

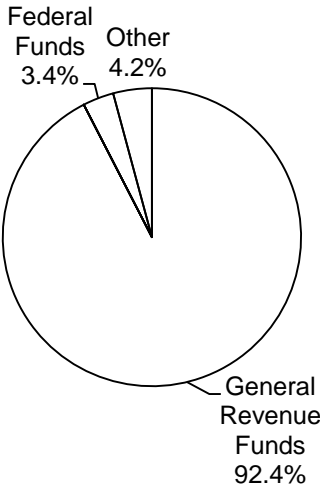
Section 1

Method of Financing	2014-15 Base	2016-17 Recommended	Biennial Change	% Change
General Revenue Funds	\$590,208,166	\$590,555,175	\$347,009	0.1%
GR Dedicated Funds	\$0	\$0	\$0	0.0%
Total GR-Related Funds	\$590,208,166	\$590,555,175	\$347,009	0.1%
Federal Funds	\$22,744,912	\$21,502,140	(\$1,242,772)	(5.5%)
Other	\$36,268,171	\$26,794,533	(\$9,473,638)	(26.1%)
All Funds	\$649,221,249	\$638,851,848	(\$10,369,401)	(1.6%)

	FY 2015 Budgeted	FY 2017 Recommended	Biennial Change	% Change
FTEs	2,855.1	2,855.1	0.0	0.0%

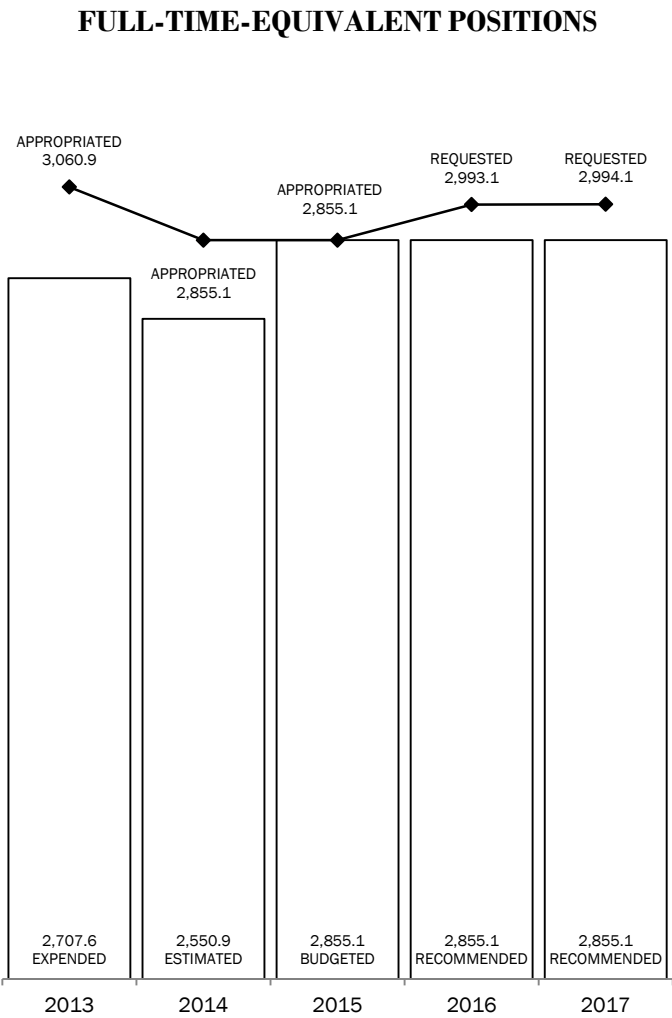
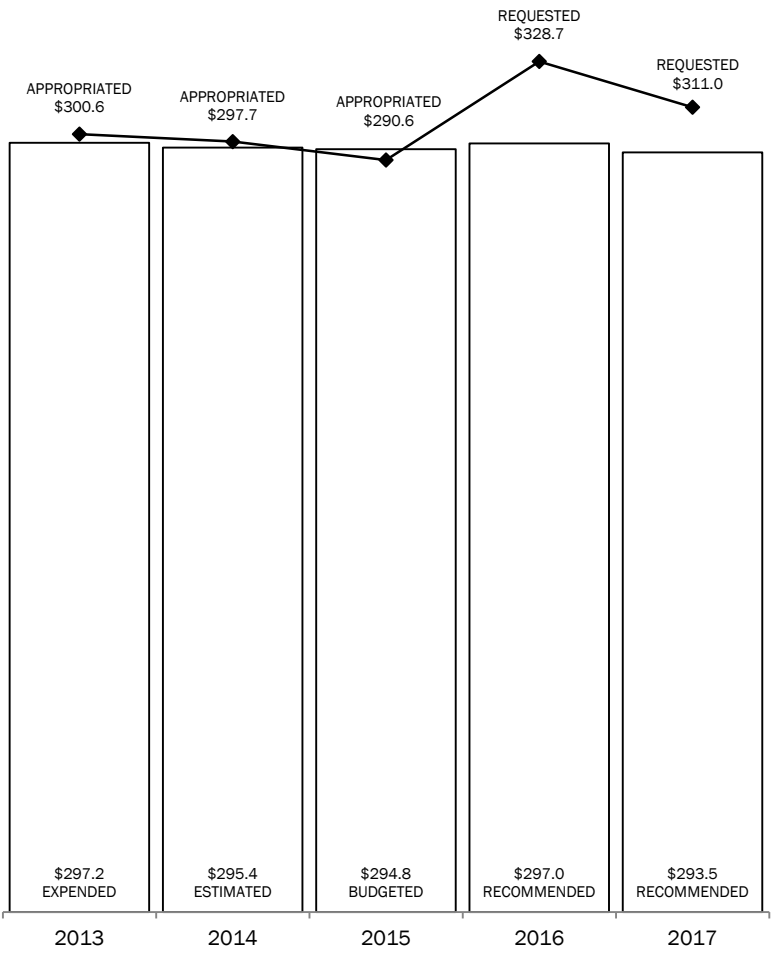
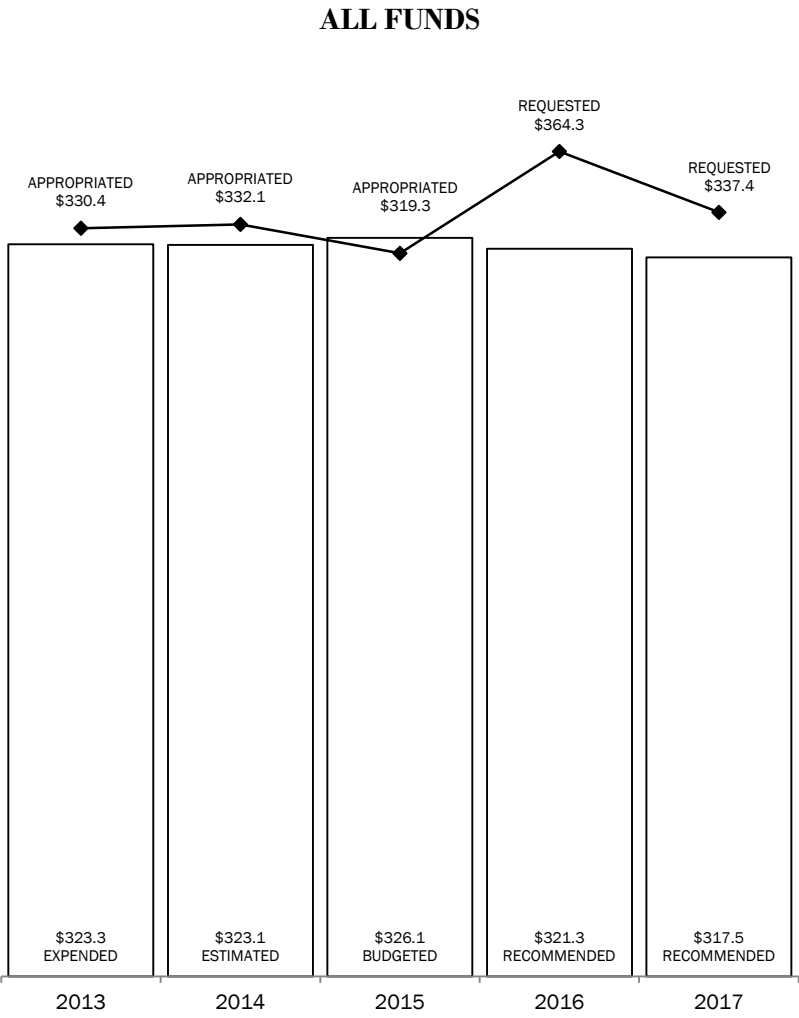
The bill pattern for this agency (2016-17 Recommended) represents an estimated 0% of the agency's estimated total available funds for the 2016-17 biennium.

