the New York City TASC programs provide the screening, placement and case management for the District Attorney's DTAP (Drug Treatment Alternative to Prison) second felony offender programs in Brooklyn, Queens, Bronx and Richmond Counties. We are in fact the case management arm of the District Attorneys' in those counties for their Drug diversion program and we also do this work for their mental health programs.

This past calendar year, combining substance abusing defendants and mentally ill defendants, most of whom also abused drugs, we placed one thousand nine hundred ninety-six (1,996) substance abusing, criminal justice offenders into treatment programs and case managed and monitored their participation for the Courts. The biggest group of those placed were predicate felons, that is those who have a current felony drug charge and who have been convicted of at least one or more prior felonies within the last ten (10) years. Ordinarily, under the Rockefeller Drug Laws even as amended this group would have gone to state prison, but through a collaboration with the Courts and the District Attorneys, we have developed a mechanism to place them into drug treatment programs of up to two years duration, which allows them to be rehabilitated instead of incarcerated. This mechanism has been approved by our highest Court, the Court of Appeals in a unanimous decision with every member of the Court agreeing 7-0 to treatment over jail or prison. Our success rates for the predicate felony offender population have been consistently maintained at a 70% completion level, with first time felons completing at a 60% to 65% rate.



Our current caseload approaches three thousand (3,000) clients in TASC placed treatment programs. We supervise this number of clients for the Courts and guide them along to productive, drug free lifestyles.

The work of the New York City TASC Programs has net saved the City and State many, many millions of dollars. But besides the net monetary benefit that TASC brings to the criminal justice system<sup>1</sup>, it pales besides the incalculable benefit that comes from rehabilitating criminal, drug addicts and helping to create from them productive, taxpaying members of society. Not only does this result in the individual rehabilitation of criminal, drug abusers, and thus safer streets, but in families being reunited, parents now able and willing to assume responsibility for their children and these children now having a parent present who is capable of undertaking their upbringing. We have achieved this goal for the more than twenty thousand (20,000) clients who have graduated from our programs since inception in New York City in 1985. . Further support for our

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<sup>1</sup> In a Cost Savings document we have produced using very conservative figures and only applying them to detained offenders for detention savings, we calculate that savings to the City on detained offenders was over six million dollars and net savings to the State were eleven million dollars only calculating prison-bound offenders.

effectiveness is our TASC recidivism studies on our predicate felony population, which show that an average of 90% of our graduates have sustained a crime-free lifestyle one year after completing the program. These are the figures that make us proud and sustain us in our efforts.

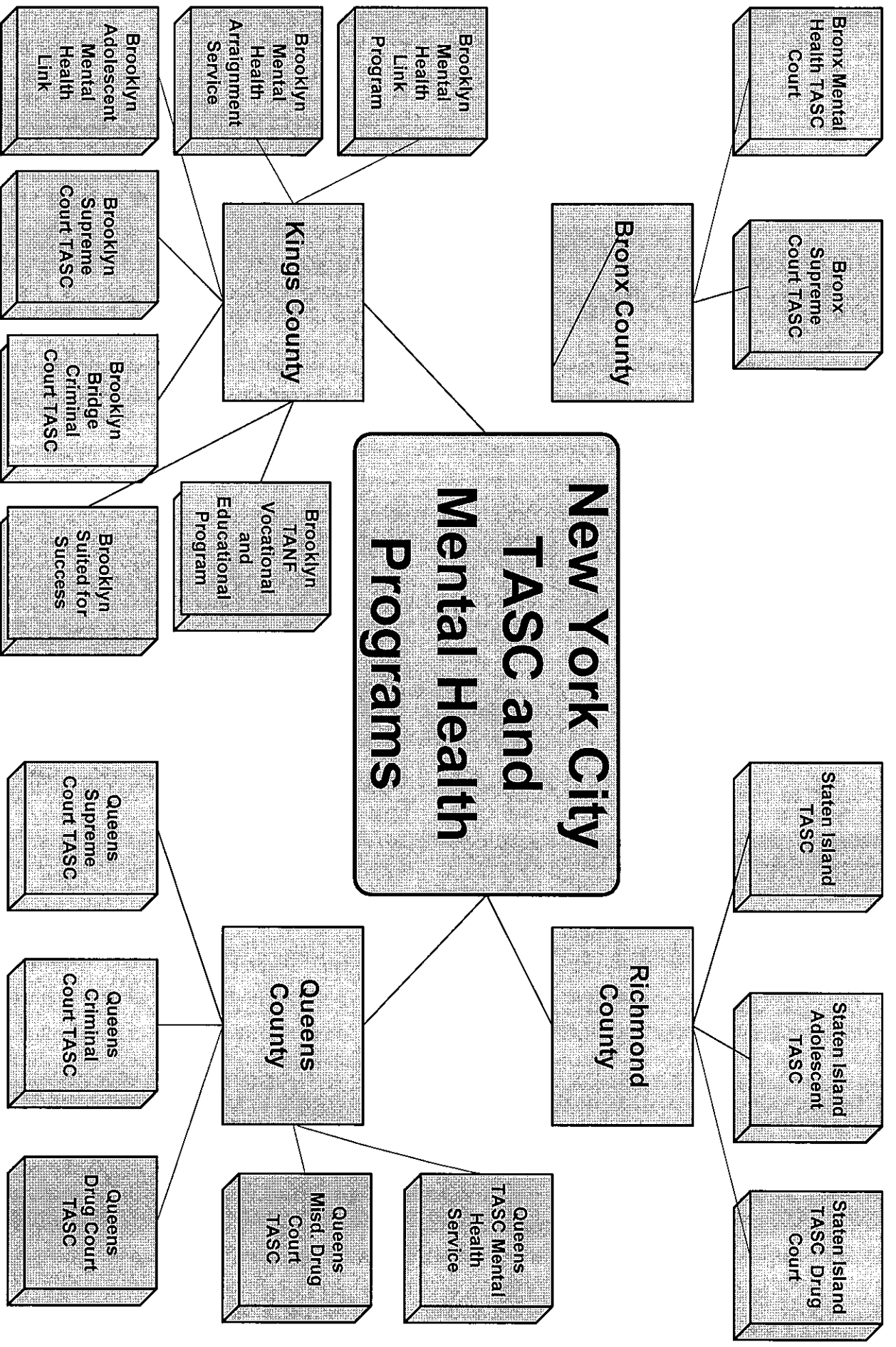
This past year, with State budget cuts and increased costs for our every service and need, we have had great financial difficulties maintaining the levels of service that the Courts and District Attorneys have asked of us. This coming year however we will need a restoration of funding to cover expenses that are fixed to rise for us: rent, transporting our clients, telephone and other such expenses that drive up our costs. Without this, I am sorry to say that there will be some defendants who will not receive alternative to incarceration services or others who will have to wait in jail much longer before they receive them. Also, many clients will be denied the benefit of our TASC case management, which is a major factor in the high success rates and low recidivism rates that we have demonstrated through the years.

The fact that we net saved the City and State enormous sums of money (a projected total net amount of almost twelve million dollars (\$12,000,000) dollars this year with six million (\$6,000,000) dollars of that sum in savings to the City. This has enabled us to affect so many, many thousands of lives that we only hope that we will be able to continue our work as we have been doing for the past twenty-three (23) years. For it would be a shame if our citizens lost the benefit of complete TASC services; services that through the years have rehabilitated so many drug offenders and clearly with twenty thousand (20,000) client graduates has had a significant effect on making our communities safer. It could not be the police alone that has made our communities safer, but the cumulative effect of TASC and other effective rehabilitation programs that have helped make our streets safer. Arresting a drug abusing offender, putting him or her in jail or prison, only returns that offender back to the streets and back to drugs and crime after some period of time. It is the rehabilitation of these drug users and developing them into tax paying, productive citizens that is essential for the maintenance of safe streets and safe communities.

I wish to extend my gratitude to the City Council for recognizing the value of EAC's programs and services to our communities year in and year out and to urge once again that you continue to support us this year. We guarantee that in the coming year, if you allow us, we will continue to produce the extraordinary results for which we are known and we will make you proud that you provided funding for us.

Respectfully submitted,

Lauren D'Isselt



# **EXHIBIT A**

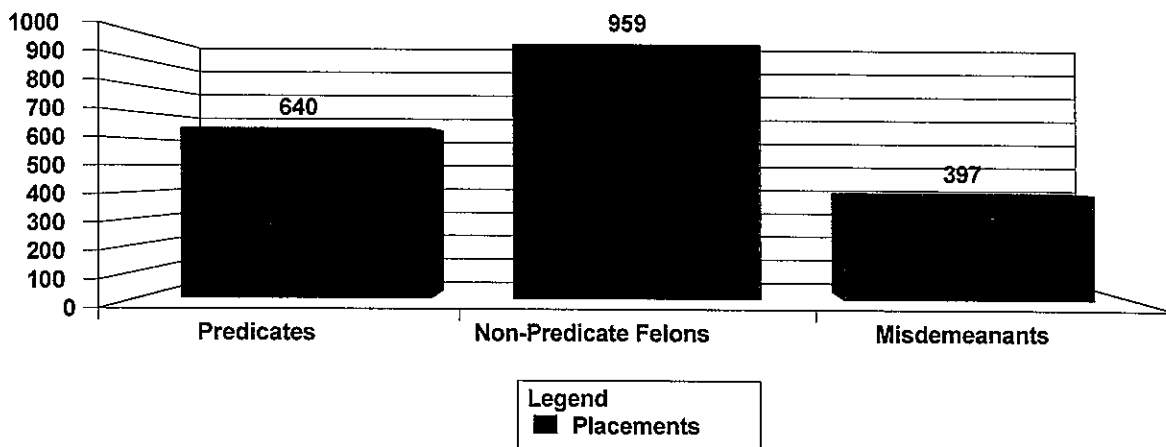
## **PLACEMENTS**

# NYC TASC PLACEMENTS

## TOTAL YEAR 2007 PLACEMENTS: 1,996

In Calendar Year 2007, EAC's New York City TASC programs (Brooklyn TASC, Brooklyn Mental Health, Queens TASC, Queens Mental Health TASC, Staten Island TASC, Staten Island Adolescent TASC, Bronx TASC and Bronx Mental Health TASC) placed a total of **1,996** non-violent, substance abusing and/or mentally ill criminal offenders into substance abuse/mental health treatment programs as an alternative to a sentence to prison or jail. With success rates for predicate felons at 70%, and non-predicate felon success rates better than 60%, the TASC numbers are a testament to the positive role of the TASC programs in improving public safety, but also its role in community betterment and in restoring families one at a time. But with 20,000 placements in the last 10 years that makes many families re-united and made whole.. These placements are monitored by TASC for the length of the Court mandate, which ranges up to 24 months for predicate felons and one year for misdemeanor offenders. An accompanying Cost Savings Report, demonstrates how as a result of the **1,996** Placements made in 2007 by the E.A.C.'s New York City TASC programs the City and State of New York have net saved **\$11,963,114.00**. The breakdown of the **1,996** placements show that **640** were predicate felons, **959** were prison-bound non-predicate felons and **397** were chronic misdemeanants.

