
Governor's Community Corrections Advisory Council

Meeting Minutes

Friday, February 2, 2018
12:00 PM to 4:30 PM
Division of Criminal Justice
710 Kipling Street
3rd Floor Conference Room, Suite 308
Denver, Co 80215

Welcome New Council Member and Introductions:

Glenn introduced, Tim Hand, the Director of Larimer County Community Corrections. He was appointed to fill the seat vacated by the resignation of Michelle Monzingo to represent the community corrections providers.

Council members in attendance today:

John Draxler, Bill Cecil, Kathy Delgado, Shannon Carst, Doug Erler, Eileen Kinney, Chris Dewhurst, Greg Mauro, Melissa Roberts, David Lipka, Tim Hand and Joan DiMaria.

OCC Staff and guests in attendance today:

Glenn Tapia, Valarie Schamper, Chrystal Owin, Aaron Stewart, Cara Wagner, Tahnee Santambrogio, Shawna Nichols, Cynthia Lockwood, Cassi Sattazahn, Courtney Kramer, Alison Birchard, Charity Bellerdine, Frances Faulk, Angie Riffel, Jeaneene Miller and Daniele Wolff.

Review and Approval of Minutes from September 1, 2017

There were no changes suggested to the minutes from September 1, 2017. A motion was made to accept them as written Shannon Carst and he was seconded by Doug Erler. The Council voted unanimously to accept the September 1, 2017 minutes as written.

Community Corrections Utilization Status

COUNCIL RECOMMENDATIONS/UTILIZATION GROUP

Glenn summarized the Council recommendations regarding community corrections utilization in a memorandum that was shared with the utilization working group and Representative Pete Lee at the State Capitol. The topic of community corrections utilization also came up in the Joint Budget Committee (JBC) meetings and is an important topic being discussed around the state. Glenn advised the Council that the work they did in September was shared with the Governor's office and the recommendations were dissected to what was actionable and what was not. These recommendations were used by the working group to create some initiatives to improve utilization.

Glenn noted that some, not all, of the recommendations aligned very well with actionable steps presented by the utilization group and he would outline those details in today's meeting. Glenn also explained that today's conversations will be part information-sharing and part requesting feedback from the Council about any issues that might arise from the ideas discussed today. The JBC asked the following questions regarding community corrections utilization:

1. What are the problems leading to the utilization issue?
2. What are some solutions that we can adopt?

The problems leading to utilization (open beds) are never an issue of the practices of one single agency. We all, as part of the system, share the responsibility to improve systems and practices, which then will start to resolve some of the issues surrounding utilization. Glenn said his presentation to the JBC focused more on solutions rather than the problems themselves. While the conversations during the hearing were fairly innocuous with very little contention or controversy, the JBC is definitely interested in the utilization issue due to budgetary issues they are facing with the state prison population.

The following were areas of consensus between the Council recommendations and the utilization group (members of the utilization group include Shannon Carst, Greg Mauro, Melissa Roberts, and Glenn Tapia, Travis Trani, Brian Hulse, Christie Donner, Jennifer Hoffman and Alex Walker):

- ◊ The proposed bill would close the feedback loop between the parole board and the community referral unit from the Department of Corrections (DOC). The bill would have the parole board get the referral information to the community referral unit from DOC about offenders they want referred to community corrections. The referral unit would then get the information back to the parole board that the requested referral has been made.
- ◊ The bill proposes that clients who go through community corrections successfully would be scheduled for a parole board hearing and the only way the offender would be denied parole would be from a decision from the full board rather than a single board member. Glenn conceded that he is unsure how the full parole board will respond to this proposed change as it is basically an earned parole status. Community corrections would have to do a good job making sure clients are doing the correct things they need to do to progress through the levels in community corrections so they can be released to the community on parole once they progress through level four. There would need to be better communication and information sharing between the community corrections facilities and the parole board to facilitate these decisions.
- ◊ In the new bill, community corrections boards would be required to implement structured decision making tools for their decisions that combine professional judgement and risk/need assessment details to accept or deny offenders into community corrections. They will also be responsible to submit electronically, the reasons for denial back to the DOC referral unit. Additionally, new bill would require that subsequent referrals to community corrections would happen 6-12 months of the original denial.
- ◊ DOC would need to develop a method for the boards to communicate with them. DOC would need to improve the information flow between them and the community corrections board and facilities to include updated risk/need assessment, behavior information, readiness

information, verified parole plans, substance abuse information, and victim information. The subsequent referral will become mandatory rather than discretionary (as it is now) to keep referrals going into community corrections. There will be a few exceptions; for example: major class 1 violations, extraditable warrants, detainers, petty felony charges. Currently the parole destination jurisdiction has the first right to refusal of an offender – that will continue to stay intact unless an offender is assessed for Intensive Residential Treatment.