RECOMMENDED FUNDING  
BY METHOD OF FINANCING



Section 1  
Juvenile Justice Department  
2016-2017 BIENNIUM  
IN MILLIONS

TOTAL= \$638.9 MILLION



Section 2

Juvenile Justice Department  
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
					In lieu of appropriations across the current goals, objectives, and strategies of the Texas Juvenile Justice Department (TJJD), recommendations include a rider that provides \$321,316,182 in All Funds (\$297,012,710 in General Revenue) and 2,855.1 full-time equivalent positions (FTEs) in fiscal year 2016 and \$317,535,666 in All Funds (\$293,542,465 in General Revenue) and 2,855.1 FTEs in fiscal year 2017 for the purpose of administering juvenile justice functions. The funding is placed in the first goal and strategy until agency organization and structure is determined.
PREVENTION AND INTERVENTION A.1.1	\$5,564,507	\$638,851,848	\$633,287,341	11,380.8%	
BASIC SUPERVISION A.1.2	\$111,783,983	\$0	(\$111,783,983)	(100.0%)	
COMMUNITY PROGRAMS A.1.3	\$63,128,207	\$0	(\$63,128,207)	(100.0%)	
PRE & POST ADJUDICATION FACILITIES A.1.4	\$51,643,916	\$0	(\$51,643,916)	(100.0%)	
COMMITMENT DIVERSION INITIATIVES A.1.5	\$39,692,108	\$0	(\$39,692,108)	(100.0%)	
JUV JUSTICE ALTERNATIVE ED PROGRAMS A.1.6	\$12,500,000	\$0	(\$12,500,000)	(100.0%)	
MENTAL HEALTH SERVICES A.1.7	\$33,687,059	\$0	(\$33,687,059)	(100.0%)	
<b>Total, Goal A, COMMUNITY JUVENILE JUSTICE</b>	<b>\$317,999,780</b>	<b>\$638,851,848</b>	<b>\$320,852,068</b>	<b>100.9%</b>	
ASSESSMENT, ORIENTATION, PLACEMENT B.1.1	\$4,187,723	\$0	(\$4,187,723)	(100.0%)	
STATE SECURE OPERATIONS B.1.2	\$160,127,317	\$0	(\$160,127,317)	(100.0%)	
EDUCATION B.1.3	\$31,406,296	\$0	(\$31,406,296)	(100.0%)	
HALFWAY HOUSE OPERATIONS B.1.4	\$20,069,427	\$0	(\$20,069,427)	(100.0%)	
HEALTH CARE B.1.5	\$17,895,314	\$0	(\$17,895,314)	(100.0%)	
MENTAL HEALTH (PSYCHIATRIC) CARE B.1.6	\$1,775,494	\$0	(\$1,775,494)	(100.0%)	
GENERAL REHABILITATION TREATMENT B.1.7	\$16,465,462	\$0	(\$16,465,462)	(100.0%)	
SPECIALIZED REHAB TREATMENT B.1.8	\$10,121,422	\$0	(\$10,121,422)	(100.0%)	
CONTRACT CAPACITY B.1.9	\$9,558,604	\$0	(\$9,558,604)	(100.0%)	
PAROLE SERVICES B.1.10	\$0	\$0	\$0	0.0%	
OFFICE OF THE INSPECTOR GENERAL B.2.1	\$4,346,607	\$0	(\$4,346,607)	(100.0%)	
HEALTH CARE OVERSIGHT B.2.2	\$1,915,753	\$0	(\$1,915,753)	(100.0%)	
CONSTRUCT AND RENOVATE FACILITIES B.3.1	\$9,836,649	\$0	(\$9,836,649)	(100.0%)	
<b>Total, Goal B, STATE SERVICES AND FACILITIES</b>	<b>\$287,706,068</b>	<b>\$0</b>	<b>(\$287,706,068)</b>	<b>(100.0%)</b>	
PAROLE SUPERVISION C.1.1	\$5,213,124	\$0	(\$5,213,124)	(100.0%)	
OTHER PAROLE SERVICES C.1.2	\$3,197,905	\$0	(\$3,197,905)	(100.0%)	

