

**TO: Chairman and Members**

**DATE: November 8, 2012**

**SUBJECT: California State Auditor's Report on Youthful  
Offender Block Grants (YOBG)**

**AGENDA ITEM: D**

**ACTION:  
INFORMATION: X**

**RESOURCE PERSON: Kimberly Bushard**

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**Issue:**

The purpose of this report is to provide an opportunity for Board Members to further discuss the findings and recommendations in the California State Auditor's (CSA), previously the Bureau of State Audits, report on the Youthful Offender Block Grant (YOBG) Program, which CSA released two days before the last Board meeting. In addition, staff will present information regarding the 60-day follow up report to CSA regarding adoption of any of its recommendations.

**Background:**

On September 11, 2012, CSA released the results of its YOBG audit in a report entitled "Juvenile Justice Realignment: Limited Information Prevents a Meaningful Assessment of Realignment's Effectiveness." In this report, CSA identifies a number of perceived shortcomings in the methods and procedures used by the Board of State & Community Corrections (BSCC) to collect and report on YOBG expenditures and outcomes. Although the report was only released two days prior, CSA's findings and BSCC's response were briefly discussed at the last Board meeting.

As part of that discussion, staff talked about three primary goals of YOBG: (1) to reduce the number of offenders in Division of Juvenile Justice facilities; (2) reduce state costs for incarceration of lower level offenders; and (3) keep lower level offenders closer to home. In response to a Board Member recommendation, staff prepared information about the successes of the YOBG program, which demonstrates these primary program goals have been met. Data specific to goals 1 and 2 are displayed in Attachments A and B, respectively. Adding to these successes is the just released Center on Juvenile and Criminal Justice report "California Youth Crime Plunges to All-Time Low," which concludes "the deincarceration of youth does not generate more crime." This clearly supports the concept of juvenile realignment and points to additional successes of YOBG.

Following release of an audit report, the CSA directs departments to provide updates regarding implementation of its recommendations. These updates are requested at 60-day, 6-month and 1-year intervals. Although this "requirement" is not in statute or regulation, the CSA expects departments to comply. Accordingly, BSCC staff developed Attachment C showing what we have done or plan to do in response to each of the CSA's recommendations and criticisms.

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**Recommendation/Action Needed:**

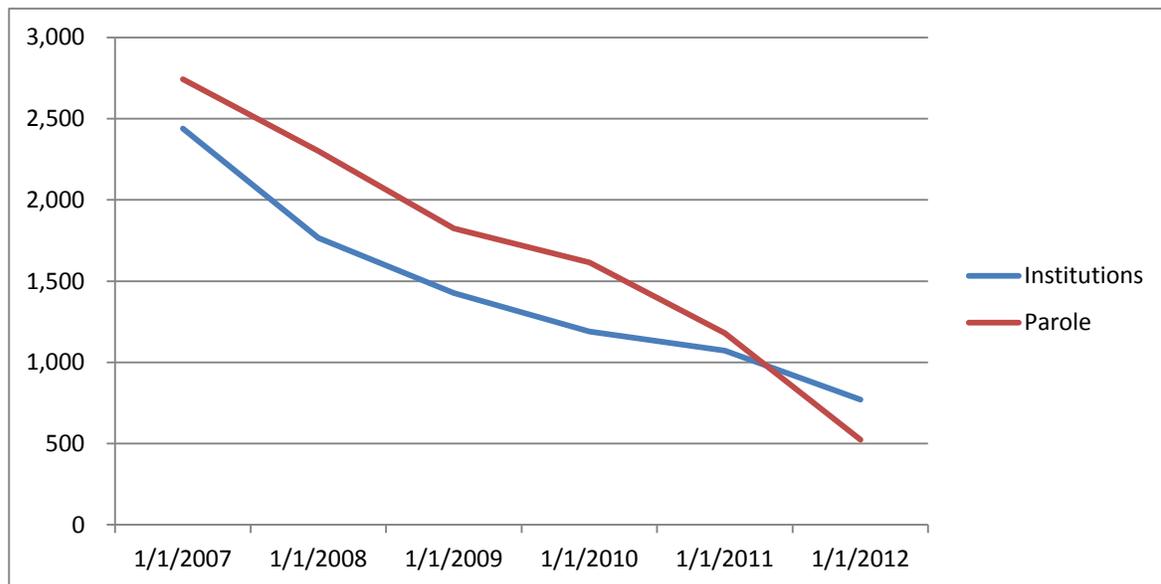
Information only; no action required.

