



JUVENILE SERVICES DIVISION'S YOUTH DETENTION FACILITIES: UNDERUTILIZED AND OVERPRICED?

[Issue](#) | [Summary](#) | [Glossary](#) | [Background](#) | [Discussion](#) | [Findings](#)
[Recommendations](#) | [Requests for Responses](#) | [Methodology](#) | [Appendixes](#) | [Responses](#)

ISSUE

The juvenile detention facilities managed by the San Mateo County Probation Department-Juvenile Services Division (JSD) are operating at under 50% of their design capacity and have been since at least 2013. What does it cost San Mateo County taxpayers to operate these facilities? Can these costs be reduced or other uses found for these facilities?

SUMMARY

The 2015-2016 Civil Grand Jury toured all three of the County's juvenile detention facilities in the fall of 2015—Juvenile Hall, Camp Kemp for girls, and Camp Glenwood for boys—and noted that there was considerable underutilized space in each of them. The Grand Jury is pleased that so few youths are currently incarcerated in San Mateo County. However, the apparent underutilization of the three facilities prompted an investigation to document JSD's actual operating costs.

The investigation determined that in FY 2014-2015,¹ the total cost to incarcerate youth in San Mateo County was approximately \$40,750,128. Of this, approximately \$19,890,957 (48.8%) was supplied from sources outside the County, primarily from the State of California, leaving Net County Cost (NCC) of approximately \$20,859,171 (51.2%).²

In FY 2014-2015, San Mateo County spent about:³

- **\$339,584** to incarcerate each youth (ADP⁴ = 120 youth)
- **\$930** per day to incarcerate each youth (ADP = 120 youth)
- **\$22,700** per Court School student⁵

The County's three juvenile detention facilities are operated by the Probation Department-Juvenile Services Division (JSD), and have capacity for 260 youth. However, the actual census figures show that the average ADP is typically less than 50% capacity based on a 2013-2014 San Mateo County Civil Grand Jury report,⁶ FY 2014-2015 ADP figures, and available ADP figures for 2016:

¹ Fiscal year starting July 1, 2014, and ending June 30, 2015, the last full year that actual financial results were available at the time of this investigation.

² See Table 1: Summary of Total Cost, External Revenue Sources, and Net County Cost. See also Appendices A through E: Top Level Actual Cost and Revenue by Entity, including: A-JSD, B-Correctional Health, C-BHRS, D-Superior Court-Juvenile Branch, and E-SMCOE.

³ Derived from total costs, not Net County Cost.

⁴ ADP = Average Daily Population

⁵ Calculation provided by senior manager of SMCOE's financial department.

⁶ Superior Court of California, 2013-2014 San Mateo County Civil Grand Jury, "San Mateo County Detention Facilities: An Overview," June 17, 2014, p. 96.

http://www.sanmateocourt.org/documents/grand_jury/2013/detention_facilities.pdf.

- 2013 ADP for Juvenile Hall was **95** youth⁷ (55.6%). In February 2014, Camp Kemp had only five girls who were housed in the Girls Unit in Juvenile Hall.
- FY 2014-2015 ADP was **120** youth (46.2% of capacity) (Juvenile Hall-86, Camp Glenwood-21, Camp Kemp-13)⁸
- On March 3, 2016, the actual population was **121** youth (46.5% of capacity) (Juvenile Hall-90, Camp Glenwood-20, Camp Kemp-11)⁹
- On April 25, 2016, the actual population was **109** youth (41.9 % of capacity) (Juvenile Hall-80, Camp Glenwood-21, Camp Kemp-8)¹⁰

The number of youth incarcerated at JSD's facilities varies throughout the year and from year to year but has been well under its design capacity for at least three years.

The Grand Jury decided it was beyond the scope of this investigation to evaluate the quality and/or success of JSD's programs. The Jury was, however, impressed by San Mateo County's dedication to improving the futures of the County's incarcerated youth, demonstrated by the leadership and staff at JSD and all of the organizations interviewed during this investigation.

The Grand Jury recommendations include:

- The County Controller should conduct a comprehensive financial and operations analysis of JSD and two County departments/divisions that support JSD—Correctional Health Services and Behavioral Health and Recovery Services—to determine the costs related to operating the County's juvenile detention facilities. The Grand Jury believes that better understanding the costs of operating these facilities will help County management identify all of the factors that it should consider in determining whether it is necessary to reduce operating costs and improve facility utilization.
- If it is determined that operating costs should be reduced and/or that the facilities should be better utilized, then:
 - The Board of Supervisors should direct the County Manager to set cost-reduction/facility-utilization goals based on the findings of the Controller's financial analysis; and
 - The County Manager and the Probation Department-JSD should establish a plan to meet those goals and present regular progress reports to the Board of Supervisors at a public meeting.

