



## **Texas Juvenile Justice Department**

### **Board Meeting**

Friday, August 24, 2012 - 9:00 a.m.  
Brown Heatly Building, Room 1410-1430  
4900 North Lamar Blvd.,  
Austin, Texas 78751

#### **BOARD MEMBERS PRESENT:**

Scott W. Fisher, Chairman  
The Honorable John Brieden III  
Jane Anderson King  
MaryLou Mendoza  
The Honorable Laura Parker  
Michael Meade  
The Honorable Carol Bush

Rob Kyker, Vice-Chairman  
Joseph Brown  
Melissa Weiss  
The Honorable Jimmy Smith  
Calvin Stephens  
Dr. Rene Olvera

#### **EXECUTIVE STAFF PRESENT:**

Jay Kimbrough, Interim Executive Director  
Chuck Jeffords, Director of Research  
Robin McKeever, Deputy Executive Director  
Debbie Unruh, Chief Ombudsman  
Jeannette Cantu, Executive Assistant  
Linda Brooke, Director of External Affairs  
and Communications  
Lisa Capers, Executive Project Manager

Janie Ramirez Duarte, Financial Officer  
Karin Hill, Director of Internal Audit  
Cris Love, Chief Inspector General  
Mary Wood, Director of Staff Services  
James Smith, Associate Deputy Director  
Continuum of Youth Services  
Bill Monroe, Director of Community Juvenile  
Justice Appropriations

#### **OTHER GUESTS PRESENT:**

John Stutz, TJJD Chaplain  
Estela Medina, Advisory Council  
David Shepard, AMFF  
Sandy Pippin Gomez, Zapata County  
Karen Kennedy, TJJD  
Kimbla Newsome, TJJD  
Carey Dayton, Lubbock County  
Fred Morse, Friends of Parrie Haynes  
Steve Roman, TJJD  
Kaci Sohrt, TJJD  
Tyrene Green, Garza County Regional Juvenile  
Center  
Shelly Williams, Hays County JPO  
Sheila Harris, Lubbock County  
Efrain Resendez, TJJD  
Marianne Timbee, TJJD

Karol Davidson, TJJD  
Aris Johnson, Gregg County JPD  
Art Hinojosa, TJJD  
Bill Bristow, Grayson County  
Doug Vance, Brazos County  
Susan Humphrey, Bell County JPD  
Thomas Lambert, Crockett  
Chris von Doenhoff, Houston County  
Luther Taliaferro, TJJD  
Ron Quins, Guadalupe County  
Lonnie Hunt, Texas Association of Counties  
Jeff Norah, C5 Youth Foundation  
Sherrie Barnett, Grimes County  
William Carter, Lubbock County  
Lesly Jacobs, TJJD  
Teri Martin, McLennan Co JPD

Shawn Conly, TJJD  
Monika Arvelo, TJJD  
Dr. Terry Smith, Dallas County  
Edward Maldonado, TJJD  
Misti Hancock, TJJD  
Riley Shaw, Tarrant CO DA Office

David Repp, LBB  
Tery Avery, House of Representatives  
Melanie Cleveland, TJJD  
Eleazar Garcia, TJJD  
Denise Askea, TJJD

### **Call to Order**

Chairman Scott Fisher called the meeting to order at 9:00 a.m. A quorum was present.

### **Prayer**

Chaplain John Stutz led the opening prayer.

### **Pledge**

All present recited the Pledge of Allegiance.

### **June 22, 2012 Meeting Minutes**

Chair Fisher motioned to approve the June 22, 2012 meeting minutes. Mr. Brown seconded. The motion passed unanimously.

### **Excuse Absences**

There were no absences noted.

### **Repurposing Closed Facilities: Crockett State School Transfer (Action)**

Chairman Fisher recognized those present from Crockett, Texas. Lisa Capers, Executive Project Manager, presented this item. The Crockett State School was closed last year. Senate Bill 653 gives the Board the authority to transfer a closed property to a county or municipality where the facility is located in a county with a total population of 100,000 or less. The Crockett facility is the one remaining facility to come under this transfer authority. The previous TYC Board heard a proposal from the county judge in Crockett to acquire a one-year option period to come up with a proposal to repurpose the facility. At that point they were working with immigration and customs. This proposal did not go forward. The county is working on a new proposal with the American Military Veterans Foundation. Mr. David Shepherd with the Veterans Foundation provided a packet of material to the

Board in a previous meeting. Mr. Shepherd is working with Houston County on a proposal to repurpose the Crockett facility for female veterans and their children.

Ms. Capers presented a resolution from Houston County Commissioners asking the Board for a one-year option period until August 31, 2013 to finalize this proposal. After this one-year option period, the Board would have the authority with the General Land Office to transfer title of the property to Houston County. The bill requires that the purpose has to benefit the state of Texas and the public interest. If it ceases to be used for that purpose, it would revert back to TJJJ. Judge Lonnie Hunt with the Texas Association of Counties and formerly of Houston County, Mr. Thom Lambert, Executive Director of the Crockett Economic Development Corp., and Mr. David Shepherd with the American Military Veterans Foundation were also present.

Houston County is proposing to repurpose the Crockett facility to provide a site for homeless female veterans and their children. Residents will receive training and other resources to assist them in transitioning to the private industry environment. A packet of information was provided to the Board, and a request was made to approve the one-year option so a proposal can be finalized. This plan will require time to secure funding and to make sure the county and city of Crockett are aware of their obligations to the project. Each has given their verbal approval, but details will need to be addressed.

A comment was made from the Board regarding funding. The Department of Veterans Affairs has targeted homeless veterans as a major problem and something they want to address, and they have increased the amounts of grants available for programs like this. Female veterans are also a population that the department wants to address. Therefore there should be grant funding available.

Mr. Stephens moved to approved the Board authorize the one-year extension option period, expiring August 31, 2013, and authorize the Executive Director to implement the transfer as authorized by law consistent with this resolution on completion of the repurposing plan for Houston County. Ms. Weiss seconded. The motion passed unanimously.

## **Report from the Interim Executive Director**

Jay Kimbrough, Interim Executive Director of TJJD, provided his report to the Board. There are currently 14 youth assigned to the Phoenix Program. Programming goals are being met, and the 16-hour schedule is being adhered to. On Monday August 27, 2013, a tour will be conducted of the program for legislative staff, members of the advocate community, and members of the media. To my knowledge, this will be the first time that advocates have been invited to tour a secure facility. The goal is maintain transparency as it relates to the operation of the Phoenix Program.

