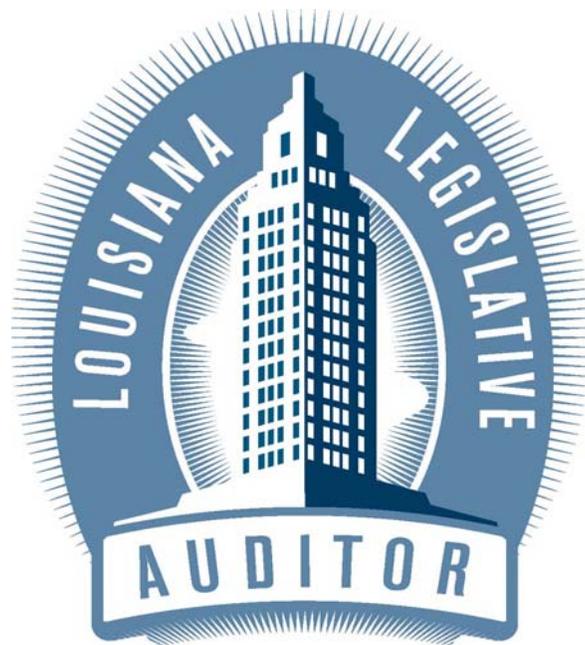


OFFICE OF JUVENILE JUSTICE



PERFORMANCE AUDIT
ISSUED DECEMBER 29, 2010

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 29, 2010

The Honorable Joel T. Chaisson, II,
President of the Senate
The Honorable Jim Tucker,
Speaker of the House of Representatives

Dear Senator Chaisson and Representative Tucker:

This report provides the results of our performance audit of the Office of Juvenile Justice (OJJ). The audit was conducted under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended.

The report contains our findings, conclusions, and recommendations. Appendix A contains OJJ's response. I hope this report will benefit you in your legislative decision-making process.

We would like to express our appreciation to the management and staff of OJJ for their assistance during this audit.

Sincerely,

A handwritten signature in blue ink that reads "Daryl G. Purpera". The signature is written in a cursive style.

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/dl

OJJ2010

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Office of Legislative Auditor

Daryl G. Purpera, CPA, CFE, Legislative Auditor



Office of Juvenile Justice

December 2010

Audit Control # 40090020

Objectives and Overall Results

We conducted a performance audit on the Office of Juvenile Justice (OJJ) that focused on services and costs and OJJ's processes related to the assessment and placement of youth; monitoring of secure care facilities, contract providers and probation and parole services; and evaluation of outcomes. The objectives and the overall results of our audit are summarized below.

Objective 1: What services does OJJ provide and what are the costs of these services?

Results: OJJ provides services to youth in three settings. These settings include secure care, non-secure care, and supervision (probation and parole). These settings, the types of services provided in each, and their FY 2009 expenditures are summarized in Exhibit 1.

Exhibit 1 OJJ Settings, Services and Expenditures As of 6/30/09		
Setting	Description/Services	FY 2009 Expenditures
Secure Care*	OJJ operates 3 secure care facilities for male youth. Services include general and vocational education; substance abuse and sex offender treatment; mental health counseling; anger management and other classes; medical and dental services.	\$69,223,710
Non-Secure Residential Care	OJJ has contracts with 20 providers to operate 549 beds within 25 residential facilities. Services include individual, group, and family counseling, educational groups, behavior management, transportation, and medical services.	\$24,653,239
Supervision (Probation and Parole)	OJJ has 11 regional offices that provide supervision of youth on probation or parole. Youth also may attend various community services including counseling, day treatment, mentor/tracker services, reintegration, and family centered services.	\$19,307,268 (probation and parole only)
		\$21,658,138 (contracted community services only)
Total		\$134,842,355
<p>Source: Prepared by legislative auditor's staff using data from OJJ.</p> <p>*Does not include expenditures for Ware Youth Center which is the secure facility for girls operated under a contract for approximately \$2.4 million per year.</p>		

Objective 2: What is Louisiana's cost per day per youth in each setting?

Results: Louisiana's average cost per youth per day in FY 2009 ranged from a low of approximately \$10 for youth on probation or parole to a high of \$424 for youth in the secure care facilities. We intended to compare Louisiana's costs to other states but found that this comparison is difficult because many states include differing costs in their total costs and offer different services than Louisiana.

Overall, Jetson had the highest cost per youth per day of all secure care facilities in FY 2009. This was primarily due to downsizing the number of youth residing there. Jetson was originally ordered to close by June 30, 2009, but subsequent legislation required the facility to downsize instead consistent with the Missouri model of limiting 12 youth per dormitory. Now Jetson must maintain all buildings on its nearly 300,000 square feet of property, including approximately \$2.4 million in insurance premiums, although 45% of the square footage is not being used. As a result, OJJ is paying approximately \$1.1 million in insurance on square footage that is not being used.

Objective 3: Does OJJ exercise sufficient financial oversight over its contract providers?

Results: OJJ does not exercise sufficient financial oversight over its contract providers. As a result, OJJ cannot ensure that contract providers are accountable for the state funds they receive. Financial oversight is important since expenditures for contract providers totaled over \$62 million and comprised 40% of OJJ's overall budget in FY 2010. We identified the following issues with OJJ's financial oversight of contract providers:

- OJJ cannot ensure that rates for non-secure residential facilities are reasonable because it has not established a formula as required by state law.
- OJJ has not developed a financial monitoring process to ensure contract providers are operating within their budgets.
- OJJ does not ensure that invoices from contract providers are submitted timely and in accordance with contract requirements.
- OJJ paid the wrong per diem to detention centers in FY 2009 resulting in an underpayment of approximately \$49,000.

Objective 4: Has OJJ invested in services that reduce costs and meet the needs of youth?

Results: While OJJ has funded some evidence-based services that have been proven to be cost-effective, additional evidence-based services may help the state reduce costs. Evidence-based services, such as Functional Family Therapy (FFT) and Multi-Systemic Therapy (MST), have been proven to reduce costs and improve outcomes for youth. If all non-violent youth offenders in secure care and on probation were served in a less restrictive setting with evidence-based services, the state could potentially save over \$7 million per year. In addition, OJJ has not systematically used assessment data or

utilization data to determine what types of services would best meet the needs of its youth and where these services should be located.

Objective 5: Does OJJ ensure that youth are assessed and placed in the appropriate setting in a timely manner?

Results: OJJ's current assessment tool generally ensures that youth are placed within the appropriate setting according to their needs. Specifically, 95% of youth whose assessment scores showed they needed little supervision are currently on probation. However, we identified the following issues related to the assessment and placement process:

- Although youth are generally placed in accordance with their needs, OJJ should determine whether additional procedures are needed to ensure consistency in the needs assessment process.
- Most youth assigned to secure care wait over 30 days in detention centers before being placed.
- Less-restrictive placements for non-violent offenders may save approximately \$4 to \$6 million per year.

Objective 6: Has OJJ developed an effective process for monitoring the services provided to youth?

Results: OJJ has not developed a coordinated, sufficient, or comprehensive monitoring process to ensure that quality services are provided to youth in compliance with requirements. We identified the following issues with the overall monitoring process:

- OJJ has not developed detailed procedures or comprehensive and consistent tools for all of its monitoring activities.
- OJJ's current monitoring of contract providers focuses mainly on compliance instead of the provision of quality and effective services.
- OJJ has not established a system to adequately record and analyze the results of its monitoring contract providers.
- OJJ's enforcement process over contract providers does not sufficiently deter noncompliance.

Objective 7: Does OJJ adequately measure recidivism for all of its services?

Results: Although OJJ measures overall recidivism rates for youth in secure and non-secure care settings using national standards, it does not currently measure recidivism by specific services. According to OJJ's calculations, the two-year recidivism rate in FY 2007 was 33% for secure care and 25% for non-secure care. Calculating and analyzing

recidivism rates as well as other outcomes for all of its services would provide OJJ with more assurance that it is funding effective rehabilitation services.

In addition, OJJ should also analyze the extent to which youth fall “deeper” into the system. For example, we found that approximately 50% of youth currently in secure care and 42% of youth currently in non-secure care began on probation. This type of analysis may help OJJ evaluate the effectiveness of its probation and parole services.

Objective 8: Does OJJ sufficiently use outcome data to evaluate, manage, and report on its services?

Results: Although OJJ’s secure care facilities participate in Performance-based Standards (PbS), which is a nationally recognized best practice, OJJ has not developed meaningful outcome measures for all of its services. In addition, OJJ has not developed a comprehensive or coordinated system to collect outcome data on all of its services. As a result, OJJ is not able to use outcome data to evaluate or manage these services. Evaluation of outcome data would help OJJ ensure that it is providing and funding services that are effective.

Audit Initiation, Scope and Methodology

Louisiana Revised Statute (R.S.) 24:513(D)(4) directs the Office of Legislative Auditor to conduct performance audits, program evaluations, and other studies to enable the legislature and its committees to evaluate the efficiency, effectiveness, and operations of state programs and activities. In accordance with this legislative mandate, we scheduled a performance audit of the Office of Juvenile Justice (OJJ).

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. We conducted this performance audit under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended.

The scope of our audit primarily covered FY 2009; however, we included historical data for certain objectives to evaluate trends and patterns. In addition, to evaluate OJJ's recently implemented needs assessment process, we reviewed assessment data and relevant procedures from 2010. To answer our objectives, we reviewed internal controls relevant to the audit objectives and performed the following steps:

- Researched and reviewed state laws and internal policies and procedures
- Interviewed various OJJ staff and external stakeholders
- Conducted site visits at all secure care facilities and several residential facilities and community providers
- Accompanied OJJ staff on various monitoring visits
- Obtained and reviewed FY 2009 expenditure data and utilization figures for the different settings
- Obtained and analyzed SAVRY assessment data
- Obtained and analyzed monitoring results (if available) from all monitoring activities
- Obtained and analyzed performance and outcome data, including recidivism data, from OJJ
- Assessed the reliability of certain data and determined how OJJ used the data
- Obtained information on best practices and other states related to costs, monitoring and outcomes

Overview of the Office of Juvenile Justice

Background. In 2004, OJJ separated from the Department of Public Safety and Corrections. With this separation, OJJ began to make reforms in the treatment of youth by transforming the system from a custodial model to a therapeutic model. It also began to downsize its facilities and shift funding to community-based programming to support regionalization of services so that youth can remain in their communities. In 2008, OJJ’s name was officially changed from the Office of Youth Development to the Office of Juvenile Justice. Because OJJ is a relatively new agency, it has never had a performance audit. In addition, because a large percentage of OJJ’s budget is for contract providers, OJJ requested that we include in our audit work a review of its processes for ensuring that contract providers are accountable.

Mission, Budget and Staffing. The mission of OJJ is to protect the public by providing safe and effective individualized services to youth, who will become productive, law-abiding citizens. OJJ carries out this mission through seven budget units. In FY 2010, OJJ was appropriated over \$152 million and had 1,187 authorized positions. Exhibit 2 summarizes FY 2010 appropriations and authorized positions by budget unit.

Exhibit 2 Office of Juvenile Justice FY 2010 Appropriations and Authorized Positions by Budget Unit				
Budget Unit	Appropriations	Overall %	Authorized Positions	Overall %
Contract Services	\$62,118,103	40.74%		0.00%
Field Services	24,948,667	16.36%	349	29.40%
Swanson Center for Youth	22,721,650	14.90%	361	30.41%
Administration	14,737,432	9.67%	101	8.51%
Bridge City Center for Youth	14,519,620	9.52%	207	17.44%
Jetson Center for Youth	13,178,452	8.64%	169	14.24%
Auxiliary	235,682	0.15%		0.00%
Total	\$152,459,606	100.00%*	1,187	100.00%

Source: Prepared by legislative auditor’s staff using data from the FY 2010 Appropriations Act.
*This number does not add up to 100% due to rounding.

Detailed information on the services that OJJ provides and their costs are summarized under Objective 1.

Objective 1: What services does OJJ provide and what are the costs of these services?

OJJ provides services to youth in three primary settings. These settings are secure care, non-secure care, and supervision (probation and parole). The sections below provide a description of each setting, examples of services offered in each setting, and the total FY 2009 expenditures in that setting.

Secure Care

OJJ operates three secure care facilities that house the male youth population. The facilities include Jetson Center for Youth (JCY), Swanson Center for Youth (SCY), and Bridge City Center for Youth (BCCY). In FY 2009, OJJ spent \$69,223,710 to operate the state's three male secure care facilities. OJJ has a contract with Ware Youth Center to provide services to the female population for a total cost of approximately \$2.4 million per year.

OJJ offers various types of services to youth within its secure care facilities. These services include treatment services, such as substance abuse counseling, sex offender treatment, and anger management, and educational and vocational services, including general education courses, GED courses, and job training courses in areas such as culinary arts, carpentry and welding. OJJ also contracts with Louisiana State University (LSU) to provide medical and dental services to all youth placed in the male secure care facilities.

Non-Secure Care

OJJ has 25 contracts totaling over \$122 million¹ with 20 providers for non-secure residential facilities (also called group homes). These facilities have a total of 549 beds available for youth. OJJ reimburses most of the providers on a per-diem basis. Per diems range from a low of \$97.35 to a high of \$265.65.

OJJ's non-secure care contracts specify what types of services facilities must provide to youth. Currently, all of the contracts typically require the same services with the exception of specialized residential facilities that offer substance abuse and sex offender treatment services. Examples of services provided in non-secure residential care include counseling, educational classes, recreational activities, transportation, and other services.

Supervision (Probation and Parole)

Supervision includes either probation or parole services. OJJ staff provide most of the probation and all parole services in the state through 11 regional offices. However, Jefferson, Calcasieu, Caddo, East Baton Rouge, and Rapides parishes have their own local probation offices. In FY 2009, OJJ spent over \$19 million to operate all 11 regional offices. In addition to providing supervision, OJJ has contracts to provide community-based services, such as day

¹ This amount is the total contract amount for the entire contract term, not the annual contract amount.

treatment services and counseling, that youth may receive while on probation. In FY 2009, OJJ spent \$21,658,137 on these services for youth under supervision.

Objective 2: What is Louisiana’s cost per day per youth in each setting?

Louisiana’s average cost per youth per day in FY 2009 ranged from a low of approximately \$10 for youth on probation or parole to a high of \$424 for youth in the secure care facilities. We intended to compare Louisiana’s costs to other states but found that this comparison is difficult because many states include differing costs in their total costs and offer different services than Louisiana.

Jetson had the highest cost per youth per day of all secure care facilities in FY 2009. This was primarily due to downsizing the number of youth residing there consistent with the Missouri model of limiting 12 youth to each dormitory. Exhibit 3 summarizes Louisiana’s cost per bed/youth per day and annual cost based on FY 2009 expenditures for secure, non-secure, and probation and parole settings.

Exhibit 3 Cost Per Youth in Each OJJ Setting FY 2009			
Setting	FY 2009 Expenditures	Cost Per Bed/Youth Per Day	Actual Annual Cost Per Youth
Secure*	\$69,223,710	\$424.28	\$54,722
Non-secure	24,653,239	135.85	23,062
Supervision (Probation and Parole)**	19,307,268	9.67	3,528
We calculated the cost per youth per day based on the average daily census and the actual annual cost per youth based on the unduplicated total number of youth served. *Secure costs do not include any expenditures for Ware but do include medical expenditures. **These costs do not include the costs of any community services that may be provided to youth under supervision. Source: Prepared by legislative auditor’s staff using data from OJJ.			