⁷ Ibid.

⁸ Data provided by Probation Department senior manager.

⁹ Representatives from JSD Health Services: interview by the Grand Jury, March 2016.

¹⁰ Representatives from the Probation Department: interview by the Grand Jury, April 2016.

GLOSSARY

Average Daily Population (ADP) - Average number of incarcerated youth, measured daily.

Total Cost - All expenditures required to incarcerate and to provide services to youth at the three JSD facilities.

Net County Cost (NCC) - Total cost minus external revenue (non-San Mateo County revenues). External revenue typically comes from the State of California, the Federal government, and grants from local non-governmental agencies.

San Mateo County Office of Education (SMCOE) - An independent governmental entity that supports the 23 K-12 school districts in San Mateo County and also provides educational services (Court School) to incarcerated youth at the JSD facilities.

Juvenile Services Division (JSD) - The division of San Mateo County Probation Department that maintains three youth detention facilities including Juvenile Hall and Camp Kemp for girls, both in San Mateo, and Camp Glenwood for boys in La Honda.

Youth Services Center (YSC) - A County facility located on Tower Road in unincorporated San Mateo County, which consists of Juvenile Hall, two courtrooms, and dedicated office space for a variety of support staff.

BACKGROUND

In San Mateo County, the Superior Court appoints the Chief Probation Officer whose responsibilities include oversight and operation of the County's juvenile detention facilities. The Probation Department's budget is established by the Board of Supervisors and administered by the County Manager and staff.

The Grand Jury's mandate to investigate JSD facilities derives from the California Penal Code §919(b), which states, "The grand jury shall inquire into the condition and management of the public prisons within the county." The term *public prisons* has been interpreted to include county jails and juvenile detention facilities.

The following public entities provide the large majority of the services and support to incarcerated youth in San Mateo County:

- Probation Department-Juvenile Services Division (JSD)
- Correctional Health Services (CHS)
- Behavioral Health and Recovery Services (BHRS)
- Superior Court-Juvenile Branch
- San Mateo County Office of Education (SMCOE)

These five entities and their primary function as it relates to incarcerated youth are briefly described below. The first three are County departments and the last two are independent governmental entities.

Probation Department - Juvenile Services Division (JSD)

JSD reports to the Chief Probation Officer and has this charge:

JSD performs mandated probation functions including supervising, monitoring, and providing intervention services for youth detained in its custody at its three facilities. JSD operates three juvenile detention facilities with a total capacity of 260 beds, including:

- Juvenile Hall—The 170-bed juvenile detention facility that provides secure custody services for boys and girls. It collaborates with other County departments to provide food, health, mental health, education, and special programs to youth.
- Camp Glenwood— A 60-bed residential program that offers boys the opportunity to develop positive behaviors, learn skills, and improve education in a rural, minimum-security facility.
- The Margaret J. Kemp Camp (Camp Kemp)—A 30-bed residential facility, offering gender-specific¹¹ and other intensive programs for girls as an alternative to serving time in detention or in an out-of-home placement program.

Correctional Health Services (CHS)

CHS provides medical and dental care to the incarcerated juvenile population of San Mateo County. A division of CHS, Correctional Food Services, provides meals to juveniles while in custody.¹²

Behavioral Health and Recovery Services (BHRS)

BHRS provides services for incarcerated youth for the prevention, early intervention, and treatment of mental illness and/or substance use.¹³

In addition to these three County departments, two other local independent governmental entities contribute to the care of incarcerated youth in San Mateo County.

Superior Court-Juvenile Branch

The San Mateo Superior Court - Juvenile Branch consists of two full-time Superior Court judges and approximately 10 employees located in YSC facilities in San Mateo. Employees of Superior Court-Juvenile Branch are not involved in managing or operating the detention centers of JSD.

¹¹ Gender-specific programs include dealing with issues of self-destruction and sexual exploitation and molestation. See: Superior Court of California, 2013-2014 San Mateo County Civil Grand Jury, "San Mateo County Detention Facilities: An Overview," p. 98.