At approximately 9:40 pm on August 20, 2012, at the Corsicana facility, four youth in Dorm 15 pulled a fire alarm and ran from the dorm during the fire drill. As a result of the directive issued in June, gatehouse staff members Catherine Cook Johnson and Nakesha Bonds were monitoring facility cameras and alerted all staff to the incident. Approximately four minutes after the youth left Dorm 15, JCO staff Felicia Thomas, Melby Allen, and Steve Ware discovered a manhole cover had been tampered with. Maintenance staff responded immediately to the facility and within 10 minutes had ensured that there were no youth in the space below the manhole cover. At 10:25 pm, JCOs Naomi Hamilton and Gabriel Aquendo spotted the youth in the trees. The youth were confronted and taken to security. The incident was resolved in less than an hour due to the professionalism and diligence of Corsicana staff and leadership.

Another example of staff response to an incident occurred at McFadden Ranch. Two youth absconded from a halfway house. Staff immediately pursued on foot and in vehicles. Staff also notified local authorities including Flower Mound Police, Denton County Sheriff, US Forest Service, and Roanoke Police. A citizen with a private airplane volunteered to assist with the search. The youth were located in a wooded area three miles away, approximately 80 minutes after they absconded. Mr. Kimbrough again recognized the professionalism of the staff in resolving this incident.

Work is still underway to address the issue of 12-hour shifts at Giddings. Part-time staff members are being hired to alleviate the problem of staff overtime. In the meantime, volunteers are being recruited from other facilities to work at Giddings during the month of August to help address this issue. Mr. Kimbrough recognized the staff who volunteered to assist at Giddings.

There were unannounced safety and security visits to all facilities on July 24, 2012. Superintendents were instructed to develop action plans to address each deficiency and implement system improvements. Follow-up inspections were conducted at each facility between August 13 and 20, 2012 to assess the actions that had been taken. These issues will be monitored by youth services, quality assurance, and risk management. Unannounced inspections will continue to take place on a periodic basis.

Purchase orders have been processed for perimeter cameras and DVR equipment at Mart and Giddings. This project will place cameras at these facilities that will monitor the entire fence line. The technology includes motion detection and analytics, and will be programmed to alert staff if there is any movement near the fence line. Initial deployment will consist of 66 cameras and 3 DVR servers at Mart, and 60 cameras and 3 DVR servers at Giddings. The total cost for both sites combined is \$323,960; \$159,440 at Giddings and \$164,520 at Mart.

Board Member Calvin Stephens asked a question about civilian assistance with the incident at Corsicana and whether this assistance could cause any liability issues for the agency. Mr. Kimbrough responded that TJJD would not preclude volunteers from helping in such issues. Mr. Stephens stated that he felt it is important to keep liability issues in mind. Another comment was made that since the volunteer was flying a plane and not engaged in apprehending the youth, this makes a difference. A question was asked whether the Board could offer some recognition to the civilian volunteer for his service. Chairman Fisher will work on something for this.

Board Member Melissa Weiss asked for clarification regarding why staffing was an issue at Giddings. Mr. Kimbrough responded that this was due to turnover as well as to staff being out on sick/injury leave or family medical leave (FMLA).

### **Independent Ombudsman Comments**

Ms. Debbie Unruh, Independent Ombudsman for TJJD, presented her report to the Board. During the last 60 days, the Office of the Independent Ombudsman (OIO) has conducted 37 site visits which include secure facilities, halfway houses, contract care facilities, and parole offices. OIO has

interviewed 286 youth, and 52 major incidents from county-run facilities have been reviewed. These 52 incident reports alleged abuse, neglect, and exploitation at county-operated facilities. The most common reports are incidents alleging physical abuse, most of which are incidental to restraints. They are allegations, and the Ombudsman office does not determine findings, but they are tracked in order to look for trends or systemic issues. The volume and severity of systemic issues in state operated facilities that have surfaced over the last six to eight months have been substantial. The increase in violence and disruption has posed a serious security threat to staff and youth and has thwarted efforts at rehabilitation for youth.

Through site visits, interviews, and report tracking, the OIO noted that TJJD has responded with a well-devised action plan. Steps are being taken to curb violence. The creation of the Phoenix Program is an encouraging development. The Ombudsman office was kept apprised of the design and implementation of this program. Ms. Unruh has observed firsthand the operations of the program and sees promise in its structure and continued implementation. The treatment portion of the program has the potential to have a significant positive impact on aggressive youth by promoting the use of proven treatments such as anger replacement training, and by enforcing adherence to the CoNEXTions behavior model. The Phoenix Program is the most restrictive program at TJJD, therefore the Ombudsman office will conduct more frequent visits and assessments of all components of the program.

There have also been changes implemented throughout the facilities, including improved staff supervision of youth, staff being held accountable for job performance, youth being held accountable for aggressive behavior, additional training for staff in aggression and safety, refresher training in the behavior model of CoNEXTions, as well as enhanced supervision by management. The effects of these efforts can be seen in the reduction of security referrals in the last 60 days from 1395 to 622. Staff ratios have been improved. More cameras are being installed. New visitation procedures have been implemented to curtail contraband. There has been a greater overall emphasis placed on safety and security.

The lack of decline in some numbers indicates that more should be done to protect youth and staff. The number of youth on youth assaults has stayed consistent over the last 60 days. The number of

youth on staff assaults has increased, averaging 13 per week. The number of serious incidents has remained consistent at 16 per week. The Ombudsman's Office will continue to monitor the agency's progress. Ms. Unruh acknowledged that all plans take time to implement. The office will continue to work with TJJD management to collaboratively effectuate change.

Board Member Mike Meade commented that when rules are enforced more aggressively, there may be some push back from youth, and that may be happening now. Ms. Unruh agreed. A question was asked regarding allegations at the county facilities and whether there were any trends that the Board should be aware of. Ms. Unruh answered that there are none at this time.

### **Report from the Inspector General**

Inspector General Cris Love presented his report to the Board. Inspector General Love referred to materials given to the Board that displayed FY 2011 and FY 2012 data. For FY 2012, the number of calls received by the Incident Reporting Center (IRC) amounts to 10,201 for an 11-month period of time. The projected number for the 12-month period of the 2012 fiscal year is 11,128.