- ◊ The proposed bill requires DCJ to provide annual training to the community corrections boards on structured decision making and other relevant topics; this requirement is a derivative of a CCJJ recommendation. DCJ will also provide training to DOC institutional staff, and some parole staff as well, to learn about community corrections so they can better assist offenders as they move through the system. Through training these different departments, Glenn sees an opportunity for DCJ to help with the communication flow between the levels of state and local entities. DCJ will be required to collect data regarding process measures, outcome measures, referral trends, acceptance trends, and the status for implementation of structured decision making. This data will be reported in an annual report due every year in February. DCJ does not collect data of this nature at this time so a data collection process and system for this information will have to be developed. The goal of this extensive data collection would be transparency about the process and the system and allowing the data to shape future decisions about the system.

The utilization group agreed to all of the above steps. Glenn advised that the Council recommendation (also in previous recommendations around this topic) to change the statute that originates the mandatory referral, currently based on time served and the type of crime; and make it instead, risk-informed and based on risk, need, readiness and behavior. The utilization group discussed this recommendation at length and was unable to develop a framework that did not create other major problems once implemented.

This is the proposed bill that is working through the legislation at this time. Glenn asked for feedback to from the Council on this proposed legislation; things he should watch for, things that might be cause for a warning, implementation issues.

John Draxler asked if the decision-making tool for the boards was going to be the same for all the boards. Glenn explained that the tool will need to be designed per each individual community corrections board based on their local environment. Greg Mauro spoke to developing Denver's tool and advised that the tool will need to include the local differences. He further explained that some of the factors would be very similar, but having to choose to design for your own board is important. Judge Delgado asked who would approve the plan/tool for each board. Glenn stated that he would like to assist in the development of the tool but advised that the local government should codify the tool. The tool should meet some basic principles (objective, transparent, consistent, using risk/need information, using professional judgement) but the data will show more about the performance of the board with the tool. Greg explained that having a tool helps them collect data that they were not able to collect before. They have had it for quite some time and have had board members cycle in and out. Denver is at the point where they are ready to learn from the tool and will soon be revising their tool based on data they have been collecting.

Greg said the tool was helpful in structuring decisions and being transparent about the process. He explained that board behavior can't be changed or evolve if you are not able to measure trends in the data collected using the tool. This fact was an unintended benefit from implementing the tool. Judge Delgado asked if that is the training that DCJ staff would be providing to the boards to assist in development of their tools. Glenn expressed that he would like to be able to help boards request assistance from a consultant. Shannon asked where consultant money would come from.. She asked if there might be a fiscal note to pay for consultant work for the boards. Glenn added there would be a fiscal note attached to the bill to request the funds to support boards in developing their SDM tools Joan asked if there is an avenue for information sharing between boards; could the boards work together to develop their decision-making tools. Greg explained there are informal avenues for this information sharing between boards. The board association meets quarterly and there is opportunity there to share information. Greg noted that the next board association meeting is at the end of February and Denver, Boulder and Mesa are presenting information on the work they have done in this area.

DCJ helped share the tool information with other boards a few years ago by presenting the tool Denver developed at meetings around the state. DCJ's role in this process can to provide the basic tenants for structured decision making but for development and training on their individual tool, there will need to be a state and local partnership to figure out how that will work. Greg explained that as more board develop and implement a structured decision making tool, the tools themselves will evolve faster, providing for more learning opportunities for everyone. Eventually, this could lead to finished product that is consistent around the state. For right now though, he believes it is better to have individual tools for each board.

Tim Hand explained how Glenn came and presented to their board regarding structured decision making and how helpful it was. Glenn explained the political issue that could develop from these conversations is the perception that the state is imposing a decision-making practice. He then explained that he sees it as the state mandating the use of a decision-making tool but that is all; the details of what that exactly looks like is the responsibility of the board. Judge Delgado liked the idea of the local boards developing the tool in their own environment to include their local culture and issues. She stressed that role of the state should be clarified at the beginning of each jurisdiction's development of their tool.

Eileen asked if there are data elements that DCJ will need all the boards to collect to in order to publish the annual report as outlined by the proposed bill. Glenn stated that yes there will be, but currently there is no centralized data collection for any of these data points. He explained that we will have to rely on what is collected at the local level. There is work being done right now by a group made up of board administrators to standardize these data points and collect and report them in the same way. There will have to be a process developed that assists DCJ in collecting this data annually for the report. Eileen inquired that if boards need to collect certain data, as defined by the bill, for the annual report, wouldn't that result in some standardization of the data. Glenn then relayed a scenario where the data from two different jurisdictions could mean something different based how the placements decisions are made with in a particular jurisdiction. Shannon Carst and John commented that there are so many factors involved when it comes to rejections an offender for community corrections that is can be very complex. Glenn acknowledged that referrals also can be very complex as they are coming from both DOC and the courts. He explained the

importance of finding a way to converge the data so it can be accurately reported from all jurisdictions from both the court referrals and the DOC referrals. Greg agreed with the complexity of the referrals and added that referrals from the courts are true referrals as a judge is looking at the offender's record and other information leading up to his sentencing. He then explained that the referrals from DOC are based not on information but on time spent in jail as they are statutorily mandated to refer offenders to community corrections at set times during their DOC sentence. There is no informed decision making at the DOC level for this referral. Joan stated that risk-informed decision making is as important for DOC transition offenders as it is for court referrals. Glenn expressed that they have been looking for a solution to this, but have yet to find one that solves the issue without creating three new problems. Melissa Roberts explained that this was a topic of discussion in the ISPI work group and while they did not find any good solutions, it is an important enough topic that work will continue to find a good solution. Glenn acknowledged that the working group knows this bill is not a complete fix but it is an incremental movement in the positive direction.