Section 2

Juvenile Justice Department					
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS					
Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
Total, Goal C, PAROLE SERVICES	\$8,411,029	\$0	(\$8,411,029)	(100.0%)	
OFFICE OF THE INDEPENDENT OMBUDSMAN D.1.1	\$1,050,636	\$0	(\$1,050,636)	(100.0%)	
Total, Goal D, OFFICE OF THE INDEPENDENT OMBUDSMAN	\$1,050,636	\$0	(\$1,050,636)	(100.0%)	
TRAINING AND CERTIFICATION E.1.1	\$2,335,986	\$0	(\$2,335,986)	(100.0%)	
MONITORING AND INSPECTIONS E.1.2	\$6,402,438	\$0	(\$6,402,438)	(100.0%)	
INTERSTATE AGREEMENT E.1.3	\$517,150	\$0	(\$517,150)	(100.0%)	
Total, Goal E, JUVENILE JUSTICE SYSTEM	\$9,255,574	\$0	(\$9,255,574)	(100.0%)	
CENTRAL ADMINISTRATION F.1.1	\$13,383,298	\$0	(\$13,383,298)	(100.0%)	
INFORMATION RESOURCES F.1.2	\$11,414,864	\$0	(\$11,414,864)	(100.0%)	
Total, Goal F, INDIRECT ADMINISTRATION	\$24,798,162	\$0	(\$24,798,162)	(100.0%)	
Grand Total, All Strategies	\$649,221,249	\$638,851,848	(\$10,369,401)	(1.6%)	

**Juvenile Justice Department  
Selected Fiscal and Policy Issues - Senate**

1. **Strategic Fiscal Review.** The agency is included in the Strategic Fiscal Review (SFR). Please refer to the SFR packet for specific information and findings. Some general observations are listed below:
- JJD experienced difficulty in completing some aspects of the Strategic Fiscal Review assignment, and was unable to provide program level information for the two legacy agencies, Texas Youth Commission and Juvenile Probation Commission, limiting the information available to fiscal years 2013 to 2017.
  - The agency ranked its programs similar to bill pattern order, meaning the agency ranked according to goal significance rather than program significance. Agency staff report that the ranking of programs was based on the agency’s enabling legislation, Senate Bill 653, Eighty-second Legislature, 2011, which amended the Human Resources Code, Section 201.002 (c), to read as follows: “prioritizing the use of community-based or family-based programs and services for youth over the placement or commitment of youth to a secure facility”. As the result of the agency’s interpretation of this statute, it ranked some programs with greater impact to outcomes lower than community-based programs.
  - Strategic Fiscal Review findings informed the 2016–17 biennium recommendations. Primarily, a number of policy issues and concerns were made apparent through the SFR process. (See Fiscal and Policy Issue #2).
2. **Block Funding Rider - Appropriation for Juvenile Justice Functions:** In lieu of appropriations across the current goals, objectives and strategies of the Texas Juvenile Justice Department (TJJD), recommendations include a rider that provides \$321,316,182 in All Funds (\$297,012,710 in General Revenue) and 2,855.1 full-time equivalent positions (FTEs) in fiscal year 2016 and \$317,535,666 in All Funds (\$293,542,465 in General Revenue) and 2,855.1 FTEs in fiscal year 2017 for the purpose of administering juvenile justice functions.

The purpose of block funding juvenile justice funding is to provide the Eighty-fourth Legislature an opportunity to discuss and address a number of fundamental policy and administrative challenges facing the state in its efforts to implement juvenile justice, and to do so in an appropriations context that is not constrained by the current budget structure of the Juvenile Justice Department. The rider in its current form is not sufficient to provide the agency with clear direction in its operations or funding. The Eighty-fourth Legislature will determine the agency’s funding and bill pattern structure, eliminating the block funding rider.