There were 895 IRC referrals for criminal investigations in 2012. Projected numbers for FY 2012 would be approximately 976. This is approximately 8.8% of the total number of calls reported to the OIG IRC. In FY 2012, there were approximately 6.8% in referrals. There were 1050 open criminal investigations in an 11-month period. Projected out this would be approximately 1145 in a 12-month period. In FY 2011 there were 970 open investigations. Therefore there has been a 1.3% increase in the number of open criminal investigations over FY 2011.

There has been a dramatic decline in the number of criminal investigations closed, which is in direct relation to the number of investigations opened. Staff has been increased within the OIG. The investigator positions from the closed Crockett and Beaumont facilities have been re-obtained, and there will now be two criminal investigators in each secure facility, with the exception of the Brownwood facility, where there will be one. Hopefully this will help increase the number of investigations closed.

The number of OIG investigations submitted to prosecution is 237 for the 11-month period; projected out to 12 months would be 258. In FY 2012, there were 364 cases submitted to prosecution. As of August 31, there were 59 active directives to apprehend for TJJD youth. 52 of these are for parole violations and seven are for escape/abscond. The total number of apprehensions made by OIG apprehension specialists is 108.

Inspector General Love referred to materials including closed case analysis charts which outlined timeframes required for the OIG to close a case. Also included was the number of criminal investigation cases that are pending prosecution. These cases are not included in the closed case analysis since they have been completed by the investigator and forwarded to prosecution.

### **Report from the Advisory Council**

Estela Medina, Chief Juvenile Probation Officer in Travis County and Chair of the Advisory Council, presented the report. Chief Medina recognized Randy Turner, Doug Vance, and William Carter, who are also members of the Council that were present. Chief Medina referred to materials submitted to the Board. These materials included recommendations submitted by the Advisory Council regarding the Legislative Appropriations Request (LAR). The materials also included attachments in regards to feedback received from each regional association.

Regarding the proposed 10% reduction, the Advisory Council identified some of the areas recommended as potential areas for consideration in reduction. The first two speak to closures of some secure facilities and halfway houses. Chief Medina recognized that these are hard decisions when considering closures, but there was reason to believe these would be areas likely to be considered for reduction. The other areas submitted for consideration had to do with the elimination of prevention dollars. The one area that was not included by the Council was a recommendation to propose reductions in parole. The Council believes the area of parole and aftercare services is an important one. In considering that discussion, the Council believed there may be some opportunity to look at the area of parole to determine what other possibilities or alternatives may be considered, such as contracting parole services to the field, and/or potentially contracting to other providers.

The second set of recommendations submitted was regarding exceptional items. The Council received a lot of input from the field regarding items three and four. The issue of mental health services continues to be very important. The field has proposed an increased amount of \$7.6 million for each year in the biennium in that area. Some of this funding is being requested for the opportunity to have licensed mental health professionals to be in each of the secure facilities operated on the county level. Other funding is being requested for mental health resources in counties and areas that may not have secure facilities but need resources such as diagnostics, counseling, et cetera. Prevention and Intervention was added back. The first two priorities relate to facility operations. The first is requesting additional staff for some of the programs being implemented by TJJD facilities, and the second is for funding for maintaining, repurpose or refurbish existing facilities.

There are two other areas that the Advisory Council discussed. The first is the introduction of Rider 32, which creates a process for funding the number of commitments that fall below the target of 1111. New language in the rider states that this will be a two-way process, so that if counties kept commitments below the target, some funds would be able to be transferred from one Goal to the other so that funds would follow the youth to the services they would receive. If the cap is exceeded, funds would be transferred from county to state. The Council believes this concept represents an opportunity to bring balance and recognize that as more youth are going back into the community, the opportunity for funding is there.

The other item is the continued support of the current state financial contract, Grant A. This grant is the result of the work of the last legislative session, which provided the opportunity to collapse multiple funding streams into one grant. This has created efficiencies in the administration of dollars, and recipients are still being held accountable to the expenditures of those dollars. This is a good, effective funding structure. Chief Medina thanked the Board and acknowledged the work from the field, noting the importance of operating effective programs on the community level and in front-end services.

A question was asked regarding clarification on Rider 32 and the concept of funding following the youth. Chief Medina affirmed that the Advisory Council does believe this would be the case. As more youth are kept at the community level, this provides the opportunity for the money to follow.

### **Update on administrative investigations in state facilities and community based programs and facilities for FY 2012**

Mr. Kevin Dubose, Director of the Administrative Investigations Division, presented statistics compiled from the county and state investigations units. Mr. Dubose began with the county investigations unit. The total number of reports received for FY 2012 through July 31 is 2392. Those 2392 reports are generated through all available reporting mechanisms, including the IRC operated by the OIG. Of those 2392 reports, 942 originated from the IRC. Out of the 2392 reports, 349 reports were classified as allegations of abuse, neglect and exploitation that require investigation. 793 reports out of the 2392 are classified as grievances. Of the 2392 reports, 651 were classified as serious incidents, which include attempted suicides, escapes, et cetera. These types of incidents may or may not result in an investigation depending on the circumstances. As has historically been the case, the majority of reports originate from secure detention facilities; out of 349 allegations, 204 originated from secure detention. This stands to reason as there are more detention facilities. In terms of the types of allegations, the majority are allegations of physical abuse/physical restraint.

State investigations were discussed next. There are six investigators assigned to the six state operated facilities. These investigators are also often deployed to halfway houses, contract care facilities, and parole regions when necessary. The total number of open investigations is 1033 through July 31 in FY 2012. These are all investigations that are conducted. It is important to note that on the state side this includes policy violations, so these numbers will be higher than county numbers.

Of the 1251 investigations closed, all have been on the state side. This number also includes carryover cases from FY 2011. The division began the state function on March 1, 2012 and did not assume full responsibility until April 2, 2012. It is still a transitional time, and the division is still learning to properly allocate resources to deal with the number of reports received. Mr. Dubose

addressed a question asked at the last Board meeting relating to the number of open active investigations received from the OIG when the division assumed responsibility for these reports. The division received roughly 250 open investigations at that time. That number has grown due to transitional issues as well as because part of the process of closure on the state side requires a supervisory review of every investigation conducted. Mr. Dubose claimed full responsibility and accountability for this, and is working on allocation of resources. State investigators are working cases aggressively and are turning reports around, but on the supervisory side the reports are coming in so fast they are not being reviewed as quickly.

