

**HB 5042 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

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**Reviewed By:** Julie Neburka, Legislative Fiscal Office

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**Oregon Youth Authority**

**2017-19**

PRELIMINARY

**Budget Summary\***

	2015-17	2017-19	2017-19	Committee Change from	
	Legislatively Approved Budget <sup>(1)</sup>	Current Service Level	Committee Recommendation	2015-17 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 291,609,975	\$ 319,820,616	\$ 300,278,130	\$ 8,668,155	3.0%
General Fund Capital Improvements	\$ 745,131	\$ 772,725	\$ 772,725	\$ 27,594	3.7%
General Fund Debt Service	\$ 6,266,509	\$ 9,368,467	\$ 9,368,467	\$ 3,101,958	49.5%
Other Funds Limited	\$ 13,324,605	\$ 14,321,252	\$ 11,029,866	\$ (2,294,739)	(17.2%)
Federal Funds Limited	\$ 36,324,177	\$ 49,935,912	\$ 37,385,204	\$ 1,061,027	2.9%
Federal Funds Debt Service Nonlimited	\$ 1	\$ -	\$ -	\$ (1)	(100.0%)
<b>Total</b>	<b>\$ 348,270,398</b>	<b>\$ 394,218,972</b>	<b>\$ 358,834,392</b>	<b>\$ 10,563,994</b>	<b>3.0%</b>

**Position Summary**

Authorized Positions	1,022	1,016	1,023	1
Full-time Equivalent (FTE) positions	985.88	984.88	950.68	(35.20)

<sup>(1)</sup> Includes adjustments through December 2016

\* Excludes Capital Construction expenditures

**Summary of Revenue Changes**

The Oregon Youth Authority (OYA) is funded primarily with General Fund. For the 2017-19 biennium, General Fund of \$310.4 million makes up 86.5 percent of the recommended budget. Federal Funds make up 10.4 percent of the agency’s revenues and Other Funds account for the remaining 3.1 percent. Federal Funds are derived primarily from Title XIX Medicaid funding used for targeted case management, administration, and Behavioral Rehabilitation Services. Other Funds are primarily comprised of benefits available to youth (child support, Social Security, etc), nutrition program funds transferred from the Department of Education and reimbursements from counties for their use of OYA detention beds.

**Summary of Public Safety Subcommittee Action**

OYA serves youth ages 12-24, who have committed serious delinquent or criminal conduct prior to their 18<sup>th</sup> birthday. As the state’s juvenile corrections agency OYA operates close custody beds in facilities, work-study camps and accountability camps. OYA also manages the state’s juvenile parole and probation programs; contracts for foster care, residential treatment and specialized treatment programs for adjudicated youth; and distributes funds to county juvenile departments. While in the care and custody of OYA, youth receive evidence-based treatment and education programs designed to address the factors contributing to their behavior.

The Subcommittee approved a budget of \$358,834,392 total funds comprised of \$310,419,322 General Fund, \$11,029,866 Other Funds expenditure limitation, and \$37,385,204 Federal Funds expenditure limitation with 1,023 positions (950.68 FTE). The budget is a 9.0 percent decrease from the 2017-19 current service level and a 3.0 percent increase from the 2015-17 Legislatively Approved Budget.

### Facility Programs

Facility Programs operates closed-custody facilities around the state and is responsible for the custody and care of youth who have committed serious delinquent or criminal conduct prior to their 18<sup>th</sup> birthday. OYA currently operates seven youth correctional facilities and four transition locations, each managed locally by a superintendent or camp director, with oversight and support provided from OYA's administrative structure. These facilities provide youth with "bed and board," physical and mental health care, treatment services, educational programs, recreation, and work experience. Services are provided by OYA employees and by contract with community professionals, local school districts or education service districts. By the Fall of 2017, the Hillcrest Youth Correctional Facility will be closing and its programs, youth and staff will be relocated to MaClaren.

The Subcommittee approved a budget of \$160,711,822 General Fund, \$7,341,149 Other Funds limitation, \$7,932 Federal Funds limitation, including 753 positions (681.43 FTE).

Package 101, Critical Direct Services. This package provides \$2,863,542 General Fund and establishes 15 permanent full time positions (14.50 FTE) to fund Skill Development Coordinator positions and positions necessary to operate the Young Women's Transitional Program (YWTP). There are six Skill Development Coordinator positions focusing on both proactive problem solving and intervention with youth to reduce behaviors resulting in isolation and on reducing the duration of isolation episodes through facilitated re-regulation and restorative and community reintegration processes. YWTP was started as a pilot program on the campus of Oak Creek Youth Correctional Facility in the 2015-17 biennium; this package provides permanent funding for nine positions and funds up to 20 beds at the facility on an ongoing basis.