Difficult to compare Louisiana’s cost per day to other states because of different calculation methodologies and other factors

We attempted to compare Louisiana’s cost per youth per day in secure care facilities to other states. We found an audit conducted by Georgia’s Department of Audit and Accounts that reviewed costs in other states and found costs per day in other states for secure care ranged from a low of \$170 in Missouri to a high of \$432 in Louisiana. However, comparing juvenile justice costs among states is difficult because cost data is not necessarily reported consistently among states. For example, Missouri does not include administrative costs in its cost per day calculations while Louisiana includes all relevant costs. In addition, no one entity collects and publishes juvenile justice cost per day data for all states. In adult corrections, the Southern

Legislative Conference annually compiles and publishes cost per day information which helps ensure that data is uniformly collected from states.

According to OJJ, states like Missouri who Louisiana is often compared to, have structurally different treatment models and other factors that also make comparisons difficult. These factors include the following:

- In Louisiana, OJJ provides services to youth with severe mental illness whereas Missouri does not. The cost of this treatment is very high and drives up Louisiana’s overall costs.
- Louisiana offers specialized treatment for sex offenders and substance abuse and vocational education that Missouri does not provide.
- Louisiana may retain youth up to age 21 in certain circumstances while Missouri does not retain youth past the age of 17.

Jetson had the highest cost per youth per day of secure care facilities in FY 2009, primarily because of downsizing

The cost per youth per day at the secure care facilities in Louisiana varies significantly among the facilities and between FY 2008 and FY 2009. Exhibit 4 summarizes the cost per youth per day for the secure care facilities in FY 2008 and FY 2009.

Exhibit 4 Total Cost Per Youth Per Day for Secure Facilities FY 2008 and FY 2009			
	Bridge City Center for Youth	Swanson Center for Youth	Jetson Center for Youth
FY 2008			
Facility Expenditures	\$10,077,935	\$21,873,511	\$25,393,742
LSU Medical Expenditures*	2,895,326	3,781,184	7,853,076
Total Expenditures	12,973,261	25,654,695	33,246,818
Average Daily Census	73	202	198
Cost per Youth per Day	\$486.89	\$347.95	\$460.04
FY 2009			
Facility Expenditures	\$14,280,404	\$22,345,363	\$19,940,153
LSU Medical Expenditures*	4,865,063	3,781,184	4,011,543
Total Expenditures	19,145,467	26,126,547	23,951,696
Average Daily Census	114	239	94
Cost per Youth per Day	\$460.12	\$299.50	\$698.10
Note: * Medical expenditures for Swanson are from LSU-HSC in Shreveport. LSU-HSC in New Orleans provides medical services to both Bridge City and Jetson, but does not separate the expenditures by facility. Therefore, we calculated the medical expenditures for those facilities based on the percent of youth housed at the facility.			
Source: Prepared by legislative auditor’s staff using data from OJJ.			

As Exhibit 4 shows, Jetson's cost per youth per day rose from \$460.04 in FY 2008 to \$698.10 in FY 2009 because Jetson downsized from an average daily census of 198 to 94.² In addition, according to OJJ, Jetson must maintain all buildings on its nearly 300,000 square feet even though 45% of the square footage is not being used. Because of this, Jetson must also pay higher insurance premiums to the Office of Risk Management (ORM). In FY 2010, OJJ paid \$2,485,769 to ORM. According to OJJ, if ORM calculated the rate proportionately to square footage, then OJJ is paying \$1.1 million in insurance for square footage that is not being used. OJJ also noted additional costs that are difficult to estimate. These include the following:

- Already limited maintenance funds and hours must be spread across all buildings, not just occupied ones.
- The grounds must be maintained for all areas of the facility, resulting in additional wear and tear on the equipment and increased oil and gas costs.
- Additional utility expense caused by the maintenance of climate control in the unoccupied buildings to prevent mold proliferation.
- Increased security staff needed for escorting youth between buildings and around the facility.

Recommendation 1: Because of the high costs in maintaining and insuring a large facility that is not fully used, OJJ should explore the possibility of downsizing the physical structure to meet the needs of its current census.

Summary of Management's Response: OJJ agrees with this recommendation and has received financing approval from the Louisiana Correctional Facilities Corporation for the design and construction of a replacement facility on the grounds adjacent to the current facility. According to OJJ, this will result in a cost savings of approximately \$3.2 million annually.

² Act 565 of the 2008 Regular Legislative Session originally ordered Jetson to close by June 30, 2009. However, Act 253 of the 2009 Regular Legislative Session required that instead of closing, Jetson downsize to a capacity of no more than 99 youth.

Objective 3: Does OJJ exercise sufficient financial oversight over its contract providers?

OJJ does not exercise sufficient financial oversight to ensure that contract providers are accountable for the state funds they receive. Financial oversight is important since expenditures for contract providers totaled over \$62 million and comprised 40% of OJJ's overall budget in FY 2010. We identified the following issues with OJJ's oversight:

- OJJ cannot ensure that rates for non-secure residential facilities are reasonable because it has not established a formula as required by state law.
- OJJ has not developed an effective process to financially monitor contract providers to ensure providers are operating within budgets.
- OJJ does not ensure that invoices for contract providers are submitted timely and in accordance with contract requirements.
- OJJ paid the wrong per diem to detention centers in FY 2009 resulting in an underpayment of approximately \$49,000.

These issues are summarized in more detail below.

OJJ cannot ensure that rates for non-secure residential facilities are reasonable because it has not established a formula as required by state law

OJJ has not established a formula for non-secure residential facilities that helps ensure rates are reasonable. R.S. 15:1084 requires that the Department of Public Safety and Corrections establish a formula that "bears a reasonable relationship to the cost of care for children cared for by non-state operated institutions." This formula is to be used to establish monthly rates for non-secure residential facilities.

Instead of using a formula, OJJ requires that contractors submit proposed rates as part of the Request for Proposal (RFP) process. These rates are generally supported with basic budget information. However, OJJ does not negotiate the rates or determine whether the rate is based on accurate information. Currently, contracted rates for non-secure residential facilities range from a low of \$97 to a high of almost \$149 per youth per day³ even though these facilities all provide the same services. Exhibit 5 on the following page summarizes the rates for all non-secure residential facilities with current contracts during FY 2009.

³ These rates do not include New Directions (Medical Management Options) or Christian Acres since these are specialized treatment programs.

Exhibit 5 Non-Secure Residential Facility Rates FY 2009	
Non-Secure Residential Facility	Rates
Acadiana Youth	\$110.96 to \$114.89
Allen's Consultation and Training	111.75
Boys Town Louisiana	119.65
Cane River Children's Services	\$117.13 to \$135.65
Challenge & Development Center of Clinton	135.65
Christian Acres Youth Center, Inc.	\$135.65 to \$200.29
Community Receiving Home, Inc	120.69
David Joe Williams	110.65
Educational and Treatment Council	115.65
Harmony Center	\$135.65 to \$148.65
Hope Youth Ranch	116.59
Johnny Robinson's Boys Home	97.35
Louisiana United Methodist Children and Family Services	135.65
Medical Management Options	265.65
National Mentor Healthcare	107.65
Rutherford House	110.23
Sanctuary	120.65
Terrebonne Parish Consolidated Government	143.00
Average (per diem)	\$135.85
<p>Source: Prepared by legislative auditor's staff using information provided by OJJ. Note: Some contracts include multiple facilities, which are paid different rates because of services provided. The average rate calculation did not include Ware's rate.</p>	

Other states, like Florida, Oregon, and Kansas, set rates for their contract providers. In addition, other state agencies in Louisiana governed by this same statute develop their rates in a variety of ways. For example, DHH has several contracts with private providers to provide residential services for individuals with developmental disabilities. DHH sets rates for these providers based on the results of their needs assessments on each youth entitled the ICAP (Inventory for Client and Agency Planning). Because OJJ has not developed a formula, it cannot ensure that the current rates being paid to non-secure residential facilities are reasonable.

Recommendation 2: OJJ should establish a formula to establish rates for non-secure residential facilities as required by R.S: 15:1084.

Summary of Management's Response: OJJ disagrees with this recommendation and states that it is difficult to establish a formula due to differences in timing RFPs, the level and type of service by each provider, and the availability of fundings streams to the provider. According to OJJ, a formula also assumes that provider costs are static across

regions. However, OJJ states that they will continue analyzing the feasibility of developing a standard formula.

LLA's Additional Comments: A standard formula does not mean that every provider will be paid the same per diem. A formula by definition would take into account various factors such as rural versus urban settings, specialized versus standard services, and types of youth.

OJJ has not developed an effective financial monitoring process to ensure contract providers are operating within their budgets

OJJ has developed an invoice review process that verifies contract providers only charge OJJ for youth who were assigned to them during that month. However, OJJ does not conduct any onsite financial monitoring at non-secure residential facilities or other contract providers to ensure they are spending the per diem on required services. As mentioned earlier, OJJ currently requires that non-secure residential facilities complete a budget template that outlines their proposed costs. This budget is used to support their request for a specific per diem. However, OJJ does not conduct financial monitoring to ensure that facilities are operating in accordance with these budgets.

Florida, which is a best practice state for monitoring, conducts financial monitoring of its contract services. Florida reviews financial information to ensure that contractors are spending funds on allowable and required costs. Without conducting this type of monitoring, OJJ cannot ensure that contract service providers are spending their per diems appropriately.

Recommendation 3: OJJ should develop a financial monitoring process that verifies whether contract providers are operating in accordance with their budgets and spending state funds appropriately.

Summary of Management's Response: OJJ disagrees with this recommendation and states that they currently do not have the capability or the capacity to perform this function.

OJJ does not ensure that invoices from contract providers are submitted timely and in accordance with contract requirements

All contracts require that invoices from contract providers be submitted by the 10th of the month following the invoice date. However, according to OJJ, it has never enforced this contract requirement. Currently, OJJ's accounting department only monitors to ensure that these providers do not request any funds in excess of the maximum amount allowable in the contracts. OJJ does not monitor to ensure that providers have submitted required invoices by the contracted deadline each month. Because OJJ allows providers to submit invoices at any time, some providers are currently submitting prior year invoices.

By allowing providers to submit invoices from previous years, OJJ may be incorrectly reporting year-end expenditures. As a result, OJJ cannot accurately forecast future budget needs. In addition, by not enforcing these contract provisions, OJJ is not providing sufficient financial oversight over providers and is allowing providers to set the terms of their contracts.

Recommendation 4: OJJ should enforce the terms of the contract and require providers to submit invoices by the 10th of the month.

Summary of Management's Response: OJJ agrees with this recommendation and states that recent changes in procedures have increased the timely submission of invoices from 84% to 95%.

OJJ paid the wrong per diem to detention centers in fiscal year 2009

R.S. 46:1906(B) requires that OJJ reimburse detention centers on a per diem basis for any days a youth in OJJ custody resides there. The rate for youth pending non-secure care is the same amount that is paid to local jails for housing adult offenders as specified in R.S. 15:824. According to Act 638 of 2008, the local jail per diem was \$24.39 as of July 1, 2008. However, OJJ paid \$23.39 to detention centers in FY 2009. As a result, OJJ underpaid detention facilities approximately \$49,372 in fiscal year 2009. Although OJJ officials were unsure of how this error could occur, they are currently invoicing the accurate amount.

Recommendation 5: OJJ should ensure it reviews R.S. 15:824 each year to ensure that it is paying the correct per diem to detention centers.

Summary of Management's Response: OJJ agrees with this recommendation and has sent notification of the proper per diem to the detention centers.

Objective 4: Has OJJ invested in services that reduce costs and meet the needs of its youth?

While OJJ has funded and encouraged the development of some evidence-based practices, additional funding of evidence-based services could help reduce overall costs to the state. Evidence-based services are services that have been extensively researched and found to reduce costs and improve outcomes for youth. In addition, OJJ has not used assessment or utilization data to determine what services would best meet the needs of its youth and where these services should be located. These issues are summarized in more detail below.

Additional funding of evidence-based services may help reduce costs and improve outcomes for youth

The Council of Juvenile Correctional Administrators (CJCA) strongly recommends that states invest in evidence-based services. These services have proven to reduce the risk that youth will re-offend, thus improving outcomes for youth, reducing costs, and improving public safety. According to OJJ, it has implemented four evidence-based services.⁴ For example, OJJ currently has two contract providers that provide Functional Family Therapy (FFT) and Multi-systemic Therapy (MST)⁵ to youth in supervised settings. State funds for these services comprised less than 2% of all state funds spent on contract services in FY 2009. In secure care facilities, OJJ uses a cognitive behavioral program called “Thinking for a Change” and a component of a substance abuse program uses motivational interviewing. OJJ has also implemented elements of the nationally recognized Missouri therapeutic model (called “LA Mod” in Louisiana) for its secure care facilities. While not an evidence-based service, this model has been shown to reduce recidivism.

According to OJJ, it has not implemented many evidence-based services because Louisiana does not currently have enough trained providers. In a February 2010 publication, the LSU Office of Public Health found that only 11% of the 152 programs offered by providers⁶ in seven regions in Louisiana could be considered a nationally known evidence-based service. Training is vital for these services to be successful as research shows that these services are only successful if they stringently adhere to the program’s design. OJJ is currently revising its contracting process to require providers to offer evidence-based services.

Implementing evidence-based services can help states reduce costs. According to research, the cost of providing these services range from \$1,300 to \$5,000 per youth per year as compared to annual costs of \$50,000 and greater in secure facilities. Florida’s Office of Program Policy Analysis and Governmental Accountability (OPPAGA) has evaluated the evidence-based Redirection Program in Florida and has found that the program has achieved \$51.2 million in cost savings for the state over the last five years.

⁴ However, OJJ funded two training programs for MST providers. According to OJJ, there are currently about 20 MST providers and OJJ actively refers youth to these providers for services.

⁵ MST is also funded by Medicaid so youth eligible for Medicaid can receive these services without OJJ contracting to provide them.

⁶ The report does not specify the funding source for these providers so these are not necessarily providers with contracts with OJJ.

Evidence-based services also increase positive outcomes for both youth and communities. For example, research has shown that FFT reduces recidivism by 18% and MST by 8%. In the Redirection Program in Florida, OPPAGA found that youth in the program were 31% less likely to be arrested than youth who were in residential facilities. Decreased recidivism rates generate cost savings for states in the long run. Exhibit 6 provides a summary and description of examples of evidence-based services from a study by the Washington State Institute for Public Policy. Exhibit 6 also includes the number of studies conducted on the service, the cost of the service, and the percent reduction in crime or recidivism.

Exhibit 6				
Evidence-Based Services: Description, Studies, Costs, and Benefits				
Service	Description of Service	Number of Studies	Cost of Service per Youth	% Reduction in Recidivism/ Crime
Community Settings				
Functional Family Therapy	This program targets youth at risk for and/or manifesting delinquency, violence, or substance abuse issues. Focuses on family relations and communications and builds on strengths as motivation for change	7	\$2,380	18.1%
Multi-systemic Therapy (MST)	This program targets chronic, violent and substance abusing delinquents at high risk for out of home placement. Focuses on the entire ecology of the youth and his strengths including family, school, peer and community relations	10	\$4,364	7.7%
Institutional Settings				
Multidimensional Therapeutic Foster Care	This program targets youth with history of chronic and severe delinquent behavior and/or several mental health problems at risk of residential placement. Emphasizes behavior management methods with the youth in a structured, therapeutic living environment while also working with biological family	3	\$6,926	17.9%
Aggression Replacement Training	Identifies risk factors that can be changed, focusing on anger control, behavioral and pro-social skills, and moral reasoning	4	\$918	8.3%
Source: Prepared by legislative auditor’s staff using information from the Washington State Institute of Public Policy.				

Using the annual costs above, we calculated how much the state could save if 1,686 non-violent youth who are currently on probation received FFT services in prevention and diversion programs before being placed on probation. We also calculated how much the state could save if 114 non-violent youth who are currently in secure care were placed on probation and received

Multidimensional Therapeutic Foster Care.⁷ We calculated that the state could save over \$7 million per year if these youth were placed in a less restrictive setting and provided with an evidence-based service. However, this calculation does not include the cost savings resulting from decreased recidivism. Therefore, the cost savings if decreased recidivism is included would be greater.