There are two investigator positions posted currently. These postings expire on August 31, 2012 so it is expected that there will be two new investigators in place in the near future. These new investigators will be located in central office, but they will be trained to assist with both county and state investigations.

#### **Software License Audit (Action)**

Karin Hill, Chief Auditor for TJJJ, presented this item. This audit began last spring and was initially conducted by a group of UT students. It ended up proving to be larger and more difficult than expected, so the audit team picked it up and finished it. The objective of the audit was to determine whether the agency had controls over its software licenses.

The audit identified that control over software licenses could be enhanced. The agency has implemented a tool called KACE that is accounting for these licenses, and it is a matter of getting the documentation together to ensure that licenses are appropriately accounted for. The other area that the audit reviewed was regarding freeware. Freeware takes up about 60% of the applications on the agency's systems, and the agency does not have a way to track these. KACE will help to track this, and management is working to improve accountability over that.

This audit was presented to the Finance and Audit Committee. Management has concurred with the recommendations and is well underway to completing them.

Mr. Stephens moved to approve the Internal Audit Department's Software Audit License Report. Ms. King seconded. The motion passed unanimously.

### **Corporate Governance Audit (Action)**

Ms. Hill presented this item. The auditing standards require that the audit department evaluate the agency's systems of corporate governance. Corporate governance is the foundation for how an agency will operate.

This audit focused on the transition to the larger TJJJ agency. There were three areas discussed in the audit. The first area reviewed the Board. It was found that the Board has taken some aggressive steps to establishing expectations of corporate governance. There have been nine board meetings in the last nine months. A governance process has been established, and the Board has utilized the independent functions of the Agency to help with controls. The second area was in regards to the transitional checklist. The audit identified that as of June 1, 2012 84% of the checklist had been completed, and the Agency continues to be on its way to completing the rest of it. A few areas were not completed by their projected timeline, but these primarily had to do with information technology, and progress was being made.

The third area had to do with mission statements. A TJJJ mission statement was developed and was included in the Strategic Plan that was approved by the Board in June 2012. It was found that this was a different statement than the one on the TJJJ website and in the Board governance manual. When this was identified to management, the mission statement on the internet was updated. It was suggested that the Board recommend inclusion of an item on the September 2012 Board agenda that would affirm the mission statement and ensure that the governance manual be updated to reflect the new statement.

Mr. Stephens moved to recommend an agenda item on the September Board meeting agenda to address the mission statement and changes to the Board governance manual, and to approve the audit. Mr. Kyker seconded. The motion passed unanimously.

### **Annual risk assessment and FY 2013 audit plan (Action)**

Ms. Hill presented this item. The process for this assessment was reviewed in full in the Finance and Audit Committee meeting on August 23, 2013.

Ms. Hill reviewed the FY 2013 audit plan. The proposed audit plan is broken down between mandatory and discretionary items. This year approximately 50% of the time will be spent meeting mandatory requirements. Percentages in this audit plan do not add up to 100%. This audit plan also has some hours held back to allow for special projects that the Board and/or management may want to request. Once an audit plan is approved, anything that will change that plan has to go back to the Board for approval, so this will give some flexibility in addressing agency needs. The Board is required to periodically review the adequacy of the resources that are dedicated to the Internal Audit Department, and thus ensure that the department has the resources necessary to meet needs and address risks.

A question was asked regarding the definitions for full scope and limited scope. Full scope projects tend to be higher risk areas and larger projects. Risk assessments are then done within the entire area to help narrow down objectives. Limited scope projects are audited a little more often, but are medium risk and the audit starts with a predefined objective for them in order to improve efficiency in planning.

Mr. Stephens moved to approve the Internal Audit Department's FY 2013 annual audit plan. Mr. Brown seconded. The motion passed unanimously.

### **External quality assurance review of TJJD Internal Audit Department**

Ms. Hill presented this item. Standards require that the Internal Audit Department receives an external quality assurance review every three years. Mr. Steve Goodson of the Texas Department of Public Safety led the audit.

This audit goes through the previous three years of activity and reviews it in light of the Institute of Internal Auditors professional standards and the government auditing standards, as well as the Texas Internal Auditing Act, to determine compliance with these standards. The results of this review were

that the TJJD Internal Audit Department is fully compliant with these standards. There were some areas of improvement identified regarding planning and documentation. Recommendations were also made in regards to the department's charter, which will be brought to the Board next month. This new charter will include an explicit definition of the term "internal audit." Another recommendation was that the department should look into better utilizing the software application TeamMate. The department is well underway in addressing these areas. Progress will be tracked in the same manner as department recommendations to management.

Chairman Fisher stated for the record that Karin Hill is recognized as one of the top auditors in state government, and thanked her for her work. A question was asked regarding the standards that Ms. Hill referred to and where the department gets those standards. Ms. Hill replied that Chapter 2102 of the Government Code requires that internal audit departments follow the Institute of Internal Auditors standards. This is a global organization. The department is also required to follow the government auditing standards put out by the GAO.

### **Third quarter performance measures**

Chuck Jeffords, Research Director, and Bill Monroe, Fiscal Officer, presented this item. Mr. Monroe presented first regarding Goal A performance measures, which relate to community services and the probation area.

There were seven measures exceeded and five missed. Most of these results are directly related to the fact that there are more difficult youth currently in community services. This has resulted in the cost per day being slightly higher than projected, as well as in longer supervisory times. The number of youth has been stabilizing on a slight decline, which is consistent with numbers over the entire United States, but the youth generally have higher needs in various ways. There are a couple of anomalies due to some items that occurred in the process of the merger. The agency has worked very closely with the Legislative Budget Board (LBB) and in the Legislative Appropriations Request (LAR) process.

Dr. Jeffords, Research Director, presented the second part of this item related to Goal B performance measures in state facilities. There are 18 measures divided into three categories; exceeded, within,

and missed. Since the last Board meeting, there are two measures that have changed categories and both reflect improvements. The first is in average daily population in specialized treatment. This measure is now in the exceeded category. Despite the fact that commitments and populations continue to decrease, the average daily populations in specialized treatment have increased. The other measure is at least one month reading gain in each month of instruction. This measure is now in the within category. If these trends continue to the end of the year, this will be the first time since 2005 that both of these measures have been within 5%. This is attributed to the implementation of the Positive Behavior Intervention System (PBIS), which has been established in agency programs.

