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DEPARTMENT OF AUDITS
TRINITY-WASHINGTON BUILDING
ATLANTA, GEORGIA 30334

PERFORMANCE AUDIT
DEPARTMENT OF CORRECTIONS
PROBATION DIVISION
DIVERSION CENTER PROGRAM
JANUARY, 1988

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U.S. Department of Justice
National Institute of Justice

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DEPARTMENT OF CORRECTIONS
DIVERSION CENTER PROGRAM

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GW HOGAN
STATE AUDITOR
(404) 656-2174

ADMINISTRATION AND
TAX RATIO
(404) 656-7208

Department of Audits

270 WASHINGTON STREET
ROOM 214

Atlanta, Georgia 30334/8400

FINANCIAL AUDITS
(404) 656-2180

PERFORMANCE, MEDICAID, AND
LOCAL GOVERNMENT AUDITS
(404) 656-2006

January 4, 1988

The Honorable Joe Frank Harris, Governor
Members of the General Assembly
Members of the Board of Corrections
and

The Honorable David C. Evans, Commissioner
Department of Corrections

Ladies and Gentlemen:

The Department of Audits conducts financial and performance audits. Financial audits involve financial accountability and compliance with state laws, while performance audits deal with the operational efficiency and effectiveness of state programs in accomplishing their objectives.

This performance audit report is intended to provide information about the Diversion Center Program which operates within the Department of Corrections. A copy of this report has been filed as a permanent record with the State Auditor and has been made available to the press as required by Section 50-6-24 of the Georgia Code.

Respectfully submitted,

G. W. Hogan
State Auditor

GWH/er/mn

DEPARTMENT OF CORRECTIONS
DIVERSION CENTER PROGRAM

INTRODUCTION

The Diversion Center Program is administered by the Probation Division within the Department of Corrections. The program is intended to provide the judicial system an alternative to sentencing adult offenders to prison and thereby help alleviate prison overcrowding. Other probation sentencing options which are not residential in nature include the Basic Supervision Program, the Intensive Probation Supervision Program, and a Special Alternative Incarceration Program. This audit only includes the operations of the Diversion Center Program. A performance audit released in August, 1985 covered the operations of the Basic and Intensive Supervision Probation Programs.

The purpose of the Diversion Center Program is to divert non-violent offenders from prison. The program is designed to be a less costly sentencing option than incarceration. Offenders sentenced to the program are those who judges feel would normally be sentenced to prison but could be adequately supervised through a residential probation program.

There are 15 diversion centers located throughout the state with a total capacity of 683 offenders. Three additional diversion centers are scheduled to begin operations in fiscal year 1988 and will expand total capacity to 835 offenders. Each diversion center houses from 23 to 65 offenders. Two

diversion centers house female offenders while the remaining 13 house only male offenders. During fiscal year 1987, 51,433 offenders were placed on probation. Of these, 2,074 (4%) were admitted to diversion centers.

Offenders complete the Diversion Center Program in approximately 4 1/2 months. While in the program, they are required to maintain full-time employment in the local community. Each resident's earnings are submitted to the diversion center staff and are used to pay required maintenance fees (\$6.50 per day); any fines, fees, and victim restitution ordered by the court; and costs of personal hygiene and clothing items. Dependent support may be provided from any remaining earnings. The balance of earnings is held as savings and given to the resident upon release from the program.

Each center's counseling staff develop counseling and education plans for residents which may require attendance at applicable individual and group counseling sessions or training and education programs. Random and suspect drug and alcohol tests are administered to detect unauthorized use. Residents may earn passes to visit their homes after they have been in the program for 30 days.

Each diversion center has a staff of approximately 15 personnel consisting of a superintendent; probation officer; business office and counseling staff; correctional officers; food service staff; and clerical personnel. Each diversion center superintendent reports to one of 10 district probation directors.

Program operations are funded by state appropriations and maintenance fees deducted from residents' earnings. Fiscal year 1987 expenditures totalled \$8.1 million of which \$1.4 million was offset by residents' maintenance payments. The program is budgeted \$7.9 million for fiscal year 1988.

Information in this report was obtained through on-site visits to three diversion centers and from records maintained or prepared by the division and department. The State Auditor's Office expresses its appreciation to the Department of Corrections for the cooperation and assistance provided during the course of this audit.