Recommendation 6: OJJ should continue to invest in evidence-based services and periodically evaluate the cost-effectiveness of these services to ensure they reduce costs and result in positive outcomes.

Summary of Management's Response: OJJ agrees with this recommendation and has recently adopted the Correctional Program Checklist to ensure that community based services adhere to treatment models most likely to positively impact criminogenic behavior.

Recommendation 7: OJJ should continue revising its contract process to give priority to those providers who have the ability to provide evidence-based services.

Summary of Management's Response: OJJ agrees with this recommendation and has required that new contracts issued in FY 2011-12 require adoption of nationally recognized, evidence-based practices.

OJJ is beginning to use data to determine what services should be provided and where services should be located

According to OJJ management, the department has historically determined what services to provide and where to locate them primarily through the input and data analysis of local planning boards and regional offices. Although this may have been the only source of information when OJJ began funding community services, OJJ now has various assessment and utilization data available that it can use to analyze and plan what services would best meet the needs of youth.

Assessment Data. To determine the services OJJ youth need, OJJ has recently implemented a new needs assessment process using an evidence based tool called the Structured Assessment of Violence and Risk in Youth (SAVRY).⁸ This tool also helps OJJ identify the most prevalent risk factors of youth. We analyzed SAVRY data from approximately 4,000 assessments as of June 25, 2010, and found that the most prevalent risk factor for youth was poor school achievement. Exhibit 7 on the following page summarizes this information.

⁷ In many cases, the majority of youth currently in custody in secure care and used in this analysis may have had a violent offense and pled down to a lesser charge. However, since OJJ data only includes offenses for which youth pled to, we were unable to exclude these individuals. This analysis also assumes that these youth were appropriate to place in these programs and settings.

⁸ More detailed information about the SAVRY is summarized in the next objective.

Exhibit 7 Areas Rated High on Needs Assessment As of 6/25/2010	
Risk Factors	Percent
Poor School Achievement	35.37%
History of Violence	24.84%
Low Interest in School	23.75%
Peer Delinquency	19.99%
Past Intervention Failures	17.91%
Substance Abuse Issues	17.14%
Risk Taking Behavior	16.02%
Attention Deficit Disorder	14.45%
History of Non-Violence	14.27%
Community Disorganization	13.83%
Anger Management Issues	13.61%
Poor Parental Management	13.59%
Stress and Poor Coping Skills	13.28%
Early Violence	10.66%
Poor Compliance with Previous Supervision	10.32%
Source: Prepared by legislative auditor's staff using information provided by OJJ.	

Because assessment data identifies the most prevalent risk factors of youth, OJJ should use this data to ensure it is funding services that address these risk factors. For example, because educational issues rank high among youth, services designed to enhance educational skills, attendance, and discipline problems may need to be developed. Services, such as evidence-based MST, designed to address multiple risk factors, like poor coping skills, mental health issues, risk taking behavior and substance abuse should also be considered.

Utilization Data. OJJ could also use utilization data to determine whether sufficient services exist in certain regions. It is important for OJJ to have a sufficient number of services in each region because best practices research shows that youth who receive services in their community have better outcomes.

Although OJJ has not used utilization data in the past, the department is currently designing a service referral matrix that outlines a list of services that are offered in each parish. This matrix will not only help OJJ determine what services exist for youth in each parish, but will also identify gaps in services. The matrix will include services provided by OJJ's contract providers and other state agencies, such as Department of Health and Hospitals (DHH), as well as services offered by nonprofit entities. This matrix is divided into the same areas as the SAVRY and includes what services will be most appropriate for those youth who rate high, low, and moderate on certain assessment questions. For example, a youth who rates high for substance abuse issues may be referred to an inpatient substance abuse treatment facility whereas a youth who rates moderate may be referred to a state-run outpatient substance abuse clinic. Use

of this matrix in addition to routine analysis of needs assessment and utilization data should help OJJ ensure that it is funding relevant and sufficient services across the state.

Recommendation 8: OJJ should continue to develop its service referral matrix to identify what services exist in each parish and what gaps exist in services. OJJ should use this information when determining what services it should fund.

Summary of Management's Response: OJJ agrees with this recommendation and states that the service referral matrix is undergoing final review. OJJ anticipates this matrix will greatly assist the agency in determining what services should be delivered and where services should be located.

Recommendation 9: OJJ should periodically analyze needs assessment data as a whole to evaluate the most prevalent needs of youth in its care. OJJ should then use this data when determining what types of services are needed.

Summary of Management's Response: OJJ agrees with this recommendation and states that they have already implemented using needs assessment data from the SAVRY to determine what types of services are needed.

Recommendation 10: OJJ should periodically analyze utilization data to ensure that it is funding services in appropriate regions that meet the most prevalent needs of youth.

Summary of Management's Response: OJJ agrees with this recommendation and states that they developed a matrix in June 2010 that requires the review of SAVRY risk/need data to determine service needs by region.

Objective 5: Does OJJ ensure that youth are assessed and placed in the appropriate setting in a timely manner?

OJJ's current assessment tool generally ensures that youth are placed within the appropriate setting according to their needs. Specifically, 95% of youth whose assessment score showed they needed little supervision are currently on probation. However, we identified the following issues related to the assessment and placement process:

- Although youth are generally placed in accordance with their needs, OJJ should determine whether additional procedures are needed to ensure consistency in the needs assessment process.
- Most youth assigned to secure care wait over 30 days in detention centers before being placed.
- Less-restrictive placements for non-violent offenders may save approximately \$4 million to \$6 million per year.

These issues are discussed in more detail in the sections below.

OJJ should determine whether additional SAVRY procedures are needed to ensure consistency in the needs assessment process

OJJ has recently implemented an evidence-based assessment tool called the SAVRY. Probation officers complete the SAVRY by asking a series of questions that identify risk factors related to the social history of youth. These risk factors focus on areas such as history of abuse and neglect, difficulties in school, substance abuse, and history violence. Based on the youth's response, the probation officer then rates each factor as low risk, moderate risk, or high risk. These responses are used to help OJJ identify the appropriate placement for youth⁹ as well as what services they need. OJJ originally piloted the SAVRY in four regions but is now using the SAVRY statewide. Although we did not assess the quality of the tool itself, we did review whether assessment results generally supported placement decisions.

We analyzed the results of the four pilot regions' formal SAVRY assessments as of January 2010 and found that most placements correlated with assessment results. For example, 95% of the youth whose assessment showed they needed little supervision were on probation. However, we found that draft procedures in place at the time of the audit did not provide specificity regarding how probation officers should score the SAVRY. For example, according to an OJJ official, all risk factors that are rated as a high risk should generally be designated as critical. However, this guidance was not included in the procedures. This guidance is important because it provides some objectivity in a process that is largely subjective. Furthermore, it is

⁹Courts determine placement; however, some judges request that OJJ administer the SAVRY before determining a disposition to help the court determine appropriate placement. If judges do not request a SAVRY, OJJ will administer the SAVRY after the disposition and the results will be used to confirm the placement disposition or as evidence that the placement is not in the best needs of the child.

important to properly assess risk factors as critical because these must be addressed in the youth's individual service plan. However, we found that 25% of youth that ranked high risk regarding a history of substance abuse did not have this risk factor rated as critical.

In addition, although not specified in the SAVRY procedures, OJJ said that summary ratings should generally correlate with the overall supervision score. For example, if a youth is rated low on the summary risk score and low on the summary delinquency score, then that youth would not likely be rated at a high supervision level. However, we found that approximately 13% of the supervision level scores did not correspond to the summary risk score and the summary delinquency score.

Recommendation 11: OJJ should determine whether the informal guidance on how to score the SAVRY should be formalized into actual procedures.

Summary of Management's Response: OJJ disagrees with this recommendation and states that current policies in place are sufficient to meet the need according to the evidence-based model of the SAVRY.

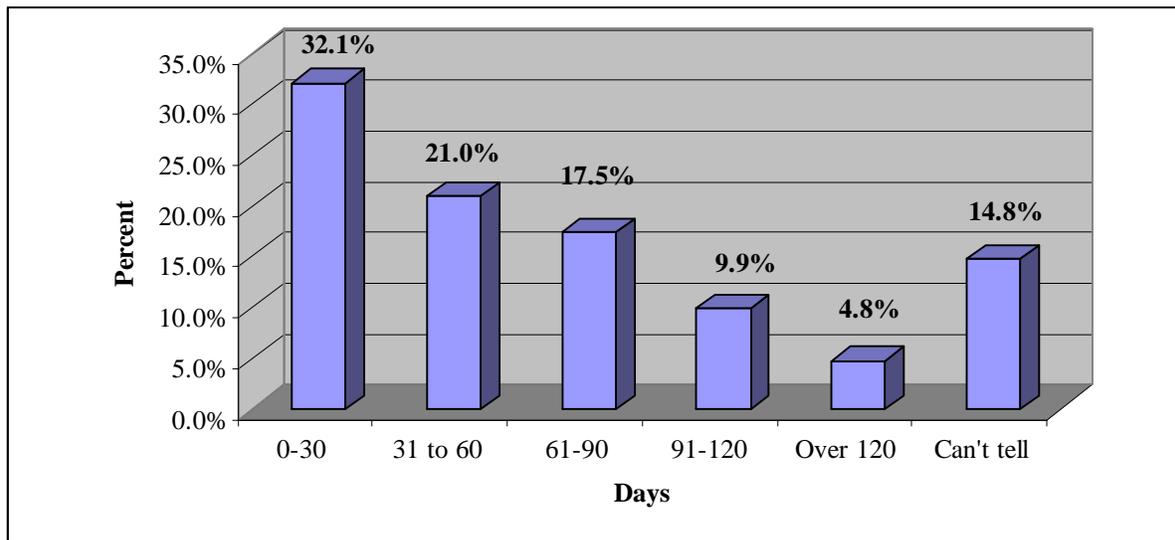
Most youth assigned to secure care wait over 30 days in detention centers before being placed

Youth awaiting placement into secure care are housed in detention centers until OJJ can find an opening at one of the secure facilities. Because detention centers do not currently operate under statewide standards and many do not offer the types of services provided at secure care facilities, it is important that OJJ place youth in a secure care facility as soon as possible.¹⁰ Section 903 of the Louisiana Children's Code, which used to allow judges to impose a 30-day timeframe on placing youth in secure care, currently allows judges to impose a 14-day timeframe. However, according to OJJ, 30 days is a more reasonable timeframe for OJJ to properly complete the SAVRY, complete the assessment of youth, and place them in the appropriate setting. We researched legal requirements in other states and could not identify any other state that had laws that required a specific timeframe to place youth.

Because OJJ data does not specify those instances in which a judge ordered the 14-day timeframe, we used 30 days as the criteria to determine whether OJJ placed its youth in a timely manner. We found that at least 53% of youth pending secure care as of January 15, 2010, were not placed in a secure facility within 30 days. Exhibit 8 on the following page outlines the number of days youth awaited placement.

¹⁰ Act 863 of the 2010 Regular Legislative Session now requires the development of statewide standards for detention centers as well as a licensing program to regulate the conditions at the centers. This Act requires that the Department of Social Services license all detention centers by January 1, 2013.

Exhibit 8
Distribution of Time for Youth Awaiting Placement in Secure Care Facilities



Source: Prepared by legislative auditor’s staff using JETS data of youth whose legal status was secure as of January 15, 2010.

According to OJJ, the primary reason that most youth are not placed within 30 days is because of judges who impose the 14-day requirement. If OJJ does not place youth within 14 days, it can be held in contempt of court. Therefore, those youth are considered first priority and placed ahead of youth who may have been awaiting placement longer. Some judges, after seeing that a youth has been in a detention for an extended period of time, will then modify their orders and require a 14-day placement just to get the youth placed.

Another reason that OJJ has not placed youth in a timely manner is because there is not enough available bed space at the secure facilities. These facilities have been downsizing over the years and do not have enough beds to meet the needs of youth requiring secure care. They are always at full capacity. In addition, some youth may remain in detention pending adult charges or are waiting for specialized treatment.

Matter for Legislative Consideration: Once detention centers have been licensed and the conditions in detention centers are regulated, the legislature may wish to consider amending the current law from 14 days back to 30 days. This timeframe would allow OJJ sufficient time to properly assess and evaluate the youth’s needs and may help OJJ better manage the overall placement process.

Less restrictive placements for non-violent offenders may save approximately \$4 million to \$6 million per year

Although OJJ’s current assessment process generally helps ensure that youth are placed appropriately, the court system ultimately decides where youth will be placed. Because Louisiana does not have sentencing guidelines for all offenses,¹¹ judges may sentence youth differently for similar crimes. We found that as of January 2010, many youth were placed in secure care for non-violent offenses. However, according to OJJ, many of these non-violent offenders pled down from violent offenses. This analysis assumes these were all non-violent offenses and that appropriate and sufficient services exist in the community. Exhibit 9 summarizes the number and percent of youth by their most severe offense in each of the settings. Highlighted rows indicate those offenses which by law are considered non-violent.

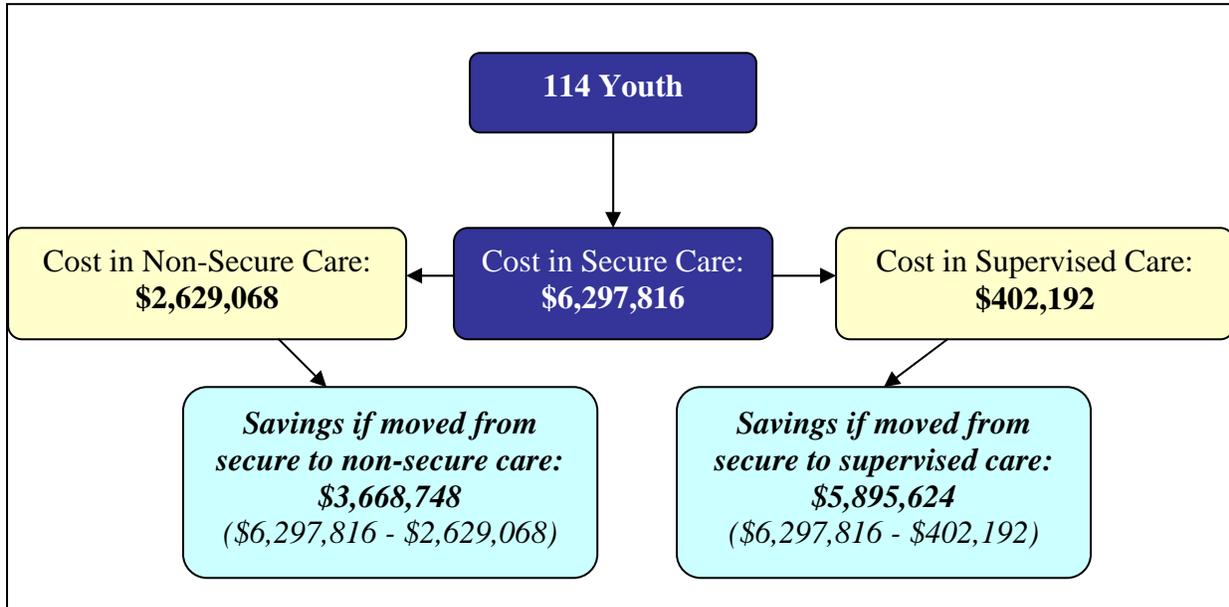
Exhibit 9						
Number of Youth by Most Severe Offense and Setting						
As of January 2010						
Offense	Secure		Non-Secure		Probation and Parole	
	# of Youth	%	# of Youth	%	# of Youth	%
ASSAULT-BATTERY	124	21.91%	102	19.47%	654	19.71%
BURGLARY*	121	21.38%	82	15.65%	610	18.38%
ROBBERY	94	16.61%	18	3.44%	100	3.01%
SEX	64	11.31%	68	12.98%	138	4.16%
DRUGS	42	7.42%	32	6.11%	312	9.40%
THEFT	31	5.48%	52	9.92%	433	13.05%
HOMICIDE	21	3.71%	2	0.38%	6	0.18%
OTHER PROPERTY	20	3.53%	15	2.86%	216	6.51%
WEAPONS	19	3.36%	14	2.67%	92	2.77%
OTHER PERSON NON-VIOLENT	14	2.47%	15	2.86%	68	2.05%
OTHER PERSON VIOLENT	9	1.59%	10	1.91%	30	0.90%
PUBLIC ORDER	6	1.06%	13	2.48%	253	7.63%
STATUS	1	0.18%	101	19.27%	404	12.18%
OTHER	0	0.00%	0	0.00%	2	0.06%
TOTAL	566		524		3,318	
Total No. Youth with Non-Violent Offenses	114	20.14%	228	43.51%	1,686	50.81%

*Because burglary can include aggravated burglary, we are not including this as a non-violent offense.
Note: These numbers represent youth that have secure, non-secure and supervision legal statuses as of January 15, 2010.
Source: Prepared by legislative auditor’s staff using data from JETS and R.S. 14:2.

