



Fiscal 2009 Executive Budget Hearings

❖ Committee on Finance jointly with the Committee on Juvenile Justice

May 2008

Scheduled To Testify:

- *Department of Juvenile Justice*

*Hon. Christine C. Quinn
Speaker of the Council*

*Hon. David I. Weprin, Chair
Committee on Finance*

*Hon. Sara Gonzalez, Chair
Committee on Juvenile Justice*

*Preston Niblack, Director
Finance Division*

New York City Council Finance Division

Preston Niblack
Director

Andy Grossman
Acting Deputy Director, Expense

Public Safety & Governmental Operations

Eisha Williams
Analyst

DEPARTMENT OF JUVENILE JUSTICE (130)**Agency Operations**

The Department of Juvenile Justice (DJJ) provides detention, aftercare and preventive services to juveniles, ages 7 through 15, in New York City. Youth detained in the Department's facilities include alleged juvenile delinquents, juvenile offenders whose cases are pending, and those whose cases have been adjudicated and are awaiting transfer to State Office of Children and Family Services (OCFS) facilities. The Department operates three secure detention and 18 non-secure detention facilities located throughout the City that admit nearly 6,000 youth each year.

AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	\$89,269,823	\$89,269,823	\$95,165,184	\$95,748,946
Other Categorical	\$0	\$0	\$0	\$0
Capital IFA	\$0	\$0	\$0	\$0
State	\$37,473,466	\$37,473,466	\$37,495,784	\$35,838,815
Community Development	\$0	\$0	\$0	\$0
Federal-Other	\$688,336	\$688,336	\$688,336	\$688,336
Intra-City	\$0	\$0	\$0	\$0
Total	\$127,431,625	\$127,431,625	\$133,349,304	\$132,276,097

HEADCOUNT OVERVIEW

Headcount	Fiscal 2008 Adopted Budget	Fiscal 2008 Forecast for 6/30/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	648	650	646	648
Non-City	339	339	339	339
Total	987	989	985	987

AGENCY HIGHLIGHTS

The Department of Juvenile Justice's Fiscal 2009 Executive Expense Budget of \$132.3 million is approximately \$4.9 million more than its Fiscal 2008 Adopted Expense Budget of \$127.4 million. The \$4.9-million increase in total funds is due to a \$6.5-million increase in City tax levy funding, which now stands at \$95.7 million, offset by a \$3-million decrease in State reimbursement.

At the time of Adoption for Fiscal 2008, the agency's estimated budget for Fiscal 2009 was \$124.6 million. The estimated budget for Fiscal 2009 in City-tax levy funds was \$86.5 million.

The 2008 January Plan increased the agency's Fiscal 2009 budget by \$8.8 million, for a total of \$133.4 million. Of this amount, the City tax levy funds increased by \$8.6 million, bringing it to \$95.2 million. State grants in the amount of \$116,000 also contributed to the increase in the

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agency's estimated Fiscal 2009 Budget. The increase in the agency's budget in the January Plan was due to the Department's proposals for new needs and other adjustments for collective bargaining. The most significant of which was a new need for per diem payments to the State Office of Children and Family Services in the amount of \$8.4 million.

COUNCIL INITIATIVES NOT RESTORED

The Fiscal 2009 Executive Budget contains a \$1.279-million cut to the Department of Juvenile Justice in Fiscal 2009. This cut represents Discharge Planning/In-Detention Services funding provided by the City Council in the Fiscal 2008 Adopted Budget but not baselined by the Mayor in the City's Financial Plan for Fiscal 2009 and the outyears. The City Council funding provides Discharge Planning and In-detention workshops to youth involved in the Juvenile Justice system. The program provides referrals to public and community-based services, such as those relating to substance abuse, counseling, family and peer mediation, mental health, recreation and education.

TREND DATA

"The Department of Juvenile Justice operates three secure detention facilities: Bridges, Crossroads and Horizon. In addition, DJJ has 18 non-secure detention facilities, of which three are directly operated by DJJ and 15 are operated through contracts with private social service organizations."

<i>Secure Detention</i>				
Fiscal Year	2005	2006	2007	2008*
Admissions	5,252	5,973	5,884	3,993
Average Daily Population	286	303	292	419
Average Length of Stay (days)	23	21	20	28
* Y-T-D (Source: Citywide Performance Reporting Tool)				

Secure detention facilities are structured such that they not only have locks and hardware on the doors, but are also designed to restrict the movement of the juveniles. According to DJJ's website, the programmatic objective of secure detention is to "give youth the chance to make positive changes in their lives. Detention is viewed as a time to provide education, medical, mental health, case management and other much-needed services."

<i>Non-Secure Detention</i>				
Fiscal Year	2005	2006	2007	2008*
Admissions	756	753	712	454
Average Daily Population	139	146	149	130
Average Length of Stay (days)	31	30	33	33
* Y-T-D (Source: Citywide Performance Reporting Tool)				

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Non-secure detention facilities are structured as less restrictive settings than secure facilities. “Non-secure detention offers juveniles a supportive, family-like environment and close supervision during their time in detention.”