SUMMARY OF AUDIT FINDINGS

The purpose of this report is to provide information on the operations and status of the Diversion Center Program administered by the Probation Division within the Department of Corrections. As a result of this audit it has been determined that while the program is accomplishing its purpose of diverting offenders from prison and being less costly than prison, there are indications that the program may be diverting offenders from the even less costly Intensive Probation Supervision Program.

In addition, diversion centers' reports should be revised so that the division can determine if the program is meeting its objective to have residents employed full-time. More specific guidelines should be developed regarding amounts deducted from residents' earnings to pay court-ordered monetary penalties. Finally, the program's budget should more closely reflect costs associated with its operations.

The following portions of the report describe the current functions of the program and include findings and recommendations for operational areas. Each of these findings is summarized below and discussed in greater detail within the remainder of the report.

PROGRAM OPERATIONS

Page

Program Effectiveness

1. While the Diversion Center Program is accomplishing its purpose of diverting offenders 13

from prison, it cannot be determined if the program is being used as a substitute for the less expensive Intensive Probation Supervision Program. There are indications that offenders with similar criminal risks and treatment needs to those on intensive probation have been sentenced to diversion centers. The cost for an offender to complete the Diversion Center Program is 2 1/2 times the costs of completing the Intensive Probation Supervision Program. Studies have not been conducted to determine if the offenders placed in diversion centers could, instead, be maintained on intensive probation.

2. Periodically, the division needs to monitor the recidivism rate of diversion center residents. Although an objective of the program is that released residents exhibit a recidivism rate less than or equal to the rate of a comparable state prison population, this has never been monitored. However, data obtained by the audit team indicated that the program's recidivism rate appears to be lower (25%) than the rate for comparable prison inmates (46%). 15

Program Administration

1. The division needs to ensure that the program is meeting its objective that residents be employed full-time and the division should establish the number of hours considered to be full-time employment. Reviews conducted at three diversion centers indicated that, of the 97 residents employed during March, 1987, 41 (42%) worked less than an average of 35 hours per week. These residents worked from two to 34 hours per week. 17
2. Specific instructions should be provided to diversion centers which define how to report residents who are released due to behavior problems, abscond, or are transferred before completion. Duplicate and inaccurate information is reported. As a result, the division's data concerning the outcomes of released residents is not reliable. 18
3. Reporting methods should be revised to ensure that only current diversion center residents are 19

included in resident population and employment data submitted by diversion centers. Due to insufficient instructions, this data includes both current and former residents. As a result, diversion centers reported resident population and employment figures that are overstated and cannot be used to monitor the number of residents at each diversion center or the number of employed residents.

4. The division's policy regarding deductions from residents' earnings to pay court-ordered fines and restitutions should be more specific and should require diversion centers to document their rationale for the amounts withheld. The centers were deducting up to 20 times the monthly amount necessary to pay the penalty within six months of the end of their probation sentence and up to four times the monthly amounts specified by court orders. 20

Resident Supervision

1. Diversion centers should exercise proper control over each resident's whereabouts as required. Records of hourly rounds at three diversion centers did not account for the whereabouts of one or more residents on an hourly basis. Discrepancies were noted in up to 22 (71%) days of the month reviewed. Instances existed where the location of residents as stated on sign-out logs conflicted with locations recorded on hourly rounds and follow-up action was not taken. 22
2. More timely action should be taken to obtain arrest warrants and to stop probation sentences from continuing when residents flee. Diversion centers have taken up to 12 days to obtain arrest warrants for absconded residents and up to 93 days from the date of the arrest warrant to stop the probation sentences from continuing. 23

Resident Services and Releases

1. Education and counseling plans should be developed for each resident and residents should receive services for their identified needs as required. Records of all residents released 24

during a three-month period ending March, 1987 were reviewed at three centers. One center had not developed counseling and education plans for five (14%) of the 37 residents released. Of the plans developed for 102 released residents, seven (7%) did not identify services for the residents' highest needs.