¹¹ Children’s Code Article 897.1 specifies the length of sentence for four felony grade delinquent acts.

As Exhibit 9 shows, there are approximately 20% of youth with a legal status of secure whose worst offense documented in JETS is a non-violent offense. If these youth were placed in a less restrictive setting, the state could have saved from approximately \$4 million to \$6 million per year.¹² Exhibit 10 summarizes the annual costs and cost savings if these 114 youth were housed in different settings.

Exhibit 10
Annual Costs and Cost Savings of Housing Youth
with Non-Violent Offenses in a Less Restrictive Setting



Source: Prepared by legislative auditor’s staff using cost data from OJJ.

Although OJJ has the authority to override a judge’s recommendation, OJJ stated it has rarely done this. Instead, OJJ finds it more beneficial to work with judges and present them with results of the SAVRY or other sources of information to help persuade judges to place youth in less-restrictive settings. However, OJJ does not currently collect data on the number of placements that were modified due to SAVRY results. This information would help OJJ track the impact and influence of the SAVRY on appropriate placement.

Recommendation 12: OJJ should continue to work with the judicial system to help ensure that youth in their custody are placed in the most appropriate and cost-effective setting.

Summary of Management’s Response: OJJ agrees with this recommendation and states that they seek to ensure youth are placed into the least restrictive, appropriate setting while realizing the importance of the judge’s role in protecting public safety.

¹² This analysis is purely from a cost-perspective and does not include other factors that could also be considered, such as availability and quality of services and recidivism rates of certain offenses.

Recommendation 13: OJJ should track the impact of SAVRY results on placement decisions. Specifically, OJJ should collect data that shows whether the SAVRY results supported the court's placement.

Summary of Management's Response: OJJ agrees with this recommendation and states that they have the capacity to track this information and review it periodically to determine if placements align with the assessment tool.

Objective 6: Has OJJ developed an effective process for monitoring the services provided to youth?

OJJ has not developed a coordinated, sufficient, or comprehensive monitoring process to ensure that quality services are provided to youth in compliance with requirements. We identified the following issues with the overall monitoring process:

- OJJ has not developed detailed procedures or comprehensive and consistent tools for all of its monitoring activities.
- OJJ’s current monitoring of contract providers focuses mainly on compliance instead of the provision of quality and effective services.
- OJJ has not established a system to adequately record and analyze the results of its monitoring of contract providers.
- OJJ’s enforcement over contract providers does not sufficiently deter noncompliance.

These issues are summarized in more detail below.

OJJ has not developed detailed procedures or comprehensive and consistent tools for all of its monitoring activities

OJJ conducts a variety of monitoring activities within its different settings, including quality assurance monitoring of secure care facilities and probation and parole services and compliance monitoring of contracted services. However, OJJ has not developed detailed or formal procedures for all of these monitoring activities. In addition, the tools used to document monitoring either changed frequently, were duplicative, or did not contain all required items. Issues related to monitoring in the different settings are summarized in the following sections.

Secure Care Monitoring. OJJ’s Continuous Quality Improvement Section (CQIS) is responsible for monitoring secure care facilities twice a year. The purpose of this monitoring is to ensure that facilities are operating in accordance with OJJ policies, legal requirements, and accreditation standards. OJJ staff also conduct quarterly treatment audits and semiannual education audits at the secure care facilities. While OJJ has developed some limited policies and procedures for this monitoring, these procedures generally contain only examples of the various checklists or tools that are used in the process and do not provide sufficient guidance for staff on how the tools should be used.

In addition, the monitoring tools themselves changed over time making it difficult to consistently compare the performance of facilities in certain areas across time. For example, the education checklist required that OJJ review 224 indicators in FY 2008 but only 138 in FY 2009. In addition, questions related to medical services and mental health assessments by the LSU Health Sciences Center were added in 2009 treatment audits but were not present in the 2008 audits.

The weight of different categories on the tools also changed. For example, the treatment section on the quality assurance tool changed from 10% to 20% to 15%. In some reviews, the total weights for composite scores also exceeded 100%. Exhibit 11 summarizes the different weights used in 2008 and 2009 QA reviews.

Exhibit 11					
Weights of QA Categories for Secure Care Facilities					
2008 and 2009					
	May 2008	Nov. 2008	May 2009		Nov. 2009
	All	All	Jetson and Bridge City	Swanson	All
Administration	15%	15%	20%	15%	10%
CQIS	20%	25%	20%	20%	20%
Education	N/A	N/A	N/A	N/A	10%
Food Services	5%	10%	5%	5%	5%
Investigative Services	15%	15%	15%	15%	10%
Safety Program	20%	20%	20%	20%	20%
Staff Development	15%	15%	10%	15%	10%
Treatment	20%	N/A	10%	20%	15%
Composite Score	110%	100%	100%	110%	100%
Source: Created by legislative auditor's staff using information in CQIS QA audit reports for 2008 and 2009.					

According to CQIS officials, the tools changed because they decided to include additional areas or felt that some were more or less important than previously thought. While some updating of monitoring tools may be necessary to reflect changes in law or standards, frequent changes and differing weights make it difficult to compare performance across time and between facilities.

Probation and Parole Monitoring. CQIS is also responsible for conducting monitoring of probation and parole activities annually. This monitoring consists of reviewing electronic case files in JETS to ensure documentation is complete and accurate and that probation officers make all required contacts. However, other than the checklists it completes during monitoring, CQIS has not developed detailed procedures on how to use the checklists. In addition, these checklists duplicate the review that is already conducted by the regional manager and probation supervisors. According to OJJ, it is currently working on revising the entire monitoring process for probation and parole.

Contract Provider Monitoring. Program specialists in the regional offices are responsible for conducting monthly and semiannual monitoring of contract providers. While OJJ has developed Standard Operating Procedures (SOPs) for contract providers and a monitoring tool, it has not developed detailed procedures for its staff to use when conducting semiannual monitoring. Standard procedures would help ensure that OJJ staff cite deficiencies consistently. In addition, OJJ has not developed procedures or a monitoring tool for its monthly monitoring. As a result, regions were conducting this monitoring inconsistently. For example, some regions were using a tool they developed while others were not using any tools. Without formal procedures and a standardized form, OJJ cannot determine whether program specialists conducted all required monthly monitoring. This may also result in OJJ treating providers inconsistently.

In addition, OJJ's semiannual monitoring tool does not include several areas that are required by SOPs or by contracts. For example, contracts require that providers conduct annual satisfaction surveys and that community service or restorative justice is conducted monthly; however, OJJ does not check for these activities. In addition, OJJ also does not check for the following areas that are required by the SOPs:

- Youth orientation within 24 hours of arrival by staff
- Multidisciplinary team monthly review and modification of individual treatment plans
- Multidisciplinary team monthly review and quarterly modification of reintegration plans
- Weekly youth and monthly staff contact with parent when appropriate
- Aftercare provided by staff at 6, 12, and 18 months after release
- Educational groups for a minimum of 4 hours weekly
- Multidisciplinary team meetings every 90 days
- Monthly provider status reports completed

Because OJJ's monitoring tool does not include all contractual and operating requirements, OJJ cannot comprehensively monitor its contract providers. As a result, it cannot ensure that youth are receiving quality services in accordance with all relevant requirements.

Recommendation 14: OJJ should develop detailed written procedures for all of its monitoring activities to help ensure that monitoring staff conduct monitoring consistently.

Recommendation 15: OJJ should use consistent monitoring tools and assign standardized weights to audit categories. If changes must be made, OJJ should include an explanation for facilities and notify facilities in advance if possible. In addition, the explanation of why changes were necessary should be included in the report.

Recommendation 16: OJJ should revise the current monitoring process for probation and parole activities and ensure that it does not duplicate reviews already being conducted.

Recommendation 17: OJJ should develop a standardized monitoring tool for monthly monitoring of contract providers.

Recommendation 18: OJJ should revise its semiannual monitoring tool for contract providers and ensure that it includes and addresses all provider and contractual requirements.

Summary of Management's Response: OJJ agrees with all of these recommendations. According to OJJ, it has recently hired an internal auditor and is currently developing a comprehensive audit plan for the agency which will consist of standards, guidelines, references, indicators, and outcome measures.

OJJ's current monitoring of contract providers focuses mainly on compliance instead of the provision of quality and effective services

OJJ's current monitoring process of contract providers does not sufficiently review whether quality services are actually provided. Instead, OJJ's current monitoring process focuses primarily on whether providers are complying with various requirements. For example, on OJJ's semiannual reviews of contract service providers, OJJ staff primarily determine if providers have developed certain policies and procedures. In fact, approximately 25% of questions on OJJ's monitoring tool check for the existence of a policy.

Although compliance is important, OJJ should also focus on whether effective and quality services are actually provided. For example, on each semiannual visit, OJJ checks providers to ensure they have developed a recreation plan, but OJJ does not observe whether activities specified in the recreational plan are actually taking place. Observing services is important because when we visited group homes on monitoring visits, we often observed youth not engaged in any activities.

Once OJJ begins to verify whether contract providers actually provide quality services, it may need to adjust its monitoring strategies. Currently, OJJ tends to conduct monitoring visits around the same time during the day. OJJ does not conduct monitoring visits on weekends, early in the morning, or later at night. Periodically changing when monitoring is conducted would give OJJ the opportunity to observe more services and would help OJJ ensure that youth are receiving quality services in accordance with policies and procedures.

Although monitoring processes have historically not focused on whether services are effective, OJJ is planning to use the Correctional Program Checklist (CPC) to evaluate all its services. The CPC is an evidence-based tool that many states are using as a means of evaluating

the effectiveness of services. The checklist consists of areas related to content and capacity. The capacity area is designed to measure whether a provider can consistently deliver effective services and the content area is designed to measure the degree to which the service meets the principles of effective intervention. Unlike a typical compliance checklist, this checklist focuses on outcomes. For example, providers are held accountable to completion rates which must be above 65% and providers must also measure recidivism rates for youth receiving services.

In addition to onsite monitoring, OJJ could also monitor all its services by reviewing outcome data. Once OJJ establishes relevant and individualized outcome measures for all the services provided by contract providers (as recommended on page 44) and develops a schedule and means of reporting those outcomes, OJJ should use this data for monitoring. For example, OJJ staff should review data on an ongoing basis to determine if services show decreases or increases in performance-related outcomes. Outcomes that fall below OJJ established benchmarks may need to have more frequent onsite monitoring.

Recommendation 19: OJJ should revise its contract monitoring process to include observations of actual services. Program specialists could observe areas such as staff training, educational groups, meals, counseling sessions, school, and recreational activities on a random, periodic basis.

Recommendation 20: OJJ should continue its plan to use the Correctional Program Checklist to evaluate the quality and effectiveness of services.

Recommendation 21: OJJ should regularly monitor outcome and other data submitted from all services and use this to evaluate the performance of these services.

Summary of Management's Response: OJJ agrees with all of these recommendations and states that the use of the Correctional Program Checklist will adequately address all of these recommendations.

OJJ has not established a system to adequately record and analyze the results of its monitoring of contract service providers

While OJJ has established a system to compare performance and deficiencies across time and among secure care facilities, it has not established a system that adequately records the results of the semiannual and monthly monitoring of contract service providers. As a result, OJJ cannot easily determine whether all required monitoring was conducted.

Results from OJJ's semiannual monitoring of contract service providers is entered into a form in JETS. However, this form does not have sufficient controls, such as edit checks and drop down boxes, to ensure that data is accurately and consistently entered. In addition, data from this form cannot be readily used to generate reports for management to use to evaluate compliance with monitoring requirements and performance of providers.

To show OJJ how monitoring data could be used, we requested that OJJ’s IT department extract data from semiannual monitoring forms into a spreadsheet to analyze. Our analysis of this data showed that OJJ conducted 92% of the required semiannual monitoring. However, since OJJ has not developed a tool to record monthly monitoring, we were not able to determine if OJJ conducted all required monthly monitoring.

OJJ can also use monitoring data to evaluate the performance of contract providers and to assess trends and patterns related to deficiencies. Analyzing data on areas of noncompliance on a periodic basis may help OJJ determine whether different procedures should be developed or whether additional oversight may be needed in certain areas. Exhibit 12 shows the most commonly cited areas of noncompliance in FY 2008 and FY 2009.

Exhibit 12 Most Frequently Cited Areas of Noncompliance 2008 and 2009		
Description of Areas	Count	Percent
Required counseling provided	23	5.76%
State police background checks returned clear	21	5.26%
Individual Treatment Plan (ITP) developed within 30 days	18	4.51%
Hours of training in compliance with standard	18	4.51%
All account balances reported annually as required	16	4.01%
Quarterly report includes client progress toward outcomes	16	4.01%
Required therapy provided	15	3.76%
Drug screens conducted	14	3.51%
DMV checks completed	14	3.51%
General condition of building and grounds	13	3.26%
Source: Prepared by legislative auditor’s staff using data from semiannual monitoring forms.		

As Exhibit 12 shows, the most frequently cited area of noncompliance was that the provider was not providing counseling to youth as required. Therefore, OJJ may wish to target this area on future monitoring visits. OJJ could also use monitoring results to analyze deficiencies by contract service provider to determine if additional oversight may be needed for specific providers. Exhibit 13 summarizes the top 15 providers with the most deficiencies per monitoring visit.

Exhibit 13 Deficiencies by Contract Service Provider Since 2002			
Facility	Total Number of Deficiencies	Total Number of Audits	Average Per Audit
Louisiana Mentor/Hammond	56	4	14.00
Youth Advocate Program-Thibodaux	33	3	11.00
Harmony Center/Camelia Residential	45	6	7.50
Harmony Center/Shirley's Den	87	13	6.69
Youth Empowerment Program	20	3	6.66

Exhibit 13 Deficiencies by Contract Service Provider Since 2002			
Facility	Total Number of Deficiencies	Total Number of Audits	Average Per Audit
Awakening Shelter	20	4	5.00
Harmony Center/Focus	65	13	5.00
Donaldsonville Louisiana Marine Institute	14	3	4.66
Jefferson Wetlands Marine Institute	51	11	4.63
Harmony Center/A.B. Horne	58	13	4.46
Bayou Lafourche Marine Institute	56	13	4.30
Challenge and Development Center	50	12	4.16
Harmony Center III	40	10	4.00
Harmony Center/Supervised Apartments	48	12	4.00
La Maison de Grace	12	3	4.00
Source: Prepared by legislative auditor's staff using data from semiannual monitoring forms.			