**Resource Person:** Kimberly Bushard; (916) 324-0999, and [kimberly.bushard@bscc.ca.gov](mailto:kimberly.bushard@bscc.ca.gov)

**Division of Juvenile Justice's (DJJ) Population Decline Following Enactment of  
the Youthful Offender Block Grant Program  
Change in Total Number of DJJ Cases**

	<b>Institutions</b>	<b>Parole</b>
6/30/2007	2,439	2,742
6/30/2008	1,766	2,300
6/30/2009	1,426	1,825
6/30/2010	1,189	1,614
6/30/2011	1,073	1,179
6/30/2012	771	523
% Change	32%	19%

**Change in Total Number of DJJ Cases Following Enactment of YOBG**



**Related Changes in DJJ Offender Characteristics**

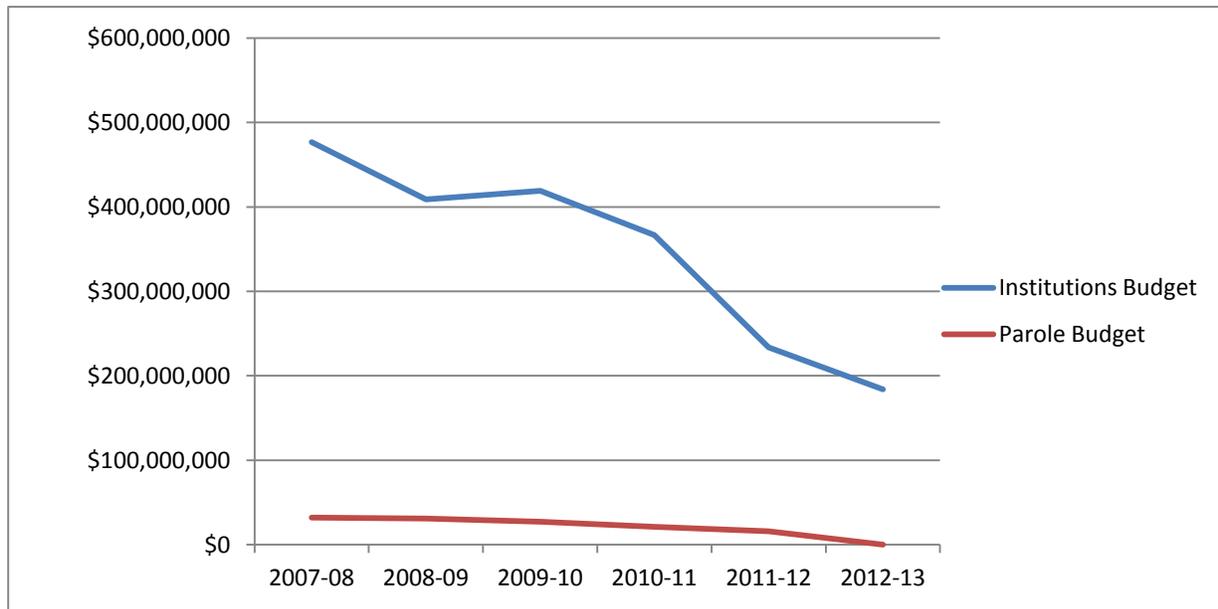
	<b>Institutions</b>		<b>Parole</b>	
	<u>6/30/2007</u>	<u>6/30/2012</u>	<u>6/30/2007</u>	<u>6/30/2012</u>
Offender Categories 1-4	62.3%	84.8%	60.2%	78.2%
Offender Categories 5-7*	37.7%	15.2%	39.8%	21.8%
Mean Age of Offenders	19.6	19.4	21.9	22.5
Ethnicity: White	13.8%	7.8%	13.6%	8.6%
Hispanic	51.7%	60.7%	51.0%	54.1%
African American	30.3%	28.0%	27.9%	33.8%

