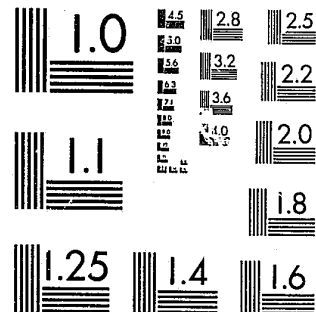


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MF 1



MAJOR ISSUES IN JUVENILE JUSTICE INFOR- MATION AND TRAINING:

Grants in Aid of Local Delinquency Prevention and Control Services

78547

Major Issues in Juvenile Justice Information and Training Project

This volume is one of a series of books and monographs of Project MJJIT, to be published by the Academy for Contemporary Problems in 1981.

- The Out-of-State Placement of Children: A National Survey
- The Out-of-State Placement of Children: A Search for Rights, Boundaries, Services
- Youth in Adult Courts: A National Survey
- Youth in Adult Courts: Between Two Worlds
- Services to Children in Juvenile Courts: The Judicial-Executive Controversy
- Grants in Aid of Local Delinquency Prevention and Control Services
- Readings in Public Policy

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MAJOR ISSUES IN JUVENILE JUSTICE INFORMATION AND TRAINING:

Grants in Aid of Local Delinquency Prevention and Control Services

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PREFACE

This report is one in a series of juvenile justice monographs to be published by the Academy for Contemporary Problems during 1981. Although their subjects differ considerably, all are related to the services delivered by public agencies to children. This volume is devoted to an examination of state and federal programs designed to aid local agencies serving delinquent and pre-delinquent youth. The other reports will focus on the interstate placement of children, the trial of juveniles as adults in criminal courts, and the constitutional and administrative issues that have been raised in connection with the social services functions of juvenile courts. Each of these issues will be with us for quite a while. I expect that they will receive considerably more attention over the next ten years than they have in many decades.

In several ways, this monograph has proved to be the most difficult. The basic problem arose when we attempted to define delinquency "prevention" and delinquency "control" subsidies. The latter category presented nothing unusual as a research topic: delinquency control subsidies are grants that state and federal agencies direct toward local juvenile justice agencies. They are recognizable by the stated purposes of the enabling legislation as well as by the types of agencies that are entitled to receive them. The study, in this regard, simply expanded and updated an earlier work undertaken by the Council of State Governments and the Academy, State Subsidies to Local Corrections. It was the former category, delinquency prevention, that presented most of the problems we were to encounter during the data collection phase.

For anyone familiar with the literature and rhetoric of the field, it should be apparent that delinquency prevention is, in effect, a "non-field" of inquiry. There is no social institution, comparable to public education or mental health, to which one can point and identify as the delinquency prevention system. Common agreement cannot even be reached as to the causes of delinquency, the amelioration of which would lead to a reduction or elimination of delinquent behavior. Most frustrating is trying to count the frequency of "preventions" that result from good programs. Events that do not occur present certain methodological problems.

In trying to define delinquency prevention, we assumed that traditional juvenile or criminal justice agencies are not engaged in that type of activity. The conceptual bases for delinquency prevention and for the control of adjudicated delinquents are inherently antithetical. At first blush, this might appear erroneous, for does not the term delinquency prevention mean that crimes by juveniles can somehow be stopped before they occur--in other words, prevented? Yet, despite evidence in the literature to the contrary, American justice agencies operate on the premise that crimes will be committed by juveniles and that these offenders will, in one manner or another, become public responsibilities. Therefore, any study of public programs to prevent delinquency and, correlatively, any study of the subsidies which support them must inquire into other systems, such as those which provide child welfare, education, employment, and mental health services.

As we attempted to determine what in those fields could be defined as delinquency prevention activities, the clearer it became that no single definition or description would suffice. At what point, for example, should special education or teenage employment programs be characterized as delinquency prevention approaches? The manner in which we resolved the need for dissimilar definitions for each of those categories of services is described in the body of this report. Suffice it to say that trying to define delinquency prevention is like trying to trap moonbeams in a jar.

We are pleased to offer this monograph to public officials, private operators of youth services, students, and others interested in the question of financial aid to local communities. At the same time, it must be viewed by the reader as a pioneering attempt to establish a framework where none presently exists and to describe programs outside of their normal contexts. The reader must also accept the probability that our final list of programs overlooks many existing programs simply because of our inability to discover them. When viewed in this way, this report can be seen as a critical first step toward the development of a body of knowledge related to juvenile delinquency prevention.

We now have amassed a considerable body of information about delinquency prevention and control subsidies. Its major value may well contribute more to understanding intergovernmental processes than to solidifying the amorphous world of delinquency prevention. In that context, certain trends are evident that warrant comment. Perhaps the most critical observation has to do with the rate of change in the use of subsidies and some reasons why it may be occurring.

A number of federal grants-in-aid programs appear to be instituted to advance the acceptance of nationally adopted social priorities. The range of objectives, both primary and secondary, are often extensive. A single piece of enabling legislation may contain, for example, the goals of preventing and controlling crime and delinquency, protecting the public and the offender, ensuring no harm to the environment, offering reimbursement for displacement, preserving historical sites, and many other social priorities. Taken individually, few people would argue with their desirability. It would therefore be difficult to defend congressional decisions that permit one piece of legislation allowing persons to succeed in their enterprises by ignoring other countervailing legislation. The problem arises when Congress attempts to evaluate programmatic successes as the bases for continued funding. Simply put, the more that national social policies overwhelm the objectives of nationally funded programs, the more likely there will be highly visible disputes over program effectiveness.

The same criticisms can be made of state grant programs that attempt to emulate federal approaches. Narrowly defined objectives offer the prospect of uncluttered evaluations. Multiple objectives obscure evaluations of the real effects of programs.

In developing this study, we found that several state subsidies investigated in the 1977 study were no longer around. At the same time, at least five state subsidies have come into existence since 1978, the base year for this report. With the defunding of the Crime Control Act, the results are a highly unstable environment for state and local grant recipients. This is not to say that other factors were not present, but only to suggest that legislative intent does not

appear to be calibrated with the means available for determining programmatic success. Our interviews revealed increasing skepticism and wariness of governmental grants or "soft money" funding. Recipients are reluctant to commit themselves to long-term goals because of the uncertainty of future funding.

There are means for avoiding the current condition. Federal and state governments would be well-advised to slow down their propensities for passing, amending, and repealing subsidy legislation.

If the motivation for granting subsidies has to do with the recognition that certain services are needed and entail greater costs than local governments can support, then "seed money" and other short-term approaches should be abandoned. Congress and state legislatures must accept the reality of long-term funding. If, on the other hand, evaluation is to be the basis for continuing grant-in-aid programs, rather than the recognition that needs can be best met through cost-sharing approaches, then legislative intent should be simplified and adequate time should be permitted without major changes in funding patterns. This is the only fair way to allow evaluation to work. Anything less exacerbates the more dysfunctional aspects of the current programs.

June 1981

Joseph L. White
Program Director

ACKNOWLEDGMENTS

The Academy for Contemporary Problems and the Council of State Governments wish to acknowledge the efforts of the many federal and state administrators who contributed to this report. Special credit must be given to the state administrators who took time to respond to questionnaires, and who consistently answered requests for more detailed information. Assistance also came readily from the U.S. Department of Labor, the Office of Juvenile Justice and Delinquency Prevention, and the Law Enforcement Assistance Administration. The names of these individuals and their respective agencies are listed on various pages of this report.

Sincere appreciation also is extended to the Project MIJJIT Advisory Committee, whose names appear on the following pages. Their hard work and guidance were constant sources of inspiration. As a final note, we wish to acknowledge the interest, participation, and helpfulness of OJJDP and its National Institute for Juvenile Justice and Delinquency Prevention. In particular, Dr. James Howell, former Institute Director, and Deborah Wysinger, Project Monitor, encouraged our effort to experiment with the definition of prevention, for which we are most grateful.

It is gratifying in any endeavor of this nature to receive assistance from public interest groups, whose only compensation is the knowledge that their efforts may help to promote the welfare of children. Accordingly, we wish to acknowledge the cooperation of the American Public Welfare Association, Association of State and Territorial Health Officials, Center for Early Adolescence, Children's Rights, Inc., Council for Exceptional Children, Education Commission of the States, Interstate Conference of Employment Security Agencies, Mobilization for Youth, National Association of Counties, National Association of County Park and Recreation Officials, National Association of Secondary School Principals, National Association of State Alcohol and Drug Abuse Directors, National Association of State Budget Officers, National Association of State Directors of Special Education, National Association of State Directors of Vocational Education, National Association of State Mental Health Program Directors, National Association for Vocational Education Special Needs Personnel, National Committee on Child Labor, National Criminal Justice Association, National Federation of Settlements and Neighborhood Centers, National Governors' Association, and Western Federation for Human Services.

We would also like to take this opportunity to thank the individuals whose names appear on the following pages for the many hours of work which they contributed to our study. Only through their cooperative spirit and knowledgeable assistance were we able to amass the data which appears in Chapter 3 and Appendix B. We sincerely appreciate their help.

<u>STATE</u>	<u>CONTACT PERSON AND AGENCY</u>	<u>SUBSIDY TITLE</u>
ALABAMA	George Phyfer Department of Youth Services	Juvenile Probation Officer Subsidy
		Community Services Subsidy Program
	Jerry Crowder Department of Mental Health	Alcoholism Prevention and Education Program
ALASKA	John R. Pugh Division of Social Services	Youth Services Subsidy
	Robert Cole Office of Alcoholism and Drug Abuse	Drug Abuse Grants
	Lynn Cox Department of Education	Youth Employment Services Subsidy
ARIZONA	Noel K. Dessaint Supreme Court	Juvenile Court Family Counseling Program
	Gary L. Vuchinich Supreme Court	State Aid for Probation Services Program
ARKANSAS	Bill Dickerson Division of Youth Services	Community Services Subsidy
CALIFORNIA	Ron Hayes Department of Youth Authority	Youth Service Bureaus Subsidy Detention of Status Offenders Program County Justice System Sub- vention Program (AB-90)
COLORADO	Ray Sullivan Department of Institutions	Diversion Program
CONNECTICUT	William N. Hurley Department of Human Resources	Human Resource Development Program
	Nancy H. Robb Department of Children and Youth Services	Grant-in-Aid Program to Child Guidance Clinics
FLORIDA	Jean Scher Department of Health and Rehabilitative Services	Specialized Children's Projects Subsidy

<u>STATE</u>	<u>CONTACT PERSON AND AGENCY</u>	<u>SUBSIDY TITLE</u>
	Cecil Golden Department of Education	Basic Skills and Functional Literacy Supplement Alternative Education Program Law Education Program
GEORGIA	John Hunsucker Department of Human Resources	County-Owned Detention Center Subsidy
HAWAII	Genevieve T. Okinaga Office of Children and Youth	Shelter Care for Status Offenders Subsidy
ILLINOIS	John Castro Office of the Comptroller	Juvenile Probation Subsidy
INDIANA	Barbara J. Anderson Department of Mental Health	Community Mental Health Serv- ices Subsidy
IOWA	James E. Krogman Bureau of Children's Services	Community-Based Juvenile Corrections Subsidy
	Carl R. Smith Department of Public Instruction	Programs Serving Chronically Disruptive Youth
KANSAS	Charles Stevenson Department of Social and Rehabilitative Services	Community-Based Boarding Homes Subsidy
	Carol Larson Division of Children and Youth	Community-Based Delinquency Prevention Grants
LOUISIANA	Jeanie Vidrine Office of Human Development	Purchase of Services to Prevent Inappropriate Incarceration
MAINE	Susan Wolford Office of Alcoholism and Drug Prevention (OADAP)	Drug Treatment and Prevention Program
MARYLAND	Eileen Lewis Juvenile Services Administration	Youth Diversion Projects Subsidy
	Arla Ely Juvenile Services Administration	Shelter Care Program Purchase of Services Program
	R. J. Schmidt Juvenile Services Administration	Youth Services Bureaus Subsidy

<u>STATE</u>	<u>CONTACT PERSON AND AGENCY</u>	<u>SUBSIDY TITLE</u>
	Richard L. Hamilton Drug Abuse Administration	Grants to Local Treatment Facilities
	Hyman Sugar Department of Health and Mental Hygiene	Grant to the Cheltenham Center
MICHIGAN	Wayne Anderson Office of Children and Youth Services	Child Care Fund
	Claudette Nelson Department of Education	Substance Abuse Prevention Education (SAFE) Subsidy
	Kenneth L. Eaton Department of Public Health	Adolescent Residential Substance Abuse Programs
	Michael T. York Department of Education	Alternative Education Subsidy
	Stephen Philip Department of Natural Resources	Work Opportunity Resources Corps Program
MINNESOTA	Donald Selger Department of Corrections	County Probation Reimbursement Program Community Corrections Centers Act Juvenile Judges' Group Foster Home Program Regional Jail and Detention Subsidy Act Community Corrections Act
	Edward Constantine Community Programs Division	Community Mental Health Act
	Mark Wilcox Department of Public Welfare	American Indian Programs Services to Youth and Other Underserved Populations Subsidy
	Larry Cheetham Department of Economic Security	Governor's Youth Program
MISSOURI	Peter Noce Division of Budget and Planning	Care and Maintenance of Delin- quent or Dependent Children
	Robert Robinson Division of Youth Services	Community-Based Youth Services Subsidy

<u>STATE</u>	<u>CONTACT PERSON AND AGENCY</u>	<u>SUBSIDY TITLE</u>
NEBRASKA	Randall Henricks Department of Public Institutions	Comprehensive Community Mental Health Services Act
NEVADA	Michael S. Katz Youth Services Agency	Juvenile Probation Subsidy
	Paul Richey Department of Human Resources	Grant to the Marion Bennett Youth Program OMEGA Program
NEW JERSEY	William T. Searle State Department of Education	Public School Safety Law
NEW MEXICO	Behavioral Health Service Division	First Offender Programs
NEW YORK	Ronald S. Bratspis Division for Youth	Youth Development/Delinquency Prevention Subsidy Detention Services Program Care and Maintenance of Juveniles Runaway and Homeless Youth Program Special Delinquency Prevention Program Grants
	H. A. Harkess Department of Social Services	Child Welfare Services Subsidy
	Duane Saari Division of Substance Abuse Services	State Local Assistance Appropriation
	Robert E. Wallace Commission on Alcoholism and Substance Abuse Prevention and Education	SPARK-School Prevention of Addiction through Rehabili- tation and Knowledge Program
NORTH CAROLINA	Ken Foster Department of Youth Services	Community-Based Alternatives Program
	Tom Stevens Department of Education	Prevocational Education Program Subsidy
	Nurham Warwick Department of Public Education	Extended School Day Program Subsidy

<u>STATE</u>	<u>CONTACT PERSON AND AGENCY</u>	<u>SUBSIDY TITLE</u>
OHIO	Ron Sutton Ohio Youth Commission	Probation Development Subsidy Juvenile Rehabilitation Facilities Construction Subsidy District Detention/Rehabili- tation Facility Maintenance Subsidy Juvenile Law Enforcement Subsidy County Foster Care Subsidy District Detention Construction Subsidy
OKLAHOMA	Ronald O. McAfee Health Department	Guidance Center Program
	Jack Strahorn Department of Education	State Aid Flat Grant
OREGON	Richard S. Peterson Children's Services Division	Juvenile Court Subsidy
PENNSYLVANIA	Ronald Sharp Juvenile Court Judge's Commission	Grants for the Improvement of Juvenile Probation Services
	Chris Gantt Department of Public Welfare	State Reimbursement to Counties for Child Welfare Services, Act 148
SOUTH CAROLINA	Grady Decell Department of Youth Services	Purchase of Services Program Community Camping Program Orangeburg Partners' Program Group Home Contractual Program
	M. R. Newton Department of Mental Health	State Aid to Community Mental Health Centers
SOUTH DAKOTA	Jay Newberger Supreme Court	Alternative Care Program
TENNESSEE	Tony Higginbotham Department of Mental Health and Mental Retardation	Mentally Retarded Offender Program
TEXAS	Beri Milburn Texas Youth Council	Community Assistance Program

<u>STATE</u>	<u>CONTACT PERSON AND AGENCY</u>	<u>SUBSIDY TITLE</u>
UTAH	Willard R. Malmstrom Division of Family Services	Juvenile Detention Services Subsidy Youth Services/Youth Crisis Intervention Program
	Robert Courtney Division of Alcoholism and Drugs	Juvenile Court Teen Alcohol/ Drug School
	Wilfred H. Higashi Division of Mental Health	Community Mental Health Services Act
	Karen Jorgenson Division of Alcoholism and Drugs	K-12 Alcohol Education Project
	Bernard S. Fruse Board of Education	Career Development (Dropout Prevention) Program
VIRGINIA	Carlton B. Bolte Community and Prevention Service	Residential Care Subsidy Court Services Subsidy
WASHINGTON	Warren Netherland Division of Juvenile Rehabilitation	Probation Subsidy
	Joseph Orrico Department of Social and Health Services	Referendum 29--Detention Program
WISCONSIN	David W. Young Bureau of Children, Youth and Families	Shelter Care Licensing/ Reimbursement Program
	Russ Mosely Department of Public Instruction	Special Education Needs Subsidy

PROJECT MIJJIT ADVISORY COMMITTEE

We are very much indebted to the individuals who served as the Advisory Committee to this Project, and to their respective organizations which made their participation possible. Individually and as a group, the Advisory Committee members acquitted themselves with distinction. The meetings were frequent and intensive, the reading material was both technical and voluminous. Through it all, they persevered, motivated by their concerns for children and by their own personal standards. Through this introduction, their contribution to the production of this volume is gratefully acknowledged.

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Thomas Young, Research Associate and Assistant Professor with the University of Chicago's School of Social Service Administration, is currently Associate Director of a national survey of children's residential facilities and alternative programs. He is a social worker who has designed and administered programs for child protection and adolescent care. He is a co-author of Secure Detention of Juveniles and Alternatives to Its Use.

CHAPTER 1

CHAPTER I

INTRODUCTION

For many years, juvenile corrections, particularly institutional care, was a responsibility of state government. Whatever local alternatives existed were provided through communities' own initiatives and resources. In recent years, however, a growing national concern to limit the use of state-operated institutions, coupled with an interest in habilitating youngsters in their own communities, has led to the development of a new range of community-based services as alternatives to incarceration in large, congregate facilities. A broader part of this effort includes many local services directed toward preventing delinquency by intervening in the lives of young people before they experience problems which could lead them into the juvenile justice system. A major source of encouragement to develop this new range of local services for the prevention and control of delinquency has been the availability of financial support from federal and state governments.

At the outset, it is important to define what is meant by local services and to distinguish them from state services which may be delivered locally. In some cases, community-based services are part of state-administered human services systems. Programs are administered and provided by state employees assigned to local communities. States, rather than local governments, determine the types and levels of community-based programming to be offered. In other cases, adjudicated youth are committed to the responsibility of state agencies which may, in turn, purchase services from local private and public agencies. Although this approach also provides community-based services, the types and levels of services are, again, completely within the jurisdiction of state agencies. These methods of providing community-based services, while effective, are not the subject of this study. Rather, this report examines the role of state and federal governments in stimulating local governments to create delinquency prevention and control services.

EARLIER REPORTS

The growing importance of state grants-in-aid within adult and juvenile corrections systems was recognized in two Council of State Governments (CSG) publications in 1977. The first report presented a profile of 41 programs, identified in 23 states, through which state governments subsidized local juvenile and adult corrections programs.¹ The second publication contained an analysis of the financial, intergovernmental, and programmatic policies and practices found in ten selected grant programs.²

These earlier works were limited to criminal and juvenile justice programs which were postadjudicatory (correctional) in nature. In the course of the research, it became apparent that many state grants supported preadjudicatory juvenile services, such as planning, prevention, and diversion, as well as non-judicial alternatives for status offenders. These services, which were excluded from the previous studies, now constitute major portions of this report.

The first two reports were also restricted to analyses of how state funds affected local correctional services. It was found, however, that many of the juvenile justice programs were underwritten by both state and federal funds. As the availability of these dollars decreased, program administrators looked to the next level of government for continued support. It became apparent that the existence of such programs depended on the availability of federal as well as state funds.

This study of intergovernmental grants-in-aid differs from the 1977 CSG reports in three ways:

- It restricts the inquiry to programs intended for juveniles;
- It includes both juvenile delinquency prevention and control services; and,
- It reports upon relevant federal (as well as state) legislation which support a spectrum of juvenile programs, ranging from prevention to corrections.

This breadth of inquiry offers a more realistic understanding of the role of intergovernmental finance in support of local delinquency prevention and control services.

DEFINING DELINQUENCY PREVENTION AND CONTROL

What are local delinquency prevention and control services? Using conventional understanding, delinquency control services can be regarded as those services invoked after a child has been adjudicated a delinquent, as defined by the statutes of individual states. This definition encompasses all services offered by traditional juvenile justice agencies, i.e., police, prosecutors, juvenile courts, juvenile correctional agencies, and private providers serving a delinquency clientele. It also includes informal alternatives for dealing with accused juveniles, such as diversion or noncorrectional residential placements.

Defining delinquency prevention is much more difficult. The constitutional framework of the American justice system precludes coercive intervention in the lives of children simply because they might become delinquent at some future time. The justice system deals with delinquency post factum, beginning with apprehension for alleged violations. Certain interventions that result from these apprehensions can have the consequence of preventing subsequent offenses. Nevertheless, the prevention of future delinquency is only incidental to the intervention. The justice system is invoked initially and primarily to enforce laws that have been transgressed, not to prevent future violations.

Common usage of the term "prevention" assumes that an event is pursuing a predictable course and will continue in that direction unless something intervenes to alter the circumstances. Current knowledge is such that the exact circumstances required to cause a child's delinquent behavior are unknown. Since there are no certain conditions that, if changed, would invariably prevent delinquent behavior, we are not able to define delinquency prevention programs in these terms.

Similar perspectives regarding the definition of delinquency prevention are expressed by the authors of Delinquency Prevention: Theories and Strategies, a study conducted by the Westinghouse National Issues Center for the Office of Juvenile Justice and Delinquency Prevention.

Delinquency prevention presents a variety of problems. To begin with, there are diverse academic, professional and popular views about what delinquency prevention amounts to and how it may be accomplished. By no stretch of the imagination is delinquency prevention an established, coherent practice with predictable results. The diversity of arguments about causes of delinquency is complemented by the variety of programs called "delinquency prevention" and by the uncertainty about the results of any of these programs. Recognition that the problem of delinquency is complex and bound up with other social conditions leads some persons even to doubt whether "delinquency prevention" can be a distinct category of programming, with measurable utility.³

A certain exasperation in defining delinquency prevention is also apparent in the 1976 Report of the Task Force on Juvenile Justice and Delinquency Prevention.

Implementation of standards regarding the prevention of delinquency involves a whole new set of ideas. Nebulous in concept, impressive in definition, and devoid of demonstrably effective techniques, delinquency prevention has been a veritable stepchild wandering in the wilderness of the juvenile justice system. The concept of preventing delinquency has been exclusively attractive, and many youth-serving agencies have attempted to justify the bulk of their programs on the basis that they are preventing as much delinquency as anyone else. In light of current knowledge about delinquency causation, they might be entirely correct. Certainly, the prevailing opinion among juvenile delinquency experts is that, if delinquency is multi-causal, its prevention must be multifaceted. If any agency is attacking any of the root causes of delinquency, it is ipso facto engaged in preventing delinquency.⁴

The purpose of this study, however, is not to determine whether delinquency can be prevented or which programs seem to be most effective in doing so, but rather to note those local services supported by public funds which state and local officials, interest groups, and practitioners perceive as contributing to delinquency prevention and rehabilitation efforts.

Some indication of what comprises local delinquency prevention and control services can be found in the Juvenile Justice and Delinquency Prevention Act of 1974. According to this statute, a juvenile delinquency program is defined as any program or activity related to juvenile delinquency prevention, control, diversion, treatment, rehabilitation, planning, education, training, and research, as well as any program or activity for neglected, abandoned, or dependent youth.⁵ Treatment, according to the act, includes medical, educational, social, psychological, and vocational services; corrective and preventive guidance; and other rehabilitative services designed to benefit the addict.⁶ Finally, the legislation speaks of "advanced techniques," which include foster care and shelter care homes; group homes; halfway houses; homemaker and home health services; diagnostic and treatment services; services to maintain and strengthen the family unit; youth service bureaus; work and recreational opportunities; comprehensive programs of drug and alcohol abuse education, prevention, and treatment; educational programs to encourage youths to remain in school or in alternative schools; and the expanded use of probation officers as well as other professional, paraprofessional, and volunteer workers to work with youth.⁷

In 1967, the Task Force on Juvenile Delinquency for the President's Commission on Law Enforcement and Administration of Justice formulated some very specific recommendations regarding the prevention of juvenile delinquency. Several recommendations sought to intensify efforts to reduce unemployment, to improve housing and recreation, to ensure the availability of family assistance planning, to provide help in domestic management and child care, to make counseling and therapy easily obtainable, to establish youth services bureaus and community residential centers, to improve public education, to deal better with behavior problems, to prepare youth for employment, and to create new employment opportunities.⁸

Nearly a decade later, the Task Force on Juvenile Justice and Delinquency Prevention, quoted earlier, observed some basic deficiencies in the work of the 1967 task force. Specifically, it was felt that their efforts had added relatively little to the existing discussion of prevention in that "the 1967 Commission had called for a national program of social reform in the areas of education, employment, housing and criminal justice but could only offer the model of a youth service bureau as one concrete organizational solution to the complex problem of delinquency."⁹ It is interesting that while the 1976 Task Force on Juvenile Justice and Delinquency Prevention did go the extra mile in recommending specific programs, the functional areas of programming remain strikingly similar to those found in the 1967 task force report and the Juvenile Justice and Delinquency Prevention Act of 1974; namely, recommended programs fall functionally into the areas of health, family and human services, education, employment, recreation, housing and, of course, services in the criminal and juvenile justice systems.¹⁰

THE DELINEATION OF FUNCTIONAL CATEGORIES

The message in the literature is clear--to study subsidy programs in aid of local delinquency prevention and control services, it is necessary to survey

across functional categories. Originally, eight functional categories were chosen for this survey and are detailed below.

- Juvenile Justice--All juvenile justice grants were to be included.
- Child Welfare--All grants were to be included, except those used for income maintenance purposes (e.g., food stamps and welfare payments).
- Mental Health--All mental health grants designed to focus upon services for children, except those exclusively for children with developmental, physical, or learning disabilities, were to be included. Programs for youth with developmental, physical, or learning disabilities were included when a specific program objective was delinquency prevention. Drug abuse prevention or control programs were to be included, if targeted to young people.
- Education--All academic and vocational grants designed to focus upon truancy, school disruptions, assaults, vandalism, or violations of law relating to public instruction were to be included.
- Employment Security--All employment grants designed to focus upon the teenage labor force were to be included, except those subsidies targeted exclusively for clients with physical handicaps and disabilities.
- Health--All health grants designed to focus upon services to children with such problems as pregnancy, venereal disease, and self-destructive life styles were to be included.
- Vocational Rehabilitation--All vocational rehabilitation grants directed toward services for ten- to 18-year-old children with an implicit or explicit objective of delinquency prevention were to be included.
- Recreation/Arts--All recreation/arts grants directed toward services for children with an implicit or explicit objective being delinquency prevention were to be included.

As the survey evolved in the field, the funds found in the areas of health, vocational rehabilitation, or recreation and the arts which could be associated with goals of delinquency prevention and control were too limited to be included. Such programs, if they exist, tend to be directly administered by state agencies or are supported through less categorical governmental monies, such as Title XX or general revenue sharing. As a result, this report includes only information on the first five categories listed above.

The next major design task was to specify what kinds of federal and state aid were to be included in the survey. As a way of beginning, grants were defined as direct cash transfers from federal or state governments to local units of government or other public or private agencies. (The terms "grants," "grants-in-aid," "grant programs," "subsidies," and "subsidy programs" are used synonymously throughout this text.) There was one important condition, however; to be included, federal funds (other than CETA monies) had to pass through state governments to local agencies.

Because these types of intergovernmental aid had to be identified with certain types of services, grant-in-aid programs examined in this report are largely categorical in nature. This approach was not taken in an attempt to diminish the importance of revenue sharing or a variety of block grant programs not included in our definition, for clearly these mechanisms add millions of

dollars to the support of local services; rather, it was to be able to identify which federal funds states could specifically direct toward preventing and controlling delinquency. While the pass-through criterion was unnecessary when considering state grant programs, there were other discrete decisions to be made, particularly in paring away substantial in-kind contributions made by states to local agencies. Services such as technical assistance, training evaluations, and audits normally absorbed within state operational budgets were not considered.

Also excluded by this definition are cash transfers provided directly to individuals. For example, food stamps and welfare payments were excluded, as were payments for such services as fostercare for juveniles under state custody. To be eligible, grant dollars had to be provided for the benefit of children and youth who were served by local public and private agencies. Using this broad definition, grants made directly to such local public agencies as juvenile courts, welfare departments, juvenile corrections agencies, mental health agencies, and school districts could be included, in addition to those generally earmarked for cities and counties. An important aspect of this broadened definition of "local" was that grants to private agencies could be included as well.

The scope of the project was further delineated by limiting the age range of the clientele to be served by grant programs. The search for appropriate subsidies focused upon programs serving children between the ages of ten and 18, an age range which constitutes the minimum and maximum ages in most states for designating court jurisdiction over delinquent children. Grant programs most likely to have delinquency prevention and control objectives would focus on those children. However, most federal and state grant programs have differing age criteria for client eligibility. In education, for example, the age range is generally five to 18; in employment, the range is normally 14 to 21; in child welfare, birth to 18 is the most frequently defined target population. As a consequence, there would be considerable deviation from the proposed age range of ten to 18 years, and the decision was made to include grants even where services to children under ten years old could not be clearly discerned from these for older age groups. In addition, where funds could be used to support programs for both juveniles and adults and a clear bifurcation of allocations could not be made, the program was only included if it could be confirmed that more than one-half of the actual clientele was under the age of 18.

Figure 1 offers a composite illustration of the criteria employed in this study.

PROFILING STATE GRANT-IN-AID PROGRAMS

A portion of the data in this report is based upon information received from key state agency officials in each of the 50 states. Telephone calls were used to make initial contacts with respondents to obtain and later to verify the information. Follow-up survey questionnaires were mailed to the appropriate

FIGURE 1. DECISION CRITERIA USED IN THE SELECTION OF SUBSIDIES FOR INCLUSION IN THE STUDY

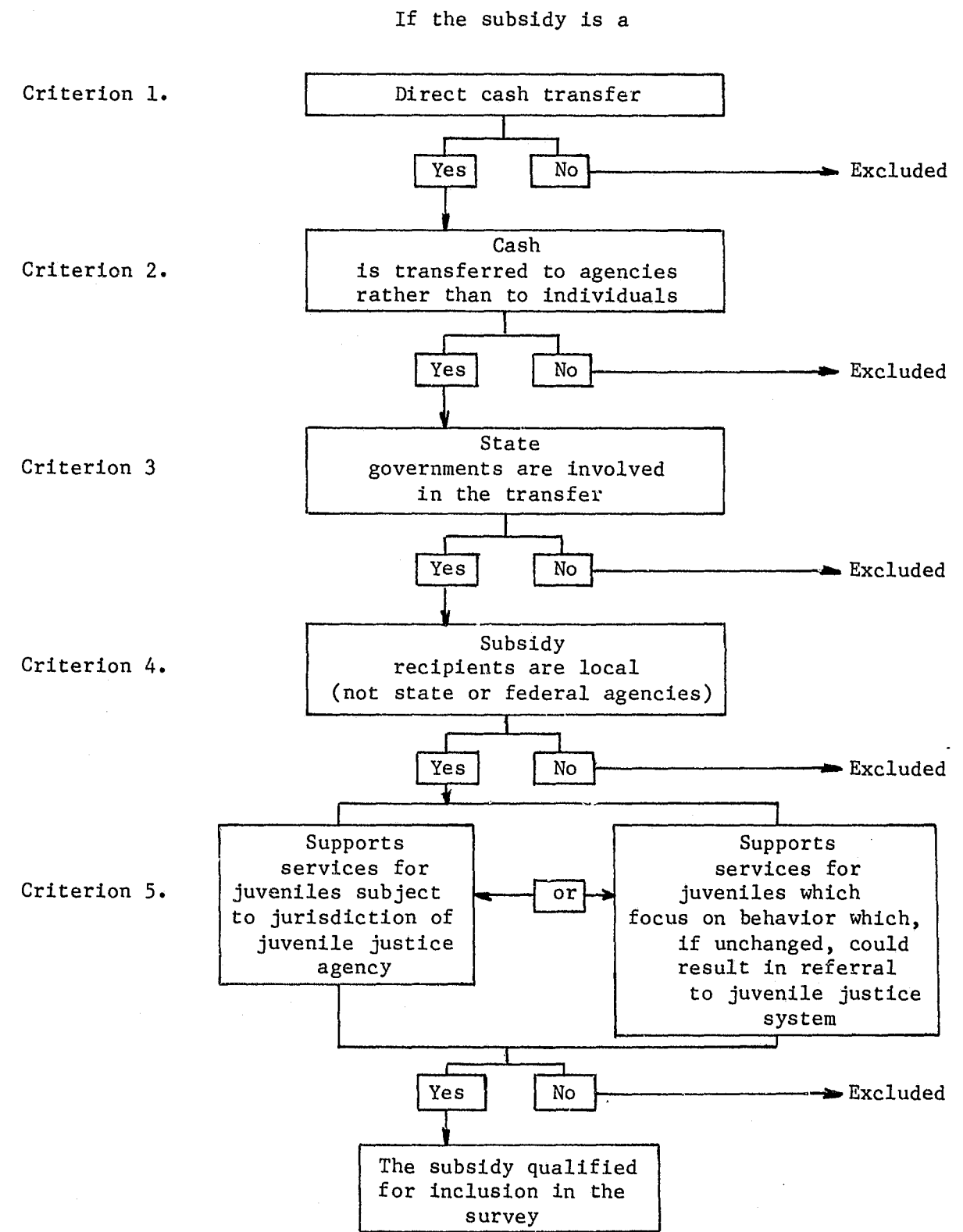


TABLE 1. CASE STUDIES OF STATE GRANT-IN-AID PROGRAMS,
BY STATE AND AGENCY TYPE

State	Grant-in-Aid Program	Juvenile Justice	Child Welfare	Mental Health	Educa- tion	Employ- ment
Alaska	Drug Abuse Grants	--	--	X	--	--
	Youth Employment Services Subsidy	--	--	--	--	X
Florida	Specialized Children's Projects Subsidy	--	--	X	--	--
	Alternative Education Program	--	--	--	X	--
Iowa	Community-Based Juvenile Corrections Subsidy	X	--	--	--	--
	Alternatives to Foster Care and In-Home Services Subsidy	--	X	--	--	--
Maryland	Youth Services Bureaus Subsidy	X	--	--	--	--
	Youth Diversion Projects Subsidy	X	--	--	--	--
Michigan	Child Care Fund	X	--	--	--	--
	Work Opportunity Resources Corps Program	--	--	--	--	X
New York	Youth Development/ Delinquency Prevention Subsidy	X	--	--	--	--

TABLE 1. (Continued)

State	Grant-in-Aid Program	Juvenile Justice	Child Welfare	Mental Health	Educa- tion	Employ- ment
New York	Special Delinquency Prevention Program Grants	X	--	--	--	--
North Carolina	Community-Based Alternatives Program	X	--	--	--	--
	Prevocational Educa- tion Program Subsidy	--	--	--	X	--
	Extended School Day Program Subsidy	--	--	--	X	--
Pennsylvania	State Reimbursement to Counties for Child Welfare Services, Act 148	--	X	--	--	--
South Carolina	State Aid to Community Mental Health Centers	--	--	X	--	--
Utah	Juvenile Detention Serv- ices Subsidy	X	--	--	--	--
	Juvenile Court Teen Alcohol/Drug School	--	--	X	--	--
	K-12 Alcohol Education Project	--	--	X	--	--
TOTAL		8	2	5	3	2

-- denotes Not Applicable.

official each time a grant program was identified. These questionnaires were intended to obtain the following information:

- title and objectives of the grant;
- year it was initiated;
- factors applied in determining allocations of funds;
- administrative requirements for receiving funds;
- type of local agencies eligible to apply;
- types of services provided;
- appropriations and expenditures for the fiscal year 1978 and, where available, comparable data since 1970 or the most recent year for which figures were available; and
- the source and amounts of any federal supplements to the state subsidy.

Each state grant-in-aid has been profiled in a uniform format and can be found in Appendix B.

SELECTING STATE GRANT-IN-AID PROGRAMS FOR CASE STUDIES

Another important part of the research of state grants-in-aid involved on-site interviews with state and local elected officials, state and local administrators, local service providers, and key informants. These studies were undertaken in ten states regarding 20 grant programs. When two grant programs were administered by the same state agency, their descriptions were normally combined into a single case study, with the result that the report includes 16 case studies of 20 state grant programs in ten states. The case study selection is illustrated in Table 1.

At the outset, it has been determined that grant programs selected for case studies should be representative of the five agency types within the survey, namely, juvenile justice, child welfare, mental health, education, and employment. Thus, the selection process immediately narrowed to those states affording a sufficiently wide range of diversity of programs to ensure that the functional representativeness criterion would be met.

A list of potential states which operated subsidy programs in two or more functional categories was developed by staff for the MIJJIT Advisory Committee to review. Secondary criteria, including geographic balance, population size, and urban/rural state representation were then weighed to reduce the number of case study states to ten. The states finally selected were: Alaska, Florida, Iowa, Maryland, Michigan, New York, North Carolina, Pennsylvania, South Carolina, and Utah.

A listing of grants in each case study state and their respective functional areas was developed. Repeating the approach taken for selection of the case study states, two additional factors were also considered in determining which of the programs provided the most representative mix of state grants-in-aid

operating around the country. The first one reflected a concern that the study not be limited to examining the more-publicized, highly visible subsidy models, probably best illustrated by such programs as the Minnesota Community Corrections Act and the California County Justice System Subvention Program. Rather, the study's interest was in achieving a balance between comprehensive program models and the "garden variety" types of grant programs which, while narrower in scope, are fairly numerous and illustrative of many state grants.

Among those ultimately chosen, the Michigan Child Care Fund and Pennsylvania's State Reimbursement to Counties for Child Welfare Services, which underwrite a wide range of services for delinquent and neglected youth, are exemplary of the comprehensive reimbursement models. Exemplifying smaller categorical grants would be Maryland's Subsidy to Youth Diversion Projects, supported by a comparatively small appropriation, with only limited local participation, and offering a relatively narrow range of services.

Considerations were also given to varying the administrative design features among those grants selected for closer scrutiny. These design features included:

- The method by which funds are allocated to local recipient agencies (allocations according to project grants, formula grants, or reimbursement grants);
- Administrative requirements for applying for and receiving funds (planning requirements, licensing, or other requirements for adhering to state standards); and
- Types of local agencies eligible to participate and receive funds (e.g., is participation limited to cities, counties, special districts, or private agencies?).

All other factors being equal, a grant was examined for its unique, innovative, or otherwise distinguishing features which would commend it for case analysis. On this basis, the Iowa Alternatives to Foster Care Subsidy, which was one of only two grants-in-aid specifically funding in-home services for youth and their families, was selected. Description of the specific criteria for the selection of each state grant-in-aid program can be found in its respective case study in Appendix D.

SELECTING FEDERAL GRANT-IN-AID PROGRAMS

The application of the same criteria illustrated in Figure 1 to federal grant-in-aid programs revealed that a variety of these programs would be eligible for inclusion. From a review of the Catalog of Federal Domestic Assistance, the following acts and subsections met the initial criteria:11

- Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act (CAAAPTRA);
- Comprehensive Employment and Training Act (CETA);
- Crime Control Act (CCA);

- Drug Abuse Office and Treatment Act (DAOTA);
- Economic Development Act (EDA);
- Education for the Handicapped Act (EHA);
- Title I, Elementary and Secondary Education Act (ESEA);
- Title IV-C, Elementary and Secondary Education Act (ESEA);
- Emergency School Aid Act (ESAA);
- Juvenile Justice and Delinquency Prevention Act (JJDPA);
- Runaway Youth Act, Juvenile Justice and Delinquency Prevention Act (JJDPA, Title III);
- Title IV-B, Social Security Act (SSA);
- Title V, Social Security Act (SSA);
- Title XX, Social Security Act (SSA);
- Vocational Education Act (VEA); and
- Youth Conservation Corps (YCC).

Where federal legislation authorized direct payments to local units of government but did not have a pass-through provision, that federal program was excluded from the survey.¹² As a result, the Runaway Youth Act and ESAA were both eliminated after preliminary consideration, since both programs provide categorical grant assistance directly to local agencies. However, in those instances where the relevant federal act authorized both federal-to-local and federal-to-state payments as part of a single allocation, both types were included and treated as a single federal grant to a state and its local communities. The best example of this phenomenon is CETA, which directs that payments be made to both local "prime sponsors" and to state agencies for the "balance of state" administration.

The preceding considerations led to a decision to concentrate data collection regarding federal grants-in-aid to 11 specific programs. The final list of federal acts and their subsections that were included for each of the five functional categories follow.

- Juvenile Justice
Crime Control Act (CCA)
Juvenile Justice and Delinquency Prevention Act (JJDPA)
- Child Welfare
Title IV-B, Social Security Act (SSA)
Title XX, Social Security Act (SSA)
- Mental Health
Comprehensive Alcohol Abuse and Alcohol Prevention, Treatment and Rehabilitation Act (CAAAPTRA)
Drug Abuse Office and Treatment Act (DAOTA)
- Education
Title I, Elementary and Secondary Education Act (ESEA)
Title IV-C, Elementary and Secondary Education Act (ESEA)
Vocational Education Act (VEA)
- Employment
Comprehensive Employment and Training Act (CETA)
Youth Conservation Corps (YCC)

Chapter 5 discusses the findings with respect to the use of such federal funds for delinquency prevention and control services.

As in most studies of this type, categories may need to be modified in practice. In some states, federal funds were allocated to programs in functional areas not anticipated by the study's categorization. For example, it was found that some states use SSA Title XX funds for juvenile justice and mental health programs. In another case, monies from the Juvenile Justice and Delinquency Prevention Act supported mental health programs. Thus, tables in Chapter 5 will show some departures from this listing.

Federal profiles and supplementary tables can be found in Appendix C.

SOME CAVEATS ABOUT RESEARCH INTO FEDERAL AND STATE GRANTS-
IN-AID TO DELINQUENCY PREVENTION AND CONTROL SERVICES

Child welfare and mental health were very troublesome areas in the data collection phase of the research. The federal government provides substantial funds for local services through programs such as SSA Title XX, CAAAPTRA, and DAOTA. However, most states allocate these monies to communities as block grants or as reimbursements for services. When allocations are made in either manner, there is no reliable method for determining what proportion of a grant was spent for services to youth. Local expenditures are reported according to the types of services provided, such as counseling or psychotherapy, without indicating the target population, such as juveniles, young adults, or elderly. A state may be spending large sums of money to support local agencies that serve delinquent or pre-delinquent juveniles and yet be unable to report the relative proportions of their appropriations and federal grant monies spent on serving those youth. Hence, no grants, particularly in mental health and child welfare, are recorded for a large number of states that are probably spending substantial amounts of money on services to youth but are unable to report or even to estimate these expenditures.

When reviewing the data and profiles contained in this report, it should be remembered that this is a study of state and federal assistance for a very limited purpose. Only in this sense is it an inventory of fiscal support to community-based delinquency prevention and control programs. Not included are data from states which:

- (1) Have only state-administered services;
- (2) Require all adjudicated youth to be committed to the authority of the state in order to receive services; or
- (3) Purchase local services for juveniles under state custody.

In addition, such resources as tax levies, United Way funds, and private contributions that are provided to local programs directly from the communities themselves are not included. Accordingly, the figures reported in this study represent a fraction of total support for local delinquency prevention and control services.

The research design called for data to be collected from fiscal 1978 for state appropriations and for federal expenditures. The use of federal expenditure

data was necessitated by the difficulty in trying to identify portions of congressional appropriations allocated to states in a given year. Most allocation decisions are made through bureaucratic procedures within federal agencies, which may or may not keep these figures on record. In cases where state appropriation figures could not be obtained, expenditures or estimates received from state agencies were accordingly substituted and noted on the tables. Notations have also been made for instances when no data could be obtained. In each case where deviations occurred, additional contracts verified that what had been received was the most reliable data available.

In some instances, it was only possible to collect information for calendar 1978 or for different fiscal years (which included certain months in 1978), depending upon state bookkeeping practices. While this means that the year reported might begin as early as March 1977 or end as late as October 1979, only a 12-month appropriation is reflected for comparative purposes in both the national tables and state profiles.

It does remain important, however, to bear in mind that this survey identifies and examines state and federal grants-in-aid which existed in 1978. Grants which were initiated and terminated prior to 1978 have been omitted, as well as any grants which might have been created since then.¹³

Data collection for this project began in January 1979. During this year, the national survey of state agencies was conducted which provided the data base for the state and federal profiles found in Appendices B and C, respectively. The case studies were initiated the latter part of 1979 and the first half of 1980. Updated information from the case studies was added to the profiles, and hence, some profiles may reflect only data from 1979 while other profiles may contain figures from 1980 or projections for 1981.

For those interested in the detailed research methodology utilized in this study, a complete description may be found in Appendix A.

ORGANIZATION OF THE VOLUME

In addition to providing a description of federal and state grants-in-aid to local delinquency prevention and control services, this volume is intended to offer some insight into the development of a subsidy for those readers who anticipate either designing a subsidy or lobbying to initiate or amend one. Depending upon the reader's interest, some sections of the volume are probably more helpful in specific content than others. Chapter 2 provides a general, indeed almost philosophical, discussion regarding the reasons for employing intergovernmental fund transfers. Chapter 3 summarizes the findings of the national survey of selected state agencies. It provides an overview of the number and types of state subsidies discussed in this volume. More detailed information regarding each state subsidy is profiled in Appendix B. A summary of the case studies is given in Chapter 4, wherein a synopsis of each case study can be found. Readers are encouraged, however, to read the full case studies in Appendix D.

The federal complement of grant-in-aid programs to local delinquency prevention and control services is described in Chapter 5. Some historical background on each federal grant-in-aid selected for this study is covered. More detailed information regarding each grant's allocational formula and administrative requirements can be found in Appendix C.

Chapters 6 and 7 comprise perhaps the most useful section for individuals who wish to better understand the design of subsidies. These chapters cover the types of allocation mechanisms which best meet certain objectives. They also expand upon requirements that are likely to be included in legislation or administrative rules. These discussions are illustrated with examples from the case studies and state and federal subsidy profiles.

In addition to summarizing the content of Chapters 1 through 7, Chapter 8 raises some policy considerations and speculates upon future trends in the development of grants-in-aid, in general, and categorical grants-in-aid, in particular.

FOOTNOTES

1. Council of State Governments, State Subsidies to Local Corrections: A Summary of Programs (Lexington, Kentucky: 1977).
2. Council of State Governments, State Subsidies to Local Corrections (Lexington, Kentucky: 1977).
3. Westinghouse National Issues Center, Delinquency Prevention: Theories and Strategies (Arlington, Virginia: 1979), p. 1.
4. National Advisory Committee on Criminal Justice Standards and Goals, Juvenile Justice and Delinquency Prevention, Report of the Task Force on Juvenile Justice and Delinquency Prevention (Washington, D.C.: 1976), p. 21.
5. Juvenile Justice and Delinquency Prevention Act of 1974, P.L. 93-415, Sec. 103(3); as amended 1977, P.L. 95-115; as amended 1980, P.L. 96-509.
6. *Ibid.*, Sec. 103(13).
7. *Ibid.*, Sec. 223(a)(10)(A-I).
8. The President's Commission on Law Enforcement and Administration of Justice, Task Force Report: Juvenile Delinquency and Youth Crime (Washington, D.C.: 1967), pp. 47-56.
9. National Advisory Committee on Criminal Justice Standards and Goals, Juvenile Justice and Delinquency Prevention, pp. 27-28.
10. *Ibid.*, pp. 78-174.
11. Office of Management and Budget, 1979 Catalog of Federal Domestic Assistance (Washington, D.C.: U.S. Government Printing Office, 1979).
12. See Figure 1, Criterion No. 3.
13. A brief discussion regarding the Ohio Youth Service Grant, created in 1980, does appear in one section.

CHAPTER 2

CHAPTER 2

WHY INTERGOVERNMENTAL FINANCING HAS EVOLVED

PHILOSOPHICAL TRADITIONS

The federalist form of government, according to Amendment X of the U.S. Constitution, holds that rights and responsibilities not reserved for the federal government belong to the states and to the people. The federalist approach at the national level finds its counterpart in home-rule provisions in many state constitutions, in which local governments are correlatively accorded powers not preempted by their state governments. Political scientists have long observed that loyalties to the states and strong beliefs in the desirability of independent local communities have promoted intergovernmental aid more than any desire for greater national involvement in social program development.¹ Grants strengthen the abilities of state and local governments to carry out their assumed functions, in which financial participation is voluntary.

State agencies, naturally, do not face the same bars to direct provision of local services as experienced by the federal government. In fact, many states have determined that direct provision of services by state agencies is the most efficient approach to meeting certain kinds of local needs. Yet, other states apparently prefer to share the determination and delivery of human services with local governments, a choice which probably has evolved from strong home-rule traditions. The provision by states of their resources to local governments recognizes a need to permit local control over the administration of services, yet allows local governments to benefit from the greater revenue-generating capacity of state governments. The determination of what services are to be offered, and in what quantity, is often left to the discretion of local elected officials and administrators, local boards or committees and, as in other endeavors, local citizens.

POLITICAL INTERESTS

It has been observed that state and federal legislation often emerges from a "sweetheart relationship" among three primary participants: interest groups, legislators, and executive agencies.² However phrased, it is clear that subsidy legislation is not drafted in a vacuum. Lobbyists and the executive branch represent powerful influences on legislative activities.

Interest Groups

For a number of reasons, interest groups have found it necessary, or at least more expedient, to lobby at higher levels of government for action regarding their concerns. In practical terms, their constituents, while often small in any particular locality, swell to much larger ranks at state and national levels, where their forces can be further enlarged through coalitions with other interest groups. Their motives in approaching federal or state governments apparently stem from frustrations caused by unresponsive local governments toward human services and toward some groups of citizens perceived to have little power or status.³

Different types of interest groups may pursue the establishment of a single grant-in-aid program for different reasons. Some groups are, naturally, lobbying on behalf of themselves or on behalf of disenfranchised groups such as children. Social services professionals, on the other hand, may perceive themselves to be best capable of administering to the needs of potential beneficiaries. They, therefore, pressure the legislature not only for the resources to do so but for the authority as well. Also letting their interests be known are those groups which stand to economically benefit from an influx of grant funds.

Once passed, the establishment of subsidies often leads to the spawning of even more narrowly focused interest groups. Two such offsprings were the North Carolina Extended School Day Association (born of the North Carolina Extended School Day Program Subsidy) and the Maryland Association of Youth Services Bureaus (undoubtedly a descendant of the Maryland Youth Services Bureaus Subsidy). Similar examples can be found in New York, Ohio, and elsewhere.

The likelihood of grants-in-aid producing pressure groups to ensure their perpetuation should serve as a caution to legislators. Strong demands for continual funding may arise from interest groups that subsidies helped to establish, long after the subsidized approach is determined to be less than appropriate.

Legislatures

As a group, legislators probably do more to further constituent interests than they do to promote national or state policies. Subsidies, therefore, can satisfy motives to send visible benefits home to the voters. Certain elements of what is euphemistically referred to as "pork-barrel legislation" is not infrequently present.

The recent proliferation of intergovernmental grants, particularly narrowly focused categorical grants, has also been attributed, in some measure, to the increased use of the legislative committee system. In state legislatures as well as Congress, legislators are assigned to committees and subcommittees which specialize in certain functional areas. The power of legislators is frequently

measured in their ability to redirect funds for programs that are of special interest to them by virtue of their committee assignments. In some ways, the committee system tends to narrow and intensify the work of legislators, unwittingly creating a special group of advocates within the legislative branch. The unintended result of this specialization is legislators with strongly held viewpoints about the special matters routinely assigned to them.

Executive Agencies

Frequently, the technical preparation of subsidy legislation, as well as its conceptual development, originates in an executive agency. In juvenile justice and child welfare agencies, the wave of interest in promoting community-based alternatives to the use of state institutions has led to efforts to increase the availability of such services through legislation. In many states, particularly those with strong local governments, state subsidy funds to promote the use and expansion of local services has seemed to be a logical and expedient approach. State executive officials have felt that transferring the responsibility for community-based services to local governments is in the best interests of clients' needs.

As professionals in the same fields, state agency personnel and local administrators are accustomed to dealing with one another. The development of subsidy legislation, in many instances, emerges as a joint effort, with both state and local participation. Once introduced, both groups offer support through their own accustomed channels for communicating with the legislature.

Competing Interests

The establishment of grant programs may realign the positions of various lobbying interests so that prior efforts of cooperation or competition can be reversed. While there may be general agreement among interest groups regarding what is needed, problems generally arise when deciding how it is to be accomplished.

Many times, differences of opinion are resolved through compromise, with the result that the legislation reflects generally benign conditions. Controversial aspects may arise once again upon the release of executive rules and regulations. Established pursuant to legislation, administrative rules may destroy the delicate balance of support achieved by the legislature. Conversely, executive regulations may go far to make an unpalatable bill acceptable. As subsidy programs ultimately become implemented, deviations from the intent of the legislators are inevitable. Executive perceptions frequently result in unintended legislative consequences.

CORRECTING FISCAL IMBALANCES

State and federal subsidies to local governments and agencies have become a way to share the wealth. Generally speaking, federal and state governments rely upon income tax-based revenue. Local governments, particularly counties, are relegated to dependency upon regressive, property-tax bases.

Commentators on intergovernmental relations credit the adoption of the federal income tax in 1913 as the significant factor conditioning the expansion of the intergovernmental grant system.⁴ Because of the revenue generated, it provided the means by which the federal government could tax beyond its needs. Previously, the national treasury had depended chiefly on excise taxes, customs duties and, prior to the passage of the Homestead Act, the sale of public lands. The income tax quickly surpassed these sources in importance, providing nearly 60 percent of federal receipts in 1922. Since that time, it has become increasingly productive because taxation has expanded to larger numbers of citizens, because of inflated dollars, and because tax rates have risen. Moreover, unlike property and sales taxes, the income tax also has been quite responsive to national economic growth, for economic expansion brings automatic growth dividends to the federal treasury.⁵

The Book of the States adds insight into the revenue growth from state income taxes. The rate of growth for state tax revenue, in general, was about 11.4 percent in fiscal 1976, compared to eight percent during fiscal 1975. Taxes on individual income were primarily responsible, increasing 14 percent from fiscal 1975 to 1976. All 50 states showed increases in tax revenues during fiscal 1976.⁶

The Book of the States' authors observe that, over the past 20 years, the distribution of state-local tax revenue has changed rather significantly. Property taxes have dropped consistently, from 44.6 percent of total state-local tax revenue in 1956 to 36.3 percent in 1976, a rate that has held over the past four years. State and local taxes on income, however, have risen dramatically over this period. In 1956, income taxes accounted for 9.2 percent of all state-local tax revenue. By 1976, they had increased to 20.3 percent, a rise attributed to increasing yields from individual income taxes.⁷ It would appear, therefore, that federal and state governments are in relatively better financial positions than local governments to underwrite or expand local public service costs.

With regard to revenue redistribution, it is an economic fact of life that there are poor communities and rich communities. In the interest of ensuring a sufficient level of services at a minimum standard of quality across communities, despite whatever capabilities a community may have to generate financial resources, higher levels of government can redistribute tax collections from wealthier areas to poorer ones.

The concept, though, appears to work better in theory than in practice. Data are not readily available on the redistribution effects of state subsidies to local governments; however, analysis of federal practice has revealed that the federal government has never followed a strong, consistent policy of

attempting to equalize the fiscal capacities of state and local governments. In distributing funds, federal allocation formulas usually include such factors, in addition to fiscal capacity, as population or indicators of program needs.⁸

PAYING FOR THE INTERVENTIONS OF HIGHER LEVELS OF GOVERNMENT

Another reason for the growth of intergovernmental financing is attributable to the reluctant realization that higher levels of government should put "their money where their mandates are." Catherine Lovell, et al., have intensively investigated this topic. They reported that:

The "mandate issue" has been exacerbated and complicated by the triple squeeze in which local governments now find themselves: the squeeze between (1) demands from constituents who expect government to increase the intensity and range of public service while at the same time expecting local government to protect diversity of interest and rights to community, (2) increased pressures from the states and federal agencies to enlarge the scope and alter the processes of local government services, and (3) growing difficulties in extracting necessary local revenues (partly as a result of state restrictions on revenue bases and rates) leading to increased dependence on state and federal government for resources. This configuration of forces--enlarged demands from conflicting sources--and constrained resources has pushed local governments into more and more dependence on subventions and grants-in-aid and into greater conformity with external demands.⁹

The issue is a variation of the "sharing the greater wealth of the federal and state governments'" interests. Local governments might have offered the services now mandated for them by higher levels of government but simply never had the sources to do so. The truly exasperating problem, however, is that higher levels of government may mandate new or expanded services while making no provisions to pay for them.

State governments are more guilty of this than the federal government, primarily because of jurisdictional limitations imposed by the U.S. Constitution. Lovell's study found that:

Federal conditions of aid mandates are funded twice as frequently out of federal funds as state conditions of aid are out of state funds. In each stage of the evolution of federal aid, the relative amount of federal funds involved has grown at an almost exponential rate. The absolute dollar amounts of the economic programs in the 1970s dwarf sums provided in 1960s which in their day were considered substantial.

Local governments, however, are gaining some ground in pressuring state governments either to consider the fiscal impact of state mandates on local revenue sources or to provide funds to cover them. Accordingly, ten states have provisions for mandate reimbursements, and 25 states have enacted fiscal note requirements on legislation affecting local government.¹⁰

The ACIR defines mandate reimbursement in this context as statutory or constitutional provisions requiring state compensation for those state actions--legislative or administrative--that require additional local spending.¹¹ Fiscal notes, on the other hand, are described as attaching to proposed legislation estimates of the cost implications of state actions on local governments.¹²

WHOSE INTERESTS ARE SUPPORTED THROUGH SUBSIDIES?

A "chicken and egg" debate exists over whether subsidies are means to implement national and state policies or merely ways to support the interests and activities of political subdivisions. One variation of the debate is whether subsidized policies originated with the unit of government extending the aid, or whether they were in response to new directions being pursued by sub-levels of government. Following are some observations made by political observers over the years. Unfortunately, they are limited to federal grants-in-aid, largely because political scientists seem to have a parochial preoccupation with federal policy. No doubt, the statements can be assumed to hold true for state-to-local grants as well.

In 1955, the Kestnbaum Commission, which produced one of the first comprehensive studies of the grant system, indicated that the national government had used grants-in-aid primarily to achieve national objectives, not to help states and local governments finance their activities.¹³ By the mid-1970s, Charles Schultze at the Brookings Institution came to the pragmatic conclusion that many categorical aids "probably serve no major national purpose but simply reflect the substitution of the judgment of federal legislators and agency officials for that of state and local officials."¹⁴ James Sundquist, author of a landmark study on intergovernmental relations, on the other hand, felt that the 1960s represented a demarcation, prior to which the typical grant was instituted to assist state or local governments in accomplishing their own objectives, and after which it was intended to move state and local governments into new fields in response to national needs.¹⁵

While policies supported through grants may be deemed to be in the national interest, others observe that they originated among the states. Earl Baker, an observer of federal grant-in-aid programs, suggests that the pressure for many of the earliest grants came from the states themselves.¹⁶ In 1937, noted political scientist, V. O. Key in The Administration of Federal Grants to States, reported that a few states establish services, and Congress, then enacts legislation designed to encourage the assumption of that function by all states. The states become, in effect, although not in form, agents of the central government

in the pursuit of activities deemed by Congress to be clothed with a national interest.¹⁷ Political scholar Morton Grodzins, also pointed to instances in which the federal government has acted as an emulator of state programs by making national policies of their successes.¹⁸

Discussions in this report seem to support the latter viewpoints. The problem, however, is not that one perspective is right and another is wrong, but that both perspectives hold true at the same time. Herein lies the potential for intergovernmental conflict. Federal and state governments seldom are the points of origination for public policies. As intended by our representative form of government, local constituents have, in most cases, prevailed upon their governments to help inculcate particular approaches toward given problems. Having shaped the policy cooperatively, the interests of the local constituents and the state or federal legislators are in harmony, and it could be said that the grant was initiated to assist local governments in accomplishing their objectives.

In other instances, federal or state governments have acted as emulators of local programs by making local successes into national or state priorities. Deinstitutionalization of juveniles had come to full term in Massachusetts before the concept was enacted at the federal level. In New York, comprehensive community planning, a feature of the Youth Development/Delinquency Prevention Subsidy, had germinated in Monroe and Rensselaer counties prior to its statewide adoption by the legislature and the state Division for Youth.

We live, however, in a pluralistic society with differing and competing values. Just because some local jurisdictions have adopted a certain policy perspective, which is later embraced as a statewide or national goal, does not mean that all communities in the country share the same values. Once an objective is adopted as state or national policy, however, local officials choosing to accept subsidy funds must also accept the conditions under which they are granted. Conflict occurs when the discord between state policies and local values is too great.

Local constituents may perceive state legislators and administrators as too removed from or inappreciative of the needs of their community's children. They feel that they, better than state administrators, understand how the community's resources can best be mobilized to meet those needs. Local government officials wish to retain discretion over the use of funds. State administrators, on the other hand, do not always trust the choices of local officials. Constituencies which appealed to the state government because they were neglected by local officials want state administrators to ensure that they will not continue to be overlooked. While federal or state governments struggle to ensure that funds are spent by local governments for the purposes and constituencies that were intended, local governments fight for the autonomy to respond to their own political pressures in their own way. The dilemma is never resolved but is an inherent tension in the American political system. In any case, the important point is that how these competing interests are politically negotiated becomes reflected directly in the design of grant legislation. Accordingly, grant legislation will take on different characteristics in different states, depending upon the relative power of competing interests. It will be seen in the following chapters how grants are designed to meet these competing interests, as well as how they change over time.

PRACTICAL OBJECTIVES TO BE REALIZED THROUGH
INTERGOVERNMENTAL FINANCIAL ARRANGEMENTS

In addition to serving as tools for the implementation of state and federal policies, there are some practical economic and programmatic reasons for inter-governmental fund transfers. Slavet, Bradbury, and Moss, in Financing State-Local Services: A New Strategy for Greater Equity, posit four considerations in determining the need for shifting financing of local functions to higher levels of government.¹⁹

The first consideration is the efficiency of service delivery. For example, considering the costs of capital construction, it might make sense to encourage several counties to build a single detention facility. A state can stipulate that in order to receive subsidy funding, several counties must join together to warrant the building of a detention center of a minimum size. This approach was employed by the Ohio Youth Commission, under its District Detention Construction Subsidy. It requires that counties must cooperate to create a population base of 100,000 or more before construction funds will be contributed by the state.

The second consideration is the degree to which residents of the service area agree to the quantity and quality of services to be provided. In other words, services selected for shared state financing cannot result in service levels too different from local preferences. An example in this instance is where a state might require, as a condition to receive state funds, that a municipality must provide one probation officer for every 25 juvenile cases. However, if a municipality feels strongly that one probation officer should be expected to handle 50 cases, it might choose not to participate in state financing, particularly when the matching fund requirements are high. It is only when state and local preferences coalesce does it make sense for the higher level of government to offer support.

Third, in the interest of redistributing resources to support given levels of services, the area to be taxed should be sufficiently heterogeneous. In other words, there must be wealthier districts that can afford to have their surpluses shared with poorer communities for the concept of redistribution to be realistically implemented. Usually, states have enough wealthy jurisdictions and other statewide tax bases to be in a position to distribute resources to poorer areas. Yet in past years, although less true at present, there have been some very poor states with more poor than wealthy communities. This situation has been a rationale for the federal government to redistribute resources to impoverished parts of the country. It also accounts for the absence of state subsidies in those states where tax revenues and per capita incomes are generally low.