¹² Paraphrased from <http://smchealth.org/CH>

¹³ Paraphrased from <http://smchealth.org/bhrs/about>

San Mateo County Office of Education (SMCOE)

SMCOE operates the Court School for all youth incarcerated in JSD facilities.¹⁴

DISCUSSION

The 2015-2016 San Mateo County Civil Grand Jury observed during its Fall 2015 visits to the three youth detention facilities that all were operating well under capacity. This fact was subsequently confirmed through data supplied by JSD. San Mateo County expends considerable financial and human resources to incarcerate and rehabilitate a small number of youth relative to the size of the facilities.

The Grand Jury investigated JSD's actual expenditures plus those of the two San Mateo County departments providing support to JSD (CHS and BHRS) as well as two other governmental entities (Superior Court-Juvenile Branch and SMCOE) to determine total actual expenditures for FY 2014-2015. This is the last full fiscal year for which actual figures are available at the time of this investigation.

To the Grand Jury's knowledge, this analysis represents the first time all costs associated with JSD have been consolidated and made public. The County does provide limited data for its individual departments but does not provide either consolidated, cross-departmental data, or expenditures supported by entities outside of San Mateo County.

Senior financial management of each of the five entities referenced below provided detailed FY 2014-2015 actual expenditures and revenues to the Grand Jury. Simplified versions that collapsed major cost accounts incorporating many very detailed individual cost elements to a single account total can be found as follows:

- **JSD Detention Facilities** Appendix A
- **CHS** Appendix B
- **BHRS** Appendix C
- **Superior Court-Juvenile Branch** Appendix D
- **SMCOE** Appendix E

The Grand Jury also interviewed management at the Department of Public Works to learn how rent is allocated to JSD. Details of this process can be found in Methodology.

FY 2014-2015 Actual Cross-Departmental Expenditures for JSD¹⁵

Table 1 summarizes JSD FY 2014-2015 actual expenditures:

- Expenditure by three County departments to support the incarceration of youth
- Expenditure of SMCOE to support educating incarcerated youth
- Approximate expenditure of the Superior Court - Juvenile Branch

¹⁴ Paraphrased from <http://www.smcoe.org/about-smcoe/>

¹⁵ See Methodology for further information about how this Summary was derived.

- External revenue received from outside the County
- Net County Cost (NCC)-the funds the Board of Supervisors must budget

Table 1. Summary of FY 2014-2015 Total Cost, External Revenue Sources, and Net County Cost

Entity	Total Required	External Revenue	Net County Cost
Probation-JSD	\$32,795,623	\$15,079,678	\$17,715,945
CHS	\$1,444,230	\$240,000	\$1,204,230
BHRS	\$2,466,929	\$562,633	\$1,904,296
SMCOE	\$2,784,221	\$2,771,721	\$13,000
Superior Court-Juvenile Branch	\$1,259,125	\$1,237,425	\$21,700
Total	\$40,750,128	\$19,890,957	\$20,859,171

The largest cost element is employee salaries and benefits, which comprises about 73% of the total cost to operate the three JSD facilities.

Table 2. FY 2014-2015 Actual Salaries and Benefits

Entity	Salaries/Benefits
Probation-JSD	\$ 19,503,649
CHS	\$ 3,951,784
BHRS	\$ 2,363,572
SMCOE	\$ 2,784,221
Superior Court-Juvenile Branch	\$ 1,182,539
Total	\$ 29,785,765

Comparisons

The Grand Jury discovered some juvenile-detention facility cost information from San Francisco County, Los Angeles County, and other locations across the country. While the Grand Jury found this information helpful, it should be noted that cost comparisons to other youth detention facilities in California and around the country cannot be made with 100% assurance that the comparison is accurate because each agency may calculate and report its costs differently. Such details are not available from the other counties' websites.

San Francisco City and County

San Francisco's Juvenile Probation Department (JPD) operates Juvenile Hall on Portola Drive in San Francisco and Log Cabin Ranch in La Honda. These facilities accommodate 150 (boys and

girls) and 24 (boys), respectively. Juvenile Hall's ADP in 2014 was 70 youth (46.7 % of capacity).¹⁶

These facilities are of similar overall capacity to San Mateo County's juvenile detention facilities and were operating at a similar percentage of capacity.