Tim asked for clarification of the full parole board process as defined by the bill as he expressed that it might increase the workload for the parole board members. Glenn explained the process and gave clear examples how this would work with the parole board. Melissa responded that Alex Walker (parole board member) said it could possibly reduce the number of cases they see. Glenn then gave several more examples of different parole board scenarios with discussion from the Council. The important piece of all of the scenarios is that the parole board is getting enough good information about an offender's time while they were in DOC to make an informed decision. He acknowledged that there are cases that were approved but may not have been, had all the relevant information been provided, but it will be up to the providers and DCJ to improve the process around sufficient information sharing with DOC and in turn, the parole board. Tim Hand asked if those offenders who are subject to a full board review are still required to go through that process or can the single board member make the decision as prescribed by the proposed legislation. Melissa answered that this proposed legislation changes that entire process and, a single board member can choose to parole someone who previously would have had to go before the full board based on the offense and severity of the crime. Judge Delgado expressed some concerns about how the parole boards works regarding single board member or full board decision. Glenn responded that currently most decisions (both yes and no) are made by a single board member rather than the full board. The bill proposes that a single board member, assuming they have been provided with all of the relevant information from DOC, can say yes, but if they say no then the full board must review and determine whether or not an offender will be paroled.

Glenn also explained that the bill would allow institutional case managers have the option to assert a recommendation for community placement as these offenders are referred to community corrections. Victims issues will be tied to the tool and will be addressed on a case-by-case basis. Bill commented that some boards historically will deny an offender if a victim comes to testify. Glenn advised that the boards would need to use their tool, risk/need assessments, professional judgement along with consideration of victim testimony.

Tim Hand asked about pre-parole plans and Melissa explained that they would have one as it should be started when the offender begins level 4 while in community corrections. There is a thirty-day time frame and that makes it more administratively challenging.

Alignment of the all the information available from DOC, the boards and the community corrections providers is an important part of this proposed legislation. Greg asked about a time frame to get this

whole process implemented. Ideally, Glenn would like to see a two-year process to implement this proposed legislation. From the training of the boards in structured decision making and letting them develop their tools to the finalization of the communication process between DOC, community corrections boards and providers and the parole board.

Shannon asked what Glenn was going to do with the feedback provided by the Council today. Glenn summarized that he is not really hearing any major objections from the Council to this proposed legislation, that this feedback sounds more like implementation issues. If the bill is passed, Glenn will refer to these conversations as the process moves forward towards implementation so that he knows what to watch out for and how to handle it. Judge commented that she believes this is a good idea. Glenn agreed and reiterated that it is not intended to fix all the issues but will move community corrections in a positive direction. Melissa expressed that there is a lot of support for the bill and there is a good chance it will pass.

Glenn explained that the JBC may see this bill as also a way to help with the DOC capacity issue as they have been looking at going back to a budgetary goal for DOC and community corrections to have a certain amount of inmates in the community and community corrections. Glenn explained that currently 6.3% of the total DOC population is in community corrections. The budgetary goal would have a set percentage and DOC and providers would have to work together to have the capacity. John expressed concern with releasing and putting folks in community corrections for the sake of meeting a goal could lead to problems, especially if someone is not ready to go out to community. Glenn and Greg both said it is only a budgetary goal; it is not a performance goal. It is intended to put pressure on the departments to make sure they are referring inmates out as prescribes.

Doug Eler asked if there was discussion around where some of these bullet points would attach to the local programs themselves. Glenn deferred the question to Shannon, saying that there is not much for the programs to do except what residual comes from the referrals. Shannon comments there will be some tracking of referral data by the programs and the 2017 community corrections standards also outline that programs will be using structured decision making on referrals to their facilities.

Glenn confirmed with the Council that they had no major concerns about the bill itself, that their concerns more implementation based. The Council also agreed that this is a positive step forward. Glenn thanked the Council for their feedback on this discussion.

Performance Measurement and Performance Based Contracting

To start this segment of the Council meeting, Glenn expressed that the purpose of the following conversation is to share information and be transparent. There are some topics to be discussed by the JBC at this time that could change community corrections with regard to performance-based contracting. He explained that he will be giving the Council an overview of the DCJ plan going forward around audits and quality assurance, unexpected JBC discussions, implementation schedule alignment discrepancies and how to design performance-based contracting.

