



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #271

### **Closure of Ethan Allen and Southern Oaks Girls Schools, and Transfer Juveniles to Lincoln Hills School and New Copper Lake School (Corrections -- Juvenile Corrections)**

[LFB 2011-13 Budget Summary: Page 154, #2]

#### **CURRENT LAW**

The Department of Corrections currently operates three juvenile correctional facilities, which include the Ethan Allen School and the Lincoln Hills School for adjudicated males, and the Southern Oaks Girls School for adjudicated females. Base funding for each school is:

<u>Juvenile Facility</u>	<u>Funding</u>	<u>Positions</u>
Ethan Allen School	\$23,126,900	269.25
Lincoln Hills School	19,329,300	216.60
Southern Oaks Girls School	<u>9,665,800</u>	<u>108.50</u>
Total	\$52,122,000	594.35

#### **GOVERNOR**

Delete \$23,281,600 PR in 2011-12 and \$23,167,300 PR in 2012-13 and 284.0 positions annually associated with the Ethan Allen School (EAS) and Southern Oaks School (SOGS). Provide \$1,800,000 GPR in 2011-12 and \$1,710,000 GPR in 2012-13 and 15.0 GPR positions annually for ongoing maintenance of the grounds and facilities for the closed schools.

Delete statutory language requiring the Department of Administration (DOA) to ensure that EAS and SOGS receive technical assistance for internet educational purposes, and instead provide the requirement for the new Copper Lake School. Delete statutory language requiring Corrections, with the approval from the Governor and DOA, to provide group transportation, in

the absence of convenient and public scheduled transportation, for employees of EAS.

## DISCUSSION POINTS

1. The bill would delete funding associated with the EAS and SOGS juvenile facilities. According to the Governor's Budget in Brief:

"The Department of Corrections has been unable to reduce operating expenses at juvenile correctional facilities enough to accommodate lower populations, resulting in an increasing deficit. To better manage funds and control escalation of the rates charged to counties who place juveniles in institutions, the Department will close Ethan Allen School in Waukesha County and move the juveniles to Lincoln Hills School in Lincoln County.

To further maximize savings, the Department of Corrections will close Southern Oaks Girls School in Racine County and transfer the female juveniles to Copper Lake School in Lincoln Hills."

2. Juvenile populations have been declining in recent years. The table below identifies the average daily populations for the juvenile correctional facilities for the past ten years.

Calendar Year	Average Daily Population	Annual Change In Population	
		Number	Percent
2000	948	--	---
2001	923	-25	-2.6%
2002	836	-87	-9.4
2003	737	-99	-11.8
2004	668	-69	-9.4
2005	639	-29	-4.3
2006	572	-67	-10.5
2007	591	19	3.3
2008	591	0	0.0
2009	510	-81	-13.7
2010	466	-44	-0.8

3. Funding in the bill would include: (a) -\$22,986,500 PR in 2011-12 and -\$23,048,800 PR in 2012-13 and -269.25 PR positions annually to remove funding and positions associated with EAS; (b) -\$4,647,800 PR in 2011-12 and -\$4,733,700 PR in 2012-13 and -51.10 PR positions annually to remove funding and positions associated with SOGS; (c) \$4,390,300 PR in 2011-12 and \$4,654,400 PR in 2012-13 and 36.35 PR positions annually associated with expanding Lincoln Hills School (LHS) and creating the Copper Lake School; and (d) \$1,800,000 GPR and -\$37,600 PR in 2011-12, and \$1,710,000 GPR and -\$39,200 PR in 2012-13, and 15.0 GPR positions annually in juvenile corrections' central office for ongoing facility and grounds maintenance at EAS and SOGS.