The fourth consideration pertains to what is known as "spillover benefits" or "externalities." The benefits flowing from public programs are not necessarily restricted to residents of the jurisdiction that provides and finances them through its taxes. Some benefits spill over to the residents of nearby areas or to the general public.²⁰ The argument is that residents of a community cannot be expected to pay for goods and services that benefit nonresidents. In the interest of discouraging "free riders," residents would rationally only purchase

sufficient levels of services to benefit themselves. What residents would purchase to benefit themselves, however, would be less than communities require. For example, runaway shelters are most likely to benefit youngsters who have run from places far away from the taxing district where the shelter is located. While local residents benefit from having the runaways supervised by the shelter, parents from outside the community also benefit. Therefore, people living in the community should not be expected to assume all of the costs. One solution is to have a share of the costs proportional to the actual distribution of benefits borne by a higher level of government, which can be accomplished by a properly designed subsidy.²¹

PROGRAMMATIC REASONS FOR GRANTS-IN-AID

Grants allow a number of programmatic objectives to be achieved. They can stimulate new efforts into different areas through experimentation and innovation. They can also ensure a more equal availability of services across a state or the country, and require that minimum standards of quality be met.

Stimulation of New Programs

As discussed previously, higher levels of government may be more sympathetic to, or at least more pressured by, the needs of interest groups. Interest groups see state and federal governments as catalysts for stimulating recalcitrant local governments to make desired services available. With access to revenues from higher levels of government, local officials become more willing to participate in new service sectors.

Replication is another form of stimulation in which higher levels of government are instrumental. State governments may make grants available to localities willing to try highly acclaimed programs started in other communities. If the program seems to be effective in other locations, the state may develop cost-sharing arrangements that make it desirable for all communities to offer these innovative programs.

Not only can grants be used to replicate exemplary programs, they can also be used to stimulate the experimentation that leads to the development of model projects. State governments may make money available to local agencies which would like to try out new ideas but lack the resources to get it off the ground. The grants often serve to develop not only new programs but new agencies as well, in areas where none previously existed.

Equalizing the Availability and Quality of Services

Grants can equalize the availability of services across communities in two ways:

- By creating a financial incentive for communities to offer "subsidized" services, and
- By providing the resources for communities which otherwise could not afford to pay for them.

A minimum quantity of services across communities can probably be guaranteed, depending upon the extent to which states are willing to underwrite costs up to the amount needed to assure such a level.

Not only are grants-in-aid important in attaining minimum service levels across communities, they can also encourage the attainment of minimum quality levels. While the additional funds provided by state governments enable communities to afford better quality services, threat of their withdrawal provides leverage for compliance with state standards.

Administrative Decentralization

In an earlier section, it was noted that grants can strengthen an intergovernmental system by bolstering the sagging fiscal resources of local governments. As such, the various levels of government retain their traditional functions but share resources. Despite many requirements currently used as conditions to obtaining state and federal funds, the determination whether to participate in a grant program, and to what extent, remains a decision of the community. While the provision of subsidized services, therefore, becomes a shared responsibility among the levels of government, the administration of these services is clearly local. Local elected officials and administrators, rather than state officials, are held accountable for satisfying the needs of citizens. In reality, though, state agencies cannot avoid the responsibility connected with any deficiencies in services it subsidizes, despite whatever level of local control should have been exercised. In theory, however, subsidized services remain under the administration of local agencies whose proximity supposedly makes them more accountable to the needs of citizens.

FOOTNOTES

1. Advisory Commission on Intergovernmental Relations (ACIR), Categorical Grants: Their Role and Design (Washington, D.C.: U.S. Government Printing Office, 1977), p. 52.
2. Ibid., pp. 61-68.
3. Ibid., p. 55.
4. Ibid., p. 17.
5. Ibid.
6. Council of State Governments, The Book of the States, 1978-1979 (Lexington, Kentucky: 1978), p. 272.
7. Ibid., p. 287
8. ACIR, Categorical Grants, p. 217.
9. Catherine Lovell et al., Federal and State Mandating on Local Governments: An Exploration of Issues and Impacts (Riverside, California: Graduate School of Administration, University of California, 1979), pp. 10-11.
10. Ibid., pp. 160, 238, 245.
11. Advisory Commission on Intergovernmental Relations, State Mandating of Local Expenditures (Washington, D.C.: U.S. Government Printing Office, 1978), p. 22.
12. Ibid., p. 32.
13. ACIR, Categorical Grants, p. 31.
14. Ibid., p. 53.
15. Ibid., p. 29.
16. Ibid., p. 31.
17. Ibid.
18. Ibid., p. 55.
19. Joseph S. Slavet, Katherine L. Bradbury, and Philip I. Moss, Financing State-Local Services (Lexington, Massachusetts: Lexington Books, 1975), p. 8.
20. George F. Break, Intergovernmental Fiscal Relations in the United States, Washington, D.C.: Brookings Institution, 1963), pp. 63-68.
21. ACIR, Categorical Grants, p. 147.

CHAPTER 3

CHAPTER 3

DISCUSSION OF STATE GRANTS IDENTIFIED THROUGH THE SURVEY

A total of 101 state grants in support of local juvenile delinquency prevention and control programs are profiled in this study.¹ They are distributed across five functional categories or agency types. The number of states which reported the existence of grants meeting the study's criteria are illustrated in Table 2.

Not surprisingly, the largest number of state grants associated most clearly with local juvenile delinquency prevention and control are found in the juvenile justice system itself. Twenty-nine states have at least one juvenile justice grant program. While most states support local mental health efforts in some way, only 17 states report subsidies that specifically target mental health monies for services to youth. In most cases, these funds are directed toward the prevention of drug and alcohol abuse and the treatment of abusers.

TABLE 2. STATE DELINQUENCY PREVENTION AND CONTROL SUBSIDIES IDENTIFIED IN THE 1978 SURVEY, BY TYPES OF AGENCIES

Number of State Delinquency Prevention or Control Subsidies	Types of Agencies					Total
	Juvenile Justice	Child Welfare	Mental Health	Education	Employment	
Subsidy Programs Identified	56	6	25	11	3	101
States Identified With Subsidy Programs	29	6	17	8	3	39(a)

(a) This reflects the actual number of states reporting at least one subsidy program. States may have grants in more than one type of agency.

It appears from the findings that states are attempting to prevent and control delinquency through their school systems, an increasingly likely place to deal with delinquency prevention. The funds from state grants-in-aid

supplement the monies provided from federal allocations, largely from the Elementary and Secondary Education Act, and are targeted toward disadvantaged and disruptive pupils. Most states, even those without categorical grant programs, add state monies that are equal to or in excess of federal allocations to finance alternative educational settings, dropout prevention services, and vocational education.

The project's researchers expected to find that local child welfare agencies would have received more state funding for handling troubled youth, as the juvenile justice system has turned to less restrictive alternatives to incarceration and, in many cases, completely diverted status offenders to social service agencies. However, only six states indicated formally augmenting support to the child welfare system through subsidies. States, however, may be purchasing these services with funds from juvenile justice grants or with federal monies available from such sources as Title XX of the Social Security Act.

Only three states report allocating state funds to local youth employment programs. This finding is not surprising in light of the \$1.4 billion available to states from the federally funded Comprehensive Employment and Training Act. States probably perceive less need for subsidizing employment services so long as federal programs of this magnitude exist.

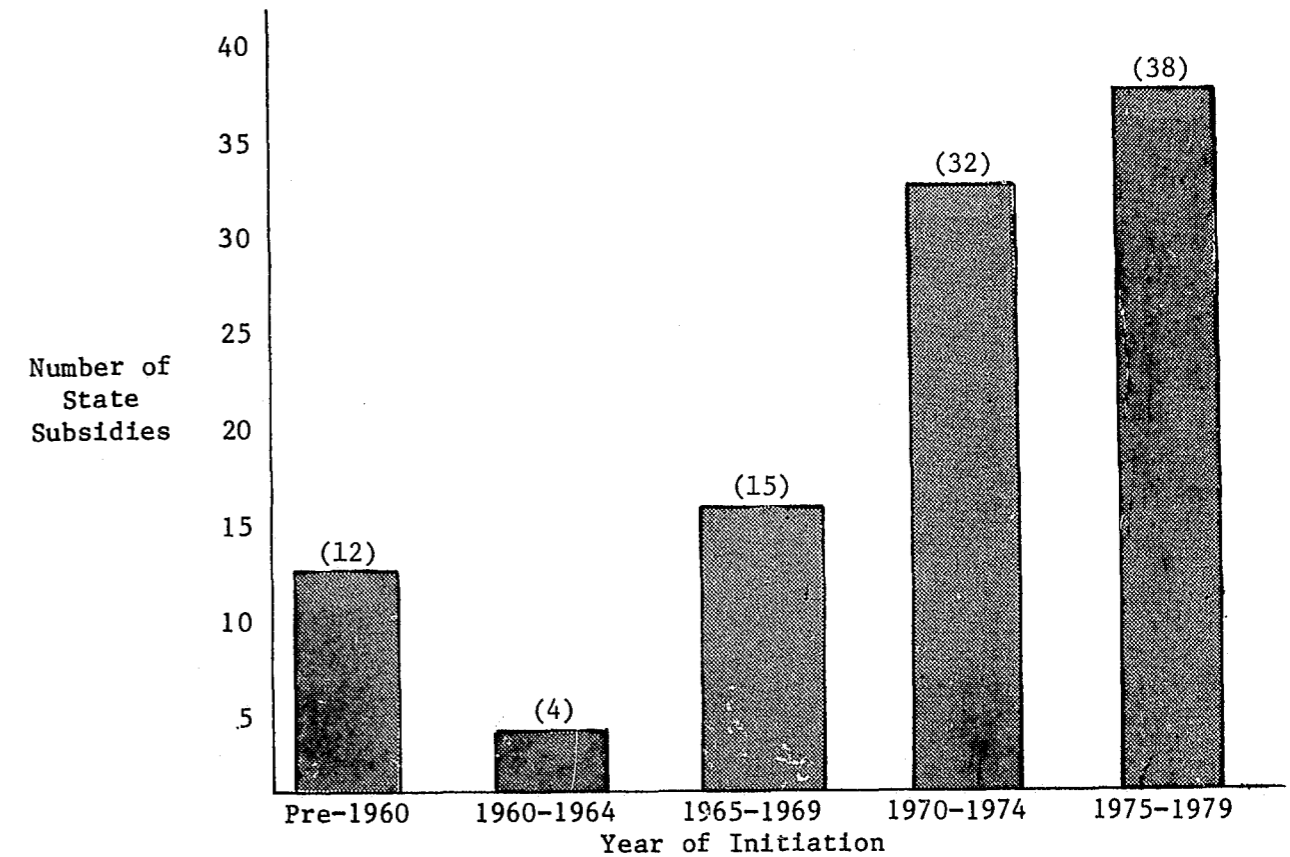
Altogether, 39 states reported having at least one grant program that complied with the criteria for this study. While no individual state indicated having subsidies in all of the five categories, an average of 2.6 grants per state is apparent. Nine grants-in-aid were reported by Minnesota, the largest number for any state. However, the number of grant programs for a given state is a somewhat misleading measure, since some states subsume a number of objectives under single comprehensive block grants. Table 3 reflects the state subsidies included in this report, by their states of origin and their legal titles.

The majority of state grants-in-aid examined in this study are relatively recent in origin. Programs having the longest history (20 years or more) were found in seven states: Illinois, Michigan, Minnesota, Missouri, New York, Oklahoma, and Virginia. Figure 2 illustrates the years in which state grant programs currently in existence were initiated. Grants which were initiated and later terminated before 1978 are not reflected.

A SURVEY OF STATE SUBSIDIES IN 1978

This section provides tables (Tables 4 through 8) listing the state grants identified in the survey. The tables are organized into five groups, one for each of the study's functional categories or agency types. They are, in order of appearance, juvenile justice, child welfare, mental health, education, and employment. Each table lists the state grants, by agency types, identified in the survey. Other helpful information to be found in the tables includes the 1978 appropriation for each grant, as well as the per capita appropriation by state for its youth population, defined as ages ten through 18. Each table is

FIGURE 2: DATES OF ORIGINATION FOR STATE SUBSIDIES INCLUDED IN THE SURVEY



preceded by a map (Figures 3 through 7) which illustrates the states having grant programs in these respective areas.

In some cases, state grants are augmented by federal funds. Where funds from federal acts are considered to be part of the state subsidy program, the federal act is noted as well as the amount contributed to the state subsidy. Federal funds, however, are not added into the total. This is the procedure observed with regard to financial information displayed throughout this report. State funding amounts are reported as appropriations to state grants, as matches to federal programs, or as the sum of these two. Federal funds are reported as federal allocations to states, as federal contributions to specific state grant programs, or as the sum of these two. To the extent possible, state funds are distinguished from federal funds, and federal and state funds are never added together. A composite table (Table 9) aligning total state appropriations to grant programs, is presented on page 63.

TABLE 3. STATE SUBSIDIES, BY STATE, LEGAL TITLE, AND AGENCY TYPE (1978)

State	Grant-in-Aid Program	Juvenile Justice	Child Welfare	Mental Health	Educ-ation	Employ-ment
Alabama	Juvenile Probation Officer Subsidy	X	--	--	--	--
	Community Services Subsidy Program	X	--	--	--	--
	Alcoholism Prevention and Education Program	--	--	X	--	--
Alaska	Youth Services Subsidy	X	--	--	--	--
	Drug Abuse Grants	--	--	X	--	--
	Youth Employment Services Subsidy	--	--	--	--	X
Arizona	Juvenile Court Family Counseling Program	X	--	--	--	--
	State Aid for Probation Services Program	X	--	--	--	--
Arkansas	Community Services Subsidy	X	--	--	--	--
California	Youth Service Bureaus Subsidy	X	--	--	--	--
	Detention of Status Offenders Program	X	--	--	--	--
	County Justice System Subvention Program (A.B. 90)	X	--	--	--	--
Colorado	Diversion Program	X	--	--	--	--
Connecticut	Human Resource Development Program	--	X	--	--	--
	Grant-in-Aid Program to Child Guidance Clinics	--	--	X	--	--
Delaware	Purchase of Services	--	X	--	--	--
Florida	Specialized Children's Projects Subsidy	--	--	X	--	--
	Basic Skills and Functional Literacy Supplement	--	--	--	X	--
	Alternative Education Program	--	--	--	X	--
	Law Education Program	--	--	--	X	--
Georgia	County-Owned Detention Center Subsidy	X	--	--	--	--
Hawaii	Shelter Care for Status Offenders Subsidy	X	--	--	--	--

TABLE 3. (Continued)

State	Grant-in-Aid Program	Juvenile Justice	Child Welfare	Mental Health	Educ- ation	Employ- ment
Illinois	Juvenile Probation Subsidy	X	--	--	--	--
Indiana	Community Mental Health Services Subsidy	--	--	X	--	--
Iowa	Community-Based Juvenile Corrections Subsidy	X	--	--	--	--
	Alternatives to Foster Care Subsidy	--	X	--	--	--
	Programs Serving Chronically Disruptive Youth	--	--	--	X	--
Kansas	Community-Based Delinquency Prevention Grants	X	--	--	--	--
	Community-Based Boarding Homes Subsidy	X	--	--	--	--
Louisiana	Purchase of Services to Prevent Inappropriate Incarceration	X	--	--	--	--
Maine	Drug Treatment and Prevention Program	--	--	X	--	--
Maryland	Youth Diversion Projects Subsidy	X	--	--	--	--
	Shelter Care Program	X	--	--	--	--
	Purchase of Services Program	X	--	--	--	--
	Youth Services Bureaus Subsidy	X	--	--	--	--
	Grants to Local Treatment Facilities	--	--	X	--	--
	Grant to the Cheltenham Center	--	--	X	--	--
Michigan	Child Care Fund	X	--	--	--	--
	Substance Abuse Prevention Education Subsidy	--	--	X	--	--
	Adolescent Residential Substance Abuse Programs	--	--	X	--	--
	Alternative Education Subsidy	--	--	--	X	--
	Work Opportunity Resources Corps Program	--	--	--	--	X

TABLE 3. (Continued)

State	Grant-in-Aid Program	Juvenile Justice	Child Welfare	Mental Health	Educ- ation	Employ- ment
Minnesota	County Probation Reimbursement Program	X	--	--	--	--
	Community Corrections Centers Act	X	--	--	--	--
	Juvenile Judges' Group Foster Home Program	X	--	--	--	--
	Regional Jail and Detention Subsidy Act	X	--	--	--	--
	Community Corrections Act	X	--	--	--	--
	Community Mental Health Act	--	--	X	--	--
	American Indian Programs	--	--	X	--	--
	Services to Youth and Other Underserved Populations Subsidy	--	--	X	--	--
Governor's Youth Program	--	--	X	--	--	
Missouri	Care and Maintenance of Delinquent or Dependent Children	X	--	--	--	X
	Community-Based Youth Services Subsidy	X	--	--	--	--
Nebraska	Comprehensive Community Mental Health Services Act	--	--	X	--	--
Nevada	Juvenile Probation Subsidy	X	--	--	--	--
	Grant to the Marion Bennett Youth Program	--	--	X	--	--
	OMEGA Program	--	--	X	--	--
New Jersey	Public School Safety Law	--	--	--	X	--
New Mexico	First Offender Programs	--	--	X	--	--
New York	Youth Development/Delinquency Prevention Subsidy	X	--	--	--	--
	Detention Services Program	X	--	--	--	--
	Care and Maintenance of Juveniles Subsidy	X	--	--	--	--
	Runaway and Homeless Youth Program	X	--	--	--	--
	Special Delinquency Prevention Program Grants	X	--	--	--	--

TABLE 3. (Continued)

State	Grant-in-Aid Program	Juvenile Justice	Child Welfare	Mental Health	Education	Employment
	Child Welfare Services Subsidy	--	X	--	--	--
	State Local Assistance Appropriation	--	--	X	--	--
	School Prevention of Addiction through Rehabilitation and Knowledge Program	--	--	X	--	--
North Carolina	Community-Based Alternatives Program	X	--	--	--	--
	Prevocational Education Program Subsidy	--	--	--	X	--
	Extended School Day Program Subsidy	--	--	--	X	--
Ohio	Probation Development Subsidy	X	--	--	--	--
	Juvenile Rehabilitation Facilities Construction Subsidy	X	--	--	--	--
	District Detention/Rehabilitation Facility Maintenance Subsidy	X	--	--	--	--
	Juvenile Law Enforcement Subsidy	X	--	--	--	--
	County Foster Care Subsidy	X	--	--	--	--
	District Detention Construction Subsidy	X	--	--	--	--
Oklahoma	Guidance Center Program	--	--	X	--	--
	State Aid Flat Grant	--	--	--	X	--
Oregon	Juvenile Court Subsidy	X	--	--	--	--
Pennsylvania	Grants for the Improvement of Juvenile Probation Services	X	--	--	--	--
	State Reimbursement to Counties for Child Welfare Services, Act 148	--	X	--	--	--
South Carolina	Purchase of Services Program	X	--	--	--	--
	Community Camping Program	X	--	--	--	--
	Orangeburg Partners' Program	X	--	--	--	--
	Group Home Contractual Program	--	X	--	--	--
	State Aid to Community Mental Health Centers	--	--	X	--	--

TABLE 3. (Continued)

State	Grant-in-Aid Program	Juvenile Justice	Child Welfare	Mental Health	Educ- ation	Employ- ment
South Dakota	Alternative Care Program	X	--	--	--	--
Tennessee	Mentally Retarded Offender Program	--	--	X	--	--
Texas	Community Assistance Program	X	--	--	--	--
Utah	Juvenile Detention Services Subsidy	X	--	--	--	--
	Youth Services/Youth Crisis Intervention Program	X	--	--	--	--
	Juvenile Court Teen Alcohol/Drug School	--	--	X	--	--
	Community Mental Health Services Act	--	--	X	--	--
	K-12 Alcohol Education Project	--	--	X	--	--
	Career Development (Dropout Prevention) Program	--	--	--	X	--
Virginia	Residential Care Subsidy	X	--	--	--	--
	Court Services Subsidy	X	--	--	--	--
Washington	Probation Subsidy	X	--	--	--	--
	Referendum 29--Detention Program	X	--	--	--	--
Wisconsin	Shelter Care Licensing/Reimbursement Program	X	--	--	--	--
	Special Education Needs Subsidy	--	--	--	X	--
TOTAL		56	6	25	11	3

-- denotes Not Applicable.

FIGURE 3: STATES WITH JUVENILE JUSTICE SUBSIDIES IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL IN 1978, BY APPROPRIATION LEVELS (IN THOUSANDS OF DOLLARS)

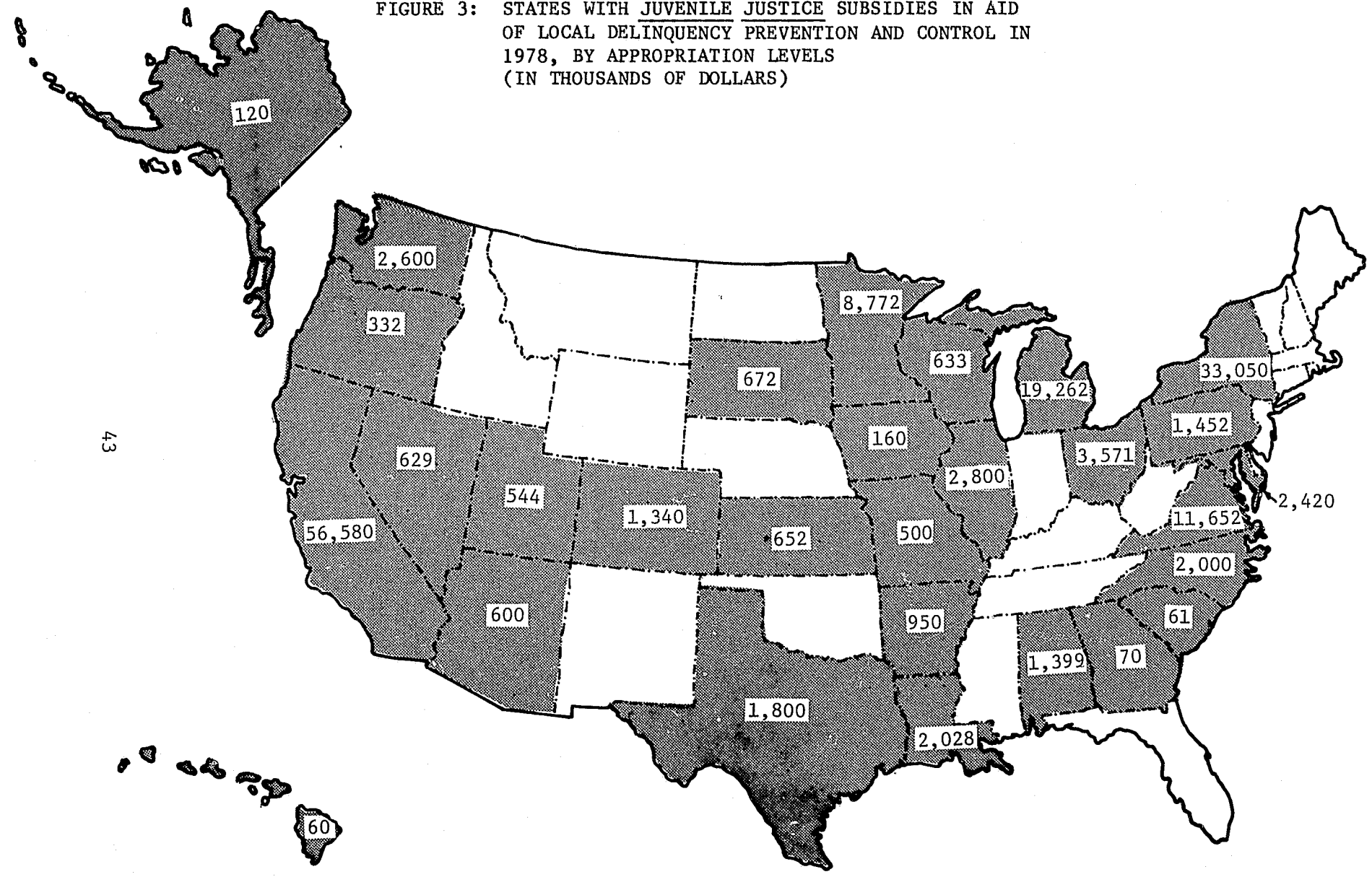


TABLE 4. STATE JUVENILE JUSTICE SUBSIDIES IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL SERVICES (FISCAL 1978 APPROPRIATIONS AND PER CAPITA APPROPRIATIONS FOR YOUTH POPULATION)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Alabama	• Juvenile Probation Officer Subsidy	\$ 1,143,588		
	• Community Services Subsidy Program	255,541		
	JJDPA Contribution	(200,000)		
	Total	1,399,129	604,000	\$ 2.32
Alaska	• Youth Services Subsidy	120,000	73,100	1.64
Arizona	• Juvenile Court Family Counseling Program	250,000		
	• State Aid for Probation Services Program	350,000		
	Total	600,000	371,300	1.62
Arkansas	• Community Services Subsidy	950,000	334,800	2.84
California	• Youth Service Bureaus Subsidy	80,000		
	• Detention of Status Offenders Program	1,500,000		
	• County Justice System Subvention Program (A.B. 90)	55,000,000		
	Total	56,580,000	3,439,200	16.45
Colorado	• Diversion Program	1,340,276	439,900	3.05
Georgia	• County-owned Detention Center Subsidy	70,000	840,400	0.08

TABLE 4. (Continued)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Hawaii	• Shelter Care for Status Offenders Subsidy	\$ 60,000	153,900	\$ 0.39
Illinois	• Juvenile Probation Subsidy	2,800,000	1,830,400	1.53
Iowa	• Community-Based Juvenile Corrections Subsidy	160,000	468,100	0.34
Kansas	• Community-Based Delin- quency Prevention Grants SSA Title XX Contribution	350,000 (150,000)		
	• Community-Based Boarding Homes Subsidy SSA Title XX Contribution	302,000 (16,000)		
	Total	652,000	370,600	1.76
Louisiana	• Purchase of Services to Prevent Inappro- priate Incarceration	2,027,663	678,600	2.99

TABLE 4. (Continued)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Maryland	• Youth Diversion Projects Subsidy	\$ 252,852		
	SSA Title XX Contribution	(416,912)		
	• Shelter Care Program	653,350		
	• Purchase of Services Program	403,200		
	• Youth Services Bureaus Subsidy	1,111,332		
	Total	2,420,734	700,400	\$ 3.46
Michigan	• Child Care Fund	19,262,841	1,577,000	12.21
Minnesota	• County Probation Reimbursement Program	1,490,600		
	• Community Corrections Centers Act	362,300		
	• Juvenile Judges' Group Foster Home Program	100,000(c)		
	• Regional Jail and Detention Subsidy Act	19,200		
	• Community Corrections Act	6,800,000		
	Total	8,772,100	675,400	12.99
Missouri	• Care and Maintenance of Delinquent or Dependent Children	500,000		
	• Community-Based Youth Services Subsidy	No appro- priation		
	Total	500,000	764,000	0.65

TABLE 4. (Continued)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Nevada	• Juvenile Probation Subsidy	\$ 629,000	96,700	\$ 6.50
New York	• Youth Development/Delin- quency Prevention Subsidy	16,400,000		
	• Detention Services Program	5,400,000		
	• Care and Maintenance of Juveniles Subsidy	5,500,000		
	• Runaway and Homeless Youth Program	750,000		
	• Special Delinquency Pre- vention Program Grants	5,000,000		
	Total	33,050,000	2,808,200	11.77
North Carolina	• Community-Based Alternatives Program	2,000,000	913,500	2.19
Ohio	• Probation Development Subsidy	982,000		
	• Juvenile Rehabilitation Facilities Construction Subsidy	(d)		
	• District Detention/ Rehabilitation Facility Maintenance Subsidy	1,743,829		
	• Juvenile Law Enforcement Subsidy	262,300		
	• County Foster Care Subsidy	582,800		
	• District Detention Construction Subsidy	(d)		
	Total	3,570,929	1,783,300	2.00

TABLE 4. (Continued)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Oregon	• Juvenile Court Subsidy	\$ 331,560	362,900	\$ 0.91
Pennsylvania	• Grants for the Improve- ment of Juvenile Probation Services	1,452,000	1,849,100	0.79
South Carolina	• Purchase of Services Program	25,546(c)		
	• Community Camping Program	10,768(c)		
	• Orangeburg Partners' Program	25,000(c)		
	Total	61,314	497,500	0.12
South Dakota	• Alternative Care Program SSA Title IVa and Title XX Contribution	672,000		
	Total	(94,345)(c) 672,000	115,600	5.81
Texas	• Community Assistance Program	1,800,000	2,073,000	0.87
Utah	• Juvenile Detention Services Subsidy	450,000		
	• Youth Services/Youth Crisis Intervention Program	94,000		
	Total	544,000	222,400	2.45

TABLE 4. (Continued)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Virginia	<ul style="list-style-type: none"> • Residential Care Subsidy • Court Services Subsidy Total 	\$ 9,298,141 2,353,976 11,652,117	848,000	\$ 13.74
Washington	<ul style="list-style-type: none"> • Probation Subsidy • Referendum 29--Detention Program Total 	2,600,000(c) Bond Approp- priation 2,600,000	590,000	4.41
Wisconsin	<ul style="list-style-type: none"> • Shelter Care Licensing/ Reimbursement Program 	633,000	784,000	0.81
Total	56 Juvenile Justice Subsidies	\$ 160,465,365	26,265,300	\$ 6.11(e)

a. Some states include federal monies as part of their state subsidy programs. While these figures as well as their sources are given, the amounts are not added to state appropriations or calculated as part of per capita appropriations.

b. U.S. Bureau of the Census, 1975 estimates.

c. Amount shown is expenditure, not appropriation, figure.

d. Funds are appropriated as needed and combined with the District Detention/Rehabilitation Facility Maintenance Subsidy.

e. Average youth per capita appropriation.

FIGURE 4: STATES WITH CHILD WELFARE SUBSIDIES IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL IN 1978, BY APPROPRIATION LEVELS (IN THOUSANDS OF DOLLARS)

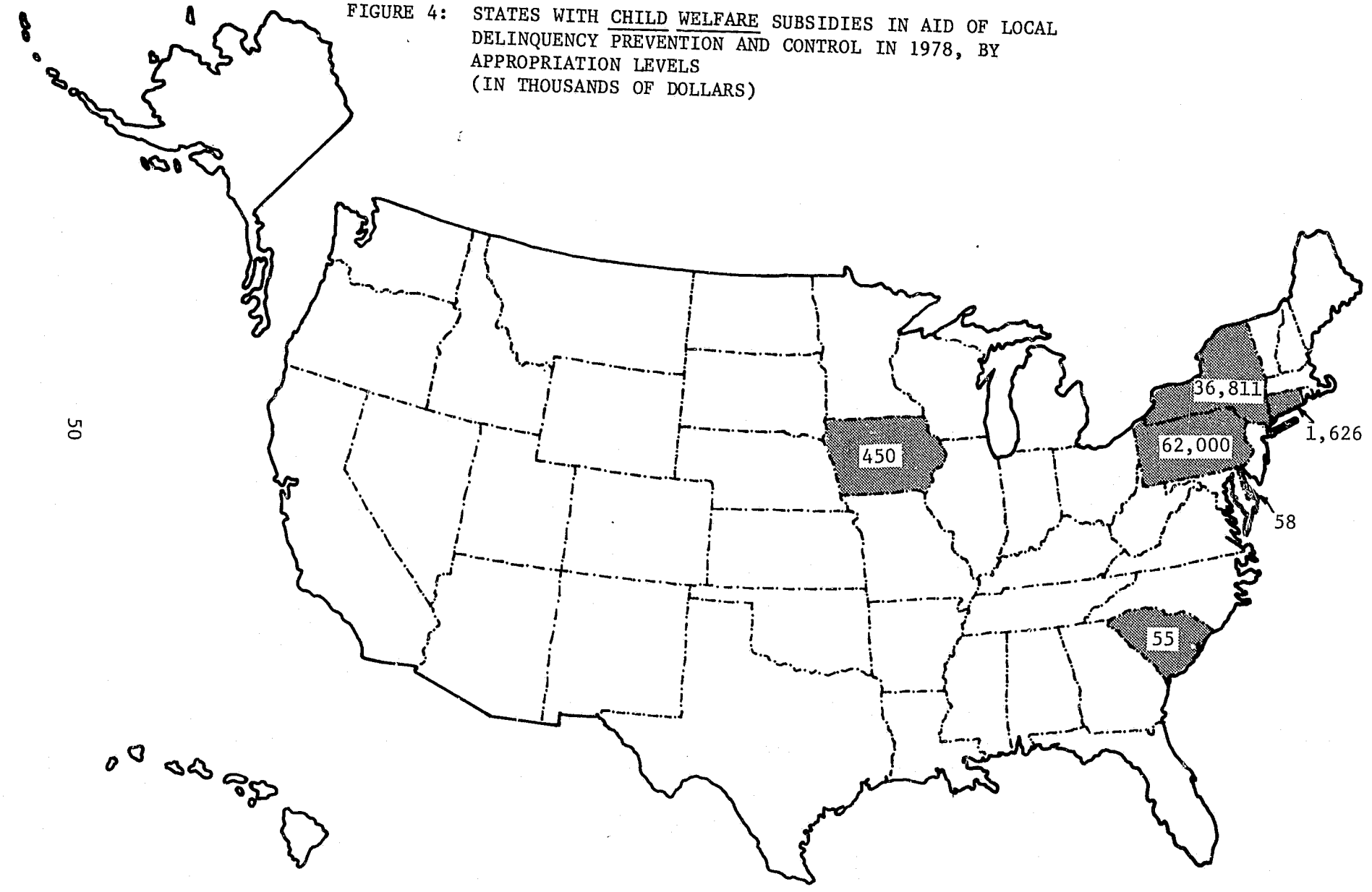


TABLE 5. STATE CHILD WELFARE SUBSIDIES IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL SERVICES (FISCAL 1978 APPROPRIATIONS AND PER CAPITA APPROPRIATIONS FOR YOUTH POPULATION)

State	Subsidy Title	Fiscal 1978 Appropriation	Youth Population(a) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Connecticut	• Human Resource Development Program	\$ 1,625,523	498,200	\$ 3.26
Delaware	• Purchase of Services	57,753	99,500	0.58
Iowa	• Alternatives to Foster Care Subsidy	450,000	468,100	0.96
New York	• Child Welfare Services Subsidy	36,811,000	2,808,200	13.11
Pennsylvania	• State Reimbursement to Counties for Child Welfare Services, Act 148	62,000,000	1,849,100	33.53
South Carolina	• Group Home Contractual Program	55,302(b)	497,500	0.11
Total	Six Child Welfare Subsidies	\$100,999,578	6,220,600	\$ 16.24(c)

- a. U.S. Bureau of the Census, 1975 estimates.
b. Amount shown is expenditure, not appropriation, figure.
c. Average youth per capita appropriation.

FIGURE 5: STATES WITH MENTAL HEALTH SUBSIDIES IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL IN 1978, BY APPROPRIATION LEVELS (IN THOUSANDS OF DOLLARS)

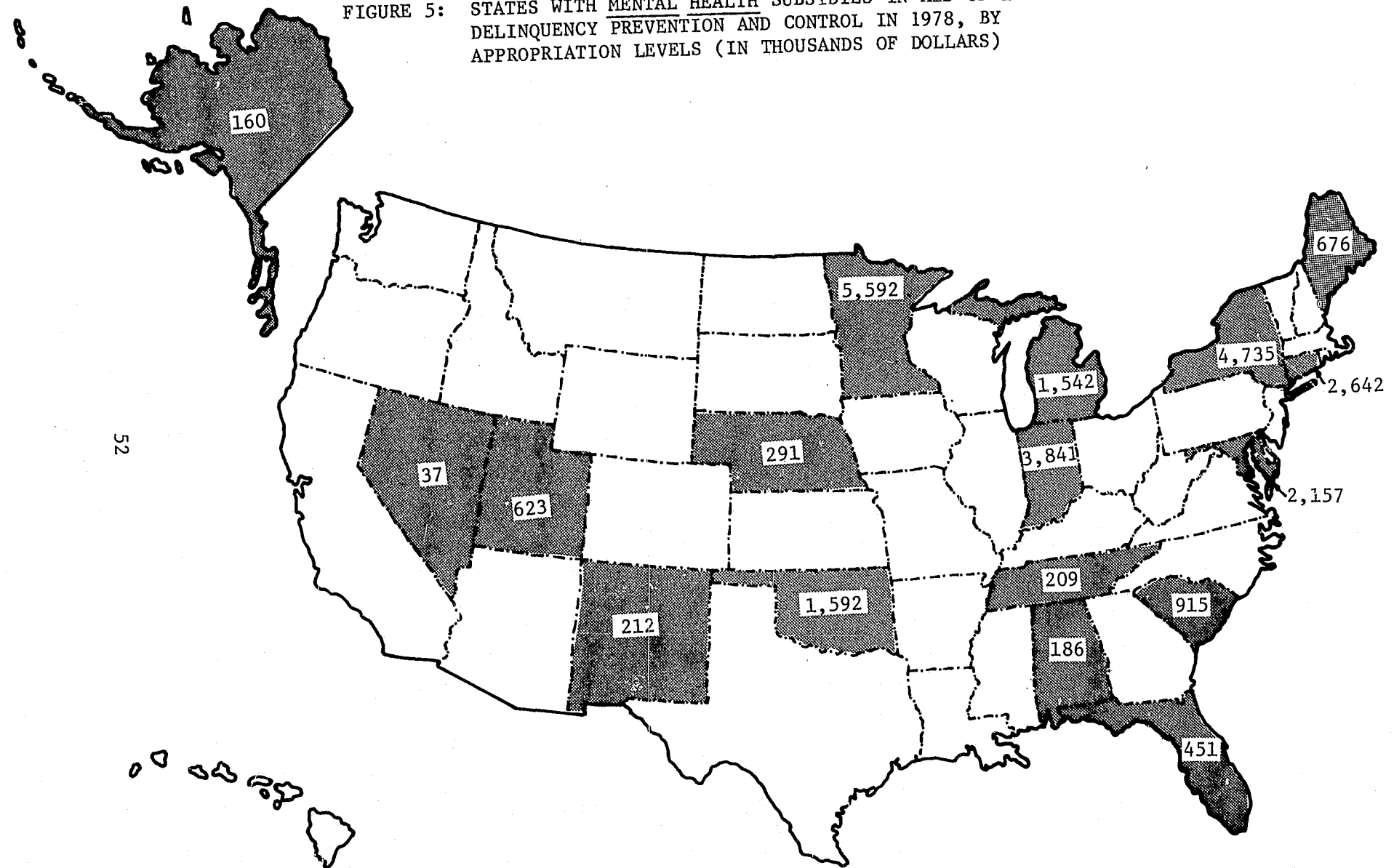


TABLE 6. STATE MENTAL HEALTH SUBSIDIES IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL SERVICES (FISCAL 1978 APPROPRIATIONS AND PER CAPITA APPROPRIATIONS FOR YOUTH POPULATION)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Alabama	<ul style="list-style-type: none"> • Alcoholism Prevention and Education Program CAAAPTRA Contribution Total 	\$ 186,000 (119,000) 186,000	604,000	\$ 0.31
Alaska	<ul style="list-style-type: none"> • Drug Abuse Grants DAOTA Contribution Total 	160,255 (145,192) 160,255	73,100	2.19
Connecticut	<ul style="list-style-type: none"> • Grant-in-Aid Program to Child Guidance Clinics 	2,642,000	498,200	5.30
Florida	<ul style="list-style-type: none"> • Specialized Children's Projects Subsidy Federal Contribution(c) Total 	450,560 (119,422) 450,560	1,216,900	0.37
Indiana	<ul style="list-style-type: none"> • Community Mental Health Services Subsidy Public Health Services Act Contribution Total 	3,840,900 (1,883,913) 3,840,900	891,500	4.31
Maine	<ul style="list-style-type: none"> • Drug Treatment and Prevention Program DAOTA Contribution Total 	676,493 (571,500) 676,493	173,400	3.90

TABLE 6. (Continued)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Maryland	• Grants to Local Treatment Facilities	\$ 1,282,100		
	DAOTA/JJDPA Contribution	(712,800)		
	• Grant to the Cheltenham Center	875,127		
	Total	2,157,227	700,400	\$ 3.08
Michigan	• Substance Abuse Prevention Education Subsidy	942,000		
	• Adolescent Residential Substance Abuse Programs	600,000		
	Total	1,542,000	1,577,000	0.98
Minnesota	• Community Mental Health Act	4,320,000		
	• American Indian Programs	320,000		
	• Services to Youth and Other Underserved Populations Subsidy	952,200		
	Total	5,592,200	675,400	8.28
Nebraska	• Comprehensive Community Mental Health Services Act	290,711(d)	254,900	1.14

TABLE 6. (Continued)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Nevada	● Grant to the Marion Bennett Youth Program	\$ 10,000		
	● OMEGA Program	27,000		
	Total	37,000	96,700	\$ 0.38
New Mexico	● First Offender Programs	212,000	208,100	1.02
New York	● State Local Assistance Appropriation	2,115,431		
	DAOTA Contribution	(836,945)		
	● School Prevention of Addiction through Rehabilitation and Knowledge Program	2,620,000		
Total	4,735,431	2,808,200	1.69	
Oklahoma	● Guidance Center Program	1,591,925		
	SSA Title V Contribution	(445,590)		
	Total	1,591,925	427,800	3.72
South Carolina	● State Aid to Community Mental Health Centers	915,394		
	Title XX Contributions	(144,339)		
	Total	915,394	497,500	1.84
Tennessee	● Mentally Retarded Offender Program	208,623		
	JJDPA Contribution	(82,874)		
	Total	208,623	672,000	0.31

CONTINUED

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TABLE 6. (Continued)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Utah	● Juvenile Court Teen Alcohol/Drug School Federal Contribution(c)	\$ 30,545 (18,777)		
	● Community Mental Health Services Act	521,111		
	Community Mental Health Services Act	(286,324)		
	● K-12 Alcohol Education Project CAAAPTRA/DAOTA Contribution	71,000 (58,000)		
	Total	622,656	222,400	\$ 2.80
Total	25 Mental Health Subsidies	\$ 25,861,375	11,597,500	\$ 2.23(e)

a. Some states include federal monies as part of their state subsidy programs. While these figures as well as their sources are given, the amounts are not added to the state subsidy appropriation or calculated as part of the per capita appropriations.

b. U.S. Bureau of the Census, 1975 estimates.

c. Source unknown.

d. Amount shown is expenditure, not appropriation, figure.

e. Average youth per capita appropriation.

FIGURE 6: STATES WITH EDUCATION SUBSIDIES IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL IN 1978, BY APPROPRIATION LEVELS (IN THOUSANDS OF DOLLARS)

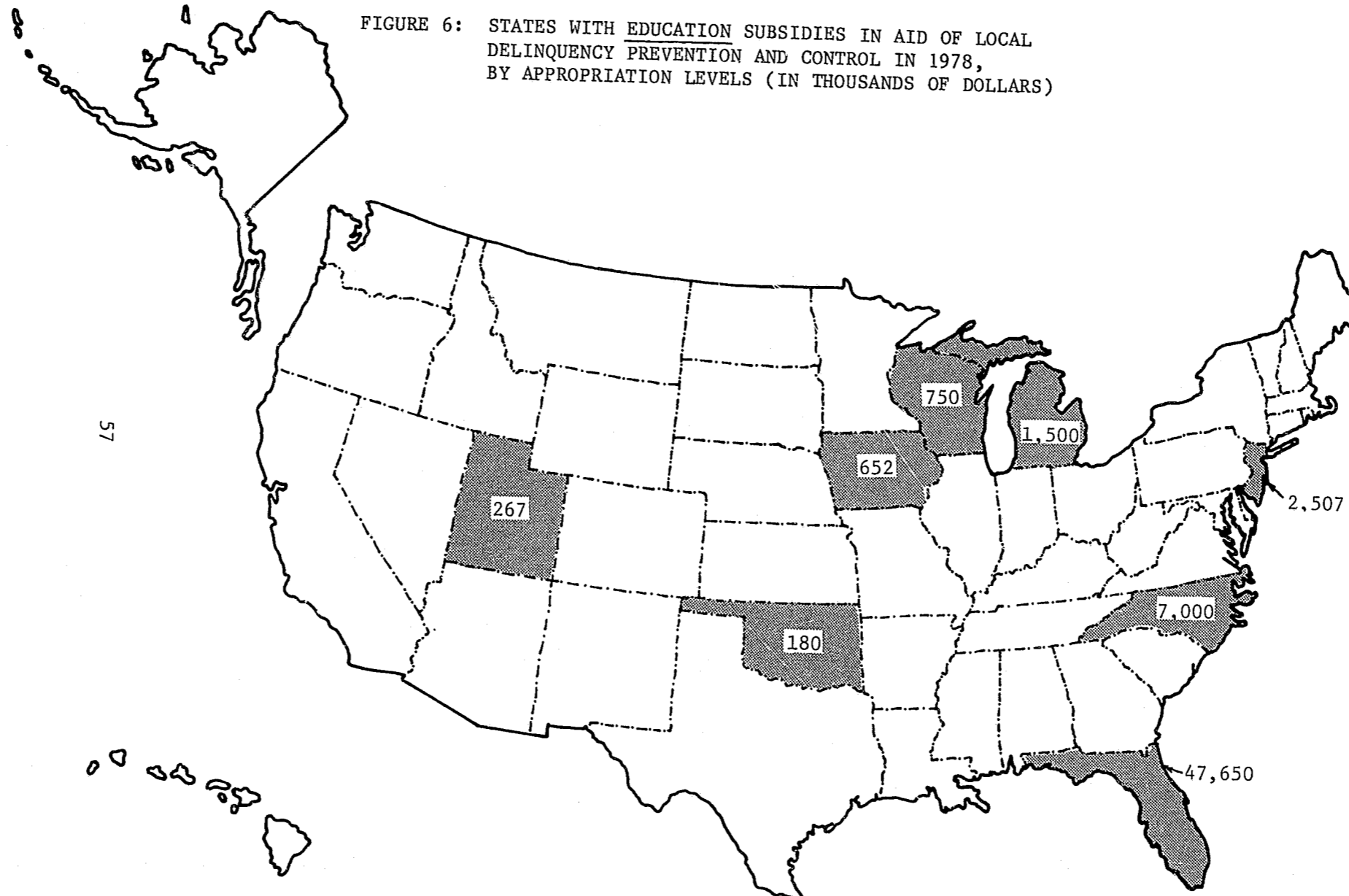


TABLE 7. STATE EDUCATION SUBSIDIES IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL SERVICES (FISCAL 1978 APPROPRIATIONS AND PER CAPITA APPROPRIATIONS FOR YOUTH POPULATION)

State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Florida	● Basic Skills and Functional Literacy Supplement	\$26,500,000		
	● Alternative Education Program	21,000,000		
	● Law Education Program	150,000		
	Total	47,650,000	1,216,900	\$ 39.16
Iowa	● Programs Serving Chronically Disruptive Youth	651,888	468,100	1.39
Michigan	● Alternative Education Subsidy	1,500,000	1,577,000	0.95
New Jersey	● Public School Safety Law	2,506,598	1,153,500	2.17
North Carolina	● Prevocational Education Program Subsidy	3,000,000		
	● Extended School Day Program Subsidy	4,000,000		
	CETA Contribution	(3,000,000)		
	Total	7,000,000	913,500	7.66
Oklahoma	● State Aid Flat Grant	180,000	427,800	0.42

TABLE 7. (Continued)

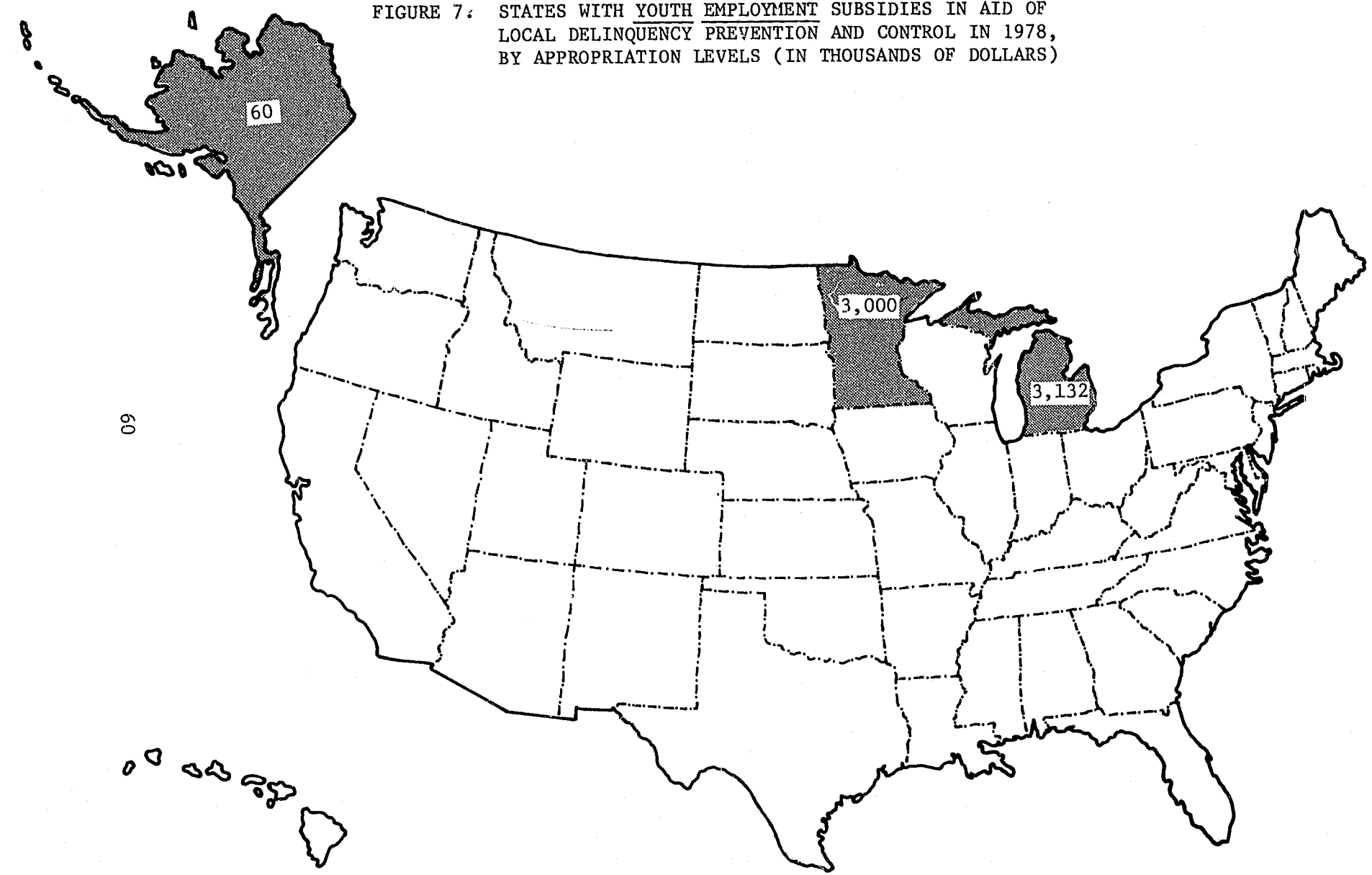
State	Subsidy Title	Fiscal 1978 Appropriation (a)	Youth Population(b) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Utah	• Career Development (Dropout Prevention) Program	\$ 266,688	222,400	1.20
Wisconsin	• Special Education Needs Subsidy	750,000	784,000	0.96
Total	11 Education Subsidies	\$60,505,174	6,763,200	\$ 9.24(c)

a. Some states include federal monies as part of their state subsidy programs. While these figures as well as their sources are given, the amounts are not added to the state subsidy appropriation or calculated as part of the per capita appropriations.

b. U.S. Bureau of the Census, 1975 estimates.

c. Average youth per capita appropriation.

FIGURE 7: STATES WITH YOUTH EMPLOYMENT SUBSIDIES IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL IN 1978, BY APPROPRIATION LEVELS (IN THOUSANDS OF DOLLARS)



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TABLE 8. STATE EMPLOYMENT SUBSIDIES IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL SERVICES (FISCAL 1978 APPROPRIATIONS AND PER CAPITA APPROPRIATIONS FOR YOUTH POPULATION)

State	Subsidy Title	Fiscal 1978 Appropriation	Youth Population(a) (Ages 10-18)	Aggregate Youth Per Capita Appropriation
Alaska	● Youth Employment Services Subsidy	\$ 60,000	73,100	\$ 0.82
Michigan	● Work Opportunity Resources Corps Programs	3,131,800	1,577,000	1.99
Minnesota	● Governor's Youth Program	3,000,000	675,400	4.44
Total	Three Employment Subsidies	\$ 6,191,800	2,325,500	\$ 2.66(b)

a. U.S. Bureau of the Census, 1975 estimates.
b. Average youth per capita appropriation.

ASSESSING THE FISCAL IMPACT OF STATE SUBSIDIES

Tracing state and federal allocations remains an extremely difficult task. It is even more complicated when data on specific types of children are sought. The Florida Center on Children and Youth, in attempting to estimate state expenditures for mental health services to children, discovered that "the state budgets millions of dollars from community mental health grants-in-aid, most of which cannot be traced to children's services because of limitations in current budgeting and accounting methods. The reason for this is that the use of grant-in-aid money is determined by local service providers after it passes through the district offices and district mental health boards."² This problem is not only true of Florida but of virtually every state. Therefore, state grant-in-aid allocations reported in Table 9 should be viewed with the understanding that the figures represent only information that could be retrieved through the study's survey methods, but by no means reflect the total dollars spent by states in subsidizing local services.

Many state grants are of such a specialized nature that they represent only a very small proportion of funds for community-based services to youth. Exceptions are Pennsylvania, Michigan, California, Minnesota, New York, and Virginia. These states have decided that major funding for local child welfare and juvenile justice services will come from state subsidies. The sizes of these grants offer a hint of the level of resources that can go into local child-serving systems, if an intended state objective is to have impact at the local level. The ten largest juvenile justice and child welfare grants are shown in Table 10.

Pennsylvania's Reimbursement to Counties for Child Welfare Services was \$62 million in 1978, which amounted to \$33.53 for every child, age ten to 18, in the state. Considering that the majority of services are matched by 50 percent at the local level, one could roughly double the total youth per capita expenditure to \$67. In 1979, the appropriation figure exceeded \$80 million. Michigan's Child Care Fund, like Pennsylvania's reimbursement grants, is intended to be a primary source of support to children's services. In 1978, its state appropriations were nearly \$20 million, or about \$12 for each youth on a per capita basis. Since most of these services must be met with a 50 percent local match, roughly \$24 is spent per youth in Michigan. In the last two years, expenditures for this program have also risen dramatically.

In 1978, California's County Justice System Subvention Program (A.B. 90) offered counties about \$16 per youth (ages ten to 18), while subsidies in Virginia for residential care and in Minnesota for community corrections amounted to about \$11 and \$10 per youth, respectively. California's appropriation to A.B. 90 has grown substantially in the last two, as well as for the coming two, budget years. The same is no doubt true of Minnesota and Virginia. The 1978 appropriations for New York's various grant programs listed in Table 10, when added together, reveal about \$25 per youth being spent. Because the Child Welfare Services and Youth Development/Delinquency Prevention Subsidies are matched by 50 percent local funds, the total youth per capita expenditure in 1978 amounted to roughly \$44. It would appear that total spending for local youth services ran about \$10 to \$67 on a youth per capita basis, with about \$33 per capita as an average within these six selected states.

TABLE 9. STATE GRANT-IN-AID APPROPRIATIONS IN SUPPORT OF LOCAL DELINQUENCY PREVENTION AND CONTROL SERVICES BY AGENCY TYPES (FISCAL 1978 APPROPRIATIONS AND PER CAPITA APPROPRIATIONS FOR YOUTH POPULATION^a)

States	Juvenile Justice		Child Welfare		Mental Health		Education		Employment	
	Fiscal 1978 Appropriations (In thousands)	Youth Per Capita	Fiscal 1978 Appropriations (In thousands)	Youth Per Capita	Fiscal 1978 Appropriations (In thousands)	Youth Per Capita	Fiscal 1978 Appropriations (In thousands)	Youth Per Capita	Fiscal 1978 Appropriations (In thousands)	Youth Per Capita
Alabama	\$ 1,399	\$ 2.32	\$ --	\$ --	\$ 186	\$ 0.31	\$ --	\$ --	\$ --	\$ --
Alaska	120	1.64	--	--	160	2.19	--	--	60	0.82
Arizona	600	1.62	--	--	--	--	--	--	--	--
Arkansas	950	2.84	--	--	--	--	--	--	--	--
California	56,580	16.45	--	--	--	--	--	--	--	--
Colorado	1,340	3.05	--	--	--	--	--	--	--	--
Connecticut	--	--	--	--	--	--	--	--	--	--
Delaware	--	--	1,626	3.26	2,642	5.30	--	--	--	--
Florida	--	--	58	0.58	--	--	--	--	--	--
Georgia	70	0.08	--	--	451	0.37	47,650	39.16	--	--
Hawaii	60	0.39	--	--	--	--	--	--	--	--
Idaho	--	--	--	--	--	--	--	--	--	--
Illinois	2,800	1.53	--	--	--	--	--	--	--	--
Indiana	--	--	--	--	--	--	--	--	--	--
Iowa	160	0.34	450	0.96	3,841	4.31	--	--	--	--
Kansas	652	1.76	--	--	--	--	652	1.39	--	--
Kentucky	--	--	--	--	--	--	--	--	--	--
Louisiana	2,028	2.99	--	--	--	--	--	--	--	--
Maine	--	--	--	--	--	--	--	--	--	--
Maryland	2,421	3.46	--	--	676	3.90	--	--	--	--
Massachusetts	--	--	--	--	2,157	3.08	--	--	--	--
Michigan	--	--	--	--	--	--	--	--	--	--
Minnesota	19,263	12.21	--	--	--	--	--	--	--	--
Mississippi	8,772	12.99	--	--	1,542	0.98	--	--	--	--
Missouri	--	--	--	--	5,592	8.28	1,500	0.95	3,132	1.99
Montana	500	0.65	--	--	--	--	--	--	3,000	4.44
Nebraska	--	--	--	--	--	--	--	--	--	--
Nevada	--	--	--	--	--	--	--	--	--	--
New Hampshire	629	6.50	--	--	291 ^b	1.14	--	--	--	--
New Jersey	--	--	--	--	37	0.38	--	--	--	--
New Mexico	--	--	--	--	--	--	2,507	2.17	--	--
New York	--	--	--	--	212	1.02	--	--	--	--
North Carolina	33,050	11.77	36,811	13.11	4,735	1.69	--	--	--	--
North Dakota	2,000	2.19	--	--	--	--	--	--	--	--
Ohio	--	--	--	--	--	--	7,000	7.66	--	--
	3,571	2.00	--	--	--	--	--	--	--	--

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TABLE 9. (Continued)

States	Juvenile Justice		Child Welfare		Mental Health		Education		Employment	
	Fiscal 1978 Appropriations (In thousands)	Youth Per Capita	Fiscal 1978 Appropriations (In thousands)	Youth Per Capita	Fiscal 1978 Appropriations (In thousands)	Youth Per Capita	Fiscal 1978 Appropriations (In thousands)	Youth Per Capita	Fiscal 1978 Appropriations (In thousands)	Youth Per Capita
Oklahoma	\$ --	\$ --	\$ --	\$ --	\$ 1,592	\$ 3.72	\$ 180	\$ 0.42	\$ --	\$ --
Oregon	332	0.91	--	--	--	--	--	--	--	--
Pennsylvania	1,452	0.79	62,000	33.53	--	--	--	--	--	--
Rhode Island	--	--	--	--	--	--	--	--	--	--
South Carolina	61 ^b	0.12	55	0.11	915	1.84	--	--	--	--
South Dakota	672	5.81	--	--	--	--	--	--	--	--
Tennessee	--	--	--	--	209	0.31	--	--	--	--
Texas	1,800	0.87	--	--	--	--	--	--	--	--
Utah	544	2.45	--	--	623	2.80	267	1.20	--	--
Vermont	--	--	--	--	--	--	--	--	--	--
Virginia	11,652	13.74	--	--	--	--	--	--	--	--
Washington	2,600 ^b	4.41	--	--	--	--	--	--	--	--
West Virginia	--	--	--	--	--	--	--	--	--	--
Wisconsin	633	0.81	--	--	--	--	--	--	--	--
Wyoming	--	--	--	--	--	--	750	0.96	--	--
Total	\$161,465	\$ 6.11^c	\$101,000	\$ 16.24^c	\$ 49,527	\$ 2.23^c	\$ 60,505	\$ 9.24^c	\$ 6,192	\$ 2.66^c

-- Not Applicable.

- a. U.S. Bureau of the Census, 1975 estimates for youth ages ten to 18.
- b. Expenditure reported, not appropriation.
- c. Average youth per capita appropriation.

TABLE 10. AN OVERVIEW OF THE TEN LARGEST STATE JUVENILE JUSTICE AND CHILD WELFARE SUBSIDIES IN 1978

State Subsidies in Ranked Order of Appropriation	Fiscal 1978 Appropriations in Thousands of Dollars (Youth* Per Capita)	Allocation Methods	Services		Eligible Recipients	Comprehensive Plans Required
			Non-Residential	Residential		
Over \$10,000,000						
(1) Pennsylvania State Reimbursement to Counties for Child Welfare Services, Act 148	\$62,000 (\$ 33.53)	Differential Reimbursement 50-90% of Costs Depending upon Service Type	Day Treatment Youth Service Bureaus In-home Services	Foster Care Shelter Care Group Homes	County Governments	Yes
(2) California County Justice System Subvention Program (AB-90)	\$55,000 (\$ 15.99)	Formula-Per Capita or Amount Received under Previous Subsidy	Probation Delinquency Prevention	Corrections	County Board of Supervisors	Yes
(3) New York Child Welfare Services Subsidy	\$36,810 (\$ 13.11)	Reimbursement (50%) Grant	Day Care/Treatment Protective Services Preventive Services Research and Demonstration	Shelter Care Foster Care Adoptions	County Governments	Yes
(4) Michigan Child Care Fund	\$19,000 (\$ 12.21)	Reimbursement (50%) & Basic Grants	In-home Services	Independent Living Detention Foster Care	Juvenile Courts County Social Service Departments	Yes
(5) New York Youth Development/Delinquency Prevention Subsidy	\$16,400 (\$ 5.84)	Differential Formula Per Capita-50% Reimbursement (With Plan-\$4.50 per youth) (No Plan-\$2.25 per youth)	Employment Youth Advocacy Health Education Youth Bureaus Recreation Counseling Information and Referral		County and Municipal Governments	Yes

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TABLE 10. (Continued)

State Subsidies in Ranked Order of Appropriation	Fiscal 1978 Appropriations in Thousands of Dollars (Youth ^a Per Capita)	Allocation Methods	Services		Eligible Recipients	Comprehensive Plans Required
			Non-Residential	Residential		
<u>Under \$10,000,000</u>						
(6) Virginia Residential Care Subsidy	\$ 9,300 (\$ 10.97)	Differential Reimbursement		Residential Care	County Municipal Governments	No
(7) Minnesota Community Corrections Act	\$ 6,800 (\$ 10.07)	Equalization Formula	Probation Parole	Residential Care Alternative Living Detention Corrections	County Govern- ments	Yes
(8) New York Care and Maintenance of Juveniles Subsidy	\$ 5,500 (\$ 1.96)	Reimbursement-per diem		Residential Care	County Governments	No
(9) New York Detention Services Program	\$ 5,400 (\$ 1.92)	Reimbursement-per diem		Detention	County Governments	No
(10) New York Special Delinquency Prevention Program Grants	\$ 5,000 (\$ 1.78)	Project Grants-Based on Needs Data	Delinquency Pre- vention Projects		Non-profit Agencies	No

a. U.S. Bureau of the Census, 1975 estimates.