When remanded into the custody of DJJ, youth are given a comprehensive mental and medical health evaluation to determine their medical history. In recent years, upon completion of mental and medical health examinations, DJJ has identified that juveniles with mental health issues represent a majority of their population. In an effort to prevent recidivism and to address the need to provide services to these youth, DJJ commenced providing discharge-planning services. Prior to being released from custody, these youth are linked with a variety of community-based organizations that can assist them in post-detention. Through these organizations, youth are able to receive assistance with their medical, mental, and social services needs. In addition to the drafting of discharge plans, “the Department brings community-based organizations into detention settings to educate youngsters about issues like gang violence awareness, anger management, conflict mediation, parenting responsibilities and life skills development.”

UNITS OF APPROPRIATION

The operating budget of an agency is structured into several levels, each of which provides varying levels of detail on an agency’s spending plans. The City Charter requires that U/A’s represent the amount appropriated for Personal Services (PS) (i.e., salaries, overtime, etc.) or Other Than Personal Services (OTPS) (i.e., supplies, contracts, etc.) for a particular program, purpose, activity or institution.

U/A#	U/A Name	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
001	Personal Services	\$42,480,423	\$42,480,423	\$42,483,664	\$41,838,179
002	Other Than Personal Services	\$84,951,202	\$84,951,202	\$90,865,640	\$90,437,918
	Total	\$127,431,625	\$127,431,625	\$133,349,304	\$132,276,097

EXECUTIVE BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the Preliminary Plan	\$91,082	\$41,453	\$132,535	\$95,166	\$38,184	\$133,350
PEGs						
Contract Savings	\$0	\$0	\$0	(\$143)	(\$143)	(\$286)
NSD Capacity Reduction	\$0	\$0	\$0	(\$899)	(\$899)	(\$1,798)
OCFS Payments Re-Estimate	(\$1,000)	\$0	(\$1,000)	\$0	\$0	\$0
Total PEGs	(\$1,000)	\$0	(\$1,000)	(\$1,042)	(\$1,042)	(\$2,084)
New Needs						
Collaborative Family Initiative	\$0	\$0	\$0	\$1,339	\$0	\$1,339
Total New Needs	\$0	\$0	\$0	\$1,339	\$0	\$1,339
Other Adjustments						
Additional State Revenue	\$3,390	(\$3,390)	\$0	\$0	\$0	\$0
OCA Collective Bargaining	\$53	\$53	\$106	\$53	\$53	\$106
State Budget Impact	\$0	\$0	\$0	\$0	(\$775)	(\$775)
Workforce Life Skills	\$0	0	\$0	\$139	\$93	\$232
Fuel	(\$44)	(\$44)	(\$88)	\$10	\$10	\$19
Gasoline	(\$9)	(\$9)	(\$18)	\$1	\$1	\$1
Heat, Light and Power	(\$55)	(\$55)	(\$110)	\$4	\$4	\$9
Lease Adjustment	\$0	\$0	\$0	\$80	\$0	\$80
Misc/Fed/State			\$0			\$0
Total Other Adjustments	\$3,335	(\$3,445)	(\$110)	\$287	(\$615)	(\$328)
Total Executive Plan Budget Changes	\$2,335	(\$3,445)	(\$1,110)	\$584	(\$1,657)	(\$1,073)
Agency Budget as per the Executive Plan	\$93,417	\$38,008	\$131,425	\$95,750	\$36,527	\$132,277

EXECUTIVE BUDGET ACTION ANALYSIS

New Needs

- Collaborative Family Initiative (CFI).** In the Fiscal 2007 Adopted Budget, the City Council appropriated funding in the amount \$1.279 million to the Department of Juvenile Justice for its Discharge Planning program. Of this amount, the Department utilized \$669,321 to let contracts with John Jay College of Criminal Justice and seven community based organizations to fund the CFI project. The Collaborative Family Initiative was comprised of two components: 1) direct mental health services by community-based organizations to youth who were released from the Departments care and returning home and 2) a comprehensive evaluation on how to engage youth and their families to continue with services, and what impact the services had on positive behavior for youth. A subset of the evaluation focused specifically on girls leaving detention. For Fiscal 2007, \$500,000 was earmarked for the seven community-based organizations to provide direct services to youth and \$169,321 was provided to John Jay College of Criminal Justice for the evaluation component.

The Fiscal 2008 Executive Plan added one-time funding in the amount of \$1.339 million to allow John Jay College of Criminal Justice the opportunity to continue collecting and analyzing data for youth involved in the juvenile justice system and to demonstrate the success of the CFI program. During this time, OMB and DJJ had not made a decision as to whether or not organizations funded in Fiscal 2007 would receive funding in Fiscal 2008. The Executive Plan now adds an additional \$1.339 million for Fiscal 2009 for the continuation of the CFI Program.

Programs to Eliminate the Gap (PEGs)

- **Non-Secure Detention Capacity Reduction.** “NSD provides structured residential care for alleged Juvenile Delinquents in a less restrictive setting while awaiting disposition of their cases in Family Court. NSD [facilities] offer juveniles a supportive, family-like environment and close supervision during their time in detention. DJJ has 18 non-secure detention facilities, of which two are directly operated by DJJ and 15 are operated through contracts with private social service organizations.”