2. Diversion centers are requiring residents to meet uniform conditions before release. A review was made of 50% of the residents released from three centers during a six-month period ended March, 1987. All except one resident had fulfilled the necessary conditions before release from the program. 25

FINANCIAL INFORMATION

1. The Diversion Center Program is meeting its objective of being less costly than incarceration. The average daily cost of maintaining an offender in a diversion center totals \$31.96 compared to an average incarceration cost of \$35.77. Since the average length of stay in the program is 4 1/2 months as opposed to an average time in prison of 13 months for comparable inmates, the cost to complete the Diversion Center Program is \$4,400 or 69% less than the \$14,000 cost of incarceration. 28
2. Costs which are directly associated with Diversion Center Program activities should be reflected in the program's budget. Fiscal year 1987 costs totalling \$214,977 were not reflected in the program's budget and there was \$160,934 shown as Diversion Center Program expenditures which were not associated with the program's operations. 29
3. The department's Internal Audit Unit reviews each diversion center's internal controls and accountability for residents' funds. During visits to three diversion centers, the audit team tested the results of these reviews and found them to be reliable. 30

The entire report has been discussed with appropriate

personnel in the Department of Corrections. The recommendations contained herein are not all-inclusive but are offered as possible alternatives to existing methods.

PROGRAM OPERATIONS

The Diversion Center Program offers the judicial system a sentencing option for non-violent offenders who would otherwise be incarcerated. Objectives of the program are to divert non-violent offenders from prison, be less costly than incarceration, and be at least as effective as incarceration in terms of the rate at which released offenders return to the state prison system. Table I on the following page shows the location and resident capacity of each diversion center.

Convicted offenders are placed in the program through one of three judicial sentencing methods. Most frequently, judges sentence offenders to the program at the time they are initially sentenced (direct sentence). Other offenders are initially sentenced to basic or intensive probation supervision and, due to subsequent criminal activity or violating the conditions of their probation, they are sentenced to a diversion center (revocation sentencing). The third type of sentencing occurs when a judge initially sentences an offender to incarceration. Subsequently, probation staff determine that the offender is suitable for diversion center placement. The judge is requested to amend the original sentence to allow the offender to be placed in the Diversion Center Program (amended sentence). Of the 2,074 offenders admitted to diversion centers during fiscal year 1987, 1,099 (53%) were direct sentences, 839 (40%) were revocation sentences, and 136 (7%) were amended sentences.

TABLE I
DIVERSION CENTER LOCATIONS AND RESIDENT CAPACITIES
OCTOBER, 1987

<u>DIVERSION CENTER RESIDENT</u>	
<u>NAME/LOCATION</u>	<u>CAPACITY</u>
<u>Existing facilities:</u>	
Albany	65 (1)
Athens	38
Atlanta	40
Augusta	50
Cobb (Marietta)	50
Columbus	52
Fulton (Atlanta)	38
Gainesville	38
Gateway (Atlanta)	55
Griffin	52
Macon	40
Rome	50
Thomasville	40
Waycross	52
Women's (Atlanta)	<u>23</u>
SUBTOTAL	<u>683</u>
<u>New facilities to open</u>	
<u>in fiscal year 1988</u>	
Savannah	52
Clayton (Jonesboro)	50
Walton (Monroe)	<u>50</u>
	152
TOTAL	<u><u>835</u></u>

(1) Includes a separate component which houses 25 female offenders.

While in the program, residents must maintain full-time, paid employment in the local area. Residents may be required to attend counseling or basic education sessions and vocational training either at the diversion center or at a local site.

Each resident is assigned to work details involving routine cleaning and maintenance at the diversion center and must also provide unpaid, community service labor.

Residents may earn passes to visit their homes after they have been in the program for at least 30 days and have exhibited acceptable behavior. Passes range from 12 to 48 hours per week, depending on the resident's length of time in the program.

Upon admission, a counseling and education plan is developed for each resident. Individual counseling is provided by program counselors at least weekly. Group counseling sessions at the diversion center involve such topics as consumer education, alcohol and drug education, and problem solving. Residents may be referred to professional counseling or group therapy sessions (such as Alcoholics Anonymous).

Correctional staff conduct hourly rounds of the diversion center to account for each resident's whereabouts. A sign-out log is maintained on each resident. Random searches of residents and their living quarters are conducted and residents are tested for alcohol and drug use at random intervals and when unauthorized use is suspected.

Residents complete the program in approximately 4 1/2 months although some may be revoked or transferred, or may abscond from the program before completion. Of the 2,070 residents released during fiscal year 1987, 1,379 (67%) completed the program while 321 (15%) were revoked, 118 (6%) were transferred, and 252 (12%) absconded.

The offender's sentence may specify the length of time the offender is to remain in the diversion center or the judge may leave this decision to program staff. If the judge has not specified a length of stay, program staff determine when to release a resident after a minimum stay of four months. In making this determination, staff consider the offender's overall behavior and employment record while in the program, payment on court-ordered monetary penalties (such as fines and restitution) and the program's maintenance charges, and counseling/treatment program participation.