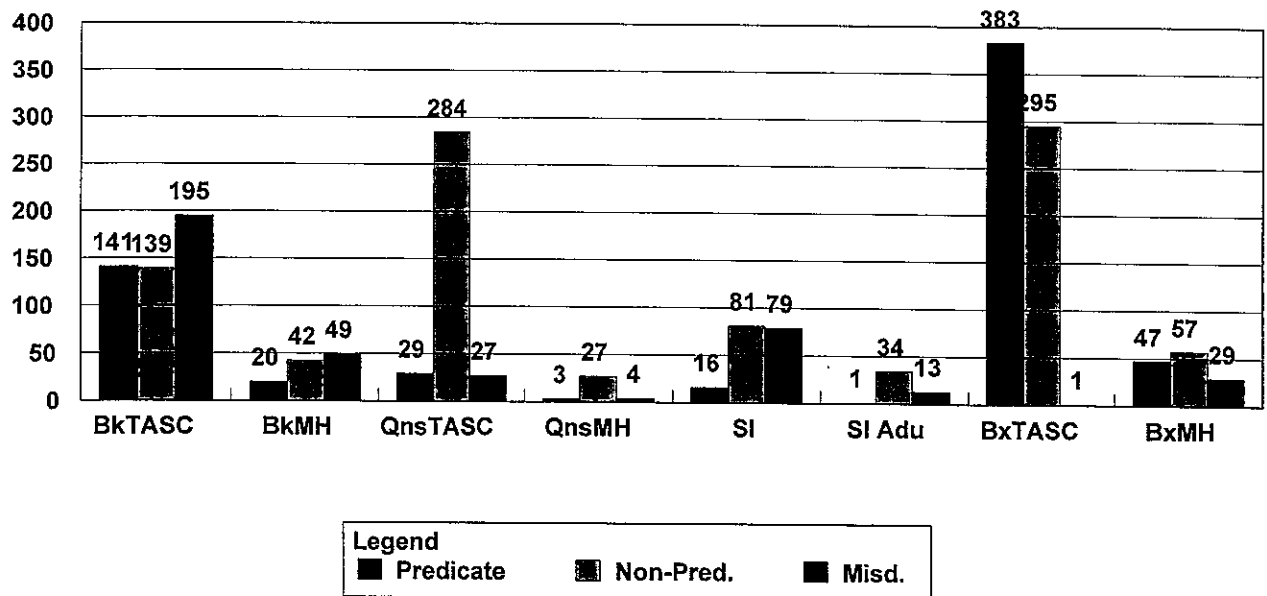
### PLACEMENTS: 1,996



TASC Program	Total	Predicate Felons	Non-Predicate Felons	Misdemeanants
Brooklyn TASC	475	141	139	195
Brooklyn MH	111	20	42	49
Queens TASC	340	29	284	27
Queens MH	34	3	27	4
Staten Island TASC	176	16	81	79
Staten Island Adu	48	1	34	13
Bronx TASC	679	383	295	1
Bronx MH	133	47	57	29
<b>Total</b>	<b>1,996</b>	<b>640</b>	<b>959</b>	<b>397</b>
		32.1%	48%	19.9%

The breakdown of the **1,996** Placements made in 2007 by program is laid out in the chart above and in the graphic that follows. It is clear that the **640** predicate felons would have gone to State prison now go into community based treatment programs in lieu thereof though TASC and because of TASC' relationship with the District Attorneys' Offices.

**Placement of 1,996 Defendants by Program and Criminal Justice Status  
(Predicate Felons, Non-Predicate Prison-bound Felons and Chronic Misdemeanants)**



**Total 2007 Placements from Detention: 897**

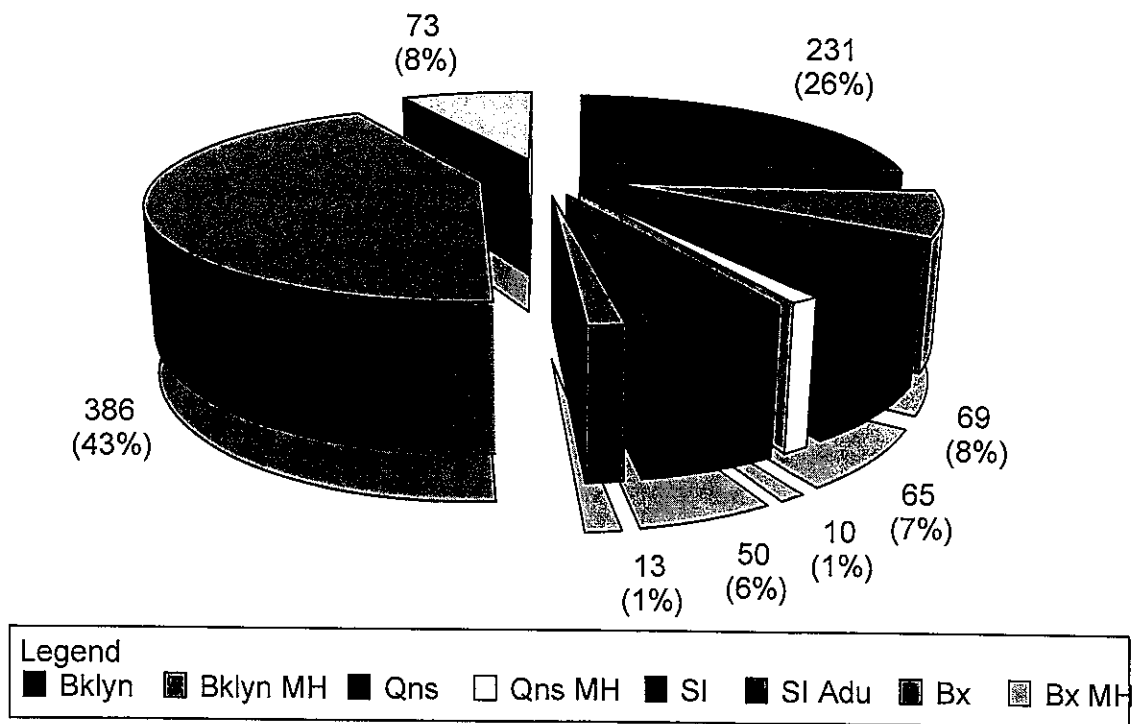
Of the 1,996 offenders placed into treatment programs, 897 or 44.9%, were incarcerated at the time of their placement. This is worth noting because of the complex process involved in the placement of detained offenders, particularly those who are placed into residential treatment. For example, many incarcerated offenders do not have the necessary documents or medical records that most treatment programs require before they will accept a client. TASC staff work to acquire all necessary documents. This is certainly much more difficult while the offender is still incarcerated. In addition, it is a difficult task coordinating all of the variables so that each defendant is released to TASC custody at the appropriate time and date to gain entry directly into the treatment program. The annual cost of detaining an offender in a New York City jail while he/she awaits trial and/or sentencing is \$56,000, or \$4,600 per month. Because the TASC process expeditiously moves the offender from detention into drug treatment, costly time spent in detention is greatly reduced, resulting in savings, which accrue directly to the City. The greater the numbers of offenders placed into far less costly drug treatment, the greater the savings to the City of New York. Using conservative figures, the total jail savings involved through the utilization of E.A.C.'s TASC programs in 2007 is projected as \$6,230,004. Additional savings totaling \$10,584,240 are achieved for the State of New York as well by diverting offenders from prison sentences. E.A.C. has prepared a full report which describes the methodology and formulas upon which the study is based and breaks down the savings to the City and State as a result of TASC's work. The result is a net savings to the City and State, which totals \$11,963,114.00.