Mr. Meade asked whether a recidivism study has ever been considered to collect data on youth who may enter the system again as adults. Mr. Jeffords replied that these studies are done often. Texas Department of Criminal Justice (TDCJ) prison data is reviewed, but adult probation and jails are not. Mr. Jeffords stated that by the time they are age 25, 40% of the youth have gone into TDCJ after being released from the juvenile system. When the fourth quarter report is presented it will include outcome measures, and both the juvenile system and the adult system are reviewed for recidivism rates.

Chairman Fisher commented that the percentage increase in the one month reading and math gains were both major initiatives, and were a significant focus in the education department. This is a significant step and a positive achievement. Board Member Jane King further affirmed the role of PBIS in this achievement and stated that she hoped that PBIS can be better implemented in all facilities.

### **Closed Session – Executive Session**

Chairman Fisher called for a break to be followed by a closed Executive Session to continue discussion surrounding the appointment of a new Executive Director for TJJD. The Board reconvened in closed session. The Board then returned and reconvened in open session.

**Reconvene in open session, discussion and possible action regarding matters deliberated in closed Executive Session**

Chairman Fisher stated that the selection of a new Executive Director has been a difficult process for the Board. The Board met on August 23, 2012 and deliberated from 8:30 am to 2:30 pm. Candidates were interviewed at this time for the position. The Board had some discussion and debate regarding the topic. Chairman Fisher stated that while there are differing opinions, once a decision has been made the Board will be 100% behind the new Executive Director.

A vote was taken at this time for the position of Executive Director. The first candidate was Dr. Clint Carpenter. There were no positive votes for Dr. Carpenter. The second candidate was Mr. Mike Griffiths. There were seven positive votes for Mr. Mike Griffiths (*Carol Bush, Joe Brown, Rene Olvera, Laura Parker, Jane King, MaryLou Mendoza and Melissa Weiss*). The third candidate was General Keith Thurgood. There were six positive votes for General Thurgood (*Rob Kyker, Scott Fisher, Calvin Stephens, Jimmy Smith, John Brieden, Mike Meade*).

Mr. Brown moved to extend the offer of Executive Director to Mr. Mike Griffiths. Melissa Weiss seconded. The motion passed unanimously.

Mr. Meade stated that there were differing opinions, but they differed because each Board member was trying to look at what they felt was best for the agency and its constituency. Another comment was made that the prevailing sentiment in the room was that whoever was chosen would receive the full support of the Board, and that there would be no fallout from a divergent opinion on the Board. Dr. Olvera acknowledged and thanked Chairman Fisher. Dr. Olvera stated that Chairman Fisher allowed for a very open and frank discussion that allowed the process to move forward. Chairman Fisher acknowledged and thanked all candidates and welcomed Mike Griffiths.

**Finance and Audit Committee Report**

Mr. Stephens presented this report. The Finance and Audit Committee met on August 23, 2012. Many of the items discussed at that meeting were addressed earlier in the Board meeting. Mr. Stephens called Ms. Duarte to address the following three agenda items.

**FY 2013 annual contracts plan, including youth service contracts exceeding \$500,000 (Action)**

Janie Duarte, Chief Financial Officer, presented this item. Mr. Ken Ming, Director of Contracts, Procurement and Support Services, and James Smith, Associate Deputy Director for State Youth Services, joined Ms. Duarte on this item. Ms. Duarte presented this item in two parts. The first part discussed the FY 2013 annual contracts plan. GAP policy 385.1101 requires the submission of an annual contract plan for review by the TJJD Board. In addition, Title 34 Subchapter B of the Texas Administrative Code requires that agencies prepare a written plan for the use of historically underutilized businesses (HUB) in purchasing and in public work contracts.

The Texas Administrative Code also requires agencies to establish their own HUB goals. In the August 23, 2012 Finance and Audit Committee meeting, key components of the contract plan, HUB goals, and the planned activities to support the accomplishment of these goals were discussed.

The second part of the item related to the approval of five contracts for youth services, with not-to-exceed values of over \$500,000. The Board Governance Manual and GAP 385.1101 require Board approval for all contracts that exceed the \$500,000 threshold. In the Finance and Audit Committee meeting, each of the five contracts was discussed in detail. There is a recommended resolution before the Board that lists each of the five contracts and their amounts.

- a. **Rio Grande Marine Institute, residential services**
- b. **Cornell DBA Abraxas, residential services**
- c. **Texas Department of State Health Services, chemical dependency treatment services**
- d. **Gulf Coast Trades Center, parole services**
- e. **Juvenile Board of Garza County, residential services**

Mr. Stephens moved that the Board approve the five contracts that exceed the \$500,000 threshold for FY 2013. Ms. Weiss seconded. The motion passed unanimously.

**Authorization to approve agency vouchers (Action)**

Ms. Duarte presented this item. This is a technical approval to extend authority to the Interim Executive Director to designate staff to sign vouchers for the agency. This approval is for the Interim Executive Director. The Board will revisit this item again for the new Executive Director at the next Board meeting.

Mr. Stephens moved to approve the resolution. Judge Brieden seconded. The motion passed unanimously.

**FY 2013 TJJD operating budget and appropriations request for FY 2014 – 2015 (Action)**

Ms. Duarte presented this item. Robin McKeever, Deputy Executive Director, was present for this item as well. The General Appropriations Act requires that, on even-numbered years, agencies submit biennial budgets to be filed with the Governor's Office and with the Legislative Budget Board (LBB). The agency's appropriations request bridges the development of the agency's Strategic Plan and the General Appropriations Act by providing a fiscal expression of the agency's priorities.

Youth populations are a critical budget driver because they reflect expected demands for the TJJD correctional treatment and education services. Similar assumptions drive the decisions of local and state funds at the 165 Texas juvenile probation departments served by the agency. Ms. Duarte referred to Schedule 2B, the summary of base requests by method of financing, to highlight some of the major changes in some of the funding sources in the operating budget for FY 2013 as compared to FY 2012.