Upon release, offenders periodically report to the diversion center's probation officer for up to 12 months. This is followed by supervision through the division's Basic Supervision Program for the remainder of the offender's probated sentence.

Residents' employment earnings are submitted to program staff. From their earnings, residents are required to pay a maintenance fee of \$6.50 per day which is used to offset a portion of the program's cost. Disbursements for personal necessities (such as clothing, hygiene items, or payments to a resident's creditors) and dependent support may also be made from residents' earnings.

The sentencing judge may order the resident to pay certain types of monetary penalties. These include fines, restitution to the crime victim, legal expenses such as attorney fees, and probation fees which are retained by the division to fund the Intensive Probation Supervision Program. For each type of

penalty, court orders typically state only a lump-sum amount to be paid. Program staff then decide the amount residents will pay on their applicable monetary penalties while in the diversion center.

After these deductions, the balance of each resident's earnings are given to the respective resident upon release from the program. Table IV in the Financial Information Section shows residents' total earnings, deductions, and savings amounts upon release for fiscal years 1986 and 1987.

FINDINGS AND RECOMMENDATIONS

Program Effectiveness

Finding No. 1

While the Diversion Center Program is accomplishing its purpose of diverting offenders from prison, it cannot be determined if the program is being used as a substitute for the less costly Intensive Probation Supervision Program. The purpose of both programs is to divert offenders from prison; however, the Diversion Center Program provides a greater degree of offender control due to its residential aspects.

It should be noted that the decision to sentence an offender to a diversion center is based on the sentencing judge's perception of the need to have greater control over the offender and/or the need to remove the offender from his home or community environment. The division has not, however, developed distinct criteria which could be used to determine if

judges are sentencing offenders to diversion centers when they could, instead, be maintained on intensive probation.

Based on fiscal year 1987 data, the Diversion Center Program's daily cost is \$31.96 versus \$6.37 for the Intensive Probation Supervision Program. The cost of maintaining an offender for the required 4 1/2 months in the Diversion Center Program is approximately \$4,400. This is 2 1/2 times the cost of \$1,700 to maintain an offender for the required nine months in the Intensive Probation Supervision Program.

Probation officers use the department's validated assessment instrument to evaluate the criminal risk and treatment needs of each offender placed on probation. Information requested by the audit team indicates that since fiscal year 1985 the average scores of offenders sentenced to the Intensive Probation Supervision Program have been slightly higher than offenders sentenced to diversion centers. This data is presented in Table II below.

TABLE II
AVERAGE CRIMINAL RISK AND TREATMENT NEED SCORES
FISCAL YEARS 1985 THROUGH 1987 (1)

<u>FISCAL</u> <u>YEAR</u>	<u>CRIMINAL RISK SCORES</u>			<u>TREATMENT NEED SCORES</u>		
	<u>DIVERSION</u> <u>CENTERS</u>	<u>INTENSIVE</u> <u>PROBATION</u>	<u>BASIC</u> <u>PROBATION</u>	<u>DIVERSION</u> <u>CENTERS</u>	<u>INTENSIVE</u> <u>PROBATION</u>	<u>BASIC</u> <u>PROBATION</u>
1985	16.75	17.79	10.6	11.44	13.35	8.8
1986	15.93	17.04	10.3	11.37	12.76	8.4
1987	16.11	16.64	9.9	11.46	19.46	7.9

(1) Fiscal year 1987 data is only for the first six months of the fiscal year.

This data indicates the potential that offenders sentenced to diversion centers may, instead, be as appropriately sentenced to intensive probation. It should be noted that the average criminal risk and treatment need scores of offenders placed on basic probation supervision were substantially lower than the average scores of offenders in diversion centers or intensive probation. Comparable data on prison inmates does not exist.

The division needs to determine if the Diversion Center Program is being utilized as an alternative to incarceration instead of a substitute for the Intensive Probation Supervision Program. Criteria should be developed and used by the division to periodically determine if offenders sentenced to diversion centers could not, instead, be as appropriately sentenced to intensive probation. The results should be utilized, if necessary, to work with the judges to use more appropriate sentencing alternatives.

Finding No. 2

While the division needs to periodically monitor the recidivism rate of diversion center residents, it appears that the recidivism rate is less for diversion center residents than for comparable prison inmates. One program objective is that the recidivism rate of center residents will be less than or equal to the recidivism rate of a comparable state prison population. However, the division has never conducted a recidivism analysis comparing diversion centers and prisons.