Policy and Administrative Issues

These recommendations stem from a history of issues related to the agency’s administration of state juvenile justice policy in the aftermath of the 2011 agency consolidation and during an extended period in which the served population has rapidly declined. Policy issues facing the Eighty-fourth Legislature include, but are not limited to:

- **Number, size, and geographic locations of state-operated facilities.** TJJD currently operates five secure facilities and eight halfway house facilities. An additional secure facility is not operational, but is maintained by TJJD. Current and projected populations do not support the existing capacity and the excess capacity creates operational inefficiencies, including fixed costs. The rapidly declining served population presents challenges to state policy which requires

## Section 3a

efficiencies and cost effectiveness while also maintaining statutory goals of juvenile justice facilities that are of a size that support effective youth rehabilitation and are geographically close to services and families.

- **Use of state-owned facilities and contractor-operated capacity.** The relationship between JJD's use of state-operated capacity, its planned use of increased contractor-operated capacity, and its request for 404 additional juvenile correctional officers at a cost of \$26.0 million for state-operated facilities brings to light policy issues the Eighty-fourth Legislature may choose to address. One question for the Legislature is whether and to what extent it wants to use contractor-operated facilities to address the state's current juvenile justice needs. Agency leadership states that JJD's vision includes increasing the use of contract beds in the 2016–17 biennium to provide specialized services for youth and to reduce the use of state-operated secure beds.

Recent shifts in agency policy related to the use of capacity have created potential inefficiencies in the use of state funds. In fiscal year 2014, JJD used contract capacity to a greater degree and halfway house beds to a lesser degree than was planned at the time of the appropriations process. The agency reports that this was an effort to reduce expenditures as well as to provide committed youth with specialized services. While this shift could have potentially created savings, staffing levels at state-operated facilities were not necessarily reduced despite the reduction in the use of state-operated capacity. As the result of staffing ratios, facility design, and agency preferred staffing patterns, in some cases the same number of staff are used despite the lower populations.

- **Agency authority to transfer appropriations between strategies.** JJD transferred substantially more than 20 percent out of Strategy A.1.4, Pre and Post Adjudication Facilities, during the 2014–15 biennium without submitting a request to exceed, as required by Article IX, Section 14.01 of the 2014–15 General Appropriations Act, to the Legislative Budget Board and the Governor's office. In Senate Bill 2, As Introduced, JJD Rider 1(b)(3) references the agency's transfer of appropriations between items of appropriation in excess of the limitations provided in Article IX, Section 14.01, and that the need for these transfers was the result of the agency's shift in its use of capacity. Conversations with agency staff and additional analysis subsequent to the bill's publication determined that the rider violation occurred only in Strategy A.1.4, Pre and Post Adjudication Facilities, and this transfer did not relate to a policy shift in the agency's use of capacity.
- **Safety and security of youth and staff.** Safety and security issues continue to be a TJJD policy issue. In its LAR, the agency reports a 20 percent increase in the number of complaints received by its incident reporting center from 2012 to 2014. Additionally, since the agency's inception in December 2011, it has experienced extremely high staff turnover. This includes both executive staff and frontline staff (Juvenile Correctional Officers and Case Managers). The current executive director has cited the high juvenile correctional officer turnover rate (36 percent in fiscal year 2014) as the result of staff feeling unsafe on the job. The agency had the second highest staff turnover rate in fiscal year 2014 among state agencies, according to a State Auditor's Office report.
- **Ensuring an agency administration that is transparent, responsive, and adaptable.** In the three years since the agency was created, there have been three Executive Directors, three Interim Executive Directors, and one Conservator, creating significant instability in agency policies and operations.

Senate Bill 103, Eightieth Legislature, 2007, known as the juvenile justice reform bill, amended the Human Resources Code by adding Section 61.023 which reads as follows: "Not later than September 1, 2007, the commission shall adopt a plan and begin the process of receiving accreditation for each correctional facility operated by or under contract with the commission. The Orientation and Assessment Unit at the McLennan County State Juvenile Correctional facility was accredited in 2011. With a change in agency leadership in September 2012, the decision was made not to pursue accreditation for the remaining facilities, leaving TJJD in violation of statute.

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3. **Recommendations Included in Senate Bill 2, As Introduced.** The following items are fiscal recommendations included in Senate Bill 2, as Introduced, and are included in the block appropriation amount included in JJD Rider 1:

- **Data Center Services.** Recommendations increase General Revenue by \$1.2 million to reflect current data center services estimates for fiscal years 2016–17.
- **Juvenile Justice Alternative Education Programs (JJAEP).** Recommendations reduce Interagency Contracts (transfer from Foundation School Fund No. 193) appropriation by \$4.7 million from the agency requested amount. All funding for JJAEPs comes in the form of transfers from the Texas Education Agency via an Interagency Contract. Actual expenditures were \$6.25 million per year in fiscal years 2014 and 2015. The agency is requesting \$8.6 million per fiscal year for 2016 and 2017, even though the agency is projecting a decrease in the number of juveniles served by JJAEPs for the 2016–17 biennium. This reduction aligns 2016–17 appropriations with estimated expenditures.

The agency may have included the base increase in its legislative appropriations request (LAR) as the result of a JJAEP daily rate increase the agency requested in former Rider 13. In the 2014–15 biennium the JJAEP daily rate, as defined in the rider, is \$86. In its LAR, JJD requested a revision to Rider 13 to increase the daily rate to \$96. The additional base funding moved to Strategy A.1.6, Juvenile Justice Alternative Education Programs, in the LAR may have been to accommodate this request. The funding was reduced to allow the Eighty-fourth Legislature to determine the JJAEP daily rate.