The following data is for San Francisco's JPD-Juvenile Hall *only*:

- Actual cost per youth per day for FY 2013-2014 was **\$420**
- Target cost per youth per day for FY 2014-2015 was **\$383**
- Projected cost per youth per day for FY 2015-2016 was **\$460**¹⁷

The Grand Jury was unable to determine how the San Francisco annual budget was developed. For example, there was no clarification as to which services were included in the cost figures, nor was it clear if San Francisco utilized total costs, Net County Cost, or some other measure.

Los Angeles County and Others

On February 24, 2016, the *Los Angeles Times* reported on a comprehensive audit conducted in 2015 by the Los Angeles County Auditor-Controller of the Los Angeles County Probation Department. The Grand Jury obtained a copy of the audit, the relevant portion of which is included in Appendix F.

When costs for both Los Angeles County's juvenile hall(s) and county camp(s) are combined (a methodology consistent with the analysis of San Mateo County's costs in this report), the Average Daily Cost per Youth (ADCPY) is as follows:

LA County	\$596	
San Diego County	\$335	
Orange County	\$406	
Harris County (TX)	\$252	(Houston)
Cook County (IL)	\$560	(Chicago)

As a reference, San Mateo County's ADCPY is about \$930.

The LA County Auditor-Controller stated, "Our review noted that the [LA County Probation] Department and the other counties generally included the same costs in their calculation of the ADCPY, such as S&EB [Salaries & Employee Benefits], food, medical and mental health services, contract services, clothing and supplies, transportation, and building maintenance."¹⁸

¹⁶ http://sfmayor.org/ftp/uploadedfiles/mayor/budget/SF_Budget_Book_FY_2015_16_and_2016_17_Final_WEB.pdf, p. 291.

¹⁷ *Ibid*, p. 293.

¹⁸ Probation Department – Budget, Juvenile Halls and Camp Operating Costs and Departmental Contracting Procedures Review, LA County Auditor-Controller, submitted to LA County Board of Supervisors July 24, 2015, p. 15. (See Appendix F.)

The Grand Jury could not confirm whether or not Los Angeles County’s audit figures included Superior Court and Los Angeles County Office of Education costs or whether the costs reported were Net County Cost or some other measure.

The major cost elements in the financial models utilized by Los Angeles and San Francisco counties are similar to those included in the cost model developed by the Grand Jury as part of its investigation.

Alternatives

The Grand Jury learned that some of the cost and underutilization issues identified in this report are not new to San Mateo County management. For example, senior County management has given some consideration to repurposing part of the JSD facilities (Juvenile Hall and Camp Kemp).¹⁹ According to interviewees, two cost concerns prevented the County from undertaking further serious study:

- The cost to convert the existing facility to some other purpose (called “repurposing”) could be very high.
- If the number of incarcerated youth rises significantly, the facility might need to be repurposed back to its original state and the costs to implement such changes would also be high.

In addition, County management gave some consideration to coordinating with adjacent counties to determine if facilities could be shared. This idea was dismissed as impractical because some family members may have difficulty travelling to other counties to visit incarcerated youth. It is possible it would be less expensive to San Mateo County taxpayers to pay for transportation for families to visit incarcerated youth. Alternatively, it is also possible that youth from other counties would be housed in JSD’s three detention facilities with no impact to travel time for parents of San Mateo County’s detained youth.

In a Grand Jury interview, one senior County manager offered these extemporaneous cost-cutting ideas:

- Re-reviewing sharing resources with local counties
- Reconsidering repurposing or finding other suitable tenants for JSD’s unused space
- Using the “agile workforce” concept that enables the County to retain fixed-term (as opposed to permanent) employees in time of need. Since almost 75% of the total cost to operate these JSD facilities is salaries and benefits, this is a promising option to explore.

Conclusion

The County has a responsibility to its taxpayers to maximize the utilization of County resources and reduce costs. The Grand Jury’s investigation revealed that it is difficult, if not impossible, for

¹⁹ Representatives from the Probation Department, San Mateo County Board of Supervisors, and the County Manager’s Office: interviews by the Grand Jury.

either of these goals to be accomplished by Probation Department-Juvenile Services Division since the data regarding the cost of operating JSD's facilities is neither comprehensive nor readily available.

The Grand Jury wishes to express its appreciation to all of the County employees and those of the Superior Court Executive Office and San Mateo County Office of Education for their cooperation in providing data for this report and answering many questions.