The Agency's total operating budget for FY 2013 is \$332 million from all funding sources, which includes \$300.6 million in general revenue. This total from all sources compares to \$341.1 million in FY 2012, with general revenue of \$303.6 million. The overall \$7.9 million decrease is attributable to decreases of \$3.1 million in general revenue, \$1.6 million in federal funds, and \$3.2 million decrease in other funds, interagency contracts, general obligation bonds and criminal justice grants. The total 2013 operating budget supports authorized staffing of 2797 full time equivalents (FTE).

Ms. Duarte then discussed the Legislative Appropriations Request (LAR). The Agency's total base requests for the 2014-2015 biennium is \$661.8 million from all of the funding sources, which includes \$604.2 in general revenue. The total of all of these sources compares to the total of \$674.3 million in the 2012-2013 biennium, with general revenue of \$604.2 million. The \$12.5 million overall decrease is attributable to decreases in federal funds and foundation school funding due to lower populations, and no general obligation bonds are funded in the base request. The FTEs request for 2014-2015 is 2797.1 in each year.

Ms. Duarte discussed the rider revisions. The process involves beginning with current riders and the revisions and changes are made to them. Ms. Duarte highlighted one change that was discussed in detail during the Finance and Audit Committee meeting regarding Rider 32. A revision to this rider was sent to all Board members. There is new language inserted to provide a mechanism for commitment funds to be transferred in either direction depending on the results. Committee members requested that staff develop language for another option. The revision from the previous version has language that now reads, "200 below the final LBB approved admissions target." This is the staff's recommendation for revision.

Judge Brieden commented that there was a lot of discussion back and forth regarding this issue. Part of it was the fact that this has about a \$15 million impact. If there were \$15 million in unspent funds in the budget that could be applied to lower referrals and moved to the front, this would be a good idea. However, the idea cannot currently be funded. Judge Brieden recommended taking the language out of the budget and changing it to an exceptional item and then explaining to the legislature that this would work towards front-end prevention and help decrease referrals. Judge Brieden clarified that he did not want to move the language that was in the revision but rather the language from the previous version that was in question at the Finance and Audit Committee meeting.

Judge Brieden moved to remove Rider 32 from the budget and make it an exceptional item for the strategy of rewarding a decrease in referrals. Discussion ensued regarding this motion. Mr. Stephens asked what the impact would be of making this an exceptional item. Chairman Fisher commented that the math does not work. Judge Brieden's proposal puts the onus on the LBB to create and fund

a reward and penalty system related to commitments. If the rider's revised language had been in place for the current fiscal year, the potential amount would have been \$12.2 million from Goal B to Goal A. A question was asked whether a legislative rider could be removed. Ms. Duarte stated that it would be up to the LBB to do that, and to determine the admissions number. Ms. McKeever commented that a proposal can be made to strike a rider. Chairman Fisher suggested that the options be either Judge Brieden's idea or leaving the language as it was originally.

A question was asked regarding what the impact would be if the motion was approved. Ms. McKeever answered that, as an example, if the language had been applied this year, the difference between the 1111 commitment cap and the number of commitments would be multiplied by \$51,100 and the result would be approximately \$12 million transferred from Goal B to Goal A. To continue the example, \$12 million is approximately the annual cost of one institution, so an institution would need to be closed to come up with those funds unless the LBB earmarked funding specifically for this purpose. Mr. Stephens asked the staff if the process of striking the rider and making it an exceptional item would be a difficult task. Ms. McKeever responded that it was not a difficult task to make the change that Judge Brieden has proposed, but the impact would be great. The likelihood of the exceptional item succeeding is questionable, but one impact of employing this proposal would be the clear communication of the Board's desire to meet the need for decreased referrals. Keeping the revised language the way it is currently has a similar function; it communicates the Board's interest in this initiative. Chairman Fisher commented that even the revised language is an unfunded change from the original rider.

Ms. McKeever commented that Judge Brieden's proposal would force the staff to assign an amount to it, and the staff is uncomfortable estimating an amount. If an estimated actual from the current fiscal year was used; i.e. \$12 million, this would be an easy thing to do. Mr. Stephens asked what impact the proposal would have on other parts of the budget. Ms. Duarte responded that if it was presented as an exceptional item, it would need to be prioritized with the other items on that list, such as mental health, safety and security, and intervention dollars. If it's listed at the bottom it will be perceived as a low priority. Additionally, in January the LBB will put forth new projections, and they will determine the number that will go in the rider at that time. At this time there will be an opportunity to discuss this further. Discussion continued regarding the details of the revised

language and the motion before the Board. A request was made for a reiteration and clarification of the issue for those who did not attend the Finance and Audit Committee meeting, and Chairman Fisher offered a history of the issue being discussed.

A question was asked regarding the potential for over-incentivizing the decrease in commitments to the point where the cap becomes unsustainably low. Ms. McKeever commented that presumably the diversionary funds have been appropriated to account for the projections on population. With the 1111 target, the counties have been responsible for a total of 870, so the 1111 cap hasn't even been approached. Ms. McKeever stated that Ms. King's point was that the counties have done such a good job in keeping well under the commitment cap that funding could come out of the institutions' excess capacity, and that Chairman Fisher's point is that TJJD would have to close a facility to pay that funding to the counties. The staff does not have control over the numbers. The projections are going down and the staff is estimating 840 based in part on LBB projections for 2014-2015, and appropriations are based on the number LBB puts forth. The LBB has historically reduced numbers.

Judge Brieden stated that if the LBB sets the commitment cap at 840 and the original rider is followed, money will be moved from Goal A to Goal B. If the revised language is followed, commitment numbers would have to be at 640 before any money transferred from Goal B to Goal A. If the rider is removed and made into an exceptional item, whatever number the LBB chooses is fine, because even if it isn't funded, the penalty is removed if the rider is removed. Chairman Fisher expressed a concern about this should commitments from the counties increase and no additional funding is given to state facilities.

Ms. King commented that this issue is based on her initial suggestion, and that her intent was to create a mechanism that acknowledges the successful efforts of the field to reduce commitments. There have been savings to the state due to this reduction, and those funds are allocated somewhere else. Ms. King stated that she understands there are fixed costs, but when capacity goes down there are savings. Those savings have led to the closure of eight facilities, and none of those savings have been given to the counties in acknowledgment of their work in reducing commitments. If the target is reduced to 840, then appropriations will also be reduced to take care of that, and the funds will be spent elsewhere. Ms. King stated that she was trying to find something that could be done in-house

to acknowledge the savings that will be made if commitment levels keep going down, and to keep the funds in the juvenile justice system. Further discussion ensued regarding LBB projections and the implications for commitments.