Recommendation 22: OJJ should develop a system to record all its monitoring activities and use this data to manage the overall monitoring process. This system should have sufficient controls to ensure that monitoring data is accurate and reliable and have the ability to generate reports or export data to Excel for easy analysis. This system will allow OJJ to evaluate deficiencies and use this information in its monitoring efforts.

Summary of Management's Response: OJJ agrees with this recommendation and states that it will develop a system to record monitoring activities and to make performance evaluation data readily available to leadership and decision-makers.

OJJ's enforcement over contract providers is not sufficient to deter noncompliance

As mentioned earlier, OJJ has developed SOPs for its contract providers. Although the SOPs address what punitive measures OJJ may use when providers have deficiencies, the procedures do not provide for escalated sanctions when providers have the same deficiency from one year to the next. As a result, providers with repeat deficiencies may not have an incentive to correct problems. For example, we analyzed data on deficiencies and found that 45% of providers had the same deficiency from one year to the next. However, it does not appear that OJJ escalated sanctions for these providers.

Florida, which is a best practice state for monitoring, has developed procedures that classify deficiencies as critical, minor, and major and provides examples of each type. Florida also outlines what penalties apply to what types of deficiencies. Currently, OJJ's penalties include corrective action plans, reducing the number of youth assigned to the contract provider, monetary sanctions (reduction of monthly payment), and a moratorium on placements.

However, according to several monitoring staff, while corrective action plans (CAPs) are used, other types of penalties are rarely applied.

Although CAPs are a useful tool for addressing noncompliance, OJJ has not developed a standardized template for providers to use that would help ensure that providers submit adequate and consistent information on how they intend to implement corrective actions. Florida has developed a standardized template that all providers must use. Florida's CAP is also outcome based, meaning providers must develop measurable outcomes that illustrate whether the provider has adequately addressed deficiencies. The use of standardized CAPs with measurable outcomes would better help OJJ hold providers accountable for implementation of corrective actions.

Recommendation 23: OJJ should develop comprehensive enforcement procedures, including definitions and examples of noncompliance and when specific penalties should be applied. These procedures should also include escalated sanctions for providers who have repeat deficiencies.

Summary of Management's Response: OJJ agrees with this recommendation and states that it is in the process of formalizing some additional graduated sanctions such as monetary sanctions, reduction in the number of slots and a moratorium on placements.

Recommendation 24: OJJ should develop a template for corrective action plans. This template should include a section for the provider to develop specific measurable outcomes that illustrate whether corrective action has been implemented successfully.

Summary of Management's Response: OJJ agrees with this recommendation and states that it will strongly consider a template to enable ease of corrective action reporting.

Objective 7: Does OJJ adequately measure recidivism for all its services?

Although OJJ measures overall recidivism rates for youth in secure and non-secure care using national standards, it could improve its measurement of recidivism by calculating recidivism rates by the different types of service it provides. According to OJJ's calculations, the two-year recidivism rate in FY 2007 was 33% for secure care and was 25% for non-secure care. Calculating and analyzing recidivism rates for all of its services, including contracted services, would provide OJJ with more assurance that it is funding effective rehabilitation services.

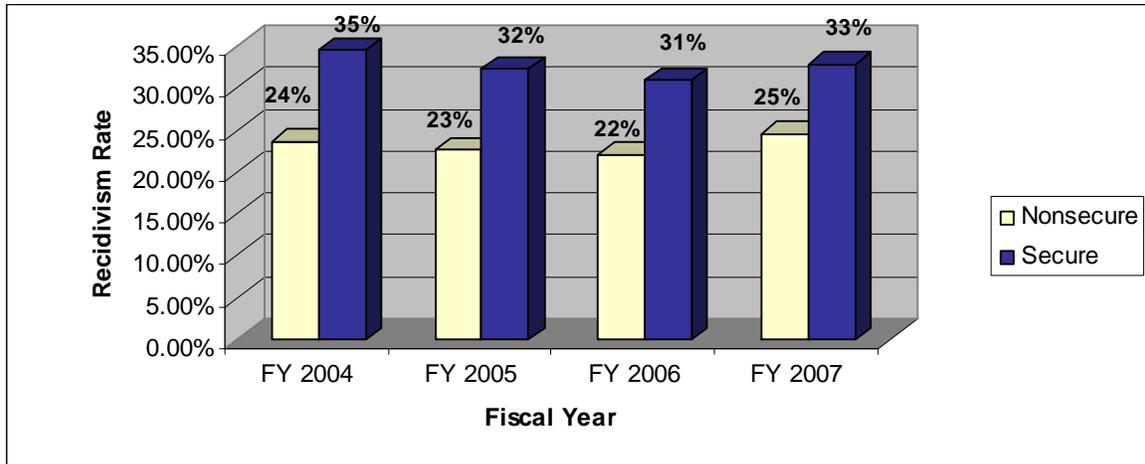
OJJ's methodology for evaluating recidivism conforms to national standards

OJJ's methodology for measuring recidivism rates generally conforms to the recommendations of the Council of Juvenile Correctional Administrators (CJCA).¹³ OJJ defines a recidivist as a person who has exited from the juvenile justice system and has been adjudicated for another offense. OJJ also measures recidivism at one, two, and three years and includes youth who went to adult corrections in their measurement.

According to OJJ's recidivism analysis, recidivism rates rise the longer a youth has been discharged. In addition, recidivism rates are higher for those youth discharged from secure care than for those youth discharged from non-secure care (including probation and parole). Exhibit 14 summarizes the two-year recidivism rate for secure and non-secure care since FY 2004.

¹³ The CJCA is a council dedicated to influencing the development of juvenile justice policies both nationally and locally. They have recently issued a white paper on recidivism in an effort to urge states to measure it using a common methodology.

Exhibit 14
Comparison of Recidivism for Youth in Secure Settings and Non-Secure Settings
Measured at Two Years



Source: Prepared by legislative auditor's staff using data from OJJ.

OJJ could improve recidivism analysis by measuring recidivism by type of service provided

Although OJJ measures overall recidivism rates for secure and non-secure care, it does not currently measure recidivism for the different types of services it provides. All OJJ contracts require that OJJ track recidivism rates at 18 months for each contract provider. According to OJJ, it is currently working on a methodology to evaluate recidivism by contract provider that, in addition to other outcomes, will help evaluate the performance of providers. However, OJJ stated that it is difficult to hold providers accountable to recidivism rates alone since youth often transfer multiple times among providers and some providers may have more difficult youth. In addition, OJJ should begin tracking recidivism for specific services at the secure care facilities, such as substance abuse services or sex offender treatment. Measuring recidivism by the type of service would help OJJ evaluate the effectiveness of its services.

Recommendation 25: OJJ should continue to develop its methodology for analyzing recidivism by contract provider and by type of service and use this information, along with other outcomes to help ensure that the state pays for effective, quality services.

Summary of Management's Response: OJJ agrees with this recommendation but states that analysis of recidivism for contract providers must include other factors, such as educational or vocational skills, family support, and availability of resources.

Additional analysis of whether youth fall “deeper” into the juvenile justice system would enable OJJ to better measure the effectiveness of its services

Most analyses of recidivism only considers a recidivist as one who exits the juvenile justice system and then re-enters it. However, another method to evaluate recidivism includes determining the number of youth who fall “deeper” into more restrictive settings. To evaluate the extent to which youth fall deeper into the juvenile justice system, we analyzed data on youth currently in secure care and non-secure care and determined the percentage of these youth who entered the system in a less restrictive setting.¹⁴ Our analysis showed the many youth entered the juvenile justice system in the least restrictive setting but fell deeper into more restrictive settings. For example, approximately 50% of the 567 youth currently in secure care and 42% of the 525 youth currently in non-secure care began on probation. While these youth represent only a small percentage of youth who are on probation at any given time, OJJ could use this information to design rehabilitative services that target the specific characteristics and needs of those offenders who tend to fall deeper into the juvenile justice setting. Exhibit 15 summarizes our analysis of where youth originated in the system.

Exhibit 15		
Analysis of Where Youth Originated in the Juvenile Justice System		
1st Legal Status	Number	Percent
Secure Care Youth (567 Total)		
Secure*	216	38.10%
Non-Secure	67	11.82%
Probation	284	49.92%
Total	567	
Non-Secure Care Youth (525 Total)		
Secure**	54	10.29%
Non-Secure	251	47.81%
Probation	220	58.10%
Total	525	
*These youth went directly to Secure Care for their first offense.		
**These youth likely went to Secure Care and were released into a less restrictive setting.		
Source: Prepared by legislative auditor’s staff using data from JETS as of January 15, 2010.		

Recommendation 26: OJJ should periodically analyze the extent to which youth fall deeper into the juvenile justice system.

Summary of Management’s Response: OJJ agrees with this recommendation and states that it periodically analyzes all youth in the juvenile justice system to determine the effectiveness of its service array.

¹⁴ Another way to do this analysis is to take all the youth who were on probation and determine if they ever had a subsequent offense that resulted in a more restrictive setting. This analysis would help OJJ evaluate the effectiveness of probation services. The analysis we did only looks at youth currently in secure care and non-secure care and determines in what setting they came from.

Objective 8: Does OJJ sufficiently use outcome data to evaluate, manage, and report on its services?

Although OJJ's secure care facilities participate in Performance-based Standards (PbS), which is a nationally recognized best practice, OJJ has not developed meaningful outcome measures for all its services. In addition, OJJ has not developed a comprehensive or coordinated system to collect outcome data on all its services. As a result, OJJ is not able to use outcome data to evaluate or manage these services. Specifically, we identified the following issues:

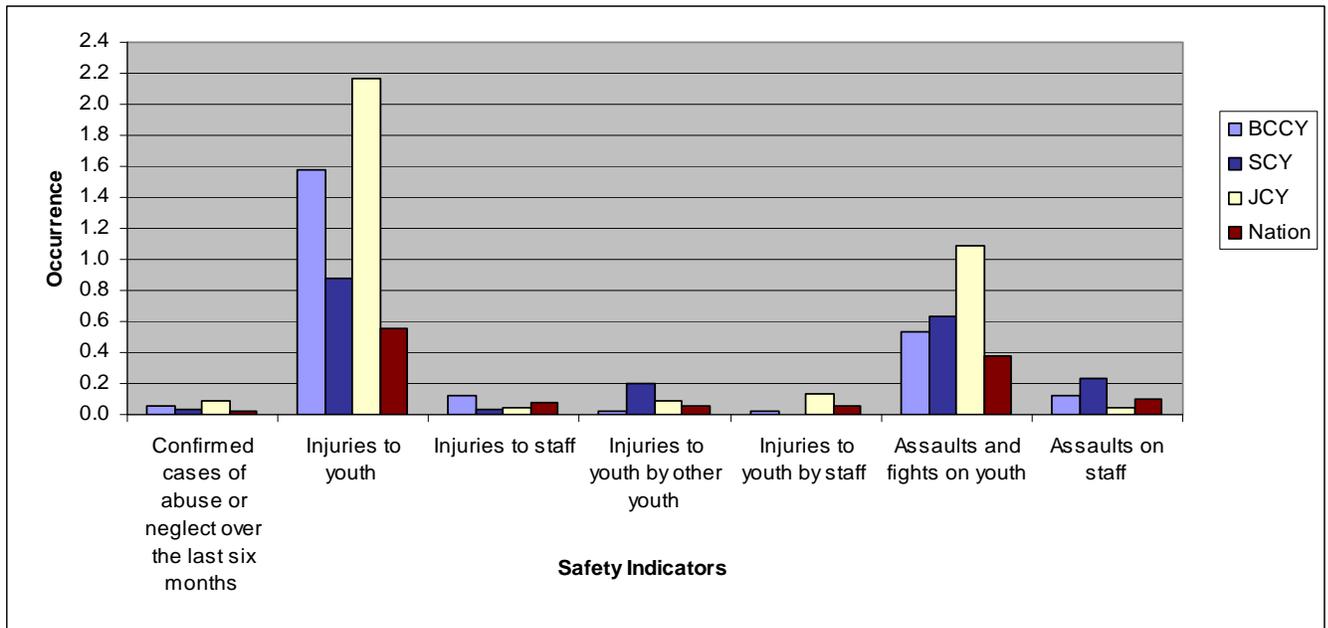
- Numerous databases and lack of controls over these databases make it difficult for OJJ to use this data to manage and evaluate secure care facilities on an ongoing basis.
- OJJ has not developed individualized outcome measures or benchmarks for its various contract providers.
- OJJ has not ensured that contract providers submit required outcome data.
- OJJ does not routinely analyze available outcome data for most contract providers and probation and parole services.
- OJJ has not published an annual report summarizing its various activities.

These issues are summarized in more detail below.

OJJ participates in PbS which helps it compare outcomes in its secure care facilities against similar facilities across the nation

OJJ currently participates in PbS for Youth Correction and Detention Facilities which is considered a best practice in the field of juvenile justice. PbS is a system for agencies and facilities to identify, monitor, and improve conditions and treatment using national standards and outcome measures in secure care facilities. Over 28 states and 200 facilities voluntarily participate by collecting and analyzing data to target specific areas for improvement. Exhibit 16 shows an example of PbS data for certain safety indicators reported by facilities in November 2009.

**Exhibit 16
Safety Indicators from PbS Data
November 2009**



Source: Prepared by legislative auditor’s staff using data from PbS from November 2009.

OJJ’s participation in PbS allows management to collect data on facilities¹⁵ and compare its performance over time. In addition, because PbS data includes data from similar facilities across the nation, OJJ can also use the data to evaluate its performance against similar entities across the country.

Numerous databases and lack of controls over these databases make it difficult for OJJ to use data on an ongoing basis to manage and evaluate secure care facilities

Although PbS data is useful for evaluating the performance of secure care facilities, PbS data is only collected twice a year and represents a snapshot of the facility for that month. As a result, OJJ is not able to use this data to evaluate the performance of facilities on an ongoing basis. OJJ has developed multiple databases to collect similar outcome data as PbS. However, these databases often contain incomplete and duplicative data because OJJ has not developed sufficient controls, such as procedures for data collection, over these systems. As a result, management may not have reliable data to evaluate services and manage activities at secure care facilities on an ongoing basis. These issues are summarized in the following sections.

¹⁵ The girls’ secure care facility (Ware Youth Center) does not report the same outcomes as the male secure facilities. Currently, they only report generic outcomes that are used for all contract providers.

Numerous Databases. OJJ requires that secure care facilities periodically collect and report performance data on various activities. Types of data reported include abuse and neglect cases, use of restraints, youth injuries and altercations, education statistics, drug screening results, contraband, and other data. Although some of this data is useful for evaluating outcomes, the data is reported to many different databases and these databases often contain duplicative data. Exhibit 17 summarizes various reporting databases, their purpose, and generally what data is reported to those databases.

Exhibit 17 Examples of Databases Used for Reporting		
Name of Database	Purpose	Types of Data
Central Registry	To report and track investigations of cases of abuse and neglect	Number, type, and resolution of cases involving abuse and neglect of youth on youth, staff on youth, etc.
VR 1 Database	To track employee rule violations	Number, type, and resolution of rule violations, such as not reporting for duty
C51 Database	To track monthly occurrences of various activities	Number and type of positive drug tests, contraband, youth incidents, assaults, complaints, GED attainment, etc.
Code of Conduct/Assault Database	To track youth code of conduct violations and assaults	Number, type and resolution of code of conduct violations, including assaults, destruction of property, contraband, etc.
Accident and Injury Database	To track the causes of accidents and injuries	Number, type, and cause of accidents and injuries, including youth on youth, staff on youth, sports-related injuries, restraint use, etc.
Performance Based Standards Database (national on-line system)	To report on national standards twice a year in October and April	Number and/or or rate of various occurrences, including cases of abuse/neglect, existence of contraband, use of restraints, assaults, etc.
Source: Prepared by legislative auditor's staff using information from OJJ databases.		

