

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Melissa Mark-Viverito
Speaker of the Council

Hon. Elizabeth Crowley
Chair, Committee on Fire and Criminal Justice Services



Report on the Fiscal 2017 Preliminary Budget and the Fiscal 2016 Preliminary Mayor's Management Report Department of Probation

March 10, 2016

Steve Riester, Legislative Financial Analyst
Eisha Wright, Unit Head

Finance Division

Latonia McKinney, Director
Regina Poreda Ryan, Deputy Director
Nathan Toth, Deputy Director
Paul Scimone, Deputy Director
Emre Edev, Assistant Director

Table of Contents

Department of Probation Overview	1
Financial Plan Summary.....	2
Preliminary Plan Actions	3
Contract Budget.....	3
City Council Initiatives	4
Program Areas	5
Probation Services	5
Executive Management.....	10
Appendix A: Budget Actions in the November and the Preliminary Plans.....	11

Department of Probation Overview

The Department of Probation (DOP or the Department) helps build stronger and safer communities by working with and supervising people on probation, fostering positive change in their decision-making and behavior through research-based practices and expanding opportunities for them to move out of the criminal and juvenile justice systems through meaningful education, employment, health and behavioral health services, family engagement and civic participation. The Department supplies information and recommendations to the courts on both adult and juvenile cases to help inform sentencing and disposition decisions. In Family Court, reports are also provided in family offense, custody, child support, visitation, adoption, and guardianship cases. In total, the Department of Probation provides intake services, investigations and supervision for more than 60,000 adult and juvenile cases per year and supervises approximately 21,000 adults and 1,000 juveniles on any given day.

This report provides a review of the DOP's Preliminary Budget for Fiscal 2017 and the Fiscal 2016 Preliminary Mayor's Management Report (PMMR). The first section presents significant highlights of the \$96.6 million Fiscal 2017 Preliminary Budget, the DOP's Contract Budget, and then the report follows with a presentation of the Department's budget by units of appropriation (U/A) and reviews relevant sections of the PMMR for Fiscal 2016. The appendix presents budget actions in the November and Preliminary Financial Plans.

Financial Plan Summary

The DOP's budget consists of four units of appropriation (UA). They are: U/A – 001 and U/A- 002 (PS), U/A – 003 and U/A- 004 (OTPS). The following table, "DOP Financial Summary", provides an overview of the DOP's actual expenditures for Fiscal 2014 and Fiscal 2015, the Adopted Budget for Fiscal 2016, and planned expenditures for Fiscal 2016 and Fiscal 2017 as proposed in the Fiscal 2017 Preliminary Plan.

DOP Financial Summary						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services	\$60,629	\$63,270	\$69,703	\$72,028	\$72,066	\$2,363
Other Than Personal Services	22,552	26,673	25,827	27,427	24,489	(1,338)
TOTAL	\$83,181	\$89,943	\$95,530	\$99,455	\$96,555	\$1,025
Budget by Program Area						
Executive Management	\$7,101	\$6,974	\$8,518	\$8,689	\$8,928	\$410
Probation Services	76,080	82,969	87,012	90,765	87,627	615
TOTAL	\$83,181	\$89,942	\$95,530	\$99,454	\$96,555	\$1,025
Funding						
City Funds			\$74,708	\$73,060	\$75,269	\$561
State			14,605	14,695	14,605	0
Federal - Other			15	338	358	343
Intra City			6,203	11,361	6,323	120
TOTAL	\$83,181	\$89,942	\$95,531	\$99,454	\$96,555	\$1,025
Budgeted Headcount						
Full-Time Positions - Civilian	958	941	1,030	1,063	1,038	8
TOTAL	958	941	1,030	1,063	1,038	8

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The City's Preliminary Fiscal 2017 Budget is \$82.1 billion, \$3.6 billion more than the Fiscal 2016 Adopted Budget of \$78.5 billion. City funds (City tax and non-tax revenues) total \$59.9 billion, up \$2.9 billion from \$57 billion in the Adopted Budget. For the DOP, the Fiscal 2017 Preliminary Budget totals \$96.6 million (including City and non-City funds). This represents less than one percent of the City's total budget.

The Department's Fiscal 2017 Preliminary Budget increased by \$1 million when compared to the Fiscal 2016 Adopted Budget. However, when compared to the Department's current budget of \$99.5 million, the Preliminary Fiscal 2017 budget is \$2.9 million less, in part due to a decrease in Intra City funding. The Department's Personal Service (PS) budget saw an increase of \$2.4 million when compared to the Fiscal 2016 Adopted Budget and is offset by \$1.3 million decrease in Other Than Personal Service (OTPS). Of the Department's \$96.6 million Fiscal 2017 Preliminary Budget, 75 percent is comprised of PS funding.