Ms. Weiss commented that the Advisory Council recommended approval of Rider 32, which proposes a process for funding a number of commitments that fall below the 1111 target, and to fund commitments exceeding the target, and goes on to say that the rider identifies a process for the transfer of funds within the designated budget structures and does not create an additional cost to the state. Judge Brieden commented that the Council sees this as saving the funds, but the math doesn't match. Chairman Fisher stated that it can be communicated to the legislature that TJJD does not want to see funding for juvenile justice decreased, and Judge Brieden's plan would set aside some funding that has the potential to reimburse the counties for increased participation at the county level.

Mr. Meade commented that the counties have exercised good momentum in reducing commitments, but are at the end of their ability to keep this momentum. Funds are needed in order to sustain that effort. The motion before the Board was to strike Rider 32 and include it as an exceptional item with funding for the purpose of reducing commitments. This would be a biennial reserve fund for this purpose, and there would be a placeholder amount for the exceptional item. Chairman Fisher seconded. The motion passed unanimously.

Ms. Duarte referenced the exceptional item list. Currently the exceptional items request totals \$56 million for the biennium, \$40.5 million of that is general revenue. There will be 11 exceptional items including the new item just discussed – the Community Corrections Diversion Program – and a placeholder number will be added into this new exceptional item that will amount to approximately \$12 million. Chairman Fisher asked for discussion regarding where the new exceptional item should be placed in the priority list.

Judge Brieden moved that the new exceptional item become item number six, and the remaining items after item six drop down a priority level; i.e. the current item number six would become item seven, et cetera. Chairman Fisher seconded. The motion passed unanimously. In regards to the

exceptional items list, Ms. Duarte pointed out that the amounts in item numbers five and seven were increased at the advice of the Advisory Council.

Ms. Duarte discussed the 10% reduction schedule. The process for developing the 10% reduction schedule to the baseline request was based on detailed operational reviews by management and executive staff, as well as participation by the Board and the Advisory Council at various public meetings. Decisions to focus the reductions on the closure of two to three facilities, one halfway house, prevention grants to the counties, and parole services resulted from analysis of numerous options.

The first option represents an 8.3% increment, and the next two options represent the remaining 1.7% increment. The three options together total \$6.4 million, which is the Agency's reduction target. These three options will impact 656 FTEs.

With the recommended revisions to the exceptional items and to the riders, the staff is prepared to certify the LAR document for accuracy in compliance with requirements. The Chief Executive Officer, the Board Chair, and the Chief Financial Officer must certify the dual submission electronically and also by hard copy. A recommended resolution was presented.

Chairman Fisher called for discussion regarding the reduction schedule. Calvin Stephens moved to approve the staff's presentation as modified. Jimmie Smith seconded. The motion passed unanimously.

The Board recognized and thanked Ms. Duarte and Ms. McKeever for their hard work on the LAR.

### **Safety and Security Committee Report**

Mr. Brown stated that most of the committee's items were covered in other reports.

### **Programs Committee Report**

Dr. Olvera presented this item. Members present at the August 23, 2012 meeting were Jimmy Smith and Melissa Weiss. The focus at that meeting was a review by Dr. Lori Robinson on the

CoNEXTions program and specialized treatment programs. The committee reviewed items related to these programs such as assessments, level of training, licensure, et cetera. All seemed to be up to community standards. There was a general feeling that the severity of youth with special needs is increasing, and efforts are being made to quantify that and examine outcomes.

Chairman Fisher asked for Dr. Olvera's opinion on the CoNEXTions program. Dr. Olvera stated that the proof is in the outcomes, but the model is fine. There are standard behavior management models, ways to track it, capacity in terms of being able to uniquely tailor to the needs of the youth, and access to individual therapy and psychiatry, so on paper it looks fine. Two things that will be looked at is how well it's working, and whether changes will be necessary as the population changes.

Mr. Meade asked why so many institution staff has complained about the CoNEXTions program. Dr. Olvera replied that it has not been possible to get into details of treatment yet. Mr. Meade commented that it might be a little too complex for the youth to follow.

#### **Special Committee Report: Parrie Haynes Ranch Property Management Plan**

Jimmy Smith presented this item. This meeting was attended by the C5 organization, General Counsel Brett Bray, and Monika Arvelo. C5 gave a presentation on the opportunity to assume the Texas Parks and Wildlife lease of the Parrie Haynes Ranch Property.

Mr. Bray introduced the new Deputy General Counsel, Chelsea Buckholtz, who also joined the meeting yesterday. The C5 organization runs a program at Parrie Haynes Ranch, and with Parks & Wildlife leaving the property, there is a clause that allows C5 an opportunity to assume the lease until 2018 when the lease expires.

#### **Parry Haynes Trust Fund authorization: to acquire insurance coverage; property caretaker services and licensing expenditures; oil and gas leases and permits; and delegation authority (Action)**

C5 asked for an additional 30 days to see whether they want to lease the property. Mr. Smith stated that C5 is doing their due diligence in regards to taking over the lease, and they want the extra time to ensure that they have the funds to operate the facility properly. Mr. Smith recommended that the Board grant this additional 30-day period for this purpose. Mr. Bray has also asked Parks and

Wildlife if it would be possible to extend the lease out as well. There has been no definite answer as of yet, but it was commented that they may be more amenable if the Board would be willing to waive the month's lease payment.

Judge Parker moved to approve a 30-day extension to C5 for their decision making process. Ms. Weiss seconded. The motion passed unanimously.

There were three other resolutions presented to the Board in addition to this issue. Mr. Smith presented the first of these resolutions, which was to approve the expenditure of trust funds to acquire insurance and hire employees. This will cover liability and insurance for the time that may lapse between lessees. Even though the lease has insurance, it's important to make sure coverage is acquired.

Mr. Smith moved to approve the authorization to acquire liability insurance for the Parrie Haynes Ranch, as well as the hiring of a caretaker employee. Mr. Brown seconded. The motion passed unanimously.