FINDINGS

- F1. Actual total cost to incarcerate one youth in FY 2014-2015 was \$340,974 per year, which equates to approximately \$934 per day.
- F2. The Grand Jury developed the total cost model from the financial records of five separate entities; a County summary of these total costs was not available.
- F3. San Mateo County's actual total costs to incarcerate juveniles are significantly higher than those reported by San Francisco and Los Angeles counties.
- F4. Juvenile Services Division's three facilities have only been about 45% utilized since at least 2013.
- F5. There are no current cost-reduction plans identified or in development by the Probation Department.

RECOMMENDATIONS

- R1. The San Mateo County Controller's Office should perform a comprehensive financial and operations analysis of the Probation Department-Juvenile Services Division as well as those divisions of CHS and BHRS that support JSD. This analysis should be completed by December 31, 2016.
- R2. If, as a result of the Controller's analysis, it is determined that operating costs should be reduced and/or that the facilities should be better utilized, then the San Mateo County Board of Supervisors should direct the County Manager to establish financial and utilization goals for the Juvenile Services Division's three detention facilities by March 31, 2017.
- R3. If, as a result of the Controller's analysis, it is determined that operating costs should be reduced and/or that the facilities should be better utilized, then the Board of Supervisors should direct the County Manager and Chief Probation Officer to develop a plan to meet such cost-reduction goals and/or alternative-use goals by June 30, 2017, and to provide quarterly status reports of their progress to the Board at a public meeting.

REQUEST FOR RESPONSES

Pursuant to Penal Code Section 933.05, the Grand Jury requests responses as follows:

From the following elected officials and/or governing bodies:

- San Mateo County Controller's Office—**R1**
- San Mateo County Board of Supervisors—**R2** and **R3**

The governing bodies indicated above should be aware that the comment or response of the governing body must be conducted subject to the notice, agenda, and open meeting requirements of the Brown Act.

METHODOLOGY

Determining actual costs for operating JSD's three detention facilities was complicated, in large part because the Grand Jury was unable to find any resource that recorded the actual expenditures for JSD in FY 2014-2015.

Cost Model Development

The Grand Jury did the following to develop its cost model for JSD's three juvenile detention facilities:

- Identified all San Mateo County departments and other essential organizations that support JSD
- Identified and contacted the individual(s) in those departments and organizations responsible for financial management including reporting expenditures and revenues
- Conducted numerous interviews (and several follow-up contacts) to collect official documentation
- Developed and analyzed a cost model
- Rechecked all financial data for accuracy with the original sources

During interviews, the Grand Jury asked if there were other people, departments, or support organizations from which we should inquire regarding additional costs. Representatives from any such entities were contacted and interviewed.

The Grand Jury notes that the transparency displayed by all interviewed department officials is an indicator that any costs missing from the Grand Jury's report are unlikely to be significant to the financial analysis or the conclusions drawn by the Grand Jury.

Total Costs versus Net County Cost

The financial documentation the Grand Jury acquired and provides in Appendices A through E shows:

- **Actual Expenditures**—funds expended by the budgeting entity
- **Revenue Source**—external funds provided from outside the County
- **Net County Cost**—actual expenditures minus external revenue sources

In determining and reporting annual budgets, San Mateo County usually uses NCC as these are the funds the Board of Supervisors must allocate from the County's revenue sources. The Board has little to no control over the External Revenue funds that are typically allocated by the state or federal government. The Grand Jury notes that this methodology provides an incomplete accounting of the actual total cost to incarcerate youth in the County.

The Grand Jury used Total Cost as reported by these entities because knowing the actual total costs provides a more thorough understanding of the resources that are allocated to this function of San Mateo County government.

Rent Allocation

Rent is allocated primarily based on the cost to maintain and operate the entire building. Within a building, rent is allocated to each San Mateo County department or independent organization (i.e., the Superior Court - Juvenile Branch housed at Juvenile Hall), based on a pro-rated (determined by assigned square footage) share of that building's overall cost. There is no separate provision made for underutilized or non-utilized space.

Operating costs are lower for empty space as these areas generally have lower utility and maintenance costs. For example, when Camp Kemp stopped detaining girls overnight in FY 2014-2015, JSD's rent was approximately \$1.5 million. When Camp Kemp reverted to a 24/7 facility in FY 2015-2016, JSD's rent increased to approximately \$2.0 million.

The County's Budget Office adds on certain pass-through expenses such as debt service, a 10% facilities surcharge, and cost of insurance to the department(s) occupying the facility.