4. The positions provided to maintain the grounds and facilities of the closed schools (\$1,800,000 GPR in 2011-12 and \$1,710,000 GPR in 2012-13) would include: (a) at EAS, 6.0 power plant operators, 2.0 security officers, 2.0 custodians, 1.0 building and grounds superintendent, 1.0 electronics security technician, 1.0 facility maintenance specialist, and 1.0 facilities repair worker; and (b) at SOGS, 1.0 facilities maintenance specialist. The positions provided to expand the Lincoln Hills School and create the Copper Lake School (\$4,390,300 PR in 2011-12 and \$4,654,400 PR in 2012-13) would include: 11.5 social workers, 8.5 youth counselors, 7.1 teachers, 1.25 financial specialists, 1.0 teacher assistant, 1.0 office associate, 1.0 nurse clinician, 1.0 electronics technology security position, 1.0 facilities repair worker, 1.0 inventory control coordinator, 1.0 volunteer coordinator, 0.5 supervising youth counselor, and 0.5 advanced practice nurse.

5. Related to closing the schools, the Department indicates: "In accordance with the DOC/DJC budget item, EAS and SOGS will be fully closed meaning all juveniles relocated to LHS and Copper Lake before July 1, 2011. Similarly all staff will have moved to other positions or been laid off effective July 1, 2011, except the limited number of staff necessary to maintain both sites until such time as a determination regarding the future use or purpose of each site is made." Further, Corrections has identified the following actions related to closing the schools:

- From March 29, 2011, through May 5, 2011, 69 male juveniles were transferred from EAS to LHS. Two vacant housing units for male juveniles have opened at LHS. Three housing units have been closed at EAS, as well as its business office. As of May 4, 2011, four semi-truck loads of supplies and equipment have been transported from EAS to LHS. Male juveniles continue to be transported, with June 14, 2011, as the target date for all male juveniles to be at LHS. On May 20, 2011, there were 66 juveniles at EAS, and 189 at LHS.

- The target date for the transfer of all female juveniles from SOGS to Copper Lake School is June 29, 2011. On May 20, 2011, there were 17 juveniles at SOGS. On May 18, 2011, the Building Commission approved the Department's request to design and construct Copper Lake School for an estimated cost of \$1,573,440. The project will build a security and privacy fence between LHS and Copper Lake. Two existing housing units will be converted for use by female juveniles, and the LHS dormitory will be converted into a health services unit, visiting and classroom space for girls. In addition, the school will have a separate gate and gatehouse. To the extent that construction continues after the target date for transferring the girls, Corrections indicates it will implement procedures for complete separation of the boys and girls during transfers or movement around the grounds.

- Recruitment for LHS and Copper Lake began at the end of March and is currently underway. On March 3, 2011, all EAS and SOGS employees (292) were placed on at-risk of layoff status. Of those 292 employees, as of May 6, 2011, 137 were no longer on at-risk status, including: 98 transfers to LHS or to other departmental positions, 22 retirements, ten resignations, and seven transfers to other state agencies.

- Related to transportation policies, responsibility for transporting youth generally depends on the reason for transport, for instance: (a) counties transport new commitments while

Corrections transports releases; (b) counties transport sanctioned youth who are county-supervised, while Corrections transports sanctioned youth who are state-supervised; and (c) counties transport for county-initiated court proceedings, while Corrections transports for department-initiated proceedings. After the schools are consolidated, the Department indicates:

"[O]verall responsibility for transport will not change. However, in recognition of the additional cost of transportation to LHS, DJC will be sharing its resources to assist counties to the extent possible:

- LHS is establishing additional trip units.
  - Trip units will travel between LHS/CLS [Copper Lake] and southeastern Wisconsin on a regular schedule, and they will also have the capacity for immediate transportation of youth in other areas of the state.
  - Counties will be able to call the scheduling office and request that a county youth be transported. LHS will accommodate the request when feasible."
- Regarding visitation, the Department currently offers a free monthly bus service for visitors from Milwaukee and Madison to LHS. In July, 2011, the Department will increase the bus service to once a week, beginning in Milwaukee. The services will route through Madison every other week, and on the alternating week, the service will route through Fox Valley.