Placements from Detention Total	Bklyn	Bklyn MH	Qns	Qns MH	SI	SI Adol	Bx	Bx. MH
897	231	69	65	10	50	13	386	73



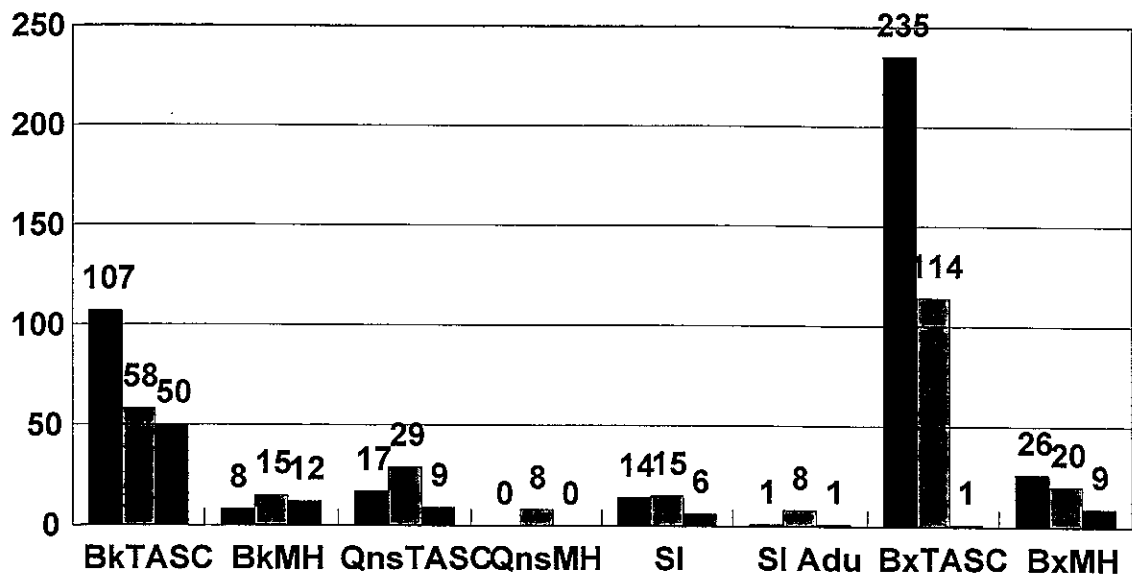
TASC Program	Total	Predicate Felons	Non-Predicate Felons	Misdemeanants
Brooklyn TASC	231	110	64	57
Brooklyn MH	69	17	26	26
Queens TASC	65	17	34	14
Queens MH	10	0	9	1
Staten Island TASC	50	14	23	13
Staten Island Adu	13	1	11	1
Bronx TASC	386	248	137	1
Bronx MH	73	30	29	14
Total	897	437	333	127

The total placements from detention totaling **897** reflect a savings to the City of New York in detention savings of **\$6,230,004.00**. There is detailed Cost Savings study prepared by E.A.C. which spells out the full methodology behind the net cost savings to the City and State as a result of the work done by New York City TASC. The charts above and the graphics that follow provides the placement numbers upon which the detention savings to the City are based.



### Placements from Detention: 897

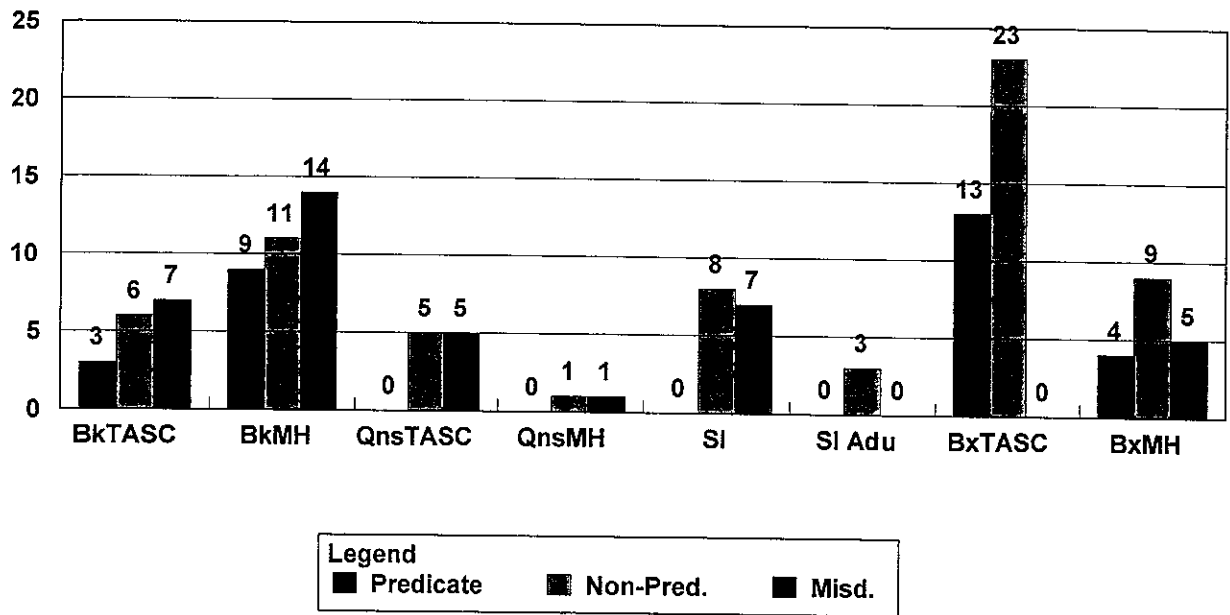
## Total Residential Placements from Detention: 763



**Legend**  
 Predicate
  Non-Pred.
  Misd.

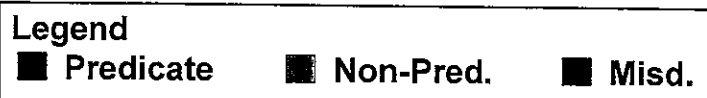
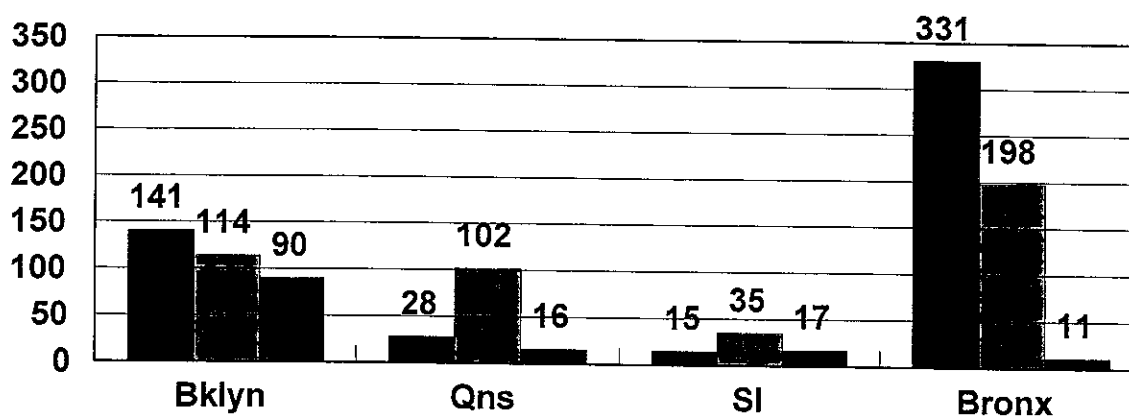
TASC Program	Total	Predicate Felons	Non-Predicate Felons	Misdemeanants
Brooklyn TASC	215	107	58	50
Brooklyn MH	35	8	15	12
Queens TASC	55	17	29	9
Queens MH	8	0	8	0
Staten Island TASC	35	14	15	6
Staten Island Adu	10	1	8	1
Bronx TASC	350	235	114	1
Bronx MH	55	26	20	9
<b>Total</b>	<b>763</b>	<b>408</b>	<b>267</b>	<b>88</b>
		<b>53%</b>	<b>35%</b>	<b>12%</b>

## Total Out-Patient Placements from Detention: 134



TASC Program	Total	Predicate Felons	Non-Predicate Felons	Misdemeanants
Brooklyn TASC	16	3	6	7
Brooklyn MH	34	9	11	14
Queens TASC	10	0	5	5
Queens MH	2	0	1	1
Staten Island TASC	15	0	8	7
Staten Island Adu	3	0	3	0
Bronx TASC	36	13	23	0
Bronx MH	18	4	9	5
Total	134	29	66	39
		22%	49%	29%

# **Total Residential Placements: By County: 1,098**



	Bklyn	Qns	SI	Bx	Total
<b>Pred Felons</b>	141	28	15	331	515
<b>Non-Pred Felons</b>	114	102	35	198	449
<b>Misdemeanants</b>	90	16	17	11	134
<b>Total</b>	345	146	67	540	1,098

# **EXHIBIT B**

## **COST SAVINGS**

# Evaluation of NYC TASC Services to the City/State in Jail/Prison Displacement by Time and Dollars

## 1. NYC TASC Detention Displacement: 2007

### I. The Method and Formula:

In order to evaluate program effectiveness as a vehicle for New York jail displacement, it was necessary to develop a formula based on examining the number of inmate/defendants removed from Corrections custody through NYC TASC intervention and placed by TASC in substance abuse treatment pursuant to a plea bargain and Court mandate. A very conservative formula intentionally was adopted applying the minimum numbers in order to insure a valid potential displacement calculation. It is only those **897 defendants released from jail** by the Court to TASC custody and escorted by TASC staff into drug treatment programs that are considered in arriving at local jail displacement to New York City.

**In 2007, E.A.C.'s NYC TASC Programs throughout the City of New York placed 1,996 defendants into substance abuse treatment programs and mental health treatment programs; 897 of this total were released from Court Corrections pens by the Court and placed directly into treatment programs by TASC staff. Only these 897 detained offenders are considered for jail displacement calculations. \***

The values attributed to detained defendants for displacement purposes vary by criminal justice status. The following estimates are based on the long experience of TASC in criminal justice matters and represents a very conservative estimate, which clearly undercounts, rather than overstates the numbers. Thus, for **detained predicate felons**, ("B" and other second felony offender drug sellers/users facing significant mandatory State prison time with more serious criminal consequences, who are more intractable and less likely to leave Corrections in as short a period of time as detained non-predicate felons and detained misdemeanants facing lesser potential sentences), there was attributed **2 months of detention displacement savings for each predicate felon** released from custody to TASC and placed by TASC into a substance abuse program through a Court mandate. **For each detained non-predicate felon and each detained misdemeanant** released from Correction's custody to TASC and placed by TASC into a substance abuse treatment program through a Court mandate there was attributed **1 month of detention displacement**.