THE ESTABLISHMENT OF A STATE GRANT-IN-AID PROGRAM

As alluded to in Chapter 2, the establishment of state grants-in-aid emerges from a variety of forces--federal initiatives; the interests of pressure groups, governors, legislators, and state administrators; or the replication of existing programs. These are not mutually exclusive stimuli but, rather, interacting dynamics. It is possible, however, to isolate some primary events from the case studies that were critical to the establishment of certain subsidies.

State Subsidies That Have Emerged from Federal Initiatives

Because one objective of the Juvenile Justice and Delinquency Prevention Act (JJJPA) is to encourage the development of state subsidies, it is interesting to investigate the extent to which federal grants have been responsible for the establishment of state grants-in-aid. Specifically, Section 223(a)(10)(H) of the JJJPA urges the use of subsidies for statewide programs to meet some of the major goals of the act, namely, reducing the number of commitments to juvenile facilities, increasing the use of community-based facilities, and discouraging the use of secure incarceration and detention.

Sec. 223(a) In order to receive formula grants under this part, a State shall submit a plan for carrying out its purposes consistent with the provisions of section 303(a), (1), (3), (5), (6), (8), (10), (11), (12), (15), and (17) of title I of the Omnibus Crime Control and Safe Streets Act of 1968. In accordance with regulations established under this title, such plan must...

(10) provide that not less than 75 per centum of the funds available to such State under section 222, other than funds made available to the State advisory group under section 222(e), whether expended directly by the State, by the unit of general local government or combination thereof, or through grants and contracts with public or private agencies, shall be used for advanced techniques in developing, maintaining, and expanding programs and services designed to prevent juvenile delinquency, to divert juveniles from the juvenile justice system, to provide community-based alternatives to juvenile detention and correctional facilities, to encourage a diversity of alternatives within the juvenile justice system and to establish and adopt juvenile justice standards. These advanced techniques include...

(H) provide for a statewide program through the use of probation subsidies, other subsidies, other financial incentives or disincentives to units of local government, or other effective means,....³

The survey revealed four state grant-in-aid programs which were actually begun with JJDDPA funds. The Alabama Community Services Subsidy Program was initiated in 1977 and has had federal funding since its inception. In 1978, the federal government contributed just under one-half to the total support. The state appropriation was \$255,541, and the federal contribution was \$200,000. South Carolina's Orangeburg Partners' Program was started in 1975 with JJDDPA funds and was subsequently absorbed by the state in 1977 when federal funding ceased. Likewise, Delaware's Purchase of Services subsidy for dependent and neglected children was begun with JJDDPA funds and was then assumed by state funding in 1978. The fourth state grant-in-aid, New Mexico's First Offender Programs, was begun in 1974 with both state and federal monies. JJDDPA funds were used until 1977, at which time funding was totally undertaken by the state. Maryland's youth diversion projects were started with federal funds from the U.S. Department of Labor and were later continued with money from LEAA. With the withdrawal of LEAA funds, a large portion of the support for these projects has been shifted to Title XX. Tennessee's Mentally Retarded Offender Program began with state funds and JJDDPA monies were added later. The same was true of Maryland's Grants to Local Treatment Facilities.

While the Juvenile Justice and Delinquency Prevention Act has been responsible for starting some state-subsidized programs, so too have a number of other federal programs. Table 11 lists the state subsidies discovered in the survey which were originally federally funded. It can be seen from Table 11 that such federal programs as Title XX, DAOTA, CAAAPTRA, the Manpower Development and Training Act, the Public Health Services Act, the Community Mental Health Services Act, and the National Highway Traffic Safety Administration also served as contributors to the development of state programs across the study's five functional areas of delinquency prevention and control services. Table 11 indicates not only state subsidies which were initiated from federal funds but also shows those which were later augmented by federal monies. In summary, JJDDPA funds have originated some currently state-funded subsidies, but so have other federal programs.

It is possible that some state legislatures were unaware of the availability of JJDDPA funds for establishing state subsidies. In many states, the allocation of JJDDPA funds was done within the executive branch, usually by the state criminal justice planning agency. There would, therefore, have been little opportunity for the legislature to have been aware of the possibility that JJDDPA funds could be used for this purpose. On the other hand, since legislation establishing a state subsidy was not likely to originate in the state criminal justice planning agency, there was little reason for it to get involved in the drafting of subsidy legislation. Thus, it was unlikely that the state planning agency would have been in a position to advise the legislature of the availability of JJDDPA funds.

Another possible reason for this lack of use was the size of JJDDPA block grants. In comparison with other federal assistance programs, they could only have been viewed as fiscally minor contributions. Interest in services to children and youth among local and state constituents made the demand for JJDDPA funding far exceed the supply. The result may well have been that state criminal justice planning agencies, even if actively involved in the development of new state subsidy legislation, were reluctant to commit JJDDPA funds for the purpose of starting a new subsidy.

TABLE 11. STATE SUBSIDIES WHICH ARE OR HAVE BEEN AUGMENTED BY FEDERAL FUNDS, 1978

Type of Agency	Name of State Subsidy	Source of Federal Funds	Fiscal 1978 State Appropriation	Fiscal 1978 Federal Contribution	Comments
Juvenile Justice	(1) Alabama Community Services Subsidy Program	JJDPA	\$ 255,541	\$ 200,000	This program began in 1977 and has had JJDPA funding since its inception.
	(2) Kansas Community-Based Delinquency Prevention Grants	SSA Title XX	350,000	150,000	This program was initiated in 1974. Title XX funds were added in 1978.
	(3) Kansas Community-Based Boarding Homes Subsidy	SSA Title XX	302,000	16,000	This program was also initiated in 1974, and has had federal funds since its inception, except for 1976 because of federal restrictions that year.
	(4) Maryland Youth Diversion Projects Subsidy	SSA Title XX	252,852	416,912	This program was started with funds from the Department of Labor. Later, LEAA monies replaced DOL funds when they were discontinued. LEAA funds were used in 1974-77. In 1978, Title XX was the source of federal funds for the programs.
	(5) Maryland Youth Services Bureaus Subsidy	LEAA	1,111,332		In 1971, five cities received LEAA funds to start programs. Received state support in 1975.
	(6) South Carolina Orangeburg Partners' Program	JJDPA	25,000		The program was initiated in 1975 with JJDPA funds, and subsidized completely by the state in 1978 when federal funding ceased.
	(7) South Dakota Alternative Care Program	SSA Title IV-A; SSA Title XX	672,000	94,345	This program was initiated in 1974. Title IVa funds are used for ADC-eligible. A small proportion of Title XX funds was used in 1978.
Child Welfare	(8) Delaware Purchase of Services	JJDPA	57,573		This program was begun with JJDPA funds and then assumed by state funding in 1978.
Mental Health	(9) Alabama Alcoholism Prevention and Education Program	CAAAPTRA	186,000	119,000	This program has been in existence since 1965 and has been augmented by federal funds since 1972.
	(10) Alaska Drug Abuse Grants	DAOTA	160,255	145,192	The program was initiated in 1972 and has used federal funds from the beginning.

TABLE 11. (Continued)

Type of Agency	Name of State Subsidy	Source of Federal Funds	Fiscal 1978 State Appropriation	Fiscal 1978 Federal Contribution	Comments
Mental Health (continued)	(11) Florida Specialized Children's Projects Subsidy	Unknown	\$ 450,560	\$ 119,422	The initiation date for this program is 1973. Federal funds are commingled in the Division of Operations of the Department of Health and Rehabilitative Services.
	(12) Indiana Community Mental Health Services Subsidy	Public Health Services Act	3,840,900	1,883,913	This program was begun in 1970, and has used federal funds since its inception.
	(13) Maine Drug Treatment and Prevention Program	DAOTA	676,493	571,500	Initiated in 1974, this program has always been augmented by federal funds.
	(14) Maryland Grants to Local Treatment Facilities	DAOTA/JJDPA	1,282,100	712,800	This program started in 1970 and added federal funding the next year.
	(15) New Mexico First Offender Programs	JJDPA	212,000		This program was begun in 1974 with both state and federal monies. JJDPA monies were used until 1977, at which time funding was totally assumed by the state.
	(16) New York State Local Assistance Appropriation	DAOTA	2,115,431	836,945	This program was initiated in 1968. Appropriations data, both state and federal, prior to 1977 are unavailable.
	(17) Oklahoma Guidance Center Program	Community Mental Health Services Act; SSA Title V	1,591,925	445,590	This program has been in existence since 1956. Appropriations data, both state and federal, prior to 1976 are unavailable.
	(18) South Carolina State Aid to Community Mental Health Centers	SSA Title XX	915,394	144,339	Initiated in 1961, this program used Title XX funds since 1976. Participation in Title XX was ended in 1979 due to eligibility complications.
	(19) Tennessee Mentally Retarded Offender Program	JJDPA	208,623	82,874	Begun in 1975, federal funds were added to this program in 1977.
	(20) Utah Juvenile Court Teen Alcohol/Drug School	National Highway Traffic Safety Administration	30,545	18,777	This program began with a federal grant from the NHTSA in 1974.
	(21) Utah Community Mental Health Services Act	Community Mental Health Services Act	521,111	286,324	This program has had federal funding since its inception.

TABLE 11. (Continued)

Type of Agency	Name of State Subsidy	Source of Federal Funds	Fiscal 1978 State Appropriation	Fiscal 1978 Federal Contribution	Comments
Mental Health (Continued)	(22) Utah K-12 Alcohol Education Program	CAAPTRA	\$ 71,000	\$ 58,000	This program received its impetus from a federal grant in 1977.
Education	(23) North Carolina Extended School Day Program Subsidy	CETA	4,000,000	3,000,000	Initiated in 1975, federal funds were added in 1977.
Employment	(24) Alaska Youth Employment Services Subsidy	Manpower Development and Training Act	60,000		This originally began as a job placement program funded by the Manpower Development Training Act in 1968. It was state funded in 1973.

Key State Legislators and Advocacy or Interest Groups

One or several key legislators are often responsible for guiding state subsidy legislation through to enactment. Frequently, they are motivated or directed by interest groups.

The origination of Florida's Specialized Children's Projects Subsidy, especially targeted to the needs of emotionally disabled children, was credited to two major factors. The first factor was the concern of a new wave of legislators who had just recently assumed leadership positions in the two Houses. They brought to Florida's legislature an interest in dealing with the root causes of emotional problems that have traditionally resulted in confinement in state mental hospitals or correctional facilities. So great has been their concern that these legislators created a new subcommittee, the Health and Rehabilitative Services Subcommittee on Prevention--Children and Youth, devoted to concentrating on early intervention policies.

At the same time state leadership was becoming attuned to the needs of emotionally disabled children, two key interest groups were being formed to foster and lend support to these emerging philosophies. The first group is the Florida Council for Community Mental Health, Inc., which, in the absence of a state department of mental health, has come to be perceived among providers as the most effective vehicle for influencing legislators.

The second organization is the Florida Center for Children and Youth, which undertakes special research projects and coordinates certain activities of interest groups across the state. The Florida Center for Children and Youth was also instrumental in the passage of the state's Alternative Education Program. Adding to its forces were the Florida Educational Association, local parent teachers associations, school administrators, and board members from several large, urban areas.

In Michigan, several influential legislators became alarmed at the overpopulation and escalating costs of training schools. When combined with the increasing activity of local correctional reform groups, conditions were ripe for a coalition of state and local interests to seek a solution to the problem. State Department of Social Services personnel, legislators, probate judges, county supervisors, county welfare department personnel, and citizen groups cooperated to bring about passage of Michigan's Child Care Fund. Later amendments to the legislation were supported by such interest groups as the League of Women Voters, the American Association of University Women, the National Council of Jewish Women, the Michigan League for Human Services, the Michigan Coalition of Runaway Services, and the Michigan Council on Crime and Delinquency.

Interestingly, a similar coalition developed in the establishment of what might be called a twin of the Michigan Child Care Fund; that is, Pennsylvania's Reimbursement to Counties for Child Welfare Services, Act 148. In this state as well, there was widespread dissatisfaction with the system of state-operated services by many groups associated with juvenile justice, such as the Pennsylvania Association of Children and Youth Administrators, the Juvenile Justice Center, the Joint Council on the Criminal Justice System, and the

Association of County Commissioners. Their efforts helped to bring about the subsidy's passage. Not all interest groups had been united regarding various provisions of Act 148, however. Fighting against an amendment proposed by the Juvenile Court Judges' Commission to have the child welfare funds support probation development were the state Department of Public Welfare, the Juvenile Justice Center, and the Pennsylvania Council of Voluntary Child Care Agencies.

North Carolina's Community-Based Alternatives Program, while hardly comparable to the size and scope of the Michigan or Pennsylvania subsidies, is another interesting study of supportive efforts by various interest groups. Testifying on its behalf were the Governor's Advisory Council on Youth, some court judges, private youth advocacy groups, and the League of Women Voters.

The Executive Branch: Governors and State Agencies

The third leg of the of "iron triangle" of legislators and interest groups is the executive branch.⁴ State grant-in-aid legislation can originate from, or be greatly supported by, the governor or an executive agency.

Responding to the issues raised by a report written by the North Carolina Bar Association in 1972, the governor of this state appointed a group of interested individuals to study and recommend improvements for the rehabilitation and treatment of juvenile offenders. As a consequence, the Knox Commission, named for its chairman, drafted what became the Community-Based Alternatives Program, passed by the North Carolina General Assembly in 1975.

Also during the early 1960s, the governor, legislature, and North Carolina Department of Public Instruction had become very concerned about the high dropout rate in North Carolina's schools, which reportedly approached a 50 percent fall-off in attendance between the ninth and twelfth grades. Efforts during this period resulted in the creation of the state's Clark-Long Bill in 1963 supporting vocational education; the same year, incidentally, that Congress passed the Vocational Education Act. In the late 1960s, a study commission appointed by the governor, involving 1,000 state and local administrators, teachers, parents, and students, examined public education in North Carolina. Shortly thereafter, the 1969 session of the legislature ratified a bill to establish a program of prevocational education in the middle grades of the public school system.

In Alaska, stimulated by the interest and involvement of the governor, with the assistance of the chairman of the Alcohol Beverage Commission, the State Crime Commission, and the state Office of Alcoholism and Drug Abuse, the Alaska legislature began to take a more active interest in the problems of substance abuse. In response to the initiative of the governor and other involved executive branch officials, the Senate Select Committee on Alcoholism and Drug Abuse was formed to pursue a more active state effort extending beyond strictly appropriating state matching dollars to federal programs. Thus, for the first time, the state appropriated more funds in 1977 than were necessary just to meet federal matching requirements. It was at this point, in effect, that the Alaska

Drug Abuse Grants program could be regarded as an active expression and extension of state substance abuse policy, although the subsidy effectively began in 1972.

In the interest of continuing the Maryland Youth Services Bureaus Subsidy, the Maryland Association of Youth Services Bureaus succeeded in encouraging the governor to recommend funding their agencies through state appropriations. Support was gathered also among the chairmen and key members of the House of Delegates Appropriation Committee and the Senate Finance Committee. In 1975 the subsidy legislation was enacted.

Not all state grants to local services are established through legislation. Some emerge from funds budgeted to state agencies without the passage of enabling legislation. At least three of the subsidies that were used for case study investigation were so developed.

Alaska's Youth Employment Services Subsidy is not statutorily authorized but operates with funds appropriated annually to the Department of Education through the state appropriation act. Funding for Maryland Youth Diversion Projects Subsidy is incorporated within the state Juvenile Services Administration's budget, which is submitted to the Department of Fiscal Services for review. Taking the line item amount approved by the Department of Fiscal Services, each local youth diversion project prepares a "tentative" budget, which is based on the assumption that the legislature will accept, without change, the level of funding requested by the governor.

In Utah, when the Salt Lake City schools were not awarded federal funds to replicate the K-12 Alcohol Education Project, the state Division of Alcoholism and Drugs opted to use monies from its own budget to support the program. Since that time, obtaining funds for expansion or continuation has been a matter of direct negotiation between the Salt Lake City school district and the state Division of Alcoholism and Drugs.

Ideas That Pass from State to State

Sometimes the concept for particular types of legislation will begin in one state and catch on in others. The growth of probation subsidies rather clearly illustrates this phenomenon. Table 12 shows that the development of probation subsidies begun in Illinois in the late 1940s, moved throughout the midwest during the 1950s and 1960s, dropped south to Alabama, west to California, and branched northwest to Washington and southwest to Nevada, Texas, and Arizona during the 1970s. Somewhat anomalous to this pattern, and therefore not shown on the table, are subsidies to probation services initiated in Virginia (southern state) in 1952 and in Missouri in 1975. While there may have been other probation subsidies that have since terminated, those still in existence in 1978 are sufficient to make the point.

TABLE 12. REPLICATION OF A STATE SUBSIDY

Year State Subsidy Was Initiated		State Subsidy
Late 1940s	(Midwest)	Illinois Juvenile Probation Subsidy
1959		Minnesota County Probation Reimbursement Program
1962		Pennsylvania Grants for the Improvement of Juvenile Probation Services
1964		Ohio Probation Development Subsidy
1965	(South)	Alabama Juvenile Probation Officer Subsidy
1966	(West) (Terminated)	California State Aid to Probation Services
1970	(Northwest)	Washington Probation Subsidy
1973	(Southwest)	Nevada Juvenile Probation Subsidy
1976		Texas Community Assistance Program
1978		Arizona State Aid for Probation Services Program

COMPETING INTERESTS

As noted in Chapter 2, we live in a pluralistic society of competing philosophies and interests. This sense of competition becomes, perhaps, most apparent in efforts to leverage governmental funds. Success in getting legislation passed means not only the availability of money but also the determination of policy.

Indications of several competing interests surfaced in the course of analyzing the case studies. With regard to intergovernmental grants to delinquency prevention and control efforts, issues that coalesced included (1) the concerns of minorities; (2) the allocation of scarce resources to primary, secondary, and tertiary services; (3) conflicts between judges and social services executive agencies; and (4) competition between rural and urban interests.

The Concerns of Minorities

Minorities, especially blacks and Hispanics, offer good examples of groups whose numbers may be too small to influence local allocations, but at state and federal levels are able to make their collective voices heard.

The New York Youth Development/Delinquency Prevention Subsidy (YDDP) is a case in point. Feelings among minorities, expressed through the black and Puerto Rican legislative caucuses, were that too much money was being allocated at the local level to youth development programs which did not adequately address the problems of juveniles already in various stages of trouble, whether from drugs, prostitution, or other forms of criminal activity. A second objection was that agencies customarily receiving funds through local youth bureaus reflected long traditions in social services but not necessarily acute sensitivity to the needs of distinct cultural groups.

In the interest of targeting more money to high delinquency areas, particularly in Buffalo and New York City, the legislature appropriated \$5 million for special delinquency prevention projects. When originally authorized, these funds were to be awarded directly to community-based organizations by the state Division for Youth, thus circumventing the local youth bureaus which have the responsibility for administering the multimillion dollar YDDP Subsidy. Furthermore, the legislature waived the matching requirements for this special supplement in order to encourage the participation of indigenous groups with no permanent funding base.

The definition of community-based organizations in New York appeared in proposed amendments to the legislation in September 1979. The proposed language defined a community-based organization as a corporation organized under the not-for-profit corporation law which is representative of a community or particular segments of a community, allows for consumer participation in its planning and decisionmaking processes, and has among its corporate purposes the provision of services to youth. State officials have even proposed a consortium of community-based organizations which would attempt to coordinate activities among these agencies.

A third accommodation stipulated that participation among under-represented groups would be broadened through the establishment of local planning committees. The planning committee, to be developed as an expanded subcommittee of the local youth board or as a separate advisory body, was mandated for each county applying for funds under New York's comprehensive planning formula.

Minority concerns were also, at least in part, among the reasons for establishing the Extended School Day Program/Subsidy in North Carolina. The first school was founded in Wilmington in 1970, a time of racial unrest in that area, as an alternative to conventional schools. In the interest of accommodating students who were compelled to leave school to work or who left out of disenchantment with conventional educational approaches, local school districts were financially encouraged to initiate high school programs which could be attended in late afternoon or evening hours.

In Alaska, a few minority and native organizations approached the legislature to request funding, through the Department of Health and Social Services, for youth job programs targeted to their respective groups. Officials from the Department of Education, the current administering agency of the Alaska Youth Employment Services Subsidy, have argued, however, that a minority-targeted youth employment subsidy would be duplicative of what is currently available. The Youth Employment Services Subsidy, they note, has had a good record of serving minorities in those areas to which funds have been allocated, and thus no new youth employment programs have yet been established.

Minority concerns have surfaced at the federal level as well. Questions raised over whether the Office of Juvenile Justice and Delinquency Prevention would address issues impacting minority youth with as much ardor as those affecting white juveniles compelled the Office's director to investigate the matter in 1980.⁵ Specifically criticized were policies of the Office that directed funds toward status offenders and serious offenders and, by implication, away from the juvenile delinquents in between, many of whom are poor, minority youth. Furthermore, OJJDP policies, it was felt, factored the nation's delinquent population into "amenable" and "resistant" categories, a practice which directs the mostly white "amenable" juveniles into community-based settings and the most "resistant" delinquents, often from minority populations, into incarceration.⁶

The Office of Juvenile Justice and Delinquency Prevention requested the Honorable William White, Presiding Judge, Circuit Court of Cook County, Illinois, Juvenile Division, and Mr. Orlando Martinez, Director, Colorado Division of Youth Services, to conduct an investigation of these assertions. The White-Martinez report, submitted in June 1980, was entitled Assessment of OJJDP's Policy and Performance on Issues Concerning Minorities.⁷

While the report offered indicators that minorities have received a proportionate share of services directed toward the deinstitutionalization of status offenders and the separation of juveniles from adults in secure facilities, it concluded, overall, that little is known about the number of minority youth served by the formula grant funds allocated to the states. White and Martinez, in their report, pointed out the importance of having this data available and suggested that recommendations be made on how best to secure statistical information that is sensitive to minority concerns.

Allocating Resources to Primary, Secondary, or Tertiary Prevention Efforts

Another competing interest relates to the extent to which resources should be invested in primary, secondary, or tertiary prevention efforts.⁸ Secondary and tertiary prevention approaches involve attempts to alter the behavior of identified individuals whose actions are either very likely to get them into trouble, or who already have difficulty with the legal system. Primary prevention efforts, on the other hand, strive to change general social conditions that seem to promote delinquency. The problem facing policymakers is deciding

how much to invest in helping youth who are already or very nearly in trouble, or in trying to change conditions for all youth in the interest of preventing any of them from getting into trouble.

There is evidence that allocations to primary prevention efforts, particularly in mental health, are increasing. In Florida, support to local prevention projects is the most recent addition to the state's Specialized Children's Projects Subsidy. Spurred by findings of the President's Commission Task Force on Prevention, the Florida legislature appropriated \$1.1 million to create services directed toward ameliorating the conditions that may be primary stages in the development of emotional disabilities.

For South Carolina, as well, prevention of mental illness has evolved as one of the state's high-priority areas. Over the years, early childhood intervention projects have steadily grown. Each of South Carolina's 16 community mental health centers has designated a primary prevention team which trains school-teachers, guidance counselors, and youth services bureaus' staff in basic mental health therapeutic techniques. They also offer technical assistance on program development to community agencies, such as Boys' Clubs, Big Brothers/Big Sisters, Head Start, children's homes, foster parents, and day-care center staff.

The challenge faced by New York's Division for Youth is finding the appropriate mixture of primary (youth development) and secondary/tertiary prevention efforts (delinquency prevention, according to New York's terminology). A current proposal to amend the Youth Development/Delinquency Prevention Subsidy would define "youth development" as the advancing of moral, physical, mental, and social growth and well-being of an individual from childhood to maturity, and "delinquency prevention" would be defined as preventing youth from failure or neglect to do what parents, superiors, or law requires. There tends to be disagreement among administrators across the state as to the value of youth development activities in curbing youth delinquency at all. Advocates of youth development programs feel that they are necessary to ensure that maturing adolescents acquire the educational, vocational, and social skills to help them cope with the expectations of society and, accordingly, to stay out of trouble. Emphasizing youth development, they argue, avoids labeling juveniles as potential delinquents.

Opponents of youth development programs, however, contend that current funding is not sufficiently targeted toward the critical needs of children with unstable family conditions, who are habitually truant, or who are involved in drug and alcohol abuse and even prostitution. The large proportion of funds spent on recreational programs seems, to their critics, to be an inefficient use of resources given the serious problems of juveniles. They particularly cite minority youth, who continue to become involved with the juvenile justice system and for whom the typical youth development program seems to be ineffective. New York has placed a ceiling on the amount of funds counties may allocate to youth recreation services and, in part, established the Special Delinquency Prevention Program Grants to deal with this dilemma.

Conflicts between Judges and Social Service Agencies

The growing emphasis on providing community-based alternatives to institutional care has created an oftentimes uneasy interaction between juvenile court judges and executive agencies. This tension became apparent in at least three of the case study states, namely, Michigan, Pennsylvania, and Iowa.

County officials in Michigan, for instance, must jointly plan for the use of allocations received under the Child Care Fund. This means that county commissioners, juvenile court judges, and representatives of local social services offices must decide together how such funds can best be used in their communities. County officials, in fact, have been very cooperative about submitting plans and making revisions requested by the state Department of Social Services.

The sharpest opposition to the planning requirements has come from some juvenile court judges. Their resistance is based upon constitutional arguments regarding executive branch infringement of judicial authority. The issue raised is an interesting one, which is fully explored in a companion report prepared by the Academy in 1981, Services to Children in Juvenile Courts: The Judicial-Executive Controversy.⁹

In Pennsylvania, a single-planning-agency concept was utilized with the intention of establishing an integrated administrative structure at the county level. However, according to several people interviewed, social services administrators and juvenile court judges were not always in agreement. Consistent with the philosophy of single agency control, in this case county departments of children's services, the juvenile courts were divested of responsibility for the administration of several community programs. Some court personnel, particularly judges and court directors, expressed their beliefs that the transfers were "unnecessary," created "undue paperwork," "increased costs," and "really didn't change anything."

With the recent revision of Iowa's juvenile code, juvenile court judges succeeded in maintaining discretion over placement decisions for adjudicated delinquents and children in need of assistance. Under these amendments, the courts maintain continuing jurisdiction over adjudicated youth and hold placement hearings after six months. The code was clearly changed in deference to juvenile court judges, thus limiting the discretion of the Department of Social Services.

Competition between Rural and Urban Interests

Active lobbying for state and federal aid seems to come predominantly from large urban areas. Their interest in gaining greater intergovernmental funding seems to outweigh difficulties presented by potential matching requirements. They have the resources to meet ten to 50 percent matches, and yet they feel that even more funding is required if community needs are to be met. Some smaller

counties, on the other hand, frequently lack sufficient funding to meet matching requirements. They prefer not to become entangled in intergovernmental grants despite their potential contributions to services expansion. This, of course, is not always the case. Some small counties welcome intergovernmental grants. However, in many cases, urban and rural interests have created points of contention.

Political dissension in North Carolina, for example, has been more likely to split along urban and rural lines rather than at state and local levels. Rural legislators or "down-easterners," refer to Mecklenburg County (Charlotte metropolitan area) as the "State of Mecklenburg." State legislators report that they are often unsure whether the capital city is the place where state policy is established, or where the interests of the largest urban areas can be enacted into law.

The only opposition of any significance to North Carolina's Community-Based Alternatives Program was by legislators from poorer eastern counties. They objected because their localities lacked sufficient resources to make the local match required by the legislation. They were also concerned that the development of community-based alternatives would lead to large-scale releases of dangerous juvenile offenders. Despite these contraventions, the bill passed and has enjoyed continued political support.

Political contentions in New York stem from splits between "up-staters" and "down-staters," a variation of the rift between minorities and local government. As discussed previously, the minority legislative caucus, consisting of black and Puerto Rican representatives from Buffalo and "down-state" New York City, pressured for changes in the administration of the Youth Development/Delinquency Prevention Subsidy. The minority caucus felt that the "up-state" counties, composed of a predominantly white, conservative population, had absorbed far too much of the state's funds into recreational programs to the neglect of the critical needs of impoverished youth in the ravaged urban centers. The state Division for Youth's perceived acquiescence to these accusations led, as mentioned previously, to the development of the Special Delinquency Prevention Program subsidy, a move which local administrators saw as a direct threat to local youth bureau control and to the effort invested in countywide comprehensive planning. In summary, the urban areas felt that the Division for Youth had neglected them, and the rural counties perceived the Division to have "sold out" on the original intent of the grant legislation.

RESIDENTIAL AND NONRESIDENTIAL SERVICES DEVELOPED THROUGH STATE SUBSIDIES

A diverse yet fairly common set of residential and nonresidential services supported through federal and state grants has developed across the country. These services are emerging from concepts such as "community-based," "least restrictive," and "continuum of services."

A "community-based" service is defined in the Juvenile Justice and Delinquency Prevention Act of 1974 as:

a small, open group home or other suitable place located near the juvenile's home or family, and programs of community supervision and services which maintain community and consumer participation in the planning, operation and evaluation of their programs which may include, but are not limited to, medical, educational, vocational, social and psychological guidance, training, counseling, alcoholism treatment, drug treatment and other rehabilitative services.¹⁰

The term "community-based service" did not originate with the JJDP. It is, rather, a term that has come into common usage as well as a concept that has come into common practice for all types of human services delivery during the last 30 years. Its basic tenet is that clients in need of services or treatment remain in their communities or homes where they will continue to function once the disability or problem is ameliorated. This approach, ideally, eliminates the awkward transition from distant institutions into normal daily activities and relations with family and friends.

"Least restrictive environment" is a refinement of the community-based service concept. The overall objective is to enable a child to remain a part of or expediently return to the activities of family and friends, while protecting the child and others from any uncontrollable behavior.

A variation of the concept appropriate to juvenile justice is the use of least coercive disposition. The Juvenile Justice and Delinquency Prevention Task Force of the National Advisory Committee on Criminal Justice Standards and Goals advised that juveniles be institutionalized only as a last resort. The most coercive dispositional alternatives are characterized as not only expensive and time-consuming, but also as offering the potential to breed contempt and hostility which fosters antilegal attitudes among the young. The task force recommended, therefore, that the juvenile justice system should implement practices and programs that are guided by the principle that the best disposition for an individual is one that uses the least amount of coercion that is appropriate.¹¹ The restrictiveness of services can be classified into three broad settings: protective services, supportive services and, according to the balanced services system, natural services.

The protective service environment is most restrictive and occurs when a group of children are confined in the same setting, with controlled activities, 24 hours a day. Ideally, only two types of individuals should be assigned to

protective settings: those children whose behavior is so destructive as to make it impossible to provide services to them in any other setting, and those children whose handicaps are so profound as to require intensive and continuous medically related services. The supportive environment is more moderately restrictive. Services of this type involve small groups of people and usually control their activities for only part of a day. The natural environment refers to settings typical to most people--homes, schools, workplaces--and, accordingly, services offered in this environment are delivered to people while at home, at school, or at work.

"Continuum of services" is a term that has come into wide usage among social service professionals, also as the result of deinstitutionalization efforts and court mandates to treat people in least restrictive settings. The basic premise behind the development of a continuum is the realization that clients require different forms and levels of assistance and supervision. For example, a very aggressive adolescent may need to be kept under surveillance 24 hours a day to ensure the public's safety. For another child, probationary supervision may be sufficient, during which time the youth may continue to live at home and go to school. In still other cases, the home situation may warrant removing a child from his or her family, but because the child's behavior poses no continued danger to society, a nonsecure homelike setting, such as a group home or foster care family, is most suitable. It is this variation in settings and degrees of supervision or treatment that creates a continuum of services.

The MODELS program of the National Council on Crime and Delinquency (NCCD) collects information concerning alternative approaches to working with youths in trouble. Their archives contain updated information on approximately 500 alternative programs that have been established across the country. Definitions of typical services are classified as residential or nonresidential and are listed in an order of increasing restrictiveness. They are given below because they are illustrative of the types of services found in this study to have been supported by federal and state grants-in-aid.

Nonresidential Services

Nonresidential programs serve juveniles living in their own homes. Many of the programs listed serve all youngsters in a community, not just those in trouble.

- (1) Job/Career Programs: young people are given help in defining career interests, improving job readiness skills, on-the-job training and help in finding jobs.
- (2) After School or Evening Programs: offered by community organizations or schools, these programs provide supervised instruction in leisure-time activities, high school equivalency education, and life skills.

- (3) Alternative Schools: these are small nontraditional schools. Some are designed specifically for juveniles in trouble with the law; others are open to students who have trouble with regular public schools.
- (4) Advocacy: advocacy programs provide supervision of juveniles, intervene with other social agencies, identify and secure available services, and monitor participation in other programs.
- (5) Counseling: Individual, group, and family therapy sessions are usually conducted on a weekly basis. Short-term, problem-solving approaches are generally preferred over long-term psychotherapy.
- (6) Mediation/Arbitration: as an alternative to juvenile court, a panel of community residents negotiates a settlement of a dispute involving a youth.
- (7) Restitution: Victims or society are repaid for youth misconduct through fines, partial forfeiture of pay from a youth's job, or by services provided by the offender for either the victim or community organizations.
- (8) Intensive Services to Families: trained workers provide services to families in their homes.

Residential Services

Out-of-home placement may be necessary for a small number of young people who need supervision, crisis intervention, and treatment. Placements must be for the shortest time possible. The goal should be to return children and adolescents to their homes or to prepare them for independent living. In order of increasing restrictiveness, residential programs listed by NCCD include:

- (1) Wilderness Programs: programs consist of four to eight weeks of group wilderness survival in some remote, rugged area.
- (2) Independent Living Preparation: adolescents are assisted in developing the skills and financial resources needed for living on their own. Initially, one or two young people may share an apartment with an adult who closely supervises them.
- (3) Foster Family Care: up to three youth live in the home of foster parents, while a supporting agency provides other needed services. This type of brief placement is appropriate for children faced with a family crisis, or for adolescents who need some adult support as they strive toward independence.

- (4) Intensive Foster Care: up to two youth who need supervision and individual attention live in a two-parent home in which one adult is always present. Additional services are provided by sponsoring agencies.
- (5) Group Home: up to eight juveniles live with houseparents or rotating staff. Such facilities are not locked, and participating youngsters use community schools and services.
- (6) Highly Structured Group Care: these facilities are for youth who are dangerous to themselves or others. They are not locked, but have high staff-to-resident ratios and use a structured treatment method. Most services are provided within the facility, and there is some supervised use of community resources.
- (7) Secure: these programs are appropriate only for youth who have been convicted of violent offenses and who are a clear danger to themselves and others. Facilities are locked, have a high staff-to-resident ratio, and make extensive use of specialists.

Iowa operates a similar continuum of services. Emphasis is directed toward pursuing alternatives to foster care, which are preventive services designed to: (1) strengthen family life, (2) avoid unnecessary placements in foster care, and (3) ensure the swiftest possible return of a child to his or her family. The Iowa continuum of nonresidential services includes in-home treatment services, family therapy teams, and Department of Social Services' and Title XX support services. Among the residential services are family foster homes, group homes, residential treatment facilities, detention facilities, shelter care, and substance abuse treatment facilities.

Similarly, the Florida legislature established the Specialized Children's Projects Subsidy to meet the needs of emotionally disabled children in the least restrictive setting. To this end, the state Mental Health Program Office has developed a typology for a continuum of services, which includes (from least to most restrictive): (1) preventive services, (2) individual and family counseling, (3) short-term residential services for crisis situations, (4) therapeutic foster homes, (5) small group homes, (6) group child care and residential treatment centers, and (7) intensive residential treatment centers.

As can be seen in Table 13, "continuum of services" is a term that applies equally well to the juvenile justice system as to child welfare and mental health. The complexion of the juvenile justice system has changed considerably since the days when handling juvenile offenders basically involved detention, probation, confinement, and parole. In addition to least restrictive treatment and continuum of services, two other concepts--prevention (preventing youth from becoming involved with the police and courts) and diversion (finding alternatives to formal intervention as a way of handling youthful offenders)--have also led to the development of a diverse range of human services directed toward juveniles who are likely to penetrate the juvenile justice system.

Added to the traditional list of such juvenile justice responsibilities as probation and corrections are the following services: crisis intervention, family counseling, diagnostic services, individual and group treatment,

rehabilitative services, basic skills development, employment training and placement, and alternative living arrangements, among others listed in Table 13.

Table 13 shows the types of services supported by state grants-in-aid grouped by four of the study's five functional categories: juvenile justice, child welfare, mental health, and education. The service titles which appear are each state's own titles. No attempt was made to use a uniform service language, nor to include definitions for each service. Questions regarding a specific service should be directed to the relevant state agency.¹² Because only three states (Alaska, Michigan, and Minnesota) reported youth employment subsidies, a column for "employment" has not been provided on Table 13. Generally, most youth employment programs are supported by the federal Comprehensive Employment and Training Act. The services are predominately career counseling, job preparedness, job development, job training, and job placement.

It should be remembered that the services appearing in Table 13 are not the only state-funded local services, but rather represent just those services eligible for support through the specific grants-in-aid included in this study. In many cases, the services listed may be typical of the types of services supported but are not necessarily exhaustive.

TABLE 13. LOCAL SERVICES SUPPORTED BY STATE SUBSIDIES IN 1978, BY AGENCY TYPE

State	Juvenile Justice		Child Welfare		Mental Health		Education
	Nonresidential	Residential	Nonresidential	Residential	Nonresidential	Residential	
Alabama	Day treatment Probation	Detention Group homes	--		Education services Specific delinquency prevention program Substance abuse treat- ment and prevention		--
Alaska	Community service development Counseling Crisis intervention Educational services Individual and group treatment	Alternative living	--		Counseling Education Recreation		--
Arizona	Counseling Probation		--		--		--
Arkansas	Diagnostic services and evaluation Diversion	Alternative living Emergency shelter	--		--		--
California	Advocacy Community service development Corrections Education services Individual and group treatment Information and referral services Job preparedness Juvenile court services Probation Specific delinquency prevention program	Alternative living Detention	--		--		--

TABLE 13. (Continued)

State	Juvenile Justice		Child Welfare		Mental Health		Education
	Nonresidential	Residential	Nonresidential	Residential	Nonresidential	Residential	
Colorado	Diversion			--		--	--
Connecticut		--	Employment Recreation Social development Tutoring		Community services development Crisis intervention Family counseling Individual and group treatment In-service training for service providers Protective services		--
Delaware		--	Crisis intervention Family counseling Support services			--	--
Florida		--		--	Diagnosis and assessment Early intervention Intensive day treatment Preschool services Psycho-educational day treatment	Residential care	Alternative education Basic skills Law education Truancy prevention
Georgia		Juvenile detention centers		--		--	--
Hawaii	Counseling Family counseling Individual and group treatment Referral services Transportation	Shelter care		--		--	--
Illinois	Probation			--		--	--

TABLE 13. (Continued)

State	Juvenile Justice		Child Welfare		Mental Health		Education
	Nonresidential	Residential	Nonresidential	Residential	Nonresidential	Residential	
Indiana		--		--	Adolescent trans- institutional service planning Consultation and education Day treatment Emergency mental health services Juvenile court services Out-patient services Planning Substance abuse treat- ment and prevention	In-patient services	--
Iowa	Counseling services	Emergency shelter care Group homes Independent living	Crisis intervention Family counseling In-home services Support services			--	Educational services Support services
Kansas	Community service development Specific delin- quency prevention program	Boarding homes		--		--	--
Louisiana		Alternative living		--		--	--
Maine		--		--	Substance abuse treat- ment and prevention		--
Maryland	Community service development Counseling Drug education Education services Health services Individual and family counseling Individual and group treatment Information and referral services Job placement Recreation Social work Support services Therapy Travel Tutoring	Shelter		--	Consultation Counseling Educational services Medical services Mental health services Substance abuse treat- ment and prevention Vocational rehabilitation		--

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TABLE 13. (Continued)

State	Juvenile Justice		Child Welfare		Mental Health		Education
	Nonresidential	Residential	Nonresidential	Residential	Nonresidential	Residential	
Michigan	In-home services	Detention Foster care Independent living	--		Substance abuse treatment and prevention Teacher-training workshops	Residential care	Basic skills Rehabilitative services
Minnesota	Corrections Delinquency prevention programs Diversion Parole Probation	Alternative living Detention Group foster care Residential care	--		Consultation Diagnostic services and evaluation Educational services Information and referral Outreach Recreation Rehabilitative services Substance abuse treat- ment and prevention		--
Missouri	Community services development Delinquency prevention Diversion Probation	Detention Residential care	--			--	--
Nebraska		--	--		Mental health services Substance abuse treat- ment and prevention		--
Nevada	Probation Supervision Support services		--		Day care Drug abuse treatment and prevention Out-patient services Substance abuse treat- ment and prevention		--
New Jersey		--	--			--	Law enforcement personnel

TABLE 13. (Continued)

State	Juvenile Justice		Child Welfare		Mental Health		Education
	Nonresidential	Residential	Nonresidential	Residential	Nonresidential	Residential	
New Mexico		--		--	Counseling (individual, family, peer)		--
New York	Advocacy Delinquency prevention Education Employment Health Individual and family counseling Information and referral Medical services Recreation Transportation Tutoring Youth bureaus	Detention Emergency shelter Residential care	Child welfare research and demonstration Day care Day treatment/day services Preventive services Protective services	Adoptions Foster care Shelter care	Adolescent development Alternative group activities Alternative schools Counseling Day services Drug abuse treatment and prevention Educational materials Educational services Information and referral Short-term therapy		--
North Carolina	Adult volunteers Counseling Recreation School-related services Youth service bureaus	Emergency shelter Group homes Specialized foster care Wilderness camping		--		--	Basic skills development Career planning Counseling Job information Job placement Self-appraisal Vocational instruction Work-habit evaluation
Ohio	Academic and vocational programs Individual counseling In-service training Juvenile officer services Probation services Recreation Rehabilitative services Work program	Detention facilities Foster care placements Rehabilitation facilities		--		--	--

TABLE 13. (Continued)

State	Juvenile Justice		Child Welfare		Mental Health		Education
	Nonresidential	Residential	Nonresidential	Residential	Nonresidential	Residential	
Oklahoma		--		--	Child development Counseling Evaluation Speech and language Therapy		Educational services
Oregon	Psychological services Training Volunteer coordinators	Foster care		--		--	--
Pennsylvania	Probation		Day treatment In-home services Youth services bureaus	Foster care Group homes Residential care Shelter care		--	--
South Carolina	Diagnostic services and evaluation Education services Individual and group treatment Information and referral services Recreation Specific delinquency prevention program			Group homes	Consultation and education Court screening Day care Diagnostic services Emergency services Out-patient services Partial services Specialized services for children Substance abuse treat- ment and prevention Training	In-patient Transitional halfway houses	--
South Dakota		Foster care Group care		--		--	--
Tennessee		--		--	Counseling Independent skills training Job placement Recreation Tutoring		--
Texas	Probation	Residential care		--		--	--

TABLE 13. (Continued)

State	Juvenile Justice		Child Welfare		Mental Health		Education
	Nonresidential	Residential	Nonresidential	Residential	Nonresidential	Residential	
Utah	Crisis interven- tion Diagnostic serv- ices and evaluation Family counseling	Detention services Emergency shelter	--	--	Consultation to juvenile court Diagnostic services to juvenile court Educational services Family counseling Out-patient services Rehabilitative services	In-patient services Residential care	Career planning In-service training Materials and supplies
Virginia	Juvenile court services Probation	Residential care	--	--	--	--	--
Washington	Child welfare Corrections Job placement Mental health services Public health services Rehabilitative services Social services Substance abuse treatment and prevention Vocational rehabilitation	Detention Foster care Group homes	--	--	--	--	--
Wisconsin		Shelter care	--	--	--	--	Alternative education Basic skills development

-- denotes Not Applicable.

FOOTNOTES

1. While this study did attempt to compile a comprehensive inventory of state subsidies to local delinquency prevention and control services, for a variety of reasons, such an undertaking would have been prohibitively expensive or even impossible. One reason for this is that many state legislatures and executive departments will establish small pots of money as line-items in appropriation legislation or as funds freed from departmental budgets to use for special, and usually narrow purposes. Even though many of these funds would have met the criteria for this study, their existence were in some cases unknown to the person responding to the survey or, if known, thought to be of such limited scope as to make them irrelevant for the purposes of this study.

Many of these small subsidies came to our attention during visits to various states. For example, in New York it was found that a variety of funds existed in addition to those profiled in Appendix B. The purposes for these subsidies, which are discussed in the New York Case Study in Appendix D, ranged from providing supplemental support to counties to giving the legislature discretion in making grant awards. The existence of these additional subventions is partly attributable to 1978 having been a gubernatorial election year; thus, many of them were ephemeral in nature.

A visit to California also revealed other sources of funds. One is a line-item budget of \$200,000 which has been available since the late 1960s to support county juvenile justice commissions charged with inspecting juvenile halls. Commission members are appointed by county supervisors. Each commission receives \$1000/month to cover postage and other organizational maintenance expenses. This same provision also establishes juvenile delinquency prevention commissions whose members are appointed by area judges. Other state subsidies go to two organizations in Los Angeles which target efforts toward delinquency prevention: Sugar Ray's Youth Foundation and the John Rossi Foundation. These agencies receive annual line-item appropriations of approximately \$600,000 and \$400,000, respectively.

Finally, the on-site visit to Iowa for the Alternatives to Foster Care and the Community-Based Juvenile Corrections Subsidy revealed the existence of yet another subsidy, In-Home Services. It is anticipated by officials in Iowa, however, that the Alternatives to Foster Care and In-Home Services subsidies will be combined, because they support many of the same services and objectives.

Two more important reasons why the inventory is not fully comprehensive relate to timing and criteria. With regard to timing, any subsidies established subsequent to 1978 were not included. Despite the fact that the initiation of several juvenile justice subsidies since 1978 came to our attention (these include subsidies in Ohio, Virginia, Wisconsin, Florida, and Oregon), they are not profiled, for another national survey would have been required to give all states an equal chance at having information updated. Finally, the study's criteria called for the inclusion of only those subsidies for which the amount of funding specifically serving youth could be identified. Many states have subsidies which support services for both children and adults, but accounting procedures make it impossible to determine expenditures only for children. Thus, many state subsidies were excluded on these grounds.

However, despite these shortcomings, we believe that the subsidies profiled in this volume do represent most state subsidies meeting the study's criteria. They reveal a diverse range of objectives and a variety of allocation methods, and have provided a very informative basis for the discussions found throughout this report.

2. Florida Center for Children and Youth, "A Proposal to Study the Continuum of Mental Health Services for Children in Florida," (Tallahassee, Fla.: unpublished, 1979).

3. The Juvenile Justice and Delinquency Prevention Act of 1974, P.L. 93-415, Sec. 223 (a)(10)(H), as amended.

4. Nation's Cities Weekly, vol. 3, no. 46 (Nov. 17, 1980), p. 5.

5. Juvenile Justice Digest, vol. 8, no. 14 (July 25, 1980), p. 1.

6. Juvenile Justice Digest, vol. 7, no. 24 (Dec. 14, 1979), p. 1.

7. Assessment of OJJDP's Policy and Performance on Issues Concerning Minorities (Washington, D.C.: unpublished, 1980).

8. Definitions of primary, secondary, and tertiary prevention services are discussed in the Report of the Task Force on Juvenile Justice and Delinquency Prevention, 1976, pp. 25-26. According to this report, primary prevention refers to a service delivery strategy that includes the broadest possible number of clients within a service area. The intention is to deliver the service to all clients without regard to the potential delinquent behavior risks of specific individuals. Primary prevention rests upon the logic that the most effective prevention is to insulate the entire population at risk from the predisposing conditions.

In secondary prevention, selection for inclusion in prevention programs is made upon the determination that a particular group of potential clients is in greater danger than the rest of the population, thus requiring specific services. Secondary efforts are usually guided by the belief that targeted services to the right population cohort will have preventive impact.

Tertiary prevention involves those youngsters who have already begun to have difficulty with the law. They may have been referred to police as status offenders, or they may have been charged with school misconduct. The objective of the tertiary programs is to limit the involvement of the child with the juvenile justice system--to deliver preventive services early enough to avoid the development of a more serious delinquency record. These programs are preventive in the sense that they seek to eliminate the behavior-causing problems for the child and they attempt to prevent future delinquent behavior.

9. The Academy for Contemporary Problems, Services to Children in Juvenile Courts: The Judicial-Executive Controversy, (Columbus, Ohio: 1981).

10. JJJPA, P.L. 93-415, Section 103(1), as amended.

11. National Advisory Committee on Criminal Justice Standards and Goals, Juvenile Justice and Delinquency Prevention, Report of the Task Force on Juvenile Justice and Delinquency Prevention (Washington, D.C.: 1976), pp. 186-187.

12. See the relevant state profile in Appendix B of this report.

CHAPTER 4

CHAPTER 4

CASE STUDY SYNOPSES

This chapter consists of synopses of 16 case studies. The methodology governing their selection is described in Chapter I.

These summaries are abstracts of the full-length case studies which can be found in Appendix D. The reader is urged to consult that material for much greater detail and insight concerning political and technical matters than are covered in the synopses.

ALASKA DRUG ABUSE GRANTS

Alaska's Drug Abuse Grants program supports intensive counseling services, recreation programs, and educational activities to minimize youth involvement with drugs, and through diversionary alternatives with the juvenile justice system. The grants are awarded on a competitive basis to local public and private agencies by the state Office of Alcoholism and Drug Abuse. Criteria for evaluating local project proposals, submitted in response to a state request for proposal, include the area's need for services, objectives to be achieved, services to be offered, proposed structure for administering services, prior experience, and procedures for self-evaluation. Grants are awarded on a two-year basis, although projects found to be performing poorly could have their funds withdrawn prior to the end of the grant period.

The Office of Alcoholism and Drug Abuse is located within the Department of Health and Social Services, one of 14 cabinet-level agencies. It represents a merger which took place in 1977, combining the Office of Drug Abuse and the Office of Alcoholism. The agency continues to derive its policies from different legislation and through two citizens' advisory boards. However, legislation is pending to consolidate statutory authority and the two citizens' boards. Local participation in state-level policymaking is accommodated through the Plan Advisory Committee, consisting of five local program directors, a member of the Governor's Advisory Board on Drug Abuse, and one criminal justice specialist.

Assessment of local service delivery quality and uniformity is based upon national standards of the National Institute on Drug Abuse and the Joint Commission on the Accreditation of Hospitals. The Office of Alcoholism and Drug Abuse is in the process of developing standards for local planning and for the certification of personnel in rural areas. In addition to requiring local vendors to submit periodic program and financial reports, regional field teams from the state office annually conduct on-site program reviews.

Programs supported through Drug Abuse Grants serve both adult and juvenile clientele. Most of the 26 substance abuse prevention and rehabilitation programs

serve adults, while 11 drug abuse programs are directed toward youth. Growth in funding proceeded at a steady rate until 1979. From 1977 to 1978, funding increased from \$151,090 to \$160,255. State taxes on the North Shore oil revenues made possible a 1979 appropriation of over \$676,000 for alcohol and drug abuse grants as well as an additional \$510,000 special appropriation for implementing the K-12 Alcohol Education Project. An additional \$517,000 comes from federal sources, which comprises about one-third of the total budget.

The Drug Abuse Grants program is highly regarded throughout the state. The subsidy has produced five significant outcomes. First, there has been an actual reduction in destructive behavior (suicide, violence), which is particularly prevalent among teenagers in rural areas. The suicide rate in Alaska's rural areas is four times higher than the per capita average among rural areas in any other state. Second, subsidy-funded court diversion projects have allowed youth to avoid formal involvement in the juvenile justice system. Third, a community service networking system is emerging. Fourth, local drug abuse grant programs have stimulated and improved cross-cultural awareness by encouraging youth of different racial backgrounds to participate in community activities. Finally, educational components of these programs have stimulated community awareness of the severe drug problems among Alaska youth.

ALASKA YOUTH EMPLOYMENT SERVICES SUBSIDY

The Alaska Youth Employment Services (YES) Subsidy, under the Department of Education, was established in 1973 to provide job placement to youth between the ages of 14 and 25 regardless of their family's income level. Other services offered include vocational counseling and job preparedness training.

YES is an administrative anomaly in three respects. First, it was never statutorily authorized. Funds for the program are part of the annually appropriated budget for the state Department of Education. These funds are then allocated to seven substate regions based upon need. Second, while YES funds are administered by the state Department of Education, the services are actually provided through local Employment Security Division offices under the aegis of the state Department of Labor. When first initiated, the program had been jointly administered by the Department of Labor and the Department of Health and Social Services. Problems of coordination, however, led to its eventual placement in the Department of Education. The rationale was that this state agency could better facilitate students' transitions from school to jobs.

Third, YES funds are not given to the local Employment Security Division offices, but rather are allocated to regional resource centers which hire staff to deliver youth employment services through these local employment offices. The regional resource centers were established in 1976 to provide training and technical assistance to school districts on either a direct source or brokerage basis. They collect a fee for administering YES funds. One exception to this administrative pattern is found in Anchorage, where the municipal government has assumed administrative responsibility for the funds.

The funding history of YES has been rather uneven. Since 1976, amounts budgeted have fluctuated from \$126,600 in 1976, to \$150,200 in 1977, dropping to \$60,000 in 1978, returning to \$150,200 in 1979, and then nearly doubling to \$270,000 in 1980. The dramatic funding decrease in 1978 is attributed to an administrative changeover from school districts as recipients to the regional resource centers. New unemployment compensation requirements had made the program too costly for school districts. Because the transition was still under negotiation at the time the budget had to be submitted, funding was requested for only the Anchorage program.

A measure of the program's success can be assessed in terms of job placements made relative to the number of applicants. Data collected for fiscal 1979 by Alaska's Department of Education revealed that YES counselors were successful in placing 5,487 youth out of the 7,098 who approached the agency for jobs. This 75 percent placement rate was within ten percent of the Department of Education's program goal for that year. Approximately one-half of the placements were in permanent part-time jobs, while the other one-half were in temporary full-time employment. The majority of placements, furthermore, were with private sector employers. Few students were referred to jobs subsidized with public dollars.

FLORIDA ALTERNATIVE EDUCATION PROGRAM

In 1978, the Florida legislature authorized \$21 million in support of alternative education programs to meet the needs of students who are poorly served in conventional educational settings, in the interest of reducing the number of suspensions, expulsions, and voluntary withdrawals. Students are eligible for alternative education programs if they are disruptive, unsuccessful, or disinterested, as objectively determined through grades, achievement test scores, referrals for suspensions, and high rates of absenteeism. The legislation emphasizes that state-supported programs must be positive rather than punitive in nature.

Subsidy funds are administered by the state Department of Education and are available to all 67 school districts. The allocation of funds is explained in greater detail in Chapter 6. Briefly, the education entitlement formula guarantees a standard level of funding per full-time equivalent (FTE) student, with state aid providing the difference between the guaranteed funding level and the amount raised locally through ad valorem taxes. Children with special needs, however, generate a weighted full-time equivalency depending upon programming requirements and costs. For students in alternative education programs, the department determined that the base student allocation to school districts should be doubled, that is, weighted by a factor of 2. The base rate is adjusted annually to accommodate increases in appropriations and inflation.

The state agency exercises minimal control over local programming decisions. There are neither requirements for planning nor any program regulations other than stipulating that policies and procedures must be consistent with standing educational laws and administrative rules. The reason for this apparent lack

of involvement on the part of the state agency is that the legislature has made it clear that local flexibility is to be maintained, and department officials have interpreted this to mean that they have no legal authority to promulgate rules for alternative education programs, thus leaving the responsibility for policy, programs, and standards development to local school districts. Accordingly, alternative education policies and programs tend to vary across the state.

To verify the accuracy of district financial records and FTE counts, fiscal audits are conducted annually. In contrast, program audits are completed for only 15 school districts each year. School districts, therefore, experience program audits an average of once every five years. Both types of audits involve a comprehensive review of all educational programs and, as such, alternative education comprises only one element within the overall review.

The extent to which the Florida Alternative Education Program has reduced the incidence of disruptive behavior and truancy in the state's public schools is difficult to definitively determine. It was learned from state Department of Education staff that expulsions, suspensions, truancy, and disciplinary referral rates were down, but state administrators cautioned making any direct linkages between these indicators and the availability of the subsidy. The Department of Education does not systematically collect statewide information on the use of alternative education funds or any subsequent decline in school suspensions and truancy rates. However, some local programs, particularly those receiving federal as well as state money, have been evaluated in recent years. These assessments lend some insight into the possible results of alternative education programs.

For instance, studies of Hillsborough County's Learning Alternatives Program conducted during 1976-79 revealed that the program succeeded in reducing suspensions by approximately 33 percent and unexcused absences (truancy) by 85 percent, as well as having 45 percent of the students successfully complete the program. An evaluation of Pinellas County's (St. Petersburg) Positive Alternatives to Student Suspension Programs, found that schools participating from September 1971 to June 1974 experienced a decline in suspensions. Evidence of the positive effects of alternative education on drop-out rates was found in a report of annual drop-out rates which documented that: "In Hillsborough County's Education and Employment program, approximately 75 percent of participants earned their GED, which, although under the 90 percent standard set for the program, was considered a good indicator of success."

The evaluations also suggest that, at least while students are enrolled in the program, interaction with juvenile justice agencies and the incidence of delinquency is reduced. Once again, Hillsborough County's Learning Alternatives Program reported a reduction in the number of delinquent offenses from 166 to 18 of the 140 students enrolled during the 1978-79 school year. Status offenses were reduced by 91 percent for the same period. Further, statistics for Hillsborough's Education and Employment program reveal that 87.5 percent were not arrested for an offense while in the program or for a year following their release, an accomplishment made even more impressive by the fact that all of the participants had records of repeated acts of delinquency.

FLORIDA SPECIALIZED CHILDREN'S PROJECTS SUBSIDY

Legislation for Florida's Specialized Children's Projects Subsidy was passed in 1973. The original funding was intended to support at least one model program for emotionally disabled children in each of 11 substate districts administered by the Department of Health and Rehabilitative Services (DHRS). By 1975, 16 projects had been awarded grants through a request for proposal process. The objective is to create community-based services as alternatives to placement in state institutional facilities.

A 1979 amendment to the Specialized Children's Projects Subsidy legislation authorized grants to local prevention programs. Spurred by concerns reflected in the President's Commission Task Panel Report on Prevention, the Florida legislature appropriated \$1.1 million for primary prevention efforts. Like the original Specialized Children's Projects Subsidy, the prevention projects have been designed initially as model programs. The strategy, once again, is to fund at least one project per DHRS service district and to award grants to providers based on the strength of proposals specifying various prevention approaches. This approach permits the state to equitably distribute funds across service districts, while maintaining an experimental approach in determining which of a variety of service options seems to most effectively prevent the development of secondary and tertiary emotional disabilities.

Proposals are first submitted to the local mental health board for screening. They are then forwarded to the DHRS district mental health program supervisor, who works in collaboration with the district mental health board to rank the proposals in order of preference for funding. The district mental health board director is given final authority for ranking the proposals before sending them to the state office.

At the state level, final review of the proposals is accomplished by a special grant review committee composed of representatives of DHRS' Mental Health Program Office, district mental health boards, and community mental health centers, among others. Proposals are evaluated according to weights given to factors such as program description, statement of need, measurable objectives, methodology for implementation, evaluation approach, cost effectiveness, and innovativeness.

The Specialized Children's Projects Subsidy is designed to prevent the onset of emotional disabilities and, when necessary, to treat emotionally disabled children in the least restrictive setting. To this end, state funding is being used to encourage the development of a continuum of local services. Included in this continuum are the following services (from least to most restrictive): (1) preventive services, (2) individual and family counseling, (3) day treatment, (4) individual and family crisis intervention, (5) short-term residential services for crisis situations, (6) therapeutic foster homes, (7) small group homes, (8) group child care and residential treatment centers, and (9) intensive residential treatment centers.

Residential facilities for psychotic and emotionally disturbed children must meet state standards but are no longer required to meet standards of the Joint

Commission on the Accreditation of Hospitals to qualify for state grants. State standards were especially promulgated for these facilities in order to encourage their availability in more communities.

Support for children's mental health programs in Florida comes from a mixture of federal, state, and local funds. Participants are encouraged to generate local matches from school systems and county commissioners, among other sources. In addition to the \$1.1 million appropriated by the legislature in 1979 for prevention projects, \$1.2 million was distributed for continuation of the existing specialized projects for children. Other state resources contributing to local mental health services for children include approximately \$3 million for community-based residential care.

Twenty percent of the programs funded by the Department of Health and Rehabilitative Services are legislatively required to be evaluated every year, and a special evaluation unit exists just to undertake this responsibility. The legislature has expressed an interest in having an evaluation of the specialized children's projects, and it is anticipated that such an assessment will soon be done. In the meantime, projects are expected to have measurable objectives and to perform continuous self-appraisals.

Most of the people interviewed supported the concept of specialized children's projects and felt that the existing projects were successful in meeting objectives to prevent children from having to be institutionalized. The major problem cited was that the programs were too few in number. One or two projects per DHRS district were felt to be inadequate. Some districts have been forced to declare emotionally disturbed children as dependent in order to make them eligible for community-based services. This situation has prompted one legislator to suggest that perhaps the distinction between emotionally disturbed and dependent children should be dropped altogether in favor of a children-at-risk designation so that children in need of help would not be left to fall between categorical cracks.

IOWA ALTERNATIVES TO FOSTER CARE AND IN-HOME SERVICES, AND COMMUNITY-BASED JUVENILE CORRECTIONS SUBSIDIES

The Iowa Legislature has established two subsidies to encourage the development of home-based and community-based services, with emphasis on the former. They are the Alternatives to Foster Care and In-Home Services, and Community-Based Juvenile Corrections Subsidies.

The innovation that Iowa's Alternatives to Foster Care and In-Home Services represents is a primary thrust toward keeping family members together. Rather than removing the child from an unstable family, the first option is to ameliorate the problems that are contributing to the family's instability. Service workers may, and often do, live with the family to demonstrate how the behavior of an undisciplined child may be modified, how household finances can be budgeted, and how communication among family members can be improved. Services may take the form of instruction, role-modeling, or in just providing parents respite

from the day-to-day tedium of parenting. Service workers are on call 24 hours a day. While they are frequently asked to go into some highly volatile domestic situations, none of the service workers interviewed felt they had been in a life-threatening situation. Nor did they feel that by avoiding the removal of children from the home was the children's well-being in greater danger. There were no reports of child abuse occurring because a child was left in the home as the result of pursuing an alternative to foster care option. On the contrary, much media attention was given to a case of child abuse which had occurred, rather, in a group home, a placement for children removed from their own families.

The origin of these programs probably dates to 1961, when the Iowa legislature specifically earmarked \$30,000 of one of its institutional budgets for the development of community foster care services. With an additional allocation of \$100,000 in 1975 for the establishment of community-based pilot programs to serve as alternative care for residents of the institution, the facility was closed.

In 1973, Family Therapy Teams, which were pilot projects started with Law Enforcement Assistance Administration funds, enlivened the interest of a number of private service providers who, among others, pressed for more funding to support activities in the area of in-home and family-based services. In 1976, the legislature authorized the state Department of Social Services to use ten percent of its foster care appropriations for the development of services to reduce the number of out-of-home placements; and, by 1978, the legislature specifically set aside appropriations for In-Home Services and Alternatives to Foster Care. Their 1979 appropriations were \$1,000,000 and \$750,000, respectively.

In 1976, the legislature also appropriated \$160,000 to encourage the development and expansion of community-based juvenile corrections programs. Changes in the juvenile code, during this period, clearly pointed toward increased juvenile rights and broader use of alternatives to institutionalization. The legislature's intentions were made even more direct in 1979 when, in addition to doubling the subsidy's appropriation to \$320,000, the development of a deinstitutionalization plan was mandated.

The state is divided into 16 social services districts, each with its own department of social services office and district manager. Local administration is performed by employees of the Department of Social Services, assigned to the community. The subsidies are administered through this existing structure for no new positions or organizations were created at either the state, district, or local levels.