6. Closing one of the juvenile facilities has increasingly been considered in recent years, as a result of the growing juvenile correctional deficit and declining juvenile populations. In April, 2010, the Governor appointed a committee to provide an independent review of the juvenile correctional facilities, focusing primarily on Ethan Allen School and Lincoln Hills School, and to provide recommendations regarding the best correctional environment for delinquent youth which will enable them to learn, grow, and change their behavior for successful community reintegration. Members of the committee included "citizens with varied expertise and perspectives on juvenile justice and youth issues," including three circuit court judges. In June, 2010, the committee submitted its Report of the Juvenile Corrections Review Committee to the Governor and Department of Corrections' Secretary.

7. The Report's first recommendation states that "the committee believes that it is not fiscally or programmatically feasible to continue to operate two male juvenile correctional institutions and that the department should proceed with consolidation of Ethan Allen and Lincoln Hills as a first step toward significant system change. Although the vote of the membership is reflected in the [Report], the committee does not make a formal recommendation as to which JCI should be closed." Attached to this paper is a summary which provides more detail about the committee's work and the Report. As the Report indicates, a decision on which school to close was difficult. Closing a facility impacts the juveniles served, their families, the school's employees, the community, and juvenile correctional services generally.

8. As the attached summary describes, the committee voted on both the option to close EAS and transfer juveniles to LHS, or to close LHS and transfer juveniles to EAS. While a majority of the committee did not agree on which school to close, more members voted to close EAS over closing LHS. The Report included some of the following arguments for closing EAS

over LHS:

- Members were impressed by the focus and consistency of programming at LHS compared to EAS, and some members believed that LHS has more readily adopted change, for instance through changes in the behavior management/incentive system, a strong Victim Impact Program, and the Cadet Achievement Program.

- Closing EAS will likely promote more system change for juvenile correctional services to develop alternative resources in the southeast part of the state. "There is a strong network of privately operated programs in the southeast part of the state that could be further developed."

- LHS has a greater capacity for expansion and the facility is newer. The Report notes that LHS is part of a land grant, where the property is owned by Lincoln County and leased to the state specifically for the use of a male juvenile facility. If LHS were to close, the land would revert back to Lincoln County, unless the lease could be renegotiated.

- The recidivism rates at both schools "are comparable, suggesting 'distance' or 'closeness' to home does not appear to have an influence on that outcome."

9. The provision in the bill is generally in line with the committee's vote to close EAS. As such the Committee may wish to adopt the Governor's recommendation.

10. At the same time, the committee discussed and noted some of the following arguments for closing LHS over EAS:

- The location of EAS provides considerable advantage in a number of ways including: (a) connection with families and other significant adults; (b) relative richness of community-based services that could connect directly with youth while at EAS; and (c) staff diversity is a concern at both schools, and efforts to increase staff diversity would be more difficult at LHS.

- EAS has vocational program and a psychology internship program that would need to be duplicated at LHS. The Targeted Reentry program with the Boys/Girls Club for Milwaukee youth is another strength of EAS.

- Closing EAS results in higher transportation costs.

11. The Department began consolidating the schools and transferring juveniles to LHS in March, 2011. As indicated previously, the Department has already taken significant steps to close EAS and SOGS, with June 14<sup>th</sup> as a target date for all male juveniles to be at LHS, and June 29<sup>th</sup> for all female juveniles to be at the new Copper Lake School. As a result, if the Committee wished to delete the Governor's recommendation and close LHS instead of EAS and SOGS, implementation of such an alternative may be difficult. However, if the Committee wished to pursue this alternative, the bill could be modified to require the Department submit a report and request for funding by August 1, 2011 to the Committee, that would include all the following:

a. A timeline for closing LHS and Copper Lake School, and transferring all juveniles to EAS and SOGS by October 1, 2011;

b. Identify the staffing and funding needs to operate EAS and SOGS and the projected juvenile average daily populations that the schools would support for the remainder of the biennium. To the extent that projected operational costs would change from the amounts provided in the bill, the statutory daily rates would need to be modified through legislation at the time of review of the report and request; and

c. Identify any construction projects and costs needed to reopen EAS and SOGS.

d. Identify any statutory provisions that would need to be updated or amended.

12. Under the above alternative, funding of \$900,000 GPR and \$11,640,800 PR in 2011-12, and \$1,710,000 GPR and \$23,167,300 PR in 2012-13 could be placed in the Committee's supplemental appropriations for release after Corrections submits its report and request. The funding amounts represent half of the funding provided for 2011-12 and the full amount provided for 2012-13.