Thus, the following values have been adopted for jail displacement calculations:

- 1) For each detained predicate felon, two (2) months of jail time displaced.**
- 2) For each detained non-predicate felon, one (1) month of jail time displaced.**
- 3) For each detained misdemeanant, one (1) month of jail time displaced.**

**Significantly, omitted from any calculation of jail displacement is the consideration of local ATI sentence displacement for non-detained defendants despite the fact that many of the 626 non-detained, non-predicate felons and many chronic misdemeanants of the 270 non-detained misdemeanants would be facing some local jail sentence if not for TASC intervention and placement. Similarly, many of the 203 non-detained predicate felons would have spent some time in local jail before sentence and/or before being processed into state prison. Despite this reality, these defendants are omitted from jail displacement calculations in order to insure the most conservative approach possible and insure the highest level of reliability.**

## TOTAL DETAINED DEFENDANTS PLACED IN 2007: 897

### II. Detained Defendant Distribution By Criminal Justice Status

TASC Program	Predicate Felons	Non-predicate Felons	Misdemeanants	TOTAL
Brooklyn TASC	110	64	57	231
Brooklyn MH	17	26	26	69
Queens TASC	17	34	14	65
Queens TASC MH	0	9	1	10
Staten Island TASC	14	23	13	50
Staten Island Adu	1	11	1	13
Bronx TASC	248	137	1	386
Bronx TASC MH	30	29	14	73
<b>TOTAL</b>	<b>437</b>	<b>333</b>	<b>127</b>	<b>897</b>

### III. Jail Displacement In Months by Program/Jurisdiction

TASC Program	Total Months for Predicate Felons	Total Months for Non-Predicate Felons	Total Months for Misdemeanants	TOTAL DETENTION MONTHS DISPLACED
Brooklyn TASC	220	64	57	341
Brooklyn MH	34	26	26	86
Queens TASC	34	34	14	82
Queens TASC MH	0	9	2	11
Staten Island TASC	28	23	13	64
Staten Island Adu	2	11	1	14
Bronx TASC	496	137	1	634
Bronx TASC MH	60	29	14	103
<b>TOTAL</b>	<b>874</b>	<b>333</b>	<b>128</b>	<b>1,335</b>

### IV. Dollar Value Equivalent of Jail Displacement

When dollar values are assigned to displacement figures, the breakdown at \*\$56,000/year or \$4,666.67/month would be as follows:

TASC Program	TOTAL DETENTION MONTHS DISPLACED	DOLLAR VALUE FOR JAIL BEDS DISPLACED
Brooklyn TASC	341	\$1,591,334.00
Brooklyn MH	86	\$401,333.00
Queens TASC	82	\$382,666.00
Queens TASC MH	11	\$51,333.00
Staten Island TASC	64	\$298,666.00
Staten Island Adu	14	\$65,333.00
Bronx TASC	634	\$2,958,668.00
Bronx TASC MH	103	\$480,667.00
<b>TOTAL</b>	<b>1,335</b>	<b>\$6,230,004.00</b>

\* \$56,000 per year or \$4,666.67 per month is the recognized cost of a bed in Rikers Island or one of the local borough jail facilities.

\*\*Dollar Amounts Rounded off to a dollar amount dropped to lowest hundred dollars so as to not consider any ten's of dollars, i.e., \$1,582 would therefore be rounded to \$1,500.00.

\*\*\*Addendum:

1) TASC Programs have excluded from local jail displacement calculations, the 1,099 non-detained offenders that were placed into treatment programs and monitored thereafter by TASC, including the 203 predicate felons who clearly would have spent time in local jail.

2) TASC Programs have excluded from local jail displacement calculations all of those 270 non-detained misdemeanants and the 626 non-detained non-predicate felons (out of the total of 1,099 non-detained offenders) even though it is likely that a certain portion would have been sentenced to a local jail sentence if not for TASC intervention and placement.

## **2. NYC TASC State Prison Displacement: 2007**

### **I. The Method and Formula:**

In order to evaluate program effectiveness as a vehicle for State Prison displacement, it was necessary to arrive at a realistic formula to estimate State Prison displacement. A very conservative formula was intentionally adopted applying the minimum numbers in order to insure a valid potential displacement calculation and to maintain credibility.

In 2007, EAC's NYC TASC Programs throughout the City of New York in the counties where TASC operates, **placed 1,996 defendants** into substance abuse treatment programs. Of this total, **640 were predicate felons** facing mandatory State Prison sentences. Another **959 defendants were non-predicate felons, 333 of whom were in detention** at the time of TASC intervention and subsequently were released from the Court Corrections pens by the Court and placed into treatment programs by TASC staff. For purposes of this report, **only predicate felons and detained non-predicate felons are considered prison-bound** and are used to calculate State prison displacement\*

The prison displacement values attributed herein to defendants are based on statutory minimums but also based on the minimum allowable plea bargain permitted by law for predicate felons. For non-predicate felons, calculations are based on research performed by the Vera Institute of Justice and others and confirmed by TASC experience, which supports the proposition that the two most significant variables for determination of an ultimate jail/prison sentence is detention status of the defendant and the plea offer of the District Attorney. Therefore, based on minimum statutory considerations, there was **attributed a displacement sentence of 2-4 years for each predicate felon**, which is the minimum allowable plea offer permitted by statute, post indictment and the minimum allowable sentence on such a plea bargain for predicate felons. For those **detained non-predicate felons** where the plea offer of the District Attorney was at least 1-3 years at the time that TASC was asked to intervene, there was **attributed a minimum sentence of 1-3 years**. Then the minimum was applied for each. Thus, a 2 year prison sentence was adopted to the predicate felons for State prison displacement purposes and a 1 year minimum to the detained non-predicate felons. It was necessary then to reduce these minimum displacement figures by 4 months, as the estimated amount of local jail detention time that the average detained defendant would stay in jail pending ultimate case disposition and which then would reduce and be credited against the minimum State prison sentence. It has been applied here as credit to all detained defendants in the categories considered; predicate felons and detained non-predicate felons, despite the fact that many such defendants spend far less time in detention.

Furthermore, since only successful defendants displace prison beds, only projected success rates are applied to displacement calculations. In this regard, the long NYC TASC history and experience was drawn upon. Since TASC accepted and placed its first predicate felon in 1990, consistent success rates with this population have exceeded 70% and thus, a projected **70% success rate for predicate felons for prison displacement purposes** has been adopted.

\*Significantly, not included for ATI State Prison sentence displacement figures are those non-detained, non-predicate felons totaling 626, some of whom clearly were facing a prison sentence if not for TASC intervention and placement. Despite the fact that TASC only accepts cases in this category when the final plea offer is to a prison term. Since it is difficult to assign displacement values to this population, the entire category of 626 non-detained, non-predicate felon defendants has been excluded from any part of these displacement calculations.



For non-predicate felons, TASC has a consistent pattern of success rates that approach 65%. However, for the population of detained non-predicate felons that are considered here for calculation of displacement rates from State Prison, a very conservative rate of **60% as the projected success rate for non-predicate detained felons** has been adopted.

Thus, the following formula has been applied for prison displacement calculations:

1) For the total number of predicate felons placed by TASC, a projected success rate of 70%. Then, for each successful predicate felon, two (2) years of prison time displaced, minus 4 months of credit for time in local jail detention is subtracted from this minimum. Thus, 1 year 8 months (1.67 years) is considered for displacement purposes for each displaced successful predicate felon. The formula is then Total Predicate Felons placed at a 70% success rate to determine the total number of projected successful predicate felons. Then for each of these projected successful predicate felons, 1.67 years (1 year 8 months) of State prison displacement (the minimum sentence of 2 years minus 4 months of credit for local detention time).

**Total predicate felons @ 70% successful x 1.67 years = Prison Displacement in Prison Years**

2) For each detained non-predicate felon, placed by TASC, a projected success rate of 60%. Then, for each successful detained non-predicate felon, one (1) year of prison time displaced, minus 4 months of credit for time in local jail detention is subtracted from this minimum. Thus, 8 months (.67 years) is considered for displacement purposes for each displaced successful non-predicate detained felony defendant. The formula is then Total Non-predicate Detained Felons placed at a 60% success rate to determine the total number of projected successful Non-predicate Detained Felons. Then for each of these projected successful Non-predicate Detained Felons, .67 years (8 months) of State prison displacement (the minimum sentence of 1 year minus 4 months of credit for local detention time).

**Total non-predicate detained felons @ 60% successful x .67 years = Prison Displacement in Prison Years**

### **3. Total Gross Prison Bed Displacement With Dollar Value Conversion As Basis For Cost Savings**

#### **V. Total State Prison Years Saved for Predicate Felons by Program/Jurisdiction**

TASC Program	Predicate Felons	Projected % Success Rate	Projected Success	Prison Displacement Rate	Prison Years Saved
Brooklyn TASC	141	70%	98.7	1.67 Years	164.83
Brooklyn MH	20	70%	14	1.67 Years	23.38
Queens TASC	29	70%	20.3	1.67 Years	33.90
Queens MH	3	70%	2.1	1.67 Years	3.51
Staten Island TASC	16	70%	11.2	1.67 Years	18.70
Staten Island Adu	1	70%	.7	1.67 Years	1.17
Bronx TASC	383	70%	268.1	1.67 Years	447.73
Bronx MH	47	70%	32.9	1.67 Years	54.94
<b>TOTAL</b>	<b>640</b>	<b>70%</b>	<b>448</b>	<b>1.67 Years</b>	<b>748.16</b>

**VI. Total State Prison Years Saved for Detained, Non-predicate Prison-bound Felons by Program/Jurisdiction**

TASC Program	Non-Predicate Detained Felons	Projected % Success Rate	Projected Success	Prison Displacement Rate	Prison Years Saved
Brooklyn TASC	64	60%	38.4	.67 Years	25.72
Brooklyn MH	26	60%	15.6	.67 Years	10.45
Queens TASC	34	60%	20.4	.67 Years	13.67
Queens MH	9	60%	5.40	.67 Years	3.62
Staten Island TASC	23	60%	13.8	.67 Years	9.25
Staten Island Adu	11	60%	6.6	.67 Years	4.42
Bronx TASC	137	60%	82.2	.67 Years	55.07
Bronx MH	29	60%	17.4	.67 years	11.66
<b>TOTAL</b>	<b>333</b>	<b>60%</b>	<b>199.8</b>	<b>.67 Years</b>	<b>133.86</b>