The Fiscal 2017 Preliminary Budget proposes an increase of \$1 million for the DOP when compared to the Fiscal 2016 Adopted Budget, comprised of \$646,000 in new needs and \$2 million in other adjustments in Fiscal 2017. In addition, the budgeted headcount for the Department grows by eight positions.

Preliminary Plan Actions

- **Behavioral Health Staffing.** The Fiscal 2017 Preliminary Plan includes \$194,003 in Fiscal 2016 and \$391,455 in Fiscal 2017 for seven positions (five probation officers and two clinical advisors) to fill a service gap. (see page six)
- **OTPS Other Adjustments.** The Fiscal 2017 Preliminary Plan includes \$182,122 in Fiscal 2016 and baseline funding of \$254,082 beginning in Fiscal 2017 for various OTPS adjustments. (see page six)
- **Citywide Savings.** The DOP's Fiscal 2017 Preliminary Plan recognized one budget action associated with New York City's Citywide Savings program. DOP recognized PS accruals of \$151,556 in Fiscal 2016 because the Department has not filled all of its positions. However, DOP expects to hire staff for the three open positions early in Fiscal 2017.

Contract Budget

DOP Fiscal 2017 Preliminary Contract Budget <i>Dollars in Thousands</i>				
Category	Fiscal 2016 Adopted	Number of Contracts	Fiscal 2017 Preliminary	Number of Contracts
Cleaning Services	\$43	1	\$43	1
Contractual Services - General	17,093	16	16,291	4
Data Processing Equipment Maintenance	600	2	216	2
Hospitals Contracts	221	3	221	3
Maintenance and Repairs - General	22	1	22	1
Office Equipment Maintenance	90	2	90	2
Printing Services	20	1	20	1
Prof. Services - Other	395	5	145	4
Security Services	625	1	625	1
Telecommunications Maintenance	3	1	3	1
Temporary Services	13	1	13	1
Training Program for City Employees	25	2	56	2
TOTAL	\$19,148	36	\$17,744	23

The City's Contract Budget, as proposed, totals \$13.17 billion in Fiscal 2017, a decrease of \$76 million or one half of one percent when compared to the Fiscal 2016 Adopted Budget of \$13.24 billion. DOP's contract budget decreased by \$1.4 million and 13 contracts since the Fiscal 2016 Adopted Budget. The DOP uses contractual services to support the operations of the agency; it does not contract out any of its core functions. Contract spending will total just 18 percent of DOP's budget in Fiscal 2017. According to the DOP, Mayoral funds were added to the Preliminary Plan; however, when the Fiscal 2017 year begins encumbrances will be added to the Department's contract budget.

City Council Initiatives

Fiscal 2016 Council Changes at Adoption	
Council Initiatives	
Anti-Gun Violence: Justice Community	
Center for Alternative Sentencing and Employment Services, Inc. (CASES)	\$129,400
Fund for the City of New York, Inc.	258,800
Man Up!, Inc.	258,800
Opportunities for a Better Tomorrow	129,400
Rockaway Development & Revitalization Corporation	129,400
Urban Youth Alliance International, Inc.	129,400
Getting Out and Staying Out, Inc.	129,400
Fund for the City of New York, Inc.	258,800
Good Shepherd Services, Inc.	129,400
Subtotal	\$1,552,800
Adolescent Portable Therapy Program	\$250,000
TOTAL	\$1,802,800

In Fiscal 2016 the Council allocated a total of \$1.8 million to DOP to support two initiatives. Funding for these initiatives is not included in the Fiscal 2017 Preliminary Budget.

- Anti-Gun Violence.** The Fiscal 2016 Adopted Budget includes \$1.5 million to support the Justice Community program. These programs serve court-involved young adults, between the ages of 16-24, living in the targeted neighborhoods, identified by the Anti-Gun Violence Task Force. The program engages participants in community benefit projects in one or more of the designated communities. It also provides educational, work, team and civic engagement experiences, as well as youth leadership, peer mentorship, life skills and case management. Participants also receive a stipend.
- Adolescent Portable Therapy Program.** The Fiscal 2016 Budget includes \$250,000 to provide home-based substance abuse treatment for justice-involved youth citywide. The program lasts four months and during that time, a therapist visits the family's home weekly, providing a combination of individual and family counseling sessions tailored to the young person's needs.