A portion of the Parrie Haynes property is under a grass lease, and the trust has been approached for some surface operations to explore this area. Ms. Arvelo has been conducting negotiations on the trust's behalf, and the second resolution proposed would authorize the execution of the permit with some modifications, which were recommended by the General Land Office (GLO) and include adding language not allowing for electric activity, limiting the subsurface disturbances, and defining the tract according to the deed and not just a general description. The permit would bring in approximately \$3000 of income to the trust.

Ms. Mendoza moved to approve the resolution related to the Paragon permit. Ms. King seconded. The motion passed unanimously.

The last resolution was a delegation of authority to conduct necessary business related to operation of the trust.

Chairman Fisher moved to authorize the delegation of authority to the Executive Director in conjunction with the Chairman of the Subcommittee, Mr. Smith, to perform tasks necessary to the operation of the trust in the interim period. Ms. Bush seconded. The motion passed unanimously.

### **Update on the Phoenix Program**

James Smith, Associate Deputy Director Continuum of Youth Services, presented this item. Mr. Smith referenced Mr. Kimbrough's update on the Phoenix Program that was given earlier in the meeting and stated that he did not have an additional update. Rebecca Thomas, Director of Integrated State-Operated Programs and Services, presented a summary of all following proposed rule changes on the agenda. All rules have been sent out for public comment. A public hearing was held on August 3, 2012 and the agency has responded to comments.

These changes were discussed at the last Board meeting, when they were approved for posting in the register for 30-day public comment. One comment was received for the amendment regarding the Redirect Program, and there was a clarification that TJJD identified and established that placement in Redirect is appropriate upon referral to the Phoenix Program rather than on actual placement or acceptance of placement. There were comments received relating to the Phoenix Program, and there were a few changes made to the draft to clarify that the education program would provide at least six hours of required secondary curricula on each school day. Ms. Thomas asked the Board to adopt the rules as proposed, and to withdraw the emergency adoption rule simultaneously in regards to the final two rules. Ms. Thomas referred to materials in the Board's packet that detailed each rule.

Dr. Olvera asked a clarification question regarding timelines for mental health reviews in these programs. Ms. Thomas responded that there is a staff psychologist assigned to the Phoenix Program and she is there daily. There is a requirement in the case management standard that she provide weekly mental health status reviews. Dr. Olvera additionally asked a question regarding the individual case plan review and the change from 30 days to 90 days in between reviews. Ms. Thomas stated reviews can be given if necessary every 30 days, but are not required if they are not necessary. They are required every 90 days.

Judge Parker moved to approve agenda items 19 through 25, including the removal of the emergency rules as proposed. Mr. Stephens seconded. The motion passed unanimously.

- a. **Adoption of proposed amendments to Texas Administrative Code Title 37, Section 380.8701, relating to Case Planning (Action)**
- b. **Adoption of proposed amendments to Texas Administrative Code Title 37, Section 380.8702, relating to Rehabilitation Program Overview (Action)**
- c. **Adoption of proposed amendments to Texas Administrative Code Title 37, Section 380.9715, relating to Testing for Alcohol and Other Drugs (Action)**
- d. **Adoption of proposed amendments to Texas Administrative Code Title 37, Section 380.9503, relating to Rules and Consequences for Residential Facilities and withdrawal of corresponding emergency rule (Action)**
- e. **Adoption of proposed amendments to Texas Administrative Code Title 37, Section 380.9517, relating to Redirect Program and withdrawal of corresponding emergency rule (Action)**
- f. **Adoption of proposed amendments to Texas Administrative Code Title 37, Section 380.9535, relating to Phoenix Program and withdrawal of corresponding emergency rule (Action)**

**Juvenile Case Management System (JCMS) contract addendum for calendar year 2012 (Action)**

Lisa Capers, Executive Project Manager, presented this item. Ms. Capers went over the resource sharing addendum for the JCMS project. JCMS is a collaborative effort between Dallas County, Tarrant County, and the Conference of Urban Counties to develop software for the juvenile probation departments in Texas. The resource sharing agreement included a budget summary regarding the agreement.

Jim Southwell, Deputy Chief Information Officer, continued the presentation. The maintenance and operations of the JCMS system as a whole is funded and defined by the resource sharing agreement. This is the second instance where funds are being paid in for maintenance and operations. The former Texas Juvenile Probation Commission TJPC paid part of the funds in November 2011. The overall budget for the program for the rest of 2012 is \$1.943 million. TJJD's portion of that is 40%, which is an amount that the former TJPC agreed to. JCMS was built in two versions; a basic version to replace the current caseworker application being used, and a more enhanced version. The basic caseworker application represents approximately 40% of the overall functionality of the system.

In terms of rollout, one of the priorities of the agency starting in January of 2012 was to allocate additional funds to be used to entice counties to accelerate the rollout of JCMS. In 2011 JCMS was implemented in Dallas County, Tarrant County, and Caldwell County. There have been 12 additional departments added since then. There are 15 more departments that are slated to go in 2012. Projections are for 50 departments a year for the next 2.5 years until all departments are online with JCMS.

The core of the agreement is to define the operations and maintenance of the system as well as to pay for the maintenance and upkeep of the system so that TJJD and the CUC are providing helpdesk services and break/fix operations on the system, as well as to provide implementation services to departments. TJJD is taking the lead on the vast majority of those implementation efforts. The agreement calls for the Agency to pay \$777,000 for the remainder of the 2012 calendar year, the funds were appropriated from the eighty-second legislature. Because of the TJPC prepayment in November, the remaining unpaid funds are approximately \$441,000, and the resolution is requesting the Board's authorization to commit and expend those funds, as well as approval of the addendum.

Ms. Weiss moved to approve the JCMS contract as presented. Mr. Stephens seconded. The motion passed unanimously.

### **Comments by the Chairman**

Chairman Fisher stated that in relation to the selection of the Executive Director, there were questions regarding whether there should be a motion for salary and start date. The salary that has been authorized through LBB is \$172,000. There have been no discussions regarding a start date. Chairman Fisher will discuss start dates with Mr. Griffiths after this meeting.

Mr. Brown moved to approve the Executive Director salary of \$172,000 per year as authorized through the LBB. Mr. Meade seconded. The motion passed unanimously.

### **Adjourn**

The meeting was adjourned.