**VII. Total State Prison Years Saved for All Prison-bound Felons by Program/Jurisdiction in Dollars**

TASC Program	Prison Years Displaced for Predicate Felons	Prison Years Displaced for Non-Predicate Felons	Projected Total Prison Years Displaced	Total Net Prison Savings by Displacement in Dollars**
Brooklyn TASC	164.83	25.72	190.55	\$2,286,600
Brooklyn MH	23.38	10.45	33.83	\$405,960
Queens TASC	33.90	13.67	47.57	\$570,840
Queens MH	3.51	3.62	7.13	\$85,560
Staten Island TASC	18.70	9.25	27.95	\$335,400
Staten Island Adu	1.17	4.42	5.59	\$67,080
	447.73	55.07	502.80	\$6,033,600
Bronx MH	54.94	11.66	66.60	\$799,200
<b>TOTAL</b>	<b>748.16</b>	<b>133.86</b>	<b>882.02</b>	<b>\$10,584,240</b>

\*\*This calculation is based on one year of Prison costs for one inmate at \$30,000 and is reduced by the sum of the cost of one year of residential drug treatment at \$18,000. Thus, the net savings attributed to Prison Displacement is \$12,000 per year. This figure is adopted despite the fact that certain defendants (125 predicate felons and 66 non-predicate felons) are enrolled in less costly out-patient treatment programs.

#### **4. Total Net Savings to the City and State Attributable to NYC TASC Services in Dollars**

##### **VIII. Total Funding by City and State**

<b>TASC Program</b>	<b>State Funds</b>	<b>City Funds</b>	<b>Total Funding</b>
Brooklyn TASC	\$145,355	\$837,342	\$982,697
Brooklyn MH		\$1,425,527	\$1,425,527
Queens TASC	\$385,566	\$205,064	\$590,630
Queens MH	\$150,000		\$150,000
Staten Island TASC	\$266,622		\$266,622
Staten Island Adu		\$49,348	\$49,348
Bronx TASC	\$380,708	\$406,017	\$786,725
Bronx MH	\$150,000	\$449,577	\$599,577
<b>TOTAL</b>	<b>\$1,478,251</b>	<b>\$3,372,875</b>	<b>\$4,851,126</b>

##### **IX. Comparison of Funding and Net Savings to City and State**

<b>TASC Program</b>	<b>State Funds</b>	<b>City Funds</b>	<b>Total Funding</b>	<b>City Detention Savings (Gross)</b>	<b>State Prison Savings (Gross)</b>	<b>Total Combined Savings to City &amp; State</b>	<b>Total Net Savings**</b>
Brooklyn TASC	\$145,355	\$837,342	\$982,697	\$1,591,334	\$2,286,600	\$3,877,934	\$2,895,237
Brooklyn MH		\$1,425,527	\$1,425,527	\$401,333	\$405,960	\$807,293	-\$618,234
Queens TASC	\$385,566	\$205,064	\$590,630	\$382,666	\$570,840	\$953,506	\$362,876
Queens MH	\$150,000		\$150,000	\$51,333	\$85,560	\$136,893	-\$13,107
Staten Island TASC	\$266,622		\$266,622	\$298,666	\$335,400	\$634,066	\$336,000
Staten Island Adu		\$49,348	\$49,348	\$65,333	\$67,080	\$132,413	\$83,065
Bronx TASC	\$380,708	\$406,017	\$786,725	\$2,958,668	\$6,033,600	\$8,962,268	\$8,175,543
Bronx MH	\$150,000	\$449,577	\$599,577	\$480,667	\$799,200	\$1,279,867	\$799,200
<b>TOTAL</b>	<b>\$1,478,251</b>	<b>\$3,372,875</b>	<b>\$4,851,126</b>	<b>\$6,230,000</b>	<b>\$10,584,240</b>	<b>\$16,814,240</b>	<b>\$11,963,114</b>

\* Dollar Amounts rounded off to a dollar amount with any cents dropped

\*\*Total net savings is arrived at by subtracting the costs of the TASC programs, which consists of a combination of both City and State funding from the Total Savings. The cost differential of a year in state prison minus a year of residential drug treatment has already been calculated and subtracted in Chart VII above and is a cost of service and has been considered in determining Total Net Savings.

## Conclusion

EAC's New York City TASC Programs provide a viable mechanism for the criminal justice system; Judges, Prosecutors, Corrections, Probation and Parole to effectively utilize an Alternative to Incarceration Program with a proven track record of reliability and enormous success. When a TASC program intervenes on behalf of a non-violent, substance abusing offender, criminal justice resources may then be concentrated on the more violent, predatory criminal with surety in the knowledge that the substance abusing offender under TASC supervision will be given every chance at rehabilitation with an appropriate placement into the substance abuse program that is best suited for achieving this rehabilitation. Thus, jail and prison space may be more effectively utilized and the concentration of the Prosecutors and the Judiciary able to be more focused on the high risk, violent offender.

It however, is not only the **897 detained offenders** TASC removed from jail in 2007 who have gained benefit from the opportunity to treat their substance abuse problem, but the **1099 substance abusing, non-detained offenders** that TASC has placed into treatment programs as well. A large proportion of these **1,996** defendants that TASC has placed into treatment program in 2007 will eventually become productive, hard working, taxpaying members of society. Thus, those who once preyed upon society and our communities will become an asset rather than a detriment to it.

Furthermore, the 2007 placements reflect only one year of the type of work that TASC has been doing since it's inception in New York City since 1985. **In the past six (6) years alone, the New York City TASC Programs have placed more than twelve thousand (12,000) substance abusing offenders** into treatment programs and **in the last 10 years, they have placed more than twenty thousand (20,000) defendants** into treatment programs. With felony success rates approaching 70%, and low recidivism rates, this certainly has inured to the benefit of our communities and our society as a whole.

TASC has played a significant role in crime reduction through providing offender accountability resulting in measurable accomplishments, which include not only the individual rehabilitation of criminal drug abusers and making them taxpaying productive citizens, but in families being reunited, parents now able and willing to assume responsibility for their children and these children now having a parent present who is capable of undertaking their upbringing.

## THE TASC PROCESS

- \* Initial identification of potential clients.
- \* Screening/Assessment to determine the suitability and then treatment match of defendant to the treatment program. (Preparation for the treatment experience is begun by TASC staff at this point and continues at each contact between staff and defendant until the defendant enters the treatment program). If the defendant is in detention and is being released to residential treatment, he/she is escorted from jail (Court Correction Pens) directly into the treatment program by TASC staff.
- \* If the defendant is not detained, he/she will be referred and placed into treatment as quickly as a treatment slot (or bed) becomes available in the TASC designated program.
- \* All criminal "holds" on the defendant are cleared (in or out-of-county warrants, etc.) that would inhibit the defendant's timely release from custody and entry into treatment.
- \* Defendant identification documents, necessary for admittance to a treatment program are obtained by TASC staff (birth certificate, Social Security printout verification, Proof of Residency for aliens, etc.).
- \* All medical information is obtained and documented; any outstanding medical problems that would prohibit defendant's entry into treatment are resolved. When necessary, TASC will arrange for a 30-day supply of medication to accompany the newly released offender to the program to cover the period before Medicaid becomes affective.
- \* All mentally ill offenders are diagnosed through professional assessment and placement made to the program best suited to the defendants needs.
- \* Upon release from custody, the defendant is escorted by TASC staff to the treatment program. The defendant is well aware of the sanction he/she faces from the criminal justice system in event of his/her failure to successfully complete treatment. Also, he/she has been well prepared by staff for participation in treatment.
- \* The individuals who are not in detention and are awaiting a residential placement are case managed from the time of Screening/Assessment. They must appear several times per week at the TASC office for urinalysis monitoring and informal counseling and must continue to do so until a bed is secured and they are able to enter the treatment program. Compliance at this point by defendant is required and has an impact on his/her continued liberty during the pre-placement phase.
- \* The Case Management Unit monitors the defendant (caseloads are assigned by program) via telephone contact with the treatment program as well as monthly site visits with the defendant and counseling staff at the program. If the defendant is in residential treatment, he/she will appear in court at specific intervals during the 12 to 24 month course of treatment. (This is done to re-enforce to the defendant the importance of completing treatment successfully as well as to allow the court to review the progress of the defendant). Case management continues until the defendant has successfully completed all requirements of treatment and TASC, the Court and the District Attorney.
- \* In the treatment programs, a participant learns the skills to overcome his/her addiction and to come to terms and understand mental illness if a mentally ill client, receives or is linked to remedial education and then to job skills training and must establish independent living. To graduate from the program, a participant must demonstrate the ability to live substance free and be employed or at least have gained sufficient skills as to be employable and be capable of living independently in the community for a period of time.

**LOCAL 372  
NEW YORK CITY BOARD OF EDUCATION EMPLOYEES  
DISTRICT COUNCIL 37**

**AMERICAN FEDERATION OF STATE,  
COUNTY AND MUNICIPAL EMPLOYEES  
AFLCIO**

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**NEW YORK CITY COUNCIL  
PUBLIC SAFETY COMMITTEE  
HEARING ON NYPD  
FY 2008-12 FINANCIAL PLAN (EXPENSE)**

**MAY 19, 2008**

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**TESTIMONY SUBMITTED BY  
VERONICA MONTGOMERY-COSTA  
PRESIDENT - LOCAL 372 AND DC 37, AFSCME, AFL-CIO**

**MAY 19, 2008**

**Chairman Vallone, Committee Members:**

Local 372 thanks the City Council Public Safety Committee for this opportunity to once again respond to the Mayor's budget on behalf of the nearly 2,200 Local 372 School Crossing Guards in our membership of 26,000 Board of Education Employees.