Having multiple databases makes it difficult for management to compile complete and accurate data to manage and evaluate its activities. We found some instances in the C51 data where facilities have not reported monthly data, which suggests that management may not be using these data at all. For example, secure care facilities are required to submit data regarding the type of contraband found and the number of incidents each month. However, Jetson did not report any contraband data for eight months in FY 2008 and none of the secure care facilities reported incident data for three months in FY 2009. According to OJJ, it previously had someone who monitored the data in this database, but no one is currently monitoring it.

In addition, reporting to multiple databases is burdensome for the facilities that must gather and enter similar data in multiple locations because some of the databases contain duplicative data. For example, fights involving youth are reported to the C51 database in the youth incidents' report, to the COC/assaults database, and to the A/I database as causes of injuries. While collecting outcome data is important, OJJ should consider streamlining the current reporting process to ensure that only necessary and unduplicated data is collected. In addition, OJJ should consider requiring Ware Youth Center (female secure care) to report the same outcome measures as Swanson, Jetson, and Bridge City.

Lack of Controls Over Data. With the exception of data reported to the PbS database,¹⁶ OJJ has not systematically assessed the reliability of the data in those databases. To help ensure the reliability of data, OJJ could generate reports from these databases and verify it with source documents during its monitoring visits. This type of monitoring would help ensure that data is accurate. In addition, many of the databases do not have certain controls, such as written procedures or edit checks, that would help ensure that data is entered consistently and accurately.

Recommendation 27: OJJ should create a list of all its current databases and reporting requirements and eliminate or consolidate duplicative or unnecessary databases.

Summary of Management's Response: OJJ agrees with this recommendation and states that it is creating a committee to perform an overall analysis of the agency's information technology structure.

Recommendation 28: OJJ should develop a process to collect outcome data similar to PbS data so that it can use this data to manage and evaluate secure care facilities on a regular basis.

Summary of Management's Response: OJJ agrees with this recommendation and states that it will create a process to identify and collect outcome data to properly evaluate its secure care settings.

Recommendation 29: OJJ should collect the same outcome measures from Ware Youth Center as it does for the other secure care facilities.

Summary of Management's Response: OJJ partially agrees with this recommendation and states that it will collect universal outcome measures but also identify some gender specific outcome measures that may only apply to Ware.

Recommendation 30: Similar to how it does for PbS, OJJ should incorporate verification of data integrity into its overall monitoring or quality assurance processes.

Summary of Management's Response: OJJ agrees with this recommendation and states that they are working to incorporate verification of data integrity into all of its databases and software platforms.

¹⁶ We also evaluate the reliability of youth data in JETS and found it to be generally reliable; however, JETS is an internal database that is used as the electronic case file. Facilities do not have the ability to report to JETS so the data is not included in this section of the report.

OJJ has not developed individualized outcome measures or benchmarks for its contract providers

While OJJ has developed some overall outcome measures for its contracted providers, these outcome measures are not individualized for the different types of services and do not contain benchmarks that would help contract providers know management's expectations. Examples of outcomes currently in all OJJ contracts include the following:

- Number and percent of youth who have family participation in working toward goals as evidenced by monthly status report of family contacts and activities, including staffings
- Number and percent of youth who demonstrate progress toward goals set forth in the ITP as evidenced by monthly status report and quarterly progress report
- Number and percent of youth and families who report benefiting from the program as evidenced by annual satisfaction surveys

Although many of these indicators are useful for measuring performance, some of the indicators are not relevant to certain services. Contract providers provide a variety of services including residential group home services, education and behavior modification services, mentoring or tracking services, and reintegration services. Although these contract providers share some commonalities, they also have unique features. For example, contract providers that provide educational services should have outcomes related to increases in educational performance. Developing such individualized outcomes based on the type of service provided would provide OJJ with more meaningful and relevant information.

In addition, OJJ has not developed benchmarks or target percentages of what OJJ hopes providers will achieve. Some outcomes related to security, such as runaways, may require higher percentages such as a 95% compliance rates. Other outcomes, such as attainment of GED, may require lower percentages. Developing outcomes would allow it to measure the actual performance of providers against such benchmarks.

Recommendation 31: OJJ should develop relevant and individualized outcome measures for its contract providers. These measures should also include benchmark percentages for what OJJ expects providers to attain.

Summary of Management's Response: OJJ agrees with this recommendation and states that the new RFP for contract providers will outline expectations for how they should score on the Correctional Program Checklist.

OJJ has not ensured that contract providers submit required outcome data

OJJ contracts all require the submission of annual outcome reports. However, none of the ten providers¹⁷ in our sample submitted reports that sufficiently outlined their progress in meeting outcome measures. In addition, OJJ does not systematically review the reports for compliance or for monitoring purposes, so none of the providers were required to resubmit accurate reports. Reviewing these reports is an important tool to evaluate providers both for compliance with contract requirements and effectiveness. For example, our review of outcome reports showed that one provider had “0” for many of the measures. It is unclear from the report whether this provider was not measuring that specific outcome or simply had poor performance for each of the measures. Exhibit 18 summarizes values for outcome measures for five providers as reported on the FY 2009 outcome reports.

Exhibit 18					
Examples of Outcome Measures for Five Providers					
FY 2009 Outcome Reports					
Outcome Measure	Provider 1	Provider 2	Provider 3	Provider 4	Provider 5
Number and percent of families, staff, and counselors who participate in developing the treatment plans as evidenced by signature of participants	not specifically cited	138	not specifically cited	554	not specifically cited
Number and percent of youth who demonstrate progress toward goals set forth in the treatment plan as evidenced by monthly status report and quarterly progress report	59	74	not specifically cited	215	94%
Number and percent of youth and families who report benefiting from the program as evidenced by annual satisfaction surveys	33	94	0	0	91%
Number and percent of youth enrolled in the GED program who obtain their GED	1	0	0	not reported	not reported
Number and percent of youth who run away from program	not reported	0	14	40	not reported
Number and percent of youth who demonstrate an increased skill/grade level as evidenced by pre and post testing	not reported	50	not reported	not reported	not reported
Source: Prepared by legislative auditor’s staff using data from outcome reports of five providers. Because of space constraints, we chose examples from five providers only.					

¹⁷ We requested all outcome reports but only three could be located at the central office. Therefore, we had to obtain these reports from the regions. Because of the time involved in obtaining these reports from the regions, we only reviewed reports from 10 providers.

As Exhibit 18 shows, these five providers did not submit information for many of the outcome measures. In addition, none of these providers submitted a number and a percentage for each measure. Most submitted just a number or just a percentage which makes it difficult to understand the magnitude of that value. To effectively evaluate and manage the services it provides to youth, OJJ must ensure that contract providers submit accurate and complete outcome data.

Recommendation 32: OJJ should ensure that contract providers submit annual outcome reports in accordance with their contracts and use this data to manage and evaluate providers.

Summary of Management's Response: OJJ agrees with this recommendation and states that contract monitors will ensure this report is received and utilize the data in the report to assist in evaluation and scoring of each service provider.

OJJ does not routinely analyze available outcome data for most contract providers and probation and parole services

As stated previously, OJJ is not ensuring that contract providers submit all required outcome data. In addition, OJJ is not using other available data collected by the regional offices to evaluate the performance of its contract providers or the quality of probation services. OJJ currently collects or records various sources of data, such as runaway information, incident reports, and discharge summaries that contain outcome information that could be used to evaluate provider performance and compare outcomes among providers. To show OJJ how outcome data could be used to evaluate performance, we obtained and analyzed data from a variety of sources. These sources and how they could be used to evaluate provider performance are described in more detail as follows:

Runaways. Providers must report runaways to OJJ regional offices who then must enter this information into JETS. The number of youth who run away from a facility is a useful outcome for evaluating the effectiveness and sufficiency of supervision in facilities. Exhibit 19 summarizes the top 10 providers with the highest percentage of runaways from FY 2007 to FY 2009.

Exhibit 19 Number of Runaways - Top 10 Providers FY 2007 to FY 2009		
Provider	Number	Percent of Total*
Harmony - Shirley's Den	46	5.9%
Harmony - Camelia House	45	5.8%
Christian Acres	34	4.4%
Rutherford Boys Home	34	4.4%
Harmony - A.B. Horne	31	4.0%
Cool Springs - Logansport	28	3.6%
Sanctuary - Girls	27	3.5%
Harmony - Focus	20	2.6%
Louisiana Mentor - Hammond	20	2.6%
Youth House I	18	2.3%

Note: *This total represents the percent of all runaways, not the percent of the provider's population that ran away. The percent of population that ran away would be a better outcome, but this data was not readily available.

Source: Prepared by legislative auditor's staff using data from JETS as of January 15, 2010.

Unusual Occurrence Reports. OJJ could also review the number of unusual occurrence reports (UORs). Facilities are required to report certain occurrences to OJJ and OJJ enters these occurrences into a template in JETS. Examples of unusual occurrences are fights, escapes, contraband, assaults on staff, minor disturbances, and medical visits. OJJ could use this data to evaluate what occurrences are prevalent and what providers have the largest number of certain occurrences. Analysis of UOR trends could also help management generate new or modified procedures to reduce the number of such incidents. Exhibit 20 summarizes the number of UORs by type from FY 2007 to FY 2009.

Exhibit 20 Number and Percent of Unusual Occurrence Reports FY 2007 to FY 2009		
Type of Occurrence	Number	Percent
Other	740	43.17%
No type provided	245	14.29%
Escape	200	11.67%
Fight	134	7.82%
Medical	89	5.19%
Assault on Staff	78	4.55%
Mental Health	53	3.09%
Use of Force	48	2.80%
Minor Disturbance	30	1.75%
Major Disturbances	28	1.63%
Contraband	26	1.52%
Sex Offense	23	1.34%

Exhibit 20 Number and Percent of Unusual Occurrence Reports FY 2007 to FY 2009		
Type of Occurrence	Number	Percent
Search of Inmate	6	0.35%
Aggravated Fight	4	0.23%
Aggravated Sex Offense	4	0.23%
Death due to Illness	2	0.12%
Fence Check	1	0.06%
Shift Shakedown	1	0.06%
Violent Death	1	0.06%
Weekly Inspection	1	0.06%
Total	1,714	
Note: This data is for illustration purposes only. We have not assessed the reliability of this data.		
Source: Prepared by legislative auditor's staff using data from JETS.		

For OJJ to use this data, the data must be meaningful and reliable. As Exhibit 20 shows, the most prevalent type of unusual occurrence was “other,” followed by “no type provided.” For the data to be useful, OJJ should consider reviewing what types of occurrences were documented as “other” and use these to develop additional categories. OJJ should also ensure that all regional staff enter a type in that field.

Contract Provider Discharge Data. OJJ could also evaluate the success of its contract services using discharge data. Probation officers complete this information in a template in JETS when youth are discharged from community-based services. The probation officer must input whether the youth successfully completed the service or terminated the service unsuccessfully. Analysis of this data showed that for discharges since May 2009, approximately 52% of youth achieved positive outcomes (successfully completed) and 45% had negative outcomes (terminated unsuccessfully). The remainder are unknown because they transferred to another state agency or left due to medical issues. OJJ could also use this data to compare the success of certain types of services. Exhibit 21 summarizes the percentage of positive and negative outcomes by service type for certain services.

Exhibit 21			
Positive and Negative Discharges by Type of Service			
May 2009 to May 2010			
Type	Total Discharges	Negative	Positive
Day Program	251	68.92%	26.29%
Sex Offender Facility	25	60.00%	36.00%
Shelter	210	60.00%	37.10%
Behavior Modification/Education (Marine Institutes)	562	48.20%	47.30%
Residential Facility	710	46.62%	50.28%
Family Preservation	35	42.90%	54.30%
Reintegration	243	41.98%	56.79%
Foster Care	113	39.80%	55.80%
Trackers	1,300	34.00%	56.20%
Note: The percentages for positive and negative discharges do not equal 100% because some discharges were coded as unknown and are not included in this table. In addition, this data is used for illustration purposes only. We have not assessed the reliability of this data.			
Source: Prepared by legislative auditor's staff using data from EP-04 forms in JETS.			

Probation/Parole Discharge Data. Probation officers also complete discharge forms for youth on probation or parole. These forms indicate whether the youth successfully or unsuccessfully completed supervision. We analyzed records from January 1, 2009, to June 1, 2010, and found that 86% of youth discharged from supervised care successfully completed their supervision. Exhibit 22 summarizes this data.

Exhibit 22		
Probation/Parole (Supervision) Discharge Data		
January 1, 2009 to June 1, 2010		
Disposition	Number	Percent
Successfully Completed Supervision	1,987	70.56%
Successfully Completed and Earned GED	91	3.23%
Successfully Completed and Earned Vocational/Higher Ed	30	1.07%
Successfully Completed and Received Full-Time Job	30	1.07%
Reached Full-Term Date and Successfully Completed 50% of Goals	347	12.32%
Number of Youth Successfully Completing Supervision	2,485	88.25%
Reached Full-Term Date and Completed Less Than 50% of Goals	281	9.98%
Arrested as an Adult	98	3.48%
Conviction as an Adult	33	1.17%
Number of Youth <u>Not</u> Successfully Completing Supervision	412	14.63%
Note: This data is used for illustration purposes only. We have not assessed the reliability of this data.		
Source: Prepared by legislative auditor's staff using data from discharge forms.		

Although this data would be useful for OJJ to evaluate outcomes of contract services and probation and parole activities, the data must be reliable. Currently, with the exception of runaway data in JETS, sufficient controls do not exist to ensure that data is complete or reliable. For example, because there are no procedures on how probation officers should define successful and unsuccessful completions, there is the possibility that officers are defining and counting these inconsistently. In addition, because the discharge forms are not reviewed by supervisors to ensure that every discharge has a form, the data may also be incomplete.

Recommendation 33: OJJ should determine what outcomes it wants to collect and track on a routine basis for all contract providers. OJJ should ensure that systems used to collect this data have sufficient controls to ensure data reliability. Once reliability has been established, OJJ should use this data to monitor and evaluate the quality of its services.

Summary of Management's Response: OJJ agrees with this recommendation and states that it will identify appropriate outcomes for contract providers as part of the Correctional Program Checklist.

OJJ has not published an annual report summarizing its various activities

OJJ has not compiled or published an annual report in compliance with state law. R.S. 46:1919 requires that OJJ make a full and complete report to the governor and legislature on its activities. This report should also include recommendations regarding the fiscal, administrative, or legislative measures needed for the prevention of juvenile delinquency and for the care and treatment of delinquent children. As a result, the legislature and other stakeholders may not be receiving sufficient information on the benefits, outcomes, and costs of OJJ services.

Many other states publish annual reports that provide a variety of information. For example, Missouri publishes an annual report that provides general demographic and fiscal information for all its programs as well as outcome information on satisfactory and unsatisfactory discharges, recidivism rates, and academic success. Florida publishes an annual report but also publishes an outcome evaluation report that provides outcomes for each of its programs.

Recommendation 34: OJJ should comply with state law and develop an annual report that outlines various information. Examples of information that could be included are as follows:

- General demographic information on the population of each setting (age, region of origin, race, length of stay, worst offense)
- Total costs and cost per day in each setting
- Results of compliance monitoring activities
- Outcome measures

Summary of Management's Response: OJJ agrees with this recommendation and states that it will develop an annual report at the close of each fiscal year to provide meaningful information to its stakeholders.

APPENDIX A: MANAGEMENT'S RESPONSE



BOBBY JINDAL, Governor

Office of Juvenile Justice

MARY L. LIVERS, Ph.D., MSW, Deputy Secretary

December 3, 2010

Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

I am writing in response to the performance audit of the Office of Juvenile Justice conducted by your office in 2010. The agency's detailed response is attached, but I want to express gratitude on behalf of the agency to your office in assisting to identify areas for improvement.