- **Lease Cost for Agency Headquarters.** Recommendations increase General Revenue by \$2.9 million for lease costs associated with the agency’s headquarters in Austin, TX. In fiscal year 2013, the agency’s Austin district office and central office staff vacated Health and Human Services Commission (HHSC) property and moved into leased space. HHSC agreed to pay the lease costs for JJD through the 2014–15 biennium. JJD becomes responsible for the lease costs beginning in fiscal year 2016.
- **Juvenile Population Projections.** Recommendations include funding adjustments related to juvenile population projections and appropriate costs per day associated with certain agency functions. The LBB staff report titled *Adult and Juvenile Correctional Population Projections, Fiscal Years 2014 to 2019 (published June 2014)*, showed slight decreases in most juvenile populations, with the exception of juvenile probation supervision, which slightly increased.
- ❖ **Basic Probation Supervision** – Recommendations increase General Revenue by \$0.5 million to provide basic probation supervision to 23,572 youth in fiscal year 2016 and 23,471 youth in fiscal year 2017. The recommendation funds Basic Supervision at the 2014–15 appropriated cost per day of \$5.40, using LBB population projections for fiscal years 2016–17.
- ❖ **Juvenile Residential Populations** – LBB staff project state residential populations as one entity. JJD determines how it chooses to use the three types of capacity available to house the projected number of youth. State residential population projections for fiscal year 2016 are 1,304 and for fiscal year 2017 are 1,288, which results in a reduction of \$4.8 million in General Revenue. Below is the agency’s preferred use of capacity for the projected population and a breakdown of the total reduction by facility type:
  - **State Secure Operations** – recommendations reduce General Revenue by \$3.0 million to house youth in state secure facilities (1,038 in fiscal year 2016 and 974 in fiscal year 2017).
  - **Halfway House Operations** – Recommendations reduce General Revenue by \$25,864 to house youth in halfway houses (146 in each fiscal year).

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- **Contract Capacity** – Recommendations reduce General Revenue by \$1.8 million to house youth in contractor-operated facilities (120 in fiscal year 2016 and 168 in fiscal year 2017).

❖ **Parole Supervision** – This is the first time LBB staff have had sufficient data to project juvenile parole populations. Recommendations reduce General Revenue by \$0.2 million to provide parole supervision to 444 youth in fiscal year 2016 and 433 youth in fiscal year 2017.

4. **Additional Recommendations.** The following items are fiscal recommendations for inclusion in the agency's bill pattern when an agency organization and structure are determined by the Eighty-fourth Legislature.

- **Community Juvenile Justice.** Reciprocal reduction of \$20.0 million in General Revenue in the Basic Supervision function, and an increase of \$20.0 million in General Revenue in the Community Programs function. The agency requested \$10.0 million more per year in fiscal years 2016–17 for Basic Supervision than was appropriated for fiscal years 2014–15. JJD reports that juveniles are committing more serious crimes and have greater special needs. This could justify additional spending in one of the programming strategies, but Basic Supervision should only reflect the cost of supervision, not the add-on services provided.
- **Refunds from Juvenile Probation Departments.** Senate Bill 2, As Introduced, includes an increase of \$1.7 million in Appropriated Receipts over the 2016–17 biennium. JJD's baseline request included an increase of \$1.7 million in Appropriated Receipts related to refunds from juvenile probation departments. The agency also requested revision of former Rider 19, Appropriation: Refunds of Unexpended Balances from Local Juvenile Probation Departments, to increase the threshold of probation department refunds appropriated to the agency by \$1.7 million. The former Rider 19 provided that \$1.2 million per fiscal year in probation refunds be re-appropriated to Strategy A.1.3, Community Programs, and that all refunds in excess of this amount be lapsed to the General Revenue Fund. This action could potentially reduce the General Revenue Fund by up to \$1.7 million per biennium because it increases the agency's authority to keep an additional \$1.7 million in probation refunds that in the current biennium are returned to the General Revenue Fund if refunds exceed the current \$1.2 million per fiscal year threshold.

Reduce the amount of Appropriated Receipts appropriated to the agency for this purpose from \$4.0 million to \$2.3 million. Revise former Rider 19, Appropriation: Refunds of Unexpended Balances from Local Juvenile Probation Departments, to provide for biennial refunds rather than annual refunds, to adjust the threshold to a biennial amount, and to clarify that the refunds are considered Appropriated Receipts (Other Funds). This is consistent with the way probation department refunds are handled in the Department of Criminal Justice and should provide a measure of flexibility to JJD as the process would occur once per biennium rather than annually.

- **Revised Structure for Parole Services.** Recommendations include clearly separating appropriations for parole supervision from that of other parole services in the agency's budget structure and riders.



Section 3b

Juvenile Justice Department  
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
Cap	3,060.9	2,855.1	2,855.1	2,855.1	2,855.1
Actual/Budgeted	2,707.6	2,550.9	2,855.1	NA	NA
Schedule of Exempt Positions (Cap)					
Executive Director	\$172,000	\$173,720	\$177,194	\$177,194	\$177,194

The agency is requesting an increase in authority only for the Executive Director Exempt Position from \$177,194 in fiscal year 2015 to \$210,000 per fiscal year.

The State Auditor's Office Report, *Executive Compensation at State Agencies* (Report No. 14-705, August 2014), indicates a market average salary of \$213,951 for the position at the Juvenile Justice Department and recommends a change from the Current Group 6 classification to Group 7.

Section 3c

Juvenile Justice Department  
Performance Measure Highlights - Senate

Note: Due to rider block funding, recommended targets for 2016 and 2017 do not show in the agency's bill pattern; amounts below are informational.