In our appeal last March we asked the City Council to rectify a Mayor's budget which failed to fulfill its responsibility to our City's 1.1 million school children.

We appealed to our Council members to advocate for those parents, grandparents and guardians of our City's public school children who endure extreme weather conditions in winter and summer and risk their lives every work day to keep our children safe - our Local 372 School Crossing Guards.

We pointed out that the January Financial Plan provided no breakdown by titles of the civilian personnel slated to be PEGs for the NYPD in the January Financial Plan. Local 372 still wants to know how many of these PEGs will be School Crossing Guards, who are indispensable to the safety of our City's school children. We remind you that we need more, not fewer School Crossing Guards.

**Local 372 continues to call for an improvement ratio of 460 to 1 to insure ideal safety conditions around our schools.**

Since our last appeal to the Public Safety Committee, Local 372 conducted a citywide survey to compare the May 2008 assignment of School Crossing Guards to the Fall of SY2007/08. (Attachment 1 - Part 2).

The survey shows that there is some improvement in some boroughs since the Fall. In May 2008, there is a citywide gain of 42 School Crossing Guards, which barely makes up for loss of 20 incurred in Fall of SY2007/08 (Attachment 1 - Part 1).

The chart shown in Attachment 2 shows our recommended increases in School Crossing Guard assignments by borough to reach an interim Student to School Crossing Guard Ratio of 460 to 1.

As you can see on the chart, three of the five boroughs still fall far short of what would be considered a safer ratio of students to School Crossing Guards.

An additional 284 School Crossing Guards are needed to meet an interim ratio of 460 Students to 1 School Crossing Guard.

For your quick reference, we also included the Community Boards' requests from the Fiscal Year 2009 Budget Register (Attachment 3).



**The City continues the unconscionable practice of saving money by not annualizing School Crossing Guards.**

The Mayor continues to chose to save money by not annualizing School Crossing Guards - a 12-month necessity. As we reported to the Public Safety Committee each year, our School Crossing Guards are still hourly employees limited to twenty hours of work per week at \$10.23 per hour. When schools are closed, they are not paid.

Although, Commissioner Kelly has indicated to us that he would assign adequate School Crossing Guards to Summer School 2008 and summer feeding sites, most School Crossing Guards are still laid off at the end of the school year and many summer positions, still do not provide fully funded health insurance.

In past budget years,when Summer School is in session, about 580 School Crosssing Guards were selected to work. The remaining 1,600 paid 10% of their own health insurance benefits while subsisting on unemployment insurance and sacrificing their own family's quality of life. The remaining 90% of the cost of these premiums was funded by employee contributions to our welfare fund. This an ongoing expensive administrative nightmare for the union, the NYPD and the NYC Office of Labor Relations.

It is unconscionable for the City to place the burden of paying for Health Coverage on our School Crossing Guards' whose on the job exposure to severe weather and dangerous traffic conditions place them at greater risk for illness or injury.

Local 372 estimates that the total cost to the City of providing health insurance to the 2,200 families involved is less than \$1.5 million. We once again have provided for the committee tables indicating the Cost Estimate of Annualization of Health Insurance. (Attachment 4)

**There Should Be No 4-hour Cap on SCGs Hours of Service.**

The choice to withhold coverage of more than 4 hours per day is absolutely indefensible, when there is a real need for expanded hours of service, and for coverage throughout the calendar year. At schools which will serve later meals, or which remain open for late afternoon recreation programs, children will be staying later, throughout the entire year. Additional hours of coverage by School Crossing Guards are vital.

**Additional School Crossing Guards will be needed  
for Summer School 2008 and Summer Feeding Sites.**

As we stated, the Commissioner has indicated he will cover the needed summer school and feeding sites, but it is also critical that there be better co-ordination between the DOE and the NYPD, to ensure that a full complement of School Crossing Guards is available to cover these programs, in public, private, parochial and charter schools. Local 372 is once again calling upon the City Council to urge the Mayor and Chancellor to identify the Summer School 2008 sites by June 1<sup>st</sup> to give guards adequate notice to plan for personal obligations during the summer.

### **In Conclusion:**

Local 372 urges the City Council to continue the oversight of the assignment and benefits issues of School Crossing Guards to help ensure that our children travel to and from school unharmed and that those who risk their lives to protect them are properly compensated to improve the quality of life for their own families.

We urge you to advocate for our Local 372 unsung heroes in this budget process, which likewise is to advocate for the 1.1 million children in our City's schools.

### School Crossing Guards Assigned In 2006/07 School Year

Borough	Student Population	No of Precincts	No of SCG	Ratio of SCG to Students
Manhattan	165,867	21	320	518 to 1
Bronx	223,803	12	327	684 to 1
Brooklyn	328,964	23	885	371 to 1
Queens	276,688	16	520	532 to 1
Staten Island	60,664	3	141	431 to 1
Totals	1,055,986	75	2193	

### School Crossing Guards Assigned - Fall of 2007/08 School Year

Borough	No of SCG	Change	Ratio of SCG to Students
Manhattan	313	-7	540 to 1
Bronx	331	+4	676 to 1
Brooklyn	843	-42	390 to 1
Queens	545	+25	507 to 1
Staten Island	141	NC	431 to 1
Totals	2173	-20	

## School Crossing Guards Assigned - May 2008

Borough	No of SCG	Change from Fall 2007/8	Ratio of SCG to Students
Manhattan	308	-7	539 to 1
Bronx	336	+1	666 to 1
Brooklyn	882	+39	373 to 1
Queens	549	+4	504 to 1
Staten Island	140	-1	433 to 1
Total SCGs	2215	+42	

## School Crossing Guards Needed For Interim Ratio of 460 to 1

<b>Borough</b>	<b>Student Population</b>	<b>No of Precincts</b>	<b>No of SCG</b>	<b>Additional SCG Needed</b>
Manhattan	165,867	21	370	62
Bronx	223,803	12	487	151
Brooklyn	328,964	23	885	0
Queens	276,688	16	620	71
Staten Island	60,664	3	141	0
<b>Totals</b>	<b>1,055,986</b>	<b>75</b>	<b>2193</b>	<b>284 Additional SCG Needed</b>

# **Fiscal Year 2009 Executive Budget Register**

## **Bronx:**

### **Community District 04**

Request: Provide Funding for Additional School Crossing Guards.

Explanation: Fund the total number of slots of School Crossing Guards available to community district 4, at present, we are experiencing a deficiency of 6 unfilled slots.

Responsible Agency: Police Department

#### **Executive Budget Response:**

OMB supports the agency's position as follows: NYPD's funding is currently available to maintain School-Crossing Guards. There is no funding to support increased staffing levels. The availability of future funding depends on decisions made in the Preliminary and Executive Budget process.

### **Community District 06**

Request: Provide Funds to Hire Additional School Crossing Guards.

Explanation: There is a strong need for additional school crossing guards. At present, some schools in our district lack crossing guards, others have to share their crossing guards with neighboring schools. We ask that sufficient funding be provided to hire additional crossing guards for our district so that every eligible school may be assigned at least one crossing guard.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD's funding is currently available to maintain School-Crossing Guards. There is no funding to support increased staffing levels. The availability of future funding depends on decisions made in the Preliminary and Executive Budget process.

### **Community District 12**

Request: Provide additional school crossing guards to be assigned to schools.

Explanation: Assign additional crossing guards to schools.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD's funding is currently available to maintain School-Crossing Guards. There is no funding to support increased staffing levels. The availability of future funding depends on decisions made in the Preliminary and Executive Budget process.

## **Community District 14**

Request: Fund Additional Crossing Guards for 70th Precinct

Explanation: Fund additional crossing guards for 70th Precinct. Currently there are 26 crossing guards with an anticipated cutback of at least 50%. There is a critical need for crossing guards at each of the schools within community district 14.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD's funding is currently available to maintain School-Crossing Guards. There is no funding to support increased staffing levels. The availability of future funding depends on decisions made in the Preliminary and Executive Budget process.

## **Manhattan:**

### **Community District 01**

Request: Provide two crossing guards for PS/IS 89 at West/Chambers Street and West/Warren Streets

Explanation: Many complaints from parents about the safety of crossing the streets especially with all of the construction going on and the excessive amount of traffic in this area.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD's funding is currently available to maintain School-Crossing Guards. There is no funding to support increased staffing levels. The availability of future funding depends on decisions made in the Preliminary and Executive Budget process.

**Supported by: Manhattan Youth Recreation and Resources PS IS 89**

### **Community District 12**

Request: Fund School Crossing Guard Program.

Explanation: The school population has increased within the district and a new school has been built also.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD's funding is currently available to maintain School-Crossing Guards. There is no funding to support increased staffing levels. The availability of future funding depends on decisions made in the Preliminary and Executive Budget process.



## QUEENS:

### Community District 03

Request: Hire Traffic Enforcement Agents.

Explanation: Additional Traffic Enforcements are urgently needed to address double parking on Astoria Blvd. from 96th - 104th Streets, speeding on Astoria Blvd., 31st Avenue, 32nd Avenue, Northern Boulevard, 34th Avenue and Ditmars Boulevard. Further, school crossing guards are required at both public and private schools.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: Additional NYPD resources for this project are unavailable at this time due to funding constraints. However, the program will continue to operate within current funding levels.

### Community District 04

Request: Hire Additional School Crossing Guards. Increase School Crossing Guard Quota

Explanation: In FY 2008 the 110Pct. had a quota of 25 crossing guards of which 22 are assigned. With-in the last few years many of our schools have added additions, thus increasing student capacity. New schools have opened such as PS 28 and new schools are being constructed, such as PS/IS 260. For the safety of the students attending these schools, the quota of crossing guards must be increased to reflect the actual student population. With the rapid population increase in CB #4Q comes more traffic making the crossing guards more of a necessity.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD's funding is currently available to maintain School-Crossing Guards. There is no funding to support increased staffing levels. The availability of future funding depends on decisions made in the Preliminary and Executive Budget process.