Program Areas

In general, agency program areas can and do provide insight into which programs are priorities and how the budget impacts programs' outcomes. The DOP's functions can be broken down into two program areas which are Probation Services and Executive Management. These program areas are funded with a combination of City tax-levy funds and other resources. Of the Department's program areas, funding for Probation Services account for nearly 91 percent of total funding in Fiscal 2017.

Probation Services

Probation Services carries out investigations of most adult and juvenile offenders before sentencing and supervises those sentenced to probation in adult and family courts. Probation Services also operates several related supervision programs for adult probationers and alternative-to-placement programs for juvenile probationers.

Probation Services						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Full-Time Salaried - Civilian	\$49,124	\$50,964	\$58,730	\$60,873	\$60,672	\$1,942
Additional Gross Pay	3,854	4,782	3,524	3,524	3,524	0
Amounts to be Scheduled	0	0	(1,470)	(1,470)	(1,470)	0
Fringe Benefits	0	0	5	15	14	9
Overtime – Civilian	398	445	516	516	516	0
Unsalaries	192	142	6	6	7	1
Subtotal	\$53,568	\$56,333	\$61,311	\$63,464	\$63,263	\$1,952
Other Than Personal Services						
Supplies and Materials	\$802	\$774	\$1,098	\$1,049	\$1,178	\$80
Fixed and Misc Charges	723	1,073	11	511	11	0
Property and Equipment	644	460	860	787	839	(21)
Other Services and Charges	7,736	9,178	4,612	4,703	4,621	9
Contractual Services	12,605	15,149	19,120	20,251	17,715	(1,405)
Subtotal	\$22,510	\$26,634	\$25,701	\$27,301	\$24,364	(\$1,337)
TOTAL	\$76,078	\$82,967	\$87,012	\$90,765	\$87,626	\$615
Funding						
City Funds			\$66,249	\$64,431	\$66,400	\$151
Federal - Other			15	338	358	343
Intra City			6,203	11,361	6,323	120
State			14,545	14,635	14,545	0
TOTAL	\$76,078	\$82,967	\$87,012	\$90,765	\$87,626	\$615
Budgeted Headcount						
Full-Time Positions - Civilian	875	860	914	946	921	7
TOTAL	875	860	914	946	921	7

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The Fiscal 2017 Preliminary Budget for the Probation Services program area shows an increase of \$614,000 when compared to the Fiscal 2016 Adopted Budget. The Fiscal 2016 budget as of the Preliminary Plan shows growth of \$3.8 million when compared to the Fiscal 2016 Adopted Budget and a headcount increase of 32 positions. The mid-year

headcount adjustment is attributed to 22 positions for the Supervision and Treatment Services for Juveniles Program (STSJP), which are paid for through an Intra-City transfer with the Administration for Children's Services (ACS). Intra-City revenue is recognized on an annual basis so the budget for the STSJP is not recognized in the Fiscal 2017 Preliminary Budget.

The Fiscal 2017 Preliminary Plan introduces two new needs for the Department. Together they increase the Fiscal 2017 Budget by \$646,000.

Financial Plan Actions

- **Behavioral Health Staffing.** The Fiscal 2017 Preliminary Plan includes \$194,003 in Fiscal 2016 and \$391,455 in Fiscal 2017 for seven positions (five probation officers and two clinical advisors) to fill a service gap. It is anticipated that the additional staff will assist with providing a structured “hands off” and stabilization period for those with behavioral health issues who enter probation from an Alternative to Incarceration (ATI) program and are assigned directly to Community Progression track. In addition, funding will allow DOP to conduct periodic follow-up on those with identified behavioral health histories.
- **OTPS Other Adjustments.** The Fiscal 2017 Preliminary Plan includes \$182,122 in Fiscal 2016 and baseline funding of \$254,082 beginning in Fiscal 2017 for a collection of OTPS needs. Purchases will include K-2 (Synthetic Cannabis) drug polygraph testing for all level three registered sex offenders. Funding also includes a MetroCard fare increase. The Department disburses MetroCards primarily to those on probation who are not financially able to pay their fare when reporting for their probation mandated and related activities. The Department spent \$56,875 in Fiscal 2015 and is projected to spend \$62,563 in Fiscal 2016 and Fiscal 2017.
- **Citywide Savings.** The DOP's Fiscal 2017 Preliminary Plan recognizes one budget action associated with New York City's Citywide Savings program. DOP recognized PS accruals of \$151,556 in Fiscal 2016, for three vacant positions. However, DOP expects fill these positions early in Fiscal 2017.