During our first meeting with your audit staff, we outlined that the Office of Juvenile Justice was separated five years ago from the Department of Corrections as a cabinet level agency. This action was taken to place a firewall between the juvenile and adult corrections systems, and to allow the agency to transition to a therapeutic model of treatment rather than a punitive or correctional one. The agency devoted much time and energy during its infancy toward transitioning, implementing, transforming and stabilizing its secure care facilities into therapeutic centers for youth. With that process winding down and much of the policy and training work completed, the agency is now shifting its attention toward its community based programs and ensuring that the quality and efficacy of its contract providers are maximized. As the agency prepared to shift its focus and resources internally to examining community based programs, we asked your audit staff to perform their own analysis of this critical component of our service array.

The agency appreciates the feedback and recommendations provided by your audit staff. We concur with the majority of the findings included in the audit document, value the analysis conducted and will consider these factors as we move forward in transforming the state's Juvenile Justice System into a national model.

Sincerely,

A handwritten signature in black ink that reads "Mary Livers".

Mary L. Livers, Ph.D.

Deputy Secretary
Louisiana Office of Juvenile Justice

MLL:amb

c: Karen Leblanc, CPA

Attachments

Youth Services
Office of Juvenile Justice
Response to Performance Audit of Office of Juvenile Justice

Objective 1: What services does OJJ provide and what are the costs of these services?

The Office of Juvenile Justice took a number of measures over the past 15 months to reduce costs in light of the state's ongoing fiscal crisis while maintaining adequate and quality services for youth. Most significantly, the agency privatized health, mental health, dental and pharmaceutical services at its two southern facilities, Jetson Center for Youth and Bridge City Center for Youth. These services were provided previously by the LSU Health Sciences Center – New Orleans. This action resulted in a savings of approximately \$6 million in the first year of the contract. The agency continues its ongoing analysis of services and programs to ensure that it accomplishes rehabilitation of youth in the most effective and efficient manner possible.

Objective 2: What is Louisiana's cost per day per youth in each setting?

Difficult to compare Louisiana's cost per day to other states due to different calculation methodologies and other factors

OJJ attempts to accurately report its actual costs of treatment by bundling all expenditures related to each of its secure care settings. By reporting all expenses related to treatment within a single appropriation, policy makers in the state are able to accurately assess and evaluate the activities of the agency. When comparing to other states, it is important to be mindful of structural and programmatic differences between systems. Because of directives set forth by statute that Louisiana should adopt a therapeutic system based on the Missouri model, OJJ's costs of care are frequently compared to that state. In addition to the structural differences illustrated in this report: Missouri does not insure or self-insure its programs, an expense for which Louisiana will expend \$5.5 million in the current year; additionally, Missouri excludes fringe benefits for staff, maintenance, utilities, information technology services, medicine, medical care and supplies and similar expenses from its facility costs, paying instead for these items through an administrative program, Louisiana credits these expenses to each facility.

Jetson had the highest cost per youth per day of secure care facilities in FY 2009; primarily due to downsizing

Recommendation 1: Because of the high costs in maintaining and insuring a large facility that is not fully used, OJJ should explore the possibility of downsizing the physical structure to meet the needs of its current census.

Concur – With the rapid down-sizing of the state's secure care youth population over the past decade, the agency currently operates in large facilities that are not conducive to the implementation of the therapeutic model. The current physical plant in which OJJ operates includes large, sprawling campuses that require many staff beyond the already staff-intensive therapeutic model to accommodate transportation and transfer of youth around campus, maintenance and security. Statutory, programmatic and system limitations place a maximum

capacity of 99 youth at the Jetson Center for Youth (JCY). The JCY site incorporates more than 286,000 square feet of facilities on a campus covering 32 acres. The risk management premiums alone for this expansive campus total to more than \$25,000 per bed.

After extensive analysis, the agency developed and presented a plan to the state's executive and legislative leadership to replace the JCY facility. At its meeting on February 17, 2010, the Louisiana Correctional Facilities Corporation (LCFC) approved financing the design and construction of a replacement facility on ground owned by the state adjacent to the current facility. Under the plan presented, the LCFC will finance design and construction of the facility, to be opened in 2 to 3 years. OJJ will in turn make annual debt service payments of approximately \$1.94 million for 20 years as part of the facility's operating cost. In today's dollars, the \$13.7 million annual operating budget of the Jetson Center can be reduced to \$10.5 million including debt service, a savings of \$3.2 million annually. The required personnel at the facility would be reduced from 159 to approximately 85.

Objective 3: Does OJJ exercise sufficient financial oversight over its contract providers?

OJJ cannot ensure that rates for non-secure residential facilities are reasonable because it has not established a formula as required by state law

Recommendation 2: OJJ should establish a formula to establish rates for non-secure residential facilities as required by R.S: 15:1084

Disagree – The audit report indicates that contracted rates for non-secure residential facilities have a range of per diem rates even though the facilities provide the same services. This is not entirely accurate, as though the service grid may require each provider to perform essential functions such as individualized, group, or family therapies, the model of treatment to which each provider ascribes can vary dramatically. The agency does not currently require any certain or standard model of treatment. RFP evaluations simply place emphasis on providers that propose utilizing evidence based practices. Varying models will have cost differences comprised of staff qualifications, hours of treatment required, geographic location, professional level of staff, and a host of other factors.

This law was enacted in the 1970s and has not been ascribed to for some time, including the time preceding OJJ's separation from the Department of Public Safety and Corrections, Corrections Services. This audit finding brought the law to the attention of the agency's current administration. OJJ has reached out to the Department of Children and Family Services and the Department of Health and Hospitals to determine if any other agency has a model to establish these rates.

The difficulty in establishing a formula is compounded by numerous factors, including the differences originating in the timing of original RFPs for current contract providers, the level and type of service by each provider, and the availability of other funding streams to the provider (Minimum Foundation Program or federal programs such as Title I, Title II, IV-E, etc.). As OJJ began to create a statewide network of community based services where services did not

previously exist, blanket RFPs were issued to determine the availability of service providers. The RFP process allowed providers to propose treatment models and plans. The agency placed an emphasis on evidence based programs but was limited by the availability providers balanced against the need for a statewide service array. There are no national standards associated with rates or formulas for cost of treatment services for adjudicated youth. The concept of applying a formula assumes a standardization, and universal availability, of services across the state. It also assumes that costs for providers to recruit qualified and certified staff is static across all regions, regardless of demographics, rural vs. urban settings, and socio-economic factors.

OJJ will continue analyzing the feasibility of developing a standard formula. If a formula is possible, the state should be able to incorporate this requirement into the Coordinated System of Care (see response under Recommendation 3).

OJJ has not developed an effective financial monitoring process to ensure contract providers are operating within their budgets

Recommendation 3: OJJ should develop a financial monitoring process that verifies whether contract providers are operating within their budgets and spending state funds appropriately.

Disagree - OJJ ensures that contract providers are providing services according to their contract, including verification that youth are served according to their treatment plan. Conducting a financial audit to ensure a provider is operating within their own budget and scope is beyond the purview of the agency. Financial auditing of contract providers is outside the capability and capacity of the agency's current resources. As is mentioned later in this response, the agency is adopting the Correctional Program Checklist, an evidence-based tool used to assess correctional treatment programs and ensure that providers utilize practices shown to provide positive outcomes to mitigate criminogenic behavior in youth.

Additionally, the state is transitioning to a Coordinated System of Care, in which the entire spectrum of care for youth at risk will be consolidated under a single, statewide management organization. The system will consolidate services for at risk youth provided by four state entities, the Office of Juvenile Justice, the Department of Education, the Department of Health and Hospitals and the Department of Children and Family Services. The system will enhance the ability of the state to standardize service matrixes across the state, leverage Medicaid funding for eligible services, and ensure the needs of this population are met in an efficient and effective manner.

OJJ does not ensure that invoices from contract providers are submitted timely and in accordance with contract requirements

Recommendation 4: OJJ should enforce the terms of the contract and require providers to submit invoices by the 10th of the month.

Concur - In 2009, OJJ changed the procedure for submission of invoices which has proven to increase efficiency. The OJJ regional offices receive invoices from providers, verify them for accuracy and submit to the fiscal department for payment. In the first three months of 2010, records indicate a timely submission of 84% to 95%. The agency is modifying its RFP template to include graduated sanctions for failure to deliver programmatic requirements and will include and enforce sanctions for failure to submit invoices in a timely manner.

OJJ paid the wrong per diem to detention centers in fiscal year 2009

Recommendation 5: OJJ should ensure it reviews R.S. 15:824 each year to ensure that it is paying the correct per diem to detention centers.

Concur – The agency failed to notify detention centers of the correct per diem for invoicing purposes in FY 2009. It is believed that staff turnover during this timeframe resulted in this oversight by the agency. OJJ sent notification of the proper per diem in the subsequent fiscal year and does not anticipate this error will repeat itself.

Objective 4: Has OJJ invested in services that reduce costs and meet the needs of youth?

The report states that Louisiana could save over \$7 million annually if “1,686 non-violent youth who are currently on probation received FFT services in prevention and diversion programs prior to being placed on probation,” and, “if 114 non-violent youth who are currently in secure care were placed on probation and received Multidimensional Therapeutic Foster Care.”

OJJ cautions against this manner of analysis when contemplating cost saving measures. It is factual that evidence based programming provided to a youth in the least restrictive environment is shown to provide positive outcomes for youth. However, several factors should be considered if relating this concept to cost savings. First, the assumption that “non-violent” youth are appropriate to be served in the community does not contemplate that youth often plead to lesser, non-violent offenses. OJJ data indicate that in excess of 90% of youth in the current juvenile justice system were adjudicated on a lesser offense than the arresting record indicated. This can have a dramatic impact on estimated cost savings. Secondly, there is a lack of capacity in communities to provide MST and FFT services. These services require a team of mental health professionals. In rural areas, these teams are hard to maintain. Lastly, services provided to youth prior to being placed on probation would not be delivered by the Office of Juvenile Justice. The agency only interacts with youth once adjudicated or referred by the courts.

The agency does agree on the importance of developing these services and making them available statewide, but disagrees that OJJ should be the instrument of delivering them. The contemplated Coordinated System of Care is meant to enhance this array of services and to provide support systems for at risk youth before they touch the juvenile justice system.

Treatment needs of youth – both violent and non-violent – are based on individual assessments by certified or qualified practitioners. The evidence based programs mentioned in this report require access to a youth in the home and includes family involvement. The assumption that this

method of treatment is appropriate for every non-violent youth and/or their family can lead to disappointing results if projected toward cost savings.

Additional funding of evidence-based services may help reduce costs and improve outcomes for youth

Recommendation 6: OJJ should continue to invest in evidence based services and periodically evaluate the cost-effectiveness of these services to ensure they reduce costs and result in positive outcomes.

See response under Recommendation 7.

Recommendation 7: OJJ should continue revising its contract process to give priority to those providers who have the ability to provide evidence-based services.

Concur - OJJ has adopted the Correctional Program Checklist (CPC) in order to ensure that future contracts for community based services adhere to treatment models most likely to positively impact criminogenic behavior. Providers statewide received notification in mid-2009 that new contracts issued in FY 2011-12 will require adoption of nationally recognized, evidence based practices.

The evidence-based Correctional Program Checklist (CPC) is a tool developed to assess correctional intervention programs. It is used to ascertain how closely correctional programs meet known principles of effective intervention.

The CPC is divided into two basic areas; content and capacity. The capacity area is designed to measure whether a correctional program has the capability to deliver evidence based interventions and services for offenders. The content area focuses on the extent to which the program meets the principles of risk, need, responsivity, and treatment.

OJJ staff received initial training in CPC evaluation methodology. Currently, the agency is in the process of revising its RFP template and preparing to provide technical assistance to contract providers in making the transition to evidence-based programs over the next 12 months.

OJJ is beginning to use data to determine what services should be provided and where services should be located

Recommendation 8: OJJ should continue to develop its service referral matrix to identify what services exist in each parish and what gaps exist in services. OJJ should use this information when determining what services it should fund.

Concur - OJJ has developed its service referral matrix. The matrix is undergoing final review prior to distribution. As the Coordinated System of Care is implemented, the agency's service providers adopt evidence based practices, and as funding is available, this tool will greatly assist OJJ in determining where service delivery is needed and what those needs are. The matrix will

also assist OJJ's stakeholders and providers to identify the availability and need of services throughout the state.

Recommendation 9: OJJ should periodically analyze needs assessment data as a whole to evaluate the most prevalent needs of youth in its care. OJJ should then use this data when determining what types of services are needed.

Concur – With statewide adoption of the Structured Assessment of Violence and Risk in Youth (SAVRY) instrument in early 2010, OJJ currently implements this recommendation. An initial evaluation of SAVRY data for the pilot regions was conducted in February 2010, wherein OJJ leadership examined all SAVRY factors (historical, social/contextual, individual/clinical, as well as protective factors). SAVRY data was analyzed from statewide and regional perspectives to determine an initial understanding of the data. After the agency has collected a full's year worth of data on a statewide basis, it will have information to use in determining the need for services.

Recommendation 10: OJJ should periodically analyze utilization data to ensure that it is funding services in appropriate regions that meet the most prevalent needs of youth.

Concur - OJJ currently implements this recommendation. In June 2010, OJJ's Continuous Quality Improvement Section (CQIS) developed a matrix regarding the implementation of the CPC and the revision of the agency's RFP template. One task outlined in this matrix is examination of SAVRY risk/need data in order to determine service needs by region in January 2011 prior to the issuance of RFP's in the spring 2011.

The agency's CQIS section, through a grant from the John D. and Catherine T. MacArthur Foundation, developed an algorithm to analyze SAVRY data with the technical assistance of Gina Vincent, Ph.D. of the National Youth Screening and Assessment Project at the University of Massachusetts. The data will be compiled by CQIS and presented to OJJ Executive Staff to review and develop RFP's to enable establishment of programs aligned with identified needs. This analysis will be an ongoing part of the agency's operations.

Objective 5: Does OJJ ensure that youth are assessed and placed in the appropriate setting in a timely manner?

The report states: "However, we identified the following issues related to the assessment and placement process:

- Although youth are generally placed in accordance with their needs, OJJ should determine whether additional procedures are needed to ensure consistency in the needs assessment process
- Most youth assigned to secure care wait over 30 days in detention centers before being placed
- Less-restrictive placements for non-violent offenders may save approximately \$4 to \$6 million per year"

District attorneys charge youth for offenses and judges make a determination if the child will be in OJJ custody or under supervision and for what length of time. The judge often makes a

recommendation to the agency for secure or non-secure custody. OJJ assesses the youth and if the needs of the youth differ greatly from the recommendation, OJJ will inform the judge and the district attorney. The statements in this report suggest that OJJ can control where and for how long youth are placed. Additionally, this statement assumes that non-violent offenders can receive treatment in the community without taking into consideration whether mental health or behavioral needs can be met in the community, as well as the need to be responsive to public safety.

The report states: “However, we found that draft procedures in place at the time of the audit did not provide specificity regarding how probation officers should score the SAVRY. . . However, we found that 25% of youth that ranked high risk regarding a history of substance abuse did not have this risk factor rated as critical.”

Using the SAVRY, an item is only identified as critical if it is extremely high and other factors are used to assist in determining if an item is critical other than being classified as high. The example of a youth rating high for substance abuse issues not receiving services just because it is not considered critical is incorrect. If a youth rates high or even sometimes moderate on an item, this may be considered one of his top need areas and a goal will be included on the service plan to address this need. The rating on each item helps determine the risk and the level of service required. Additionally, a youth with multiple needs will not have all needs addressed simultaneously as research indicates that risk factors should be addressed in small groups sequentially and not in a global manner simultaneously. Focusing on a small number of risk factors at any given time ensures fidelity of treatment and results in greater positive outcomes for youth.