### Community District 05

Request: Hire Traffic Control Agents, School Crossing Guards and Additional School Safety Officers.

Explanation: The City should earmark funding to hire additional traffic control agents: (Traffic Enforcement Agents-Level II), so that heavily travelled Queens intersections can be staffed. This will diminish the need to assign police officers, who are paid more. In consideration of dangerous traffic conditions, funding is needed to hire at least 5 additional school crossing guards for District 5, Queens schools. Most elementary schools have only 1 or 2 School Safety Officers; intermediate schools only have 3 officers.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD funding is currently available to maintain both the School Crossing Guards and School Safety Agents headcounts. There is no funding available to increase these staffing levels. The Department is unable at this time to increase the headcount of civilian personnel assigned as Traffic Control Agents. The availability of future Funding depends on decisions made in the Preliminary and Executive budget process.

## Community District 06

Request: Recruit & Retain Local Precinct Crossing Guards.

Explanation: Additional crossing guards are necessary to ensure safety.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD's funding is currently available to maintain School-Crossing Guards. There is no funding to support increased staffing levels. The availability of future funding depends on decisions made in the Preliminary and Executive Budget process.

## Community District 07

Request: Fund Additional Personnel For The 109th Precinct.

Explanation: Support funding for additional Police Officers to address Quality of Life complaints, maintain the DARE program (workshop on drug education for school children), additional civilian personnel to relieve officers assigned to the 109th Precinct, school crossing guards. Additional Traffic Enforcement Agents are needed to intensify enforcement coverage. In addition, the K-9 Unit dogs are capable of sniffing-out drugs and bombs.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: The uniformed staffing level is dependent on the annual funding allocated and the availability of candidates to fill the funded positions. The deployment of uniformed personnel is scheduled by NYPD after graduation of Police classes from the Academy. City funding was provided to hire four hundred additional civilian personnel as part of the Civilianization Program. Some civilian clerical personnel may be allocated to accommodate your request.

## Community District 08

Request: Provide funds to hire School Crossing Guards.

Explanation: School Crossing Guards need to be hired.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD's funding is currently available to maintain School-Crossing Guards. There is no funding to support increased staffing levels. The availability of future funding depends on decisions made in the Preliminary and Executive Budget process.

## Community District 10

Request: Sufficient Off Street Parking for Additional Personnel. Increase Transit Police in District 23.

Explanation: Necessary when school crossing guards need help at major intersections; when enforcement of changed traffic patterns needs a uniformed presence; when traffic jams, double parkers, driveway obstructions, bus stop parkers, etc. know there will be no enforcement. Needed when many other quality of life conditions cannot be addressed, resulting in personal injury and property damage. Personnel are at an all time low and additional manpower is necessary to preserve our quality of life.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD total staffing levels depend on decisions made in the Preliminary and Executive budget process. Allocation of uniformed personnel is scheduled by the NYPD only after graduation of Police classes from the Academy. Availability of civilian personnel is limited due to recent reductions to the civilian headcount.

## Community District 13

Request: Increase Funding for Additional School Crossing Guards (for 105 Pct.)

Explanation: This is an area of need.

Responsible Agency: Police Department

**Executive Budget Response:** OMB supports the agency's position as follows: NYPD's funding is currently available to maintain School-Crossing Guards. There is no funding to support increased staffing levels. The availability of future funding depends on decisions made in the Preliminary and Executive Budget process.

# *Cost of Annualization of Health Benefits of School Crossing Guards*

Average Annual Salary	\$ 9,709.60
Number of School Crossing Guards	2,172
*Number of School Crossing Guards selected to work for Summer '06	583
Number of SCGs in need of summer coverage	1,589

Number of weeks needed for year round health coverage (Summer) 9 weeks

## **\*\*RATES FOR SUMMER HEALTH PLAN COVERAGE (see enclosed)**

*Bi-weekly rates for SCGs with individual coverage*

GHI -CBP / EBCBS \$64.35

HIP Prime HMO \$71.75

*Bi-weekly rates for SCGs with family coverage*

GHI -CBP / EBCBS \$167.45

HIP Prime HMO \$175.75

## **Estimated cost to the City to pay for summer health coverage**

Number of SCGs with individual coverage (based on Summer '06) 512

Weekly Rates

GHI -CBP / EBCBS \$32.18 X 9 weeks = \$289.58

Total cost for 512 individuals if covered by GHI \$148,262

HIP Prime HMO \$35.88 X 9 weeks \$322.88

Total cost for 512 individuals if covered by GHI \$165,312

Number of SCGs with family coverage (based on Summer '06) 1,660

Weekly Rates

GHI -CBP / EBCBS \$83.73 X 9 weeks = \$753.53

Total cost for 1,660 families if covered by GHI \$1,250,852

HIP Prime HMO \$87.88 X 9 weeks \$790.88

Total cost for 1,660 families if covered by GHI \$1,312,853

## **Total cost to City for all SCGs (including 583 SCGs hired for Summer '06)**

If covered by GHI \$1,399,114

If covered by HIP \$1,478,165

\* SCGs selected to work for summer receive health coverage from City.

\*\* City subsidizes 90% of COBRA premiums for all SCGs in the summer

Prepared by Henry A. Garrido

# NYC HEALTH BENEFITS PROGRAM

## SCHOOL "X-ing" GUARD 2006 SUMMER HEALTH PLAN COVERAGE

Total Employee Contributions Required for 5 Bi-Weekly Periods

	INDIVIDUAL COVERAGE			FAMILY COVERAGE		
	Contributions for			Contributions for		
	Basic Health Insurance	Optional Rider Benefits	Grand Total	Basic Health Insurance	Optional Rider Benefits	Grand Total
	(A)	(B)	(A) + (B)	(C)	(D)	(C) + (D)
GHI - CBP / EBCBS	\$64.35	\$16.10	\$80.45	\$167.45	\$39.90	\$207.35
HIP Prime HMO	71.75	7.00	78.75	175.75	17.20	192.95
Aetna HMO	168.25	None	168.25	641.60	None	641.60
Aetna QPOS	929.30	None	929.30	2,269.40	None	2,269.40
CIGNA	358.55	None	358.55	1,079.40	None	1,079.40
Empire EPO	606.05	None	606.05	1,543.80	None	1,543.80
Empire HMO New Jersey	89.00	None	89.00	203.35	None	203.35
Empire HMO New York	179.50	None	179.50	563.50	None	563.50
GHI HMO	195.90	None	195.90	564.00	None	564.00
HealthNet	471.20	None	471.20	1,305.35	None	1,305.35
HIP Prime POS	259.30	None	259.30	635.50	None	635.50
Med Team	71.75		71.75	175.75		175.75
Metroplus	71.75	None	71.75	175.75	None	175.75
Vytra	221.25	None	221.25	705.10	None	705.10

☐ = Optional rider not available with this plan

Testimony

of

Bridget G. Brennan

Special Narcotics Prosecutor

Before

The New York City Council

Fiscal Year 2009

Executive Budget Hearings

May 19<sup>th</sup>, 2008  
Council Chambers  
City Hall

OFFICE OF THE SPECIAL NARCOTICS PROSECUTOR

# FY2009

## COUNCIL TESTIMONY

I would like to thank the City Council for its steadfast support of the Special Narcotics Prosecutor's Office. Clearly, again this year, we will rely heavily on you – both to advocate for us with the administration and for the Council's \$850,000 grant, which is a lifeline for my office.

As you know, the executive budget cut funding to my office by 3.63% - more than half a million dollars (\$544,203). While it is certainly a relief to be facing less of a cut than initially proposed, it is important to remember that this cut will nonetheless have a profound impact for the follow reasons:

1. Our budget is spent almost entirely on salaries. If we receive a budget cut, we have to cut back on personnel – and specifically on Assistant District Attorneys and investigators because most non legal staff is protected by their union contracts unless the city initiates layoffs.
2. Our work is responsive – volume is determined by the narcotics dealers and the police department. We have few options to alter or limit the work coming in our door.
3. Cutting our budget will have costly ripple effects city wide. Arrest to arraignment times will rise with resulting escalation in police overtime, corrections and court costs. As staff cuts cause caseloads to grow, prosecutions may falter and criminals may evade appropriate punishment. We may have to eliminate programs initiated very recently – like our gun and Internet crimes initiative. We will also have to divert resources from important but ancillary programs like alternative to incarceration and focus on our core mission – prosecution.

### COUNCIL GRANT

We are relying heavily on the City Council again this year to renew its \$850,000 grant. With the half million dollar cut in the executive budget, your funding becomes all the more critical. We have met with the Criminal Justice Coordinators Office and the Office of Management and Budget to urge baselining of this grant.

As you are also aware, our office was treated differently from the other District Attorneys Offices last year when the city restored funds to our offices. The restorations applied to three budget cuts in 2004 -- totaling 8.5 % and amounting to \$1.1 million dollars for us. The other

## Outline

### COUNCIL GRANT

Budget Overview

Past Solutions

Consequences of 3.63% Cut

Trends

### FUNDING

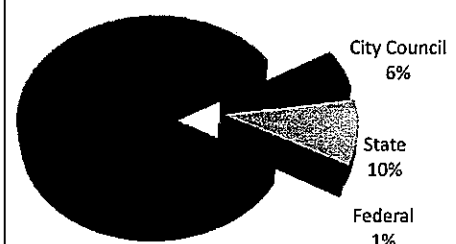
City Funding

State Funding

Federal Funding

### WORKLOAD

### Funding by Source



District Attorneys Offices had made up these cuts through their full participation in the Revenue Program. Because our office was unable to participate in this program, the City Council gave us the grant so that we would not face larger cuts than the other District Attorneys Offices. Last year, when the city reinstated this money – the District Attorneys Offices received restoration of 82% of their cut, so they would not have to rely on the Revenue Program as a major funding source. However, only 27% of our cut was restored, forcing us to continue to rely on the City Council's grant.