Package 102, Essential Infrastructure. This package provides \$232,497 General Fund and establishes one new permanent position (1.00 FTE) to ensure all clinics are using electronic health records and are doing so appropriately and securely. This will resolve an ongoing double-filled position currently within the agency.

Package 105, Net Zero. This package contains two actions resulting in an agency-wide net increase of \$62,072 Federal Funds limitation and three positions (3.62 FTE). For Facility Programs, General Fund is reduced by \$2,072,129 and a net of seven positions are eliminated (6.38 FTE)

The first component is the elimination of 12 positions (11.38 FTE) in Facility Services in order to fund 10 newly established positions in the Program Support Division to continue implementation of the Youth Reformation System. The positions eliminated are Group Life Coordinator positions and others staffing closed-custody facilities. The newly established positions are primarily research and analyst positions.

The second component is a fund shift between Services and Supplies and Personal Services to fund the establishment of five (5.00 FTE) new ongoing full-time career and technical education coordinator positions in Facility Services. OYA has been piloting a program to better coordinate Vocational Education Services for Older Youth in the current biennium and funding it with Services and Supplies savings. This package makes the pilot project ongoing.

Package 801, LFO Analyst Adjustments. This package closes the North Coast Youth Correctional Facility as of October 1, 2017 and reduces General Fund by \$8,100,000, reduces Other Funds limitation by \$80,000 and reduces 41.57 FTE.

Package 812, Vacant Position Elimination. This package reduces Other Funds limitation by \$2,070,868 and eliminates 14 vacant Group Life Coordinator positions and one vacant Youth Corrections Unit Coordinator position (14.75 FTE). This is a housekeeping package to remove position authority and expenditure limitation that remains from a state-county detention partnership that ended in 2007.

### Community Programs

Community Programs provides case management for all juvenile offenders under state supervision, operates probation and parole offices throughout the state, contracts for community residential treatment, provides funding assistance for county juvenile justice services and provides grants to counties for youth gang services. OYA uses residential and foster care services for youth who cannot remain in their homes due to safety concerns and treatment needs. These programs mitigate risk to communities by providing behavioral interventions in supervised and structured environments.

The Subcommittee approved a budget of \$94,974,428 General Fund, \$3,590,925 Other Funds limitation, \$36,048,114 Federal Funds limitation, including 140 positions (139.25 FTE).

Package 801, LFO Analyst Adjustments. This package makes three changes to the Community Services Program, which combined reduce General Fund by \$15,918,747, reduce Other Funds limitation by \$1,140,518, reduce Federal Funds limitation by \$12,649,607 and eliminate four positions (4.00 FTE).

The first component provides \$3,277,381 General Fund, increases Other Funds limitation by \$264,929 and increase Federal Funds limitation by \$2,877,442 to update the rate model for Behavioral Rehabilitative Services to pay contracted providers for cost increases above inflation. Updates to the rate model include providing a shift relief factor, including a staff turnover rate and providing for staff training.

The second component eliminates the mandated caseload package, which added funding for 82 additional community placement beds and four new positions (4.00 FTE). This adjustment reduces General Fund by \$6,964,577, reduces Other Funds limitation by \$488,490 and Federal Funds limitation by \$5,283,797.

The third component further reduces funding for community beds by \$12,231,551 General Fund, \$916,957 Other Funds limitation and \$10,243,252 Federal Funds limitation. This adjustment is intended to bring the total budgeted beds down from 658 to roughly 500, which is closer to the actual community treatment bed usage over the past 12 months; while retaining availability.

#### Program Support

Program Support includes the Director's Office, Agency Business Services, and Development Services. The Director's Office provides overall leadership, strategic planning, communications, program direction, research and rules and policy development. Business services provides accounting, payroll, purchasing, budgeting, contracts, human resources, physical plant, risk management and information technology services. Development Services ensures youth have a full range of services and support including family engagement, program development and employee training.

The Subcommittee approved a budget of \$44,591,880 General Fund, \$97,792 Other Funds limitation, \$1,329,158 Federal Funds limitation, including 130 positions (130.00 FTE).

Package 102, Essential Infrastructure. This package provides \$1,380,222 General Fund, \$36,826 Federal Funds limitation and establishes seven new permanent positions (7.00 FTE) to resolve ongoing double-filled positions currently within the agency. The new positions include three administrative positions and four IT positions.

Package 105, Net Zero. This package results in an agency-wide net increase of \$62,072 Federal Funds limitation and three positions (3.62 FTE).