	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
<ul style="list-style-type: none"><li>Average Daily Population: Juveniles Supervised Under Conditional Release</li></ul>	5,516	2,933	3,076	2,642	2,588
Measure Explanation: Declining referrals have resulted in fewer youth placements on conditional release supervision.					
<ul style="list-style-type: none"><li>Average Daily Population: Juveniles Supervised Under Deferred Prosecution</li></ul>	7,880	7,054	6,758	6,976	6,915
Measure Explanation: Juvenile supervision populations continue to decline.					
<ul style="list-style-type: none"><li>Average Daily Population: Juveniles Supervised Under Court-ordered Probation</li></ul>	14,724	13,522	13,442	13,954	13,968
Measure Explanation: Juvenile supervision populations continue to decline.					
<ul style="list-style-type: none"><li>Rate of Successful Completion of Deferred Prosecution</li></ul>	81.4%	81.0%	85.0%	85.0%	85.00%
Measure Explanation: Success rates were within the five percent of the variance.					
<ul style="list-style-type: none"><li>Rate of Successful Completion of Court-ordered Probation</li></ul>	81.1%	81.0%	85.0%	85.0%	85.00%
Measure Explanation: Success rates were within the five percent variance.					
<ul style="list-style-type: none"><li>Average Daily Population: State Secure Facilities</li></ul>	1,156	1,069	1,045	1,038	974
Measure Explanation: In FY 2014, the agency made a policy decision to use state secure facility beds in greater numbers than estimated in its 2014 – 15 legislative appropriations request.					

Section 3c

		Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
•	Cost per Day: State Secure Facilities	\$ 196.94	\$ 206.72	\$ 201.00	\$ 197.21	\$ 197.21
Measure Explanation: The FY 2014 All Funds cost per day for state secure facilities is lower than the target as the result of the agency's policy decision to operate those facilities at a higher population than the target. Note: The 2016 and 2017 recommended amounts represent General Revenue cost per day. All Funds cost per day is unavailable at this time due to no funding being allocated at the strategy level in the agency's bill pattern.						
•	Average Daily Population: Halfway Houses	158	135	196	146	146
Measure Explanation: In FY 2014, the agency made a policy decision to use halfway house beds in lesser numbers than it estimated in the its 2014 – 15 legislative appropriations request. The agency cites fewer youth were eligible for placement in halfway houses as the reason for the policy decision.						
•	Cost per Day: Halfway Houses	\$ 190.08	\$ 199.44	\$ 131.73	\$ 177.15	\$ 177.15
Measure Explanation: The FY 2014 All Funds cost per day for halfway houses is higher than the target as the result of the agency's policy decision to operate those facilities at a lower population than the target Note: The 2016 and 2017 recommended amounts represent General Revenue cost per day. All Funds cost per day is unavailable at this time due to no funding being allocated at the strategy level in the agency's bill pattern.						
•	Average Daily Population: Contract Capacity	66	99	78	120	168
Measure Explanation: In FY 2014, the agency made a policy decision to use contract capacity beds in greater numbers than it estimated in the its 2014 – 15 legislative appropriations request. The agency cites the decision to increase its use of contract capacity beds was made in order reduce operating expenses.						
•	Cost per Day: Contract Capacity	\$ 130.82	\$ 128.24	\$ 141.89	\$ 112.73	\$ 112.73
Measure Explanation: The FY 2014 All Funds cost per day for contract capacity beds is lower than the target as the result of the agency's policy decision to contract for more beds than the target. The agency also cites a variance in costs dependant upon the type of services provided Note: The 2016 and 2017 recommended amounts represent General Revenue cost per day. All Funds cost per day is unavailable at this time due to no funding being allocated at the strategy level in the agency's bill pattern.						
•	Diploma or GED Rate (JJD-operated Schools)	41.4%	47.5%	50.0%	50.0%	50.00%
Measure Explanation: Success rates were within the five percent of the variance.						
•	Reincarceration Rate within Three Years	46.5%	43.6%	46.0%	46.0%	46.00%
Measure Explanation: The agency reports a lower than target reincarceration rate for fiscal year 2014.						

Section 4

Texas Juvenile Justice Department  
Performance Review and Policy Report Highlights - Senate

Reports & Recommendations	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

**Section 5**

**Juvenile Justice Department  
Rider Highlights - Senate**

- 1. (new) **Rider Appropriation for Juvenile Justice Functions.** The introduced bill includes a new rider that provides a lump sum appropriation for the performance of juvenile justice functions. The rider also provides detail on the program and policy issues related to the Texas Juvenile Justice Department. Recommendations delete other riders until the structure of the functions is determined.
- 2. (new) **Contingency for Behavioral Health Funds.** Add a new rider to identify funds subject to Article IX, Section 10.04, Statewide Behavioral Health Strategic Plan and Coordination Expenditures.

Section 6

Juvenile Justice Department  
Items not Included in Recommendations - Senate

		2016-17 Biennial Total	
		GR & GR-Dedicated	All Funds
<b>Agency Exceptional Items - In Agency Priority Order</b>			
1. Building Operations - Cost of one FTE to provide building maintenance/management duties not included in the lease agreement (office configuration, vehicle maintenance, warehouse coverage).	\$	93,210	\$ 93,210
2. Information Technology Modernization	\$	13,742,818	\$ 13,742,818
a-d) \$8.2 million for core infrastructure updates that includes replacement of hardware that connects the state WAN services to the agency LAN services. Switches, implementation, and support for voice and data traffic; replacement of legacy phone system that involves installation of new statewide phone system at facilities, halfway houses, district offices, and Austin headquarters as the legacy system is end of life; replacement of data traffic transport systems at facilities and the Austin headquarters, including implementation and support; and enterprise service management which involves increasing automation of certain processes, reducing IT service calls, and reducing repairs to the systems as well as provision of an automated and traceable structure to support the agency.			
e) \$1.1 million for desktop/laptop refresh to align equipment refresh to four year cycle.			
f) \$1.7 million for security control systems. Replacement of hardware that monitors and blocks harmful traffic and reports findings on the agency's LAN and WAN services to agency offices and facilities. Includes implementation and support.			
g) \$0.4 million for governance and change management - three FTEs (one governance director and two governance change management positions) to establish a governing oversight of agency IT initiatives that impact customer productivity.			
h) and j) \$0.9 million for database and application management - three FTEs (database administrator, systems analyst, and programmer) to standardize development and consolidation of the two legacy agency processes, and Active Directory Services.			
i) and k) \$1.5 million for disaster recovery planning and battery backup system			