13. It may be noted that, in addition to recommending consolidation of the schools, the Report of the Juvenile Corrections Review Committee emphasized the role of reentry as part of juvenile corrections programming. The Report noted that while EAS and LHS were making efforts in the area of reentry, "the re-entry structure needs further attention and expanded structural changes. State and County collaboration is key in expanding the successful reintegration of youth to their families and communities." In the options to close one of the schools, the committee included opening a reception and reentry program in the location of whichever school closed. If LHS were to close, the committee recommended EAS open a "smaller, specialty secure reception/reentry program with the region. If EAS were to close, the committee recommended "opening a smaller program serving reception and reentry needs in the southeast part of the state."

14. The bill does not include funding for a reentry program in the southeast part of the state. The Department indicates that the additional costs for such a program would "negatively impact the counties through an increased daily rate." At the same time, the Report noted the potential benefit of EAS closing as an opportunity to promote system change for juvenile correctional services to develop alternative resources in the southeast part of the state. Further, in its recommendation to close one the schools, the committee stated that closing a school was "a first step toward significant system change."

15. As recommended in the Report, to the extent the Committee wishes to ensure that efforts continue to improve and promote change for juvenile correctional services, including reentry issues, especially in the southeast part of the state, the Committee could require the Department to submit a report on juvenile correctional services available in the southeast part of the state by June 30, 2012. The report could provide details about juvenile correctional services, including: (a) service providers; (b) number of juveniles served, and whether they are county- or state-supervised; and (c) costs of such services. Such a report could provide the Committee with a fuller understand

of what community services are available outside of the correctional schools. Depending on the information provide, the report may be utilized for potential legislation to create new juvenile programming, or expand or modify existing juvenile services.

## **ALTERNATIVES**

1. Approve the Governor's recommendation to delete \$23,281,600 PR in 2011-12 and \$23,167,300 PR in 2012-13 and 284.0 positions annually associated with the Ethan Allan School (EAS) and Southern Oaks School (SOGS). Provide \$1,800,000 GPR in 2011-12 and \$1,710,000 GPR in 2012-13 and 15.0 GPR positions annually for ongoing maintenance of the grounds and facilities for the closed schools. The provision includes: (a) deleting funding and positions associated with EAS and SOGS; (b) increasing funding and positions associated with expanding the Lincoln Hills School to accommodated juveniles transferred from EAS; and (c) creating the Copper Lake School for girls in Lincoln Hills to accommodate the juveniles transferred from SOGS.

2. Modify the Governor's recommendation to close Lincoln Hills School instead of Ethan Allen and the Southern Oaks Girls Schools. Specify that \$900,000 GPR and \$11,640,800 PR in 2011-12, and \$1,710,000 GPR and \$23,167,300 PR in 2012-13 be placed in the Committee's supplemental appropriation for release to the Department after Corrections submits a report and request for funding.

Require Corrections to submit a report and request for funding by August 1, 2011, that would include:

a. A timeline for closing LHS and Copper Lake School, and transferring all juveniles to EAS and SOGS by October 1, 2011;

b. Identify the staffing and funding needs to operate EAS and SOGS and the projected juvenile average daily populations that the schools would support for the remainder of the biennium. To the extent that projected operational costs would change from the amounts provided in the bill, the statutory daily rates would need to be modified through legislation at the time of review of the report and request; and

c. Identify any construction projects and costs needed to reopen EAS and SOGS.

d. Identify any statutory provisions that would need to be updated or amended.

3. Require the Department to submit a report on juvenile correctional services, including: (a) service providers; (b) number of juveniles served, and whether they are county- or state-supervised; and (c) costs of such services. Specify that the report be submitted by June 30, 2012.