Site Tours

- The Grand Jury toured all three facilities operated by JSD.

APPENDIX A DETAIL OF JSD EXPENDITURES AND REVENUES

Budget Entity	Account	Description	2014-2015 Actuals	Revenue Source	2014-2015 Actuals
JSD (3283P)					
Probation	1791			CA-Corrections	333,452
	1851			CA-Public Safety	8,590,147
	1856			CA-Juv Prob Act	0
	1862			School Lunch-Block Grant	202,796
	1871			All Other CA Aid	1,278,353
	1916			Title IV-A (CA)	1,962,953
	1983			Other Local Agencies	183,293
	1600			Subtotal	12,550,994
	2000			Parent Payments	268,547
	2600			Misc Revenue	49,880
	TOTREV			Total Revenue	12,869,421
	333				2,210,257
	TOTRSC				15,079,678
	4000	Salary/Benefits	19,503,649		
	5000	Services/Supplies	4,008,003		
	6000	Other Charges	3,639,415		
	7000	Fixed Assets	7,992		
		Subtotal	27,159,059		
	7545	Bond Debt Service	4,387,480		
	7548	10% Fac. Surcharge	145,573		
	7500	Other Financial Uses	4,533,053		
	GRSAPP		31,692,112		
	8000	IFT	(407,786)		
		Subtotal	31,284,326		
	8500	Contingencies/Res	1,511,297		
	TOTREQ		32,795,623		
	NETCC	Net SMC Cost	17,715,945		

APPENDIX B DETAIL OF CORRECTIONAL HEALTH EXPENDITURES AND REVENUES

Budget Entity	Account	Description	2014-2015 Actuals	Revenue Source	2014-2015 Actuals
YSC Medical (63340)	1994			Realignment Subsidy	\$ 240,000
Correctional Health	TOTRSC				\$ 240,000
	4000	Salary/Benefits	\$ 1,375,582		
	5000	Services/Supplies	\$ 65,364		
	6000	Other Charges	\$ 3,284		
	7000	Fixed Assets	----		
	GRSAPP		\$ 1,444,230		
	TOTREQ		\$ 1,444,230		
	NETCC		\$ 1,204,230		

APPENDIX C DETAIL OF BHRS EXPENDITURES AND REVENUES

Budget Entity	Account #	Description	2014-2015 Actuals	Revenue Source	2014-2015 Actuals
JSD-BHRS (61307)	2600			Misc Rev	\$ 16,090
				Billed Rev	\$ 199,484
				MHSA	\$ 347,059
	TOTSRC				\$ 562,633
	4000	Salary/Benefits	\$ 2,416,575		
	5000	Services/Supplies	\$ 198,650		
	6000	Other Charges	\$ 116,206		
	7500	Other Financing Uses	\$ 288,649		
	GRSAPP		\$ 3,020,080		
	8000	IFT	\$ (553,151)		
	TOTREQ		\$ 2,466,929		
	NETCC		\$ 1,904,296		

APPENDIX D DETAIL OF SUPERIOR COURT - JUVENILE BRANCH EXPENDITURES AND REVENUES

Budget Entity	Account	Description	2014-2015 Actuals
YSC-SUPCRT	---	Salary/Benefits	\$ 1,182,539
		Other Expenses	\$ 76,586
		TOTAL	\$ 1,259,125

San Mateo County Superior Court is funded by the California State Judicial Council, which paid all expenses shown in Table 1 except approximately \$21,700 for rent allocation that was paid by San Mateo County. These actual expenditures include the salaries and benefits for approximately 10 employees who support Juvenile Court but exclude salaries and benefits for the two full-time Superior Court judges assigned to the Juvenile Branch. It was determined by the Grand Jury that these expenses were not necessary to complete its analysis.

APPENDIX E DETAIL OF SMC OFFICE OF EDUCATION EXPENDITURES AND REVENUES

Budget Entity	Account Name	Description	2014-2015 Actuals	Revenue Source	2014-2015 Actuals
JSD-COE				Court School	\$ 1,843,618
				Lottery (13%)	\$ 126,962
				Educ. Protection	\$ 29,156
				Title I	\$ 216,109
				Title II	\$ 4,924
				Title III	\$ 15,144
				Common Core Standards	\$ 87,617
				Local Revenue	\$ 125,223
				Subtotal	\$ 2,448,753
				District Support	\$ 335,468
					\$ 2,784,221
	Court School	Staff	\$ 1,798,044		
		Supp/Serv/Other	\$ 928,666		
		Capital	\$ 57,511		
	TOTAL		\$ 2,784,221		

APPENDIX F LA COUNTY AUDIT: PROBATION DEPARTMENT - BUDGET, JUVENILE HALLS AND CAMP OPERATING COSTS AND DEPARTMENTAL CONTRACTING PROCEDURES REVIEW

funding sources, etc.) to address their Capital Project and unmet needs.