Section 6

Juvenile Justice Department  
Items not Included in Recommendations - Senate

	2016-17 Biennial Total			
	GR & GR-Dedicated		All Funds	
3. Enhance Safety, Security, and Training in State Facilities	\$	33,990,360	\$	33,990,360
a) \$26.0 million to reduce supervision ratios to 1:8 throughout all state operated facilities, which the agency describes as "optimal staffing" (404 FTEs).				
b-e) \$7.1 million for recruitment and training (15 FTEs).				
f) \$0.9 million for additional Administrative Investigations FTEs (10 FTEs) and operations.				
4. Expand Training and Support Across Juvenile Probation System	\$	1,772,381	\$	1,772,381
a) \$0.3 million to support training for de-escalation/seclusion reduction programs.				
b) \$1.0 million to enhance training for probation departments (9 FTEs).				
c) \$0.5 for grant funds for counties to support costs associated with upcoming PREA audits.				
5. Educational Instruction and Services Enhancement		\$2,445,819		\$2,445,819
a) \$0.8 million for teachers in the Security and Redirect programs (6 FTEs).				
b) \$0.5 million for vocational teachers at secure facilities (4 FTEs).				
c) \$0.4 million for Youthful Offender Program teacher, a diagnostician for Orientation and Assessment, and a manager of special populations and curriculum (3 FTEs).				
d) \$0.3 million for workforce/education reentry coordinators to assist youth prepare for and obtain employment and/or enroll in vocational training after release from JJD facilities (3 FTEs).				
e) \$0.4 million for enhanced intramural program (1 FTE).				
6. Expand Probation and Aftercare Programs and Services	\$	5,383,600	\$	5,383,600
a) \$2.5 million to expand grants related to Prevention and Intervention, Community Programs, and Commitment Diversion.				
b-c) \$2.0 million to expand aftercare (parole) grants to study and pilot aftercare programs to reduce recidivism (1 FTE) and \$0.9 million to add parole officers to increase contact time (8 FTEs).				
7. Agency fleet vehicle replacement based on a five-year cycle.	\$	2,184,000	\$	2,184,000

Section 6

Juvenile Justice Department  
Items not Included in Recommendations - Senate

	2016-17 Biennial Total	
	GR & GR-Dedicated	All Funds
8. Office of Inspector General Additional FTEs, Vehicles, and Schedule C Salary Parity	\$ 1,233,011	\$ 1,233,011
a) \$0.6 million for FTEs to conduct investigations, apprehensions, and other activities (4 FTEs) and vehicles to support additional personnel.		
b) \$0.5 million to support Schedule C parity		
c) \$0.2 million for vehicles to support K-9 unit		
9. Capital Repairs and Rehabilitation at State Facilities	\$ 13,426,575	\$ 13,426,575
a) \$8.9 million as a request for bond proceeds for a variety of repair and rehabilitation projects including HVAC, water heater, plumbing fixture and electrical line replacement. Since bonds are not currently available for appropriation, this is shown as a General Revenue request.		
b) \$1.4 million for statewide radio refresh - replacement of all aged and end of life digital radio systems and hand held radio including lease contract and service contract.		
c) \$3.1 million for replacement of surveillance servers and DVRs. Update camera capabilities and devices that support the surveillance system. (This item should probably be considered an equipment capital budget item rather than a capital repairs item).		
10. New Construction at State Facilities to Support Education, Training, and Human Resources	\$ 3,556,566	\$ 3,556,566
a-d) \$2.5 million to expand vocational and other educational facilities and implement WiFi access		
e) \$1.0 million to expand training and HR office space to conduct these activities outside facilities' secure perimeters		
11. Increase salary cap for executive director (authority only)	\$ -	\$ -
Total, Items Not Included in the Recommendations	\$ 77,828,340	\$ 77,828,340



Section 7

Juvenile Justice Department  
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
1	Reduce grants and services to probation departments	This item would eliminate the Prevention and Intervention program, including one FTE and all related grants to probation departments. It would also reduce all other General Revenue supported probation activities by 3 percent, including eliminating the mental health programs support position. This reduction would have the impact of reducing probation departments' ability to provide front-end services, supervision, and programs to youth locally, ultimately increasing the likelihood that they will be committed to the State.	\$14,686,723	\$14,686,723	1.0	\$0	NA	No
2	Reduce oversight, training, and administrative activities	<p>OIG and Healthcare Oversight (B.2.1 &amp; B.2.2): Eliminate 2 investigators and 1 health services specialist. Impact: compromised ability to receive, evaluate and process youth allegations; jeopardized timeliness and qualitative standards of investigations; lessened investigative training, risking compliance issue; lack of sufficient support and oversight to healthcare system for nutrition, dietary, medical care, and UTMB contract management. OIO (C.1.1): Eliminate 1 FTE in year two. Impact: decreased annual visits from 236 to 189; increased response time for complaints; decreased visibility/presence in facilities; and decreased youth interviews from 2,915 to 2,335.</p> <p>Training, Monitoring, and Interstate Compact (Goal D): Eliminate FTEs in training/curriculum development (1), administrative investigations (1), fiscal field auditing (1), monitoring/inspections (1), and Interstate Compact (0.5 in year two) and related operating. Impact: loss of training for TJJD staff and inability to adapt curriculum to changing needs; inability to conduct thorough and timely internal investigations/growing backlog of cases; elimination of probation audit reviews; inability to complete annual inspection of detention facilities; difficulties in returning youth to home state as required by the Compact.</p> <p>Indirect Administration (Goal E): Eliminate 8 FTEs across legal, financial services, human resources, internal audit, executive, and technology support departments and reduce State support of JCMS project by \$150,000 per year. Impact: reduced controls in all areas related to agency budget, contracts, business processes , and other financial services; delays in responding to internal and external information requests; decreased capacity for internal monitoring; inability to properly maintain agency hardware and software systems and legacy applications; risk of data loss; security vulnerabilities; insufficient funds to support JCMS system requiring cost shift to probation departments.</p>	\$2,014,642	\$2,014,642	16.5	\$0	NA	No