JBC HEARING

Glenn explained the process of the JBC hearing and briefing. The hearing was held just a few days before Christmas. We then have just a few days to respond to the questions asked and then the JBC briefing is a couple weeks later where we answer questions from the JBC.

The JBC expressed interest in getting performance-based contracting started sooner rather than later with a few questions.

- JBC proposed adding four full-time, temporary employees to the Office of Community Corrections with the intent of speeding up the baselining of the PACE. Could the entire PACE baseline be complete by the end of June 2019 with the addition of four staff members?
- The JBC also asked what issues might arise if the facility payment appropriations (4.2 million dollars currently shared equally between all providers) were to be repurposed to fund performance-based contracting for community corrections. How would this effect smaller programs?

The DCJ responded with the following answers:

- Four term-limited staff would help accelerate the PACE baselining, however, we will not be able to complete the PACE baselining by June 30, 2019 even with the additional staff. The training involved with bringing on new staff in addition to the two new staff who have recently started with our office is significant. We could complete it by the end of calendar year 2019. Because the positions are term-limited, it would be incredibly hard to hire the right candidates for the positions. Glenn asked if the JBC might consider making the positions permanent. The current schedule for the PACE evaluations is once every 3-4 years for each program. With four additional staff, that schedule would be once every two years for each program.
- Is it the right thing to do to take the facility payments to pay for performance-based contracting? Currently this money is shared equally among all the facilities (\$123,000.00 flat payment per facility). Historically, these funds have been used for staff salaries/retention, evidence-based practice implementation costs, and PREA compliance. This is a contentious proposal as it is taking money away from providers that has been granted up to this point. The facility payment appropriations make up about 6% of the entire community corrections budget. Glenn offered that 6% of overall state appropriation is a modest investment in PBC and that the money could be re-purposed to fund performance-based contracting, if desired by the General Assembly. The important question surrounding this, is whether or not it is the right thing to do. The good performing providers have the potential to earn more than the standard \$123,000 while the underperforming programs, whether they are those with smaller economies of scale or larger economies of scale, could find this practice challenging. Glenn admitted that he is not sure this is the best way to address this, but if the JBC wants to proceed that way, then it is possible.

DCJ-OCC PLAN MOVING FORWARD

When they were developed, the new standards were separated into three categories.

- ◊ Core security – these items (approximately 20 standards) are currently measured by DCJ during the regular audit process.
- ◊ Behavior Change (PACE) – These items are measured by the PACE.
- ◊ Behavior Change (New QA Process) – These items will be measured by the quality assurance (QA) process that is currently being developed by DCJ staff. This process will look completely different from the current audit process used by DCJ staff. It will include different types of feedback for the providers that gives progress reports and focuses more on the quality of the work being done with regards to behavior change rather than just the quantifiable metrics.

The new standards are being measured in these three categories. The idea is for DCJ staff to work through the PACE and the QA processes and then to equip the boards with the training and tools necessary to perform the core security audits; initially with the help of DCJ staff and eventually on their own. Boards are already doing audits as part of their statutory contract responsibilities. Glenn advised that he has been working the board administrators group to discuss the negative and positive points of doing the audits this way and there is agreement that this is something they can do.

Currently, the audit team is developing the tools for the core security audits. This work will continue until about May. Glenn reminded the Council that new standards change everything the DCJ does as well so developing these tools takes time. The PACE will also begin again in May, once the training of our new staff is complete.

Towards the end of this year, the DCJ will start developing the tools and methods needed for the QA process that will begin in 2019 as well as continuing specialty audits.

In 2019, DCJ staff will be working with boards to train them on the audit tools, co-auditing with them and co-author the audit reports with them. We will also launch the QA process around the behavior change items not covered by the PACE later in 2019. This would be the time when we would need to start thinking about a legislative request and/or a fiscal note to address performance-based contracting in 2021 (if they do not act on this now).

Ideally in 2020, the boards are performing the security audits, the PACE baseline is complete, we are doing the QA process and we will be requesting funding for performance-based from the legislature for fiscal year 2021.

When the standards were published in July of 2017, Glenn had written a cover letter and sent it out to all stakeholders around the state (boards and providers). It was also posted on the DCJ website. It advised providers to work on implementing the core security standards during 2017 and early 2018. The letter advised that DCJ would start the measurement process of these core security standards in early 2018. The letter also advised that the PACE would give the providers behavior change feedback and the providers could choose where they wanted to begin their implementation work. The idea was the core security details are easier to get implemented whereas, the behavior change details for both the PACE and the QA process are a gradual implementation.