Funds from the subsidies are awarded on a competitive basis as project grants. Programs to be funded are selected from proposals submitted in response to a request for proposal solicitation. Proposals for grants from the Community-Based Juvenile Corrections Subsidy are sent to the Bureau of Children's Services of the Department of Social Services (DSS), where they are evaluated by a screening committee. Projects to be funded through purchase-of-service contracts and the home-based services subsidies are negotiated between public and private providers and the DSS district offices, while grants from the Community-Based Juvenile Corrections Subsidy are awarded directly from the state Bureau of Children's Services.

These subsidies are "layered" onto a substantially-endowed Purchase of Services (P.O.S.) system. The reason given for their creation was that the P.O.S. system appeared to have stagnated. Only three agencies in the state were receiving over 50 percent of the P.O.S. funds. There was an interest on the part of the legislature to stimulate the development of new programs and new agencies in different geographical areas. The project grants offered a way to target monies to new programs, new agencies, and new areas.

Funds from the Alternatives to Foster Care Subsidy support programs in 12 DSS districts, and the In-Home Services appropriation has enabled the development of programs in six DSS districts. The result is that 15 of the state's 16 social service districts have at least one of the two types of programs, and three districts have both.

The Community-Based Juvenile Corrections Subsidy supported 11 projects during 1978. Among other projects, five shelter care and three group homes were funded, an indication of the subsidy's objective to develop alternatives to state institutional placements. The next year the appropriation was doubled to \$320,000. Only three more grants were awarded that year because much larger grants were made to a few recipients. However, only four of the 14 selected proposals were continuations from the previous year. Five new shelter care programs received funding: one detention program, three transitional or independent living programs, and one substance abuse treatment program. With changes in the legislation, an increasing number of nonresidential programs are also being supported.

Because so many grants are so small, a number of agencies augment state support from a variety of sources, such as county funds, the United Way, private contributions, and client fees. Frequently, over one-half of the support for these state-initiated programs is generated from other sources. Despite the legislature's interest in achieving better distribution of services across the state, funds still go largely to providers clustered in urban areas. The intention to establish a continuum of services is gradually being fulfilled. One-third of the social service districts have at least eight out of ten community-based services options. Two-thirds of the districts have at least one-half or better of these options.

Currently, the only planning function which is truly locally controlled is accomplished by the boards and staff of the community-based public and private agencies. It has been recommended, however, that community planning networks be developed, with the assistance of DSS, representing such organizations as school districts, private agencies, volunteers, churches, law enforcement agencies, judges, and interested citizens' groups.

From this study's cursory review, it appears that the Alternatives to Foster Care Subsidy and In-Home Services are meeting their mutual objectives to reduce foster care placements, keep families together, and limit foster care expenditures. In slightly over a year, clients in home-based services had nearly doubled, while foster care placements were reduced by 15 percent.

The Community-Based Juvenile Corrections Subsidy may have been less successful than its home-based services' counterpart in meeting objectives. There are indications that the legislature's objectives to provide technical assistance to local groups, to make maximum use of available federal funds, and to meet the

goals of deinstitutionalization are not being met. However, the Community-Based Juvenile Corrections Subsidy has probably not been available for a sufficient length of time to determine whether it can displace institutional referrals. Some argue that the 1979-80 appropriation (\$320,000) was far too small in comparison to an institutional budget of over \$6 million. Currently, institutional placements are either stable or increasing. Community-based placements, on the other hand, have decreased over the past year, but many observers attribute this situation to uncertainties on the part of juvenile judges in implementing the revised juvenile code.

MARYLAND YOUTH SERVICES BUREAUS SUBSIDY

Maryland's youth services bureaus began as neighborhood-based agencies which provided informal counseling to troubled youth and their families. Services were loosely structured, and area youth were encouraged to "drop in" for recreational activities or counseling. Each center had an out-reach component to reach alienated youngsters in places where they typically congregated--at school, athletic events, and popular "hang-outs."

What distinguishes Maryland's youth services bureaus from those in other states is that the agencies in Maryland are to function primarily as direct services' providers rather than as planning or administrative bodies. The bureaus are based in communities with significant juvenile crime. They are required to provide services at no charge to youth and their families for individual and group counseling, crisis intervention, as well as general information and referral. In addition, depending upon community needs and budgeting limitations, youth services bureaus may provide tutoring, leisure-time activities, employment counseling and placement, community education, drug information, and community resource development. Some agencies have added several special programs, such as workshops for professionals, counseling and diagnostic services to the public schools, and parent education programs.

In 1971, youth services bureaus had been established in several communities with funds from the federal Law Enforcement Assistance Administration (LEAA). These LEAA grants had been considered "seed money" to stimulate the development of state and local support. Some local funding had been obtained, but it was generally insufficient to continue the existing programs. Without additional funding, the youth services bureaus were destined to close with the termination of federal funds in 1974.

A concerted lobbying effort on the part of the Maryland Association of Youth Services Bureaus, Inc., however, convinced the legislature to appropriate funds for seven new agencies as well as the five already in existence, given that 25 percent matching funds would be provided locally. The appropriation that year, 1975, was for approximately \$437,000. By 1978, appropriations had increased to \$1.1 million supporting a total of 18 youth services bureaus located throughout the state.

Subsidy funds are administered by the state Juvenile Services Administration of the Department of Health and Mental Hygiene, which requires youth services bureaus to submit an annual application for funds. Allocations are made to the local unit of government, either city or county, which provides the matching funds. Sponsoring units of government are charged with monitoring the youth services bureaus in their jurisdictions. However, under a 1979 legislative amendment, youth services bureaus, even while continuing to receive local matching funds, may incorporate and deal directly with the state agency.

Ironically, the youth services bureaus had been an unsought responsibility for the Juvenile Services Administration (JSA). The state agency's lack of enthusiasm became apparent when, in the second year, JSA requested less funding for the bureaus. The Maryland Association of Youth Services Bureaus once again mounted a campaign to restore funding. As indicated by the impressive increases in appropriations, the association's efforts were successful in not only restoring the previous funding request but in actually increasing it.

State officials are generally satisfied with the youth services bureaus and anticipate that they will continue to receive state funding. While no formal evaluations of their effectiveness have been undertaken, an analysis of recidivism rates performed by the Juvenile Services Administration showed a greater reduction in recidivism rates among clients of youth services bureaus than for those of another state-subsidized effort, the Youth Diversion Projects.

MARYLAND YOUTH DIVERSION PROJECTS SUBSIDY

The origins of Maryland's Youth Diversion Projects Subsidy date back to 1971, when a combination of federal, state, and private funds were awarded to Pre-Trial Intervention, a private, nonprofit agency in Baltimore. The proposed approach represented an extension of existing national efforts in diversion programming for adult offenders, particularly that developed by the Vera Institute in New York. Baltimore's Pre-Trial Intervention (PTI) Project was directed toward 15 1/2- to 18-year-old juveniles. Originally, funding support came from the U.S. Department of Labor, the budget of the state Juvenile Services Administration (JSA), and a private Boston corporation called Learning Systems.

Targeting diversion efforts toward 10- to 14-year-olds was made possible two years later when Baltimore was selected by LEAA as one of eight cities to receive federal funds to initiate the Diversion of Impact Offenders Project. The state matched the \$160,000 federal grant with \$54,000 in state funds and in-kind contributions. However, at this point, the Diversion of Impact Offenders Project had no formal connection with the Pre-Trial Intervention Project. The administrative reporting arrangements reflected this separation, for JSA's deputy director oversaw the Pre-Trial Intervention (PTI) Project, while JSA's chief of community programs monitored the Diversion of Impact Offenders Project. It was not until July 1978 that PTI was also assigned to the administrative oversight of the community programs unit. By that time, PTI was receiving all of its funding from state and local sources and had incorporated under another name, Justice Resources, Incorporated.

With LEAA funding to the Diversion of Impact Offenders Project scheduled to end in 1978, continuation depended upon state support. While JSA assumed administrative responsibility for the program, the state's financial burden was eased considerably by using Title XX funds to reimburse 75 percent of expenditures for Title XX--eligible clients receiving diversion services. As such, the program remains largely federally financed. The balance of support comes from state funds available through JSA's budget. Total federal and state funding in 1981 amounted to nearly \$787,000. Local diversion projects are not required to supply matching funds.

In general, only agencies funded in the past continue to be funded, but this practice would not totally exclude other agencies from applying or being considered. Since assuming administrative responsibility in 1977, JSA has applied standard across-the-board increases as adjustments for inflation and has rejected any requests from individual diversion projects to increase their share above the agencywide inflation adjustment. Funds are distributed directly to the agencies.

To qualify for state dollars, local private agencies must adhere to standards and guidelines stated in JSA's Baltimore City Youth Diversion Projects, Policy and Procedures Manual. The manual outlines intake and referral guidelines, program quality standards, content for case files, and procedures to ensure confidentiality. Compliance monitoring is maintained through a review of monthly case logs by the JSA regional coordinator, submission of quarterly programmatic and fiscal reports, an annual on-site visit by the state diversion coordinator, and an annual fiscal audit conducted by the Department of Health and Mental Hygiene.

The youth diversion projects operate exclusively on a day-treatment basis. As such, there is no placement in residential programs; instead, juvenile offenders are conditionally diverted to counseling, educational, and job placement services for a 90-day period. State guidelines require that 80 percent of the clients be referred by JSA intake officers. The remaining 20 percent may be referred by other agencies. At the end of the 90 days, intake staff--in consultation with diversion project counselors--determine whether the youth has progressed sufficiently to merit closing the case without further processing. The primary objective is to prevent further penetration into the juvenile justice system.

Trade Manager's International, a research group commissioned in 1977 by LEAA to evaluate the effectiveness of the projects, reported that the recidivism rate for program participants was significantly lower than for comparable control groups. The study further showed a recidivism rate of 16 percent for clients during a period up to 22 months from the date of program completion. This compared with rates of 41 percent for groups not diverted from the court and 22 percent among those who received no services.

The only other systematic assessment has been an in-house survey of recidivism rates conducted by the state Juvenile Services Administration. For diversion clients tracked over a three-year period, the survey revealed a positive effect on recidivism. However, recidivism rate reductions were not to the extent anticipated, nor as substantial as for Maryland's youth services bureaus. In this study, recidivism was defined in terms of subsequent contacts with the

juvenile justice system. As described by officials of the Juvenile Services Administration, however, the study represents a rather cursory first attempt by the agency to formally ascertain the impact of diversion projects.

Reports submitted by the diversion projects to the Juvenile Services Administration contain data only on the number of youth who succeeded in the program and did not require further court action. There is no tracking on the extent of subsequent involvement by former diversion clients with the juvenile justice system, an information deficiency noted by more than one local project director. The reports indicate that, on an average, around 70 to 75 percent of participating youth successfully complete their programs without the need for further court processing.

MICHIGAN CHILD CARE FUND

The Michigan Child Care Fund was initiated in 1955 in an effort to reform the existing system of financing state and local services to children. Prior to the Child Care Fund's enactment, counties could avoid the cost of care for delinquent and dependent children by committing them to state institutions. Several advocacy groups and influential legislators became alarmed at the burgeoning population in state training schools as well as escalating costs to the state; hence, conditions were ripe for the enactment of Act 112 to provide state subsidies to local services for children.

The original legislation provided state funds to reimburse counties for a portion of costs for out-of-home care of dependent and neglected children. Counties were required to cover a base amount of services costs as determined by an equalized assessed valuation of property in each county. All costs in excess of the basic amount were to be shared equally by the state and county. Additionally, the legislation required counties to pay 50 percent of expenditures for youths committed to the legal custody of the state, a requirement which became known as the state "charge-back" provision.

By the early 1960s, it became apparent that despite the financial base provided by the Child Care Fund, institutional populations continued to increase. At least two conditions contributed to this situation. The first was steadily rising juvenile arrest rates, and the second was an inability on the part of small and rural counties to meet the local share of service costs. In an effort, once again, to reduce institutional populations, the legislature passed Act 229 in 1966 allowing the Department of Social Services to create a full range of community-based services to be used as alternatives to institutional placement for children committed state care.

At the same time, urban area probate courts were using Child Care Funds to develop a full range of residential and counseling services for their wards. Thus, by the late 1960s, a two-tiered system of services, one at the county level represented by the probate courts and one at the state level represented by the Department of Social Services, had evolved from the 1955 enactment of the

Child Care Fund and the 1966 passage of Act 229. The inevitable jurisdictional rivalries as well as philosophical and political differences fostered by the two-tier system led to fragmented and uncoordinated services in many parts of the state. In the early 1970s, an analysis of Michigan's child care services system revealed large disparities in state subsidy support across counties, a lack of state control over how funds were used, and funding requirements which created financial incentives for residential placements rather than nonresidential, home-based care.

With the release of that report, a legislative committee recommended several major changes to the child care subsidy. The first was that determination of the local matching share would no longer be based upon local property taxing potential, but rather the state and local governments would share equally (50 percent local match) all child care costs. The second recommendation was that 10 percent (later increased to 20 percent) of child care funds would underwrite juvenile justice services programs, particularly for in-home detention under probationary supervision as well as other forms of home-based and residential services. Third, a separate agency, the Office of Juvenile Justice Services, should be established at the state level to develop a plan for funding and coordinating a comprehensive and unified system of child care services. Finally, county social services offices and the juvenile courts should be required to jointly create and submit plans for use of child care funds to the Office of Juvenile Justice Services. With the exception of a proposal to give standard-setting power to the Office of Juvenile Justice Services, all of the recommendations were passed by the legislature in 1975. All of the provisions remain in effect with the exception that the Office of Juvenile Justice Services was replaced by the newly established Office of Children and Youth Services, when authorization for the former expired in 1978. One provision of the original legislation, that is, charging counties 50 percent of the cost of care for juveniles committed to the custody of the state, continued to be part of the amended enactment.

In 1980, \$23 million was appropriated for four types of local services eligible for reimbursment:

- Family foster care,
- Institutional care,
- Independent living, and
- In-home care.

Despite the availability of state child care funds in support of in-home care services, counties still primarily use the subsidy for operation of detention centers and other institutional facilities. It is estimated that 55 to 60 percent of subsidy funds are spent for these services.

Data presented in an independent evaluation of one Michigan in-home care program suggest that this approach can function successfully as an alternative to institutional or foster care. The subject of the evaluation was the Parents and Children Together (PACT) program, which has contracts with both the Wayne County (Detroit) Juvenile Court and the local Department of Social Services office.

Between June 15, 1977, and September 30, 1978, nearly 100 families and over 300 children received at least two months of services in the PACT program. Of this population, two-thirds of the children were at home, yet determined to be "at-risk," while one-third were in foster care. As of September 1978, over 90 percent of the children at home, but determined to be "at-risk" of removal from their families, were able to remain at home. Only eight percent of this group had to be placed in foster care. Among the children initially in foster care, 46 percent were returned to their natural parents, while 54 percent remained in foster care although return to their natural parents was thought imminent. Altogether, 77 percent of the children were either returned to or remained in their natural homes.

Despite the apparent effectiveness of in-home services, not only do counties continue to spend subsidy funds for local detention facilities, but commitments to state wardship also continue to increase. However, data collected by the Office of Children and Youth Services shows that counties with high levels of local services have low commitment rates; thus, it is felt that without the subsidy, commitments to the state, and accordingly to state institutions, would be much higher.

Even though cost containment problems continue to plague this reimbursement-formula approach and judges continue to clash with local social services administrators over the development of local services plans, both state and local officials are supportive of the Child Care Fund program. While aware of the subsidy's shortcomings, state and local officials are willing to continue making improvements rather than foregoing the effort altogether.

MICHIGAN WORK OPPORTUNITY RESOURCES CORPS PROGRAM

The Michigan Work Opportunity Resources Corps Program, although last funded in 1980, was included for case study for two reasons. It was one of only three state-subsidized youth employment programs discovered through the survey, and it offered the opportunity to explore reasons for terminating a state subsidy. With regard to the latter point, the explanation was very simple. While the Work Opportunity Resources Corps (WORC) was considered to be politically popular, it had to give way under a budget squeeze to state programs of higher priority.

Conceived by a state legislator, the Work Opportunity Resources Corps was designed (1) to provide summer employment opportunities for any Michigan youth from the ages of 15 through 21, and not just those determined to be economically disadvantaged as required for CETA eligibility, and (2) to accomplish needed conservation projects throughout the state. Accordingly, administration of the funds was assigned to the Department of Natural Resources over the protests of the state Department of Labor.

Enacted in 1977, the legislature appropriated \$5 million to the program, of which \$3.2 million was made available to local governments or public agencies, while the balance was intended for the Department of Natural Resources to cover administrative costs and to establish its own youth employment projects.

Requirements outlined by the legislature were that funds were to be used for conservation and recreation-related jobs, and that no criteria other than age would restrict a youth's eligibility for these state-subsidized jobs. Programs were permitted to operate up to three months each year, and local governments could use up to 15 percent of their grant to cover administrative costs.

The funds were awarded as project grants, meaning that the state Department of Natural Resources selected proposals to be supported based on such criteria as type of project, long-term effects, and anticipated performance. Any local intermediate school district, regional authority, public housing commission, city, village, township, or county could apply for a grant. Local matching funds were not required.

Fund disbursements were in three stages. Fifty percent of the approved budget was advanced upon request once the grant had been awarded. Then, all but ten percent of the balance of the total budget was paid at the completion of the project. The remaining ten percent was held by the state, pending completion of a fiscal audit as mandated by the legislation. Administrative guidelines stipulated supervisor/enrollee ratios, types of work allowed, wage and pay guidelines, duration of employment, safety standards, training procedures, as well as performance reporting and audit requirements. Monitoring for compliance with state guidelines was accomplished through annual fiscal audits by a private accounting firm, site visits by regional WORC coordinators, and administrative review of performance reports which highlighted a program's accomplishments.

The program caused little friction between state and local officials. Contributing to its acceptability was the absence of any matching fund requirements and greater administrative flexibility than was possible through the relatively rigid procedures of CETA's Neighborhood Youth Corps. Among the benefits cited were the opportunity for Michigan youth to find summer employment, the chance to gain useful job experience and form good work habits, and the accomplishment of needed conservation projects. Had Michigan not been faced with revenue shortfalls due to the declining auto industry, the Work Opportunity Resources Corps Program would probably still be in existence.

NEW YORK YOUTH DEVELOPMENT/DELINQUENCY PREVENTION SUBSIDY AND SPECIAL DELINQUENCY PREVENTION PROGRAM GRANTS

The New York Youth Development/Delinquency Prevention (YDDP) Subsidy has been in existence since 1946. Briefly, its primary objectives are (1) to stimulate the development and coordination of effective delinquency prevention and youth development programs at the local level by providing financial incentives and technical assistance, and (2) to assist local governments in developing effective youth service systems that address the needs of juveniles prior to and as an alternative to involvement in the juvenile justice, social welfare, and mental health systems.

Interviews with state administrators revealed that the state subsidy to local youth development and delinquency prevention programs is actually comprised

of eight grants-in-aid, including what is known as the traditional YDDP and the Special Delinquency Prevention Program Grants. A table in the New York case study in Appendix D. delineates all eight grant mechanisms. This plethora of programs is partially explained by their time of initiation-1978, a gubernatorial election year. Since that time, at least two of them have been terminated. The remaining allocation mechanisms are gradually being merged into a four-tier funding system.

Local youth bureaus, as provided under the first tier, would be eligible to receive 50 percent state aid reimbursement as before, but this aid would be increased. Counties with populations under 200,000 would be eligible to receive \$75,000 in support of a youth bureau, while cities, villages, and towns would be in line for \$50,000. Counties with populations from 200,000 to 400,000 would be eligible to receive \$100,000, and counties with populations over 400,000 would have available \$150,000. New York City, which encompasses five counties, is eligible to receive \$500,000. Current proposals would increase funding to New York City to \$750,000.

The second tier incorporates the current Youth Development/Delinquency Prevention program (YDDP). Through this subsidy, municipalities receive 50 percent state matching funds to establish and operate recreation and youth service projects. Allocations are based on per capita formulas to encourage comprehensive planning and to support a range of coordinated youth programming. Counties which develop comprehensive plans are eligible to receive funds up to \$4.50 for each youth residing in county under the age of 21 of which no more than \$2.40 can be used for recreation programming. Current proposals would increase these amounts to \$5.50 and \$2.50, respectively.

The third tier provides funding for communities in counties which do not participate in comprehensive planning. These communities are eligible to receive a maximum allocation of \$2.25 per youth under age 21 of which no more than \$1.20 per youth can be used annually for recreation programs. Fifty percent local matching funds are also required of communities participating under these provisions.

The fourth tier of funding is directed toward the prevention of delinquency among troubled youth in high-risk communities. Under this provision, public and private agencies, selected through a proposal process, could receive 100 percent state aid to establish and operate specific projects targeted toward youth at risk of involvement with the juvenile or criminal justice systems. Projects are to be directed toward priority programs, such as (1) work experience and training programs, (2) alternatives to institutional care, (3) institutional aftercare program, and (4) family support programs. This fourth tier of funding, which embodies the special delinquency prevention program, offers state aid to address the critical needs of urban communities which have high delinquency rates, such as Buffalo and New York City, particularly the latter. Community-based organizations in New York City may submit proposals for 100 percent state aid directly to the state Division for Youth. These New York programs represent the only exception to having local youth bureau approval prior to funding.

In its 35-year existence, the Youth Development/Delinquency Prevention Subsidy has been subject to a variety of political pressures and has undergone

some dramatic changes which have undoubtedly contributed to its fragmented funding mechanisms. Begun originally as a program to "keep kids off the streets," the state aid was directed toward local recreational programming offered through city departments of parks and recreation. Attempts to redirect the funding toward programs with more apparent validity in preventing delinquency were always met with opposition from the grants' original recipients, local parks and recreation directors. Thus, in an effort to control local spending for recreational programming while not abolishing it, the legislature set an expenditure ceiling of \$2.40 per youth for recreational programs in counties participating in comprehensive planning, and \$1.20 per youth in those areas without comprehensive plans.

The second dramatic change occurred in 1974, when the differential formula was established. As indicated earlier, counties submitting comprehensive plans, consisting largely of needs assessments and services inventories, would qualify for 50 percent reimbursements up to \$4.50 per youth under 21. Without a comprehensive plan, the reimbursement for municipalities within those counties was set to \$2.25 per youth. Counties wishing to participate in comprehensive planning must have a local youth bureau and be certified by the state Division for Youth. The funding differential was to serve as an incentive for comprehensive planning. Currently, 53 of New York's 57 counties and New York City have sought and received qualification for the higher allocation rate.

A third major event established the Special Delinquency Prevention Program in 1978. Because this incident has already been cited in this report, little will be said here. The thrust, once again, was to redirect more funds toward areas with high delinquency rates, particularly Buffalo and New York. Legislators, in an attempt to ensure that juveniles highly prone to delinquency would benefit from state aid to delinquency prevention, proposed to give the state administering agency (the Division for Youth) full discretion over at least some of the funding.

Services supported by the Youth Development/Delinquency Prevention subsidy fall into three major categories: (1) youth recreation, (2) youth services, and (3) youth bureaus. A youth recreation project is defined as an activity, maintained under the direction of a municipality, devoted to the provision of leisure time services for youth. A youth service project, on the other hand, is defined as an organized activity other than a youth bureau or recreation project, whose purpose is the detection, prevention, or treatment of the delinquency of youth, or any other services directed to youth development. Youth services are generally divided into eight areas: (1) information/referral, (2) education, (3) employment, (4) counseling, (5) health, (6) youth advocacy, (7) special prevention services, and (8) miscellaneous services.

The youth bureau consists of a part-time or full-time professional staff to engage in planning, coordination, supervision, evaluation, and research. While youth bureaus may provide their own services, which most frequently tend to be demonstration projects or information and referral, for the most part they contract for services from local public and private agencies.

The Division for Youth, like most administrative agencies for subsidies, requires the submission of an annual report on the use of funds by local

recipients. Field representatives and regional coordinators from the division share program monitoring responsibilities with local youth bureaus.

The Division for Youth's administration of state aid to delinquency prevention programs has been the subject of two audits conducted by the New York Legislative Expenditure Review Commission in 1972 and in 1980. In its latest report, the legislative commission recognized the problem of evaluating effective delinquency prevention efforts. The report states that:

Neither the Division for Youth's administration of delinquency prevention programs nor the field of delinquency prevention, itself has successfully identified or applied usually accepted effective program models to prevent delinquency. In light of the use of State aid for diverse program concepts, it is important to note that lack of commitment to experimentation means that State aid has been used to provide financial assistance for programs with an unknown delinquency prevention impact, no matter how worthwhile program sponsors believe these programs have been.

Programs operating with State aid at the time of the audit presented a vast array of program concepts and intervention techniques.... Almost any activity sponsored by a locality can be considered for such aid if it serves youths.... The diversity of programs also reflects lack of consensus on the causes and cares of delinquency. This is characteristic of the field of delinquency prevention in general. In an April, 1979 report, The National Evaluation of Prevention, the National Council on Crime and Delinquency notes that problems with these programs begin with the basics: "Unfortunately, the field of delinquency prevention exhibits a paucity of theory. There exist few fully elaborated discussions of how preventive services lead to delinquency reduction."¹

Despite recognition of the problems in assessing the effective uses of delinquency prevention programs, the Legislative Expenditure Review Commission was, nevertheless, critical of the state administrative agency. The report concluded that,

The Division for Youth has not taken a leadership role in insuring that State aid for delinquency prevention had been used for effective program models. Evaluation is the exception, not the rule and information required by the Division for Youth on State aided programs was often inadequate for assessment of program results. It was also sometimes deficient for monitoring purposes because of lack of information on the number to be served and the services to be offered with State aid. Not only did the Division for Youth lack information on whether delinquency was being prevented through financially assisted programs, but at the time of this audit, it also could not even specify in common format how many youths had been served, what types of youths had been served and how youths had been served.²

NORTH CAROLINA COMMUNITY-BASED ALTERNATIVES PROGRAM

As of 1972, North Carolina had the dubious distinction of committing more children per capita than any other state. A report released that year by the North Carolina Bar Association captured the attention of legislators, and a commission was appointed to conduct further study and to make recommendations concerning better approaches for treating and rehabilitating juvenile offenders. As a consequence, the commission drafted legislation establishing the Community-Based Alternatives Program and requested that it be introduced in the 1975 session of the North Carolina General Assembly.

Testifying in favor of the legislation was the Governor's Advocacy Council for Children and Youth, some juvenile court judges, private youth advocacy groups, and the League of Women Voters. The only opposition of any significance came from legislators of the poorer eastern counties, whose objections were based upon the perceived inabilities of their districts to raise the proposed matching funds.

Although the law's effective date was set for July 1, 1975, tight state budgeting conditions required that an appropriation for the bill be deferred. Start-up funds in 1976 amounting to \$250,000 were actually dollars reallocated within the Division of Youth Services, the program's administrative agency. This initial funding supported 33 community-based alternatives across the state.

Since 1976, the Community-Based Alternatives subsidy has gained strong political support. From its original \$250,000 funding, appropriations increased from \$1 million in 1977, to \$4 million in 1980. Currently, all except one of North Carolina's 100 counties participate in the program. In 1978, the program served nearly 6,000 youth. In 1979, the funding expanded to support services to nearly 18,000 juveniles, and it was estimated that 25,000 youngsters would receive services in 1980.

Two primary and complementary objectives of the subsidy are to encourage the development of community-based alternatives and to reduce state institutional populations. Minimizing youth involvement with the juvenile justice system is also considered to be an important objective.

County task forces are given the discretion to determine, within broad categories, the types of programs to be created locally with subsidy funds. Task force members are appointed by county commissioners and represent public schools, juvenile courts, youth advocates, public and private providers, as well as youth and minority constituencies. The establishment of task forces is not mandated but strongly urged by state officials. Programs which have tended to be supported encompass a spectrum of nonresidential and residential options, including alternative schools, counseling, recreational activities, parent effectiveness training, law education programs, runaway shelters, specialized foster care, and group homes.

Funds for the program are administered by the Division of Youth Services, under the Department of Human Resources. Each county is awarded a base grant of \$2,500 with the balance of the appropriation distributed according to a county's

population between the ages of ten and 17. Participation by counties is voluntary, but those counties choosing to participate must provide matching funds varying from ten to 30 percent based upon a county's ability to pay. This last consideration is determined through a social services equalization formula which factors, on a per capita basis, sales tax and property tax collections, average monthly ADC recipients, and a county's share of ADC support. Counties with the highest ability to pay must provide 30 percent in matching funds, while those with the lowest are only required to contribute ten percent. Counties falling in the middle are held to a 20 percent matching proportion.

In 1979, the state unit administering the subsidy initiated six task forces, comprised of state administrative personnel, county officials, and private service providers, to draft performance standards. Until these standards are ready for implementation, monitoring is limited to annual fiscal audits and only generalized program reviews. However, fiscal reporting requirements have become stricter over the years, and audits occur more frequently than initially. When performance requirements go into effect, it is the intention of the state agency to use a peer review process and to assist nonconforming agencies in reaching compliance.

Currently, rudimentary needs assessments serve as local plans. Client-tracking forms collected by state agency field representatives are providing a data base to a management information system which, it is hoped, will assist state and local decisionmakers.

In recent years, training school populations in North Carolina have declined. A state statute forbidding the placement of status offenders in training schools, as well as the Community-Based Alternatives Program, are credited as the main reasons for reduced populations.

Whatever the relationship between these factors, the overall thrust of the community-based program effort does seem to have accelerated the process of reducing training school populations begun in the mid-1970s. As of fiscal 1978, average daily populations in training schools were down by over 200 youth from levels prior to initiation of the Community-Based Alternatives Program. Commitments during this period had been reduced by 24 percent. The decrease to the current population of 712 juveniles is even more impressive when compared to the 1972 average daily population of 2,000 youth institutionalized in eight training schools. Since then, three institutions have been closed, an impressive accomplishment for a state previously committing more children per capita to training schools than any other state.

In at least one large local jurisdiction, the availability of community-based programs has also significantly reduced placements in detention facilities. The annual report of the Mecklenburg Youth Services Action Board revealed that between 1974 and 1979, the number of children detained fell from 686 to 305. While all of the reduction cannot be attributed to an increase in community programs, the community-based subsidy was identified as a major factor.

Other indicators of success can be noted. Across the 42 alternative education programs funded in 1979, a 54 percent decrease in out-of-school suspensions was reported, and juveniles placed in group homes had 40 percent less frequent contacts with the court. A third indicator of reduced court interaction

was found in a report by the Administrative Office of the Courts, which showed that for 1978 and 1979, respectively, there has been a 28 percent and 29 percent decline in delinquency and status offense hearings in juvenile court.

The key to the subsidy's political success has been the conscious effort on the part of state officials to include county commissioners in determining major policy and program directions. An ad hoc committee of the County Commissioners Association had been heavily involved during legislative drafting and testimony. It was obvious that the viewpoints of the county commissioners could not be neglected, and solicitation of their perspectives has paid dividends in local support of the programs.

NORTH CAROLINA PREVOCATIONAL EDUCATION AND EXTENDED SCHOOL DAY PROGRAMS SUBSIDIES

The Prevocational Education and Extended School Day Programs Subsidies were developed in North Carolina to reduce the number of students leaving high school prior to graduation.

Enacted in 1969, the Prevocational Education Programs Subsidy was designed to introduce students in the middle grades to a variety of career opportunities and occupational skills. Given this instruction, it was reasoned, students would better perceive the relevance of their secondary education to success in the job market and, accordingly, motivation to remain in high school until graduation would be increased.

Legislation for the Extended School Day Programs Subsidy, was enacted in 1975. Its primary feature is to offer classes later in the day and into the evening in order to accommodate students who, for a variety of reasons cannot attend school during conventional hours. As a first step, the program strives to eliminate the barrier of conflicting work or household, and school schedules. Local schools may decide when to begin classes, with some starting as early as 1:00 p.m. and extending until 8:00 p.m. Classes may be offered daily or every two to three days a week, as long as minimum requirements are met.

Realizing that these students frequently have learning problems, teachers are trained to give individualized attention to students. While the progression of material is adapted to varying rates of comprehension, students are expected to reach minimum levels of competency in basic academic skills. A great deal of emphasis is placed on providing opportunities for students to achieve some degree of success. Difficulties experienced with academic skills may be balanced by chances to demonstrate proficiencies in vocational skills.

A third accommodation entails efforts directed toward finding work for unemployed students. The vocational elements of the program play an important part in meeting this objective, as do cooperative activities with state and local manpower agencies.

Counseling of all types is also a major part of the program. Frustrations with family, peers, and traditional approaches to education are often factors

which compel students to abandon school. More ambitious programs may hire special counselors and develop linkages with community agencies which normally deal with problems typical to these students. One program held weekly sessions in various agencies to acquaint staff and students with one another.

Both the Prevocational Education and Extended School Day Programs Subsidies began on an experimental basis, with limited funds to support a few projects across the state. Selection for the original sites was based upon the quality of proposals submitted to the North Carolina Division of Vocational Education by local education agencies. Both programs have been well received and, over the years, their funding has been increased to allow more school districts to participate.

In 1970, the legislature appropriated \$3 million to introduce a comprehensive and diversified program of prevocational instruction. Nearly 25,000 students participated in 264 schools. During the 1978-79 school year, over 100,000 students were enrolled in prevocational education courses.

In the ten years of its existence, North Carolina's Extended School Day Programs Subsidy has also grown enormously. The first site, in Wilmington, was founded in 1970. In 1973, state project funds supported 23 programs. When the funding was changed from project grants to formula allocations in 1975, a total of 54 programs were in existence. Two years later, the number had increased to 63 and, as of the latest count in 1979, 91 projects were in operation in 74 local education agencies.

The enrollment in extended school day programs totals over 10,000 students statewide. Since its inception, it is estimated that between 8,000 and 10,000 students have graduated. While it is not known what proportion of those students who withdraw can be coaxed into returning, of those who do return, it remains a struggle to maintain the interest of individuals who have already left school at least once. The dropout rate among extended school day students averages about 40 percent. When measuring the program in terms of those who stay, however, the 60 percent retention rate stands out as being significantly higher than similar programs across the nation, with average success rates of 35 percent.

Funds for the prevocational education program have always come from state revenues, but support for the extended school day program has been amassed from a variety of intergovernmental sources. In 1979, the largest share of the money came from state revenues: the public school fund formula (\$2.4 million), the occupational education fund (\$2.2 million), and a special Extended School Day fund (\$500,000). Added to these monies, however, is \$2 million in CETA funds. Local education agencies are also encouraged to seek their own federal support. Their efforts have added \$80,000 from LEAA, \$300,000 from CETA prime sponsor funds, and \$400,000 in CETA regional balance of state grants. Another \$100,000 comes from miscellaneous federal sources.

Until recently, funds for both programs were given special line-item appropriations by the legislature. However, early in 1980, a State Board of Education policy ended the earmarking of funds for the extended school day program. A similar policy for prevocational education programs had been established earlier. Instead, monies formerly designated for these efforts are to be

used to increase the general level of support to public schools, and local education agencies will be able to employ the funds in ways that best meet the priorities of the community. The State Board of Education's decision has engendered some controversy. Members of the North Carolina Extended School Day Association express concern that, in the absence of specially designated funding, these programs will be eliminated. Others, however, think that the dropout problem is of sufficiently high concern among local education agencies across the state to expect the effort to be expanded rather than curtailed.

It is difficult to determine whether the availability of the Prevocational Education and Extended School Day Programs Subsidies has decreased the number of students who eventually drop out from high school, for only recently have statistics been consciously refined and systematically recorded. In the absence of formal evaluation findings, responses from participants give some indication of the program's success. State legislators and administrators point to the enthusiastic reception of both programs by local school systems. Local administrators comment that discipline problems have decreased and, intuitively, principals and teachers acknowledge that there are now students graduating who prior to the availability of these programs would not have received high school diplomas.

PENNSYLVANIA REIMBURSEMENT TO COUNTIES FOR
CHILD WELFARE SERVICES, ACT 148

Prior to the passage of Act 148, delinquency rates and commitments to state juvenile correctional institutions in Pennsylvania had steadily risen. Juvenile corrections facilities were crowded, and the costs associated with them had been escalating. Because the practice at that time was for the state to reimburse counties for 50 percent of costs for services to children but to absorb full costs for state commitments, a financial incentive had been unconsciously created for counties to transfer custody of juveniles to the state Department of Public Welfare. Many individuals, including judges, institutional personnel, and county commissioners, expressed their disapproval of the system.

The Juvenile Justice Center of Pennsylvania sought and received a grant from the Law Enforcement Assistance Administration to find ways to reform services delivery to children. The center's efforts resulted in the drafting of legislation which called for charging counties 50 percent of the costs for institutional placements and reimbursing counties from 50 to 90 percent of costs for services delivered locally. The reimbursement rate was linked to the types of services provided in the interest of creating a financial incentive for counties to offer less restrictive services, for which 75 to 90 percent of costs would be absorbed by the state. Detention centers and other forms of residential services would only qualify for a 50 percent reimbursement. In this manner, it was hoped that both state and local institutional placements would be reduced.

Three other provisions of this legislation are worth noting. First, services to all children, whether dependent or delinquent, would qualify for reimbursement. Second, an independent children and youth service agency for

each county would be established to receive and administer state subsidy funds, removing the administration of children's services from juvenile court jurisdiction. Third, expenditures were to be open-ended; that is, counties could offer whatever services were needed to refrain from making institutional placements and the state would reimburse its proportion, regardless of how high the costs. In 1978, over \$62 million in state funds were spent, the highest amount of any subsidy included in this survey.

The bill passed in 1976, but its implementation was delayed until 1978 so that regulations could be developed by enlisting the participation of several professional, advocacy, and provider groups from across the state.

Briefly, the allocation and administrative features are as follows. Counties may receive both project grants and reimbursement. Project grants are available for developing new services and are awarded to counties that indicate a need for new services in their county plans.

As previously noted, reimbursements vary according to service type. Residential services, such as detention and shelter care facilities, as well as costs associated with the adjudication process, receive 50 percent reimbursements. Administrative activities, such as planning, research, monitoring, and evaluation are reimbursed at a 60 percent rate, while most direct services, such as counseling, day treatment, protective services, and foster care receive 75 percent state support. The highest reimbursement rates, 80 and 90 percent, underwrite, respectively, adoption services for "hard to place children" and services to status offenders. The objectives are to give the greatest encouragement to permanent placements for foster care children and to provide nonsecure options to implement the deinstitutionalization of status offenders.

Each county children and youth social services agency, the local organization responsible for administering Act 148 funds, is required to submit an annual plan to the Department of Public Welfare, the state agency charged with the subsidy's administration. These plans, according to state guidelines, are to contain needs assessments, services inventories, lists of services to be provided, and documentation of public participation, review, and comment.

A great deal of emphasis is placed on public participation. Each county must appoint a local advisory committee, consisting of 11 to 25 members appointed by the county commissioners. Generally, these advisory committees assist in developing the annual county services plan, estimating the budget, and recommending policies and practices for county youth agencies.

In general, juvenile institutional populations have been reduced. The reason is clearly due to financial incentives to local placements, coupled with financial penalties for commitments to state wardship. Additionally, the redesignation of status offenders through Act 41 has removed a large number of children and adolescents from the juvenile justice system.

The subsidy, however, has not been without its difficulties. Each year since its implementation, expenditures have exceeded appropriations. In 1979, the legislature had appropriated \$75 million. By midyear it became apparent that the Department of Public Welfare would have to seek a supplemental

appropriation of \$26 million to cover costs for the remainder of the year. To prevent an annual recurrence of supplemental budget requests to cover expenditure levels which exceeded appropriations, the legislature, in 1980, stipulated that expenditure levels had to conform with the original appropriation. For fiscal 1981, this level was \$88.2 million, even though they had reached \$101 million the year before and the budget request had been set at \$114 million. The Pennsylvania Association of County Commissioners has even filed suit to force restoration of the open-ended funding.

A second controversy centers around juvenile courts not being eligible for any reimbursement of personnel salaries under Act 148. Rather, courts receive a 12 percent salary reimbursement through the state probation development subsidy, but this amount does not approach the amount of reimbursement received for child welfare personnel. To create a similar reimbursement provision for juvenile court personnel, H.B. 2080 was introduced in 1979 calling for \$5 million from Act 148 to be allocated to the Juvenile Court Judges' Commission for probation development. Although supported by associations for juvenile court judges and staff, it faced formidable opposition from the Department of Public Welfare, the Governor's Juvenile Justice Center, and the Pennsylvania Council of Voluntary Child Care Agencies. The fear is that a second set of services administered by the court will develop. The bill failed in 1979 and was reintroduced in 1980.

While Act 148 has not solved all the problems of the state, it has gone a long way in redirecting the pattern of service delivery. Participants feel that more systematic planning for financial and administrative management of services for children has developed. Quarterly financing reporting and invoicing current expenses provide periodic controls over expenditures, and having a single local administrative agency has resulted in better countywide coordination of services.

SOUTH CAROLINA STATE AID TO COMMUNITY MENTAL HEALTH CENTERS

In many areas, community mental health centers are the core of local service delivery to individuals and families with emotional and behavioral problems. Because dealing with these problems is believed, by many, to be fundamental to preventing delinquency, the state subsidies which support community mental programs are integral to a study of this nature.

South Carolina is one of many states which subsidizes community mental health programs. Most states came to support local mental health programs as federal aid to community mental health centers was purposely diminished to fulfill intentions of having state and local governments assume control. However, South Carolina's State Aid to Community Mental Health Centers, initiated in 1961, predates the enactment of the federal legislation in this area.

South Carolina's subsidy legislation called for a 50 percent state match of local contributions to establish community mental health services. In 1975, however, this provision was removed stipulating instead that the state's share of expenses would be based upon what the legislature was willing to appropriate.

Declining federal seed grants had created uncertainty as to what portion of the costs the state government would have to assume. The state, however, has attempted to match local funds on a 50-50 basis. Local funds typically come from local public funds, client fees, and/or private contributions.

Twelve to 18 months preceding the beginning of a fiscal year, each of South Carolina's 16 community mental health centers submits a needs assessment, work plan, and budget estimate to the Department of Health, the state agency which administers subsidies to local mental health centers. The Department of Mental Health then develops an appropriation request based upon reviews of these plans and estimates of state funds needed to match local contributions. The appropriation granted to the Department of Mental Health is then divided into accounts for each mental health center according to their respective budget requests. State funds are distributed from these accounts as reimbursements for center expenditures. As such, there is no formula for distribution of state mental health funds. While the Department of Mental Health also provides the accounting for federal and local as well as state funds to the community mental health centers, most centers also keep their own set of books.

Needs assessments submitted as a part of the budget request satisfy state planning requirements. Although community mental health centers are not licensed, they must meet minimum state program standards to continue receiving state subsidies. While the centers are not mandated to be accredited by the Joint Commission on the Accreditation of Hospitals (JCAH), the state Department of Mental Health had borrowed heavily from JCAH guidelines in its formulation of standards five years ago. Compliance is monitored through an annual on-site program review conducted by a regional coordinator from the Department of Mental Health, local mental health association members, other mental health professionals in a peer review capacity, and occasionally federal regional mental health staff.

Comprehensive community mental health centers, as defined by federal statutes, are required to offer 12 types of services: (1) inpatient services, (2) outpatient services, (3) day treatment, (4) emergency services, (5) specialized services for children, (6) consultation and education services, (7) specialized services for the elderly, (8) assistance to courts and other public agencies in screening commitments to state institutions, (9) follow-up services, (10) transitional services, (11) alcoholism and alcohol abuse services, and (12) drug abuse services. Even though some of South Carolina's centers no longer receive federal funding, having reached the end of their grant agreements, 15 of the centers continue to deliver comprehensive services. While state subsidization is not contingent upon a center's ability to provide comprehensive services, the Department of Mental Health urges centers to maintain the full set of services.

Some services developed by South Carolina mental health centers are worth noting, particularly in the context of local delinquency prevention and control efforts. An innovative program developed by the Child and Adolescent Unit in one center trains parents to cope with hyperactive children from the ages of two to seven. This program has gained national recognition, and so the center has developed a videotape presentation to share the approach with others. Another center trains youth service bureau personnel regarding approaches for dealing

with aggressive children. Several centers are also engaged in training teachers and guidance counselors to deal with student behavioral problems.

The Division of Community Mental Health Services of the Department of Mental Health reported the 1979-1980 total state appropriation for 16 centers and clinics to be almost \$18 million. The proportion of the budget contributing to services for children and adolescents is very difficult to determine, but state administrators estimated that it was at least 15 percent. These figures do not account for local contributions, federal grants to establish and staff children's units, and funds acquired from various other sources.

For the most part intergovernmental relations regarding state aid to local mental health programs have remained sound over the years. One continuing controversy, however, exists as a vestige from a previous form of governance, whereby an area's legislative delegation would also serve as local executors. When state legislation in the early 1970s began the transition to county home rule, completed in 1980, the legislators did not wish to relinquish their authority to appoint members of local mental health boards in their respective counties. It has been said that county councils in some jurisdictions had resisted increasing financial support to community mental health centers because they lack power to appoint mental health board members. Other reasons, however, provide more likely explanations, such as problems with generating local revenues and a desire to shift the financial burden entirely to the state. The result at any rate, was passage of an amendment which gave to county councils the power to appoint local mental health board members.

For the most part, though, state and local officials viewed the state aid program favorably and seemed to feel that the rather informal method of allocating state funds suited all participants. The subsidy has been credited as a major impetus to the development of community-based treatment alternatives resulting in a reversal in increasing state hospital populations and admissions.

UTAH JUVENILE COURT TEEN ALCOHOL/DRUG SCHOOL
AND THE K-12 ALCOHOL EDUCATION PROJECT

Two substance abuse prevention programs in Utah, the Juvenile Court Teen Alcohol/Drug School and the K-12 Alcohol Education Project, are supported through state grants to local agencies. Both programs take neither a moralistic nor religious posture against drinking. This finding is somewhat surprising in light of the fact that 85 percent of Utah's population are members of the Church of Jesus Christ of Latter Day Saints, a religious denomination which adheres to total abstinence from consumption of alcoholic beverages. Rather, the programs strive to encourage youth to make responsible decisions about drinking.

Administration of the Juvenile Court Teen Alcohol/Drug School and the K-12 Alcohol Education Project is the responsibility of the Division of Alcoholism and Drugs, one of seven divisions of the state Department of Social Services. While support of these programs is taken from the division's budget rather than from legislative appropriations, the programs were originally established by two

federal grants. In 1974, the Highway Safety Program Office, Highway Safety Division, Department of Public Safety, used funds remaining from a National Highway Traffic Safety Administration grant to establish a juvenile court teen alcohol school in Utah's Second Juvenile Court District in Salt Lake City. During the next five years, the program was expanded to all five juvenile court districts with funds which continued from the Highway Safety Program Office, as well as from the state's Division of Alcoholism and Drugs. In 1979, the Utah legislature established the concept in legislation and expanded it to include drug offenses.

The Juvenile Court Teen Alcohol/Drug School is designed to promote more responsible behavior by teenagers by increasing their (1) understanding of the effects of alcohol, (2) awareness of state alcohol laws, (3) appreciation of value differences within families and among cultures, (4) ability to communicate with family members, and (5) incentive to seek professional counseling. Both parents and juveniles attend two-hour evening sessions twice weekly for five weeks. The first hour is devoted to information on the physical and social effects of alcohol use. The second hour involves small group discussions where parents talk with teenagers other than their own. This approach, it is felt, allows both groups to gain a better appreciation of each other's perspectives.

In five years, state funds have established eight juvenile court teen alcohol/drug schools in all five juvenile court districts. The 1,052 juveniles involved in 1979 represented one-third of all juvenile alcohol-related arrests in Utah. Budget estimates for 1980 indicated that \$54,000 in state funds will be available, representing 65 percent of total projected expenditures. The balance is supplied by local sources, about one-half coming from client fees and the other one-half from in-kind agency contributions.

While the National Highway Traffic Safety Administration served as the impetus to the establishment of the Juvenile Court Teen Alcohol/Drug School Project, the National Institute on Alcohol Abuse and Alcoholism (NIAAA) was the catalyst for the K-12 Alcohol Education Project. In 1978, the Timpanogos Community Mental Health Center and the Salt Lake City School District submitted proposals to NIAAA for funds to replicate the K-12 Alcohol Education Project which originated in Seattle. NIAAA made two awards that year, one of which went to the Timpanogos Community Mental Health Center in Provo, Utah. Due to its unsuccessful bid for federal funds, the Salt Lake City school district sought support for its K-12 project from the Division of Alcoholism and Drugs which established a line item in its budget for the program.

The objectives of the K-12 Alcohol Education Project are much the same as the Juvenile Court Teen Alcohol/Drug School, except that this effort is designed to prevent alcohol abuse among all youth, not just those who have committed a drinking offense. The basic philosophy of the K-12 Alcohol Education Project is that the incidence of alcohol abuse will decline among youth if they have greater self-esteem, are able to cope more effectively with life's problems, have current facts about alcohol and alcoholism, are more skilled in handling interpersonal relationships, and have practice in making reasoned decisions.

The K-12 Alcohol Education Project is incorporated into the curriculum of the public schools. Classroom teachers are trained by facilitators or

coordinators to use the materials and audiovisual aids graded to the appreciation and conceptual levels of youngsters from kindergarten through the 12th grade.

Currently the K-12 Alcohol Education Project is available in only two areas, the Salt Lake City school district and the Timpanogos Community Mental Health Center. The project sponsored by the Timpanogos Community Mental Health Center is supported by the \$50,000 replication grant from NIAAA and supplemented by \$31,000 in resources from the mental health center. The Salt Lake City school district has received funds for two years through a line item in the budget for the state Division of Alcoholism and Drugs. The Salt Lake City proposed program budget for fiscal 1981 is \$40,000, of which \$22,000 is requested from the Division of Alcoholism and Drugs, \$10,000 from the school district, \$4,000 from the Utah Department of Public Safety, and \$4,000 from CETA.

UTAH JUVENILE DETENTION SERVICES SUBSIDY

The Utah Juvenile Detention Services Subsidy was initiated in 1961 to assist counties with the construction, operation, and maintenance of local secure detention facilities for juveniles. In Utah, primary responsibility to provide detention resides with county governments.

A provision in the 1961 law stipulated that the state would reimburse "up to 50 percent"; however, state revenues for the subsidy beginning in 1976 had fallen below 50 percent and nearly dipped below 30 percent by 1980. In 1980, as a result of diminishing state subsidies falling below the 50 percent level of reimbursement to counties, a successful effort was undertaken to amend the state's formula to mandate "at least 50 percent" reimbursement of costs. The strong support for the amendment came from detention superintendents and county government interests in the state.

Three major detention centers and four holdover facilities are supported by this subsidy. Services offered in secure detention facilities include school programs (comparable to similar programs in public schools), recreation programs, and clinical and social work services. Each center also provides limited general and emergency medical and dental care.

With the 1980 amendment, the state and counties share equally in the costs of maintaining detention centers. Counties, however, must submit a proposed budget at least 12 months prior to the beginning of the state fiscal year for which state assistance is sought. These budgets are subject to the approval of the legislature as well as of the Department of Social Services. To meet anticipated expenditures for fiscal 1981, the state is expected to appropriate \$633,000. This appropriation reflects a substantial increase over the previous year's appropriation of \$556,000 in anticipation of meeting the 50 percent matching requirement.

The only significant controversy associated with this subsidy is over appropriate use of secure detention. Some proponents of community-based

programs argue that secure detention is used too frequently for youth who commit offenses which offer no serious threat to public safety. Supporters of detention indicate that it is seldom used for first-time offenders and that the total set of circumstances are considered in deciding on secure detention, not just the offense committed.

Because distances between rural areas in Utah require long trips to existing facilities or the use of jails, the construction of two additional holdover facilities are contemplated. Current facilities serve the needs of over 80 percent of the state's population concentrated in some of the more urban areas.

FOOTNOTES

1. Legislative Commission on Expenditure Review, Delinquency Prevention and Youth Development Programs, Program Audit (Albany, N.Y.: 1980), p. 7.
2. Ibid., p. S-2.

CONTINUED

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TABLE C. (Continued)

Service Type (as defined by state agencies)	State
Psycho-Educational Day Treatment	Florida
Recreation	Alaska, Minnesota, Tennessee
Rehabilitation	Utah
Residential Services	Florida, Michigan, Utah
Short-Term Therapy	New York
Speech and Language	Oklahoma
Substance Abuse Prevention	Alabama, Indiana, Maine, Maryland, Michigan, Minnesota, Nebraska, Nevada, New York, South Carolina
Therapy	Oklahoma
Training	Michigan
Tutoring	Tennessee
Vocational Rehabilitation	Maryland

Local Recipients of State Mental Health Subsidies

Recipients of state mental health subsidies are primarily community mental health boards which subcontract to local public and private nonprofit agencies for services. In Utah, local units of general government, public agencies, and private nonprofit agencies are all eligible for subsidies directly from the state. The greatest change in the types of recipients eligible for state subsidies since 1970 has been the increased number of subsidies designating private agencies as eligible recipients.

Level of Financial Support for State Mental Health Subsidies

Many of the mental health subsidies augment state support with federal dollars, largely from CAAAPTRA, DAOTA, JJDPFA and the Public Health Services Act. Total funding for these mental health programs targeted specifically toward youth amounted to nearly \$11.6 million.

Requirements to Receive Funds from State Mental Health Subsidies

State mental health subsidies are usually distributed on a formula basis or as program grants. Most states require that applications, proposals, or comprehensive service plans be submitted. The provision of such information as needs assessments, demographic or geographic data, verification of service gaps, detailed work plans, and line-item budgets are often necessary as well. Some states have reporting, licensing, or certification regulations as conditions for participation. Evidence of local funding, support of other local agencies, or an intent to subcontract also may be requested.

ALABAMA ALCOHOLISM PREVENTION AND EDUCATION PROGRAM

Citation: Code of Alabama, Title 22-20-16
Program Initiation: 1965

Program Objectives

To establish guidelines for integrating alcohol and drug abuse information into the school curricula, to provide training to teachers to enable them to integrate this information into classroom subjects, to prevent alcohol and drug abuse by presenting information to students and the general public, and to examine the extent of alcohol and drug abuse in school-age children.

Factors Applied in Determining Allocation of Subsidy

Program grants are awarded to agencies by discretion of the Department of Education.

Administrative Requirements for Funding Eligibility

Eligibility requires that the local entity be certified by the state as an alcoholism program. Certification requires (1) meeting all requirements for residential facilities, if appropriate; (2) being a legally constituted public agency, or public or private corporation, operating an identifiable alcoholism program under present authority for at least three months prior to the initial certification site visit; (3) meeting any applicable state, local, or federal laws; (4) having a specific service function; (5) complying with Civil Rights Act of 1964; and (6) completing and returning an application form.

Local Agencies Eligible to Apply for Funds

Local public and private agencies.

Number of Participating Agencies

Public agencies in 11 out of 21 mental health catchment areas.

Types of Services Provided

Education services, specific delinquency prevention programs, and substance abuse treatment and prevention.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

October 1, 1977-September 30, 1978.

Source of Funds

State general fund.
Federal Comprehensive Alcohol Abuse and Alcohol Prevention, Treatment and Rehabilitation Act.

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State	Federal	State	Federal
1970	\$160,000	\$ 0	Not available by separate	
1971	175,000	0	year, but total for	
1972	175,000	125,000	1970-78 was \$2,436,000.	
1973	175,000	130,000		
1974	175,000	145,000		
1975	175,000	145,000		
1976	186,000 ^a	186,000		
1977	186,000	119,000		
1978	186,000	119,000		

^aFunds remained constant from 1976-78 due to the lack of federal and state funds to expand the program.

Probable Continuation

Will be continued.

Administrating Agency

Department of Mental Health
502 Washington Avenue
Montgomery, Alabama 36130
Telephone: (205) 834-4350

ALASKA DRUG ABUSE GRANTS

Citation: Alaska Statute, 44.29.100
Program Initiation: 1972

Program Objectives

To prevent alcoholism and drug abuse among teenagers by providing recreational alternatives.

Factors Applied in Determining Allocation of Subsidy

Criteria established by the State Office of Alcoholism and Drug Abuse determine programs to be selected for funding.

Administrative Requirements for Funding Eligibility

Community agencies submit proposals which are reviewed by the appropriate regional health system agency and the Governor's Advisory Board on Drug Abuse. Recommendations are made to the commissioner of the Department of Health and Social Services who makes the final decision.

Local Agencies Eligible to Apply for Funds

Units of local governments and private nonprofit organizations.

Number of Participating Agencies

Six private nonprofit agencies.

Types of Services Provided

Recreation, counseling, and education.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, travel, purchase of services, and equipment.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Drug Abuse Office and Treatment Act.

History of Appropriations and Expenditures

Year	Appropriation ^a		Expenditure	
	State	Federal	State	Federal
1972	*	*	*	*
1973	*	*	*	*
1974	*	*	*	*
1975	*	*	*	*
1976	*	*	*	*
1977	\$151,090	\$135,192	\$151,090	\$135,192
1978	160,255	145,192	160,255	145,192

*denotes Not Available.

^aFunding for drug abuse programs from 1972 through 1976 came from federal funds and state matching funds.

Probable Continuation

General acceptance of youth prevention programs is good, and prospects for future funding are encouraging.

Administrating Agency

State Office of Alcoholism and Drug Abuse
Department of Health and Social Services
Pouch H-05-F
Juneau, Alaska 99811
Telephone: (907) 586-6201

CONNECTICUT GRANT-IN-AID PROGRAM TO CHILD GUIDANCE CLINICS

Citation: Connecticut General Statutes, Section 17-424
Program Initiation: 1975

Program Objectives

To provide quality community-based mental health services which are readily available and accessible to those in need.

Factors Applied in Determining Allocation of Subsidy

Allocations are based on total population, youth population, and projected growth trends. Up to two-thirds of the total budget can be funded.

Administrative Requirements for Funding Eligibility

The recipient of funds must acknowledge Department of Children and Youth Services' support in all written materials, provide monthly statistical reports and quarterly reports of income and maintenance, send copies of client admittance and termination forms, and supply a copy of the annual audit.

Local Agencies Eligible to Apply for Funds

Local public and private agencies.

Number of Participating Agencies

Twenty private agencies and one public child guidance clinic.

Types of Services Provided

Individual and group treatment, family counseling, crisis intervention, community services development, protective services, and in-service training for service providers and civic organizations.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1975	\$1,869,000	\$1,869,000
1976	2,139,000	2,139,000
1977	2,283,000	2,283,000
1978	2,642,000	2,642,000

Probable Continuation

Funding will continue at or very near the same level.

Administrating Agency

Department of Children and Youth Services
345 Main Street
Hartford, Connecticut 06115
Telephone: (203) 566-7240

FLORIDA SPECIALIZED CHILDREN'S PROJECTS SUBSIDY

Citation: Florida Statutes, Chapter 394, Part IV
Program Initiation: 1973

Program Objectives

To provide community-based services for emotionally disturbed children and adolescents.

Factors Applied in Determining Allocation of Subsidy

The following factors are considered in allocating funds: local community need; amount of monies earmarked for these special needs from state, federal, and local sources; amount of federal or state money received the preceding fiscal year; and quality of services provided.

Administrative Requirements for Funding Eligibility

Applications are made through the Department of Health and Rehabilitative Services district mental health offices. Applications include expected revenues, projected budgets, goals, evaluative measurements for goals, and services to be provided. Requirements may include licensing, compliance with standards, and quarterly reports.

Local Agencies Eligible to Apply for Funds

Private nonprofit community mental health centers.

Number of Participating Agencies

Fourteen community mental health centers.

Types of Services Provided

Early intervention, preschool, intensive day treatment, diagnosis and assessment, psycho-educational day treatment, and community residential care.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Funds from all federal sources go to the Secretary for Operations, where they are allocated to state programs.

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State	Federal	State	Federal
1973	\$ 98,000	\$ 0	\$ 98,000	\$ 0
1974	98,000	0	98,000	0
1975	114,146	25,526	114,146	25,526
1976	102,272	21,194	102,272	21,194
1977	200,159	20,819	200,159	20,819
1978	450,560	119,422	450,560	119,422

Probable Continuation

Continuation is probable.

Administrating Agency

Mental Health Program Office
Department of Health and Rehabilitative Services
1317 Winewood Boulevard
Tallahassee, Florida 32301
Telephone: (904) 487-1304

INDIANA COMMUNITY MENTAL HEALTH SERVICES SUBSIDY

Citation: Indiana Code, 16-16-1-1
Program Initiation: 1970

Program Objectives

To facilitate and encourage the development of local mental health care centers.

Factors Applied in Determining Allocation of Subsidy

The allocation of funds is determined from budgets submitted to the state from community mental health centers. The centers must show that all local resources have been tapped in the search for revenues. The state awards funds based on its priority of needs among the service areas.

Administrative Requirements for Funding Eligibility

Programs must meet state licensing standards, and facilities must meet all fire safety codes, board of health regulations, and applicable federal guidelines.

Local Agencies Eligible to Apply for Funds

Mental health agencies and clinics, and comprehensive mental health centers.

Number of Participating Agencies

Twenty-six comprehensive mental health centers, eight mental health clinics, and three mental health agencies (halfway houses).

Types of Services Provided

Adolescent transinstitutional service planning, counseling, educational services, inpatient services, day treatment, outpatient services, juvenile court services, emergency mental health services, planning, and substance abuse prevention and treatment.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, construction, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

Earmarked state funds (cigarette tax and mental health fund).
Federal Public Health Services Act (PHSA).

History of Appropriations and Expenditures

Year	Appropriation ^a		Expenditure ^a	
	State	Federal	State	Federal
1970	\$ 348,492	\$ 55,708	\$ 334,304	*
1971	535,300	53,139	459,461	*
1972	641,683	31,238	603,333	*
1973	974,696	29,519	763,627	*
1974	1,043,050	27,037	932,630	*
1975	1,450,095	13,963	1,332,365	*
1976	3,006,216	1,309,258	2,743,530	\$1,309,258
1977	4,293,428	1,450,271	3,727,593	1,450,271
1978	3,840,900	1,883,913	1,625,523	1,883,913

*denotes Not Available.

^aThe appropriation and expenditure figures were determined by taking total funds and multiplying by a factor of 0.21, the proportion of persons in the 10- 18-year old range.

Probable Continuation

The federal role will probably decrease with state, local, and third-party insurance monies increasing. Services will be expanded through three new programs.

Administrating Agency

Department of Mental Health
South Indiana Square
Indianapolis, Indiana 46204
Telephone: (317) 633-7570

MAINE DRUG TREATMENT AND PREVENTION PROGRAM

Citation: Maine Revised Statutes Annotated, Chapter 1601 et seq.
Program Initiation: 1974

Program Objectives

To reach, treat, and rehabilitate narcotic addicts, drug abusers, and drug-dependent persons through partial support for operational costs of community-based treatment programs.

Factors Applied in Determining Allocation of Subsidy

The service priorities outlined in the state plan and documentation of service need are used in determining funding allocations. Review of the grant applications is by regional alcohol and drug councils, the State Advisory Council to the Office of Alcoholism and Drug Abuse Prevention, and then by Office of Alcoholism and Drug Abuse Prevention (OADAP) staff members.

Administrative Requirements for Funding Eligibility

Application is made to regional offices of OADAP. The application must include statement of needs, goals and objectives, project description, summary of project personnel, and assurance of compliance with Title VI of the 1964 Civil Rights Act.

Local Agencies Eligible to Apply for Funds

Any regional or local public and private nonprofit organizations are eligible for participation in the program. At this time, there are approximately 25 agencies in addition to the 11 receiving funds that supply drug prevention and treatment services which would be eligible to receive OADAP funds.

Number of Participating Agencies

Eleven private agencies.

Types of Services Provided

Substance abuse treatment and prevention.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Drug Abuse Office and Treatment Act.

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State	Federal	State	Federal
1974	\$368,807	\$357,750	\$368,807	\$357,750
1975	472,843	463,384	472,843	463,384
1976	503,350	465,876	503,350	465,876
1977	686,303	551,767	686,303	551,767
1978	676,493	571,500	676,493	571,500

Probable Continuation

Continuation depends on availability of National Institute on Drug Abuse 409 and 410 formula funds. In the past three years, the funds available from these sources has increased only minimally.