Performance Measures

The DOP collects data on the number of individuals served and on an annual basis reports the data in the PMMR. The following two charts from the PMMR provide performance statistics for adult and juvenile probationers followed by a description of year-over-year changes. The chart shows actual data for Fiscal 2013-2015, target data where applicable for Fiscal 2016 and 2017, and four-month actual data for Fiscal 2015 and 2016.

DOP Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Successful completion rate for adult probationers (%)	58%	59%	66%	*	*	65%	66%
Average monthly violation rate for adult probationers (%)	0.90%	0.80%	0.80%	*	*	0.80%	0.80%
Probation violation proceedings ending in revocation for adult probationers (%)	45%	44%	47%	*	*	47%	53%
Adult probationer rearrest rate (monthly average) (%)	3.10%	3.20%	3.10%	3.00%	3.00%	3.50%	3.70%
Adult probationers arrested citywide as a percentage of the NYPD arrest report (monthly average)	2.80%	2.90%	3.10%	2.60%	2.60%	3.10%	3.30%
Adult probationer early discharge rate (%)	12%	11%	12%	*	*	13%	10%

Source: Fiscal 2016 Preliminary Mayor's Management Report

- The average monthly violation rate for adult probationers was unchanged at 0.8 percent. Probation violation proceedings ending in revocation for adult clients increased six percentage points to 53 percent. The Department continues to reduce unnecessary filings for minor rules violations, which are less likely to result in a revocation at disposition, via graduated sanctions.
- The average monthly re-arrest rate for adult probationers was 3.7 percent, compared to a rate of 3.5 percent during the first four months of Fiscal 2015. When viewed as a percentage of all Police Department arrests, adult re-arrests increased to 3.3 percent from 3.1 percent during the first four months of Fiscal 2015. According to the PMMR, the Department is participating in ongoing crime strategy meetings with the Mayor's Office, New York City Police Department (NYPD) and local district attorneys' offices to analyze and respond to citywide arrest trends.

During the first four months of Fiscal 2016, early discharges represented 10 percent of all adult probation supervision case closings, compared to 13 percent the previous year. The citywide approval rate from local courts for early discharge applications, however, was 87 percent. According to the PMMR, the Department will continue to prioritize identifying qualified candidates for early discharge based on compliance with the terms of probation and meeting the requirements of individual action plans.

DOP Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Successful completion rate for juvenile probationers (%)	58%	60%	59%	*	*	56%	55%
Average monthly violation rate for juvenile probationers (%)	2.70%	3.00%	2.70%	3.00%	3.00%	2.50%	3.10%
Probation violation proceedings ending in revocation for juvenile probationers (%)	47%	49%	41%	*	*	39%	56%
Juvenile probationer rearrest rate (monthly average) (%)	2.70%	3.50%	3.90%	3.00%	3.00%	3.80%	4.40%
Juvenile probationers arrested citywide as a percentage of the NYPD arrest report (monthly average)	0.20%	0.30%	0.30%	*	*	0.30%	0.30%
Juvenile delinquency cases eligible for adjustment (%)	34.00%	28.00%	31.00%	32.00%	32.00%	33.00%	27.00%
- low-risk (%)	47.00%	37.00%	38.00%	*	*	42.00%	36.00%
- medium-risk (%)	16.00%	12.00%	13.00%	*	*	11.00%	15.00%
- high-risk (%)	8.00%	7.00%	6.00%	*	*	5.00%	5.00%
New enrollments in alternative-to-placement (ATP) programs	194	167	160	*	*	80	49
Total probationers supervised in Enhanced Supervision Program (ESP)	977	738	527	*	*	391	294

Source: Fiscal 2016 Preliminary Mayor's Management Report

- The average monthly violation rate for juveniles was 3.10 percent, compared to 2.50 percent during the first four months of Fiscal 2016. The Department introduced a new risk and needs instrument for juveniles during Fiscal 2013, resulting in an increased rate of high risk youth receiving a probation sentence via local, community-based, alternative-to-placement (ATP) programs, rather than being placed at a State Office of Children and Family Services facility.
- The juvenile probationer average monthly re-arrest rate was 4.4 percent, up from 3.8 percent in Fiscal 2015. Juvenile re-arrests as a percentage of NYPD arrests remained at .03 during the reporting period. The DOP continues to focus its resources on individuals at the highest risk of re-offending, providing specialized services for youth via community providers based on the risk and need characteristics identified through the DOP's pre-dispositional assessment instrument.
- The number of youth served by the Enhanced Supervision Program (ESP) declined by 33 percent to 294, compared to 391 during the first four months of Fiscal 2015. The Department's new risk and needs instrument, combined with a wider array of alternative-to-placement programs citywide, resulted in more specialized utilization of intensive supervision programs. The DOP continues to work with the local courts and service providers to identify youth appropriate for community supervision rather than placement.
- The juvenile intake adjustment rate decreased six percentage points to 27 percent during the reporting period. The overall number of youths eligible for diversion from prosecution decreased based on severity of charges, assessed risk and prior

criminal history. Probation officers utilized individualized service plans for youths, combined with outreach and communication with complainants, NYPD and youths' families, to seek appropriate candidates for adjustment