At the time the standards were released, the Coalition also released an implementation plan for the new standards. The plan included lists of items that could be completed by January 1 2018 and also January 1, 2019. There are some discrepancies in the list between when the Coalition will have some standards implemented and when the DCJ is going to begin measuring those standards. Of the 20 core security standards, two items were listed on both the 01/01/18 and 01/01/19 Coalition implementation lists and four others were on the 01/01/19 list only. Glenn ask Shannon Carst and Tim Hand for clarification on these six items and for some direction from the Council on how to resolve the discrepancies.

Shannon first wanted to give some background on how the implementation lists were developed. She explained that a Governor's Advisory Council meeting there was a discussion around this implementation plan and some costs associated with the it. There was meeting of the Standards sub-committee and representatives from the providers convened at the Council's request to further discuss implementation and associated costs. Shannon advised that the providers thought the Coalition plan was reasonable for the following reasons:

- ◊ It is hard to just switch over some processes on a single day,
- ◊ There were a few things that were already being done so the deadline for those was a non-issue.
- ◊ There were other standards that will take a great deal of software changes. These were pushed into 2019 in the hopes that there would be funding made available to make those software changes. These processes simply cannot be done on paper without burdening staff with paperwork.
- ◊ The standards that were classified under PACE were also pushed off to 2019 so that PACE could be done and the facilities could develop their plan based on the PACE feedback.
- ◊ Some items required both PACE and software changes (e.g. Random Headcounts and Facility Walkthroughs).

Glenn asked if we might address each of these standards individually. Shannon stated that there really is no need to go over them again, that many hours were spent discussing them in the meeting and there was common agreement in the room that this plan was reasonable and got them going in the right direction. She also stressed that it is only a handful of standards that are in question.

Shannon spoke to standard CS-062: Interim Drug Testing. She advised that the new standard schedule for UA testing is based on risk level which requires a fundamental software change to track and schedule clients for testing. Added to that, the additional costs for testing more often – the testing costs are doubled. She suggested that the upcoming audits be done based on the 2010 Standards through January 2019. She reasoned that it is not a public safety issue, it is not going to have a huge impact on outcomes. She reiterated that several of the people that were in the meeting are in this room and this was agreed upon at that time. She submitted the plan to the three boards they contract with and while they were not approved, she stated this is the direction they were going to take. She also mentioned that also during a Governor's Advisory Council meeting, Jeanne Smith (former DCJ Director), stated they would not be penalized for the first year of the new standards. Shannon explained that she doesn't agree with coming in with a heavy hand with regard to the new standards when there was agreement that time would be needed and given in order to implement these standards. She also reiterated that the implementation of these standards

is at a huge cost to the providers and they are not going to receive any money to help them implement these new standards. She added that all the providers felt very comfortable moving forward with this plan and now they are being told that they may be penalized for these things. She says compromises have been made on both sides and now it is time to work in partnership to get it done.

Glenn explained that DCJ is statutorily required to do audits and there is a risk that programs could be audited before they are prepared for auditing. He added that the new standards went into place last July and the audits starting in May and continuing for the year will be based on those new standards. He added that the providers are not far off from being on schedule with the implementation of the new standards.

Glenn asked Shannon to clarify the issues surrounding the random headcounts and facility walkthroughs as prescribed by the new standard. The way he perceives it, the new standard takes the number of headcounts and reduces it by half and in exchange for that, staff walks through the facility and talks with clients. He is wondering, if you are compliant with the 2010 standard, why is there an issue as the 2017 standard prescribes less. Shannon responded that the walk through where staff are talking with clients is more than just walking through the facility and saying hello. These conversations with clients are about behavior change and a certain type of interaction with the clients. She admits that this standard is maybe not quite as hard as some of the others to implement, their staff just need to be trained on how to make those conversations with clients geared towards behavior change.

Eileen Kinney asked Shannon to give more detail about what "getting ready" for these core security practices actually means. Are they not already in place to some extent? Shannon replied that there are software changes that need to be completed to accurately document the randomness of headcounts, identify where clients are at (in-house, out of house) and what is the anticipated time of return. Forms also need to be changed to accommodate space to document the behavior change interactions with clients. Greg pondered that might be where the hard work resides; the procedure for headcounts already exists while the procedure and skills for having and documenting the conversations with clients during walk-throughs needs to be developed. Shannon's thought is that this piece would be part of the PACE if programs decided to work on it.

Judge asked Shannon where they anticipate getting the funding for the software upgrades and other financial implementation issues between now and January. She replied that they really do not know. They were hoping that maybe an additional facility payment might be authorized and now is worried that there are individuals that want to take the facility payments away from the providers. She is concerned that facility payments may be taken away, and yet the providers will still be expected to comply with PREA, implement all the new standards, request software changes, field the increased costs of UA's, and provide training and overtime for staff, all towards the goal of performance-based contracting. Glenn clarified that the original facility payment of \$95,000.00 was to be used for staff salaries and caseload reductions. The additional \$24,000.00 was to be used to help implement the new standards. Glenn acknowledged that this amount is likely not adequate to cover the additional costs related to implementation of the new standards.