Administrating Agency

Office of Alcoholism and Drug Abuse Prevention
Bureau of Rehabilitation
Department of Human Services
State House
Augusta, Maine 04333
Telephone: (207) 289-2781

MARYLAND GRANTS TO LOCAL TREATMENT FACILITIES

Citation: Code of Maryland, Article 43 B
Program Initiation: 1970

Program Objectives

To treat persons with drug abuse problems.

Factors Applied in Determining Allocation of Subsidy

Allocation is based upon need as reflected in reports made to the state Drug Abuse Administration.

Administrative Requirements for Funding Eligibility

To be eligible, an annual grant request must be made by a local unit of government seeking funds for treatment of drug abusers in that jurisdiction.

Local Agencies Eligible to Apply for Funds

City and county governments.

Number of Participating Agencies

All cities and counties in the state.

Types of Services Provided

Counseling, medical and educational services, substance abuse treatment and prevention, and vocational rehabilitation.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Drug Abuse Office and Treatment Act.
Federal Juvenile Justice and Delinquency Prevention Act.

History of Appropriations and Expenditures

Year	Appropriation ^a		Expenditure ^a	
	State	Federal	State	Federal
1970	\$ 36,660	\$ 0	\$ 36,660	\$ 0
1971	279,940	1,980	279,940	1,980
1972	1,265,100	765	1,265,100	765
1973	1,417,800	30,150	1,417,800	30,150
1974	1,450,200	191,100	1,450,200	191,000
1975	1,437,000	228,000	1,437,000	228,000
1976	1,347,900	499,200	1,347,900	499,200
1977	1,204,500	712,800	1,204,500	712,800
1978	1,282,100	712,800	1,282,100	712,800

^aThe appropriation and expenditure figures represent that portion of the program's total budget which is used to serve persons 21 years of age and younger.

Probable Continuation

Excellent chances that the program will continue.

Administrating Agency

Drug Abuse Administration
Department of Health and Mental Hygiene
201 West Preston Street
Baltimore, Maryland 21201
Telephone: (301) 383-3312

MARYLAND GRANT TO THE CHELTENHAM CENTER

Citation: Departmental Program
Program Initiation: 1976

Program Objectives

To provide psychological treatment of children and youth with emotional and social adjustment problems.

Factors Applied in Determining Allocation of Subsidy

Past allocations, past expenditures, and need are factors which determine current allocations.

Administrative Requirements for Funding Eligibility

The program submits a budget request to the Mental Hygiene Administration, Department of Health and Mental Hygiene, for review and approval. The program must comply with Title VI of the Civil Rights Act of 1964.

Local Agencies Eligible to Apply for Funds

Local governments and local nonprofit private agencies.

Number of Participating Agencies

One county.

Types of Services Provided

Consultation and mental health services.

Restrictions on Use of Funds

Personnel and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1976	\$447,123	\$447,123
1977	860,221	860,221
1978	875,127	875,127

Probable Continuation

It is considered an outstanding program and continuation is certain.

Administrating Agency

Department of Health and Mental Hygiene
201 West Preston Street
Baltimore, Maryland 21201
Telephone: (301) 383-7034

MICHIGAN SUBSTANCE ABUSE PREVENTION EDUCATION SUBSIDY

Citation: Michigan Statutes Annotated, Section 14.15(6201)

Program Initiation: 1972

Program Objectives

To reduce the incidence of health problems stemming from abuse or misuse of alcohol and drugs by children and youth.

Factors Applied in Determining Allocation of Subsidy

Competitive proposals are submitted which include documented needs assessment data. The quality of annual plans and proposals, annual evaluation reports, and audit data are also factors.

Administrative Requirements for Funding Eligibility

Department of Education issues a request for proposals to all intermediate school districts. These proposals are reviewed by a panel which makes recommendations to the Department of Education. The State Board of Education then approves funds.

Local Agencies Eligible to Apply for Funds

Twenty-one regional intermediate school districts.

Number of Participating Agencies

Seven regional intermediate school districts in 1977-78 and eight in 1978-79.

Types of Services Provided

Substance abuse treatment and prevention, and teacher-training workshops.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.


Budget Year

October 1, 1977-September 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures



<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1972	*	*
1973	\$624,500	*
1974	626,500	*
1975	857,500 ^a	*
1976	743,900	\$731,348
1977	889,900	889,900
1978	942,000	*

*denotes Not Available.

^aFunds were for 15-month fiscal year. The program will be transferred to the Department of Public Health in fiscal 1980.

Probable Continuation

It is very probable that the program will continue.

Administrating Agency

School Support Program
Department of Education
Lansing, Michigan 48909
Telephone: (517) 373-1434

MICHIGAN ADOLESCENT RESIDENTIAL SUBSTANCE ABUSE PROGRAMS

Citation: Michigan Public Acts of 1978, Act 368
Program Initiation: 1978

Program Objectives

To design and implement residential treatment programs for adolescent substance abusers, to design and implement follow-up systems for clients leaving treatment, and to develop educational and recreational programs for individuals being served.

Factors Applied in Determining Allocation of Subsidy

Request for proposals are distributed statewide. Proposals are evaluated based on contract price, capability and qualifications of contractor, and the competence of the personnel to be hired.

Administrative Requirements for Funding Eligibility

A detailed work plan must be developed that addresses site selection, development of treatment and educational programs, explanation of how the referral mechanism will work, etc.

Local Agencies Eligible to Apply for Funds

Local public and private nonprofit agencies.

Number of Participating Agencies

Two private nonprofit agencies.

Types of Services Provided

Substance abuse treatment and prevention, and residential care.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

October 1, 1977-September 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1978	\$600,000	*

*denotes Not Available.

Probable Continuation

It is very probable that the program will continue.

Administrating Agency

Office of Substance Abuse Services
Department of Public Health
3500 North Logan
Lansing, Michigan 48914
Telephone: (517) 373-8603



MINNESOTA COMMUNITY MENTAL HEALTH ACT

Citation: Minnesota Statutes Annotated, Section 245.61
Program Initiation: 1958

Program Objectives

To provide programs of prevention, information, and educational services to the general public; consultant services to schools, courts, and health and welfare agencies, particularly diagnostic and evaluation services for juvenile courts; outpatient diagnostic and evaluation services; rehabilitative services for patients, particularly those who have received prior treatment in an inpatient facility; and detoxification.

Factors Applied in Determining Allocation of Subsidy

State grant-in-aid can fund up to 50 percent of allowable expenditures. Agencies make application according to the rules set by the Department of Public Welfare.

Administrative Requirements for Funding Eligibility

Agencies must provide program budgets, income-expenditure data, and meet other reporting requirements as determined by the state.

Local Agencies Eligible to Apply for Funds

Local public and private nonprofit agencies and county governments.

Number of Participating Agencies

Sixteen private nonprofit organizations, 16 governmental agencies, nine counties, and seven human services boards.

Types of Services Provided

Substance abuse treatment and prevention, information and referral, educational services, consultation, diagnostic services, and evaluation.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance. Construction costs may be covered if they meet budgetary and depreciation guidelines.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	*	*
1975	*	*
1976	*	*
1977	*	*
1978	\$4,320,000	\$4,320,000

*denotes Not Available.

Probable Continuation

In 1980, state funding will be provided by block grants under the Community Social Services Act of 1979.

Administrating Agency

Community Programs Division
Department of Public Welfare
Centennial Office Building, 4th Floor
St. Paul, Minnesota 55155
Telephone: (612) 296-3139

MINNESOTA AMERICAN INDIAN PROGRAM

Citation: Minnesota Statutes, Section 254A.031
Program Initiation: 1976

Program Objectives

To provide drug and alcohol prevention and educational services for American Indians.

Factors Applied in Determining Allocation of Subsidy

Equal distribution of funds across the state to all reservations, submission of an acceptable grant application, and past performance as a grantee are factors applied in determining allocations.

Administrative Requirements for Funding Eligibility

All grant applications are screened by the American Indian Advisory Board which makes recommendations. Final grant decisions are made by the Chemical Dependency Program Division, Department of Public Welfare.

Local Agencies Eligible to Apply for Funds

All Indian reservation business committees.

Number of Participating Agencies

Thirteen Indian reservation business committees.

Types of Services Provided

Substance abuse prevention, recreation, education, and outreach.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1976	*	*
1977	*	*
1978	\$320,000	*

*denotes Not Available.

Probable Continuation

Acceptance is good, but potential clients have been cautious about utilizing the program.

Administrating Agency

Chemical Dependency Program Division
Department of Public Welfare
Centennial Office Building
St. Paul, Minnesota 55155
Telephone: (612) 296-4605

MINNESOTA SERVICES TO YOUTH AND OTHER UNDERSERVED POPULATIONS SUBSIDY

Citation: Minnesota Statutes, Section 254A.14
Program Initiation: 1976

Program Objectives

To provide substance abuse educational services, outreach services for the diagnosis of substance abuse problems, and initiate referrals for treatment.

Factors Applied in Determining Allocation of Subsidy

Formula allocation is made to each community mental health center board which chooses to participate. The formula has three rates: 50 percent for nonresidential chemical dependency service, 75 percent for detoxification centers (with counties contributing 25 percent), and up to 30 percent for halfway houses.

Administrative Requirements for Funding Eligibility

The local mental health board applies to participate.

Local Agencies Eligible to Apply for Funds

Local private nonprofit agencies or county governments.

Number of Participating Agencies

Twenty-four out of 28 private nonprofit mental health center boards participate.

Types of Services Provided

Outreach and educational services for community groups.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1976	*	*
1977	*	*
1978	\$952,200	\$952,200

*denotes Not Available.

Probable Continuation

Acceptance is good in the metropolitan areas where there are youth contacts and outreach is quickly integrated into the social service system. Acceptance is somewhat less in rural areas. As of January 1, 1980, the Community Social Services Act of 1979 (Laws of Minnesota, 1979, Ch. 324), will become effective and allocations will be made to the 87 boards of county commissioners, instead of the mental health boards, for the provision of chemical dependency and other related services.

Administrating Agency

Chemical Dependency Program Division
Department of Public Welfare
Centennial Office Building
St. Paul, Minnesota 55155
Telephone: (612) 296-4605

NEBRASKA COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES ACT

Citation: Nebraska State Statutes, 71-5001
Program Initiation: 1974

Program Objectives

To provide mental health, drug, and alcohol services to communities throughout the state.

Factors Applied in Determining Allocation of Subsidy

Legislative appropriation enables a three-to-one match of county dollars.

Administrative Requirements for Funding Eligibility

Counties form interlocal regions that annually request funds from the Department of Public Institutions. The department makes recommendations to the governor.

Local Agencies Eligible to Apply for Funds

Ninety-three counties are divided into six mental health regions that contract with local programs to provide services.

Number of Participating Agencies

Eighty-six counties.

Types of Services Provided

Mental health services and substance abuse treatment and prevention.

Restrictions on Use of Funds

Administrative costs, personnel, and operations.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State^a</u>	<u>Expenditure State</u>
1974	\$ 24,000	\$ 24,000
1975	145,800	145,800
1976	143,873	143,873
1977	219,867	219,867
1978	290,711	290,711

^aFor purposes of tabular information, expenditure levels are used to reflect appropriation levels. All expenditure figures are estimates based on state funds projections for two mental health programs for children.

Probable Continuation

As county funds become scarce, they will be able to generate less state funding under the program.

Administrating Agency

Medical Services Division
Department of Public Institutions
P.O. Box 94128
Lincoln, Nebraska 68509
Telephone: (402) 471-2851

NEVADA GRANT TO THE MARION BENNETT YOUTH PROGRAM

Citation: Nevada Revised Statutes, Chapter 458
Program Initiation: 1970

Program Objectives

To provide outpatient services to drug abusers.

Factors Applied in Determining Allocation of Subsidy

Statewide needs assessments, historical performance, and the availability of funds are factors applied in determining allocations of funds.

Administrative Requirements for Funding Eligibility

When funds are available, requests for proposals or letters of intent are sent to interested agencies which have accredited programs, certified personnel, and licensed facilities (or are in the process of meeting these criteria). Grant requests are competitively evaluated, and those which best meet identified needs are funded.

Local Agencies Eligible to Apply for Funds

Local nonprofit agencies.

Number of Participating Agencies

One nonprofit agency.

Types of Services Provided

Outpatient services and drug abuse treatment and prevention.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	*	*
1975	*	*
1976	*	*
1977	*	*
1978	*	*
	\$10,000	\$10,000

*denotes Not Available.

Probable Continuation

The program is expected to continue.

Administrating Agency

Bureau of Alcohol and Drug Abuse
Rehabilitation Division
Department of Human Resources
505 East King Street
Carson City, Nevada 89701
Telephone: (702) 885-4790

NEVADA OMEGA PROGRAM

Citation: Nevada Revised Statutes, Chapter 458
Program Initiation: 1972

Program Objectives

To provide care for substance abusers.

Factors Applied in Determining Allocation of Subsidy

Statewide needs assessment, historical performance, and the availability of funds are factors applied in determining allocation of funds.

Administrative Requirements for Funding Eligibility

When funds are available, requests for proposals or letters of intent are sent to interested agencies which have accredited programs, certified personnel, and licensed facilities (or are in the process of meeting these criteria). Grant requests are competitively evaluated, and those which best meet identified needs are funded.

Local Agencies Eligible to Apply for Funds

Local nonprofit agencies.

Number of Participating Agencies

One nonprofit agency.

Types of Services Provided

Day care and substance abuse treatment and prevention.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1972	*	*
1973	*	*
1974	*	*
1975	*	*
1976	*	*
1977	*	*
1978	\$27,000	\$27,000

*denotes Not Available.

Probable Continuation

The program is expected to continue.

Administrating Agency

Rehabilitation Division
Bureau of Alcohol and Drug Abuse
Department of Human Resources
505 East King Street
Carson City, Nevada 89701
Telephone: (702) 885-4790

NEW MEXICO FIRST OFFENDER PROGRAMS

Citation: Departmental Program
Program Initiation: 1974

Program Objectives

To reduce drug offenses and other violations of law by increasing drug knowledge, and to improve the effectiveness of the family unit through improving communications, problem solving, and emotional support within the family.

Factors Applied in Determining Allocation of Subsidy

Community need and an agency's compliance with quarterly reporting requirements are factors considered in allocating funds.

Administrative Requirements for Funding Eligibility

Requests for funding are made to the Behavioral Health Services Division. The application includes a program narrative, proposed scope of services, and proposed budget. Additional proposal reviews are made by the Health Systems Agency or Navajo Health Systems Agency, state clearinghouse (State Planning Office) and regional clearinghouses (local councils of government). Once a program is implemented, there are three levels of evaluation: process, program, and impact. Process evaluation is required of all applicants. Program and impact evaluations are recommended when appropriate and feasible.

Local Agencies Eligible to Apply for Funds

Local governments and public and private agencies.

Number of Participating Agencies

Seven judicial districts which are operated by the Administrative Office of the Courts; one Indian reservation, and 15 private nonprofit community organizations.

Types of Services Provided

Family counseling, peer counseling, and individual counseling.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchases of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Juvenile Justice and Delinquency Prevention Act (formerly).

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation</u>		<u>Expenditure</u>	
	<u>State</u>	<u>Federal</u>	<u>State</u>	<u>Federal</u>
1974	\$ 22,000	\$200,000	\$ 22,222	\$200,000
1975	63,015	206,094	63,015	206,094
1976	134,234	163,914	134,234	163,194
1977	221,946	0	221,946	0
1978	212,000	0	212,000	0

Other Pertinent Information

Juvenile Justice and Delinquency Prevention Act funds were used to support this program until 1976. The success of this program was such that the state legislature replaced Juvenile Justice and Delinquency Prevention Act funds with state monies.

Probable Continuation

The program has been extremely well received. The probability of continuation is excellent.

Administrating Agency

Behavioral Health Services Division
Health and Environment Department
P.O. Box 868
Santa Fe, New Mexico 87503
Telephone: (505) 827-5271, ext. 493

NEW YORK STATE LOCAL ASSISTANCE APPROPRIATION

Citation: New York State Mental Hygiene Law,
Articles 19 and 25

Program Initiation: 1968

Program Objectives

To conduct coordinated research, to develop programs to further the prevention and early detection of narcotic addiction and drug abuse, and to develop a comprehensive system of services to serve the needs of drug-dependent persons and substance abusers.

Factors Applied in Determining Allocation of Subsidy

Individual contracts are developed based upon available state funds, documentation of need, actual cost of the services to be provided, and other financial resources available to the applicant.

Administrative Requirements for Funding Eligibility

Each year individual program proposals and funding applications are sent to all known New York county governments, municipalities, and service providers. Subsequent proposals are reviewed by local planning boards or Office of Borough Presidents in New York City. Proposals are reviewed by the contract management staff located in regional offices throughout the state, and recommendations are forwarded to the Contract Management and Fund Allocation Office of the Division of Substance Abuse Services in Albany. Based on allocation criteria and available funds, subcontracts are negotiated with local agencies.

Local Agencies Eligible to Apply for Funds

County governments, municipalities, and public or private nonprofit organizations.

Number of Participating Agencies

Eighteen private nonprofit organizations.

Types of Services Provided

Day services, adolescent development, drug abuse treatment and prevention, and educational services.

Restrictions on Use of Funds

Administration costs, personnel, and operations and maintenance.

Budget Year

April 1, 1977-March 31, 1978.

Source of Funds

New York State Local Assistance Appropriation.
Federal Drug Abuse Office and Treatment Act.

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State	Federal	State	Federal
1970	*	\$ 0	*	*
1971	*	0	*	*
1972	*	0	*	*
1973	*	0	*	*
1974	*	0	*	*
1975	*	0	*	*
1976	*	0	*	*
1977	\$1,331,939	614,079	*	*
1978	2,115,431	836,945	*	*

*denotes Not Available.

Probable Continuation

Funding for drug abuse and treatment programs will continue.

Administrating Agency

Division of Substance Abuse Services
Office of Alcoholism and Substance Abuse
Department of Mental Hygiene
Executive Park South
Albany, New York 12203
Telephone: (518) 457-7629

NEW YORK SCHOOL PREVENTION OF ADDICTION THROUGH REHABILITATION
AND KNOWLEDGE PROGRAM

Citation: New York State Mental Hygiene Law, Article 19
Program Initiation: 1976

Program Objectives

To provide drug abuse intervention, prevention, and educational services for students who have exhibited a variety of behavioral and academic problems, including drug experimentation, truancy, and low academic achievement.

Factors Applied in Determining Allocation of Subsidy

Review of program proposal and funding application; previous year's program evaluation; availability of appropriation funding; recommendation of local designated agency; and compliance with prevention guidelines, state plan, and regional health service plan are factors applied in determining allocation of funds.

Administrative Requirements for Funding Eligibility

Each year individual program proposals and funding applications are sent to all known New York county governments, municipalities, and service providers. Subsequent proposals are reviewed by local planning boards or Office of Borough Presidents in New York City. Proposals are then reviewed by the contract management staff located in regional offices throughout the state and recommendations are forwarded to the Contract Management and Fund Allocation Office of the Division of Substance Abuse Services in Albany. Based on allocation criteria and available funds, subcontracts are negotiated with local agencies.

Local Agencies Eligible to Apply for Funds

Local public and private agencies.

Number of Participating Agencies

Eight New York City high schools.

Types of Services Provided

Information and referral, counseling, alternative group activities, alternative schools, and short-term therapy.

Restrictions on Use of Funds

Personnel.

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Budget Year

April 1, 1977-March 31, 1978.

Source of Funds

New York State Local Assistance Appropriation.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1976	*	*
1977	\$2,450,000	\$2,360,000
1978	2,620,000	2,600,000

*denotes Not Available.

Probable Continuation

Funding for school-based prevention and education programs, in all probability, will continue at the current subsidy level at least through fiscal 1979-80.

Administrating Agency

Commission on Alcohol and Substance Abuse Prevention and Education
Office of Alcoholism and Substance Abuse
Department of Mental Hygiene
Executive Park
Stuyvesant Plaza
Albany, New York 12203
Telephone: (518) 457-6191

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OKLAHOMA GUIDANCE CENTER PROGRAM

Citation: Oklahoma Laws 1963, Chapter 325, Article 2, Section 206
Program Initiation: 1956

Program Objectives

To prevent and detect various behavioral, learning, developmental, social, and emotional problems, and to improve the general mental health of children, adolescents, and their parents.

Factors Applied in Determining Allocation of Subsidy

County boards of health or joint city-county boards of health submit a budget and statement of need to the State Department of Health, which submits the state Guidance Service Program budget to the legislature for approval. Allocation is based upon the approved state budget and the amount requested by county boards of health or city-county boards of health.

Administrative Requirements for Funding Eligibility

Guidance centers are affiliated with local health departments and are under the medical direction of the physicians in charge of the local health departments. To be eligible for funding, the guidance center must maintain its level of support and offer the services necessary to meet the goals of the Guidance Service Program. If the center withdraws support or services, state funds will be withdrawn.

Local Agencies Eligible to Apply for Funds

Local public agencies.

Number of Participating Agencies

Eighty-three guidance centers serving 71 counties.

Types of Services Provided

Therapy, speech and language, child development, counseling, and evaluation.

Restrictions on Use of Funds

Administration, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund, earmarked funds (Public Health Special Funds and Guidance Center Funds).

Federal Social Security Act, Title V.

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State	Federal	State	Federal
1970	*	\$ 0	*	\$ 0
1971	*	0	*	0
1972	*	0	*	0
1973	*	0	*	0
1974	*	0	*	0
1975	*	0	*	0
1976	\$1,043,621	750,091	\$1,043,621	750,091
1977	1,229,558	797,091	1,229,558	799,175
1978	1,591,925	445,590	1,591,925	445,590

*denotes Not Available.

Other Pertinent Information

Federal funds received for fiscal 1975, 1976, and partially in 1977, were primarily Community Mental Health Act funds for two child mental health centers. When the federal guidelines required that all child centers be expanded into adult centers, federal funds were relinquished since the centers were not prepared at that time to provide across-the-board services to adults as well as children.

Probable Continuation

Program will continue.

Administating Agency

Department of Health
P.O. Box 53551
Oklahoma City, Oklahoma 73127
Telephone: (405) 271-4477

SOUTH CAROLINA STATE AID TO COMMUNITY MENTAL HEALTH CENTERS

Citation: Code of Laws of South Carolina, Chapter 15,
Section 44-15-10

Program Initiation: 1961

Program Objectives

To provide basic diagnostic, treatment, and consultant services.

Factors Applied in Determining Allocation of Subsidy

A needs assessment by local mental health boards is submitted to the state. The Department of Mental Health reviews the assessment based on state standards with established areas of priority for dispensing available funds, and submits a budget to the state legislature. There is no formula for distributing state funds to local mental health boards. In addition to making requests for state funds, the mental health boards obtain monies from local funding bodies.

Administrative Requirements for Funding Eligibility

A community mental health center presents a request to a local mental health board. A grant of local funds may be made. These funds are generally matched on a 50-50 basis by state dollars. The plan and budget must meet criteria established by the state.

Local Agencies Eligible to Apply for Funds

Local mental health center boards.

Number of Participating Agencies

Sixteen public mental health center boards participate.

Types of Services Provided

Inpatient services, outpatient services, day care, partial hospitalization, emergency services, specialized services for children, consultation and education services, court screening, follow up services, transitional halfway houses, alcoholism and alcohol abuse services, drug abuse services.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Social Security Act, Title XX.

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State ^a	Federal	State ^a	Federal
1970	*	\$ 0	*	\$ 0
1971	*	0	*	0
1972	*	0	*	0
1973	*	0	*	0
1974	\$443,369	0	\$409,555	0
1975	683,113	0	609,836	0
1976	769,204	93,819	664,567	11,872
1977	752,148	90,848	706,728	88,193
1978	915,394 ^b	144,339	950,679	100,486

*denotes Not Available.

^aFigure is estimate given for children and adolescent services and does not reflect a separate appropriation.

^bWhen an expenditure figure exceeds a budget figure, this is because other funds are being transferred within the agency to this program. Also, a substantial amount of state and federal matching funds are used for this program under P.L. 94-63, but they are not reflected in the above figures.

Probable Continuation

State funding should continue and increase, although there may be a cutback in federal funds.

Administrating Agency

Department of Mental Health
P.O. Box 485
Columbia, South Carolina 29202
Telephone: (803) 758-8780

TENNESSEE MENTALLY RETARDED OFFENDER PROGRAM

Citation: Tennessee Code Annotated, 33-505 to 33-522
Program Initiation: 1975

Program Objectives

To provide comprehensive services to mentally retarded offenders living in a group home situation. This program lasts from six months to a year and is intended to prepare residents for living in their communities more successfully.

Factors Applied in Determining Allocation of Subsidy

Nonprofit corporations are asked to submit program proposals to the Department of Mental Health and Mental Retardation. Funding is allocated in proportion to the number of referrals to group homes in each of the three state mental health regions.

Administrative Requirements for Funding Eligibility

Programs must provide residential and other services, develop a plan for meeting standards, develop an individual habilitation plan for each resident, provide intervention for residents, have written policy and procedure statements regarding residents' legal rights, employ qualified personnel, conduct quarterly resident staffings and provide quarterly resident progress reports, give notification of discharge 30 days prior to release, assure that follow-along services are provided, and cooperate with the state in the formulation and implementation of client information systems.

In addition to signing a contract agreeing to these standards, nonprofit corporations must submit program proposals to the Department of Mental Health and Mental Retardation. The contractors submit requests for payment either on a monthly basis or as otherwise instructed. The contractors must submit semianual and annual revenue and expenditure reports.

Local Agencies Eligible to Apply for Funds

Local private nonprofit corporations.

Number of Participating Agencies

Four nonprofit corporations.

Types of Services Provided

Counseling, tutoring, independent skills training, job placement, and recreation.

Restrictions on Use of Funds

Administrative costs; personnel; and purchase of services.

Budget Year

July 1, 1977-June 30, 1978

Source of Funds

State general fund.
Federal Juvenile Justice and Delinquency Prevention Act.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation</u>		<u>Expenditure</u>	
	<u>State</u>	<u>Federal</u>	<u>State</u>	<u>Federal</u>
1975	\$ 40,000	\$ 0	\$ 40,000	\$ 0
1976	40,000	0	40,000	0
1977	140,000	85,891	140,000	85,891
1978	208,623	82,874	208,623	82,874

Probable Continuation

Program will continue for at least two years.

Administrating Agency

Department of Mental Health and Mental Retardation
501 Union Building
Nashville, Tennessee 37219
Telephone: (615) 741-6433

UTAH JUVENILE COURT TEEN ALCOHOL/DRUG SCHOOL

Citation: Utah Code Annotated, 1953, as amended,
Section 55-10-100, as enacted by
Chapter 165, Laws of Utah, 1965
Program Initiation: 1974

Program Objectives

To increase knowledge among juveniles regarding the effects of alcohol and alcohol laws, to increase the awareness of differences in values among families and cultures, to increase ability to communicate among family members, to increase the likelihood that those families needing additional guidance will take the initiative to seek out professional counseling as a result of their experiences in a juvenile court alcohol school, to lower teen recidivism for alcohol-related offenses, and to reduce traffic accidents among teenage drivers.

Factors Applied in Determining Allocation of Subsidy

Available funds are distributed on a priority basis to service providers who document a high incidence of juvenile court referrals related to alcohol use and who could support approximately 25 percent of program costs with local funds.

Administrative Requirements for Funding Eligibility

Contractual agreement requires that the agency facilitator attend bimonthly training meetings, follow the facilitator's manual, and provide reports on a regular basis.

Local Agencies Eligible to Apply for Funds

Local units of government and local public and private agencies.

Number of Participating Agencies

Eight counties.

Types of Services Provided

Educational services, family counseling, and rehabilitative services.

Restrictions on Use of Funds

Personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Department of Transportation.

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State	Federal	State	Federal
1974	*	*a	*	*a
1975	*	*	*	*
1976	\$ 6,645	\$14,159	*	*
1977	10,822	12,560	\$11,716	\$11,317
1978	30,545	18,777	*	*

*denotes Not Available.

^aFunds remaining from a National Highway Traffic Safety Administration grant to the Highway Safety Program Office, Highway Safety Division, Utah Department of Public Safety.

Probable Continuation

Partial funding for three years (initially) came from the Department of Public Safety. These funds will continue to be directed toward the Division of Alcoholism and Drugs, but they will constitute a smaller part of total funding. Fee-for-service charges for the program have been instituted to help pay for the program.

Administrating Agency

Division of Alcoholism and Drugs
Department of Social Services
150 West North Temple
Salt Lake City, Utah 84110
Telephone: (801) 533-6532

UTAH COMMUNITY MENTAL HEALTH SERVICES ACT

Citation: Utah Mental Health Services
Act, codified July 1975
Program Initiation: 1975

Program Objectives

To provide specialized services to children and youth in addition to community mental health services to all citizens of the state.

Factors Applied in Determining Allocation of Subsidy

Initial funding is based upon needs assessment, local governmental support of the request, per capita population, overall program plan, and degree of declining federal funding.

Administrative Requirements for Funding Eligibility

For full contract, applicant must be recipient of federal Community Mental Health Center funds. Applicant is required to submit annual budget and program description to the Division of Mental Health, Department of Social Services.

Local Agencies Eligible to Apply for Funds

City governments, county governments, multicounty organizations, and community mental health centers.

Number of Participating Agencies

Nine public community mental health centers. Four of these are providing specialized services to youth 10 to 18 years old.

Types of Services Provided

Outpatient services, inpatient services, residential services, diagnostic services for juvenile court, and consultation to juvenile court.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Community Mental Health Services Act.

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State	Federal	State	Federal
1975	\$ 56,091	\$130,518	\$ 51,247	\$130,518
1976	198,248	154,400	183,303	154,400
1977	367,078	344,265	349,930	344,265
1978	521,111	286,324	518,121	286,324

Other Pertinent Information

There is a special categorical fund for juvenile court services of \$109,000 to be used for evaluation services to juvenile court.

Probable Continuation

The program will probably continue.

Administrating Agency

Division of Mental Health
Department of Social Services
P.O. Box 2500
Salt Lake City, Utah 84110
Telephone: (801) 533-5783

UTAH K-12 ALCOHOL EDUCATION PROJECT

Citation: Laws of Utah, 1971, Chapter 168
Program Initiation: 1977

Program Objectives

To provide information about the physiological, social, and psychological effects of the use and abuse of alcohol and drugs.

Factors Applied in Determining Allocation of Subsidy

There is no formula for the allocation of funds because there is little money to be distributed. Funding is based on demonstrated need and the willingness of local school districts to help with funding.

Administrative Requirements for Funding Eligibility

The Division of Alcoholism and Drugs negotiates subcontracts with local agencies.

Local Agencies Eligible to Apply for Funds

School districts, mental health centers, and other agencies which have an interest in providing such a service program.

Number of Participating Agencies

Two: (1) Timpanogos (a mental health center catchment area composed of six school districts); and (2) Salt Lake City School District.

Types of Services Provided

Educational services.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act.

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State	Federal	State	Federal
1977	*	*	*	*
1978	\$ 71,000	\$58,000	\$ 71,000	\$58,000

*denotes Not Available.

Probable Continuation

Program is well received. Continuation of program, with possible expansion, appears likely.

Administrating Agency

Division of Alcoholism and Drugs
Department of Social Services
150 West North Temple
Salt Lake City, Utah 84110
Telephone: (801) 533-6532

Education

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EDUCATION SUBSIDIES

Eight states have established 11 specific state education subsidies for delinquency-prone youth. Included are dropout prevention programs, alternative education programs, special education programs which provide programs for disruptive youth or emotionally disturbed youth, programs to inhibit vandalism through the presence of police on school grounds, compensatory education programs, and law education programs.

Some states view all education subsidies as delinquency prevention since the ability to read and write assists students in adjusting to life or finding a job, and thereby reduces the probability of students getting into trouble. Other states focus on only those special programs established for students identified as either delinquent or prone to delinquency. In order to reconcile these differences and to establish justifiable criteria for the project, education subsidies were defined as those subsidies which focus on problem areas of truancy, disruption, assault, vandalism, or other violations of law. This definition encompassed programs for dropout prevention, in-house suspension, alternative education, and compensatory education.

Objectives of State Education Subsidies

In general, objectives of education programs which would specifically aid in preventing juvenile delinquency are designed to prevent dropouts, provide forms of alternative and special education, and meet vocational education needs. It appears that the major reason for funding such programs is that basic educational and vocational skills will assist youth in making social and financial adjustments to life which will divert them from the juvenile justice system.

Types of Services Funded by State Education Subsidies

State education subsidy programs attempt to prevent school dropouts in various ways. Since 1970, Utah has provided subsidies to school districts for experimental and developmental projects leading to dropout prevention. North Carolina has two dropout prevention programs: the Prevocational Education Program (1969), which uses career development and job preparedness to reduce the dropout rate and to minimize adverse economic influences; and the Extended School Day Program (1975), which provides alternative educational services for basic skills advancement, vocational training, and counseling to targeted students. The latter program was supported in large part with Comprehensive Employment and Training Act funds.

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Programs to serve disruptive youth usually take the form of alternatives to conventional education programs. These alternatives may involve special classrooms, materials, personnel, or even special high schools to provide educational services to those students who have difficulty coping with traditional classroom situations. Florida, Iowa, Oklahoma, and Wisconsin provide such programs. Michigan provides alternatives to incarceration or expulsion from school by keeping students in a school environment and offering basic skills development and rehabilitative services.

Florida also provides two unique subsidies, a state compensatory education program and a law education program. The Basic Skills and Functional Literacy Supplement program, initiated in 1977, strives to see that each student achieves a minimum level of basic skills in reading, writing, and arithmetic, and the ability to use such skills in everyday life. The Law Education Program pursues the objective of improving citizenship through learning about law, legal processes, and the legal system. The types of services supported by state education subsidies are summarized in Table D.

TABLE D. SERVICES FOR JUVENILE DELINQUENCY PREVENTION AND CONTROL FUNDED BY STATE EDUCATION SUBSIDIES

Service Type (as defined by state agencies)	State
Alternative Education	Florida, Wisconsin
Basic Skills	Florida, Michigan, North Carolina, Wisconsin
Career Planning	North Carolina, Utah
Counseling	North Carolina
Educational Services	Iowa, Oklahoma
In-Service Training	Utah
Job Information	North Carolina
Job Placement	North Carolina
Law Education	Florida
Law Enforcement Personnel	New Jersey
Materials and Supplies	Utah

TABLE D. (Continued)

Service Type (as defined by state agencies)	State
Rehabilitative Services	Michigan
Self Appraisal-Work Habit Evaluation	North Carolina
Support Services	Iowa
Truancy Prevention	Florida
Vocational Instruction	North Carolina

Level of Financial Support for State Education Subsidies

State support for education is generally for day-to-day school expenditures, not specific education programs. However, special subsidies have been established for local educational services related to juvenile justice and delinquency prevention in eight states, totaling over \$55 million. Table 7 in Chapter 3 identifies all state subsidies in education, including individual and aggregated subsidy appropriations, with per capita breakdowns for the states' youth populations.

Local Recipients of State Education Subsidies

Local recipients in most cases are local school districts, often known as local education agencies (LEAs). Two Florida programs, the Alternative Education Program and the Law Education Program, require eligible LEAs to coordinate efforts with local social service, juvenile justice, and law enforcement agencies. Through the years, local public agencies, in this case school districts, have primarily been designated as recipients.

Requirements to Receive Funds From State Education Subsidies

Reflecting their customary association with public schools, subsidies underwriting education programs usually require some criteria for assigning students to special programs and for receiving increased per pupil funding.

FLORIDA BASIC SKILLS AND FUNCTIONAL LITERACY SUPPLEMENT

Citation: Florida Statutes, Section 236.088
Program Initiation: 1977

Program Objectives

To assure that each student achieves a minimum level of competence in basic reading, writing, and arithmetic skills, with the ability to use such skills in everyday life activities.

Factors Applied in Determining Allocation of Subsidy

Each district receives funding for each student enrolled in the district who scores in the bottom quarter on the state-administered Student Tests of Basic Skills.

Administrative Requirements for Funding Eligibility

Programs are proposed by local agencies and students are assigned in accordance with state-prescribed criteria.

Local Agencies Eligible to Apply for Funds

School districts.

Number of Participating Agencies

All 67 school districts.

Types of Services Provided

Basic skills.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1977	\$10,000,000	\$10,000,000
1978	26,500,000	26,500,000

Probable Continuation

Excellent likelihood that program will continue.

Administrating Agency

Department of Education
Knott Building
Tallahassee, Florida 32304
Telephone: (904) 488-6539

FLORIDA ALTERNATIVE EDUCATION PROGRAM

Citation: Florida Statutes, Section 230.2315
Program Initiation: 1978

Program Objectives

To reduce the incidence of disruptive behavior and truancy in public schools, to reduce the number of students referred to special services or agencies, and to provide a positive alternative to conventional education programs for students who have become disinterested in school.

Factors Applied in Determining Allocation of Subsidy

For each student enrolled in the program, the school district receives the base student allocation multiplied by 2. In 1978, the base was \$900 x 2 = \$1,800 per student. It was increased to \$1,978 per full time equivalent (FTE) in 1979.

Administrative Requirements for Funding Eligibility

Programs are developed by local agencies and students are assigned in accordance with state-prescribed criteria.

Local Agencies Eligible to Apply for Funds

All school districts in coordination with social service, juvenile justice, and law enforcement agencies.

Number of Participating Agencies

Seventy-five percent of eligible school districts.

Types of Services Provided

Alternative education and truancy prevention.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1978	\$21,000,000 est.	\$13,879,329

Probable Continuation

The probability of continuation is excellent.

Administrating Agency

Department of Education
Knott Building
Tallahassee, Florida 32304
Telephone: (904) 488-6539

FLORIDA LAW EDUCATION PROGRAM

Citation: Florida Statute, Section 233.0615
Program Initiation: 1978

Program Objectives

To stimulate and improve the citizenship education of children and youth through the teaching of the law, the legal process, and the legal system.

Factors Applied in Determining Allocation of Subsidy

Proposals are competitively evaluated. Maximum grants of \$2,500 are available for individual schools, \$10,000 for a school district, and \$15,000 for any combination of schools and school districts.

Administrative Requirements for Funding Eligibility

Local agencies submit program proposals which are reviewed and approved by state committee.

Local Agencies Eligible to Apply for Funds

Schools and school districts in cooperation with community-based organizations.

Number of Participating Agencies

Forty percent of all school districts.

Types of Services Provided

Law education.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1978	\$150,000	\$150,000

Probable Continuation

Excellent probability that program will be continued.

Administrating Agency

Department of Education
Knott Building
Tallahassee, Florida 32304
Telephone: (904) 488-6539

IOWA PROGRAMS SERVING CHRONICALLY DISRUPTIVE YOUTH

Citation: Iowa Code Annotated, Section 281.1
Program Initiation: 1975

Program Objectives

To promote, direct, and supervise the education of children requiring special education in the schools.

Factors Applied in Determining Allocation of Subsidy

The number of pupils identified per district is multiplied by a weighted factor and by the district's per pupil cost.

Administrative Requirements for Funding Eligibility

School districts with pupils identified by either the school districts or by district courts as chronically disruptive are eligible to receive funds.

Local Agencies Eligible to Apply for Funds

Local public school districts.

Number of Participating Agencies

Five school districts.

Types of Services Provided

Educational services and support services.

Restrictions on Use of Funds

Personnel, operations and maintenance, and direct services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State foundation formula from property tax.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1975	\$456,680	\$456,680
1976	593,670	593,670
1977	810,264	810,264
1978	651,888	651,888

Probable Continuation

Program is well accepted and will continue to expand.

Administrating Agency

Department of Public Instruction
Grimes State Office Building
Des Moines, Iowa 50319
Telephone: (515) 281-3176



MICHIGAN ALTERNATIVE EDUCATION SUBSIDY

Citation: Michigan State School Aid Act, Section 48
Program Initiation: 1974

Program Objectives

To provide alternatives to incarceration or expulsion from school.

Factors Applied in Determining Allocation of Subsidy

Reimbursements up to \$7,500 per person are available for licensed professional personnel who provide direct services to identified students.

Administrative Requirements for Funding Eligibility

The applicant must agree to fund the balance of the program costs not covered by Section 48 or other funds. Active participation of a juvenile division of probate court is required.

Local Agencies Eligible to Apply for Funds

Any local or intermediate school district.

Number of Participating Agencies

Sixty-two school districts.

Types of Services Provided

Basic skills and rehabilitative services.

Restrictions on Use of Funds

Personnel.

Budget Year

October 1, 1977-September 30, 1978.

Source of Funds

Earmarked state funds (Section 48, State School Aid Act).

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1974	\$ 500,000	\$ 497,310
1975	1,000,000	1,000,000
1976	1,100,000	1,100,000
1977	1,100,000	1,100,000
1978	1,500,000	1,500,000

Probable Continuation

The program is highly supported by applicant agencies and likely to continue.

Administrating Agency

Department of Education
Box 30008
Lansing, Michigan 48909
Telephone: (517) 373-3666

NEW JERSEY PUBLIC SCHOOL SAFETY LAW

Citation: New Jersey Revised Statutes, 18 A:17-42 through 18 A:17-45
Program Initiation: 1968

Program Objectives

To prevent physical and verbal attacks on students and teachers in public schools by unlawful intruders.

Factors Applied in Determining Allocation of Subsidy

State aid reimbursement to the local districts is based on the density of population, school tax rate, total tax rate for the municipality, and other factors. Application is made by any board of education through the county superintendent to the commissioner of the Department of Education who has approval power.

Administrative Requirements for Funding Eligibility

Reimbursements may not exceed 75 percent of the cost. No board of education shall employ more than one public school law enforcement officer for every 500 pupils or fraction thereof enrolled in any school building.

Local Agencies Eligible to Apply for Funds

Public school districts.

Number of Participating Agencies

Sixty-three public school districts.

Types of Services Provided

Public school law enforcement officers.

Restrictions on Use of Funds

Law enforcement personnel.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
	\$ 543,322	\$ 543,322
1970	898,647	898,647
1971	1,098,459	1,098,459
1972	1,991,182	1,991,182
1973	2,128,509	2,128,509
1974	2,557,788	2,557,788
1975	2,506,598	2,506,598
1976	2,506,598	2,506,598
1977	2,506,598	2,506,598
1978	2,506,598	2,506,598

Probable Continuation

Continuation over the long term is doubtful.

Administrating Agency

Department of Education
225 W. State Street
Trenton, New Jersey 08625
Telephone: (609) 292-1829

NORTH CAROLINA PREVOCATIONAL EDUCATION PROGRAM SUBSIDY

Citation: Senate Bill 563
Program Initiation: 1969

Program Objectives

To reduce the dropout rate and minimize adverse economic influences through career development.

Factors Applied in Determining Allocation of Subsidy

Three basic funding formulas (the public school fund, occupational education fund, and the fund for exceptional children) are combined in various ways to support primary and secondary education programs. Funds are allocated based upon average daily membership.

Administrative Requirements for Funding Eligibility

A local plan for vocational education is developed which specifies the programs to be provided and the months required to fulfill the plan. If approved, state guidelines must be followed for each program.

Local Agencies Eligible to Apply for Funds

Local school districts.

Number of Participating Agencies

One hundred and thirty-five school districts.

Types of Services Provided

Self-appraisal, job information, work-habit evaluation, and career planning.

Restrictions on Use of Funds

Administrative costs, personnel, and direct services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$3,000,000	\$3,000,000
1971	3,000,000	3,000,000
1972	3,000,000	3,000,000
1973	3,000,000	3,000,000
1974	3,000,000	3,000,000
1975	3,000,000	3,000,000
1976	3,000,000	3,000,000
1977	3,000,000	3,000,000
1978	3,000,000 ^a	3,000,000

Other Information

^aIn 1978, the categorical appropriation was eliminated and funding for the program was combined with general vocational funds. Specifically, the \$3 million was distributed as follows: \$1.8 million to non-matching expansion funds and \$1.2 million to state months of employment. While it is difficult to estimate the total amount of state funding to the prevocational education program in 1978, it can be assumed that the figure was at least \$3 million and perhaps as high as \$7.7 million.

Probable Continuation

Program will continue.

Administrating Agency

Division of Vocational Education
Department of Public Instruction
Education Building
Raleigh, North Carolina 27611
Telephone: (919) 733-7977

NORTH CAROLINA EXTENDED SCHOOL DAY PROGRAM SUBSIDY

Citation: North Carolina Public School Law--10 Month School Fund,
and North Carolina State Appropriations for Vocational
Education.

Program Initiation: 1975

Program Objectives

To prevent students from dropping out of school and to provide educational services to students returning to school.

Factors Applied in Determining Allocation of Subsidy

Three basic funding formulas (the public school fund, occupational education fund, and the fund for exceptional children) are combined in various ways to support primary and secondary education programs.

Administrative Requirements for Funding Eligibility

The instructional staff for extended school day programs is expected to provide instruction which will most nearly meet the needs of students. While state certification standards are never relaxed or suspended in the academic areas, certification requirements for part-time and temporary personnel may be established by local education agencies.

Local Agencies Eligible to Apply for Funds

Local school districts.

Number of Participating Agencies

Sixty-five school districts.

Types of Services Provided

Counseling, vocational instruction, job placement and follow-up, and basic skills.

Restrictions on Use of Funds

Administrative costs, personnel, and direct services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Comprehensive Employment and Training Act funds.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation</u>		<u>Expenditure</u>	
	<u>State</u>	<u>Federal</u>	<u>State</u>	<u>Federal</u>
1975	\$ 500,000	\$ 0	\$ 500,000	\$ 0
1976	700,000	0	700,000	0
1977	4,000,000	3,000,000	4,000,000	3,000,000
1978	4,000,000	3,000,000	4,000,000	3,000,000

Probable Continuation

Program will continue.

Administrating Agency

Instructional Services Area
Department of Public Instruction
114 W. Edenton Street
Raleigh, North Carolina 27611
Telephone: (919) 733-2310

OKLAHOMA STATE AID FLAT GRANT

Citation: Oklahoma Statutes Annotated, Section 70-18-109
Program Initiation: 1969

Program Objectives

To provide appropriate public education for emotionally disturbed youth.

Factors Applied in Determining Allocation of Subsidy

For the education of handicapped or exceptional children, annual grants are made, in addition to the Foundation Aid and Incentive Aid, in the amount of \$6,000 for the continuation of an approved program.

Administrative Requirements for Funding Eligibility

Application is submitted for approval to the Department of Education.

Local Agencies Eligible to Apply for Funds

Local education agencies.

Number of Participating Agencies

Sixteen local education agencies.

Types of Services Provided

Educational services.

Restrictions on Use of Funds

Direct services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	*	*
1975	*	*
1976	\$180,000	\$180,000
1977	180,000	180,000
1978		

*denotes Not Available.

Probable Continuation

Program has excellent possibility of continuation.

Administrating Agency

Department of Education
Oliver Hodge Education Building
2500 North Lincoln Boulevard
Oklahoma City, Oklahoma 73105
Telephone: (405) 521-3301

UTAH CAREER DEVELOPMENT (DROPOUT PREVENTION) PROGRAM

Citation: Utah Code Annotated 1953 as amended,
Sections 53-7-16 and 53-7-18
Program Initiation: 1970

Program Objectives

To enable schools to retain probable dropouts and recall students who have left school prior to completion.

Factors Applied in Determining Allocation of Subsidy

Application for an experimental or developmental project leading to dropout prevention is submitted to the State Board of Education. Grants are awarded on a competitive basis.

Administrative Requirements for Funding Eligibility

All 40 Utah school districts annually receive a notification of the application date and guidelines, as well as application forms. Applications are reviewed by readers (internal and external), and awards are made on a competitive basis.

Local Agencies Eligible to Apply for Funds

Local school districts.

Number of Participating Agencies

Fifteen school districts.

Types of Services Provided

Career planning, materials and supplies, and in-service training.

Restrictions on Use of Funds

Personnel, operations and maintenance, materials and supplies, and in-service training.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund--uniform school funds.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$225,800	*
1971	225,000	*
1972	225,000	*
1973	225,000	*
1974	225,000	*
1975	225,000	*
1976	225,000	*
1977	242,000	*
1978	266,688	*

*denotes Not Available.

Other Pertinent Information

Legislation for this program was rescinded by the 1978 Utah legislature. Districts may continue to support dropout prevention programs by utilizing local funds or state minimum support funds.

Probable Continuation

The statewide program has been discontinued. The legislature established the special categorical funding only as a developmental and experimental program.

Administrating Agency

State Board of Education
250 East 5th South
Salt Lake City, Utah 84111
Telephone: (801) 533-5431

WISCONSIN SPECIAL EDUCATION NEEDS SUBSIDY

Citation: Laws of Wisconsin, P.L. 90, Subchapter V of Chapter 115
Program Initiation: 1973

Program Objectives

To make additional state resources available to help students who have or are likely to have low levels of achievement.

Factors Applied in Determining Allocation of Subsidy

Public school districts and nonprofit, nonsectarian agencies develop programs and submit a Special Educational Needs Program Application. Budget awards are granted to programs at the discretion of the superintendent of the Department of Public Instruction.

Administrative Requirements for Funding Eligibility

Schools or nonprofit, nonsectarian agencies propose programs to meet certain special education needs of school children. An application and an evaluation plan are submitted to the superintendent of the Department of Public Instruction.

Local Agencies Eligible to Apply for Funds

Schools or nonprofit, nonsectarian agencies.

Number of Participating Agencies

Fourteen private organizations and ten public agencies.

Types of Services Provided

Basic skills and alternative education.

Restrictions on Use of Funds

Administrative costs (five percent) and direct services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1973	\$1,450,000	*
1974	1,450,000	*
1975	750,000	*
1976	750,000	*
1977	750,000	*
1978	750,000	\$92,557

*denotes Not Available.

Other Pertinent Information

Programs are for children in preschool through age 19. Programs are supported for only three years.

Probable Continuation

The subsidy has been well accepted but will be discontinued June 30, 1981.

Administrating Agency

Bureau for Special Education Programming
Division of Instructional Services
Department of Public Instruction
125 S. Webster Street
Madison, Wisconsin 53702
Telephone: (608) 266-2658

Employment

EMPLOYMENT SUBSIDIES

The number of state employment subsidies is very limited, undoubtedly because of the dominance of the federal government in this area. Only subsidies in Alaska, Michigan, and Minnesota were appropriate to this study. Four other programs were excluded because they were either solely administered by a state agency or were designated for children who had been remanded to the custody of the state.

These three state subsidies offer programs very similar to those supported with federal funds. The Alaska Youth Employment Services Subsidy, initiated in 1973, provides career counseling and general job preparedness in local schools to groups and individuals, as well as placement and summer job development to youth 14 through 25 years old. Minnesota's Governor's Youth Program, also initiated in 1973, has employed approximately 25,000 adolescents, or about 5,000 youth each year. Michigan's Work Opportunity Resources Corps (WORC) Program was established in 1977 and lasted only three years. In addition to providing employment for youth 15 through 21 years old, its objectives were to accomplish needed conservation work, to stimulate awareness of the natural environment, and to provide employment training. Even though the WORC Program was very well received, its 1980 budget was deleted due to budgetary constraints.

Although some state officials do not feel the absence of state employment subsidies is due to the advent of the Comprehensive Employment and Training Act, most states seem to have little interest in subsidizing employment programs, particularly since most urban areas receive Comprehensive Employment and Training Act funds directly as "prime sponsors."

Objectives of State Employment Subsidies

The dominant objective of state employment subsidies is to assist in finding employment for youth. Other objectives are to enable adolescents to make career decisions, to train and prepare for jobs, to undertake needed conservation work, and to teach awareness of conservation values.

Types of Services Funded by State Employment Subsidies

The following types of services are funded by employment subsidies: job placement, job development, job preparedness, job training, career counseling, and educational services. The objective of job placement is to provide meaningful employment, wages, and work experiences. Job development is intended to create jobs that can provide employment for youth. Job preparedness includes teaching hygiene, adhering to work hours, and other skills that will contribute

to satisfactory work experiences. Job training involves instruction in vocational skills, on the job. Career counseling offers vocational guidance and helps adolescents make career choices. Educational services furnish tutorial services to encourage adolescents to stay in school or to prepare them to pass high school equivalency examinations.

Table E illustrates services provided by each of the three state subsidies. Similar services are offered by all other states through Comprehensive Employment and Training Act funding.

TABLE E. SERVICES FOR JUVENILE DELINQUENCY PREVENTION AND CONTROL FUNDED BY STATE EMPLOYMENT SUBSIDIES

Service Type (as defined by state agencies)	State
Career Counseling	Alaska
Job Development	Michigan, Minnesota
Job Placement	Alaska, Michigan, Minnesota
Job Preparedness	Alaska

Requirements to Receive Funds from State Employment Subsidies

Financial support for employment programs is disbursed predominantly through formula and program grants. Two of the state-funded subsidies distribute funds as program grants, while the third is based on the Comprehensive Employment and Training Act's formula grant system.

Level of Financial Support to Employment From State Subsidies

Michigan and Minnesota each contributed \$3.1 million and \$3.0 million, respectively, to youth employment programs. In 1978, an administrative transition for Alaska's Youth Employment Services Subsidy suppressed allocations that year to \$60,000; however, allocations in subsequent years increased dramatically.

Local Recipients of State Employment Subsidies

In all three state employment subsidies, the local recipients of funds included local public agencies. In Michigan and Minnesota, local units of general government were also eligible for funds.

ALASKA YOUTH EMPLOYMENT SERVICES SUBSIDY

Citation: Departmental Program
Program Initiation: 1973

Program Objectives

To provide career counseling and general job preparedness in local schools for groups and individuals, and to provide employment opportunities.

Factors Applied in Determining Allocation of Subsidy

Summer programs in each of six regions are eligible to receive funds on a discretionary basis. Anchorage and Fairbanks have year-round youth employment programs.

Administrative Requirements for Funding Eligibility

The state invites localities to participate; formal agreements are arranged between the Department of Education and subsidy recipients; funds are distributed on a reimbursement basis.

Local Agencies Eligible to Apply for Funds

No restrictions; normally municipal governments or private agencies administer funds locally.

Number of Participating Agencies

Seven local sites in six regions. Five are temporary five-month programs, while Fairbanks and Anchorage operate programs year-round.

Types of Services Provided

Career counseling, job preparedness, and job placement.

Restrictions on Use of Funds

Personnel and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Manpower Development and Training Act (formerly).

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1973	*	*
1974	*	*
1975	*	*
1976	\$126,600	\$120,200
1977	150,200	130,600
1978	60,000 ^a	60,000

*denotes Not Available.

^aThe state legislature agreed to fund only the Municipality of Anchorage for fiscal 1978 for a full-year program, which accounts for the decrease in appropriation. In 1979 state appropriations were \$150,000 and \$270,000 for 1980.

Other Pertinent Information

The State Department of Labor provides office space and other forms of in-kind support through local employment security offices.

Probable Continuation

The program will continue with expansion.

Administrating Agency

Adult and Continuing Education
Division of Educational Program Support
Department of Education
Pouch F
Juneau, Alaska 99811
Telephone: (907) 465-4685

MICHIGAN WORK OPPORTUNITY RESOURCES CORPS PROGRAM

Citation: State Appropriations Act (must be renewed each legislative session)
Program Initiaton: 1977

Program Objectives

To provide employment for youth 15 to 21 years of age to accomplish needed conservation work, to stimulate awareness of the natural environment, and to provide employment training.

Factors Applied in Determining Allocation of Subsidy

Projects are selected on a competitive basis. Factors considered in the selection include efficiency, project type, long-term benefits, and past performance.

Administrative Requirements for Funding Eligibility

Once a project application is approved, a project agreement is completed. Administrative costs may not exceed 15 percent of the total grant. All costs must be documented. The ratio of supervisors to employees must stay within grant guidelines. All work must be related to conservation or recreation.

Local Agencies Eligible to Apply for Funds

Any local or intermediate school district; regional park authorities; city, village, township, or county governments; community action agencies; and public housing commission.

Number of Participating Agencies

Two hundred and twenty-one jurisdictions among schools, school districts, villages, townships, cities, counties, agencies, and consortiums.

Types of Services Provided

Job development, job placement.

Restrictions on Use of Funds

Personnel, operations and maintenance, and construction.

Budget Year

October 1, 1977-September 30, 1978.

Source of Funds

State general fund.



History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1977	\$3,131,800	\$2,531,800
1978	3,131,800	3,731,800

Probable Continuation

Popular program, but was not funded for 1980 due to state budget cuts.

Administrating Agency

Office of Manpower Programs
Bureau of Management Services
Department of Natural Resources
Box 30028
Lansing, Michigan 48909
Telephone: (517) 373-8112

MINNESOTA GOVERNOR'S YOUTH PROGRAM

Citation: Minnesota Statutes Annotated, Chapter 254
Program Initiation: 1973

Program Objectives

To provide meaningful employment for youth.

Factors Applied in Determining Allocation of Subsidy

Allocation factors are the same as those for federal employment allocations. One-half of available state funds is allocated to counties according to their youth population, based on updated census estimates. The remaining one-half is allocated according to the percentage of youth population in each county, adjusted for the unemployment rate and the number of families in poverty in each county.

Administrative Requirements for Funding Eligibility

Funds are given to prime sponsors who contract with local agencies.

Local Agencies Eligible to Apply for Funds

Local governments and nonprofit agencies.

Number of Participating Agencies

Ten prime sponsors.

Types of Services Provided

Job placement, job development, and mini-offices program.

Restrictions on Use of Funds

Administrative costs and wages for participants.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1973	\$1,650,000	\$1,650,000
1974	1,800,000	1,800,000
1975	2,000,000	2,000,000
1976	2,000,000	2,000,000
1977	3,000,000	2,897,000
1978	3,000,000	3,103,000

Other Pertinent Information

From 1973 to 1977, the act was passed every two years by the legislature until it was codified in 1977. The St. Paul Police Department commented on the decrease in the crime rate of youth 10 to 16 years old during the summer in areas where the Governor's Youth Program was active.

Probable Continuation

The program is very successful and is anticipated to continue. Approximately 5,000 youth per year are employed in the summer programs.

Administrating Agency

Department of Economic Security
390 North Robert Street
St. Paul, Minnesota 55101
Telephone: (612) 296-6734

APPENDIX C FEDERAL PROFILES

THE OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

Citation: P.L. 90-351, as amended through 1978, 42 U.S.C.
Sec. 3701.

Program Initiation: 1968

Program Objectives

To advance national priorities and provide special impetus for reform and experimentation within the total law enforcement structure established by the act.

Factors Applied in Determining Allocation of Funds

Grants are to be designed to test hypotheses through demonstration projects aimed at achieving a specific objective. Grantees must provide a non-federal contribution of ten percent, except for Part C construction projects, where the match is 50 percent. Grants are generally made for one year.

Administrative Requirements for Funding Eligibility

Application is made to the Law Enforcement Assistance Administration (LEAA) upon certification by the state planning agency that (1) the project is consistent with the state plan, (2) the project will be incorporated into the state action plan, and (3) action funds to the discretionary grant applicant will not be reduced or supplanted by a discretionary award.

Agencies Eligible to Apply for Funds

State and local units of government or combinations of state and local units and for Part C, nonprofit organizations. Beneficiary eligibility granted to state, local, and private organizations under the jurisdiction of applicants.

Administering Agency

Law Enforcement Assistance Administration
U.S. Department of Justice
633 Indiana Avenue, NW
Washington, D.C. 20531
Telephone: (202) 724-7644

JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974

Citation: P.L. 93-415, as amended through 1978,
42 U.S.C. Sec. 5601.
Program Initiation: 1974

Program Objectives

To increase the capacity of state and local governments to conduct effective juvenile justice and delinquency prevention programs by providing matching grants to states, and to develop guidelines for state plans that meet the requirements set forth in the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, and assist states in developing such plans.

Factors Applied in Determining Allocation of Funds

Program allocates grant funds to states and territories on the basis of their population under age 18. Federal assistance may not exceed 90 percent of approved program costs. Grantees are required to provide matching shares of ten percent of total costs, except for construction programs, where the match is 50 percent. At least two-thirds of the funds received by the state and Section 222 (a), Juvenile Justice and Delinquency Prevention Act of 1974, must be expended through programs of local government, insofar as they are consistent with the state plan. This provision may be waived at the discretion of the Law Enforcement Assistance Administration administrator for any state if the services for delinquent or potentially delinquent youth are organized primarily on a state-wide basis.

Administrative Requirements for Funding Eligibility

States must have an operating state law enforcement planning agency, in accordance with the Omnibus Crime Control and Safe Streets Act of 1968, as amended. A state must have an approved plan not more than one year old. States must submit a comprehensive plan embodying the purposes of the act and including provisions for: (1) a state planning agency (SPA) advisory group consisting of 21 to 33 persons representing units of local government, law enforcement and juvenile justice agencies, and private organizations in the field; (2) the placement within two years of all juveniles who are charged with or have committed status offenses in shelter facilities, rather than juvenile detention or corrections facilities; and (3) the separation of juveniles alleged or found to be delinquent from incarcerated adults in detention or corrections facilities. Once the plan is approved, each state determines specific use of funds.

Agencies Eligible to Apply for Funds

State and local government units, public and private organizations, and agencies involved in juvenile delinquency prevention, treatment, and rehabilitation.

Administrating Agency

Office of Juvenile Justice and Delinquency Prevention
U.S. Department of Justice
633 Indiana Avenue, NW
Washington, D.C. 20531
Telephone: (202) 724-7769

SOCIAL SECURITY ACT, TITLE XX

Citation: Title XX, Part A, of the Social Security Act,
P.L. 93-647, as amended through 1978, 42 U.S.C.
Sec 1397.

Program Initiation: 1975

Program Objectives

To enable states to provide social services to public assistance recipients and other low-income persons directed toward one of five goals specified in the law:

- (1) Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency.
- (2) Achieving or maintaining self-sufficiency, including reduction or prevention of dependency.
- (3) Preventing or remedying neglect, abuse or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating, or reuniting families.
- (4) Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care.
- (5) Securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions.

Factors Applied in Determining Allocation of Funds

Funds are used to reimburse states for 75 percent of the social service costs specified in the state's comprehensive annual services plan, when expended in accordance with regulations, including costs related to staff development and training programs. Family planning services are matched at 90 percent. Federal matching for social services is subject to a general limitation on spending at \$2.5 billion for 1978.

Administrative Requirements for Funding Eligibility

A proposed comprehensive annual services plan must be approved by the state's designated official and published for comment at least 90 days prior to the start of the program year. A final plan must be published at least 45 days prior to the start of the program year. Applications are made by submitting the required information regarding the annual services plan and an administrative state plan. States are awarded funds quarterly, based on estimates of needed funds.

Agencies Eligible to Apply for Funds

Designated Title XX state agencies in the 50 states and the District of Columbia.

Administrating Agency

Office of Human Development Services
Office of Policy Development and Office of Program Coordination and Review
Department of Health and Human Services
200 Independence Avenue, SW
Washington, D.C. 20201
Telephone: (202) 472-4415

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CHAPTER 5

CHAPTER 5

FEDERAL GRANTS-IN-AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL PROGRAMS

HISTORICAL PERSPECTIVE ON FEDERAL GRANTS-IN-AID

Federal grants-in-aid have had a relatively long history. Technically speaking, their origins reach back to 1785, when the Northwest Ordinance set land aside in the Northwest Territory. Income from the land funded territorial educational services.¹ The passage of the Morrill Act in 1862 marked the first time in the postconstitutional period that general categorical aid was undertaken by the federal government. The Morrill Act granted portions of public lands to each state to be sold by them, with the proceeds to support institutions of higher education. These colleges and universities became known as "land grant" schools.

The Civil War resulted in an emergency need for more farmers and better engineers so that the Union army might be effectively supported. Land grant schools thus acquired a military importance. This unlikely alliance established the quid pro quo arrangement which persists in most federal grant-in-aid programs today. In exchange for the support for scholarship, land grant schools were required to provide military instruction. Thus, a basic tenet in federal categorical aid was established, i.e., federal resources will be provided to state and local agencies in exchange for the acceptance of certain national goals and objectives.