Juvenile Halls and Camps Operating Costs

Probation currently operates three juvenile halls and 14 juvenile camps, and in FY 2013-14 processed approximately 12,000 youth intakes. After intake assessment, some minors are admitted to juvenile halls, released to residential or non-secure detention licensed foster homes, ordered to juvenile camps, or are returned to the courts for re-placement. Probation housed approximately 1,600 youths in FY 2013-14, and as of March 2015, housed approximately 1,400 youths within their juvenile halls and camps. Juvenile halls provide temporary housing for minors detained on an arrest, awaiting a court date, and/or awaiting sentencing. While in juvenile hall, minors are provided health, mental health, and educational assessments, and treatment. Juvenile camps provide an intensive intervention in a residential setting for minors committed by the Juvenile Court, with an average stay of six months. Minors receive health, mental health, educational, and family assessments that allow for treatments to be tailored to meet individual needs. Youth also attend school and engage in recreational activities at both the juvenile halls and camps.

Probation's operating costs for the three juvenile halls and 14 juvenile camps for FYs 2012-13, 2013-14, and 2014-15 (through March 2015) are included in Table 5, below. Probation's operating costs include staff S&EB, food, medical and mental health services, tutoring, contract services, security services, clothing and supplies, transportation, and building maintenance.

The direct operating costs of juvenile halls and camps are captured in the JIS budget unit. However, additional costs which benefit the juvenile halls and camps, such as support and educational services, are captured in other budget units. Such costs should be included in determining the operating costs for each juvenile hall and camp. Our review noted that the Department does not track administrative, educational, and transportation services costs by each juvenile hall and camp, and does not track revenues and expenditures separately for five of the six Challenger camps (i.e., Camp Onizuka is tracked separately under the Youth Offender Block Grant). Tracking the Challenger camps separately could provide more detailed financial information, and a more effective basis for planning and decision making for the Department.

Probation management should determine the feasibility of allocating administrative, educational, and transportation services costs by each juvenile hall and camp to identify actual operating costs more efficiently and accurately, and ensure that all expenditures are allocated to the appropriate juvenile halls and camps. Probation Department management should also determine the feasibility of budgeting and tracking revenues and expenditures using additional cost centers or lower-level budget units, particularly related to the Challenger camps.

APPROVED BY
BOARD OF SUPERVISORS

OCT 18 2016

CLERK OF BOARD
BY *Sukhmani* DEPUTY



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager's Office



Date: September 15, 2016
Board Meeting Date: October 18, 2016
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: John L. Maltbie, County Manager

Subject: Board of Supervisors' Response to the 2015-2016 Civil Grand Jury Report, "Juvenile Services Division's Youth Detention Facilities: Underutilized and Overpriced?"

RECOMMENDATION:

Approve the Board of Supervisors' response to the 2015-2016 Grand Jury Report, "Juvenile Services Division's Youth Detention Facilities: Underutilized and Overpriced?"

BACKGROUND:

On July 20, 2016, the 2015-2016 San Mateo County Civil Grand Jury issued a report titled "Juvenile Services Division's Youth Detention Facilities: Underutilized and Overpriced?" The Board of Supervisors is required to submit comments on the findings and recommendations pertaining to the matters over which it has some decision making authority within 90 days. The Board's response to the report is due to the Honorable Joseph C. Scott no later than October 18, 2016.

DISCUSSION:

The Grand Jury made five findings and three recommendations in its report. The Board responses follow each finding and the two recommendations that the Grand Jury requested that the Board respond to within 90 days.

FINDINGS

Finding 1:

Actual total cost to incarcerate one youth in FY 2014-2015 was \$340,974 per year, which equates to approximately \$934 per day.

Response:
Agree.

Finding 2:

The Grand Jury developed the total cost model from the financial records of five separate entities; a County summary of these total costs was not available.

Response:

Agree.

Finding 3:

San Mateo County's actual total costs to incarcerate juveniles are significantly higher than those reported by San Francisco and Los Angeles counties.