OJJ should determine whether additional SAVRY procedures are needed to ensure consistency in the needs assessment process

Recommendation 11: OJJ should determine whether the informal guidance on how to score the SAVRY should be formalized into actual procedures.

Disagree - The term “informal guidance” inaccurately describes the training that staff receives. Each person receives extensive training on the SAVRY and is trained in the SAVRY manual which outlines the scoring process. OJJ employees receive training and participate in practice cases to test their scoring knowledge. The manual/training is provided by the University of Massachusetts and the National Youth Screening and Assessment Project.

Policies that are currently in place meet the need according to the evidence based model of the SAVRY. All persons currently administering the SAVRY are fully trained in its administration and the results are periodically evaluated by peers and/or supervisors to ensure proper usage.

Most youth assigned to secure care wait over 30 days in detention centers before being placed

Matter for Legislative Consideration: Once detention centers have been licensed and the conditions in detention centers are regulated, the legislature may wish to consider amending the current law from 14 days back to 30 days. This timeframe would allow OJJ sufficient time to properly assess and evaluate the youth's needs and may help OJJ better manage the overall placement process.

Partially Concur – A significant number of youth on the pending-secure waiting list at any given point in time will never be taken into one of OJJ's secure care facilities if: the youth has adult charges pending; the youth was placed in detention for a period of time by a judge who desired a temporary out-of-home placement but did not wish for the youth to enter an OJJ facility. These youth are included in the auditor's analysis regarding the numbers that remain in detention for more than 30 days. Of the remaining youth, it is frequently challenging with available resources and varying degrees of cooperation by local school districts to complete necessary assessments and collection of pertinent educational records in a timely manner. Amending the law to 30 days will enhance the number of youth that are able to move into a secure care environment in a manner considered timely by law.

Less restrictive placements for non-violent offenders may save approximately \$4 to \$6 million per year

OJJ again cautions against this manner of analysis when contemplating cost saving measures. Evidence based programming provided to a youth in the least restrictive environment is shown to provide positive outcomes for youth. However, several factors should be considered if relating this concept to cost savings. First, the assumption that "non-violent" youth are appropriate to be served in the community does not contemplate that youth often plead to lesser, non-violent offenses. OJJ data indicate that in excess of 90% of youth in the current juvenile justice system were adjudicated on a lesser offense than the arresting record indicated. This can have a dramatic impact on estimated cost savings. Secondly, there is a lack of capacity in communities to provide MST and FFT services. These services require a team of mental health professionals. In rural areas, these teams are hard to maintain. Lastly, services provided to youth prior to being placed on probation would not be delivered by the Office of Juvenile Justice. The agency only interacts with youth once adjudicated or referred by the courts.

The agency does agree on the importance of developing these services and making them available statewide, but disagrees that OJJ should be the instrument of delivering them. The contemplated Coordinated System of Care is meant to enhance this array of services and to provide support systems for at risk youth before they touch the juvenile justice system.

Treatment needs of youth – both violent and non-violent – are based on individual assessments by certified or qualified practitioners. The evidence based programs mentioned in this report require access to a youth in the home and includes family involvement. The assumption that this method of treatment is appropriate for every non-violent youth and/or their family can lead to disappointing results if projected toward cost savings.

Recommendation 12: OJJ should continue to work with the judicial system to help ensure that youth in their custody are placed in the most appropriate and cost-effective setting.

Concur – OJJ, the Judiciary, the District Attorney and the Public Defender all have very specific roles in the juvenile justice system. As duly elected officials, the judges and district attorneys are charged with protecting public safety through the adherence to and enforcement of state laws. The public defender ensures that the constitutional and legal rights of youth are protected throughout the process. The Office of Juvenile Justice accepts responsibility and custody of youth adjudicated for offenses by the judiciary and provides treatment services meant to minimize the chance of future re-offending.

OJJ actively strives to maintain the proper balance between protecting public safety and offering youth relevant services and opportunities. The agency seeks to ensure youth are placed into the least-restrictive, appropriate setting while realizing the importance of a judge’s role in protecting public safety. As such, the agency provides assessments to ensure that judges have adequate information relevant to the dispositional needs of any given youth.

Recommendation 13: OJJ should track the impact of SAVRY results on placement decisions. Specifically, OJJ should collect data that shows whether the SAVRY results supported the court’s placement.

Concur – The agency has the capacity to track this information and reviews it periodically to determine if placements align with the assessment tool in use, the SAVRY. A more appropriate measure, over the long term, will be realized when all tools utilized by the agency result in diminishing youth populations across the service spectrum as well as long-term outcome measures such as reduced recidivism. In fact, coinciding with the implementation of several evidence based practices, the most current one-year rate for secure care youth, which reflects youth who recidivate within 0-1 year of discharge, decreased from 20.7 % of youth discharged in fiscal year 2008, to 17.6 % of youth discharged in fiscal year 2009 – a 3.1 % reduction in recidivism.

Objective 6: Has OJJ developed an effective process for monitoring services?

OJJ has not developed detailed procedures or comprehensive and consistent tools for all of its monitoring activities

The Office of Juvenile Justice split from the Department of Corrections and has existed as a cabinet level agency for five years. During that time, comprehensive policies, procedures, functional areas and other components were developed from the ground up. It is understandable that the processes and tools used by the agency will be fluid and undergo frequent change as the agency establishes its identity and moves wholesale from a correctional model to a therapeutic one. While the agency recognizes the importance of stability for the staff in accomplishing the daily mission, it must also ensure that every procedure put into place is appropriate and effective.

Recommendation 14: OJJ should develop detailed written procedures for all of its monitoring activities to help ensure that monitoring staff conduct monitoring consistently.

See response under Recommendation 18.

Recommendation 15: OJJ should use consistent monitoring tools and assign standardized weights to audit categories. If changes must be made, OJJ should include an explanation for facilities and notify facilities in advance if possible. In addition, the explanation of why changes were necessary should be included in the report.

See response under Recommendation 18.

Recommendation 16: OJJ should revise the current monitoring process for probation and parole activities and ensure that it does not duplicate review already being conducted.

See response under Recommendation 18.

Recommendation 17: OJJ should develop a standardized monitoring tool for monthly monitoring of contract providers.

See response under Recommendation 18.

Recommendation 18: OJJ should revise its semiannual monitoring tool for contract providers and ensure that it includes and addresses all provider and contractual requirements.

Concur - CQIS is currently developing a comprehensive audit plan for the agency, in conjunction with the agency's newly hired internal auditor. The audit plan will be two-fold. First, the agency will create an external, outcome-based component guided by standards. Audit standards are being crafted for secure care, non-secure and regional offices. The standards will include:

1. Standard – condition to be met/state of being.
2. Guidelines – procedures required to meet standard.
3. References – Federal and state law, OJJ policy, and ACA and PbS standards.
4. Indicators – observations made to determine level of compliance with the standard.
5. Outcome measures – quantifiable events/data that indicate the extent to which a standard has been achieved.

In addition, an internal audit process (compliance component) will be a part of the agency's audit plan, requiring quarterly internal audits of key sections of the agency (including IT, HR, Fiscal, Education, Medical, Treatment, Safety, Training, etc.). There will be an objective criteria and

clearly written guidelines of how to interpret the components of the audit tools. Auditors will be trained on the use of the tools. The comprehensive audit plan will be published through policy.

Additionally, the internal auditor is establishing an audit plan based on a risk model. That plan will focus on fiscal matters, but also incorporate special projects as necessary. The plan is one that will be updated annually based on the changing structure and needs of the agency.

OJJ's current monitoring of contract providers focuses mainly on compliance instead of the provision of quality and effective services

Recommendation 19: OJJ should revise its contract monitoring process to include observations of actual services. Program specialists could observe areas such as staff training, educational groups, meals, counseling sessions, school, and recreational activities on a random, periodic basis.

See response under Recommendation 21.

Recommendation 20: OJJ should continue its plan to use the Correctional Program Checklist to evaluate the quality and effectiveness of services.

See response under Recommendation 21.

Recommendation 21: OJJ should regularly monitor outcome and other data submitted from all services and use this to evaluate the performance of these services.

Concur – The agency's adoption of the Correctional Program Checklist will adequately address Recommendations 19 through 21. CQIS staff members were trained by national experts to provide hands-on monitoring and evaluations utilizing the CPC. In this process, program specialists perform comprehensive observations of all operational levels in order to perform assessments. The revision of OJJ's RFP template to include requirements for evidence based practices and measurable outcomes will enable the agency, through use of the CPC, to properly monitor service delivery.

OJJ has not established a system to adequately record and analyze the results of its monitoring of contract service providers

Recommendation 22: OJJ should develop a system to record all of its monitoring activities and use this data to manage the overall monitoring process. This system should have sufficient controls to ensure that monitoring data is accurate and reliable and have the ability to generate reports or export data to Excel for easy analysis. This will allow OJJ to evaluate deficiencies and use this information in its monitoring efforts.

Concur – In conjunction with adoption of the CPC, OJJ shall develop a system to record monitoring activities and to make performance evaluation data readily available to the agency's

leadership and decision-makers. The agency anticipates developing a data warehouse through a SharePoint system to enable effective documentation and sharing of monitoring and evaluation activities.

OJJ's enforcement over contract providers is not sufficient to deter noncompliance

Recommendation 23: OJJ should develop comprehensive enforcement procedures, including definitions and examples of non-compliance and when specific penalties should be applied. These procedures should also include escalated sanctions for providers who have repeat deficiencies.

Concur - OJJ utilizes some graduated sanctions currently is in the process of formalizing its compliance mandates. The multidisciplinary monitoring/compliance team consists of an Education Specialist, Contract Liaison, Social Services Staff and Regional Probation & Parole Staff. For issues of non-compliance in the past, the agency has issued moratoriums and withheld payments. Additional graduated sanctions will appear in upcoming RFP's as follows:

1. Monetary sanctions (3% reduction of monthly payment/invoice)
2. 15 % reduction in the number of program slots
3. Moratorium on placements

The language for the new RFP template related to contract residential providers will be integrated in the spring of 2011. The new RFP template will outline expectations regarding CPC scoring. Penalties will result in the event that a score of "Effective" or higher is not achieved during periodic performance evaluations.

Recommendation 24: OJJ should develop a template for corrective action plans. This template should include a section for the provider to develop specific measurable outcomes that illustrate whether corrective action has been implemented successfully.

Concur - The CPC report is broken down by specific areas of scoring. The contractor is required to respond to each factor with a plan of action as to how to achieve an Effective Rating in future performance reviews. The agency will strongly consider a template to enable ease of corrective action reporting.

Objective 7: Does OJJ adequately measure recidivism for all of its services?

OJJ could improve recidivism analysis by measuring recidivism by type of service provided

Recommendation 25: OJJ should continue to develop its methodology for analyzing recidivism by contract provider and by type of service and use this information, along with other outcomes to help ensure that the state pays for effective, quality services

Concur - OJJ agrees with this recommendation, however, analysis of recidivism for contract providers must include other factors. The data may lead to flawed conclusions. Neither OJJ nor its contract providers can control for the environment in which a youth lives and ultimately returns to in the community. It is unreliable to hold providers entirely accountable for recidivism alone. Other measures, such as improved educational or vocational skills, family support, availability of community resources, should be considered. Recidivism alone is not the only measure of successful treatment. Additionally, while the agency has the capacity to measure and analyze recidivism by contract provider, it is difficult to attribute recidivism factors to one specific provider. For example, a youth may enter the Juvenile Justice system on probation, commit an additional crime for which he is adjudicated into secure custody, return home on parole with mentor/tracker services, be placed into a group home for breaking curfew and eventually successfully complete his terms of supervision and be discharged. To which of these service grids would that youth's recidivism be attributed?

Additional analysis of whether youth fall “deeper” into juvenile justice system would enable OJJ to better measure the effectiveness of its services

Recommendation 26: OJJ should periodically analyze the extent to which youth fall deeper into the juvenile justice system.

Concur – The agency periodically analyzes all youth in the juvenile justice system to determine the effectiveness of its service array.

Objective 8: Does OJJ sufficiently use outcome data to evaluate, manage, and report on its services?

Numerous databases and lack of controls over these databases make it difficult for OJJ to use data on an ongoing basis to manage and evaluate secure care facilities

Recommendation 27: OJJ should create a list of all its current databases and reporting requirements and eliminate or consolidate duplicative or unnecessary databases.

Concur – OJJ is creating an Information Technology Planning Committee, comprised of key executive and programmatic leaders, to perform an overall analysis of the agency's information technology structure. Part of this process will be a review of the agency's database to determine the relevance and need for each, areas to allow for consolidation or elimination, and better means to utilize available data.

Recommendation 28: OJJ should develop a process to collect outcome data similar to PbS data so that it can use this data to manage and evaluate secure care facilities on a regular basis.

Concur – As part of its audit plan, OJJ will create a process whereby outcome data is identified and collected to allow for proper evaluation of the secure care setting.

Recommendation 29: OJJ should collect the same outcome measures from Ware Youth Center as it does for the other secure care facilities.

Partially Concur – There are many outcome measures that should be considered universal and applied to both the agency’s secure facilities as well as that operated under contract by the Ware Youth Center. Ware has adopted LaMOD, OJJ’s therapeutic model, when taking on the agency’s female secure population. To the degree it is appropriate, outcome measures identified in the agency’s audit plan will also be applied to Ware. However, the agency is likely to identify some gender specific outcome measures that may apply to Ware that will not be universal to the system.

Recommendation 30: Similar to how it does for PbS, OJJ should incorporate verification of data integrity into its overall monitoring or quality assurance processes.

Concur – The agency is working to incorporate verification of data integrity into all of its databases and software platforms. The aim will be to run weekly exception reports distributed to key personnel for review and corrective action. These processes are in the queue of projects to be addressed by the agency’s information technology staff and the Information Technology Planning Committee will ensure that this effort is given appropriate priority.

OJJ has not developed individualized outcome measures or benchmarks for its contract providers

Recommendation 31: OJJ should develop relevant and individualized outcome measures for its contract providers. These measures should also include benchmark percentages for what OJJ expects providers to attain.

Concur - The CPC report is broken down by specific areas of scoring. The language for the new RFP template related to contract residential providers will be integrated in the spring of 2011. The new RFP template will outline expectations regarding CPC scoring. Penalties will result in the event that a score of “Effective” or higher is not achieved during periodic performance evaluations.

OJJ has not ensured that contract providers submit required outcome data

Recommendation 32: OJJ should ensure that contract providers submit annual outcome reports in accordance with their contracts and use this data to manage and evaluate providers.

Concur – It is the responsibility of individual contract providers to submit an annual outcome report as detailed in each contract. The agency will ensure that contract monitors ensure this report is received and utilize the data included to assist in evaluation and scoring of each service provider.

OJJ does not routinely analyze available outcome data for most contract providers and probation and parole services

Recommendation 33: OJJ should determine what outcomes it wants to collect and track on a routine basis for all contract providers. OJJ should ensure that systems used to collect this data have sufficient controls to ensure data reliability. Once reliability has been established, OJJ should use this data to monitor and evaluate the quality of its services.

Concur – OJJ will identify appropriate outcomes for contract providers as part of the CPC. OJJ staff was trained on conducting performance evaluations in accordance with the CPC and are developing documents to properly record and document data during the evaluation process. This data will be shared as appropriate with executive staff members for use in ongoing evaluation of service delivery.

OJJ has not published an annual report summarizing its various activities

Recommendation 34: OJJ should comply with state law and develop an annual report that outlines various information. Examples of information that could be included are as follows:

- General demographic information on the population of each setting (age, region of origin, race, length of stay, worst offense)
- Total costs and cost per day in each setting
- Results of compliance monitoring activities
- Outcome measures

Concur – OJJ will develop an annual report at the close of each fiscal year to provide meaningful information to its stakeholders.