For program support, General Fund is increased by \$2,072,129, Federal Funds limitation is increased by \$62,073 and 10 new positions (10.00 FTE) are established to continue implementation of the Youth Reformation System. These new positions are funded by the elimination of 12 positions (11.36 FTE) in Facility Services.

#### Debt Service

Debt Service is the obligation to repay the principal and interest costs of Certificates of Participation and Article XI-Q bonds issued to finance OYA's capital construction and deferred maintenance needs.

The Subcommittee approved a budget of \$9,368,467 General Fund.

#### Capital Improvements

Capital Improvements includes projects valued at less than \$1.0 million providing for land acquisition, construction of structures, improvements, or additions to existing structures. Buildings operated by OYA provide secure residential spaces for youth offenders and provide education, vocational training, recreation, administration and support services.

The Subcommittee approved a budget of \$772,725 General Fund.

**Summary of Performance Measure Action**

See attached Legislatively Adopted 2017-19 Key Performance Measures form.

## DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Youth Authority  
Dustin Ball -- 503-378-3119

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2015-17 Legislatively Approved Budget at Dec 2016 *	\$ 298,621,615	\$ -	\$ 13,324,605	\$ -	\$ 36,324,177	\$ 1	\$ 348,270,398	1,022	985.88
2017-19 Current Service Level (CSL)*	\$ 329,961,808	\$ -	\$ 14,321,252	\$ -	\$ 49,935,912	\$ -	\$ 394,218,972	1,016	984.88
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>SCR 010 - Facility Programs</b>									
Package 101: Critical Direct Services									
Personal Services	\$ 2,573,698	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,573,698	15	14.50
Services and Supplies	\$ 289,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 289,844		
Package 102: Essential Infrastructure									
Personal Services	\$ 206,362	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 206,362	1	1.00
Services and Supplies	\$ 26,135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,135		
Package 105: Net Zero									
Personal Services	\$ (1,327,411)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,327,411)	(7)	(6.38)
Services and Supplies	\$ (744,718)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (744,718)		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ (7,570,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,570,000)	0	(41.57)
Services and Supplies	\$ (530,000)	\$ -	\$ (80,000)	\$ -	\$ -	\$ -	\$ (610,000)		
Package 812: Vacant Position Elimination									
Personal Services	\$ -	\$ -	\$ (2,070,868)	\$ -	\$ -	\$ -	\$ (2,070,868)	(15)	(14.75)
<b>SCR 020 - Community Programs</b>									
Package 801: LFO Analyst Adjustments									
Personal Services	\$ (599,238)	\$ -	\$ -	\$ -	\$ (126,319)	\$ -	\$ (725,557)	(4)	(4.00)
Services and Supplies	\$ (143,875)	\$ -	\$ -	\$ -	\$ (30,329)	\$ -	\$ (174,204)		
Special Payments	\$ (15,175,634)	\$ -	\$ (1,140,518)	\$ -	\$ (12,492,959)	\$ -	\$ (28,809,111)		
<b>SCR 030 - Program Support</b>									
Package 102: Essential Infrastructure									
Personal Services	\$ 1,380,222	\$ -	\$ -	\$ -	\$ 36,826	\$ -	\$ 1,417,048	7	7.00
Package 105: Net Zero									
Personal Services	\$ 2,063,720	\$ -	\$ -	\$ -	\$ 62,073	\$ -	\$ 2,125,793	10	10.00
Services and Supplies	\$ 8,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,409		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ (19,542,486)</b>	<b>\$ -</b>	<b>\$ (3,291,386)</b>	<b>\$ -</b>	<b>\$ (12,550,708)</b>	<b>\$ -</b>	<b>\$ (35,384,580)</b>	<b>7</b>	<b>(34.20)</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 310,419,322</b>	<b>\$ -</b>	<b>\$ 11,029,866</b>	<b>\$ -</b>	<b>\$ 37,385,204</b>	<b>\$ -</b>	<b>\$ 358,834,392</b>	<b>1,023</b>	<b>950.68</b>
% Change from 2015-17 Leg Approved Budget	4.0%	0.0%	(17.2%)	0.0%	2.9%	(100.0%)	3.0%	0.1%	(3.6%)
% Change from 2017-19 Current Service Level	(5.9%)	0.0%	(23.0%)	0.0%	(25.1%)	0.0%	(9.0%)	0.7%	(3.5%)

\*Excludes Capital Construction Expenditures

# Legislatively Approved 2017 - 2019 Key Performance Measures

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Agency: Youth Authority, Oregon