Section 7

Juvenile Justice Department  
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
3	Reduce facilities operations and programs	<p>This item would close one twenty-bed halfway house and redistribute those youth among remaining houses. Closing a halfway house would have the impact of restricting future placement options, both in geographic and programmatic terms. This would also likely be a permanent decision, as prospective new facilities often meet with community resistance. This item would also reduce funds available for healthcare services to the FY2014-15 base level, limiting the agency's ability to accommodate medical cost growth and/or youth with more acute medical needs.</p> <p>In all other areas, reductions would occur predominately through staff reductions with an estimated 122 positions eliminated across secure facility operations, treatment, and parole. This would undermine the agency's ability to maintain initiatives approved by the 83rd Legislature, such as the PBIS program and increased presence of first responders. The quality of treatment programs and case management would be significantly eroded as caseloads climb a minimum of 8 to 10 percent. Most importantly, this level of reductions could not be sustained without undermining safety and security in facilities. TJJD's baseline 2016-17 request makes staffing adjustments in line with decreased secure and parole populations. An estimated 84 facility positions, primarily JCOs, would have to be eliminated to accommodate this reduction. Based on projected staffing models for 2016-17 such a reduction is expected to put the agency out of compliance with requirements in reform legislation from the previous several legislative sessions.</p>	\$12,708,431	\$12,708,431	145.0	\$0	NA	No
4	Reduce grants and services to probation departments	This item would reduce remaining General Revenue support for probation activities by an additional 5.1 percent. This reduction would have the impact of reducing probation departments' ability to provide front-end services, supervision, and programs to youth locally, ultimately increasing the likelihood that they will be committed to the State.	\$14,686,722	\$14,686,722		\$0	NA	No

Section 7

Juvenile Justice Department  
Summary of 10 Percent Biennial Base Reduction Options - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts					Included in Intro Bill?
			GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	
5	Reduce oversight, training, and administrative activities	<p>OIG and Healthcare Oversight (B.2.1 &amp; B.2.2): Eliminate additional 3 investigative and Incident Reporting Call Center staff and 1 health services specialist. Impact: failure to respond to youth allegations on a 24-hour basis; increased IRC complaints per specialist by approximately 400; increased average case-completion time by two weeks; public safety risk due to fewer officers available to respond to directives to apprehend; severe lack of support and oversight to healthcare system for nutrition, dietary, medical care, and UTMB contract management. OIO (Goal C): Begin 1 FTE elimination in year 1. Impact: decreased annual visits from 236 to 189; increased response time for complaints; decreased visibility/presence in facilities; and decreased youth interviews from 2,915 to 2,335.</p> <p>Training, Monitoring, and Interstate Compact (Goal D): Eliminate FTEs in Dawson Law Book program (1), administrative investigations (1), monitoring/inspections (2), and Interstate Compact (0.5, beginning in year 1) and related operating. Impact: elimination of annual Dawson Law Book; severe inability to conduct thorough and timely internal investigations and a greatly expanded backlog of cases; severe inability to complete annual inspection of detention facilities; difficulties in returning youth to home state as required by the Compact.</p> <p>Indirect Administration (Goal E): Eliminate additional 8 FTEs across all departments and reduce State support of JCMS by additional \$150,000 per year. Impact: compromised controls in all areas related to agency budget, contracts, business processes, and other financial services; significant delays in processing purchases and payments and responding to information requests; insufficient capacity for internal monitoring; probable failure of agency hardware and software systems and legacy applications, data loss, and security vulnerabilities; insufficient funds to support JCMS system requiring significant cost shifting to probation departments.</p>	\$2,014,642	\$2,014,642	17.5	\$0	NA	No

Section 7

Juvenile Justice Department  
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
6	Reduce facilities operations and programs	This item would reduce funds available for healthcare services to the FY2014 base level, applied to each year of the new biennium. This would significantly limit the agency's ability to accommodate medical cost growth and/or youth with more acute medical needs, and may precipitate a supplemental appropriations request during the 2017 legislative session. In all other areas, reductions would occur predominately through staff reductions with an estimated 145 positions eliminated across secure facility operations, treatment, and parole. This would include an estimated 100 facilities-based positions, primarily JCOs, which would severely compromise youth and staff safety. It would also and make it impossible for TJJD to be in compliance with recent reform legislation, especially statutorily required staff-to-youth ratios. Reductions to treatment programs and parole would have a significantly deleterious effect on outcomes, including recidivism rates.	\$12,708,431	\$12,708,431	155.0	\$0	NA	No
TOTAL, 10% Reduction Options			\$58,819,591	\$58,819,591	335.0	\$0		

Juvenile Justice Department  
Summary of 10 Percent Biennial Base Reduction Options - Senate  
Agency 10% Reduction Options by Category of Reduction