Joan asked if they have quantified the cost of the UA's and other cost increases because of the standards as some are significant increases while others are minimal. Shannon advised that the costs of UA's is doubled with the new standard and the requested software change for the software CoreCivic uses in their facilities is \$100,000. Bill asked if that software change amount applies to all programs and Shannon said it depends on which system a programs uses.

Glenn has spoken with providers about what plan they are following for implementation of the standards. Some are following the Coalition plan, some are following the DCJ lead and focusing on core security and still others are doing their own prioritization of standards implementation. Glenn asked providers if they wanted feedback early once audits begin again and a few replied yes, but requested a caveat in the report that says DCJ is not expecting full-compliance at this time. This statement in the caveat will assist programs defending the results of their audit should anyone have questions about the reported audit outcome. DCJ is willing to put language in the feedback to note the progress programs are making and explain that full compliance is not expected this year. While the 2018 audits will include progress reports moving towards full compliance, Glenn feels strongly that audits done in 2019 will fully measure these standards. He also explained that the discrepancy between the implementation schedules is only between May and December of this year; 2019 has both schedules on track. He offered up three options to help with the implementation discrepancy.

1. DCJ will just not audit the identified standards and no feedback will be given as far as progress. DCJ will come back in 2019 and audit again for compliance.
2. For providers that want feedback, DCJ will audit, a report will be drafted and the caveat will be put in the report.
3. DCJ can audit and give the program verbal feedback (not included in a report)

These three options will be program dependent and programs can choose. Glenn gave the example of the home visits standard. DCJ looked at the last 30 audits that have been done. Only 8 providers are fully compliant with the home visit standard. That is an issue that DCJ has noted that the majority of providers do not reach full compliance on. DCJ publishes the reports with the information around the compliance of home visits and to the best of his knowledge, Glenn says no one has had any backlash from that information. The fear from the programs is if they are sued by a client for whatever reason and there is this negative information in a report, they can be held liable. Judge Delgado advised that she favors the verbal feedback approach to this problem as it gives the programs feedback without the threat of penalties.

Glenn reminded the Council that this is only going to potentially effect a few programs (any audits that are completed between May and December). DCJ will let those few programs how they want their audit reported based on the above choices. Eileen Kinney asked how audit locations are decided. Valarie explained the statutory process of the audit schedule. Every program must be audited once every five years per statute. DCJ will also add audits to schedule where there are concerns or problems either from the board level or outside stakeholders. Because it is done on a rotation, most programs track when their audit might be coming but DCJ does not send out the schedule ahead of time. As DCJ added audit team members and streamlined some processes, they have been able to move through a bit faster than five years in some cases.

Melissa asked if statute defines what an audit means or includes. Glenn interprets the word audit in statute very creatively and ideally would include the work done with the PACE and the upcoming QA process. Valarie added we have been the subject of a legislative audit before and while we

are taking some risks in an effort to make audits more useful to the field, the has been thought put in to making sure we are meeting the statutory requirements.

Tim asserted that the comprise is reasonable and that as long as DCJ works with the few programs who will be audited during this time frame and get them good feedback, he believes it will be advantageous for the programs. He thinks this is a fair way to move forward. John had really positive things to say about how an audit works and the way staff is during an audit. Valarie explained that we are trying to change the way the audit process works so that the results are more supportive and the feedback is more meaningful. DCJ staff recently presented audit results to a local bard so the board could hear from DCJ where the challenges are. DCJ would welcome collaboration and feedback to this process. The new process being developed is going to look very different and hopefully different in positive way. Glenn added that he is available to address any board concerns to an audit if needed.

Judge asked what are what Glenn needs from the Council regarding this issue. He replied that he is looking for some guidance from the Council as to how to navigate through this issue. We are offering the three solutions mentioned above. If the Council is okay with the plan, he will take it to the table and use it.

Shannon asked if they can get a copy of the audit tool for transparency. Valarie spoke to this and explained they are working on a manual for the new processes that will explain how and what will be being measured. Tools will be available to providers, in the interest of transparency and technical assistance.

Greg clarified with DCJ staff, that the core security standards that are not identified as having a discrepancy will be audited consistently for the whole year, for all programs. Only the standards that have been identified as being in question will have the three choices during the audit process. Glenn agreed that yes, that is how it will work.

Glenn explained that what the provider wants to do with the audits for this year is how we will proceed. He reminded the Council that if PBC comes back into play, DCJ will come back and re-audit in six months or a year so the appropriate data is collected per the statute.

Charity explained that with these new standards, the UA's for CAE have increased to 25 UA's per day from 10. She also expressed concerns to the walk-throughs and documenting them correctly. Joan advised that she is very concerned about the budget impacts to the facilities and wants to know how it will work with the cost increases. Glenn explained that the JBC has requested an annual request for information (RFI) around the costs associated with these changes. Glenn worked with the providers and established a framework for tracking these costs and he will send out a survey later this year as means to report this information back to the JBC about how much programs are spending. He added that Shannon's point about the money not being available right now is well-taken.