**Mission Statement:**

OYA's mission is to protect the public and reduce crime by holding youth offenders accountable and providing opportunities for reformation in safe environments.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
1. ESCAPES - Number of escapes per fiscal year.		Approved	5	5	5
2. RUNAWAYS - Number of runaways from provider supervision (including youth on home visit status) per fiscal year.		Approved	336	255	255
3. YOUTH TO YOUTH INJURIES - Number of injuries to youth by other youth per fiscal year.	a) Facility	Approved	20	32	25
	b) Field		2	2	2
4. STAFF TO YOUTH INJURIES - Number of injuries to youth by staff per fiscal year.	a) Facilities	Approved	9	3	3
	b) Field		1	0	0
5. SUICIDAL BEHAVIOR - Number of youth with serious suicidal behavior, including attempts, during the fiscal year.	a) Facility	Approved	9	10	10
	b) Field		17	1	1
6. INTAKE ASSESSMENTS - Percent of youth who received an OYA Risk/Needs Assessment (OYA/RNA) within 30 days of commitment or admission.		Approved	90.30%	90%	90%
7. CORRECTIONAL TREATMENT - Percent of youth whose records indicate active domains in an OYA case plan as identified in the OYA/RNA, within 60 days of commitment or admission.		Approved	77%	90%	90%
8. EDUCATIONAL SERVICES - Percent of youth committed to OYA for more than 60 days whose records indicate that they received the education programming prescribed by their OYA case plan.		Approved	87.40%	95%	95%
9. COMMUNITY REENTRY SERVICES - Percent of youth released from close custody during the fiscal year who are receiving transition services per criminogenic risk and needs (domains) identified in OYA case plan.		Approved	92%	90%	90%
10. SCHOOL AND WORK ENGAGEMENT - Percent of youth living in OYA Family Foster Care, independently or at home (on OYA parole/probation) who are engaged in school, work, or both within 30 days of placement.		Approved	75.40%	70%	75%
11. RESTITUTION PAID - Percent of restitution paid on restitution orders closed during the fiscal year.		Approved	40%	40%	40%
12. PAROLE RECIDIVISM - Percent of youth paroled from an OYA close custody facility during a fiscal year who were adjudicated/convicted of a felony with a disposition or sentence of formal supervision by the county or state in the following fiscal year(s) at 36 months.		Approved	No Data	30%	30%
13. PROBATION RECIDIVISM - Percent of youth committed to OYA for probation during a fiscal year who were adjudicated/convicted of a felony with a disposition or sentence of formal supervision by the county or state in the following fiscal year(s) at 36 months.		Approved	No Data	19.50%	19.50%



Legislatively Approved KPMS	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
14. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved	62.90%	80%	80%
	Availability of Information		75%	80%	80%
	Overall		82.90%	80%	80%
	Expertise		94.60%	80%	80%
	Accuracy		69.40%	80%	80%
	Helpfulness		94.60%	80%	80%
12. PAROLE RECIDIVISM - Percent of youth paroled from an OYA close custody facility during a fiscal year who were adjudicated/convicted of a felony with a disposition or sentence of formal supervision by the county or state in the following fiscal year(s).	a) At 12 Months	Legislatively Deleted	12%	TBD	TBD
	b) At 24 Months		23.80%	TBD	TBD
	c) At 36 Months		29.80%	TBD	TBD
13. PROBATION RECIDIVISM - Percent of youth committed to OYA for probation during a fiscal year who were adjudicated/convicted of a felony with a disposition or sentence of formal supervision by the county or state in the following fiscal year(s).	a) At 12 Months	Legislatively Deleted	5.80%	TBD	TBD
	b) At 24 Months		14.40%	TBD	TBD
	c) At 36 Months		17.70%	TBD	TBD

**LFO Recommendation:**

The agency proposes to change KPMS 12 and 13 from measuring recidivism at 12, 24, and 36 months to measuring recidivism only at 36 months. This change aligns OYA's recidivism statistics more closely with those reported by the Department of Corrections, and provides a better/more stable vantage point when looking for trends. LFO recommends changing KPMS 12 and 13 to the proposed methodology.

OYA also proposed changing KPM #14, its customer service performance measure, to a new measure that would capture customer service data through the lens of Positive Human Development. Positive Human Development provides the "culture" of the agency through six key drivers of success: safety and security, caring and supportive relationships, high expectations and accountability, meaningful participation, and community connections. The proposed key performance measure would survey youth in custody or in a community placement and their parents about their experiences with each of the six key drivers of success, with results being used to focus continuous quality improvements within the agency.

The agency has piloted the new measure in limited cohorts of youth, and has yet to develop measurable targets for results. Therefore, the Legislative Fiscal Office recommends deferring implementation of this revised performance measure to the 2019-21 biennium in order to have time to further develop and refine the surveys, methodologies, and reporting.

**SubCommittee Action:**

The subcommittee approved the Key Performance Measures as recommended by LFO.