Prepared by: Chris Carmichael  
Attachment



## ATTACHMENT

### Juvenile Corrections Review Committee Summary of Committee's Options Considered and Final Recommendations

1. In April, 2010, the Governor appointed a committee to provide an independent review of the juvenile correctional facilities, focusing primarily on Ethan Allen School and Lincoln Hills School, and provide recommendations regarding the best correctional environment for delinquent youth which will enable them to learn, grow, and change their behavior for successful community reintegration. The committee met seven times, including meetings, touring Ethan Allen and Lincoln Hills Schools, reviewing relevant documentation and hearing testimony from those involved in the juvenile justice system. In June, 2010, the committee submitted its Report of the Juvenile Corrections Review Committee to the Governor and Department of Corrections' Secretary. Regarding the work of the committee, the report stated:

"Both in the initial statement issued by the Governor and the initial presentation and statement to the committee by Secretary Raemisch, it was apparent that this charge represents a serious and legitimate interest in seeking an 'outside' perspective on how best to move the juvenile correction system forward. The committee did not begin its work with a focus solely on consolidation. In fact, the committee gathered information that helped inform options from closing neither facility to closing both Ethan Allen School (EAS) and Lincoln Hills School (LHS) (and creating smaller, regional secure facilities). It was clear that if consolidation was necessary, making a recommendation on which facility should be closed would be a difficult decision and that 'if this was an easy decision, it would have been made already.' Our work only served to reinforce and deepen our understanding of the complexity of the issues involved, the opportunities this change presents, the impact(s) our recommendations may have, and the challenges faced in implementing substance changes in the system."

2. The committee members were "citizens with varied expertise and perspectives on juvenile justice and youth issues." The eleven-member committee included three circuit court judges, including two from Milwaukee County and one from Vilas County. The judges accepted appointment to the committee, believing it was important to provide judicial input concerning juvenile justice issues. However, at the first meeting, they informed other members that pursuant to the Code of Judicial Conduct, the judges may have a limited committee role and would abstain from a vote on institutional closure because of ethical obligations.

3. At the last meeting, where voting on formal motions and recommendations occurred, nine of the eleven committee members were present, with two judges absent due to court conflicts. According to the report, the co-chair informed the committee that "he thought that a majority of the Committee membership was needed to formally pass on a vote. However, he had not conferred with the committee regarding this issue. No one objected to his suggestion."

4. The committee then voted on the option of closing Ethan Allen, where five members voted in favor, three members opposed, and one member abstained. Since the vote was not a majority to formally pass the option, the committee then voted on the option of closing Lincoln Hills, where three voted in favor, five opposed, and one member abstained.

5. Related to closing Ethan Allen and transferring juveniles to Lincoln Hills, the option the committee voted on included opening a smaller program serving reception and reentry needs in the southeast part of the state. The Department of Corrections had recommended that an unused building at Southern Oaks School be converted for the reception/reentry purpose. Discussion on this option included the following:

"• Many members were impressed by the focus and consistency of programming at LHS compared to EAS, and some concern was expressed related to the data and reports at EAS that, despite a good program overall reflected more problem behaviors by youth and dissonance among staff.

• Some members believe that LHS has more readily adopted change, for example through changes in the behavior management/incentive system, a strong Victim Impact Program, and the Cadet Achievement Program.

• EAS has a vocational program and an APA-approved psychology internship program that would need to be duplicated at LHS. Note that the department indicates that some changes will occur in the psychology intern program regardless of this decision. The existing Targeted Reentry program with the Boys/Girls Club for Milwaukee youth is another strength of EAS.

• The location of EAS provides a considerable advantage in a number of ways (therefore suggesting it should not be closed) including:

• The ability of families and other significant adults to connect (visit, participate in meetings, etc.) with their child during confinement and/or for purposes of successful reentry planning.

• The relative richness of community-based services that could connect directly with youth while they are still at EAS.

• That although visitation data does not reflect the desired involvement of families or substantial differences between the facilities, that closing EAS places greater barriers to improved family engagement due to the vast majority of youth being from the southeast quadrant of the state.

• Staff diversity is a significant concern, and any efforts to increase staff diversity would be hampered by closing EAS and relying on a less diverse pool of future employees in the LHS area.