At the request of the audit team, the department used its databases to track persons released from diversion centers and prisons during a two-year period ending June, 1985. The persons released from prison and included in the review were limited to those who were comparable to diversion center residents in terms of age and offense. During the 21 to 44 months since their release, the recidivism rate for prisons was 46% while the recidivism rate for diversion center residents could approximate 25%.

Diversion center and prison information were stored on two separate databases. The offender's social security number was the only common identifier between the two databases. However, the social security number alone does not allow all recidivists to be identified. Using this identifier, the diversion center recidivism rate was initially 17%.

Using additional identifiers such as name and birthdate, a sample of 125 residents who were initially not shown as recidivating was manually reviewed to determine if any had actually returned to prison. Of these, 12 (10%) had been returned to prison and should have been included in the recidivism rate. Based on these results, the actual diversion center recidivism rate could be 10% higher or approximately 25%. It should be noted that, at the end of the audit, these separate databases were merged which will allow the department to identify all diversion center recidivists.

The division needs to periodically monitor the recidivism rate of diversion center residents. A comparison needs to be

made to the recidivism rate of a comparable prison population to determine if this program objective is being achieved.

Program Administration

Finding No. 1

The division needs to ensure that the program is meeting its objective to have residents employed full-time, and the division should establish the number of hours considered to be full-time employment. Full-time resident employment is an objective of the program; however, diversion centers report only the number of residents employed, not the number of hours they work. The division uses this figure to evaluate the employment aspects of the program. Without information on the number of hours residents work, the program's full-time employment rate is overstated and the division cannot monitor each diversion center's ability to maintain full-time resident employment.

A review of all residents employed during the month of March, 1987 was conducted at three diversion centers to determine the number of hours these persons were employed. Of the 97 residents reviewed, 56 (58%) worked an average of at least 35 hours per week. The remaining 41 (42%) were employed an average of 24 hours per week, ranging from two to 34 hours. Using the current reporting method, the division would have shown 100% full-time employment. It should be noted that employment data did not disclose factors such as inclement weather, temporary layoffs, etc., which may affect the number of hours a resident works.

The division should establish a minimum number of hours considered as full-time employment. Revisions should be made to diversion centers' reports to indicate the number of residents employed full-time and less than full-time. Explanations should be given if a resident is working less than full-time. This would enable the division to monitor each diversion center's ability to meet the program's objective of maintaining full-time resident employment. The division should also periodically verify reported information through on-site reviews.

Finding No. 2

The division should provide diversion centers with specific reporting instructions to avoid duplicate and inaccurate reporting of released residents, and should implement methods to verify reported information. Instructions do not define how to report residents who are terminated from the program due to behavior problems, abscond, or are transferred before completion. As a result, the division's data concerning the outcomes of released residents is not reliable. Based on a review of data reported by the centers during a nine-month period ending March, 1987, the following problems were identified.

- (A) Four (27%) of the 15 diversion centers double-counted residents who absconded or were transferred. These persons were initially reported as absconded or transferred and were subsequently reported as revoked. Of 128 releases, 47 (37%) had been reported in more than one category.

- (B) One of the three diversion centers visited incorrectly reported the residents' category of release. Residents who were released due to behavior problems and sentenced to another type of probation were incorrectly reported as transferred rather than revoked. Of six residents reported as transferred, four (67%) had actually been revoked. In addition, abscondee were incorrectly reported as revoked if they were captured in the same month. Of 29 persons reported as revoked, seven (24%) had actually absconded.
- (C) Eight of the 15 diversion centers did not accurately complete monthly reports showing the beginning population balance plus admissions and discharges. In 24 (34%) of 71 reports submitted by these diversion centers, the beginning balance, plus admissions and discharges did not equal the month-ending population.
- (D) Five of the 15 diversion centers did not correctly carry forward the previous month's ending population balance to the current month's beginning population balance. This occurred in six (13%) of 45 reports submitted.

Specific instructions and training should be provided to diversion centers on how to report residents who are released and how to complete the monthly reports. Released residents should be reported in only one category. The division should also periodically verify each diversion center's reported information on a sample basis by conducting on-site reviews.

Finding No. 3

The division should revise reporting methods to ensure that reports submitted by diversion centers include only those offenders who are residents. Monthly population and employment data includes both current and former residents. As a result,

reported resident information is inaccurate and cannot be used to monitor the number of residents at each diversion center or the volume of residents employed.