With regard to the facility walk-throughs, Charity Bellerdine explained about entry level staff having these meaningful conversations. She advised that while they are capable, the necessary training is not available yet. Angie Riffel also explained the training for entry level staff is a great concern for

her. The training is not yet available or in some cases, even developed for staff to take. Daniele Wolff talked about the software updates, explaining the programs for their system are not yet ready to begin making the changes necessary as they are familiarizing themselves with the new standards and mapping out what will need to be changed. The programmers advised her that they will not even be ready to start programming the updates for the system until later this year and even with 16 programs for this particular system, it will still cost about \$80,000 to \$100,000 for the updates. Frances Falk spoke about home visit standard and that it is a safety concern for their staff. Their staff will need training for these and they are not sure where to find it.

Greg asked Shannon to clarify the software issues. Will the software be updated by January 2019, because it sounds like there is agreement from this meeting for the standard to be fully implemented in all programs by that time. Shannon advised that at this time, there is no way for the software changes to be completed by January 2019 and it might be as long January 2020 to have the changes programmed and updated. Greg expressed concern that this seems like a conversation that will need to be ongoing. Judge agreed with that assessment.

Chris Dewhurst asked if there could be an implementation audit as to the changes and the implementation schedule, ideally to show that progress is being made. Glenn and Valarie both replied that, basically that is what the audits are going to be. Glenn also added that it is not out of the ordinary for programs to be non-compliant on some things. He said it will all revolve around the messaging around the audit reports and how they are presented.

Tim hand noted that this is surely a funding issue and asked if there a way to get them more money to implement these changes. Glenn explained that there is not enough data to ask for funds because it would have to be a set amount.

John proposed that, ideally, money should be invested to have one centralized system for all of community corrections to use. Bill Cecil added that the state should pay for the system as well. Greg advise that those whole state systems don't always run as efficiently as they should, and there are many examples in the current environment to back up that statement.

Shannon said this conversation has been going on for years. She added that DCJ has made it very clear that they were not looking at costs to the providers when they were developing these new standards. She asserted that DCJ will not write a bill or budget request to ask for money for the providers. She said it just is not going to happen.

PERFORMANCE-BASED CONTRACTING (PBC)

Glenn stated that if the JBC initiative around performance-based contracting comes our way, we have to figure out a way to implement this idea and its funding. He also said that it will come down to the "devil in the details." Glenn advised that this only conversation, there will be no decisions today. This is brainstorming only. He is going to present a couple different models today.

He posed the following question to the Council:

- How do we incentivize increases in performance?

Definition of performance is important. The Council defined the three areas for measuring performance of a program.

Out of 100 possible points, programs can receive:

- PACE (50 points)
- Core Security and QA Process (30 points)
- Risk-informed Outcomes (20 points) (e.g. if one program takes high-risk offenders and another program only takes medium or low risk offenders, then we expect their outcomes to be different)

Glenn warned the Council that the data being presented in the following models is pretend and it is also radical. If the facility payments are re-appropriated to PBC there is \$4.2 million dollars to share with providers (currently, equally shared amongst all providers at approximately \$123,000 per program).

Model 1

There are two lines drawn at 40% and 20% on a graph of PBC scores from all the programs. In year one, if one program score falls above the 40% line, they get two shares of the money (\$1,050,000). If six programs score above 20% and under 40%, they get 1 share of the money (\$525,000). Any program that is below the 20% threshold receives no extra money.

In year two, there are three lines at 60%, 40% and 20% on a graph of PBC scores from all the programs. No program yet has a score that is higher than 60%, however, there are now 5 programs above the 40% line so they still get two shares of the money but the amount is reduced because there are 5 programs and not just one (\$600,000). Six programs score between the 20% and 40% so they get 1 share each of the money (\$300,000).

Basically the more programs start performing above the thresholds, the less money they get, even if they are a top performer because there are more programs getting paid from the money.

Glenn asked for feedback on this first model. Joan asked a low performing program stays in business of they are not getting any money. Glenn clarified that the money being discussed here is only from the re-purposed facility payments, which is 6% of the overall community corrections budget. All programs are still getting their per diem rates – that does not change with PBC. Shannon observed that even though the low programs wouldn't be receiving any money, they would still be expected to keep staff salaries and caseloads at prescribed numbers. They also would still be expected to

comply with the standards and the implementation of evidence-based practices. She remarked that none of that would go away.

Chris asked if there were any expectations tied to the money. Glenn said ideally there would not be as they were already imbedded into the standards. Joan has serious concerns that some programs would be forced out of business.

Glenn reminded the Council that the purpose of this exercise is to the Council's awareness as there will only be a year to figure out the strategy for PBC if the JBC initiative is passed.