The first direct grant of money from the federal to state governments occurred in 1887. In that year, the Hatch Act established agricultural experiment stations in every state. A few years later, a second Morrill Act was passed, establishing 12 land grant universities in the south for black students and recast the entire land grant system into one of annual entitlements for federal financial support.

Yet, the amount of federal aid remained an insignificant part of states' budgets. It represented, at the beginning of the twentieth century, about one percent of the federal budget and less than one percent of the combined budgets of state and local governments. With the passage of the Sixteenth Amendment to the U.S. Constitution in 1913, the ability of the federal government to tax beyond its needs and to allocate funds to the states without regard to apportionment signaled a critical watershed in federal-state relations. In rapid succession, federal programs of grants-in-aid were established for agricultural extension services, vocational education, highway construction, and maternity care. This last area of federal aid gave rise to the landmark Supreme Court case which unequivocally established the right of the federal government to tax according to income and to spend according to need.²

The Great Depression revealed the fiscal vulnerability of many state and local governments, dependent as they were on real property and sales taxes. With it also came a dramatic transformation in the role of the federal government, both in terms of providing resources and in terms of its expanding federalistic relationship to state and local governments. In the six-year period from 1933 through 1938, 16 continuing grant-in-aid programs were passed by Congress. They were aimed at providing jobs in the public sector, financial payments directly from the federal government to individual citizens, direct grants to cities for public housing and public works, and other similarly revolutionary programs.

These programs also contained certain conditions that extended a philosophy first enunciated in the Morrill Act--enlarged state planning requirements, restrictions on political activities of state and local public employees who were paid from federal funds, and requirements of proof of states' relative fiscal capacities as part of the fund allocation process.

Federal aid was noticeably reduced during World War II, dropping to one-half the amount reached during the New Deal period. Because of the condition of the wartime economy, the lost funding did not appear to be missed much by state and local governments. The boom years in the economy benefited governments as well as working people. Consumerism and urban land values soared, thus creating an extremely favorable economic climate for all levels of government. State and local governments were able to support most of the services required of them and to plan expansively for ever-widening and increasingly subtle levels of service delivery.

Following World War II, many new federal grants-in-aid were established, clearly responsive to the technology and migration patterns which became America's postwar legacy. Grants were made available for airport and highway construction, urban renewal and planning, air pollution control, and open space preservation. Increased requirements were placed upon the administration of grants, marked by increased reporting, monitoring, auditing, and evaluating of expenditures.

In the mid-1960s, the Johnson years, federal grants-in-aid had become firmly established as the method of choice for implementing national social priorities. The most striking departure from the past, represented by this period, was the rapid increase in the number of grants, especially project grants. By 1967, 379 kinds of grants had been authorized by Congress.³ Both the numbers and types of grants increased, many of them responses to strongly organized lobbyists particularly oriented toward urban problems. The War on Poverty, the Safe Streets Act, and other highly emotional nicknames became attached to many of these programs. Such terms as "incentives," "seed money," and "special conditions" became commonplace to the bureaucratic vocabulary. Highly specialized planning agencies sprang up in state and local governments for the express purpose of administering the complex programs established by congressional legislation and executive "guidelines." Federal regions were established for each major program, and regional office staffs began to assume an entirely new role as grants administrators. Over time, the federal regions were standardized, which led to the federal requirement that states also standardize their substate planning districts.

During the Nixon-Ford years, the federal government moved toward more comprehensive and more flexible approaches to intergovernmental finance. The most remarkable manifestation of the new approach was the passage of the State and Local Fiscal Assistance Act of 1972.⁴ Under it, block grants of funds were allocated to all states and their political subdivisions, with almost pro forma restrictions upon expending the allocations. It was quickly dubbed "The New Federalism." Its immediate popularity with state and local officials was just as immediately met with congressional misgivings over the loss of federal control over the use of the monies. Despite the successful passage of the General Revenue Sharing Act, Congress continued to establish categorical and block grant programs in passing new acts as well as in its amendments to earlier ones. As a result, the block grant approach, in either its original or in many suggested variations, not revenue sharing, became a compromised means for authorizing, appropriating, and allocating funds to the states and their communities. Block grant programs emerged or were continued in manpower, community development, mental health, social services, juvenile justice, criminal justice, and public health.

Numerous administration proposals suggested the consolidation of categorical programs into more comprehensive ones. However, categorical grants still accounted for the great bulk of federal assistance to state and local governments. Despite presidential and many lobbyists' preferences for more flexible instruments of federal assistance, under the New Federalism, the number and size of categorical programs continued to rise in the 1970s.

As the 1980s begin, there are many portents of a radical departure from the history of grants-in-aid since the end of World War II. The economic realities of our current environment; public attitudes about taxation, the federal government, and social responsibility; and the shift in the partisan political balance in Washington all suggest that the trend will be in a new direction. Within this context, it would appear that forthcoming decisions will result from the resolution of such issues as the extent of executive-congressional consensus about the role of a central government in a federalistic republic, the health of the national economy, and the resolve of the new administration.

During the first half of this century, there was very limited involvement by the federal government in the subsidization of delinquency prevention and control programs. The most notable evidence of federal interest in the effort was the establishment of the Children's Bureau in 1912, to address issues pertaining to child welfare, youth employment, juvenile courts, and similar matters in the United States.⁵ Federal subsidies were first made available to states in 1936 through child welfare grants administered by the delinquency division of the Children's Bureau to fund the care of dependent, neglected, abused, exploited, and delinquent youth. During this period, the only other relevant federal initiative came as a result of the establishment of the National Institute of Mental Health (NIMH). As an outgrowth of NIMH grants, research programs into antisocial behavior, including juvenile delinquency, were established in 1951.⁶

Since the 1950s, there has been a proliferation of federal juvenile delinquency prevention and control subsidies. Categorical grants earmarked to address specific problems have funded wide ranges of programs extending across many departments and agencies.

Most delinquency prevention grant programs are not easily recognized. Legislative language does not always specifically refer to delinquency prevention or control. Instead, the intent of many acts is directed toward meeting the needs of "disadvantaged children," "the unemployed and unemployable," "dependent, neglected and abused children," "the socially and mentally maladjusted," or toward "youth development." A few acts specifically refer to juvenile delinquents and to related matters of crime prevention. According to a U.S. Bureau of the Census publication, there were, in 1972, 197 separate federal juvenile delinquency prevention programs funding over 120,000 grants totaling \$11.5 billion.⁷

The rapid rise in youth crime in the 1960s and 1970s produced a concomitant increase in federal subsidization for prevention and control. The programs generally reflected the needs and prevailing philosophies of the times. The thrust of the 1960s, for example, was to overcome poverty, viewed by many as the most important cause of crime. Federal aid to programs for economic opportunity, elementary and secondary education, model cities, and neighborhood youth employment represented a variety of initiatives to eliminate poverty. In most cases, legislation included specific references to the reduction of crime and delinquency. In the case of the Elementary and Secondary Education Act, specific mention of juvenile delinquency prevention came with the 1966 amendments, which provided Title I funds for programs for delinquents.⁸

Categorical aid, rather than either general revenue sharing or block grants, have been the usual method of federal involvement in subsidization. However, in 1968, the Omnibus Crime Control and Safe Streets Act was passed, clearly establishing federal aid to crime control efforts within the block grant category. A more typical approach, however, can be found in the field of education. Despite extended and intense lobbying for general federal aid to education, the Elementary and Secondary Education Act (ESEA) of 1965, the largest federal education subsidy, still provides categorical assistance to state and local school districts, tied to the several titles of the act. Despite the appearance of certain block grant characteristics, use of ESEA funds is extremely limited and controlled, in large measure, by the U.S. Department of Education.

Federal delinquency prevention and control grant programs have not been consistently placed in any particular department. Periodic redefinitions of approaches and needs by Congress have led to changes in expressed national policies and in reassignments of program administration. A variety of youth programs and funding patterns has emerged dressed in the language and bearing the imprint of the times in which they were established. This examination of federal subsidies to prevent and control delinquency describes the types of aid which can be related to delinquency prevention and control in the fields of juvenile justice, child welfare, mental health, education, and employment.

JUVENILE JUSTICE AND CRIME CONTROL GRANTS-IN-AID

Juvenile Delinquency and Youth Offenses Control Act of 1961⁹

The first federal juvenile justice legislative enactment of the 1960s was the Juvenile Delinquency and Youth Offenses Control Act of 1961. Appropriations were rather insignificant and mainly supported research and experimental programs. This act was initially administered by the Office of Juvenile Delinquency and Youth Development located directly under the secretary of the Department of Health, Education, and Welfare (HEW) subsequently the Department of Health and Human Services. Administration of the act was later transferred to the Office of Juvenile Delinquency within the Welfare Administration in 1963.

This act established a policy by the federal government to develop techniques and programs to prevent and control delinquency and was intended to promote public and private agency coordination in dealing with delinquency. Although the act authorized \$30 million, only \$19.2 million was ever appropriated.

The Law Enforcement Assistance Act of 1965¹⁰

The first federal act which was specifically designed to assist state and local governments in overall crime reduction was the Law Enforcement Assistance Act, which passed virtually unopposed in 1965. The Office of Law Enforcement Assistance (OLEA) was established to emphasize: (1) training of state and local law enforcement and criminal justice personnel, (2) demonstration projects and studies, and (3) collection and demonstration of information concerning effective crime control programs. The act was viewed as a demonstration program to be funded for three years (1966-68) at about \$7 million annually. The program was not intended to be a subsidy or a major source of financial support, but represented a concept that federal funds should be used as "seed" money to promote programs at the state and local levels.

Juvenile Delinquency Prevention and Control Act of 1968¹¹

The second major congressional attempt to deal with juvenile delinquency was designed to provide support to state and local governments for rehabilitative and prevention projects.

A new Youth Development and Delinquency Prevention Administration was established by the former Department of Health, Education, and Welfare. The

purpose of this new office was to give leadership to states in developing comprehensive plans for juvenile justice (incorporating the innovative practices funded by the Juvenile Delinquency and Youth Offenses Control Act) and in offering programs developed and evaluated since 1961.

More than 18 months passed before a director was appointed. HEW only spent one-half of the \$30 million appropriated between 1968 and 1971. Amendments to the act in 1972 emphasized community-based preventive services separate from the traditional juvenile justice agencies, i.e., police, courts, etc. The act stressed programs in health, education, and employment.

Omnibus Crime Control and Safe Streets Act of 1968¹²

The Omnibus Crime Control and Safe Streets Act of 1968 was the first major piece of federal legislation to utilize the block grant approach from the outset. The act established the Law Enforcement Assistance Administration (LEAA) within the Department of Justice to administer the program. Grants were provided to a state to cover 90 percent of the cost of operating a statewide planning agency, appointed by the governor, to develop comprehensive criminal justice plans. Each state was allotted \$100,000. The remaining funds were distributed on a population basis. For 1969, \$100 million was authorized, increasing to \$300 million in 1970.

The act also established action grants, 85 percent of which were provided to states on a per capita basis (75 percent of these funds were to be passed through to local governments). The remaining 15 percent was retained for discretionary use by LEAA. In addition, training, education, and research grants were authorized to be administered by the National Institute of Law Enforcement and Criminal Justice.

Although LEAA was originally given a very limited role in the field of juvenile justice, amendments in 1970 and 1973 expanded that role. Dissatisfaction with the accomplishments of the Juvenile Delinquency Prevention and Control Act triggered considerable debate over the appropriate federal agency to administer juvenile justice programs and also contributed to the inclusion of juvenile delinquency amendments to the Omnibus Crime Control and Safe Streets Act.

In 1973, the act was renamed the Crime Control Act. No state plan could be approved unless it included a comprehensive program for the improvement of juvenile justice and allocated 30 percent of Part C (pass-through funds of the action grants) and Part E (construction, acquisition, and renovation of correctional facilities) funds to that purpose. The juvenile justice amendments were a specific response by Congress to require states to invest in a variety of treatment and prevention programs for juvenile delinquents, while at the same time leaving states with flexibility within the block grant approach. In 1980, however, Congress did not appropriate any funds for the block grant programs.

Juvenile Justice and Delinquency Prevention Act of 1974¹³

The debate surrounding the enactment of the Juvenile Justice and Delinquency Prevention Act of 1974 resulted in the removal of administration of juvenile justice from HEW and established the Office of Juvenile Justice and Delinquency Prevention (OJJDP) within the Department of Justice. The act also required that: (1) state planning agencies (SPAs) include representatives from agencies concerned with delinquency prevention, (2) a Coordinating Council on Juvenile Justice and Delinquency Prevention and a National Advisory Committee for Juvenile Justice and Delinquency Prevention be established to bring together all of the related juvenile justice programs so that cooperation could be developed and duplication eliminated, (3) a National Institute for Juvenile Justice and Delinquency Prevention be established within the new Office of Juvenile Justice and Delinquency Prevention, (4) \$350 million be authorized for a three-year period for juvenile justice and delinquency prevention programs, and (5) states be required to maintain their "pass through" Crime Control Act funding of juvenile delinquency programs at the 1972 level.

The significant change in philosophy was that this act, instead of emphasizing juvenile delinquency prevention and the "kids in trouble" concern so obvious with previous acts in this area, was an attempt to establish a national program to deal with juvenile justice. Previous approaches had viewed the juvenile offender in "crime and punishment" terms or focused on delinquency rather than prevention. "Juvenile justice," however, expanded these concerns to include "justice for society," "justice for the individual," "juvenile rights," and reform within the juvenile system, previously underemphasized by juvenile delinquency legislation.

Levels of Financial Assistance from Federal Juvenile Justice Grants-in-Aid

Federal financial assistance allocated by states to local juvenile justice services comes primarily the Omnibus Crime Control and Safe Streets Act (CCA) of 1968 as amended, and the Juvenile Justice and Delinquency Prevention Act (JJJPA). The survey also revealed that four states, Arkansas, Kansas, New York, and South Dakota allocate Social Security Act (SSA), Title XX funds to juvenile justice agencies and one state allocates SSA IV-A funds, practices not anticipated at the outset of the study.

Forty-one states identified the use of federal JJJPA grants and 30 states reported CCA grants for local juvenile delinquency prevention services in 1978. Those states which are not represented may have chosen not to participate in any of these programs, or they did not direct their federal monies to delinquency prevention or control.

Two states, Arkansas and New York, reported earmarking portions of SSA, Title XX, funds to subsidize local juvenile justice services. Even though Title

XX funds may not be specifically earmarked at the state level, many communities may nevertheless utilize these monies to support juvenile justice services. Most states were unable to retrieve data that would indicate actual levels of Title XX expenditures for these services at the local level.

The objective of the Crime Control Act was to provide impetus for reform and experimentation within the total criminal justice system, with funding mainly restricted to public agencies. A major objective of the Juvenile Justice and Delinquency Prevention Act is to increase the capacity of state and local governments and private agencies to conduct effective juvenile justice and delinquency prevention programs. Generally, federal objectives mirror or complement the objectives of many state subsidies.

The federal acts which provide the majority of grants to localities are well known in the juvenile justice community for the volume of application paperwork which must precede funding. Federal legislation specifies that plans must be submitted and approved before funds are released. The decision to allocate Social Security Act, Title XX, funds for purchase of services rests with the designated state agency in accordance with their approved state Title XX plan.

JJDPA contains several major mandates with which state and local governments must conform to receive funds. Over a period of years, status offenders must be removed from juvenile detention or corrections facilities, juveniles must be separated from incarcerated adults and two-thirds of state funds must be passed through to local agencies. CCA requires that 19.5 percent of a state's block grant funds must be spent on juvenile justice services.

The JJDPA mandate on deinstitutionalization of status offenders has been controversial. States have opposed the Office of Juvenile Justice and Delinquency Prevention definitions governing secure and nonsecure detention and shelter care as unrealistic. States also have argued that the requirement for 75 percent deinstitutionalization within two years permitted an insufficient length of time for implementation. Indeed, several states opted not to participate at all in the JJDPA because of the deinstitutionalization mandate. A 1977 amendment changed compliance with deinstitutionalization requirements from two years to three years.

When considering allocations of federal monies to states, the more populous states have fared best under CCA and JJDPA. The heaviest infusion of JJDPA monies has been into California, Illinois, New York, and Texas for local juvenile justice services. Ohio, California, and New York have spent the largest funding amounts under CCA. Table 14 presents available data on federal contributions to state support of local delinquency prevention and control programs. The monies indicated reflect outlays, in contrast to state subsidy tables in the previous chapter which list appropriations. This is made necessary by the difficulties of obtaining comparable fiscal data from agencies. Table 14 accommodates comparisons among states for total dollar amounts and the relative contribution of each act. JJDPA funds exceeded CCA nearly sixfold, \$39.4 million to \$6.6 million. The differences within states is significant. For example, CCA funds in Illinois are less than one percent of the total federal contribution to that state's juvenile justice subsidies. However, in Nevada, Rhode Island, and Wyoming, CCA funds account for the entire federal contribution of the subsidy.

TABLE 14. SELECTED FEDERAL 1978 ALLOCATIONS IN SUPPORT OF LOCAL JUVENILE JUSTICE PROGRAMS (BY STATE, ACT, ALLOCATION, AND YOUTH POPULATION PER CAPITA ALLOCATION)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Alabama	CCA-JJDPA	\$ 1,273,460	
	State match	(513,110)	
	JJDPA	785,471	
	Total	2,058,931	\$ 3.41
Alaska	JJDPA	91,758	1.26
Arizona	CCA	268,964	
	JJDPA	662,045	
	Total	931,009	2.51
Arkansas	CCA	361,925	
	JJDPA	555,093	
	State match	(35,000)	
	SSA, Title XX	145,302	
	State match	(48,433)	
	Total	1,062,320	3.17
California	CCA	807,474	
	JJDPA	6,666,303	
	Total	7,473,777	2.17
Colorado	CCA	250,942	
	JJDPA	251,282	
	Total	502,224	1.14
Connecticut	JJDPA	1,240,990	2.49
Delaware	CCA	57,739	
	JJDPA	104,788	
	Total	162,527	1.63
Florida	JJDPA	1,780,821	1.46
Georgia	JJDPA	1,016,507	1.21
Hawaii	JJDPA	204,355	1.33
Idaho	CCA	80,336	
	JJDPA	314,140	
	Total	394,476	2.86

TABLE 14. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Illinois	CCA	\$ 11,000	
	JJDPA	2,188,028	
	Total	2,199,028	\$ 1.20
Indiana	CCA	262,135	
	JJDPA	1,257,892	
	Total	1,520,027	1.71
Iowa	CCA	72,302	
	JJDPA	621,652	
	Total	693,954	1.48
Kansas	SSA Title XX	166,000	0.45
Kentucky	JJDPA	468,000	0.83
Louisiana	CCA	74,870	
	JJDPA	1,082,778	
	Total	1,157,648	1.71
Maine	CCA	92,483	
	JJDPA	101,526	
	State match	(5,250)	
	Total	194,009	1.12
Maryland	JJDPA	983,353	1.40
Massachusetts	JJDPA	1,734,859	1.83
Michigan	JJDPA	458,008	
	State match	(50,667)	
	CCA	2,049	
	Total	460,057	0.29
Minnesota	JJDPA	458,690	0.68
Mississippi	JJDPA	140,000	0.34
Missouri	CCA	160,994	
	JJDPA	1,619,787	
	Total	1,780,781	2.33
Montana	CCA	26,738	
	JJDPA	235,860	
	Total	262,598	2.08

TABLE 14. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Nebraska	JJDPA	\$ 97,725	\$ 0.38
Nevada	CCA	81,025	0.84
New Hampshire	JJDPA	80,044	0.60
New Jersey	JJDPA	996,583	0.86
New Mexico	CCA	48,800	
	JJDPA	45,919	
	State match	(50,000)	
	Total	94,719	0.46
New York	CCA	617,337	
	JJDPA	2,100,077	
	SSA, Title XX	16,000,000	
	Anti-Recession Funds	4,000,000	
	Total	22,717,414	8.09
North Carolina	CCA	387,826	
	JJDPA	1,500,000	
	Total	1,887,826	2.07
North Dakota	CCA	76,904	
	JJDPA	278,153	
	Total	355,057	3.21
Ohio	CCA	707,728	
	JJDPA	1,855,938	
	Total	2,563,666	1.44
Oregon	CCA	18,612	
	JJDPA	64,190	
	Total	82,802	0.23
Pennsylvania	CCA	399,628	
	JJDPA	1,630,314	
	Total	2,029,942	1.10
Rhode Island	CCA	64,171	0.43
South Carolina	CCA	1,301	
	JJDPA	658,076	
	State match	(68,533)	
	Total	659,377	1.33

TABLE 14. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
South Dakota	CCA	\$ 198,000	
	SSA, Title IV-A, Title XX	94,345	
	Total	292,345	\$ 2.53
Tennessee	JJDPA	726,853	1.08
Texas	CCA	344,614	
	JJDPA	2,099,222	
	Total	2,443,836	1.18
Virginia	CCA	393,644	
	JJDPA	858,607	
	Total	1,252,251	1.48
Washington	JJDPA	144,044	0.24
Wisconsin	CCA	71,946	
	JJDPA	635,552	
	Total	707,498	0.90
Wyoming	CCA	41,628	0.66

a. Population estimates for youth ten-18 years old were extrapolated from 1975 estimates by the U.S. Bureau of the Census. State matches are not calculated into the youth per capita allocation.

Key: CCA--Crime Control Act.
JJDPA--Juvenile Justice and Delinquency Prevention Act.
SSA--Social Security Act.

As with state subsidies, per capita data shows different federal dollar impacts when measured according to youth populations. New York, Alabama, North Dakota, and Arkansas received the heaviest infusions of federal dollars on a per capita basis. Federal per capita subsidies in these four states amounted to \$8.09, \$3.41, \$3.21, and \$3.17, respectively. In contrast, per capita state appropriations in these same states were \$11.77, \$2.32, \$0.00, and \$2.84, respectively. Except for New York, federal monies exceeded state sources for juvenile justice subsidies in these states.

CHILD WELFARE GRANTS-IN-AID

Title XX of the Social Security Act¹⁴

The Social Security Act, under the 1962 amendments (prior to Title XX), had allowed a 75 percent federal share for costs of service delivery by states to welfare recipients. For a short time, the federal share actually rose to 85 percent. Federal standards on delivery of services were established for states. With the 1967 amendments, a major change in the method for delivery of social services occurred. Provision was made to allow purchase of services from other service providers on behalf of clients. This purchase-of-service provision contributed to an increase of about 50 percent in expenditures by states for social services, increasing from about \$200 million in fiscal 1968 to about \$300 million in fiscal 1969, followed by an even more rapid growth in expenditures in subsequent years.¹⁵ Expenditures which went from \$200 million in 1968 to \$1.3 billion in 1972 represented a 550 percent increase in four years.

The 1967 amendment, which permitted purchase-of-service support, involved many new agencies in addition to state welfare departments. United Way agencies, county welfare departments, local child care centers, and numerous other types of service providers were included. A coalition of various interest groups was formed to secure uniformity in the application of social service regulations. They also wished to have consolidated into one title the various regulations, processes, and formulas associated with the Social Security social service programs. The compromise solution resulted in the enactment of Title XX.

Through 1972, the population being served remained the welfare recipient, but client eligibility had been expanded in a variety of ways. For example, former welfare recipients were made eligible for benefits. Ultimately, potential recipients of welfare and Social Security benefits were also to be included.

In October 1972, as a rider to the State and Local Fiscal Assistance Act (general revenue sharing), a cap of \$2.5 billion was placed on the Social Security Act social service allocations. The next three years were marked by considerable emphasis by the federal government on establishing specific regulations for the administration of the social service funds by states and local service providers, resulting in "a battle between the states and the federal government around the issues of regulation and control."¹⁶

When Public Law 93-647, or Title XX of the Social Security Act, was signed into law early in 1975, a major stalemate on social services was resolved. Over the years, under the Social Security Act, there has been significant support for services to young people in addition to basic income support. The Maternal and Child Health Program (Title V) and Child Welfare Services (Title IV-B) had provided specialized services funding on a restricted basis while Medicaid (Title XIX) and Social Services (Titles IV-A and VI) provided funds on an unrestricted, open-ended basis.¹⁷

As previously mentioned, federal spending under the social services titles began to expand rapidly under this "open-ended" provision during the 1967-72 period as more states began to take advantage of the flexible rules regarding client and services eligibility, as well as by using the purchase-of-service provision to support a variety of service programs developed by other public and private agencies. This rapid expansion did not occur uniformly across the country because states chose to do different things with the program and because of inconsistent interpretations of the federal rules.

The issue that finally led to a \$2.5 billion ceiling, and later to new legislation, was the explosion in program costs. States began to realize that by stretching the rules, significant portions of a state's human services budget could be refinanced through Titles IV-A and XVI (Title XVI was incorporated into Title VI as of January 1, 1974). The subsequent jumps in expenditures focused attention on the federal government's lack of management control over the program. The result was unregulated growth and very little information about program results.

During this period of uncontrolled increases in spending, the Social and Rehabilitation Service (SRS) began to develop an approach to these problems which was related to its other major service program, vocational rehabilitation. The approach to "social service reform" was also linked to federal priorities of that period--integration of categorical services and special revenue sharing. The resulting legislation, Title XX, provided reimbursement to states to accomplish five broad social service goals:

- (1) Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency.
- (2) Achieving or maintaining self-sufficiency, including the reduction or prevention of dependency.
- (3) Preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, and preserving, rehabilitating, or reuniting families.
- (4) Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care.
- (5) Securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individual institutions.¹⁸

The philosophy underlying this goal structure is that the highest possible level of independent functioning should be pursued. The program should move people away from relatively dependent individual functioning (characterized in the extreme by institutional placement) towards relatively independent functioning (characterized at the other end of the spectrum by financial and social independence).

Title XX brought about a new federal philosophy toward human services composed of three principles: (1) that states should be given wide latitude to

define their priority problems and service responses, in combination with other existing resources, which would be most effective in solving problems; (2) that accountability should be promoted by fostering citizen participation; and (3) that the basic purpose of social services is presumed to be helping individuals move to or stay at the least dependent status which they are capable of functioning, thereby moving as far as possible away from institutionalization to self-support.

This last tenet provides the basis for Title XX support to the deinstitutionalization of juvenile offenders and the services targeted at the prevention of penetration into the juvenile justice system, making Title XX a logical source of funds to supplement juvenile delinquency prevention and control efforts. A closer examination of local funding patterns may even reveal communities which largely fund delinquency prevention programs through Title XX.

Title IV-B of the Social Security Act¹⁹

The public child welfare service program, funded now through Title IV-B of the Social Security Act, was first established in 1935 with few changes in the law until 1946. At that time, Congress increased the funding for child welfare to \$3.5 million. In 1960, it was raised to \$25 million and reached \$50 million by 1969. In the 1960s, funds were earmarked for programs for economically and culturally deprived children, primarily for day care. The 1968-75 Title IV-B authorizations increased from \$50 million to \$266 million, but no more than \$56.5 million was ever appropriated.

Although a comparatively small program, Title IV-B had a great impact on social services for children throughout the country. In addition to providing funds, emphasis was placed on licensing child care facilities and establishing child care practice standards. For the first time, states were able to use federal funds to provide social services to both current and potential recipients of Social Security payments.

The latest amendment to Title IV-B occurred in 1968, when emphasis shifted from this title to the open-ended Title IV-A (Services to Aid for Dependent Children) and Title VI (a grouping of services to adults). Emphasis was shifted by Social Security from services being provided by federal and state social service agencies to a purchase arrangement with local public and private non-profit agencies. Social service title expenditures increased from about \$200 million in the late 1960s to nearly \$4 billion in 1978 under the open-ended arrangement.

In 1978, Title IV-B administration was placed with the Administration for Children, Youth and Families, under an HEW reorganization. Since then, this agency has developed legislation that will provide more resources for Social Security children's titles to deal with needed services to children, youth, and families. One such bill was introduced in 1978, House Bill 7200 that passed in the House but died in the Senate, which would have increased the permanent ceiling on Title XX to \$3.1 billion from \$2.5 billion. The provisions of this

proposed legislation provide clues for future changes in Social Security titles for children. For these titles, it proposed that:

- (1) The appropriation of an annual grant become an entitlement.
- (2) The overall dollar amount be increased.
- (3) A management information system that will assist in foster care placement and monitoring be established.
- (4) Provisions for appeal of the service plan by parents, service workers, foster parents, and others be developed.
- (5) A written child welfare plan, nonduplicative of the Title XX plan, be developed by states.
- (6) A state would be required to provide that preventive services are available when placements are for abuse and neglect.
- (7) Each child should have a written case plan.
- (8) State expenditures must not be less than for the previous year.
- (9) Additional funds cannot go for increase of foster care payments. It must be applied to preventive services, homemaker services, and day care not associated with employment.
- (10) Federal subsidies, for the first time, pay for adoptions for needy children, with the payments continuing even after the adoption is completed.

Levels of Financial Assistance from Federal Child Welfare Grants-in-Aid

The federal government has funded child welfare programs for many years, most notably since the enactment of the Social Security Act (SSA) in 1935. In recent years, the greatest federal support has been from Title XX. Estimates of Title XX funds used for local child welfare programs were reported by 27 states. Ten states indicated that although they received Title XX grants, they were not able to determine the amount that supports services for juvenile clients (Arkansas, Georgia, Minnesota, Mississippi, New Hampshire, Ohio, Oregon, Pennsylvania, Virginia, and West Virginia). Eight states (Florida, Maryland, Massachusetts, Missouri, Nebraska, South Dakota, Utah, and Vermont) had federal monies, but were not included in this study because the services they support were administered by a state agency, or because they were for children under the custody of a state agency. Five states did not respond to the request for information regarding federal support.

Not all Title XX funds are handled by a single state agency. Title XX funds used to subsidize local services are reported in this study under the functional area most relevant. Title XX funds addressed in this section represent only those which were transferred to local agencies for child welfare services. If Title XX funds were transferred to the state mental health agency and then used to fund local mental health services, the subsidy is reported under mental health.

In most states, Title IV-B funds primarily support foster care services for children who are the responsibility of a state agency. Only Georgia and Tennessee reported Title IV-B funds which met project criteria.

The objectives of federal and state subsidies for delinquency prevention in child welfare are very similar. Child welfare funds usually are directed toward enhancing self-sufficiency; preventing or remedying neglect, abuse, and exploitation; preventing unnecessary institutional care; and providing institutional care, when necessary.

Federal grants are generally used to fund the same types of services as state subsidies, but also include information and referral, adoption, runaway services, and emergency shelter.

As noted previously, most states depend upon federal support, particularly from SSA, Title XX, to fund local service delivery in child welfare. Twenty-seven states reported allocations ranging from \$33,000 in Connecticut, a state that provides \$1.6 million to support local child welfare services, to nearly \$71 million in New York, another state that augments child welfare services with large amounts of state money. In each instance, states reported only those funds they could identify with delinquency prevention objectives.

On a per capita basis, the support ranges from a low of four cents reported by Illinois to a high of \$71.11 per youth in Kentucky. It should be remembered, however, that the disparity in support may be due to differences in approaches to service delivery or to recordkeeping that cannot easily distinguish funds by program or target population. States with apparently low per capita support to local services may be offering an equal or greater level of service delivery, although not represented in this report. Table 15 delineates federal contributions, by state.

Federal child welfare grants included in the study are those initially received by state agencies. Some states may utilize federal monies to support state-administered services to purchase services from county social service agencies, or to transfer the money to local units of government, which then may purchase services from public and private providers.

Local recipients of state child welfare subsidies are generally public and private nonprofit agencies. Some states, such as Pennsylvania and New York, limit applicants to counties, although it is clearly understood that many of the services will be purchased locally from the private sector.

TABLE 15. SELECTED FEDERAL 1978 ALLOCATIONS IN SUPPORT OF LOCAL CHILD WELFARE PROGRAMS (BY, STATE, ACT, ALLOCATION, AND YOUTH POPULATION PER CAPITA ALLOCATION)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Alabama	SSA, Title XX	\$ 7,875,000	
	State match	(2,625,000)	
	Total	7,875,000	\$13.04
Alaska	SSA, Title XX	46,480	0.64
Colorado	SSA, Title XX	2,765,634	
	State match	(737,502)	
	Total	2,765,634	6.29
Connecticut	SSA, Title XX	33,000	0.07
Delaware	SSA, Title XX	207,695	
	State match	(21,899)	
	Total	207,695	2.09
Georgia	SSA, Title IV-B	1,232,500	1.47
Idaho	SSA, Title XX	2,336,604	
	State match	(778,868)	
	Total	2,336,604	16.92
Illinois	SSA, Title XX	79,500	
	State match	(1,445,000)	
	Total	79,500	0.04
Indiana	SSA, Title XX	8,690,000	
	State match	(1,445,000)	
	Total	8,690,000	9.75
Iowa	SSA, Title XX	5,960,847	
	State match	(1,986,952)	
	Total	5,960,847	12.73
Kansas	SSA, Title XX	63,000	0.17
Kentucky	SSA, Title XX	39,900,000	
	State match	(9,900,000)	
	Total	39,900,000	71.11
Louisiana	SSA, Title XX	175,000	0.26

TABLE 15. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Maine	SSA, Title XX	\$ 591,522	\$ 3.41
Michigan	SSA, Title XX	1,095,000	0.69
Nevada	SSA, Title XX	241,875	2.50
New Jersey	SSA, Title XX	5,903,000	
	State match	(522,000)	
	Total	5,903,000	5.12
New Mexico	SSA, Title XX	78,000	
	State match	(20,000)	
	Total	78,000	0.37
New York	SSA, Title XX	70,972,000	
	State match	(11,829,000)	
	Total	70,972,000	25.27
North Carolina	SSA, Title XX	29,039,572	31.79
North Dakota	SSA, Title XX	89,200	0.81
Oklahoma	SSA, Title XX	1,000,000	
	State match	(300,000)	
	Total	1,000,000	2.34
Rhode Island	SSA, Title XX	1,560,838	10.54
South Carolina	SSA, Title XX	1,116,336	
	State match	(371,698)	
	Total	1,116,336	2.24
Tennessee	SSA, Title XX	2,115,000	
	SSA, Title IV-B	1,238,600	
	State match	(1,154,800)	
Total	3,353,600	4.99	
Texas	SSA, Title XX	2,263,966	1.09
Wisconsin	SSA, Title XX	10,247,600	
	State match	(9,724,000)	
	Total	10,247,600	13.07

TABLE 15. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Wyoming	SSA, Title XX	\$ 1,128,827	
	State match	(252,980)	
	Total	1,128,827	\$17.83

a. Population estimates for youth ten-18 years old were extrapolated from 1975 estimates by U.S. Bureau of the Census. State matches are not calculated into the youth per capita allocation.

Key: SSA--Social Security Act.

MENTAL HEALTH GRANTS-IN-AID

Two federal subsidies for mental health are described in this section: the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (CAAAPTRA) and the Drug Abuse Office and Treatment Act of 1972 (DAOTA). The objectives of these drug and alcohol subsidies are to treat and rehabilitate substance abusers, as well as to prevent juveniles from becoming substance abusers. In recent years, the fundamental objective of federal and state support for alcohol and drug abuse has been to prevent unnecessary institutionalization and to establish community-based options for those under institutional care, given that community resources were available.

Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970²⁰

Results from analysis of a 1974 survey of high school students showed that problem drinking increased from 5 percent in the 7th grade to 40 percent in the 12th grade for boys, and from 4 percent in the 7th grade to 21 percent in the 12th grade for girls. The proportion of high school students who reported ever having been drunk increased dramatically from 19 percent before 1966 to 45 percent between 1966 and 1975. The proportion reporting being intoxicated at least once a month rose from 10 percent before 1966 to 19 percent between 1966 and 1975.²¹

The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 estimated annual losses to lost production, medical and public assistance expenditures, law enforcement costs, and motor vehicle and other accidents would exceed \$15 billion and revised it upward in 1980 to \$43 billion.²² To provide federal assistance to state and local programs, the act authorized formula grants to states and project grants to public and private nonprofit agencies to deal with alcohol abuse beginning with 1971. The level of authorization to states began at \$40 million in 1971, rose to \$85 million in 1979, and is set at \$65 million for 1981.²³ Over all, authorizations for states and public and private nonprofit agencies reached \$115 million for 1981.

The act as originally passed made no specific reference to youth, but the 1976 amendments (P.L. 94-371) called for special emphasis on "underserved populations, such as . . . youth."²⁴ It also required that programs be provided in cooperation with schools, among other types of agencies.

Because of the evidence of increased alcohol abuse and alcoholism among youth, the Subcommittee on Alcoholism and Drug Abuse held hearings in 1977 and 1978 on the effectiveness of various education and prevention efforts of agencies within the former Department of Health, Education, and Welfare. Testimony was received that a recent national survey of students (grades seven through 12) which examined teenage drinking and problem drinking showed that 74 percent of the teenagers were drinkers, 79 percent of the boys and 70 percent of the girls. Nearly 19 percent of the students were identified as problem drinkers, 23 percent of the boys and 15 percent of the girls.²⁵

These statistics show a rising incidence of alcohol abuse and alcohol-related problems, including alcoholism, among youth. Yet, treatment programs targeted specifically at juveniles are virtually nonexistent in many areas of the country. To address this national issue, CAAAPTRA was again revised to place more emphasis on programs for youth. Section 11 emphasizes programs for "women, youth, families of alcoholics." Section 13 calls for an emphasis on youth. Special language was incorporated in the 1980 amendments calling for state plans to identify the "need for prevention and treatment of alcohol abuse and alcoholism . . . by individuals under the age of 18." The amended act also specifically refers to programs for youth in the grants and contracts to public and private nonprofit agencies section.²⁶

The act, as amended, proposes \$5.1 million for fiscal 1980 for new and supplemental alcoholism treatment and rehabilitation service grants for youth. Such programs may include outreach, case finding, treatment needs assessment and planning, referral, detoxification, medical and residential care, and group, individual, and family counseling.

Drug Abuse Office and Treatment Act of 1972²⁷

Due to the rapid increase in drug abuse in the late 1960s and early 1970s, the 92nd Congress enacted the Drug Abuse Office and Treatment Act of 1972. DAOTA was established to significantly reduce the incidence of drug abuse in the

United States "within the shortest possible period of time" and to develop a comprehensive long-term strategy.²⁸

The act originally made no specific reference to juveniles but alluded to providing special attention to them with the 1978 amendments by inserting emphasis on "population groups . . . which are seriously affected by drug abuse."²⁹ Specific reference to youth was made in the 1979 amendments, which also changed the name to the Drug Prevention Treatment and Rehabilitation Act. "The growing extent of drug abuse indicates an urgent need for prevention and intervention programs designed to reach the general population and members of high risk populations such as youth, women and the elderly."³⁰ Further reference was made for the prevention and treatment of drug abuse and dependence by individuals under the age of 18.³¹

Formula grants are made available to states and project grants can be made available to public service providers. For fiscal 1980, at least seven percent of the funds to be obligated for grants and contracts for primary prevention and intervention programs designed to discourage individuals from abusing drugs must go to high-risk populations, including youth. That percentage rises to ten percent in 1981.

Levels of Financial Assistance for
Federal Mental Health Grants-in-Aid

Federal mental health funds are distributed as formula grants or competitive project grants. Most formula grant procedures require submission of an annual comprehensive services plan which delineates indicators of need, demographic data, and availability of state matching funds. Competitive project grant requests generally have the same requirements as state subsidies.

Federal grants included in this section are primarily from DAOTA and CAAAPTRA. However, other federal support is indicated from sources such as the Social Security Act, Title XX, Title III of the Public Health Services Act, and JJDPA.

Twenty-four states identified funding from federal grants which had been targeted specifically for services to youth. Two states, Florida and North Carolina, estimated the proportion of funds aiding youth by multiplying the total state allocation by the percentage of youth within the general population. Most of the reported federal allocations specifically targeted toward youth were used to support drug or alcohol treatment and prevention programs.

Alabama, New Mexico, and South Carolina reported using SSA, Title XX funds for mental health services to youth. In Maryland, locally operated mental health youth services are purchased with a combination of JJDPA and DAOTA funds.

It should be noted that formerly New Mexico and presently Tennessee as well as Maryland utilize Juvenile Justice and Delinquency Prevention Act funds to augment their mental health subsidies. Although there are no restrictions on

the use of funds in this manner, most states choose to use JJDPA funds for more traditional juvenile justice services. A novel use of a federal grant was found in New Mexico. Title XX funds are used to support early intervention and out-patient services for aerosol inhalant abusers in Bernalillo County.

Table 16 shows federal mental health grants reported on a state-by-state basis, with a breakdown of the per capita expenditures for youth ages 10 to 18 years old within each state. Support in total dollars from federal sources ranged from slightly over \$30,000 in Delaware to nearly \$2.2 million in Indiana. Estimated proportions of federal funds passed through to local governments on a youth per capita basis ranged from seven cents in Illinois, Kentucky, and Texas to \$8.53 in Hawaii.

TABLE 16. SELECTED FEDERAL 1978 ALLOCATIONS IN SUPPORT OF LOCAL MENTAL HEALTH PROGRAMS (BY STATE, ACT, ALLOCATION, AND YOUTH POPULATION PER CAPITA ALLOCATION)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Alabama	CAAAPTRA	\$ 119,000	
	SSA, Title XX	337,055	
	State match	(112,352)	
	Total	456,055	\$ 0.76
Alaska	DAOTA	145,192	1.99
Delaware	DAOTA	31,415	
	State match	(20,085)	
	Total	31,415	0.32
Florida	DAOTA	1,052,979	0.87
Hawaii	CAAAPTRA-DAOTA	1,313,498	
	State match	(1,238,967)	
	Total	1,313,498	8.53
Illinois	CAAAPTRA	135,000	0.07
Indiana	CAAAPTRA-DAOTA	300,000	
	Public Health Service Act	1,883,913	
	Total	2,183,913	2.45
Iowa	DAOTA	108,871	0.23
Kentucky	DAOTA	40,000	0.07

TABLE 16. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Louisiana	DAOTA	\$ 335,799	
	State match	(142,393)	
	Total	335,799	\$ 0.49
Maine	DAOTA	571,500	3.30
Maryland	JJDPA-DAOTA	816,210	1.17
Minnesota	CAAAPTRA-DAOTA	574,000	0.85
Nebraska	CAAAPTRA	30,000	
	DAOTA	254,516	
	State match	(99,616)	
	Total	284,516	1.12
Nevada	DAOTA	265,849	
	State match	(14,400)	
	Total	265,849	2.75
New Mexico	SSA, Title XX	54,750	
	State match	(18,250)	
	Total	54,750	0.26
New York	DAOTA	836,945	0.30
North Carolina	CAAAPTRA	150,000	
	DAOTA	212,200	
	Total	362,200	0.40
Oklahoma	SSA, Title V	445,590	1.04
Rhode Island	DAOTA	126,903	
	State match	(35,897)	
	Total	126,903	0.86
South Carolina	SSA, Title XX	144,339	
	CAAAPTRA-DAOTA	304,079	
	Total	448,418	0.90
Tennessee	JJDPA	82,874	0.12
Texas	CAAAPTRA	149,260	0.07

TABLE 16. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Utah	CAAAPTRA-DAOTA	\$ 58,000	
	Community Mental Health Services Act	286,324	
	National Highway Traffic Safety Administration	18,777	
	Total	363,101	\$ 1.63

a. Population estimates for youth ten-18 years old were extrapolated from 1975 estimates by the U.S. Bureau of the Census. State matches are not calculated into the youth per capita allocation.

Key: JJDPA--Juvenile Justice and Delinquency Prevention Act.
 SSA--Social Security Act.
 DAOTA--Drug Abuse Office and Treatment Act.
 CAAAPTRA--Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act.

EDUCATION GRANTS-IN-AID

The U.S. Constitution contains no reference to a federal role in education. However, since our nation's earliest history, there have been federal laws with explicit educational objectives. The Northwest Ordinance of 1785, previously mentioned, set land aside in the Northwest Territory, the income from which was to fund education. Campbell and Sroufe, writing in *Phi Delta Kappan*, cite 18 such federal laws which support specific objectives in education in the United States.³² Other landmark examples of federal involvement in education are laws like the Morrill Act of 1862, establishing the landgrant college system; the Smith-Lever Act of 1914, establishing cooperative extension programs in states; and the National Defense Education Act (NDEA) of 1958, which was our nation's response to the success of the Russian space program by emphasizing science and mathematics to prepare youth for the space age.

Historically, educational interests have sought general, un earmarked, grants to state and local education agencies to subsidize education. This type of subvention has never occurred. All federal education programs have, until now, been categorical funds which address a national need highlighted by a crisis or national priority. The Higher Education Act of 1963 (P.L. 88-204), which enabled colleges and universities to construct facilities for the mounting student enrollments caused by the arrival of the post-World War II baby boom on college campuses, or Title I of the Elementary and Secondary Education Act of

1965 (P.L. 89-10) to fund compensation programs for disadvantaged youth as part of the War on Poverty of the Johnson years are good examples.

The federal government in the 1960s established massive new educational initiatives to overcome the effects of poverty, viewed by many as contributive to the causes of crime and delinquency. Just as the National Defense Education Act had attempted to revive interest in science and mathematics to compensate for perceived Russian superiority, so the education legislation of the 88th Congress reflected a national preoccupation with the elimination of poverty and thus a reduction of the mushrooming effects of rising crime and delinquency rates. The 88th Congress, referred to by President Lyndon Johnson as "the Education Congress," passed six pieces of legislation in rapid succession which radically altered federal participation in the field of education. These included:

- (1) Higher Education Act of 1963, which provided aid to colleges and universities to construct facilities, thereby making higher education accessible to more persons.
- (2) National Defense Education Act Amendments, extending NDEA until 1968, which provided student loans, support for teachers of the disadvantaged, as well as English, reading, history, and geography. Funds were also made available to support fellowships for teachers in these fields, as well as librarians and media specialists.
- (3) Vocational Education Act of 1963, which funded updated vocational instructional programs, expanded staff and facilities, and encouraged experimentation with new methods in vocational education such as work-study.
- (4) Equal Opportunity Act of 1963, while not an educational act per se, established the Job Corps for high school dropouts who had no marketable skills, and the Head Start Program, a pre-school experience for young culturally deprived children, provided funds to Community Action Programs for a range of educational services, including tutoring, remediation, college preparation, etc.
- (5) Manpower Development and Training Act, which trained jobless teenagers who had few marketable skills for employment.
- (6) Health Professions Education Assistance Act, which provided funds for needy students to enter careers in medicine, dentistry, and related health professions.

Elementary and Secondary Education Act of 1965³³

The six acts cited above pale when compared in scope with the Elementary and Secondary Education Act (P.L. 89-10) enacted by the 89th Congress. The most significant and certainly largest federal subsidization of education in the

history of the United States, the Elementary and Secondary Education Act of 1965 amended in 1967 by P.L. 93-380, authorized over \$1 billion for six titles beginning in 1966. Two titles, I and III, were clearly directed toward addressing conditions linked to juvenile delinquency. Title I authorized \$41.7 million for upgrading the education of culturally and economically deprived children. Title III authorized \$100 million for supplementary and innovative programs for our nation's schools. Payments were made to state and local school districts for programs and projects designed to reach deprived children in school attendance areas having high concentrations of children from low-income families and, at least by implication, high crime and delinquency rates.

The 1967 amendments to Title I (P.L. 93-380) expanded the emphasis on culturally and economically deprived children to handicapped, neglected or delinquent, American Indian, and migrant children. The number of handicapped, neglected or delinquent, and migratory children reached by state education agencies (SEAs) increased dramatically in just a few short years as shown in Table 17.

TABLE 17. HANDICAPPED, NEGLECTED OR DELINQUENT, AND MIGRATORY YOUTH SERVED BY TITLE I OF ESEA

Category	Fiscal 1966	Fiscal 1967	Fiscal 1968	Fiscal 1969
Handicapped	65,440	82,797	87,389	96,633
Neglected or Delinquent	NA	40,653	41,394	46,332
Migratory	NA	169,910	163,282	157,153
Total	65,440	293,360	292,065	300,118

Appropriations for these categories increased from \$13.9 million in 1969 to \$31.8 million in 1979, with annual increases running between \$2 million and \$5 million.

Title III, Supplementary Education Centers and Services Enrichment, was authorized for five years at \$100 million for the first year. Each state received a base of at least \$220,000 with the remainder divided according to a formula based on the size of school-age and general populations. The purpose of Title III was to encourage innovative projects to meet the special needs of a variety of types of children, including children with learning or behavior problems. By 1968, there were 1,800 Title III projects funded at \$187 million annually reaching ten million children in 7,200 school districts.³⁴

The 1967 amendments to ESEA added specific language which called for efforts to "reduce the number of children who fail to complete their elementary and secondary education." Five million dollars was appropriated for dropout prevention in 1969 under the provisions of this amendment (P.L. 90-247). Additional amendments were added by P.L. 95-56 in 1976 under Title IV to establish state advisory councils to evaluate, adopt, and disseminate successful innovative projects, supplemental centers and services, dropout prevention services, and health and nutrition programs. Fifteen percent of the monies was earmarked for programs for children with learning disabilities and handicapping conditions.

No previous federal education subsidy had come close to the amount of money invested in public education by ESEA. By 1979, annual appropriations for Title I alone had reached \$2.74 billion, having risen steadily from about \$1 billion ten years before. In 1979, funds for the special provision of the 1969 amendments reached \$173.5 million for programs for migrant children and \$31.8 million for neglected or delinquent youth.

Vocational Education Act of 1963³⁵

To stimulate the development of special programs for youth with financial need or in need of special assistance to succeed in vocational education, Congress enacted the Vocational Education Act of 1963. Funds are allocated to state education agencies based upon youth unemployment and school dropout rates in the state.

The 1976 amendments earmarked funds for programs that focus on truancy, disruption, assault, vandalism, and violations of law, all of which are directly connected to delinquency prevention and control. SEAs are required to develop comprehensive state plans in cooperation with state advisory councils.

Educational Subsidies for Handicapped

While this study did not examine federal subsidies for handicapping conditions, since by definition they were excluded from delinquency prevention programs, it is interesting to note that the emphasis of federal subsidies of the 1960s to alleviate the effects of poverty on children was supplemented by national concerns for handicapped children. The culmination of federal subsidization for programs for handicapped youth came with the enactment of the Education of All Handicapped Children Act of 1975 (P.L. 94-142). Funds are disbursed to states to provide a free, appropriate, public education for all handicapped children, with an emphasis on special education and related services designed to meet their unique needs. States and localities are funded to provide the education and to assess the effectiveness of educating handicapped children.

Levels of Financial Assistance from Federal Education Grants-in-Aid

Overall, federal aid to education comprises only a small proportion of total support to the educational system, since federal aid amounts to less than ten percent of the total national expenditure. The only figures recorded for this project are those from that portion of ESEA Title I used by states for local neglected or delinquent children; Vocational Educational Act, Subparts II and IV, used for disadvantaged secondary students; and ESEA Title IV-C, used for innovative programs that focus on truancy, disruption, assault, vandalism, and violations of law.

Information on financial assistance from the Elementary and Secondary Education Act (Titles I and IV-C), and the Vocational Education Act (VEA) was requested from each state and is given on Table 18. Funds from Title I of ESEA from the state to the local school districts for neglected or delinquent children were identified in 47 states. One state did not use federal funds for local neglected or delinquent children; another did not receive neglected or delinquent children funds in 1978; and one state did not respond.

Funds from Title IV-C of ESEA are used in 11 states for innovative juvenile justice programs. Most states participate in the Title IV-C program; however, only those funds used for programs focusing on dropout prevention, truancy, disruptive behavior, vandalism, or violations of the law were included in this study.

Vocational Education Act funds for secondary school disadvantaged students, Subparts II and IV, were reported in 47 states. One state directs federal funds to postsecondary programs only; two states did not respond.

As stated previously, federal education programs generally concern areas of special national interest. ESEA, Titles I and IV-C, provide for compensatory education for children in need of remedial skills and innovative education programs, while VEA funds vocational education programs. In general, the federal assistance programs were initiated in the mid-1960s. North Carolina's Prevocational Program was started in 1963, the same year and with the same objectives as VEA. Moreover, additional state subsidy programs were initiated in the late 1960s through the 1970s.

Table 18 also lists state allocations which are provided as matching funds for VEA, Subpart II. This subsection requires a 50-50 match. However, ten states overmatch this portion considerably. No state match is required for ESEA, Titles I and IV-C, or VEA, Subpart IV.

TABLE 18. SELECTED FEDERAL 1978 ALLOCATIONS IN SUPPORT OF LOCAL EDUCATION PROGRAMS (BY STATE, ACT, ALLOCATION, AND YOUTH POPULATION PER CAPITA ALLOCATION)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Alabama	ESEA, Title I	\$ 162,150	\$ 4.57
	VEA	2,601,104	
	State match	(3,955,151)	
	Total	2,763,254	
Alaska	ESEA, Title I	40,609	3.67
	VEA	227,600	
	State match	(191,700)	
	Total	268,209	
Arizona	ESEA, Title I	92,172	1.74
	VEA	552,900	
	State match	(50,259)	
	Total	645,072	
Arkansas	ESEA, Title I	94,688	4.62
	ESEA, Title IV-C	35,271	
	VEA	1,418,000	
	State match	(6,031,555)	
	Total	1,547,959	
California	ESEA, Title I	1,400,000	2.27
	ESEA, Title IV-C	449,285	
	VEA	5,951,107	
	State match	(5,100,163)	
	Total	7,800,392	
Colorado	ESEA, Title I	112,800	3.38
	VEA	1,374,626	
	State match	(741,727)	
	Total	1,487,426	
Connecticut	ESEA, Title I	177,213	3.17
	VEA	1,402,720	
	Total	1,579,933	
Delaware	ESEA, Title I	10,000	3.56
	ESEA, Title IV-C	44,687	
	VEA	300,000	
	State match	(4,734,000)	
	Total	354,687	

TABLE 18. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Florida	ESEA, Title I	\$ 441,414	\$ 4.27
	VEA	4,759,400	
	State match	(14,972,026)	
	Total	5,200,814	
Georgia	ESEA, Title I	279,975	4.16
	ESEA, Title IV-C	30,000	
	VEA	3,189,082	
	State match	(2,405,191)	
	Total	3,499,057	
Hawaii	VEA	614,667	3.99
	State match	(1,366,874)	
	Total	614,667	
Idaho	ESEA, Title I	19,270	4.22
	ESEA, Title IV-C	53,462	
	VEA	509,747	
	State match	(157,048)	
	Total	582,479	
Illinois	ESEA, Title I	472,528	0.26
Indiana	ESEA, Title I	404,565	6.94
	ESEA, Title IV-C	3,200,000	
	VEA	2,578,346	
	State match	(2,255,007)	
	Total	6,182,911	
Iowa	ESEA, Title I	31,801	4.26
	VEA	1,963,485	
	State match	(212,316)	
	Total	1,995,286	
Kansas	ESEA, Title I	104,496	3.39
	VEA	1,150,000	
	Total	1,254,496	
Kentucky	ESEA, Title I	202,041	4.43
	ESEA, Title IV-C	235,525	
	VEA	2,048,550	
	State match	(1,235,747)	
	Total	2,486,116	

TABLE 18. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Louisiana	ESEA, Title IV-C	\$ 35,000	
	VEA	2,291,000	
	State match	(1,980,058)	
	Total	2,326,000	\$ 3.43
Maine	ESEA, Title I	62,147	
	VEA	411,761	
	State match	(339,438)	
	Total	473,908	2.73
Maryland	ESEA, Title I	506,000	
	VEA	2,177,796	
	State match	(6,912,210)	
	Total	2,683,796	3.83
Massachusetts	ESEA, Title I	208,193	
	VEA	3,265,000	
	State match	(4,100,745)	
	Total	3,473,193	3.67
Michigan	ESEA, Title I	1,635,930	
	ESEA, Title IV-C	6,330,207	
	VEA	4,248,721	
	State match	(1,726,360)	
	Total	12,214,858	7.75
Minnesota	ESEA, Title I	223,803	
	VEA	1,606,833	
	State match	(882,489)	
	Total	1,830,636	2.71
Mississippi	ESEA, Title I	51,000	
	ESEA, Title IV-C	96,174	
	VEA	1,636,458	
	State match	(1,070,652)	
Total	1,783,632	4.35	
Missouri	ESEA, Title I	280,053	
	VEA	2,358,959	
	Total	2,639,012	3.45
Nebraska	ESEA, Title I	48,949	
	VEA	884,716	
	Total	933,665	3.66

TABLE 18. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Nevada	ESEA, Title I	\$ 77,000	
	VEA	270,672	
	Total	347,672	\$ 3.60
New Hampshire	ESEA, Title I	774,554	
	VEA	319,960	
	Total	1,094,514	8.24
New Jersey	ESEA, Title I	169,543	
	VEA	3,388,552	
	State match	(4,070,896)	
	Total	3,558,095	3.08
New Mexico	ESEA, Title I	162,126	0.78
New York	ESEA, Title I	2,485,000	
	VEA	6,051,216	
	State match	(40,829,000)	
	Total	8,536,216	3.04
North Carolina	ESEA, Title I	326,110	
	VEA	127,616	
	CETA	3,000,000	
	Total	3,453,726	3.78
North Dakota	ESEA, Title I	32,614	
	ESEA, Title IV-C	384,000	
	VEA	323,392	
	Total	740,006	6.70
Ohio	ESEA, Title I	599,800	
	VEA	4,563,400	
	State match	(24,087,739)	
	Total	5,163,200	2.90
Oklahoma	ESEA, Title I	184,112	
	VEA	1,456,084	
	State match	(388,375)	
	Total	1,640,196	3.83
Oregon	ESEA, Title I	182,359	
	VEA	5,045,000	
	Total	5,227,359	14.40

TABLE 18. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Pennsylvania	ESEA, Title I	\$ 1,375,778	
	VEA	22,847,845	
	Total	24,223,623	\$13.10
Rhode Island	ESEA, Title I	43,647	
	VEA	600,000	
	Total	643,647	4.35
South Carolina	ESEA, Title I	1,500	
	VEA	168,830	
	Total	170,330	0.34
South Dakota	ESEA, Title I	102,629	
	VEA	523,764	
	Total	626,393	5.42
Tennessee	ESEA, Title I	198,780	
	VEA	330,453	
	Total	529,233	0.79
Texas	ESEA, Title I	1,538,641	
	VEA	5,716,217	
	Total	7,254,858	3.50
Utah	ESEA, Title I	106,974	
	VEA	864,004	
	State match	(724,079)	
	Total	907,978	4.37
Vermont	ESEA, Title I	30,994	
	VEA	342,850	
	Total	373,844	4.70
Virginia	ESEA, Title I	139,355	
	VEA	2,388,110	
	Total	2,527,465	2.98
Washington	ESEA, Title I	355,867	
	VEA	2,010,429	
	State match	(1,681,418)	
	Total	2,366,296	4.01

TABLE 18. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
West Virginia	ESEA, Title I	\$ 59,848	
	VEA	888,942	
	State match	(775,544)	
	Total	948,790	\$ 3.41
Wisconsin	ESEA, Title I	192,325	
	VEA	200,000	
	Total	392,325	0.50
Wyoming	ESEA, Title I	118,960	
	VEA	261,473	
	State match	(219,128)	
	Total	380,433	6.01

a. Population estimates for youth ten-18 years old were extrapolated from 1975 estimates by the U.S. Bureau of the Census. State matches are not calculated into the youth per capita allocation.

Key: ESEA--Elementary and Secondary Education Act.
VEA--Vocational Education Act.

The U.S. Department of Education requires annual state reports for continuation of funding. Failure to report may exempt a state from aid or reduce federal school aid to a state. No state education plans are required.

Federal aid, while not a large part of overall education expenses, does influence state and local funding policies, particularly in the area of aid to the educationally and economically disadvantaged. Federal aid generally flows to states and communities with smaller revenue-generating capabilities. Where states retain discretion in allocating federal aid, distribution of aid tends to follow the general pattern of distribution contained in the basic educational support formula of the state.

Initially, federal aid to education took the form of categorical grants to states for special projects. With the passage of ESEA and VEA, a shift was made to formula grants. The ESEA, Title I, and VEA are both formula grants. ESEA, Title IV-C, funds are allocated to states on a formula basis, but distributed by states to local education agencies by competitive program proposals.

EMPLOYMENT GRANTS-IN-AID

Comprehensive Employment and Training Act of 1973³⁶

Federal grants subsidize youth employment programs in all 50 states. Most of these subsidies were available from the Youth Employment Demonstration Program of 1977, which is a part of the Comprehensive Employment and Training Act of 1973 (CETA). CETA provided over \$1.36 billion in 1978 for Youth Employment and Training Programs (YETP), Youth Community Conservation and Improvement Projects (YCCIP), Youth Incentive Entitlement Pilot Projects (YIEPP), and Summer Youth Programs (SYP).

YETP, the largest program, was devised to improve job opportunities and future career planning for low-income youth ages 16-21 by providing a number of employment and training programs and supportive services. YCCIP emphasizes employment for youth ages 16-19 in well-supervised work projects that provide benefits to the community. YIEPP is the most experimental program. It provides jobs or training for all economically disadvantaged 16-19 year olds who live in target areas and who are in school or planning to return. SYP is a summer work experience program with an emphasis on vocational exploration for economically disadvantaged youth ages 14-21.

Formula grants are used to allocate CETA funds to the states and to the prime sponsors; however, monies from the Governor's Discretionary Fund and the Youth Community Conservation and Improvement Program are received at the local level as program grants. Prime sponsors are required to prepare a youth plan. Programs are monitored and evaluated by a local youth council. Extensive reporting is also required regarding budgets, number of clients, and placement contracts.

The CETA formula is based on general unemployment data and the portion of low-income families in the state or geographic area. The unemployment rate is heavily weighted, because one of the objectives of the CETA program is the creation of temporary jobs to counter unemployment. No state match is required, and performance in administering CETA programs is not part of the formula for allocation of funds. There is, rather, a tendency to continue to fund the same number of jobs as was supported in previous years. While allocation of the YCCIP portion is sent to the states, from where it is redistributed to the prime sponsors, the Department of Labor does directly supply prime sponsors with complete funding estimates. Under special conditions, a prime sponsor could be given less than its full funding estimate if the remaining funds had been awarded to other projects of prime sponsors elsewhere in the state.

The five percent Governor's Discretionary Fund is used, as the name implies, at the discretion of the governor of the state. The governor may elect to place the monies in the Balance of State Fund, which supports all areas not covered by prime sponsors, or to grant contracts for specific youth projects such as those cited earlier. With some exceptions, these special projects are usually administered by the state manpower office or the governor's office. Several

subsidies in Utah provide examples of uses of the Governor's Discretionary Fund. They are: (1) a Minority Youth Advocate Program that facilitates, and thereby increases CETA service delivery to eligible bilingual or bicultural minority youth ages 16-21, and identifies service needs of that population for future planning; (2) a Vocational Evaluation Program to assess vocational interests, skills, and capabilities of CETA-eligible youth; and (3) a program entitled "7001 Ltd." which places 16-21 year olds who are out-of-school and unemployed in unsubsidized employment in marketing and retail sales.

CETA monies are distributed through the state and prime sponsors to community-based organizations, such as local education agencies, public agencies, and private profit and nonprofit agencies. Local recipients eligible to receive YCCIP monies are all agencies administering nonfederal public lands and waters.

Youth Conservation Corps Act of 1970³⁷

The Youth Conservation Corps (YCC), established by P.L. 91-378, is a program to be jointly administered by the Departments of Agriculture and Interior. The major objectives for YCC are:

- (1) To provide gainful summer employment for youth ages 15-18.
- (2) To provide an opportunity for youth to understand and appreciate the environment and natural heritage.
- (3) To further the development of the maintenance of the natural resources of the United States.³⁸

The language of the act was rather broad in scope. "It is the purpose of this Act to further the development and maintenance of the natural resources of the United States by the youth, upon who will fall the ultimate responsibility for maintaining and managing these resources for the American people."³⁹

Appropriations for YCC have risen steadily from \$2 million in 1971 to \$60 million in 1979, and are projected at \$54 million for 1980. From 1971 through 1973, YCC was a pilot program restricted to federal agencies. P.L. 93-408, the reauthorization of YCC, included provisions allowing states to begin operating their own programs in 1974, utilizing a 50-50 match. Subsequently, in 1975, the matching arrangement was increased to 80 percent federal to 20 percent state funds. This match increase is apparent in the increase in support for 1976 from \$13 million to \$32 million.