According to the division's instructions, persons who have absconded or have been removed from the center and are incarcerated are to be reported as residents until the judge resentsences them. This causes reported resident population and employment figures to be overstated. For example, one diversion center which can accommodate 50 residents reported up to 60 persons in monthly resident population and employment figures during fiscal year 1987.

Reported resident information should include only current residents. Residents who abscond or are removed due to behavior problems should be deducted from that month's resident figure and shown in another category on the report.

Finding No. 4

The division's policy regarding deductions from residents' earnings to pay court-ordered fines and restitution should be more specific and should require diversion centers to document their rationale for amounts withheld. The diversion centers were deducting amounts substantially larger than those recommended by the division's guidelines. Each diversion center has the authority to decide what amount will be withheld and applied toward each resident's respective monetary penalties. Division policies provide only broad guidelines that monetary penalties should be paid at least six

months before the end of the offender's probation sentence and that residents be released with at least \$50 in savings. The sentencing judge, however, can stipulate an accelerated payment schedule. The weekly amounts withheld from residents' earnings to pay fines and/or restitution were reviewed at three diversion centers. The sample included all 91 residents who completed the program during a six-month period ended March, 1987. Problems noted are discussed below.

- (A) Of the residents involved, 77 (85%) paid an average of six times the monthly amount necessary to pay the penalty at least six months before the end of their probation sentence. These amounts withheld were 1 1/4 to 20 times as much as necessary. While the probation period may be several years, the centers are trying to collect as much of the restitution, fees, etc. as possible while the inmate is under the center's control. Eleven of these residents were released with an average of \$29 in savings and 13 left with no savings. If deductions had been made at the required rate, these persons could have been released with an average of \$516 ranging from \$107 to \$1,307.
- (B) In addition, seven cases were identified in which even the court ordered accelerated payment schedule was exceeded. In these cases the amounts deducted exceeded the monthly amount specified on the court order by from 1 1/2 to four times although these persons' payments were not in arrears.
- (C) Rather than using a formula for withholding funds from the inmates during each inmate's stay at the diversion centers, each of the three diversion centers had an internal practice to collect a flat amount (\$400, \$500, and \$1,000, respectively) for each resident's monetary penalty while the inmate was at the center. Diversion center superintendents indicated that, in addition, several factors were considered in determining the amount to withhold. These included the offender's prior history of non-payment, employment stability, family responsibility, housing status, amount of

outstanding debts owed, and reasons for being sentenced to the diversion center. However, there was no documentation of how these considerations were applied to individual cases.

The division should provide more specific guidelines for determining amounts to be withheld for payment of monetary penalties. If center directors are given discretion to include special considerations, they should be required to document their rationale when a resident's payment rate is accelerated above the required amount or above monthly amounts specified on the court order.

Resident Supervision

Finding No. 1

Diversion centers should exercise proper control over the whereabouts of residents as required. Diversion centers conduct hourly rounds of the facility, record whether each resident is present or absent, and ensure that each resident's location agrees with the sign-out log. Reviews of records at the diversion centers visited indicated that hourly rounds were not completed and reconciled to sign-out logs, and there were no indications of follow-up when discrepancies were noted.

Records of hourly rounds for a one-month period of fiscal year 1987 were reviewed at three centers. Records did not account for the whereabouts of one or more residents on an hourly basis. Discrepancies were noted on three to 22 days of the month reviewed.

Of the 360 hourly rounds reviewed, 70 (19%) indicated that up to four residents per round were at the facility although the sign-out log indicated the resident had signed out. These discrepancies lasted up to 36 hours and averaged five hours. Conversely, 25 (7%) of the rounds reviewed indicated that up to three residents per round were away from the facility although residents were not signed out. These discrepancies lasted up to five hours and there was no indication that diversion center staff followed-up on these discrepancies to determine the actual location of these residents.

Diversion centers should account for each resident's whereabouts as required. After conducting each round of the facility, the recorded location of each resident should be compared against the resident's sign-out record. Follow-up should be conducted whenever a discrepancy is noted to ensure that each resident's whereabouts is known.

Finding No. 2

Diversion centers should take more timely action to obtain arrest warrants when residents abscond and stop abscondee's probation sentences from continuing. Diversion centers have taken up to 12 days to obtain arrest warrants for absconded residents and up to 93 days from the date of the arrest warrant to stop the probation sentence from continuing. If probation sentences are not stopped, the sentence will continue to run and will eventually expire even though the probationer has not complied with probation conditions.