The Council money represents fully six per cent of our total city funds and the salaries of thirteen Assistant District Attorneys. It makes no sense to have a substantial recurrent expense like salaries supported by a yearly cash infusion from the Council. However, our pleas to OMB have fallen on deaf ears – the money has not been baselined and so I am again telling you that, without the Council's assistance, the consequences for my office will be dire.

#### BUDGET OVERVIEW

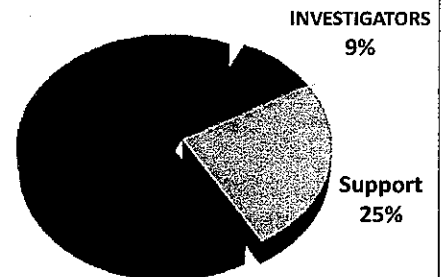
The five hundred forty four thousand dollar proposed cut in the executive budget represents the salaries of 8 Assistant District Attorneys – 7% of my legal staff.

#### PAST SOLUTIONS

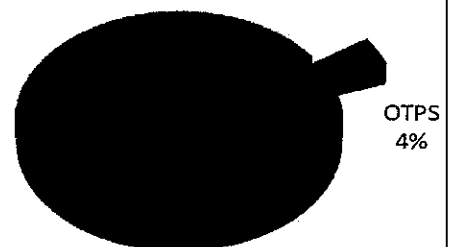
From fiscal years 2003 to 2006, my agency's city funding was reduced by 19.25 per cent or \$2.6 million dollars. We managed to absorb the lost funding in a number of ways:

- We cut \$1.5 million in salary through attrition and early retirement. About five percent of our legal staff took advantage of early retirement during that time frame. In the ensuing years, we haven't had sufficient time for a large portion of staff approach retirement age. In particular, our lawyers tend to be very young – I anticipate at most two attorneys reaching retirement age this fiscal year. They are both at the executive level and will surely have to be replaced. Among non legal staff, I anticipate two or three retirements – and those retiring will surely have to be replaced, with less experienced and less skilled employees who will not be able to perform nearly as efficiently. Neither does attrition present opportunity for savings, because we have already pared down our staff significantly. Nonetheless, we have established a Vacancy Control Board to review staffing needs when a position opens up.
- During past years, when our budget was cut, we reduced the number of new attorneys hired, and some years hired none at all. As a result, during the period when our work has become most complex, our central legal staff head count has fallen to a dangerously low level. We have sorely missed having

#### Distribution of PS Expense



#### Distribution of Expenditures





experienced attorneys able to handle a high volume of cases and train new lawyers. Based on my own experience, I do not think eliminating an incoming class of lawyers is a wise way to reduce costs. In the long run, this resulted in a lack of depth and experience which had to be compensated for in highly inefficient, costly ways.

- Finally, in the past, portions of our cuts were restored with the Council's \$850,000 cash grant and \$290,768 in the DA revenue funding for each of the last five years.

#### CONSEQUENCES OF 3.63 PER CENT BUDGET CUT

- Elimination of eight Assistant District Attorneys (7% of legal staff).

Fully 96 per cent of my budget is spent on salaries. OTPS comprises a mere 4% of my budget. Our OTPS budget has been pared to the bone already. The only place to cut back is in personnel. Two thirds of my PS expense is dedicated to salaries for lawyers, about ten per cent for investigators salaries and only one quarter to pay non legal support salaries. The city's five percent budget cut will force me to cut about twelve assistant district attorneys positions in one year. I will not be able to accomplish that by attrition. In a faltering economy, we do not expect to see many attorneys leave for new jobs.

- Diminished Effectiveness

As I indicated earlier, our work is responsive. We process arrests that the police department makes, but our focus is primarily to investigate – close to sixty per cent of our resources are devoted to long term investigations. Those investigations net results that have a huge impact on this city. Here are a few recent examples:

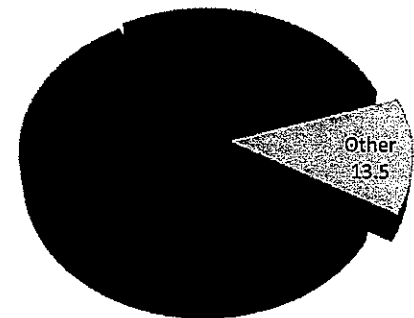
In August, we began working on a case that began with a narcotics detective's observation of a sale of a single glassine of heroin. We poured our investigative resources into this, contributing the expertise of our own investigators and writing wiretaps for telephones. Just two months ago, we arrested the head of the organization that supplied the heroin for that glassine – a four million dollar a year operation that pumped hundreds of thousands of glassines out to the city's streets. You can not pursue that kind of a case without sufficient resources.

You have copies of our annual report, which describes just a few of the important and noteworthy investigations that we conducted last year.

- Costly Ripple Effects

The District Attorneys Offices are relatively small, but they are the linchpins holding the criminal justice system together. Under funding us will result in higher police, corrections and court system overtime costs as defendants languish waiting for their cases to be reviewed, written up, and arraigned. Then, delays will clog the system as overloaded Assistant District Attorneys are unable to bring cases to trial in a timely manner. Ultimately, prosecutions may falter, defendants fail to be appropriately

PS Expenditure by Program



punished, undermining community confidence in the criminal justice system and pushing up crime rates.

In addition, prosecutors may have to divert resources from programs like the gun and internet initiatives funded just a year or two ago to focus on their core mission – prosecuting whatever cases require immediate attention. Finally, resources may have to be reallocated from Alternatives to Incarceration for the same reason.

## TRENDS

I would like to give you a snapshot of narcotic trafficking patterns in the city. In your packages you will find details of some of the prosecutions handled by my office during the year. They include:

### Increasing Heroin Use

Our investigation into a heroin mill on East 75th Street in Manhattan highlights a disturbing trend: heroin use is becoming more widespread. I have met with the Health Department to advocate a public information campaign to stem the tide of increased use and will continue to work on this.

### Prescription drug abuse

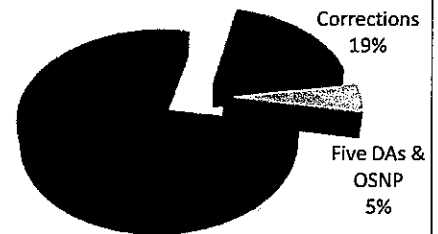
In the past few years we have seen substantial growth in illicit sales of prescription drugs. We have cases where buyers, using fake or legitimate prescriptions, buy medicinal drugs, often using Medicaid funds. The drugs are sold to dealers who repackage and redistribute them in other parts of New York, other states and foreign countries. Among the most popular are OxyContin and Dilaudid, also known as "drugstore heroin."

We recently prosecuted a case which revealed another aspect to this crime: identity theft. A defendant arrested with a forged prescription had not only stolen prescription pads, she had stolen the insurance claim information of various people to pay for the prescriptions. The public cost of prescription drug diversion is escalating, and we must develop a more effective means of investigating and prosecuting this crime.

### Sophisticated money laundering

We have seen millions of dollars leaving the city through complex schemes, including micro-structuring, layered real estate transactions and bulk money shipment.

Distribution of Public Safety Budget



# Funding

## \$1.72 MILLION FUNDING REDUCTION IN ONE YEAR

### Loss in City Funding

Based on the executive budget for fiscal 2009, my agency will be facing a budget deficit of \$1.4 million in city funds alone. This includes the 3.63% or \$544,203 reduction proposed for fiscal 2009 and a worst case scenario – elimination of the \$850,000 cash grant we received from the Council.

Last year, the city baselined DA's revenue funding and restored \$290,768 for my agency. Although this amount represents a much smaller portion of our cuts (27%) compared to the amount baselined for the DA offices (82%) for reasons I described earlier, it has nonetheless been a great help to us. Unfortunately, only a year later, the city proposes to not only take that away – but another quarter million dollars on top of that.

### State Reductions

In fiscal year 2004 and 2005, while our city funding was reduced dramatically, our largest state grant, Aid to Prosecution, was also cut by \$275,000 or 20%. This loss in state funding has never been restored. We were just informed that in FY 2009, this grant and our DTAP grant will be reduced by another 2%.

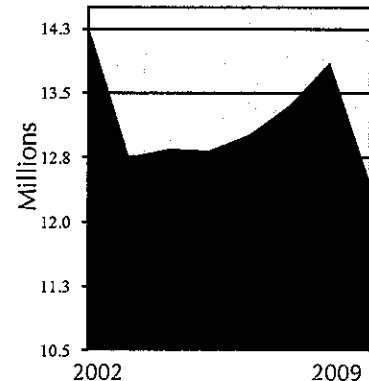
We are also uncertain about continued funding for one other grant – for our Narcotics Gang.

### Cuts in Federal Grants

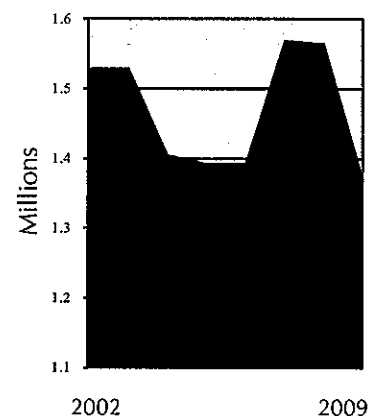
Over the last six years, our federal grant money has plummeted by a staggering 71% or \$488,244 – from \$687,468 in 2002 to \$199,224 in 2008. Federal funding sources earmarked for drug related grants continues to diminish in fiscal 2009. We have already been informed that Edward Byrne Justice Assistance Grant funding for our last two federally funded programs has been reduced by another 67% or \$133,480. This will bring our total federal funding to \$65,744, or the salary of one Assistant District Attorney.

The combined total reduction in my agency's city, state and federal funding in fiscal 2009 is \$1,722,798. For a small agency like mine such a sizable reduction in one year, when our staffing level is at the lowest in history, is simply a mission impossible.

City Funding



State Funding



Federal Funding