Model 2

Before the JBC brought this initiative to the forefront, the vision for PBC was that when it was implemented, there would be money avail for those programs who improved their scores from their original baseline scores. In the example that Glenn reviewed for the Council, there were two programs that from year one to year three, doubled their scores – the same level of improvement. However, the general overall scores for both programs is very different where one is still below 20% at year three and other is above 30% at year three. Glenn asked the Council if these two programs should get the same amount of money as they had improved their scores to the same degree?

Eileen asked what the purpose of the money is. Is DCJ trying to get programs to perform better or get all programs to perform at a higher score? Glenn advocates that we still need to set a minimum bar for programs to be performing at.

Shannon asked about the levels and minimums that were set when PBC was initially put together, are they still part of this. Glenn affirmed that yes, they are, we just need to figure out how it is going to work. He advised that this is the work we want to be thoughtful about in order to avoid some of the problems we identify as we discuss this.

With regard to this model, Glenn then asked the Council, "Should the programs with higher scores get more money than the programs with low scores?"

Melissa stated that lower scoring programs, rather than higher scoring programs, should get the money so they can get up to where the higher performing programs are. It is not a reward for lower performers but an avenue to help them do a better job. She also suggested maybe figure out a range for the programs to receive the money.

Shannon advised that there will be programs who do not want to score high, they are happy in the mid-range because it is too hard and too expensive to be a high-scoring program. It is her opinion that the money should be coming from somewhere besides the facility payment. She thinks the focus needs to find another source for the money rather than the facility payments and someone needs to advise the JBC analyst the consequences of using that money. She stressed that the PACE baseline was going to be for the first three years and then PBC would begin. Glenn advised that if this issue is approved, we need to be prepared for it and that is the purpose of this conversation. He is asking for the Council's help with these implementation issues in case this comes down from the Governor's office as he cannot tell the JBC what they and can't do.

Discussion around Melissa's comment was that programs may not be able to get better without any money. David Lipka asked if a smaller proportion of the money would go to the higher performing programs as this process works over the years. He asked Glenn to confirm that he would like to see a higher baseline for all programs over the years. Ideally, Glenn advised, that is what DCJ would like to see happen. Tim hand expressed that money is not always the issue that keeps a program from performing better.

Shannon explained that rural programs can have issues because they do not have access to the resources that metro-area programs do. Hiring staff is hard in rural areas and it costs more to do travel and training. The facility payments currently help in a variety of ways. For example, Hilltop House in Durango used the facility payment to get health insurance for their staff. She expressed frustration with the fact that this can target the big programs as easily as it does the smaller programs. \$120,000 is a lot of money for any size of program.

Glenn advised that the JBC has asked several times about if a program's size effects its performance and DCJ has told them that program size has no relationship on the performance of a facility. A willingness to do the work to make a program is what has an effect on the performance of a program.

Greg suggested that we currently have a system of equality. Unsafe programs eventually go away and what you have left are programs that offer acceptable services and they stay right at that level. So while he agrees you would never want to choke off money to lose capacity, if you don't do something to create incentive for programs to do more than above, you're just asking for average work.

Chris suggested to that split the monies into a set number of awards that are paid out to the top ten performers every year. It would about the results and the quality of their work on all the pieces. He and Eileen both expressed concerns of diminishing returns with the other models.

John stated he can see issues arising with choosing only the top ten performers. For example, programs calling and wanted DCJ to re-visit their audit to try to get a higher score that will push them into the top ten.

Greg summarized that is consensus to develop some kind of structure around PBC but maybe the immediate question should be, is there any position the Council can take that can influence the current pending decision to take the money from facility payments.

Glenn advised that between now figure setting he has no way to ask for a different funding stream for PBC. He summarized that the best idea is not to re-purpose facility payments and but continue to work towards to PBC. His idea is to request some money and grow it over time to give to programs incentive to do better work. Shannon reminded us to keep using the baseline and incentivize from there.

Bill Cecil suggested that maybe the higher performers could help the lower performers and in return, get some extra money for helping. In other words, use higher performers to provide training to others who are struggling and pay them to do it.

Glenn reminded that the programs being assessed here are safe programs. If it comes down to an unsafe program, it is a whole other issue that is not part of PBC.

Glenn thanked the Council for their work on this very difficult topic today.

Annual Report

Glenn presented the annual report. He advised that we starting doing some detailed analysis on our outcomes and we find that they are changing in some places and not in others. Our research unit is working on a new recidivism report and the preliminary data coming from that looks modestly positive. The report shows that our technical violations are ticking down a bit and the success rates are staying mostly the same. The details of outcomes based on risk level show some positive things happening. The long term recidivism rate is what we need to focus on but there are some positive things going on in the community corrections system.

Please forward any feedback you might have regarding the annual report to Wendy.

Approval of 2018 Meeting Dates

The following meeting dates for 2018 and the first meeting of 2019 were approved by the Council:

Friday, April 27, 2018

Friday, June 29, 2018

Friday, August 17, 2018

Friday, October 19, 2018

Friday February 1, 2019

Next Meeting – Friday, April 27, 2018

Adjournment