Records of the 58 residents who absconded from three diversion centers during a nine-month period ending March, 1987 were reviewed. In 13 (22%) cases, the diversion center did not obtain or request the field probation office to obtain an arrest warrant for an average of seven days, ranging from four to 12 days. In the remaining 45 (78%) instances, the diversion centers acted within three days.

One of the three diversion centers has responsibility for ensuring that abscondee's probation sentences are stopped. Of the 19 residents who absconded from this diversion center, eight (42%) were captured and incarcerated within an average of 11 days from the date the arrest warrant was obtained. The remaining 11 abscondee's were not captured. Their probation sentences were not stopped for an average of 44 days, ranging from 27 to 93 days, from the date of the arrest warrant.

Arrest warrants should be obtained in a timely manner. The division should ensure that timely action is taken to stop the probation sentence of residents who abscond.

Resident Services and Releases

Finding No. 1

Counseling and education plans should be developed for each resident and residents should receive services for identified needs as required. Counseling and education plans are not always developed by diversion centers and residents are not always receiving services for their identified needs. Counseling and education plans are necessary to ensure that

needed services are identified and that methods of addressing these needs are documented.

Records of all residents released during a three-month period ending March, 1987 were reviewed at three diversion centers. One (33%) of the centers had not developed required plans for five (14%) of the 37 residents released. These residents, however, did receive counseling and education services for their highest needs. In addition, the education and counseling plans for seven (7%) of 102 released residents did not identify services for the residents' highest needs.

The division should ensure that counseling and education plans are developed for each resident as required. The plans should include services for all identified needs.

Finding No. 2

Diversion centers are requiring residents to meet uniform conditions before release from the program. A review was made of 50% of the residents released from three centers during a six-month period ended March, 1987. All except one resident had fulfilled the necessary conditions before release from the program. These conditions included making consistent payments on court-ordered monetary penalties, being current on required maintenance payments, maintaining employment, exhibiting acceptable behavior for at least 30 days before release, and attending applicable programs as specified in counseling and education plans. These residents' average length of time in the program was 4 1/4 months.

FINANCIAL INFORMATION

The Diversion Center Program is funded through state appropriations and revenues generated internally through resident maintenance fees. Fiscal year 1987 expenditures totalled \$8.1 million. For fiscal year 1988, the program is budgeted \$7.9 million which is comprised of \$6.6 million (84%) state appropriations and \$1.3 million (16%) resident maintenance fees. The program's sources of funds and expenditures for fiscal years 1986, 1987 and 1988 (budgeted) are shown in Table III on the following page.

Each diversion center's business office maintains accounting records on each resident's earnings and disbursements. Resident earnings are deposited in a single, local bank account. A monthly check from this account for the total amount of resident maintenance fees collected is remitted to the department's central accounting office. These records are audited annually by the Department of Corrections' Internal Audit Unit. Disbursements for fines, fees, restitution, etc. are made by the department to the respective courts, individuals, etc. Table IV shows residents' total earnings, deductions, and savings amounts upon release for fiscal years 1986 and 1987.

TABLE III
FUND SOURCES AND EXPENDITURES
FISCAL YEARS 1986 THROUGH 1988

	<u>FISCAL YEARS</u>		
	<u>1986</u> <u>(ACTUAL) (1)</u>	<u>1987</u> <u>(ACTUAL) (1)</u>	<u>1988</u> <u>(BUDGETED) (1)</u>
<u>FUND SOURCES</u>			
State	\$5,019,912	\$6,687,385	\$6,605,516
Resident Collections	1,259,525	1,433,327	1,315,412
Miscellaneous Revenue (2)	<u>1,126</u>	<u>29</u>	<u>0</u>
Total	<u>\$6,280,563</u>	<u>\$8,120,741</u>	<u>\$7,920,928</u>
<u>EXPENDITURES</u>			
Personal Services	\$4,754,996	\$5,503,974	\$6,150,037
Regular Operating Expenses	581,940	638,785	456,000
Travel	18,916	24,031	33,000
Motor Vehicle Purchases	25,761	0	50,000
Equipment Purchases	62,881	118,681	445,391(3)
Real Estate Rentals	301,568	312,217	306,000
Per Diem, Fees, and Contracts	3,700	0	0
Telecommunications and Computer	64,983	63,314	108,500(4)
Capital Outlay	200,800	1,149,500(5)	0
Utilities	<u>265,018</u>	<u>310,239</u>	<u>372,000</u>
Total	<u>\$6,280,563</u>	<u>\$8,120,741</u>	<u>\$7,920,928</u>