State allocations are based upon consideration of several factors, including population, existing YCC programs, state plans, and capability and actual performance in administering YCC projects.

Levels of Financial Assistance from Federal Employment Grants-In-Aid

Table 19 lists federal support to local youth employment programs. The figures for CETA used in this study include the total of balance of state funds, prime sponsor funds, and Governor's Discretionary Funds. The balance of state funds are those monies that pass through the state to local communities not otherwise covered by prime sponsor contracts.

Formula grants are used to allocate CETA funds to the states and to the prime sponsors; however, monies from the Governor's Discretionary Fund are received at the local level as program grants.

Youth Conservation Corps programs are administered by state agencies, but only five states pass through funds to local governments or agencies. YCC funding supports summer employment for youth ages 15-18, with emphasis on conservation projects and developing appreciation of nature. Formula grants are employed in allocating YCC funds from the federal to state level, but most states reallocate these monies to the local level as program grants. States may receive grants from the federal government up to, but not exceeding, 80 percent of the cost of funding a project.

The YCC formula consists of an initial allocation to all states of a minimum grant fund allowance, regardless of population or federal program plans in the state. In addition to the minimum grant, funds are distributed according to such factors as population, existing federal YCC programs, and the state's planning capability. Actual performance in administering YCC projects is considered in future allocations. A 20 percent match is required to receive YCC funds. The youth per capita allocation of federal appropriations for youth employment programs in general ranges from \$13.26 in Maine to \$92.68 in Mississippi. Most states (32) receive between \$30 and \$50 on a per capita basis for youth.

OVERVIEW OF FEDERAL GRANT FUNDING

Fiscal information included in this chapter is by no means exhaustive. Tracing allocations for the 11 federal grants-in-aid included was an extremely difficult task, complicated by the additional task of extracting data on expenditures for specific types of children. The preceding tables should be viewed with an understanding that they represent all the information that could be retrieved, but by no means reflect the total dollars spent in the provision of subsidized services.

Because Title XX expenditures are recorded according to types of services and not by age groups, discerning whether funds were spent for adults or children is seemingly impossible. It might be noted, however, that the federal government estimated that 62 percent of Title XX's \$2.5 billion authorization (for fiscal 1979) was spent on services to children. With state matches to

TABLE 19. SELECTED FEDERAL 1978 ALLOCATIONS IN SUPPORT OF LOCAL EMPLOYMENT PROGRAMS (BY STATE, ACT, ALLOCATION, AND YOUTH POPULATION PER CAPITA ALLOCATION)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Alabama	CETA	\$ 21,100,000	\$34.93
Alaska	CETA	5,500,000	75.24
Arizona	CETA	24,100,000	64.91
Arkansas	CETA	12,900,000	38.53
California	CETA	154,000,000	44.78
Colorado	CETA	24,400,000	55.47
Connecticut	CETA	22,000,000	44.16
Delaware	CETA	3,500,000	35.18
Florida	CETA	57,000,000	46.84
Georgia	CETA	33,900,000	40.34
Hawaii	CETA	6,100,000	39.64
Idaho	CETA	4,800,000	34.76
Illinois	CETA	67,000,000	36.60
Indiana	CETA	28,500,000	31.97
Iowa	CETA	10,400,000	22.22
Kansas	CETA	8,300,000	22.40
Kentucky	CETA	18,500,000	32.97
Louisiana	CETA	21,400,000	31.54
Maine	CETA	2,300,000	13.26
Maryland	CETA	41,800,000	59.68

TABLE 19. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Massachusetts	CETA	\$ 52,400,000	
	YCC	598,000	
	Total	52,998,000	\$55.98
Michigan	CETA	67,900,000	
	YCC	698,715	
	Total	68,598,715	43.50
Minnesota	CETA	18,000,000	26.65
Mississippi	CETA	38,000,000	92.68
Missouri	CETA	26,600,000	34.82
Montana	CETA	5,500,000	43.48
Nebraska	CETA	6,800,000	
	YCC	20,000	
	Total	6,820,000	26.76
Nevada	CETA	4,300,000	44.47
New Hampshire	CETA	5,100,000	38.40
New Jersey	CETA	49,900,000	43.26
New Mexico	CETA	9,600,000	46.13
New York	CETA	142,000,000	50.57
North Carolina	CETA	33,700,000	36.89
North Dakota	CETA	4,000,000	36.20
Ohio	CETA	77,000,000	
	YCC	235,900	
	Total	77,235,900	43.31
Oklahoma	CETA	19,300,000	45.11
Oregon	CETA	16,200,000	44.64
Pennsylvania	CETA	74,500,000	40.29

TABLE 19. (Continued)

State	Federal Act	Fiscal 1978 Allocation	Youth Per Capita Allocation ^a
Rhode Island	CETA	\$ 7,200,000	\$48.62
South Carolina	CETA	16,500,000	33.17
South Dakota	CETA	4,800,000	41.52
Tennessee	CETA	23,900,000	35.57
Texas	CETA	60,200,000	29.04
Utah	CETA	5,900,000	26.53
Vermont	CETA	4,700,000	59.05
Virginia	CETA	24,700,000	
	YCC	345,000	
	Total	25,045,000	29.53
Washington	CETA	36,700,000	62.20
West Virginia	CETA	11,300,000	40.63
Wisconsin	CETA	22,200,000	28.32
Wyoming	CETA	2,100,000	33.18

a. Population estimates for youth ten-18 years old were extrapolated from 1975 estimates by the U.S. Bureau of the Census. State matches are not calculated into the youth per capita allocation.

Key: CETA--Comprehensive Employment and Training Act.
YCC--Youth Conservation Corps.

Title XX, the total figure is closer to 62 percent of \$4 billion, or \$2.48 billion. This figure hardly comes close to the figures reflected in Table 15, but a number of factors must be borne in mind. Title XX funds support many services for state wards, that is, children under the custody of state agencies. Thus, they would not meet the criteria for inclusion in this study. Also, a large share of Title XX matching funds are generated at the local level and, similarly, are beyond the reach of this study. Finally, several very large

states, including California, Maryland, Minnesota, Ohio, Pennsylvania, and Virginia, were unable to estimate Title XX expenditures for services to children at the local level. A great deal of caution, therefore, should be exercised in the use made of all financial information found in this report.

The Office of Juvenile Justice and Delinquency Prevention provided figures on allocations to each state from the Juvenile Justice and Delinquency Prevention and Crime Control Acts: hence, reports are fairly complete for juvenile justice. Where no JJDP figure is recorded, the state receives no such funds. In the CETA program, allocation figures for local youth employment programs are maintained by the federal government and were also available.

Most dollar figures for federal support to education were received from the states themselves. Almost without exception, state departments of education recorded amounts received from the specific subsections of federal acts that pertained to this study. While figures for two federal programs in employment were sought (CETA and the Youth Conservation Corps), the predominant source of funds is found in CETA which, in 1978, made nearly \$1.4 billion available for special youth programs. Because CETA is allocated on a formula basis that encompasses a number of factors, such as unemployment rates, the level of support to states varies.

Table 20 provides a state-by-state summary of federal grants-in-aid for fiscal 1978 by five functional categories, juvenile justice, child welfare, mental health, education, and employment.

SUMMARY

The following material summarizes pertinent findings regarding federal grants-in-aid to local delinquency prevention and control services.

The initiation of federal subsidies to prevent and control delinquency closely parallels the development of many similar types of state subsidies. In 1974, when the Juvenile Justice and Delinquency Prevention Act was enacted, several states also established juvenile justice subsidies. In many instances, state subsidies preceded the federal legislation. Similar comparisons can be made in other functional categories. At least a dozen state substance abuse subsidies were enacted about the same time as the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act and the Drug Abuse Office and Treatment Act. Many states enacted subsidies to supplement education for the economically deprived and the unruly about the same time as the Vocational Education Act and the Elementary and Secondary Education Act were passed. Two state subsidies for youth employment were established in 1973, coinciding with the Comprehensive Employment and Training Act.

TABLE 20. SELECTED FEDERAL GRANTS IN AID OF LOCAL DELINQUENCY PREVENTION AND CONTROL PROGRAMS IN 1978, BY AGENCY TYPE

States	Juvenile Justice		Child Welfare		Mental Health		Education		Employment	
	Fiscal 1978 Expenditures (In thousands)	Youth Per Capita ^a	Fiscal 1978 Expenditures (In thousands)	Youth Per Capita ^a	Fiscal 1978 Expenditures (In thousands)	Youth Per Capita ^a	Fiscal 1978 Expenditures (In thousands)	Youth Per Capita ^a	Fiscal 1978 Expenditures (In thousands)	Youth Per Capita ^a
Alabama	\$ 2,059	\$ 3.41	\$ 7,875	\$13.04	\$ 456	\$ 0.76	\$ 2,763	\$ 4.57	\$ 21,100	\$34.93
Alaska	92	1.26	46	0.64	145	1.99	268	3.67	5,500	75.23
Arizona	931	2.51	--	--	--	--	645	1.74	24,100	64.91
Arkansas	1,062	3.17	*	--	--	--	1,548	4.62	12,900	38.53
California	7,474	2.17	**	--	**	**	7,800	2.27	154,000	44.78
Colorado	502	1.14	2,766	6.29	--	--	1,487	3.38	24,400	55.47
Connecticut	1,241	2.49	33	0.07	--	--	1,580	3.17	22,000	44.16
Delaware	163	1.63	208	2.09	31	0.32	355	3.56	3,500	35.18
Florida	1,781	1.46	--	--	1,052	0.87	5,200	4.27	57,000	46.84
Georgia	1,017	1.21	1,233	1.47	--	--	3,499	4.16	33,900	40.34
Hawaii	204	1.33	**	--	1,313	8.53	615	3.99	6,100	39.64
Idaho	394	2.86	2,337	16.92	--	--	582	4.22	4,800	34.76
Illinois	2,199	1.20	80	0.04	135	0.07	473	0.26	67,000	36.60
Indiana	1,520	1.71	8,690	9.75	2,184	2.45	6,183	6.94	28,500	31.97
Iowa	694	1.48	5,961	12.73	109	0.23	1,995	4.26	10,400	22.22
Kansas	166	0.45	63	0.17	--	--	1,254	3.39	8,300	22.40
Kentucky	468	0.83	39,900	71.11	40	0.07	2,486	4.43	18,500	32.97
Louisiana	1,158	1.71	175	0.26	336	0.49	2,326	3.43	21,400	31.54
Maine	194	1.12	592	3.41	572	3.30	474	2.73	2,300	13.26
Maryland	983	1.40	--	--	816	1.17	2,684	3.83	41,800	59.68
Massachusetts	1,735	1.83	--	--	--	--	3,473	3.67	52,998	55.98
Michigan	460	0.29	1,095	0.69	--	--	12,215	7.75	68,599	43.50
Minnesota	459	0.68	*	--	574	0.85	1,831	2.71	18,000	26.65
Mississippi	140	0.34	*	--	--	--	1,784	4.35	38,000	92.68
Missouri	1,781	2.33	--	--	--	--	2,639	3.45	26,600	34.82
Montana	263	2.08	--	--	--	--	--	--	5,500	43.48
Nebraska	98	0.38	--	--	285	1.12	934	3.66	6,820	26.76
Nevada	81	0.84	242	2.50	266	2.75	348	3.60	4,300	44.47
New Hampshire	80	0.60	*	--	--	--	1,095	8.24	5,100	38.40
New Jersey	997	0.86	5,903	5.12	--	--	3,558	3.08	49,900	43.26

TABLE 20. (Continued)

States	Juvenile Justice		Child Welfare		Mental Health		Education		Employment	
	Fiscal 1978 Expenditures (In thousands)	Youth Per Capita ^a	Fiscal 1978 Expenditures (In thousands)	Youth Per Capita ^a	Fiscal 1978 Expenditures (In thousands)	Youth Per Capita ^a	Fiscal 1978 Expenditures (In thousands)	Youth Per Capita ^a	Fiscal 1978 Expenditures (In thousands)	Youth Per Capita ^a
New Mexico	\$ 95	\$ 0.46	\$ 78	\$ 0.37	\$ 55	\$ 0.26	\$ 162	\$ 0.78	\$ 9,600	\$46.13
New York	22,717	8.09	70,972	25.27	837	.30	8,536	3.04	142,000	50.57
North Carolina	1,888	2.07	29,040	31.79	362	0.40	3,454	3.78	33,700	36.89
North Dakota	355	3.21	89	0.81	--	--	740	6.70	4,000	36.20
Ohio	2,564	1.44	*	--	--	--	5,163	2.90	77,236	43.31
Oklahoma	--	--	1,000	2.34	446	1.04	1,640	3.83	19,300	45.11
Oregon	83	0.23	*	--	--	--	5,227	14.40	16,200	44.64
Pennsylvania	2,030	1.10	*	--	--	--	24,224	13.10	74,500	40.29
Rhode Island	64	0.43	1,561	10.54	127	0.86	644	4.35	7,200	48.62
South Carolina	659	1.33	1,116	2.24	448	0.90	170	0.34	16,500	33.17
South Dakota	292	2.53	--	--	--	--	626	5.42	4,800	41.52
Tennessee	727	1.08	3,354	4.99	82	0.12	529	0.79	23,900	35.57
Texas	2,444	1.18	2,264	1.09	149	0.07	7,255	3.50	60,200	29.04
Utah	--	--	--	--	363	1.63	971	4.37	5,900	26.53
Vermont	--	--	--	--	--	--	374	4.70	4,700	59.04
Virginia	1,252	1.48	*	--	--	--	2,527	2.98	25,045	29.53
Washington	144	0.24	--	--	--	--	2,366	4.01	36,700	62.20
West Virginia	--	--	*	--	--	--	949	3.41	11,300	40.63
Wisconsin	707	0.90	10,248	13.07	--	--	392	0.50	22,200	28.32
Wyoming	42	0.66	1,129	17.83	--	--	380	6.01	2,100	33.18
Total	\$ 66,459		\$198,050		\$ 11,183		\$138,423		\$1,440,398	

a. Population estimates for youth ten-18 years old were extrapolated from 1975 estimates by the U.S. Bureau of the Census.

* Not Available.

** Did Not Respond.

-- Not Applicable.

Federal legislative enactment might have been a stimulant for states to provide funds for similar state programs, or both federal and state governments could be responding to similar problems and pressure for solutions. While it is impossible to determine positively whether federal initiatives were an incentive to establish state subsidies, funding patterns definitely coincide.

Federal child welfare subsidies, Titles XX, IV-A, and IV-B, tend to provide wide latitude to states in making use of the funds. The guidelines for reimbursement permit states to be paid for an extremely broad range of services. During the early history of these programs, when open-ended funding was available, states expanded their child welfare programs extremely rapidly; since Congress has established a ceiling on expenditures, growth has slowed considerably.

In the field of education, most federal monies have been spent on subsidies to reduce the effects of poverty, delinquency, unemployability, dropouts, lack of basic skills, and general cultural deprivation. The subsidies have been categorical in nature, aimed at specific conditions in spite of expressed sympathy of national education lobbies for comprehensive federal aid to education. The result has been that as pressure develops to meet particular needs, existing federal acts have been amended and provisions for new programs have been incorporated as new titles or modifications of existing programs to broaden the acts to meet more and more needs, thereby greatly expanding the number of categorical programs.

The federal government contributes substantial sums of money to local juvenile delinquency prevention and control. In child welfare and education, the relative contributions of the federal and state governments to local delinquency prevention and control services are so nearly equal that the subsidized programs would probably not be able to continue should either level of government decide to withdraw its support. State governments have undertaken much of the subsidization of the juvenile justice and mental health areas, while the federal government continues to dominate support for youth employment programs. Total resources amounting to over \$2 billion were reported to this survey, which included both state appropriations and federal expenditures. This figure is probably a gross understatement of the dollars actually spent, due to the definitional difficulties discussed earlier.

Federal support offers both fiscal relief, as in child welfare subsidies, and fiscal incentive, as in education. Federal subsidies have usually been enacted to implement national goals, such as the War on Poverty or a national concern for youth employment. JJDPA, unlike other federal subsidies, has imposed preconditions other than direct grant administration for receiving federal funds within the state. Except for the Social Security Amendments which supplant state funds, the remainder of the programs are primarily inducements to states to provide particular programs.

The federal government has had a relatively short history of intensive subsidization of delinquency prevention and control programs. Excluding the small child welfare grants to the Children's Bureau, less than 20 years has passed since the first major incursion of the federal government into this field. Because a wide variety of methods and federal departments have been utilized, it is virtually impossible to evaluate the most productive means to deliver federal delinquency prevention and control grants-in-aid.

FOOTNOTES

1. For a complete review of the development of federal categorical grants, see Advisory Commission on Intergovernmental Relations (ACIR), Categorical Grants: Their Role and Design (Washington, D.C.: U.S. Government Printing Office, 1976). Much of the historical summary reported here is derived from that report and is provided as a setting for understanding current federal grant-in-aid programs.
2. Massachusetts v. Mellon and Frothingham v. Mellon, 262 U.S. 447 (1923).
3. Office of Management and Budget, Catalog of Federal Domestic Assistance (Washington, D.C.: U.S. Government Printing Office, 1969).
4. ACIR, Categorical Grants, pp. 31-32.
5. Act of April 9, 1912, Ch. 1, 37 Stat 79.
6. The Interdepartmental Council to Coordinate All Federal Juvenile Delinquency Programs, The Report of the Interdepartmental Council to Coordinate All Federal Juvenile Delinquency Programs (Washington D.C.: U.S. Government Printing Office, 1974), pp. A62-64.
7. *Ibid.*, p. A-2. The appendix to the report contains a comprehensive listing of all federal programs that relate to juvenile delinquency and youth development through 1974.
8. Act of April 11, 1965 P.L. 89-10; as amended on Nov. 3, 1966, P.L. 89-750, Title I.
9. Act of September 22, 1961, P.L. 87-274.
10. Act of September 22, 1965, P.L. 89-197.
11. Act of July 31, 1968, P.L. 90-445.
12. Act of June 19, 1968, P.L. 90-351.
13. Act of September 7, 1974, P.L. 93-415.
14. Act of January 4, 1975, P.L. 93-647.
15. \$522 million in 1970, \$1 billion in 1971, and \$1.3 billion in 1972. Coordinating Council on Juvenile Justice and Delinquency Prevention, Unpublished minutes, May 31, 1979.
16. *Ibid.*
17. Act of August 14, 1972, P.L. 92-381.
18. Child Welfare League of America, Inc., Using Title XX to Serve Children and Youth (New York: Child Welfare League of America, 1975), p. 10.
19. Act of January 2, 1968, P.L. 90-248; as amended on October 30, 1979, by P.L. 92-603.
20. Act of December 31, 1970, P.L. 91-616.
21. Report of the Committee on Labor and Human Resources to Extend Comprehensive Alcohol Abuse, Prevention, Treatment, and Rehabilitation Act, 1970, U.S. Senate Report, No. 96-103, 1979, p. 9.
22. *Ibid.*
23. *Ibid.*, p. 19.
24. P.L. 94-371, Sec. 6(a).
25. Senate Report, No. 96-103, p. 24.
26. P.L. 96-103, as amended Jan. 2, 1980.
27. Act of March 21, 1972, P.L. 92-255.
28. *Ibid.*, Sec. 101.
29. Act of October 14, 1978, P.L. 95-461.
30. Act of January 2, 1980, P.L. 96-181.
31. *Ibid.*, Sec. 7.

32. Ronald Campbell and Gerald Sroufe, "Toward a Rationale for Federal-State-Local Relations in Education," Phi Delta Kappan (September 1955), pp. 2-7.
33. Act of April 11, 1965, P.L. 89-110.
34. U.S. Office of Education, "Report of the Bureau of Elementary and Secondary Education Programs," March 1969.
35. Act of December 17, 1963, P.L. 88-210.
36. 29 USC 801-992 (Supp. III, 1973)
37. Act of August 13, 1970, P.L. 91-378.
38. Ohio Department of Natural Resources, The New Conservationists: Working for the Earth--The YCC in Ohio 1971-79 (Columbus, Ohio, 1979), p. 1.
39. U.S. Statutes at Large, Volume 84, p. 794.

CHAPTER 6

CHAPTER 6

METHODS OF ALLOCATING GRANT FUNDS

There are a variety of ways that states and the federal government distribute funds to eligible recipients. The choice of methods, in many instances, depends on the reasons for establishing grant programs in the first place. Considerations of discretion and control over the funds provided frequently form the basis for selecting allocation mechanisms. Two fundamental purposes that subsidies fulfill are dichotomized simply into (1) support of existing services or (2) stimulation of new programs.

The Advisory Commission on Intergovernmental Relations (ACIR) has assembled a typology of grant-in-aid systems.¹ This typology breaks down into three major approaches:

- General revenue sharing.
- Block grants.
- Categorical grants.

General revenue sharing funds are distributed by formula with few if any limits on the purposes for which they may be spent or on the procedures by which they are expended. Block grants, on the other hand, are given in accordance with statutory formulas for use largely at the recipient's discretion but within a broad functional area, such as law enforcement, public health, or water and sewer development. Fundable activities under block grants are more numerous than for a categorical grant, and fewer conditions constraining recipients' discretion in spending are attached. Finally, the third approach identified by ACIR is the categorical grant. Categorical grants can be used only for a specific program and usually are limited to narrowly defined activities. Legislation generally details the parameters of the program and specifies the types of funded activities.

The nature of this study, that is, focusing on aid to a very specific set of programs aimed at local delinquency prevention and control, means that the subsidies examined generally fall into the categorical grant type.

ACIR has identified four types of categorical grants:

- Project grants.
- Formula grants.
- Formula-project grants (combining various aspects of both grant types).
- Open-end reimbursement grants.²

Some of the formula-project grants, it can be argued, are block grant in nature. Nevertheless, the narrative will be directed toward the four types of categorical grants.

The numbers of subsidies included in this study, using the ACIR breakdown, are shown in the following table.

TABLE 21. DISTRIBUTION OF STATE DELINQUENCY PREVENTION AND CONTROL SUBSIDIES, BY TYPES OF CATEGORICAL GRANTS

Types of Grants	Number of Subsidies
Project Grants	38
Formula Grants	12
Formula-Project Grants	14
Open-End Reimbursement Grants	37
Total	101

PROJECT GRANTS

It is impossible to determine from the data whether the frequency of project grants indicates a preference on the part of states for this type of aid, or whether the study's criteria were more favorably disposed to surfacing this approach. In either case, Table 21 reveals that over one-third of all state subsidies in this field are established as project grants.

A project grant is a form of categorical grant in which the subsidy funds are earmarked to support a clearly discernible activity which the applicant wishes to undertake and the grantor agency wishes to support. In many instances, private agencies are eligible for funding, along with public agencies and general purpose governments.

To receive project grants, potential recipients submit specific applications in the form (usually as proposals) and at the time indicated by the grantor agency. They are not subject to statewide distribution formulas. Because the grantor agency reserves full control over the selection of recipients, project grants are particularly suitable for targeting aid to specific segments of the population, to particular services, or to geographic areas.

Appropriations for project grants, on the whole, tend to be smaller than for other forms of aid. The grants can be awarded to encourage experiments with

different approaches or to replicate model programs. They can even be used to introduce innovation into stagnated systems, as will be shown in a subsequent example.

In general, project grants encourage the incremental approaches preferred by state legislators and carry less risks than other forms of grants-in-aid. Their characteristically smaller appropriations and protracted award procedures, on the other hand, tend to make them a less suitable means for statewide program development. Project grants provide a good way to start programs, particularly when it is unknown what programmatic approaches will work. But once it is decided that a policy or program is to be implemented throughout the state, a formula grant approach appears to offer greater advantages.

Interest groups find project grants particularly appealing. Because of their characteristically smaller scope and appropriations, interest groups view them as a more easily achieved "foot-in-the-door" in gaining greater legislative attention to their concerns. Their narrow purposes permit interest groups to ensure that the funds go only to intended constituencies and purposes.

Project Grants Which Target Aid to Special Populations, Needs, or Geographic Areas

Several state subsidy programs profiled from the survey, and some examined in the case studies, targeted project grants to special populations, needs, or geographic areas. In New Mexico, state funds replaced JJDP monies to support counseling projects for juveniles who are first-time drug offenders. The New York School Prevention of Addiction through Rehabilitation and Knowledge (SPARK) Program directs its resources toward students who have exhibited a variety of behavioral and academic problems because of drug experimentation. Drug abusers are also the focus of the Maine Drug Treatment and Prevention Program, the Nevada Grant to the Marion Bennett Youth Program, and the Nevada OMEGA Program. Mentally retarded offenders are the subject of the Tennessee Mentally Retarded Offender Program, and projects for students who have, or who are likely to have, low levels of achievement are eligible for grants from the Wisconsin Special Education Needs Subsidy.

In 1975, the Florida legislature appropriated funds to be awarded, through a request-for-proposal (RFP) process, in support of at least one model program for emotionally disabled children in each of Florida's health and rehabilitative services (HRS) districts. The objective was to encourage public and private providers to develop community-based programs which would serve as more suitable alternatives to placement in Florida's public institutions for children.

As mentioned in Chapter 4, the New York Youth Development/Delinquency Prevention (YDDP) Subsidy is a formula grant which was later complemented by a project grant subsidy, the Special Delinquency Prevention Program. YDDP allocates annually \$4.50 for each youth under the age of 21 to counties with approved comprehensive planning procedures and \$2.25 per youth to municipalities in

counties without comprehensive planning procedures. Communities are expected to meet at least one-half of all expenditures with local public and private funds.

In 1978, the legislature established the separate Special Delinquency Prevention Program subsidy (SDPP) in reaction to what appeared to be a misdirected allocation of the YDDP Subsidy. This project grant-in-aid appropriated \$5 million to provide full support (as opposed to the 50 percent reimbursement through YDDP) to special projects in areas where youths were in high risk of becoming delinquent. While these grants were available to any agency in the state, it was well known that areas of primary interest were Buffalo and New York City. The establishment of this subsidy, in fact, found its greatest support among minority representatives from these two major cities.

In defense of the "special subsidy," officials from the state Division for Youth claimed that, while county comprehensive plans had begun to address some of the significant gaps in youth development activities, they had also highlighted the limitations of county planning and fragmented state aid in addressing the problems of juvenile delinquency. It was felt that while the traditional YDDP Subsidy had resulted in the establishment of a wide range of youth development programs, relatively few delinquency prevention programs had been focused on troubled youth and troubled communities. Fundamental problems cited by the state Division for Youth were that:

- Grass-roots organizations in poverty areas were often excluded from the funding process.
- Minorities and high-crime areas were not receiving sufficient funding.
- The local initiative features of the state-local match in the YDDP Subsidy did not allow the state to allocate resources to particular individuals and geographic areas.

Accordingly, it was felt that a project grant subsidy would allow the state to target funds to special areas and needs not receiving adequate support through the formula grant subsidy.

Project Grants Which Encourage Experimentation, Innovation,
or Replication of Model Programs

Like private foundations, federal and state governments have money they are willing to risk in experimenting with new programs. For this reason, many grant programs which primarily allocate funds by formulas will have a portion of funds set aside to encourage experimental or innovative efforts through project grants. Under Title II, Subpart II, of the Juvenile Justice and Delinquency Prevention Act:

the Administrator is authorized to make grants to and enter into contracts with public and private agencies to, among other things, develop and implement new approaches, techniques and methods with respect to juvenile delinquency programs.

In a similar vein, funds allocated under the federal Comprehensive Employment and Training Act (CETA) are to be used for programs designed to identify and test approaches for dealing with the unemployment problems of youth. An educational complement is found in a section of Title IV-C of the Elementary and Secondary Education Act, which provides that a portion of these funds be awarded on a competitive basis by states to local education agencies to support among other things, innovative programs.

States, too, may "venture" funds into experimental programs. Applicants seeking grants under the Alaska Youth Services Subsidy are evaluated according to innovativeness of the proposed program. Grants under the Utah Career Development Program are awarded, on a competitive basis, to school districts proposing experimental or developmental projects leading to dropout prevention.

Two case studies are exemplary of how project grants may be used to encourage innovation and experimentation. The first, the Iowa In-Home Services, Alternatives to Foster Care and Community-Based Juvenile Corrections Subsidies, yields insight into a state's effort to introduce innovation into a stagnated purchase-of-services system. The second, the Utah K-12 Alcohol Education Project, represents a deliberate effort by both the federal and state governments to replicate a model program.

In 1976, the Iowa legislature authorized the Department of Social Services to use ten percent of its foster care appropriations for the development of services to reduce the number of out-of-home placements. By 1978, the legislature specifically set aside appropriations for two programs: In-Home Services and Alternatives to Foster Care. Their 1979 appropriations were \$1,000,000 and \$750,000, respectively. During this same period, in 1976, the legislature also appropriated \$160,000 to encourage the development and expansion of community-based juvenile corrections programs. For fiscal 1980, this appropriation was doubled to \$320,000.

Funds from these subsidies are awarded on a competitive basis as project grants. In other words, in-home and foster care services to be funded are selected from proposals sent in response to a request for proposals solicitation. Contracts and the home-based services grants are negotiated between service providers and the district offices of the Department of Social Services. Grants from the Community-Based Juvenile Corrections Subsidy are awarded directly from the Bureau of Children's Services, Division of Community Programs, Department of Social Services.

These three grant-in-aid programs--In-Home Services, Alternatives to Foster Care, and Community-Based Juvenile Corrections--are "layered" onto a substantially endowed purchase-of-services (POS) system. The reason given for their establishment was that the POS system had appeared to have stagnated: three agencies in the state were receiving over 50 percent of POS funds. There was an interest on the part of the legislature to stimulate the development of new programs and new agencies in different geographic areas. The project grants seemed to offer a way to redirect monies for needed programs which could later seek continued funding through POS contracts. The grants were considered as "seed money," and agencies were not to expect to receive money from this source for longer than one or two years.

The Utah K-12 Alcohol Education Project offers an example of both federal and state funds used to replicate a model program. In 1978, the Timpanogos Community Mental Health Center and the Salt Lake City School District applied for funding from the National Institute on Alcohol Abuse and Alcoholism (NIAAA) to replicate the K-12 Alcohol Education Project developed in Seattle, Washington. The project consists of the use of a curriculum especially designed for each grade, from kindergarten through the twelfth grade, to teach students about the physiological and social effects of drinking.

The National Institute on Alcohol Abuse and Alcoholism awarded two replication grants for the K-12 Alcohol Education Project that year--one to the North Central Alcohol Education Project in Leominster, Massachusetts, and the other to the Timpanogos Community Mental Health Center in Provo, Utah. Due to the Salt Lake City School District's unsuccessful bid for federal funds, the Division of Alcoholism and Drugs, Department of Social Services, established a line item within its own budget to support the Salt Lake City program, and it was approved by the legislature. The interest created by the replication projects was, in part, instrumental in the legislature's appropriation of \$150,000 in 1979 to the Office of Education, Department of Public Instruction, in support of alcohol and drug education projects.

Project Grants Which Stimulate Programs

Some project grants are used to stimulate certain types of local programs which state officials believe are needed. Detention and shelter care facilities are typically projects to which states will offer support. Ohio's District Detention Construction Subsidy and Juvenile Rehabilitation Facilities Construction Subsidy are examples, as well as Washington's Referendum 29--Detention Program, Hawaii's Shelter Care for Status Offenders Subsidy, Kansas' Community-Based Boarding Homes Subsidy, and Maryland's Shelter Care Program. The Kansas Community-Based Delinquency Prevention Grants program also issues requests for proposals for specific services. The California Detention of Status Offenders Program (A.B. 958) offered one-time grants to assist counties in meeting non-recurring program costs in the development of facilities for status offenders.

In Florida, proposals from school districts, which offer to stimulate and improve citizenship through education about law and legal processes, are awarded competitively. Grants of \$2,500 are available to individual schools, \$10,000 to school districts, and \$15,000 to any combination of schools and school districts.

Alcohol education is the focus of grants awarded through the Alabama Alcoholism Prevention and Education Program and the Michigan Substance Abuse Prevention Education (SAPE) Subsidy. The New York State Local Assistance Appropriation awards funds to develop programs to further the prevention and early detection of drug abuse, as well as the development of comprehensive services for substance abusers. Residential substance abuse programs are supported through grants from the Michigan Adolescent Residential Substance Abuse Programs and the Maryland Grants to Local Treatment Facilities.

Three case studies provided in-depth examinations of project grants that have stimulated the development of particular programs. They are the Alaska Drug Abuse Grants, the Michigan Work Opportunity Resources Corps Program, and the Utah Juvenile Court Teen Alcohol/Drug School.

Grants to drug and alcohol abuse programs are competitively awarded by the Alaska State Office of Alcoholism and Drug Abuse (SOADA), Department of Health and Social Services, to local public and private nonprofit organizations which directly deliver or subcontract services. Local governments and agencies are not required to match state funds. Proposals are evaluated according to eight categories, relating to administration, planning, treatment services, prevention services, internal operations, evaluation procedures, prior experience, and proposed budget.

Local applications must proceed through several review and approval points. The first point of review is the borough or municipal agency responsible for human services. At the same time, proposals must be analyzed by the appropriate federal regional health systems agency. Once proposals clear these two points, they are then submitted to the SOADA staff, where they are reviewed and comparatively rated by either drug abuse or alcoholism advisory boards, depending on the nature of the project. The two advisory boards meet in May to review and make recommendations on project proposals for the final decision by the commissioner of the Department of Health and Social Services.

The Work Opportunity Resources Corps (WORC) Program in Michigan was a politically popular program, but one which gave way in 1979 to other funding priorities. While in existence, however, it was designed to provide a job for any young person, between the ages of 15 and 21, residing in Michigan. This approach stood in marked contrast to CETA programs, under which income-related criteria restrict eligibility to disadvantaged youth.

WORC grants were awarded to local applicants on a competitive basis, with the state retaining absolute funding discretion. Factors used in selecting proposals by the state agency administering the funds were efficiency, types of projects, long-term effects, and type of performance. Any local intermediate school district, regional park authority, public housing commission, community action agency, city, village, township, or county could apply for a grant. Local funds could be used to supplement a WORC grant, but no match was required.

The Juvenile Court Teen Alcohol/Drug School in Utah is perhaps a better example of a program that generated state funds than the other way around. In 1972, the Highway Safety Program Office of the Utah Department of Public Safety was awarded a contract from the National Highway Traffic Safety Administration to conduct the Alcohol Safety Action Project, an effort to reduce Utah's alcohol-related accident toll. Among other activities, the program included a compulsory rehabilitation school for adults convicted of driving under the influence of intoxicants.

Soon after the establishment of these adult alcohol schools, the Second District Juvenile Court judges expressed an interest in also having an educational alternative to more traditional dispositions of fines, counseling, and probation. The Highway Safety Program Office was willing to use funds remaining from the federal grant for the adult schools to establish a juvenile court teen

alcohol school in 1974. Despite the end of federal funding in 1976, the Highway Safety Program Office continued to support the project with state funds from its own budget. These monies are also supplemented with state funds from the budget of the Division of Alcoholism and Drugs of the Department of Social Services, the agency responsible for administering the program.

In 1974, only Salt Lake County had a Juvenile Court Alcohol School. By 1977, requests for funding had been received from four other counties, and as of fiscal 1979, all five of Utah's juvenile court districts had at least one juvenile court alcohol school. It was at this time, in 1979, that the program had gained the recognition of the Utah legislature, and a bill was passed formalizing the concept and expanding it to deal with drug offenses.

Project Grants Which Provide Supplemental Funds or Which Maintain Existing Programs

Some project grants are available to supplement or to maintain programs established by previous funding sources. The Minnesota Community Corrections Centers Act gives open-ended discretion to the Department of Corrections in making "seed money" grants. These grants are intended to encourage ultimate county participation in another state subsidy program, the Community Corrections Act, or to be applied as matching funds for federal grants to group homes.

Arkansas makes money available through its Community Services Subsidy to provide a portion of local matching monies required to obtain federal funds.

The Colorado Diversion Program, under the Division of Youth Services, Department of Institutions, has assumed the support for programs previously funded and monitored by the Division of Criminal Justice, Department of Local Affairs, presumably from LEAA or JJDP funds.

A similar situation applies to the Maryland Youth Diversion Projects Subsidy and also to the Maryland Youth Services Bureaus Subsidy. The latter offers an example of project grants that are both supportive and stimulative. In 1971, five communities in Maryland were receiving funds from the Law Enforcement Assistance Administration (LEAA) to operate their youth service bureaus. These agencies provide counseling, outreach, referral, and advocacy services. LEAA's support for the youth services bureaus had been considered "seed money" to stimulate state and local support for them. Some local funding was being contributed, but it was insufficient to carry the existing programs. When LEAA funds terminated in 1974, the state assumed funding for not only these five bureaus but provided enough support to underwrite an additional seven agencies. Eventually, the state appropriation grew to a proportion that currently supports 18 youth service bureaus located throughout Maryland, with local governments assuming 25 percent of the costs.

FORMULA GRANTS AND FORMULA-PROJECT GRANTS

When grant funds are allocated among recipients according to population or need factors, they are considered to be formula grants. As noted in the preceding section, project grants are nonformula in nature: potential recipients submit specific individual applications in the form and at the times indicated by the grantor. Formula grants, on the other hand, are funded as local entitlements, equitably distributed throughout the state.

The formula-project categorical grant uses a mixture of fund allocation means. Distribution takes place in two stages--the first involves allocating funds to states or communities according to a formula, and the second entails project applications and discretionary awards.³

The formula-project approach is a common one in state subsidies. A state will allocate funds to a local planning agency such as a youth service bureau or a community mental health board, which will in turn solicit proposals from local service providers. The providers can receive grants from the local planning or "umbrella" agency but, more often, they will probably receive reimbursement under negotiated contracts. The following state grants-in-aid fall into the formula and formula-project grant categories.

Formula Grants

- Arizona Juvenile Court Family Counseling Program
- Arizona State Aid for Probation Services Program
- Connecticut Human Resource Development Program
- Connecticut Grant-in-Aid Program to Child Guidance Clinics
- Florida Basic Skills and Functional Literacy Supplement
- Florida Alternative Education Program*
- Georgia County-Owned Detention Center Subsidy
- Iowa Programs Serving Chronically Disruptive Youth
- New Jersey Public School Safety Law
- New York Runaway and Homeless Youth Program
- North Carolina Prevocational Education Program Subsidy*
- North Carolina Extended School Day Program Subsidy*
- Oklahoma State Aid Flat Grant
- Pennsylvania Grants for the Improvement of Juvenile Probation Services

Formula-Project Grants

- California County Justice System Subvention Program (A.B. 90)

- Minnesota Community Corrections Act
- Minnesota Governor's Youth Program
- Minnesota American Indian Programs
- Minnesota Services to Youth and Other Underserved Populations Subsidy
- Nevada Juvenile Probation Subsidy
- New York Youth Development/Delinquency Prevention Subsidy*
- North Carolina Community-Based Alternatives Program*
- Oregon Juvenile Court Subsidy
- Texas Community Assistance Program
- Utah Youth Services/Youth Crisis Intervention Program
- Washington Probation Subsidy

*Case studies on these grant programs may be found in Appendix D.

Because all local jurisdictions are normally entitled to receive formula funds, this approach is more appropriate to achieving statewide implementation of policies and programs.

Since these funds are often first allocated to local umbrella agencies, administration and planning are decentralized. The recipients, not the funders, are given the greater control over deciding how funds will be spent. This approach allows recipients greater flexibility in using the funds to offer diverse ranges of services and to provide services most appropriate to the needs of a given community. Projects administered locally but using state or federal funds can still be targeted to specific groups or to experimental projects; however, the local umbrella agency becomes the catalyst rather than the state agency.

Formula grants, as noted, allow various factors to be emphasized. The level of fiscal effort of a jurisdiction can be weighted directly, as a measure of the tax effort, or inversely, to effect a redistribution of resources. Factors can be used exclusively or multiply, to direct funds in whatever manner will achieve desired goals. For example, population ratios may be factored by crime ratios in order to direct more funding to high-crime areas. Communities with a preponderance of particular subpopulations, such as school-age children or the elderly, might receive funding based upon these factors, along with such other criteria as welfare reciprocity, income, and general population.

The Advisory Commission on Intergovernmental Relations has delineated four principles that governments use in allocating grant-in-aid funds:

- Political fair share criteria.
- Need for services.
- Actual level of services or costs.
- Financial need.⁴

While these considerations may apply, to a certain extent, to all types of categorical grants, they are most appropriate to formula grants and reimbursement schemes which use formulas for determining ceilings on allocations to communities.

Political Fair Share Criteria

Two basic standards of political equity have become associated, in this country, with the concept of representativeness. One is the upper chamber (senate) interpretation, which treats all states or other governmental subdivisions as coequals, regardless of their dissimilar sizes or other attributes. The second standard comes from a lower chamber (house) perspective, which establishes proportionality. Both concepts can be, and are, applied to the distribution of subsidy funds.

With regard to the first concept, states may decide that to get a certain program or policy off the ground, each community, regardless of size, should receive a minimum or standard base grant. Minnesota's American Indian Programs calls for an equal distribution of funds across the state to all reservations. The Oklahoma State Aid Flat Grant contributes \$6,000 to each local school district for continuation of approved programs to handicapped and exceptional children. Similarly, on the federal level, Title IV-B of the Social Security Act stipulates that each state should receive a uniform amount of \$70,000 for child welfare services.

There are variations to the principle. Areas may not receive equal shares, but they may be guaranteed a minimum or maximum share. This approach sometimes occurs when states attempt to provide transitional funding while moving from older project grant programs to newer, more comprehensive ones. If, under a revised formula, a community stands to receive less than under the previous arrangement, a "hold harmless" provision may ensure that a community will receive an amount close to its previous allocation although greater than what might be deserved by formula. For example, the California County Justice System Subvention Program (A.B. 90) permitted counties to select one of two funding options, based on the amount of money the county received in fiscal 1977 for programs funded under earlier subsidies or on the current formula.

The second concept establishes the equality of individuals as a political fair share criterion and, naturally, uses general population as the allocational factor.

Some formulas will combine a base grant and a general population allocation. Federal Youth Conservation Corps funds are so distributed. The Arizona State Aid for Probation Services Program allocates to each participating county a base amount of \$10,000 and distributes the rest of the appropriation according to the proportion of each county's population to the total population of all participating counties. Another example is Georgia's County-Owned Detention Center Subsidy which grants to each county a base figure plus a share based upon a formula using county census data.

Both the federal Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act and the Drug Abuse Office and Treatment Act formulas give a one-third weight to the proportion of general population in each

state to the total population of all states, and then factor in other considerations. The Juvenile Justice and Delinquency Prevention Act allocates funds based upon population, after first calculating a minimum of \$200,000 for each state.

General population, however, as a basis for subsidy disbursement has both advantages and disadvantages. At best, it is only an indirect measure of the need for particular services experienced by states or local communities. Population factors may shift funds to populous areas but not necessarily to needy ones. Only for problems that are randomly distributed among the total citizenry or that affect all individuals and areas equally does general population become a somewhat reliable estimate of need.⁵

One serious problem that arises with formulas based upon population has to do with the preciseness of census figures for certain subpopulations. It seems that poorer populations, i.e., those people in greatest need of public programs, are often the most difficult to locate and count in a census survey. Also, dramatic demographic shifts may occur between decennial surveys, as witnessed in the exodus from the industrial belt to the sun belt between 1970 and 1980. Despite its limitations, however, general population remains the most favored criterion for determining a community's political fair share.

Need For Services

Because, as cited previously, general population as an allocational factor may shift funds to populous areas but not necessarily needy ones, some allocational formulas attempt to incorporate more direct indicators. Title I of the federal Elementary and Secondary Education Act employs, in its formula, the number of institutionalized, neglected, delinquent, and foster children supported by public funds in a state. Allocation of funds for various CETA youth employment programs is based on the number of unemployed youth in a state. The Drug Abuse Office and Treatment Act (DAOTA) incorporates a factor for a state's relative per capita expenditure for drug abuse and, similarly, the Minnesota Community Corrections Act factors in a county's per capita expenditures for corrections purposes.

Other formula factors directly related to need are found in New York's Runaway and Homeless Youth Program, which gives priority to the number of runaway and homeless youth in a community; Florida's Basic Skills and Functional Literacy Supplement, which allocates funds to school districts according to the number of students scoring in the bottom quartile of the statewide Student Tests of Basic Skills; and North Carolina's Extended School Day Program Subsidy, which bases its allocation on the average daily enrollment in this special dropout program.

The federal drug abuse formula (DAOTA) employs a couple of very particularized measures of subpopulations, such as the number of persons between ages 12 and 24, and the relative incidence of serum hepatitis, Type B. Title I of the Elementary and Secondary Education Act incorporates factors such as the

number of children in poor families in 1970, based upon the "Orshansky" poverty index, and the number of children from families above the poverty level who receive ADC payments.

State subsidies which use youth population rather than general population figures include Nevada's Juvenile Probation Subsidy, New York's Youth Development/Delinquency Prevention Subsidy, Oregon's Juvenile Court Subsidy and Connecticut's Grant-in-Aid Program to Child Guidance Clinics. Public school students become the subpopulation considered in Florida's Alternative Education Program and Iowa's Programs Serving Chronically Disruptive Youth, while for Connecticut's Human Resource Development Program, the number of families receiving ADC payments is used.

Some grant programs combine a base grant and a subpopulation factor. Title IV-B of the Social Security Act allocates remaining appropriations according to a state's youth population under 21, in addition to each state's base grant. The Arizona Juvenile Court Family Counseling Program provides a base figure of \$5,000 to all participating counties, while the balance is distributed on the basis of each county's juvenile population. Likewise, the Nevada Juvenile Probation Subsidy combines a youth population factor with a block grant. The same is true of North Carolina's Community-Based Alternatives Program, which grants \$2,500 to each county and distributes the rest based upon a county's 10-year-old through 17-year-old population.

However, such measures may not reflect the actual need for services with a high degree of precision. Like general population, measures based upon targeted subpopulations are, at best, only crude approximations of the actual need for services.

The ideal allocation formula would count the actual number of people anticipated to need and use a service. However, if measuring the general population is fraught with technical difficulties, surveying special subpopulations is even more troublesome. It has also been observed that even refined measures do not take into account the differences in demands or desires for public services, nor do program needs necessarily correspond with communities' relative abilities to pay for such services.⁶

Fiscal Capacity or Fiscal Equalization

In some formulas, consideration is given to a community's fiscal need or ability to pay for services. This approach recognizes the significant differences in the ability of local governments to finance, through their own tax revenues, various public services. However, fiscal capacity tends to be used as an additional or modifying factor in allocation formulas. It is seldom, if ever, used as a sole criterion.⁷

In some respects, finding an indicator of fiscal capacity is as difficult as finding an indicator of service need. Per capita income is frequently used as a proxy for the size of a locality's tax base. Used inversely, per capita income

factors redistribute monies from wealthier areas to poorer ones. Employed directly, per capita income can be used as a factor to measure tax effort although, unfortunately, not without limitations. A state grant-in-aid with a per capita formula factor is Minnesota's Community Corrections Act. Other measures of fiscal capacity are found in New Jersey's Public School Safety Law which considers school and municipal tax rates and, again, in Minnesota's Community Corrections Act which incorporates per capita property value. Federal formulas employing per capita income as a measure of need are found in Title IV-B of the Social Security Act; the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act; and the Drug Abuse Office and Treatment Act.

Observers have pointed out that per capita income is only a rough approximation of a jurisdiction's fiscal capacity, for income seldom represents the bases on which taxes are imposed. Per capita income may measure the economic well-being of individuals within communities, yet not necessarily bear much resemblance to the financial condition of their governments.

For these reasons, the ACIR has proposed the use of an average financing approach as a measure of fiscal capacity. This analytical technique involves the application of a hypothetical revenue structure determined by national average rates imposed for each of several distinct types of state and local revenue sources. On this basis, the potential revenue yields, according to a standardized set of revenue policies, can be calculated for each jurisdiction. The major problem with this approach, however, is in assembling the various data needed to determine the average revenue yields.⁸

Formulas That Combine Allocational Principles

In summary, there appear to be four principles or values reflected in the ways public funds are allocated:

- Political fairness.
- Need.
- Fiscal capacity.
- Actual level of services delivered.

All of them are desirable, and each makes good sense from a certain perspective. The choice of approaches usually results from a political reconciliation of several competing interests.⁹ In practical application, this reconciliation emerges as an allocation formula that brings two or more of the allocational principles into play. Examples of some of these more complex formulas are found in many federal grant programs and among states in, for example, Minnesota's Community Corrections Program, Nevada's Juvenile Probation Subsidy, New York's Youth Development/Delinquency Prevention Subsidy, and New Jersey's Public School Safety Law. Nevada's subsidy, for example, ties county payments to the consumer price index.

The Florida Alternative Education Program offers an example of a complex grant formula with flexible provisions to ensure the most appropriate allocational

scheme. Funds for Florida's Alternative Education Program are allocated on the same basis as are state monies for all other basic and special education programs functioning under Florida's Educational Finance Program (FEFP). Therefore, before covering the allocation method for the Alternative Education Program, a brief general explanation of Florida's educational finance system is necessary.

Florida allocates funds to its 28 basic and special education school programs according to an entitlement formula. As such, it guarantees school districts a certain level of funding for each full-time equivalent (FTE) student for various education programs, less a prescribed amount of the district's ad valorem taxation in support of schools. In essence, the state makes up the difference between the guaranteed level of funding (per FTE) and the amount generated (per FTE) from the required local tax effort. Under this relationship, there can be a wide variance in state support, for one district may receive 90 percent of program funding while another district may receive only 10 percent. In either case, alternative education programs would theoretically enjoy parity, on a per student basis.

Each school-age child generates funding equal to one full-time equivalent, provided the student is attending classes during designated FTE count periods. Children with special needs, however, generate a weighted full-time equivalency, with the actual weighting varying according to special programming required for the child. The rationale for this weighted FTE is that children with special problems and needs require greater attention and, hence, more staff time and money. Pupils in alternative education programs receive weighted FTE funding of the equivalent of two students.

Within the parameters set by the Legislature, as to overall dollars available for education, a base student allocation is set. Drawing from FTE data and cost and expenditure studies by the Florida Department of Education and legislative staff, the legislature assigns relative weights to each FEFP program and apportions the base allocation amount according to the weighting system. Adjustments for inflation are made through increases in the base student allocation figure. Unless there is growth in appropriations beyond adjusting for inflation, increases in the budget of any one of the 28 FEFPs will bring reductions in the weight assignment and dollars available for other program areas, given the relative weighting system employed.

For each student enrolled in an alternative education program, then, the school district receives twice the base student allocation, which varies from year to year. For fiscal 1980, the base allocation was set at \$989 which, when multiplied by 2, equals \$1,978 allotted for each FTE student enrolled in alternative education. As required of all new state education programs, a cap or ceiling is placed upon the maximum amount of alternative education monies a school district may receive during the first year of alternative education. There are two reasons for capping new programs, particularly those with higher weighted factors: (1) to restrain excessive spending the first year in order to gain a base of experience with a program and gauge expenditure patterns in the future; and (2) to deter manipulation of FTE counts by local school districts, through short-term transfers of students during FTE count periods into higher weighted programs.

To accommodate 1979 legislation requiring funding of institutional students from the alternative education subsidy budget, the ceiling was removed for the 1980 fiscal year. That is, funding floated according to the level of appropriate enrollments in alternative education programs. While the removal of the ceiling will potentially generate more funds, it will have little or no impact on pupil/teacher staffing ratios. It is anticipated by some observers that, once experience is gained with a "floating" program and weights are readjusted, a ceiling will be reset, most likely during the 1981 session.

REIMBURSEMENT GRANTS

Reimbursement grants are characterized by an arrangement wherein federal or state governments are committed to reimbursing a specified proportion of local program costs, thus eliminating competition among recipients as well as the need for an allocation formula.¹⁰ Recognizing that local jurisdictions will differ in the amount and costs of services they need to provide, some governments will simply choose to pay a certain percentage (typically 50 to 75 percent) of the service costs incurred. This is the basic rationale for reimbursement arrangements as opposed to a formula-based allocation of funds.

For some grants, this arrangement is entirely open-ended: communities may offer as many and as much of the specified services as needed and expect to be reimbursed for an agreed percentage of costs, regardless of the amounts spent. Since, in most instances, communities are responsible for at least some portion of the expenses, spending limits are determined by the bounds of whatever a community wishes to budget for such services. Some grant programs, however, will impose ceilings on the amounts of funds to which communities are entitled, either as an absolute limit or according to a formula. Other ways of controlling spending include not paying more than a fixed amount per individual, per day, or per service unit.¹¹

Reimbursement programs which place an absolute ceiling on spending include the California Youth Service Bureaus Subsidy, which reimburses 50 percent of the actual costs incurred during the fiscal year or \$80,000, whichever is less; the Ohio District Detention/Rehabilitation Facility Maintenance Subsidy, which covers a maximum of \$100,000 per annum or 50 percent of the annual operating expenses, whichever is less; and, the Wisconsin Shelter Care Licensing/Reimbursement Program, which limits reimbursements to 50 percent of the cost of care for the first 20 days of care per admission. Similarly, a major federal program, Title XX of the Social Security Act, has a \$2.5 billion ceiling for nationwide reimbursement.

A number of programs which cover staff salaries will limit the amount, per individual, for which reimbursement can be claimed. The Illinois Juvenile Probation Subsidy will cover 50 percent of county probation officers' salaries up to \$300 per month. Ohio's Probation Development Subsidy also establishes a 50 percent limit on salaries and travel expenses. The Michigan Alternative Education Subsidy will annually reimburse up to \$7,500 per licensed professional to work with disruptive students.

Programs which limit the daily amount which will be paid per child include the Alabama Community Services Subsidy Program, the Louisiana Purchase of Services to Prevent Inappropriate Incarceration, the New York Detention Services Program, the Ohio County Foster Care Subsidy, the South Carolina Community Camping Program and Group Home Contractual Program, and the Wisconsin Shelter Care Licensing/Reimbursement Program. Limiting per child payments to monthly rates are Minnesota's Juvenile Judges' Group Foster Home Program and its Regional Jail and Detention Subsidy, as well as Ohio's District Detention/Rehabilitation Facility Maintenance Subsidy.

Reimbursements according to fee schedules are found in the Maryland Purchase of Services Program, the New York Care and Maintenance of Juveniles Subsidy, the South Carolina Purchase of Services Program, the South Dakota Alternative Care Program, and the Delaware Purchase of Services. Other states will negotiate reimbursements. This is true of Indiana's Community Mental Health Services Subsidy, Nebraska's Comprehensive Community Mental Health Services Act, Oklahoma's Guidance Center Program, South Carolina's State Aid to Community Mental Health Centers, Utah's Community Mental Health Services Act, and Alaska's Youth Employment Services Subsidy.

Other reimbursement programs include Michigan's Child Care Fund, Missouri's Care and Maintenance of Delinquent or Dependent Children, Virginia's Residential Care Subsidy and Court Services Subsidy, New York's Child Welfare Services Subsidy, Pennsylvania's State Reimbursement to Counties for Child Welfare Services, Minnesota's Community Mental Health Act and Services to Youth and Other Underserved Populations Subsidy.

This approach does not attempt to predetermine for communities what levels of services are to be delivered. Programmatic needs, as mentioned previously, are defined by the recipient jurisdictions, through their legislative and administrative processes. If deinstitutionalization is an objective, then a community under an open-ended reimbursement arrangement can spend whatever it needs to refrain from having to commit children to state institutions.

Not only do reimbursement arrangements permit greater levels of local discretion in determining the mix and level of services offered, they are also easiest to administer and require no repetitive application process. They are often recommended as providing the most important means of sharing costs between the levels of government in proportion to the benefits that accrue to each level.

However, there are limitations. This method is most useful when the best approaches to meeting clients' needs have already been determined, so that the services eligible for reimbursement can be clearly defined. In reimbursement arrangements, the state or federal government will usually provide funds only for a limited range of services. It is not an approach amenable to encouraging experimentation or innovation. In addition, it frequently subverts any fair share notions of fund distribution, for some communities will undoubtedly be far more aggressive spenders than others. It also subjects the funding agencies to frequently unforeseen pressures when local expenditures invariably overrun the subsidy funding appropriated for the reimbursement.

The largest and most well-known of the state child welfare and juvenile justice reimbursement grants are the Pennsylvania State Reimbursement to Counties for Child Welfare Services and the Michigan Child Care Fund.

In 1976, with funds from an LEAA grant, the Juvenile Justice Center of Pennsylvania drafted legislation which incorporated funding incentives for counties to develop and improve local services for children in the interest of establishing more alternatives to institutionalization. Pennsylvania's State Reimbursement to Counties for Child Welfare Services (Act 148) represented an omnibus approach to youth services funding by offering variable reimbursements of 50 percent to 90 percent of specified services.

Until recently, it had been intended that state reimbursements would be open-ended so that communities could develop whatever services were required to meet the needs of children who otherwise would be destined for state institutions. The growth of spending in services for children, however, outpaced its envisioned proportion of the state budget, and legislators are seriously considering enacting an absolute ceiling on appropriations. In 1979, the year data collection for this study began, expenditures for this program were \$62 million, the largest of any of the state-to-local grants profiled in this survey. After 1980 expenditures reached a high of over \$101 million, the legislature attempted to hold expenditures to \$88.245 million for fiscal 1981. Actually, the legislature had originally appropriated \$75 million for fiscal 1979-80 but was obliged to supplement the appropriation with \$26 million after the state received requests for reimbursement. Likewise, the \$88.245 million appropriation for fiscal 1981 had to be supplemented by \$4 million. An additional \$26 million had again been requested but was vetoed by the governor.

Like Pennsylvania's Reimbursement to Counties for Child Welfare Services, Michigan's Child Care Fund emerged as a product of efforts to reform the existing intergovernmental system of financing services for youth.

Prior to 1955, the requirement that counties pay for children over whom they retained jurisdiction provided a fiscal incentive to commit youth to state facilities, which typically meant placement in corrections training schools. In the early 1950s, several influential legislators became alarmed at the overpopulation of training schools and the escalating costs to the state. When combined with the increasing action of local corrections reform groups, conditions were ripe for a coalition of state and local interests to seek a solution to the problem. Michigan Department of Social Services' personnel, legislators, probate judges, county supervisors, county welfare department personnel, and citizen groups all coalesced to bring about the passage of Act No. 112 of the Public Acts of 1955, establishing the Child Care Fund.

The dynamics of establishing the Michigan Child Care Fund are so illustrative of the significance of political negotiation in the passage of subsidy legislation that a fairly detailed account will be provided here. It should also prove instructive concerning the trade-offs inherent in the reimbursement form of subsidy.

The Child Care Fund provided counties, for the first time, the incentive of state participation in the costs for out-of-home care of juveniles under the

jurisdiction of the courts, so long as minimum service standards were met. The major elements of the enabling statute were:

- (1) The state would reimburse counties for a portion of the cost of expenditures for out-of-home care of delinquent and neglected children placed by order of the court or by protective services of the county departments of public welfare (now departments of social services).
- (2) The county would be required to provide an initial amount, based upon a percentage of the state's equalized assessed valuation of property in the county, with all costs in excess of the basic amount to be shared equally by the state and county.
- (3) Minimum service and staff standards would be required for probate court personnel.
- (4) Counties were required to pay for 50 percent of expenditures for youth committed to the legal custody of the state by the probate courts. This became known as the state "chargeback" provision or, more generally, as a disincentive feature.

Although the Child Care Fund provided a financial base for the development of community-based services, steadily rising juvenile arrest rates over the next ten years meant a continued heavy reliance by counties on state institutions. This was particularly true in many smaller and rural communities which lacked the local matching amounts to obtain state Child Care Fund dollars. Therefore, Act 229 of the Public Acts of 1966 was passed as a further effort to minimize the heavy reliance by these counties on state institutional services. The 1966 legislation enabled the state Department of Social Services (DSS) to establish a full complement of program and facility options. Act 229 specifically provided that children who were committed to the state DSS could be extended the same range of programs which the juvenile code empowered probate courts to use. The courts were no longer required to commit children to specific institutions or programs. Instead, commitments or referrals could be made to the department, which would choose among various placement alternatives, including supervision of children in their own homes, placement in intensive day care programs, or foster care.

At the same time, urban probate courts were using Child Care Fund Subsidies to develop a full range of institutional and counseling services for their wards. Thus, by the late 1960s, a two-tiered system of community-based services (at the county level represented by the probate courts and at the state level represented by DSS) had evolved as a result of the Child Care Fund financing mechanism and the passage of Act 229.

The inevitable jurisdictional rivalries and philosophical differences fostered by the two-tiered system led to fragmented services in many parts of the state. In addition to the problems of coordination, this system led to service inequities within the state and an inability to impose cost containment over foster care expenditures.

To address these issues and problems within the juvenile justice system generally, a Governor's Special Commission on Juvenile Delinquency was established in 1968. Among its several recommendations, the commission proposed that the state should be responsible for 50 percent of all expenditures, rather than

having to provide a given funding base from local taxes. There was no legislative action, however, to revise the Child Care Fund allocation formula along the lines proposed by the governor's commission.

The problems of fragmentation, service inequity, and lack of cost containment continued to worsen. The seriousness of service disparities were documented in a John Howard Association report, prepared in 1973 for a special legislative Juvenile Justice System Study Committee. The John Howard report revealed that the state's share of child care services ranged from a low of 8.3 percent to a high of 89.2 percent of total expenditures per child, depending upon the counties involved. The disparities were exacerbated by the lack of state control over how its funds were being used locally. The DSS had no means of comparing or monitoring county expenditures against a plan for services, since specific service plans were not required.

The John Howard Association report also surfaced another problem. The Child Care Fund incentives were heavily tilted toward subsidizing out-of-home care. Nowhere in the legislation were there financial inducements necessary to keep children in their own homes.

In response to the issues raised by this review, a special legislative study committee proposed several significant changes in the operation of the Child Care Fund, including changes in the base grants and reimbursement percentages. The committee also recommended that county juvenile justice plans and budgets should be prepared jointly by the courts and county social services offices. Approval by state DSS would be required before Child Care Fund dollars could be released.

It was this last proposal which generated considerable opposition from probate court judges. These sentiments were articulated in a minority report, issued by the two judicial members of the study committee, in which they argued that the separation of powers doctrine precluded the joint preparation of plans by courts and local social services offices.¹²

Within a month of the publication of the study committee's report, Michigan's H.B. 4392 had been introduced. The Juvenile Services Bill, as it became known, was passed in 1975, becoming effective January 1, 1976.

The local tax-base floor requirement of the existing Child Care Fund system was abolished, while the 50 percent local matching formula was retained. This provision represented a compromise between the existing system and the Juvenile Justice System Study Committee's recommendation for a phase-in of a 75/25 percent state-local match.

Ten percent of the Child Care Fund (later increased to 20 percent) would be allocated to the county juvenile justice services programs, which would provide for in-home care and other alternatives to foster care. This provision was intended to counteract the unintended incentives toward out-of-home placements criticized in the John Howard Association report. The committee addressed this issue, but its recommendation was in the context of placing youth in in-home detention, under the supervision of juvenile probation staff, as an alternative

to secure custody. H.B. 4392, on the other hand, placed no apparent limits on the purchase of in-home services and, by this broader application, enabled the option to be used for prevention as well as for corrections purposes.

An independent Office of Juvenile Justice Services (OJJS) was established and given a two-year mandate to develop a comprehensive child care delivery system. The intent of establishing this independent office was to bring central coordination to the development and funding of child care services.

County social services offices and probate courts would be required to submit a plan and budget for child care services to the new OJJS. The office was also given powers to set standards for youth services.

Some critics of the subsidy, both within and outside the DSS, including the Office of Children and Youth Services (OCYS), which was established in 1978, contend that while the 1976 amendments represented important reforms, several issues surrounding the Child Care Fund remain to be addressed and resolved. The following is a summary of those issues and leading proposals for further changes in the Child Care Fund.