- The number of new enrollments of juveniles in ATP programs decreased 39 percent in the first four months of Fiscal 2016. According to the PMMR, the decline was attributable to a significant decrease in the number of juvenile intakes and prosecutions compared to Fiscal 2015, as well as fewer ATP sentences based on available capacity at community-based programs. The Department continues to utilize a risk and needs assessment, as well as a structured decision-making process to identify youth appropriate for community supervision, rather than placement at disposition.

Executive Management

The functions of the DOP's Executive Management program area include: setting policies and developing short and long-term plans and strategies; providing public information; conducting legal analyses; and coordinating with governmental oversight agencies. Under the supervision of the Deputy Commissioner of Budget and Administration, staff provides management of general support services.

Executive Management						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Full-Time Salaried - Civilian	\$6,732	\$6,514	\$8,170	\$8,341	\$8,579	\$409
Additional Gross Pay	262	332	200	200	200	0
Amounts to be Scheduled	0	0	1	1	2	1
Overtime – Civilian	47	59	18	18	18	0
Other Salaried and Unsalaries	23	25	4	4	4	0
P.S. Other	(3)	6	0	0	0	0
Subtotal	\$7,061	\$6,936	\$8,393	\$8,564	\$8,803	\$410
Other Than Personal Services						
Contractual Services	\$0	\$0	\$28	\$8	\$28	\$0
Fixed & Misc. Charges	0	0	2	2	2	0
Property & Equipment	6	5	21	21	21	0
Supplies & Materials	14	8	42	42	42	0
Other Services & Charges	20	25	32	52	32	0
Subtotal	\$40	\$38	\$125	\$125	\$125	\$0
TOTAL	\$7,101	\$6,974	\$8,518	\$8,689	\$8,929	\$410
Funding						
City Funds			\$8,458	\$8,629	\$8,869	\$411
State			60	60	60	0
TOTAL	\$7,101	\$6,974	\$8,518	\$8,689	\$8,929	\$410
Budgeted Headcount						
Full-Time Positions - Civilian	83	81	116	117	117	1
TOTAL	83	81	116	117	117	1

**The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.*

The DOP's Fiscal 2016 Preliminary Budget for Executive Management shows growth of \$410,000 the Fiscal 2016 Adopted Budget. The Fiscal 2016 budget shows growth of \$171,000 since adoption.

Appendix A: Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY 2016			FY 2017		
	City	Non-City	Total	City	Non-City	Total
DOP Budget as of the Adopted 2016 Budget	\$74,708	\$20,823	\$95,531	\$72,965	\$20,929	\$93,894
New Needs						
Behavioral Health Staffing	\$194	\$0	\$194	\$391	\$0	\$391
Other Adjustments	182	0	182	254	0	254
Subtotal, New Needs	\$376	\$0	\$376	\$646	\$0	\$646
Other Adjustments						
Fund BJA Project PACS Grant	\$0	\$269	\$269	\$0	\$358	\$358
Grant to encourage arrest	0	55	55	0	0	0
GTSC IID FY16	0	90	90	0	0	0
Staff Analysts OSA CBA	119	0	119	147	0	147
CEO Funding Adjustment	0	0	0	1,558	0	1,558
Delay Hiring of Management Positions	(152)	0	(152)	0	0	0
Funding Adjustment	0	5,159	5,159	0	0	0
Funding Transfer	(1,960)	0	(1,960)	0	0	0
Grant PS Funding Shift	(31)	0	(31)	(32)	0	(32)
Lease Adjustment	16	0	16	0	0	0
Regional Youth Justice Team /JJAC PS Funding Shift	(15)	0	(15)	(15)	0	(15)
Subtotal, Other Adjustments	(\$2,024)	\$5,572	\$3,548	\$1,658	\$358	\$2,016
TOTAL, All Changes	(\$1,647)	\$5,572	\$3,924	\$2,304	\$358	\$2,662
DOP Budget as of the Preliminary 2017 Budget	\$73,061	\$26,395	\$99,455	\$75,269	\$21,287	\$96,556