• It is important that the "community" become more involved in overall JCI program efforts, and moving youth to LHS reduces the likelihood that would occur and, in fact, contribute to a perception among community members that youth are just being "sent away".

• Closing EAS adds to eventual higher transportation costs that would be incurred by local jurisdictions, parents, and the department that are incurred when youth are placed, transported to court, returned near/to the

community for reentry purposes.

- Some members note that the length of stay at a JCI is relatively short, making the "distance" from home less of an issue, particularly if combined with a reception/reentry program in the southeast (as recommended by the department).

- As noted, current visitation data does not reflect increased family involvement at EAS even though it is located substantially closer to their home.

- The department has increased use of video-conferencing and telephone-conferencing to engage family members in critical case planning as well as maintaining contact with their child. This capacity will continue to grow and can help ameliorate some of the problems resulting from the distance to LHS.

- Closing EAS will promote greater system change than closing LHS in that it is more likely that alternate resources can be developed in the southeast portion of the state than near LHS. There is a strong network of privately operated programs in the southeast part of the state that could be further developed.

- No matter which facility is closed, a high priority has to be placed by the department on reentry planning.

- LHS has a greater capacity for ultimate expansion, if needed. The available acreage and configuration of LHS provides greater flexibility. Additionally, the facility at LHS is simply newer, the cottages provide more space for programming, and the eventual operating costs would be lower.

- The recidivism rates at LHS and EAS are comparable, suggesting that "distance" or "closeness" to home does not appear to have an influence on that outcome."

6. The report indicates that discussion of the option to close Lincoln Hills, transfer juveniles to Ethan Allen, and open a smaller, specialty secure reception/reentry program in the northern part of the state intertwined with the discussion points above regarding closing Ethan Allen. Additional points included:

- "• There would be some challenges in closing LHS as it relates to

- Meeting the state statutory requirement to operate a training school in the northern part of the state.

- Operating a reception/reentry program - in particular the plan related to reentry would likely include creating a reentry phase program on the Horseshoe Lake property near LHS.

- LHS currently does serve as a short-term detention option for youth in the northern part of the state, albeit on a relatively infrequent basis. The capacity for short-term detention would have to be developed through local jurisdictions or some form of regional collaboration.

- The department is pursuing options to access additional funds to support vocational programming for youth at LHS.

- There is a sense that LHS is functioning at a very high level and reflects a more cohesive and unified program effort that is evident at EAS. As it related to existing program operations, EAS would need to make some changes to improve staff cohesiveness and consistency.

7. Following the votes on the above options, the majority of the committee (eight in favor, one abstained) did vote in favor for the following recommendations:

- "• The committee believes that it is not fiscally or programmatically feasible to continue to operate two male juvenile correctional institutions and that the department should proceed with consolidation of Ethan Allen and Lincoln Hills as a first step toward significant system change. Although the vote of the membership is reflected in the information above, the committee does not make a formal recommendation as to which JCI [juvenile correctional institution] should be closed.

- The committee recommends that the department appoint an advisory group to assist with transition/ consolidation efforts if/when they occur. This committee may be made up of parents, county staff, service providers, members of the faith community, youth advocates, or others who have a stake in the success of the transition. The immediate purpose of the advisory group is to assist the department in making a transition that maintains the high quality of existing programs and supports communications with critical stakeholders.

- The committee recommends that following the transition/consolidation attention be turned to a collaborative process with counties to revisit opportunities for continued improvements in the juvenile justice system including improvements in the Youth Aids funding system and potentially suggesting alternative funding options.

- The committee recommends that additional fiscal measures be taken to lower or slow the rate of growth in the daily rate(s), including: (1) utilizing funds from general school aids to pay an appropriate share of the school costs at the institutions, (2) funds generated through participation in the federally supported school breakfast/lunch program be applied as revenue to the division, and (3) appropriate fixed operational costs (e.g. utilities and maintenance costs) be supported by general program revenue rather than being included in the daily rate(s).

- The committee commends DJC Administrator Margaret Carpenter for the changes that have been made over the last 18-20 months in the division and makes a recommendation that Margaret Carpenter be retain as DJC Administrator in the next administration."