- (1) As reported by the department. Amounts include expenditures for food service incurred but not budgeted to the Diversion Center Program. Food costs are centrally budgeted to the department's Food Processing and Distribution Unit instead of the centers.
- (2) Reflects revenue from state-owned, coin-operated laundry equipment at one diversion center.
- (3) Reflects equipment purchases for new centers.
- (4) Reflects anticipated increased expense due to additional centers and computer usage.
- (5) Reflects costs of planning and constructing three additional centers.

TABLE IV
RESIDENT EARNINGS AND DEDUCTIONS
FISCAL YEARS 1986 AND 1987

	<u>FISCAL YEAR</u> <u>1986</u>	<u>FISCAL YEAR</u> <u>1987</u>
<u>Resident Earnings</u>	<u>\$4,624,807</u>	<u>\$5,333,338</u>
<u>Deductions From Earnings:</u>		
Maintenance Fees	\$1,259,525	\$1,433,327
Taxes(1)	905,841	1,043,462
Fines	680,177	825,081
Restitution	202,824	256,816
Legal Expenses	21,597	20,073
Probation Fees	83,403	95,118
Dependent Support	538,936	626,513
Personal Necessities/Obligations	<u>482,626</u>	<u>477,611</u>
Total Deductions	<u>\$4,174,929</u>	<u>\$4,778,001</u>
<u>Residents' Savings Upon Release</u>	<u>\$ 449,878</u>	<u>\$ 555,337</u>
Total Deductions and Savings	<u>\$4,624,807</u>	<u>\$5,333,338</u>

- (1) While this amount of tax was withheld from residents' earnings, the actual amount of tax paid could not be determined. Residents may actually pay more or less tax due to tax refunds received after they file their annual income tax returns.

FINDINGS AND RECOMMENDATIONS

Finding No. 1

The Diversion Center Program is meeting its objective of being less costly than incarceration. A review was made to compare the daily cost of diversion centers to prison using fiscal year 1987 operating expenditures and capital outlay costs for new construction. The Diversion Center Program's daily cost per resident was \$31.96 or 10.7% less than the \$35.77

daily cost per inmate in the State's prisons. Based on the Diversion Center Program's capacity of 683 offenders, this lower daily cost equates to a savings of \$2,602 per day or approximately \$950,000 per year compared to the prison alternative.

The Diversion Center Program demonstrates an even greater cost savings as a result of residents having a shorter length of stay than comparable inmates sentenced to prison. The average length of stay in the Diversion Center Program is approximately 4 1/2 months while the average length of incarceration for comparable inmates in terms of age and offense is approximately 13 months. As a result, the cost to incarcerate an offender for this period is approximately \$14,000 while the cost to complete the Diversion Center Program is approximately \$4,400 or 69% less.

It should be noted that the Diversion Center Program costs exclude expenditures funded by maintenance fees which are collected from residents' earnings. If these expenditures were added, the program's daily cost per offender would be \$37.95 or 6% more than incarceration.

Finding No. 2

The Diversion Center Program's budget should accurately reflect applicable expenditures. Fiscal year 1987 costs totalling \$214,977 were not reflected in the program's budget and there was \$160,934 shown as Diversion Center Program

expenditures which were actually costs of other department operations. As a result, the Diversion Center Program's budget does not accurately reflect its expenditures.

Costs which were not reflected in the program's fiscal year 1987 budget include motor vehicle purchases totalling \$199,526 and personal services expenses of \$15,451. These expenditures were incorrectly reflected in other probation programs or the department's central operations. Personal services expenses totalling \$160,934 were incorrectly reflected as Diversion Center Program expenditures. These expenses were for personnel in other probation programs, institutional facilities, or central department operations.

Expenditures shown in the Diversion Center Program's budget should accurately reflect costs which are directly associated with the program.

Finding No. 3

Each diversion center's internal controls and accountability for residents' funds are reviewed annually by the department's Internal Audit Unit. The most recent annual reports indicated no major problems. During visits to three diversion centers, the audit team tested the results of these reviews and found them to be reliable. Efforts should be continued to annually audit each diversion center to ensure that resident funds are properly controlled.