\* Categories 5-7 are lower level offenders and are the categories most likely to include YOBG-impacted youth

## Division of Juvenile Justice's Expenditure Reductions Following Enactment of the Youthful Offender Block Grant Program

	Institutions Budget	Parole Budget
2007-08	\$476,815,000	\$32,117,000
2008-09	\$408,754,811	\$31,073,000
2009-10	\$418,953,000	\$27,145,000
2010-11	\$366,603,000	\$21,226,000
2011-12	\$233,575,000	\$15,709,000
2012-13	\$183,791,000	\$0
% Change	39%	100%

**Year Over Year Changes in DJJ's Budget  
for Both Institutions & Parole**



### California State Auditor (CSA) recommendations for YOBG

CSA's recommendation	What we've done	What we plan to do
Create policies and procedures that include clear, comprehensive guidance to counties about all aspects of <u>expenditure</u> reporting.	We have begun a review of our existing directions and forms currently provided to counties.	Based on the outcome of our review, we will make needed adjustments to the guidelines provided to counties.
Consider verifying the counties' outcome and expenditure data by conducting regular site visits on a rotational basis or by employing other procedures to verify data that counties submit.	BSCC is exploring options to increase the staff resources available to administer this program.	Continue to look for options to address the need for resources.
Publish expenditure data for each county on its website and in its annual reports.	Actual expenditure reports were due from counties on October 1 <sup>st</sup> . Reports include data for FY 2011-12.	Expenditures will be posted on the BSCC website once all county reports have been reviewed and approved. There is no plan to duplicate this data in the annual report.
Create policies and procedures that include clear, comprehensive guidance to counties about all aspects of <u>outcome</u> reporting.	We have begun a review of our existing directions and forms provided to counties.	Based on the outcome of our review, we will make needed adjustments to the guidelines provided to counties.
Publish performance outcome data for each county on its website and in its annual reports.	Performance outcome reports were due from counties on October 1 <sup>st</sup> . Reports include data for FY 2011-12.	BSCC will review county outcome reports and explore options for reporting data for each county.
CSA notes the results in the first two annual reports showed a significantly higher percentage of YOBG-funded youth received a new felony adjudication, "...which implies that the block grant actually increases the likelihood that a juvenile offender will reoffend when a more plausible explanation is that offenders who pose a higher risk of recidivism are more likely to receive block grant services." Additionally, "...Although the reports state that caution must be taken in drawing conclusions regarding outcome differences for juvenile offenders who receive block grant services and those who do not... the Board should cease from making such comparisons because the results could mislead decision makers regarding the effectiveness of realignment."	The most recent round of performance outcome reports were just received from counties. No analysis has been conducted yet.	In preparing this year's annual report, BSCC will consider whether there are other approaches that can be used to present county outcome data.
The Board has never taken any enforcement action against counties because the Board believes the State Controller's Office is the fiduciary agent for the block grant.	No action has been taken.	Unless there is a need to take enforcement action, none will be taken.
Because outcome data are collected only for high risk juveniles, i.e., juveniles with a recent adjudication for a felony offense, the results reported for outcomes are not reflective of the results one might expect if based on the full range of youth who receive YOBG services, including less serious offenders and at-risk youth, and are subject to misinterpretation with regard to effects of realignment.	As mandated by law, BSCC collects and reports data related to YOBG.	In the absence of a change in state law, there is no basis for BSCC to require additional reporting from counties.