Response:

Neither agree nor disagree. Without knowing what was included in the cost calculations provided by other counties, the County may not have a like comparison. For instance, the County's total costs include debt service payments for the bonds that were issued to build the Youth Services Center and Camp Kemp. The County does not know if the calculations provided by other counties included debt service. Additionally, it is not known whether the other counties included the amortization of debt, building depreciation and other components included in the calculation of the County's total costs.

Finding 4:

Juvenile Services Division's three facilities have only been about 45% utilized since at least 2013.

Response:

Agree.

Finding 5:

There are no current cost-reduction plans identified or in development by the Probation Department.

Response:

Wholly disagree. The County Manager's Office (CMO) refinanced the bonds recently, resulting in lower debt service payments in the upcoming years. The CMO is also looking at the food services for the facilities that are currently provided by Correctional Health. The Probation Department will be evaluating ongoing service delivery to look for opportunities to reduce cost that does not jeopardize service quality.

RECOMMENDATIONS

Recommendation 2:

If, as a result of the Controller's analysis, it is determined that operating costs should be reduced and/or that the facilities should be better utilized, then the San Mateo County Board of Supervisors should direct the County Manager to establish financial and utilization goals for the Juvenile Services Division's three detention facilities by March 31, 2017.

Response:

The recommendation requires further analysis. The County will certainly consider utilization improvements and cost reduction strategies, however, the County's ability to repurpose the facility may be constrained by federal tax law and/or covenants in the financing documents. Furthermore, operation of the juvenile hall and Camp Kemp must adhere to all applicable State mandates and regulations regarding the housing and supervision of juveniles. Without knowing what the results of the Controller's analysis will be or when it will be completed, the County cannot ensure that it will meet the March 31, 2017 timeline or that it will or will not implement strategies that the analysis might recommend.

Recommendation 3:

If, as a result of the Controller's analysis, it is determined that operating costs should be reduced and/or that the facilities should be better utilized, then the Board of Supervisors should direct the County Manager and Chief Probation Officer to develop a plan to meet such cost-reduction goals and/or alternative-use goals by June 30, 2017, and to provide quarterly status reports of their progress to the Board at a public meeting.

Response:

The recommendation requires further analysis. See response to Recommendation 2.

Acceptance of the report contributes to the Shared Vision 2025 outcome of a Collaborative Community by ensuring that all Grand Jury findings and recommendations are thoroughly reviewed by the appropriate County departments and that, when appropriate, process improvements are made to improve the quality and efficiency of services provided to the public and other agencies.

FISCAL IMPACT:

There is no Net County Cost associated with accepting this report.



COUNTY OF SAN MATEO
OFFICE OF THE CONTROLLER

Juan Raigoza
Controller

Shirley Tourel
Assistant Controller

555 County Center, 4th Floor
Redwood City, CA 94063
650-363-4777
<http://controller.smcgov.org>

September 8, 2016

The Honorable Joseph C. Scott
Judge of the Superior Court
c/o Charlene Kresevich
Hall of Justice
400 County Center, 2nd Floor
Redwood City, CA 94063-1655

Dear Judge Scott:

Re: Grand Jury Report – “Juvenile Services Division’s Youth Detention Facilities: Underutilized and Overpriced?”

On July 20, 2016, the Grand Jury issued the “Juvenile Services Division’s Youth Detention Facilities: Underutilized and Overpriced?” report that included a recommendation to the County Controller. This letter provides the Controller’s Office response to the Grand Jury’s recommendation.

Recommendation

The San Mateo County Controller’s Office should perform a comprehensive financial and operations analysis of the Probation Department-Juvenile Services Division as well as those divisions of CHS and BHRS that support JSD. This analysis should be completed by December 31, 2016.

Controller’s Office Response

Agreed. The Grand Jury Report requests that the Controller’s Office prepare a financial and operational analysis report. Upon the Board of Supervisors (Board) request, the Controller’s Office will request the assistance of the County Manager’s Office, Probation Department, and two divisions that support the JSD to prepare and provide the recommended report by an appropriate date.

Please let me know if you have any questions. Thank you.

Sincerely,

Juan Raigoza
Controller

cc: San Mateo County Board of Supervisors
John Maltbie, County Manager
John Keene, Chief Probation Officer
Rodina M. Catalano, Court Executive Officer
Charlene Kresevich, Court Administrative Assistant