According to the Office of Management and Budget (OMB), the Department of Juvenile Justice will achieve savings through the capacity reduction of its non-secure detention facilities. The Executive Plan recognizes that beginning in Fiscal 2009, DJJ will achieve annual savings in the amount of \$1.8 million (spilt evenly between City and State funds) through the closure of two of its contracted non-secure detention facilities. OMB has also indicated that the Department of Juvenile Justice will use its discretion to determine which facilities to close.

- **OCFS Payments Re-Estimate.** The City makes payments to the Office of Children and Family Services for City juveniles who are placed in State facilities. Because the number of juveniles that the Department transferred to OCFS declined during the first four months of Fiscal 2008, the Executive Plan recognizes \$1 million in lower payments to OCFS in Fiscal 2008.
- **Contract Savings.** The January Plan removed the annual sum of \$201,000 (spilt evenly between City and State funds) associated with the closure of the Hegeman Avenue non-secure detention facility. The Executive Plan now removes the remaining balance of \$286,000 annually (spilt evenly between City and State funds) from DJJ’s baseline budget beginning in Fiscal 2009.

Other Adjustments

- **Additional State Revenue.** DJJ receives 50-percent reimbursement from OCFS for the capital construction costs it incurs. The 2008 January Plan contained a Revenue PEG showing an inflow of funds from OCFS relating to the construction of two secure detention facilities that were completed about nine years ago (Crossroads in Brooklyn and Horizon in the Bronx), and the renovation of the Bridges Detention Center in the Bronx (formerly known as Spofford) that was completed at about the same time.

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The 2008 January Plan removed \$3.3 million in City funds and replaced it with State funds in the same amount. For the purpose of the January Plan, the action was shown as PEG savings for DJJ. The actual savings were credited to the City's Debt Service Budget (Agency 099). The Fiscal 2009 Executive Plan action represents a technical adjustment to the January Plan action to properly reflect the correct revenue source.

- **State Budget Impact.** The Governor's Executive Budget proposed to eliminate entirely the 50-percent reimbursement that the Department of Juvenile Justice had long received from the State. The cut -- if enacted -- would have cost the City as much as \$150 million over the next few years. The immediate budgetary impact would have resulted in a loss of \$48 million in State revenue for Fiscal 2008 and Fiscal 2009. This amount would have included \$10.2 million for the remainder of Fiscal 2008 which represents the fourth quarter of the City's fiscal year and the full value of the proposed reimbursement of \$37.5 million for Fiscal 2009.

Rather than eliminating the 50% reimbursement entirely, the Adopted State Budget called for only a 1% reduction in the reimbursement rate, from 50% to 49%. The City's Executive Plan recognizes that DJJ will receive \$775,395 less in State revenue in Fiscal 2009.

- **Workforce Life Skills.** The January Plan contained several actions associated with delays in programming related to the Mayor's Commission for Economic Opportunity (CEO) Initiative. First, Fiscal 2008 City tax levy funds totaling approximately \$202,000 were switched from the Department of Correction to DJJ. Then, because of programming delays, these funds were rolled into Fiscal 2009. Lastly, the January Plan adjusted the projected level of anticipated State matching funds by removing \$154,000 from DJJ's Fiscal 2008 budget and adding \$108,000 in Fiscal 2009.

The Executive Plan now includes additional funding in the amount of \$232,108 (City \$139,265 and State \$92,843) for Fiscal 2009. Of the total amount of funds, \$23,000 is being added to the PS budget to supplement previous funding for the two existing positions and the remaining balance of \$208,000 is being added to the OTPS budget to supplement funding for the two contracts with Good Sheppard Services and the Center for Community Alternatives.

- **Organization of Staff Analyst (OSA) Collective Bargaining.** Funds totaling \$53,068 for Fiscal 2008 and the outyears are being transferred for the Labor Reserve in the Miscellaneous Budget to DJJ to cover costs associated with recent collective bargaining, matched equally by State funds for a total funding of \$106,134 annually.
- **Heat, Light and Power.** The Executive Plan decreases the Department's City-funded heat, light and power budget by \$54,862 in Fiscal 2008, and increases it by \$4,264 annually beginning in Fiscal 2009. This sum represents 50-percent of the anticipated adjustment, with the remainder being furnished by the State.
- **Fuel.** The Executive Plan decreases the Department's City-funded fuel budget by \$44,050 in Fiscal 2008 and increases it by \$9,725 annually beginning in Fiscal 2009. This sum represents 50-percent of the anticipated adjustment, with the remainder being furnished by the State.

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- **Gasoline.** The Executive Plan decreases the Department's City-funded gasoline budget by \$9,106 in Fiscal 2008 and increases it by \$527 annually beginning in Fiscal 2009. This sum represents 50-percent of the anticipated adjustment, with the remainder being furnished by the State.
- **Lease Adjustment.** The Executive Plan increases the Department's budget by \$79,913 annually beginning in Fiscal 2009.