Despite the emphasis by the special legislative committee on cost containment problems with the Child Care Fund, the 1976 legislative changes did not include any provisions to cap or otherwise contain local requests to draw upon the state Child Care Fund. The pattern of requesting supplemental appropriations still prevails as expenditures from the fund have continued, since 1976, to exceed the budgeted levels. The review authority over local plans and budgets lacked the critical requirement of state approval before funds could be released. It is unclear as to whether this condition resulted from a legislative intent to allow expenditures to float or from inartful draftsmanship. Whatever the reason, the absence of such authority was clearly understood by all parties.

The push for cost containment is particularly notable with regard to the construction of new detention facilities by counties. Presently, OCYS has no control over the building of new detention homes, even though the state would be responsible for 50 percent of the operating costs. According to state officials, any county is currently free to build and operate an institution, subject to their ability to convince local officials that a facility is needed.

Amendments have been proposed to deal with these various aspects of the cost control problem. One recommendation is that OCYS require a Certificate of Need from local officials prior to county construction of treatment facilities for which the state will have fiscal responsibility. Another proposal for exerting state controls over county-operated institutional costs is to make reimbursement on a per diem basis according to children served. OCYS already regulates private institutional rates in this manner. There is some legislative sentiment, too, for extending OCYS' authority beyond review, to approval power over county plans and budgets.

Considerable interpretative discretion exists regarding the scope and type of youth population to be served under the current in-home option. A legislative provision permits up to 20 percent of the appropriation for "early intervention to treat problems of delinquency and neglect within the child's own home

and to expedite a child's return to his or her own home." OCYS has taken the fact that no new monies were appropriated by the legislature as indicative that no expansion was intended in the number of children served. Accordingly, a policy was established that only those children who would otherwise have been placed out of home could constitute the eligible in-home target population. Thus, OCYS adopted a more post-adjudicative approach to implementing in-home care than OJJS, which interpreted the option more liberally as a preventive strategy. Because many counties had already used in-home care money for diversionary services to children who were not at risk of being removed from the home, it was thought that implementing such a policy would be difficult. However, resistance from counties has been minimal, and full compliance is expected by September 30, 1982.

It is argued, further, that there are insufficient incentives within the subsidy to induce local courts to adhere to a state policy which would discourage secure detention of status offenders. Through a more attractive state reimbursement differential, OCYS proposed added inducements to counties for the use of in-home detention, which is already permissible under the in-home care option. For example, in-home detention, when used for eligible target populations, would be reimbursed at higher than the current 50 percent. However, unlike Pennsylvania, the Michigan legislature does not appear to be disposed toward variable incentives under the Child Care Fund. Judges are satisfied with the open-ended nature of the subsidy. Indeed, there is little need to lobby for increased appropriations because it is now open-ended and, hence, beyond the control of the legislature.

OTHER CONSIDERATIONS: MATCHING PROVISIONS, SEED MONEY CONCEPT, MAINTENANCE OF EFFORT, AND FISCAL INCENTIVES AND DISINCENTIVES

From preceding discussions, it is apparent that legislatures may choose to share funds with communities through general revenue sharing, block grants, or categorical grants. If the last approach is determined to be appropriate, then one of four ways may be employed in granting categorical aid. They are project grants, formula grants, formula-project grants, and reimbursement grants. Having made the decision to use a formula grant means that one still must decide whether the formula will reflect political fair share, need for services, cost of services, or fiscal equalization principles.

Still, the policymakers' task is not finished, for the level of local financial participation needs to be determined. Financial participation, in this context, contains four major applications:

- The matching or cost-sharing provisions.
- The future assumption of total costs by local government (seed money concept).
- The maintenance of local effort to support related programs.
- The use of fiscal incentives and disincentives.

Matching or Cost-Sharing Provisions

While recipient governments will almost always direct some of their own revenues toward providing subsidized services, the funder might wish to formalize expectations regarding who is responsible for paying what share of the costs. In effect, this is done in two ways.

First of all, a grantor may decide that the recipient government must put up a portion of the grant. In other words, to provide \$100,000 worth of services with a 20 percent matching agreement means that the recipient government must contribute \$20,000 and the grantor government will then make available the \$80,000 balance. The local government thus receives four federal or state dollars for every one of its own dollars.

A second matching or cost-sharing arrangement requires the grantor government to assume a portion of the total costs for services agreed to be subsidized. In a reimbursement agreement, the local government is expected to assume a given percentage of total costs (often 50 percent), while the grantor government pays for the balance. Because the recipient government determines the levels of expenditures, the grantor government is, in effect, matching the contributions (expenditures) of the subsidy recipient. The grantor government agrees to match a portion of the local government's spending, although sometimes stipulating ceilings or other expenditure limitations.

Deciding on the share of each contribution is the next problem. Ideally, matching ratios would be calculated to achieve the optimal allocation of resources, but the political process is unlikely to produce grant legislation quite this precisely.¹³ Indeed, interviews with legislators and legislative staff suggest that the matching ratios are either based upon political pressures from lobbyists or from a legislator's belief in what is equitable. Legislators usually cannot provide an explanation of changes made in matching requirements or of the various cost-sharing requirements initially enacted.¹⁴ ACIR researchers, in looking at the increasingly complex matching requirements of federal grants-in-aid, found it very difficult to conclude whether grant design was becoming more sophisticated, or if the changes were more for appearance with the cost-sharing arrangements remaining as arbitrary as ever.¹⁵

Given that matching ratios seem to be derived from political processes rather than from research, important considerations to bear in mind are ensuring that matching requirements are neither too high to discourage local participation nor too low to distort state or local priorities. This latter point is another topic of debate. Some interest groups argue that high matching requirements pull more local resources into subsidized services than would ordinarily be contributed. Local governments are willing to pay the higher match rather than forego the subsidies altogether. At the same time, other observers argue that matches that are too low will entice local governments into buying far more services than they could afford to maintain without subsidies. This situation, it is felt, amounts to a distortion of local priorities.¹⁶ It often arises when the Congress or state legislatures do intend to alter state or local priorities, respectively, and thus force changes by lowering the cost of participation.

There are also some technical considerations in determining ratios. The first is whether the ratio will be fixed, requiring equal or proportional contributions of all recipients, or varied to accommodate diverse financial conditions or to establish incentives for stimulating certain services. Tables 22 and 23 reflect the Subsidies which use either one or the other approaches, based upon data reported by state administrators.

The grantor government might also allow matching requirements to be waived under certain conditions or permit applicants to use in-kind contributions as "soft match" contributions. If the granting government saw the subsidy as stimulating programs rather than supporting them over the long term, then the match might be designed to vary over time, requiring the recipient government to assume a greater part of the costs each year. These latter two considerations, soft match and seed grants (and a corresponding concept, maintenance of effort), have been the focus of sufficient debate to warrant an examination in the sections that follow.

Whether or not matching funds are required, recipient governments often will contribute revenues, not only from their own coffers but from various other sources, to help support subsidized programs. Grants to public and private service providers are commonly augmented by United Way funds, private contributions, and client fees. The ripple effect caused by a grant may multiply the original allocation anywhere from two or ten times.

A grant recipient is sometimes given the option of fulfilling its matching obligation wholly or in part with in-kind contributions. In-kind contributions may consist of the value of goods and services directly benefiting clients of the grant program provided by the recipient. These may include volunteer services, donated materials, or costs, such as rent and utilities, that are being absorbed from other funding sources and which are shared.

TABLE 22. STATE SUBSIDIES USING FIXED COST-SHARING RATIOS FOR DETERMINING PAYMENTS TO LOCAL RECIPIENTS IN 1978

Cost-Sharing Percentage Assumed by State	Number of Subsidies Using Cost-Sharing Ratios
25% or less	3
50%-70%	18
75% or greater	4
TOTAL	25

TABLE 23. STATE SUBSIDIES USING VARIABLE COST-SHARING RATIOS, ACCORDING TO SERVICES, FOR DETERMINING PAYMENTS TO LOCAL RECIPIENTS IN 1978

Michigan Child Care Fund
Minnesota Services to Youth and Other Underserved Populations Subsidy
Pennsylvania State Reimbursement to Counties for Child Welfare Services
Virginia Residential Care Subsidy

Local governments or agencies often find it much easier to contribute volunteer service time and donated materials than to come up with cash for a matching requirement. North Carolina legislators and administrators credited their willingness to accept a soft match as the key factor which expedited county participation in the CBA Program. However, the discretion afforded counties in matching state dollars has not stilled discontent about having to contribute local resources at all. Some local officials insist that, as a state-initiated program, total fiscal support for CBA should come from that level of government. They argue that the state has greater ability to raise resources for CBA than do fiscally impaired local governments. State officials counter that the requirement of a local match brings with it a greater local commitment to and involvement in the program.

Apparently, the match requirement is not so onerous as to deter county participation. As of this writing, 99 of North Carolina's 100 counties participate, representing a significant increase over the original 33 counties receiving CBA funds. The high level of participation may be attributable to two factors: (1) scaling of local match according to ability to pay, and (2) the practice in some jurisdictions of requiring private agencies, to which counties subcontract CBA funds, to contribute the cash match.

Some North Carolina counties have opted, surprisingly, toward meeting match requirements through cash outlays. In the view of local officials, several larger jurisdictions have had to overmatch with a combination of in-kind and "hard" dollars because state funding did not keep pace with local costs. No precise figures were available to document the cash contributed in lieu of in-kind matches. However, data in the CBA annual reports appears to confirm the observations that several of the larger jurisdictions are overmatching.

Other administrators disapprove of the soft-match concept. Their feeling is that since almost anything seems to qualify as a soft match, it would be more expedient to forego the matching requirement altogether rather than to spend time monitoring the eligibility of a jurisdiction's soft-match contributions. Soft matches, to these administrators, are seen only as opportunities for imaginative bookkeeping by recipients and nightmarish monitoring problems for agencies charged with ensuring compliance.

Seed Money Concept

In the interest of stimulating governments to engage in or expand certain services, the grantor government may initially require small local matches, or no match at all, but stipulate progressively increasing matches in subsequent years. Ultimately, the fiscal burden could be transferred to the recipient and away from the original funder. Again, the idea is to stimulate commitment for new programs by allowing recipients to gradually ease into the new fiscal obligations.

Service providers are not very enthusiastic about seed money. While grateful for the opportunity to venture into new program areas, they dread having to scramble for "new" funds in two or three years. Nor are local elected officials delighted with the prospect of being pulled into dozens of new programs only to have them become future budget demands on already strained local revenues. They offered the opinion that federal and state governments are in better positions to continue to underwrite the programs they "initiated." The California Assembly has taken that position: it requires that the state pay for all mandated local programs although it need not pay for optional ones.

It is uncertain the extent to which intergovernmental grants have been successful in stimulating new or expanded services. Further, the extent to which recipient governments eventually absorb the costs of providing grant-initiated services remains undetermined. Because of the proliferation of seed grants, more research in this area is warranted.

Maintenance of Effort

Three things can happen when a local government receives grant money. First, the grant revenue can be added to funds already being spent by the recipient government for subsidized services, thus increasing expenditures for the services by the amount of the grant. Second, the recipient government might increase its financial commitment to this programmatic area because of match requirements, inflation, or social concern. Finally, the recipient can supplant its own funds with the funds from the grant, thus releasing those monies for activities other than those intended to be aided.

It is for these reasons that designers of grants-in-aid indicate that maintenance-of-effort, or nonsubstitution, requirements are integral parts of any state or federal funding guidelines. They feel that such requirements are particularly important in these programs to avoid a result in which grant funds are substituted for local sources and, thus, services are not expanded or improved even though large amounts of new funding are flowing into the community.¹⁷

The Arizona Juvenile Court Family Counseling Program, the North Carolina Community-Based Alternatives Program, and the Pennsylvania Grants for the

Improvement of Juvenile Probation Services, as well as the Federal Juvenile Justice and Delinquency Prevention Act and Title I of the Elementary and Secondary Education Act all contain maintenance-of-effort clauses.

Grant legislation sometimes includes a maintenance-of-effort clause even though the grant may already have a matching provision. The two requirements, maintenance-of-effort and matching ratios, should be considered together, for the maintenance-of-effort provision serves a somewhat similar function to a match. It requires the recipient government to contribute a sum at least equal to the recipient's previous expenditure for the aided activity. The three state programs listed above all include cost-sharing as well as maintenance-of-effort provisions.

If a matching requirement guarantees a certain level of recipient contribution, then use of a maintenance-of-effort provision is probably questionable in the long run. A local government which supplants local funds with grant funds has probably decided that its current level of consumption for the subsidized services is sufficient to meet needs or that the community has more pressing priorities to which to apply the freed resources. By requiring a substantial match, for example, 50 percent of the cost of constructing a detention home, the state is assured a major local contribution and is not normally concerned with the overall issue of maintenance of effort.

Observers of intergovernmental behavior have determined that predicting the degree to which grant recipients will use subsidies to substitute for previously expended funds is virtually impossible. An ACIR study concluded that, over time, the recipient jurisdictions can reallocate resources, however conditional their provision, to meet their own needs and political interests.¹⁸ The lesson, perhaps, is that grant designers would do well to spend more time establishing satisfactory matching conditions than attempting to secure maintenance-of-effort agreements.

Incentives and Disincentives

Because legislatures establish grants in the interest of pursuing certain policy objectives, fiscal incentives can be used to encourage certain activities or to discourage particular practices. Once again, examples help to explain these approaches.

Variable Reimbursements as Incentives

As mentioned earlier, variable reimbursement rates have been proposed for the Michigan Child Care Fund and are now being used in Pennsylvania to promote the use of certain types of child welfare services. Variable reimbursements are also found in Minnesota's Services to Youth and Other Underserved Populations Subsidy, which pays 30 percent of approved budgets for halfway houses, 50 percent of approved budgets for nonresidential chemical dependency services, and

75 percent of approved budgets for detoxification centers. Virginia's Residential Care Subsidy covers 50 percent of renovation and construction costs, 67 percent of personnel expenditures, and 100 percent of equipment, travel, and operating expenses. However, there is no indication that in these last two categories the variable reimbursements were arranged as incentive systems.

In Pennsylvania, services receiving the highest reimbursement rate, 90 percent, are foster care or group home care to meet the needs of status offenders (now reclassified as dependent children). Eighty percent of adoption process costs are covered for "hard-to-place" children. Most services fall into the 75 percent category and include information-and-referral services, counseling and intervention, protective services, homemaker services, day care and day treatment, some residential services, and supervised independent living. Administrative costs for planning, research, monitoring, coordination, and evaluation are eligible for 60 percent reimbursement. Fifty percent reimbursement is for detention centers, as well as secure and nonsecure residential centers.

By establishing an ascending rate of reimbursement for less restrictive programs, it was anticipated that this would impel counties in that direction. However, it is clear that these differential reimbursement levels have not acted as incentives to offer more services from categories receiving higher reimbursements. In 1979, 41 percent of Act 148 funds went to programs at the 50 percent reimbursement rate. These are funds which support costs of detention and secure and nonsecure residential treatment institutions, the most restrictive programs eligible for reimbursement. That figure will remain around 40 percent for 1980, according to the Department of Public Welfare. Figures for 1979 from the Department of Public Welfare indicate that 54 percent of Act 148 monies went to 75 percent reimbursement rates (services), and five percent for 60 percent reimbursement (administration) and 80 percent reimbursement (adoptions) rates. Similar percentages are projected for 1980.

Differential Formulas as Incentives

The only program discovered in this survey with a differential formula as an incentive was New York's Youth Development/Delinquency Prevention Subsidy. Its unique feature is designed to encourage counties to engage in comprehensive planning. Counties which have developed approved comprehensive planning procedures are allotted annually \$4.50 for each youth under the age of 21 residing in the county according to the last census. Counties which do not undertake comprehensive planning receive only \$2.25 per youth. All counties are expected to share 50 percent of the costs, regardless of the formula used.

The differential funding must sufficiently induce participation. Currently, 53 of New York's 57 counties, as well as New York City, have been approved for comprehensive planning formula rates.

Allocation Formulas Based on Commitment Reductions as Incentives

In the interest of reducing commitments to state institutions, a few states have tied their subsidy formulas to county commitment rates. Under the Missouri Community-Based Youth Services Subsidy, a county receives \$5,000 for every juvenile not committed to the Division of Youth Services, determined by a "base rate" calculated for each county. The base rate is established according to an average rate of commitment over the past five years or two years, whichever yields the higher figure.

A similar provision is found in the Texas Community Assistance Program, which allocates to each county \$4,500 for each reduction in commitments below a determined base rate. Likewise, \$5,000 per reduction, or reimbursement for actual costs incurred in providing services (whichever is less), determines the amount received by counties through Washington's Probation Subsidy.

Perhaps the best known of the commitment-reduction-based formulas was California's State Aid to Probation Services. Initiated in 1966, it was a predecessor to and model for the programs in Missouri, Texas, and Washington. Like them, allocations to counties were determined according to commitment reductions below a base rate, calculated as an average of rates over a five-year period (1959 to 1963) or the preceding two years, whichever was higher. The amount of the allocation varied from \$2,080 to \$4,000 per case, with the larger amounts awarded as counties increased the percentage of their reductions.

The California State Aid to Probation Services no longer exists, being replaced in 1978 by the California County Justice System Subvention Program, commonly known as A.B. 90. Under this program, a county can select one of two funding options: a per capita formula allocation or the amount of money which the county had been receiving under the State Aid to Probation Services.

Other Performance Incentives

At least one other grant profiled in this study included an incentive adjustment to allocations. The Pennsylvania Grants for the Improvement of Juvenile Probation Services bases its formula on percentage increases in juvenile probation staff in each county from 1961 until the current year.

Fiscal Disincentives

A number of states provide for deductions from counties' allocations, usually intended as disincentives. As a part of Minnesota's Community Corrections Act, deductions are made from a county's allocation at a rate of \$45 a day for each juvenile committed to a state institution. During a county's first year of participation, existing state-funded services and programs available to a county are also subtracted from its subsidy allocation. Michigan, as noted

earlier, and Pennsylvania charge back to counties 50 percent of the average cost of care (for the current year) of a child committed to state wardship. Iowa also charges counties 50 percent for placements to one of its state juvenile facilities, but the arrangement appears to have been instituted to finance the facility's operation rather than as a disincentive to placements. California also charges for commitments, but the amount is so minimal that it could hardly be considered a disincentive.

CHANGES IN GRANTS-IN-AID OVER TIME

A comprehensive block grant appears not to be born overnight. Rather, it seems to evolve over the years as states realign legislative priorities and gain experience in grant-making. The changes are characterized by the initiation, over time, of narrowly focused categorical grants with comparatively small appropriations and considerable state control, to the eventual development of formula or block grants with sizeable appropriations and a great deal of discretion regarding the use of funds afforded to local grant recipients. During the period of transition, appropriations to the categorical grants are reduced as they are phased out in favor of the comprehensive grants. This process, in its various stages, tends to be most clearly visible among juvenile justice grants in California, Minnesota, and Ohio.

At the time of data collection initiation for this project, 1978, California and Minnesota were among the best states in which to observe this grant evolution. In 1945, California established a grants program called the Construction, Maintenance, and Operation of Juvenile Homes, Ranches and Camps. The subsidy offered state assistance, up to 50 percent, for construction costs and for reimbursements of one-half the costs for maintaining a child in those facilities. The program was phased out in 1978 in favor of the California County Justice System Subvention Program (A.B. 90).

Established in 1966, California's State Aid to Probation Services was intended to reduce commitments to state institutions for both juvenile and adult offenders. Originally emphasizing intensive probation supervision as a means to accomplish this objective, it was soon expanded to promote more extensive use of community programs, such as counseling, group homes and specialized services to individuals. It is the direct predecessor to California's County Justice System Subvention Program (A.B. 90), which also supports community-based programs as well as probation services. The State Aid to Probation Services was also terminated when the County Justice System Subvention Program was established in 1978.

California also has two lesser grant programs enacted in interim years between the initiation of the State Aid to Probation Services and the County Justice System Subvention Program. One was a grant program created in 1975 for 50 percent reimbursement or actual costs (whichever is less) to youth service bureaus. The other was a one-time appropriation of funds for fiscal 1978 to construct or modify facilities for status offenders. Table 24 shows the chronological development of California's juvenile justice grants-in-aid and their respective fiscal 1978 appropriations.

TABLE 24. CHRONOLOGICAL DEVELOPMENT OF JUVENILE JUSTICE SUBSIDIES IN CALIFORNIA

Year of Initiation	Grant Title	Fiscal 1978 Appropriation
1945 (Terminated)	Construction, Maintenance, and Operation of Juvenile Homes, Ranches and Camps	--
1966 (Terminated)	State Aid to Probation Services	--
1975	Youth Services Bureau Subsidy	\$ 80,000
1977 (Terminated)	Detention of Status Offenders Program	\$ 1,500,000
1978	County Justice System Subvention Program (A.B. 90)	\$55,000,000

-- denotes Not Applicable

In 1959, Minnesota enacted the County Probation Reimbursement Program. It offered a 50 percent reimbursement for the salaries and fringe benefits of probation officers. Ten years later, the Juvenile Judges' Group Foster Home Program was established to provide 50 percent reimbursement for the cost of care of a youth placed in a group home. That same year, the Community Corrections Centers Act was initiated to encourage the development of local alternatives to incarceration, in particular, community-based residential treatment centers. By 1971, the Regional Jail and Detention Subsidy Act was enacted in an effort to discourage the construction and continuation of local lockups by stimulating the development of, as the title implies, regional jails and detention centers.

The Minnesota Community Corrections Act, initiated in 1973, was designed to subsume all of them. This omnibus legislation supports a broad range of services in the interest of meeting its multiple objectives of (1) transferring responsibility for corrections services for all but serious offenders to local units of government, (2) reducing judicial commitments to state adult penal facilities and juvenile training schools, (3) improving coordination among criminal justice components at the local level, and (4) promoting the development of comprehensive corrections planning at the local level.

With the enactment of the Community Corrections Act, it was generally decided to phase out all of the previously cited grants-in-aid. Accordingly, appropriations to these programs have been reduced over the years, as illustrated in Table 25. In fact, grants made through the Community Corrections Centers Act can be used as seed money for programs destined to be encompassed under the Community Corrections Act.

TABLE 25. CHRONOLOGICAL DEVELOPMENT OF JUVENILE JUSTICE
SUBSIDIES IN MINNESOTA

Year of Initiation	Grant Title	Fiscal 1975 Appropriation	Fiscal 1976 Appropriation	Fiscal 1977 Appropriation	Fiscal 1978 Appropriation
1959	County Program Reimbursement Program	\$ 770,000	*	*	\$1,490,600
1969	Juvenile Judges' Group Foster Home Program	500,000	\$ 400,000	*	100,000
1969	Community Corrections Centers Act	212,500	212,500	\$ 212,500	362,300
1971	Regional Jail and Detention Subsidy Act	465,603	281,300	281,300	19,200
1973	Community Corrections Act	3,750,000	3,750,000	6,800,000	6,800,000

* denotes Not Available.

In 1980, the Ohio Youth Services Subsidy was established to develop a broad range of nonsecure community-based alternatives (both nonresidential and residential), and to reduce commitments to state juvenile facilities. Its funds are allocated to counties by formula based upon population ratios. The grant's fiscal 1981 appropriation of \$7.6 million is much larger than the sum of appropriations to the categorical grants it will supercede. Among the categorical grants being eliminated are the Probation Development Subsidy (initiated in 1964), the County Foster Care Subsidy (initiated in 1967), and the Juvenile Law Enforcement Subsidy (also enacted in 1967). Remaining on the books will be three subsidies which underwrite the construction and maintenance of juvenile rehabilitation facilities and detention centers: the Juvenile Rehabilitation Facilities Construction Subsidy (initiated in 1965), the District Detention/Rehabilitation Facility Maintenance Subsidy (initiated in 1967), and the District Detention Construction Subsidy (initiated in 1970). These subsidies and their 1978 appropriations are indicated in Table 26.

TABLE 26. CHRONOLOGICAL DEVELOPMENT OF JUVENILE JUSTICE SUBSIDIES IN OHIO

Year of Initiation	Grant Title	Fiscal 1978 Appropriation
1964	Probation Development Subsidy	\$ 982,000
1965	Juvenile Rehabilitation Facilities Construction Subsidy	Bond Appropriation
1967	District Detention/Rehabilitation Facility Maintenance Subsidy	\$1,743,829
1967	Juvenile Law Enforcement Subsidy	\$ 262,300
1967	County Foster Care Subsidy	\$ 582,800
1970	District Detention Construction Subsidy	Bond Appropriation
1980	Youth Services Subsidy	\$7,600,000 (1981)

The development of federal comprehensive block grants has also evolved over time from categorical grants, indicating a developmental process in grant-making at the federal as well as at the state level. As discussed in Chapter 5, the

Advisory Commission on Intergovernmental Relations has delineated five periods that seem to demarcate federal grant-making history: the Formative Period (1911-32); the Depression and New Deal (1933-38); World War II and Post-War Period (1939-63); the Categorical Explosion of the 1960s, which led to the New Federalism Era of the early 1970s (1969-75).¹⁹ It is only during this last period that the adoption of general revenue sharing and the expanded use of the block grant device came about.

MESHING INTERGOVERNMENTAL GRANTS OR MULTIPOCKET BUDGETING

In conducting research regarding the ways that local governments cope with multiple funding sources, Catherine Lovell observed what every local administrator knows as a day-to-day reality:

There is a great deal of coordination among various federal grant programs going on at the local level and that these programs are also being coordinated with state programs and with the jurisdiction's own programs, both public and private.²⁰

Lovell speaks of formal methods of mixing funds from various sources at the local level, which she calls "orchestration from above" or more informally dubbed as "multipocket budgeting." The approach is characterized by such various centralized planning processes such as goal-setting projects, needs and resources assessments, capital planning, budgeting procedures, and other hierarchical controls. Multipocket budgeting is also done on an ad hoc, project-to-project basis, in which the various revenue sources are blended to meet the needs of particular projects. Lovell observes what is hardly news to the typical service provider:

Most of the community-based organizations do not depend on federal grants alone but combine the federal funds with state and local funds, private donations, and fees from clients... Hundreds of community-based organizations are providing services on a year-to-year basis piecing together various sources of funding to fill out their budgets.²¹

She quotes a director of a settlement house as describing his job as "splicing a lot of wires." Lovell makes a second observation that stands out rather dramatically.

The dynamics to mesh the grants at the recipient level is powerful; the dynamic to coordinate at the granting level does not exist.²²

For both state and local governments as grant recipients, meshing funds from multiple sources offers potential program expansion and, in some cases, program survival.

Program expansion was the possibility offered by CETA and LEAA for North Carolina's Extended School Day Program Subsidy. In fiscal 1979, funds came from all levels of government to continue the program. The major source of federal funds was CETA, from which \$2 million (23 percent of the total program budget) was allocated to "balance of state" areas for this purpose. Encouraged to obtain their own federal funds, certain school districts were able to add \$700,000 from CETA funds and \$80,000 from the Law Enforcement Assistance Administration. Major state funds came through an earmarked supplement for extended school day programs (\$500,000) and North Carolina's school funding formulas: the public school fund formula (\$2.4 million), the occupational education fund (\$2.2 million), and funds for transportation (\$170,000). With additional funding from other sources, the entire budget for fiscal 1979 was nearly \$8.6 million.

Coordination between North Carolina's Division of Vocational Education and the CETA administration has literally paid off in other ways. In 1979, 16 local education agencies in the balance of state areas each received \$74,000 to provide educational experiences for disadvantaged youth. Other CETA-vocational education projects will link secondary and post-secondary educational systems with the business community.

Program survival was the possibility afforded by LEAA and Title XX for the Maryland youth diversion projects. Originally supported by funds from the U.S. Department of Labor, these projects later came to be underwritten by LEAA grants. With the conclusion of that funding, a combination of Social Security Act Title XX and state funds were used to pick up the costs. Whether this augmenting of state grants with federal funds indicates that federal programs beget state subsidies, or whether states use federal monies to enlarge their preferred programming efforts is not completely clear. Both phenomena appear to take place.

Formula funds from JJDPA allocated to the states ranged from about \$200,000 to \$6,000,000. Most of the allocations were in the \$200,000 to \$400,000 range at the state level. By the time funds reached the community or agency level, the majority of the grants were in the range of \$10,000 to \$20,000. When looking at how federal and state grants dwindle by the time they reach local agencies, these agencies are forced to search for other resources not only to get a program started but to ensure that it will survive the ephemerality of federal and state grant legislation.

Diversification is a key to survival. When LEAA funds expire, service providers hope that there will be Title XX funds to fall back on. Some jurisdictions have found ways to preserve precious Title XX funds by shifting a portion of foster care costs to other Social Security titles. The funding vise closes, however, when the federal government decides to curtail several human services grants at the same time, or state governments decide to make across-the-board cuts in spending. These situations are occurring with greater frequency as pressures mount to balance budgets and to satisfy increasingly disgruntled taxpayers.

Local programs do, however, seem to get started from the smallest beginnings. Grants from Iowa's Alternative to Foster Care and Community-based Juvenile Corrections Subsidies are comparatively small, but several new programs and even some new agencies have gotten under way as the result of their availability.

For example, in 1978, an Iowa study of selected subsidized projects revealed grants ranging from \$3,200 to \$31,000, with an average grant of \$14,500. It might be mentioned, however, that these project funds were never intended to underwrite the costs of all services for children in the state. Still, even given these small grants, several new programs were begun. Table 27 shows how federal, state, and local funds were combined in four Iowa service agencies.

Discussions with agency directors in the course of case study interviews revealed that their support from various funding sources varies greatly. As can be seen in Table 27, dependency upon federal funds varies from one percent to 82 percent among the four examples shown. State funds make up ten percent of one agency's budget and 62 percent of another.

Similar variations in funding mixes were revealed in agencies in North Carolina. One agency visited reported that 100 percent of its funds came through the Community-Based Alternatives (CBA) Program while, for a second agency, only five percent of its funds came from CBA, with the rest made up from a single federal source. A more balanced mixture was apparent in a third North Carolina agency where 52 percent of its funds came from state sources, 14 percent from federal, and 27 percent from local. Client fees and private contributions made up the rest.

TABLE 27. SOURCES OF FUNDS FOR FOUR AGENCIES RECEIVING FUNDS FROM IOWA'S ALTERNATIVES TO FOSTER CARE AND COMMUNITY-BASED JUVENILE CORRECTIONS SUBSIDIES IN 1978

(Examples)

Sources of Funds	Percentage of Agency Budget
AGENCY A	
State funds	48%
Private contributions	36
Client fees	13
Other	3
AGENCY B	
Federal funds	1%
State funds	10
Local public funds	21
Private contributions	33
Client fees	35
AGENCY C	
State funds	62%
United Way	37
Client fees	1
AGENCY D	
Federal funds	82%
State funds	18

One of the more interesting implications revealed in these budgets is not only their diversity in funding sources but in their propensity for expansion. Once agencies have initial grants, these resources are almost always augmented by other funds in the course of an agency's routine fund raising activities. Private donations are sought, local public funds are generated, and a great deal of frequently overlooked volunteer activity is added to the resource mix. These multiple effects mean that even the smallest federal or state investments generate new resources locally far beyond even those imagined or required through matching provisions or maintenance-of-effort agreements.

FOOTNOTES

1. Advisory Commission on Intergovernmental Relations, Categorical Grants: Their Role and Design (Washington, D.C.: U.S. Government Printing Office, 1977), pp. 5-6.
2. Ibid., p. 5.
3. Ibid., pp. 5 and 6.
4. Ibid., pp. 199-229.
5. Ibid., pp. 203-205.
6. Ibid., pp. 206-210.
7. Ibid., pp. 216-217.
8. Ibid., p. 223.
9. Ibid., p. 229.
10. Ibid., p. 5.
11. Ibid., pp. 211-213.
12. For a discussion of this issue, see The Academy for Contemporary Problems, Services to Children in Juvenile Courts: The Judicial-Executive Controversy (Columbus, Ohio: 1981).
13. ACIR, Categorical Grants, p. 147.
14. Ibid., p. 111.
15. Ibid., p. 148.
16. Ibid., p. 154.
17. Ibid., p. 173.
18. Ibid., p. 182.
19. Ibid., pp. 15-39.
20. Catherine Lovell, "Coordinating Federal Grants From Below," Public Administration Review (September/October 1979), p. 434.
21. Ibid., p. 436.
22. Ibid., p. 438.

CHAPTER 7

CHAPTER 7

REQUIREMENTS FOR RECEIVING GRANT FUNDS

The receipt of subsidy funds may be based upon meeting certain conditions or requirements. Usually, they fall into the following categories:

- Services provided locally must meet certain minimum standards of quality.
- A planning process will be conducted.
- Funds will be monitored according to accepted accounting procedures.
- Programs supported by grant funds will be evaluated to determine their effectiveness in reaching objectives.
- Grant recipients will routinely report particular pieces of information to the federal or state agency charged with administering the funds.
- Local citizens will be able to participate in planning processes.

MINIMUM STANDARDS OF QUALITY

Next to accounting and reporting requirements, compliance with state or national standards is the most common condition for receiving grant funds. Standards are guidelines that regulate program content, facility construction and maintenance, safety codes, and staff qualifications, among other things. At least 27 of the state grants profiled stipulated that recipients had to observe standards for programs and personnel. Fifteen state grant programs contained regulations regarding detention and residential facility standards.

For the Alaska Drug Abuse Grants, assessment of local service delivery is based upon standards of the Joint Commission on the Accreditation of Hospitals (JCAH) and those issued by the National Institute on Drug Abuse (NIDA). Alaska's State Office of Alcoholism and Drug Abuse, Department of Health and Social Services, is in the process of developing standards governing local planning as well as a special set of guidelines for the certification of personnel in rural areas.

The willingness of state agencies to accommodate local needs is also apparent in efforts regarding standards implementation. When the Mental Health Program Office, Florida Department of Health and Rehabilitative Services, discovered that JCAH standards resulted in children being removed from their communities due to the existence of only three accredited facilities in the state, the Program Office decided that state standards could be developed that would offer quality care to children and, at the same time, promote the growth of more agencies in the state.

CONTINUED

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This willingness to accommodate state standards to local needs was apparent in other states.

Among the more formally developed regulatory procedures are those for Michigan's Child Care Fund. Under the Child Care Organization Licensing Law, the state Department of Social Services promulgates administrative rules for licensing child care institutions and child-placing agencies. Other administrative rules define what services can be reimbursed by Child Care Fund monies, mandate monthly expenditure reports, and establish quality of care standards for personnel, medical care, placement planning, and records.

Private agencies in Maryland receiving state funds for diversion projects must adhere to standards stated in the state Juvenile Services Administration's Baltimore City Youth Diversion Projects, Policy and Procedures Manual. The manual includes definitional terms, case file content requirements, intake and referral guidelines, confidentiality procedures, program quality standards, and administrative procedures regarding reporting requirements, fiscal accountability guidelines, and personnel practices. The Maryland Juvenile Services Administration has also developed guidelines for its subsidized youth services bureaus.

Typical of detention standards are those found in Utah's Minimum Standards of Care for the Detention of Children. Specified in this document are intake and release procedures, personnel standards, standards of care, building and equipment requirements, and construction guidelines. Illustrative vocational education standards are found in North Carolina's Prevocational Education Program Subsidy, wherein certification requirements are given for both state and local personnel, as well as specifications for program objectives, skill competencies, course sequences, program duration, class size, and on-the-job experiences.

Six task forces in North Carolina, comprised of state agency staff, and county and private service providers have completed their work on proposed minimum standards for the Community-Based Alternatives Program, and hearings on them will be conducted around the state. Agencies receiving grants under the Community-Based Alternatives Program must serve delinquent, pre-delinquent, or status offenders ten to 17 years old, must be direct service in nature, and must be licensed if a residential facility.

For several reasons, the state agency in North Carolina had delayed work on minimum performance standards until recently. A principal factor for the delay was that attempts to develop standards would divert the attention of the Division of Youth Services from its first priority of disbursing appropriated funds and implementing the program. The perception was that opponents would seize upon any under-spending as evidence that the program did not need more funds.

Another motivating factor was a desire to solidify the initial good will of county commissioners toward the Community-Based Alternatives Program before embarking on a standard-setting process. Among North Carolina counties, there has been a traditional suspicion of state intervention in local activities. In fact, the spectre of standards at some later date was raised by the opponents during legislative debate on the Community-Based Alternatives Bill.

Under Iowa's Community-Based Juvenile Corrections, In-Home Services, and Alternatives to Foster Care Subsidies, facilities are required to be licensed, but the existing standards have received much criticism as being only very general in nature. Critics have charged that almost any agency, with even the most minimal programming, has been able to comply. Iowa's Legislative Fiscal Bureau has recommended that the Department of Social Services be given a deadline to develop administrative rules. In 1976, the Division of Community Services started to develop standards for alternative care and in-home services, but the task was not completed due to lack of staff. Now, increasing pressure has been put on the legislature by several service providers who are upset that some agencies are receiving funds despite poor operating procedures.

Except for federally reimbursed health care facilities, development of standards for community-based programs and facilities is largely a state responsibility. A number of national models exist for community-based delinquency prevention and control services, and the Juvenile Justice and Delinquency Prevention Act urges the adoption of national standards at state and local levels. Nevertheless, the promulgation and particularly the enforcement of standards remain largely a prerogative of state agencies.

PLANNING REQUIREMENTS

Planning requirements in state subsidy legislation have become more prevalent since the development of state planning requirements in major federal funding programs. To originally receive funds under the federal Crime Control Act and Juvenile Justice and Delinquency Prevention Act, states must have established a law enforcement planning agency and have submitted a comprehensive plan addressing activities to be undertaken in fulfillment of federal objectives.

Required for the receipt of Title XX funds under the Social Security Act is the development of a comprehensive annual services plan (commonly known as CASP), which details services to be offered with Title XX funds, eligible recipients, and anticipated expenditure levels. A proposed plan must be approved by a state official and available for public comment at least 90 days prior to the start of the program year. A state plan for child welfare services receiving funds under Title IV-B of the Social Security Act is also the responsibility of the state department which administers services under Title XX.

State plans are also stipulated under the federal Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act as well as the Drug Abuse Office and Treatment Act. A state program plan is required to be submitted by the state educational agency designated as the sole administrator of funds from Title IV-C of the Elementary and Secondary Education Act. A five-year state plan as well as an annual program plan must be prepared in order to participate in funding from the Vocational Education Act. Planning is also included in federal employment programs. Each prime sponsor receiving funds under the Comprehensive Employment and Training Act must establish a youth council and must submit a youth plan.

At least 22 of the state funding programs included in this report required that either needs assessments be done or that comprehensive plans be developed on the local level. To offer a few examples, the presiding judge of each county wishing to participate in Arizona's State Aid for Probation Services Program submits a plan and proposed budget to the Administrative Director of the Arizona Supreme Court, where it is reviewed for approval. If the program is approved, a yearly evaluation report is submitted by the presiding judge to the Administrative Director who makes recommendations to the Arizona Supreme Court as to its acceptability. The process, however, is largely perfunctory.

To receive funds under the California County Justice System Subvention Program (A.B. 90), county boards of supervisors must submit detailed plans and budgets to the California Department of the Youth Authority. The budgets must follow state guidelines and give funding priority to seven designated programs. As with most multi-faceted state subsidy programs, participation in Minnesota's Community Corrections Act mandates that counties prepare a comprehensive plan outlining how grant-in-aid funds are to be used. This plan must be approved by the Department of Corrections before funds may be allocated. A similar provision is found in Missouri's Community-Based Youth Services Subsidy, where the county juvenile judges appoint advisory committees to develop the plans.

Local plans are also required in order to participate in New York's Runaway and Homeless Youth Program, Oregon's Juvenile Court Subsidy, Pennsylvania's Grants for the Improvement of Juvenile Probation Services, as well as Washington's Probation Subsidy and Detention Program, Wisconsin's Shelter Care Licensing/Reimbursement Program, Connecticut's Human Resource Development Program, Michigan's Adolescent Residential Substance Abuse Programs, and Wisconsin's Special Education Needs Subsidy. Tennessee's Mentally Retarded Offender Program stipulates the development of both patient habilitation plans and plans for meeting state standards. New York combines county planning requirements under its Child Welfare Services subsidy with federal CASP planning guidelines for Title XX funds.

At least eight of the 16 case studies appearing in Appendix D of this report included programs with either existing or proposed planning procedures. They are Alaska's Drug Abuse Grants, Michigan's Child Care Fund, New York's Youth Development/Delinquency Prevention Subsidy, North Carolina's Community-Based Alternatives Program and its Prevocational Education and Extended School Day Programs Subsidies, Pennsylvania's State Reimbursement to Counties for Child Welfare Services, and South Carolina's State Aid to Community Mental Health Centers. Rather sophisticated planning measures were being proposed for Iowa's Community-Based Juvenile Corrections, In-Home Services, and Alternatives to Foster Care Subsidies at the time of the on-site interviews in 1980.

Because New York doubles its allocation to counties which engage in comprehensive planning under the Youth Development/Delinquency Prevention (YDDP) Subsidy, this investment has engendered fairly sophisticated planning guidelines, which warrant a more detailed discussion.

While New York counties are not required to have youth bureaus in order to obtain YDDP funds, youth bureaus must exist to conduct comprehensive planning and thereby receive the higher reimbursement rate. To establish a youth bureau, a youth bureau feasibility study is undertaken, which requires county officials:

- To formulate definitions which describe potential target populations.
- To obtain statistical information detailing delinquency rates by age, race, and sex.
- To inventory existing public and private services.
- To evaluate existing services.
- To indicate long-range objectives.

Once the youth bureau feasibility study has been approved by the New York State Division for Youth (DFY), the youth bureau is established by resolution of the local governing body. The youth bureau then enters into a planning agreement with DFY.

A number of other requirements must be met, in addition to approval of the survey. First of all, the county must certify that 50 percent or more of the youth population under 21, or more than 50 percent of the number of municipalities within the county, are participating in either state-funded youth recreation or youth service projects. The county must indicate which of its municipalities have elected to participate in the plan. A second step in meeting the planning agreement is the appointment of a planning committee, which is to be charged with undertaking the annual planning process and submitting a year-end comprehensive plan report. Once certification of participating municipalities has taken place and the planning committee has been appointed, the planning agreement can be signed.

Achieving full comprehensive planning is designed to be a five-year process, requiring increasing levels of detail and sophistication in conducting needs assessments, services inventories, and program evaluations. Compliance with these procedures is important, for a county's eligibility for comprehensive planning funding is renegotiated by the DFY each year.

Comprehensive community planning in New York has had its advantages and disadvantages, its successes and problems, as well as its supporters and detractors. For a more complete perspective on the issue, the reader is directed to the New York Youth Development/Delinquency Prevention case study in Appendix D.

Before concluding this section, at least two other case study examples are worth noting. Implementation of Iowa's state Plan for Community Integrated Youth Services, the development of which was mandated by the Community-Based Juvenile Corrections Subsidy legislation, calls for a great deal of planning activity on the part of the Iowa Department of Social Services and local representatives. The plan recommends the formation of a community planning network, which would include representation from courts, probation departments, local police and sheriffs' departments, public school personnel and school board members, county and city officials, local legislators, service providers, consumers, and the general public. Communities would be expected to conduct needs assessments and to demonstrate that a local continuum of care was being developed. A master plan would outline, for a three-year period, the steps for implementing a model delivery system. Costs would be estimated and potential funding sources would be identified as a part of this effort. While there were no requirements for comprehensive planning, in order to receive funds under Iowa's Community-Based Juvenile Corrections and Alternatives to Foster Care Subsidies, agencies were requested to complete detailed proposal narratives.

The two basic elements in any local human services plan seem to be a needs assessment and a services inventory. In Pennsylvania, to achieve reimbursement under the State Reimbursement to Counties for Child Welfare Services, a needs assessment must be completed every three years. Such an assessment includes an estimate of the number of children and youth needing social services, the priority of services, population to be served, as well as characteristics of the entire area to be served in terms of specific problems and service gaps. The services inventory, on the other hand, must include services provided directly by the county, private nonprofit and profitmaking providers, and by other agencies such as schools and police. Management policies and practices are also described. Public review of the plan is accomplished by making it available to the public 30 days prior to submission and by holding public hearings in compliance with state sunshine laws.

The Pennsylvania subsidy also requires that each county appoint an advisory committee to participate in developing, evaluating, and promoting programs for children and youth. Each committee has between 11 and 25 members appointed by the county commissioners. The committee meets monthly, or at least ten times annually. The duties and responsibilities for the advisory committee are outlined in the regulations. Generally, advisory committees assist in developing the annual county services plan, estimating the budget, and recommending policies and practices for the county children and youth social services agency.

FISCAL MONITORING

Virtually all grant programs are subject to some type of fiscal accountability, whether the money is received as a project grant, through a formula, or as reimbursement. Recipient governments and agencies are expected to use accepted accounting procedures and to periodically report their uses of funds. Annual audits are either done by the grantor agency, by a special state or federal agency, or by a reputable private accounting firm.

Allowable expenses are usually defined either in grant legislation or in departmental regulations. Expenditures for other than allowable items may result in audit exceptions, requiring the recipient agency to refund the grantor agency for disallowed expenditures. Misunderstandings regarding allowable expenditures can be costly. Michigan counties were required to repay the state Office of Children and Youth Services about \$250,000 in 1979 due to expenditures disallowed by the fiscal auditors.

PROGRAM MONITORING

While fiscal audits of grants-in-aid were usually performed with great regularity, program audits and evaluations were reported less frequently during the case study interviews. Some local grant recipients revealed that they had

never seen a representative of the state department administering the grant funds. In their own defense, state personnel attribute their inability to conduct program audits to lack of staff. Since few state agencies could expect to conduct annual evaluations at every site, they frequently select sample projects for evaluation or, as an alternative, the state agency may depend upon a local administrative unit or umbrella agency to undertake the responsibility.

Each year, Florida's Department of Education conducts program audits of 15 school districts receiving funds from the Florida Educational Finance Program, which administers the Alternative Education Program. Also, in Florida, 20 percent of programs administered by the Department of Health and Rehabilitative Services are evaluated each year. Likewise, in North Carolina, 20 percent of local vocational education programs are reviewed annually.

Alaska's Department of Education, on the other hand, finds itself responsible for administering Youth Employment Services Subsidy funds but has no money for travel. Since most travel in Alaska must be done by plane, on-site monitoring by central office staff becomes very expensive. Further, the department is not organized into field units and, as such, there is no regional staff that can be assigned the responsibility for on-site inspections. Therefore, the only on-site review of programs is accomplished when the program's coordinator is in the area as a part of other field studies he conducts. Practically speaking, it causes little difficulty, since the services are actually administered by local offices of the Department of Labor.

In Iowa, programs are monitored quarterly, both fiscally and programmatically, through unannounced visits to the agencies. Once a year, there are audits of case records, reviews of management practices, and analyses of billing procedures. Fiscal reports are sent by local recipients to the state on a quarterly basis.

Compliance monitoring of Maryland's Youth Diversion Projects by the state Juvenile Services Administration (JSA) is accomplished in several ways. One is through a review of monthly case logs by the JSA regional coordinator to determine whether referral and placement requirements are followed. Local agencies are also required to submit two quarterly reports: one providing expenditure data for fiscal accountability purposes and the other describing all program activities, including supportive documenting data. Other monitoring techniques include an on-site visit by the diversion coordinator and an annual fiscal audit conducted by the Department of Health and Mental Hygiene.

Two variations in North Carolina are worth noting. Site visits to community-based alternatives programs are scheduled early in the fiscal year so that any problem can be dealt with quickly, in an effort to avoid program disruption. When minimum performance standards go into effect, the state agency's proposed enforcement approach will be to assist nonconforming agencies to reach compliance through a peer-review process involving agencies already in compliance.

State legislatures will sometimes direct special legislative audit agencies to evaluate the effectiveness of a state subsidy. Such evaluations had been mandated for two of the case study programs. In 1980, the New York Legislative Commission on Expenditure Review conducted its second comprehensive audit of the state's delinquency prevention and youth development programs. A previous one

occurred in 1972. Also in 1980, Iowa's Legislative Fiscal Bureau began a five-part evaluation of the state's Community-Based Juvenile Corrections, In-Home Services and Alternatives to Foster Care Subsidies.

REPORTING REQUIREMENTS

Virtually all grant programs have requirements for submitting periodic reports (annually, semiannually, quarterly, monthly) to the administering agency. One of the more interesting outgrowths of reporting requirements, however, is the development in some states of management information systems.

The statistical information contained in grant recipients' reports to the Alaska State Office of Drug Abuse and Alcoholism, Department of Health and Social Services, is incorporated into the agency's management information system. To enhance its planning and oversight capability, the central office's highest priority is to improve this effort.

Administrators of North Carolina's Community-Based Alternatives Program collect data through individual client-tracking, for nonschool-related programs, and through quarterly monitoring forms for school-related programs. These forms are part of the state's emerging effort to institute a management information system (MIS). The MIS is designed to provide feedback on every state-subsidized program by January 15 of each year in order to provide data to local task forces.

Recipients of funds from Utah's Division of Alcoholism and Drugs, Department of Social Services, are required to submit annual reports covering management procedures and services, and to participate in the state management information and evaluation system. Local agencies agree to provide statistical reports each month and to participate in special surveys as required. In turn, the state offers technical assistance by training agency representatives to serve as MIS contact persons.

CITIZEN PARTICIPATION

That representatives of the citizenry, rather than administrators or bureaucrats, determine public spending is a time-honored tradition in America. School boards, mental health boards, and various agency boards and committees oversee the responsiveness of public organizations to local needs. With increasing frequency, federal and state grant legislation requires the use of advisory bodies to guide allocation decisions at the state and local levels. These advisory groups usually take their membership from the ranks of professionals with expertise in a given area as well as from the general population. Best known to persons in the field of juvenile justice are the state supervisory boards and advisory groups, mandated under the Crime Control Act and Juvenile Justice and

Delinquency Prevention Act, respectively. Some state-level examples, such as New York's youth boards, Iowa's community planning network, and Pennsylvania's planning advisory committees have already been cited in the section on planning.

In North Carolina, local task forces of professionals and area agency board representatives, while not mandated under the Community-Based Alternatives Program, are encouraged to convene under the aegis of the county board of commissioners in order to develop comprehensive plans for addressing youth needs in the community.

Separate state citizens' advisory bodies for alcoholism and drug abuse programs (soon to be combined) review project applications to the Alaska State Office of Drug Abuse and Alcoholism. District mental health boards oversee the activities of Florida's specialized children's projects, and each state-subsidized community mental health center in South Carolina has a board of directors.

Participation in the federal Vocational Education Act requires the formation of local advisory councils representing business, industry, consumer interests, and labor. The composition is to reflect demographically proportional numbers of minorities and women. Their counsel addresses current job needs in the area and the relevance of current curricula in meeting the area's employment demands. They are also responsible for assisting in developing the local vocational education plan and for submitting applications for funding to the state. As a vocational education program, North Carolina's Prevocational Education Program is subject to the policy direction of these local advisory councils.

POLICY MANDATES

One characteristic that sets federal grants-in-aid apart from state subsidies is the federal government's propensity to attach policy mandates, as conditions to eligibility for aid. For example, funding support from the Juvenile Justice and Delinquency Prevention Act is conditioned upon state compliance with two major provisions in the legislation: the first calls for the placement of all juveniles who are charged with or have committed status offenses in shelter rather than juvenile detention or corrections facilities; the second requires the absolute separation of children from adults in corrections facilities. Amendments to JJDPA in 1980 require removal of juveniles from jails by 1985.

Other national policy objectives have become known as blanket mandates, because they are routinely attached to any type of grant-in-aid. These "boilerplate" conditions have to do with nondiscrimination and affirmative action, historic site preservation, protection of the environment, conservation of energy, labor relations, minimum and prevailing wages, public employee standards, relocation assistance, and access to government information.

The result is, on occasion, a three-way tug-of-war among the specific program objectives intended by Congress, the generally applicable national policy

objectives, and simultaneous federal efforts to make grants-in-aid workable within reasonable cost and time limitations. Grant recipients find themselves lacking sufficient funds to meet both the basic objectives of grants-in-aid and the additional goals established by national policy objectives. The indictment by state and local recipients is that the federal government does not know the dollar impact of its supplemental requirements, makes little attempt to compensate for them, allows inadequate flexibility in keeping these costs manageable, loads the basic requirements with administrative confusion and impediments, and too often takes a "watchdog" approach rather than an "assistance" view of its compliance role.¹

Not surprisingly, state legislatures avoid heaping this load of conditions onto the shoulders of their own grant recipients. Political heat generated by disgruntled local officials reaches a state capitol far sooner than it penetrates Washington. States do pass on national blanket mandates to local recipients, either because they are required to do so as conditions of federal funding or because the state has also embraced these objectives. But, for the most part, state subsidy legislation remains relatively simple and free of blanket mandates.

ADMINISTRATIVE STRUCTURES

State agencies, as administrators of federal as well as state monies, are the hubs of intergovernmental fund transfers. With the exception of CETA, all federal funds surveyed in this study were distributed to local governments and agencies through state executive agencies. Funds from the Crime Control Act and the Juvenile Justice and Delinquency Prevention Act are disbursed by state criminal justice planning agencies, which were established by mandate of the Crime Control Act as mechanisms for statewide comprehensive planning. In other cases, states may designate existing agencies to be the sole recipient and administrator of federal funds. This is true in the case of Title XX and Title IV-B of the Social Security Act; the Comprehensive Alcohol Abuse and Alcoholism, Prevention, Treatment, and Rehabilitation Act; the Drug Abuse Office and Treatment Act; and the Vocational Education Act. Youth Conservation Corps monies are customarily controlled by state departments of natural resources, while Elementary and Secondary Education Act funds pass through state departments of education.

The location of administrative responsibility for state funds to local governments and service providers varied across functional categories. Almost invariably, state subsidies were administered by state agencies with authority for the oversight of specific programs, rather than by budget or general administrative agencies, or by special planning or advisory bodies. Arizona's Juvenile Court Family Counseling Program, was originally placed with the office of state auditor but was later moved to the administrative office of the Arizona Supreme Court, where it appeared to be more appropriate and better received.

With the exception of four programs in three states, all of the 101 state grants-in-aid surveyed in this study were administered by executive rather than

judicial agencies. The exceptions were Arizona's Juvenile Court Family Counseling and State Aid for Probation Services Programs, under the administrative office of the Arizona Supreme Court; Pennsylvania's Grants for the Improvement of Juvenile Probation Services, under the Juvenile Court Judge's Commission; and South Dakota's Alternative Care Program, under the Court Services Department of the South Dakota Supreme Court.

Fourteen of the 29 states with juvenile justice grants administered these programs through umbrella departments. For example, in Alaska, the agency is the Department of Health and Social Services; in Arkansas, the Department of Human Services; in Georgia, the Department of Human Resources; and in Iowa, the Department of Social Services. In six states, the subsidies were administered by agencies with much narrower authority, such as Alabama's Department of Youth Services, New York's State Division for Youth, and Ohio's Youth Commission. Juvenile justice subsidies were under the auspices of state corrections agencies in Colorado, Minnesota, and Virginia, but youth were the specific focus of the administering division. In 23 of the 29 states having juvenile justice subsidies, the programs were administered by state agencies which, themselves, had direct responsibilities for administering youth services.

Not surprisingly, child welfare grants tended to come under public welfare or human services agencies, while education grants were under state departments of education. The mental health subsidies, which for the most part were for substance abuse programs, were not so easily categorized. Some programs were delegated to departments of mental health, some to comprehensive human services departments, and a few, particularly drug and alcohol education projects, to state departments of education.

The three youth employment programs also were found to be administratively eccentric. For example, Alaska's Youth Employment Services Subsidy is guided by the Adult and Continuing Education unit, Division of Educational Program Support, Department of Education, while it actually operates out of local offices of the Department of Labor. Technically, local recipients can be municipalities, school districts, or job training centers. The local Department of Labor hires the counselors and provides working space for them, subject to the approval of the local agency technically receiving the funds.

Changes in State Administrative Agencies

A legislature's first assignment for the administration of a state grant program does not always work out. The problem sometimes results when the legislature attempts to circumvent the logical executive agency having programmatic responsibility in an area or, conversely, a problem can be resolved when the legislature takes the subsidy away from such an agency.

Originally, the Iowa legislature had designated the state Youth Coordinator's Office, under the Governor's Office for Planning and Programming, to administer the Community-Based Juvenile Corrections Subsidy. The reason, according to respondents interviewed, was that the Office for Planning and

Programming was perceived to be doing a competent job of administering a similar adult corrections program as well as other youth programs. Another reason, according to respondents, was that the legislature did not have complete confidence in the Department of Social Services, which was the logical choice.

During the program's first year of implementation, it became apparent that the Office for Planning and Programming was not going to be successful in getting the funds allocated. The support of community-based services had, after all, been under the guidance of the Department of Social Services for a long time. Despite whatever credibility problems the Department of Social Services had with the legislature, it was still the agency with the longest experience and rapport with local public and private agencies. Accordingly, administration of the funds the next year was switched to the Department of Social Services.

Sometimes, problems of coordination will result in changes of administration. When Alaska's Youth Employment Services Subsidy began in 1968 with federal funds from the Manpower Development Training Act, it was jointly administered by the state Department of Labor and the Department of Health and Social Services. Problems of coordination between the Department of Labor and the Department of Health and Social Services led to the transfer of the program to the Governor's office shortly thereafter. In 1973, administrative responsibility shifted again to the Department of Education, where it still resides. Yet, it continues to be treated more as an extension of the state's employment security program.

Problems of coordination and turf seem to be endemic to state youth employment programs. Administration for Michigan's Work Opportunity Resources Corps Program was placed in the Office of Manpower Programs, which is located in the Bureau of Management Services for the Department of Natural Resources. The Department of Labor felt that a subsidy supporting youth employment programs should have been placed under its direction, even though the conservation and recreational nature of the summer jobs established through the subsidy would argue for its placement within an environmental agency. This latter analysis, however, was not compelling to the Department of Labor which opposed the subsidy legislation, although without success, because of the provision to place it in the Department of Natural Resources. Ironically, the Department of Natural Resources was reluctant to accept administrative responsibility until it became apparent that the program was stimulating a groundswell of popularity.

Compounded problems can provoke administrative changes. When first established, North Carolina's Community-Based Alternatives Program was located in the Division of Youth Services, in turn, within the Department of Human Resources (DHR). According to the first annual report on community-based alternatives, "inadequate funding, key personnel turnover, and lack of departmental support hampered initial...program implementation." As a means of enhancing its political stability and visibility, the Community-Based Alternatives Program was shifted, in July 1977, to the Assistant Secretary for the Office of Children in the DHR, where it became a staff function. In this internal reorganization, 11 positions from the Division of Youth Services were transferred to the Office of Children, while two new ones were established.

This move, however, almost immediately generated controversy. The Office of Children itself already was under sustained political attack from service

providers and local government officials, who perceived it as duplicating the function of another agency, the Advocacy Council for Children and Youth. In response, the new secretary for the Department of Human Resources--upon assuming this position in 1977--promised to disband the office. At the time that the Community-Based Alternatives Program was being transferred, a phased termination of the office was proceeding. Although the placement was intended to be temporary, and the motivation was to improve its political visibility, augmenting the Office of Children with 13 new administrative positions made it appear to critics that the secretary was recanting on the previous commitment to disband the office.

Nevertheless, the administration of the Community-Based Alternatives Program remained in the Office of Children for approximately ten months. By May 1978, the consensus of top departmental officials was that the program now had sufficient political stability to accommodate a transfer back to a line agency within the Division of Youth Services. Accordingly, Community-Based Alternatives became one of three sections within the Division of Youth Services.

Local Recipients

Public agencies, private agencies, and local units of government may qualify as recipients of state and federal grants-in-aid, depending upon each program's eligibility requirements. Eligible public agencies may include specially established organizations, such as boards of mental health, prime sponsors, regional planning agencies, or advisory groups legally authorized to receive funds. In other instances, already established agencies, such as local school boards or juvenile courts, may be designated. Local units of government include counties, townships, villages, and even Indian reservations.

As can be seen in Table 28, local units of government are the most frequently eligible recipients of state subsidies. Local public agencies are the next most frequently designated recipients. However, in over one-third of the cases, private agencies, alone and in combination with local units of government or public agencies, are eligible for state subsidies. Interesting to note from data in Appendix B is that only seven of the 56 juvenile justice grants went to juvenile courts through county units of governments.

TABLE 28. NUMBERS OF STATE SUBSIDIES, BY TYPES OF LOCAL RECIPIENTS, BY AGENCY TYPE

Types of Local Recipients/Agency Types	Juvenile Justice	Child Welfare	Mental Health	Education	Employment	Total
Local Units of Government	31	1	3	0	0	35
Local Public Agencies	2	0	3	10	0	15
Local Private Agencies	5	0	4	0	0	9
Local Units of Government and Public Agencies	3	0	0	0	0	3
Local Units of Government and Private Agencies	2	0	3	0	0	5
Local Public and Private Agencies	6	4	6	1	1	18
Local Units of Government, Public and Private Agencies	7	1	6	0	2	16
Total	56	6	25	11	3	101

A comparison can be made of the types of local recipients designated by subsidies which originated prior to 1970 and those which have been developed more recently. As shown in Table 29, subsidies enacted since 1970 are more likely to permit private agencies as eligible recipients for subsidies.

TABLE 29. TRENDS IN LOCAL RECIPIENTS ELIGIBLE FOR STATE SUBSIDIES FROM PRE-1950 TO 1979

Types of Local Recipients	Pre-1950	1950-59	1960-69	1970-74	1975-79	Total
Local Units of Governments	2	3	12	9	9	35
Local Public Agencies	--	2	4	3	6	15
Local Private Agencies	--	--	--	7	2	9
Local Units of Government and Public Agencies	--	2	--	1	--	3
Local Units of Government and Private Agencies	--	--	--	1	4	5
Local Public and Private Agencies	--	--	2	7	9	18
Local Units of Government, Public and Private Agencies	2	1	1	4	8	16
Total	4	8	19	32	38	101

-- denotes Not Applicable.

Administrative Structures for State-to-Local Funds

State funds reach those agencies providing services either directly through project grants or through local administrative structures, such as the county governments or youth services bureaus. Discussion of these structures is made easier if they are classified in three ways. One structure is characterized by state funds which flow from a state agency to a local administrative unit, which in turn subcontracts with or awards grants to local service providers. A second structure is typified by funds which go directly from the state agency to local public or private service providers. The state retains responsibility for administering funds and monitoring programs. Finally, a third structure combines characteristics of the first two in that the local agency receiving the funds

not only functions as a service provider but also participates in administering funds and monitoring subsidized programs.

As an example of the latter case, the North Carolina Extended School Day Programs Subsidy is financed by state funds which go to local education agencies. The local education agencies are not only responsible for establishing extended school day schools, but they are also responsible for offering the same administrative support and oversight mandated for any public education program. A similar situation is found for Florida's Alternative Education Program. Local education agencies develop, deliver, and administer alternative education programs that are felt to be best suited to students in the community. Likewise, county commissioners in Utah serve as both the operators of detention services as well as the local administrators of state and county detention funds.

Among the case studies, instances where state funds were awarded directly to local public and private providers were found in the Alaska Drug Abuse Grants, Iowa's Alternatives to Foster Care and Community-Based Juvenile Corrections Subsidies, Maryland's Youth Diversion Projects, South Carolina's State Aid to Community Mental Health Centers, and Utah's Juvenile Court Teen Alcohol/Drug School and K-12 Alcohol Education Project.

The state-to-local agency transfer of funds and then the corresponding transfer from local agencies to public and private providers offer perhaps the most cooperative structure. For example, development, administration, and monitoring of the hundreds of local programs funded by New York's Youth Development/Delinquency Prevention (YDDP) Subsidy would probably not be possible without local youth bureaus, also supported by the YDDP Subsidy.

Private regional resource centers serve as administrative units for Alaska's Youth Employment Services (YES) Subsidy. Until 1978, most YES funds passed from the Department of Education through local school districts for use in local employment security offices, which are part of the state Department of Labor. Changes in unemployment compensation regulations, however, made it administratively and financially infeasible for school districts to serve any longer as pass-through mechanisms. Faced with this situation, the Department of Education succeeded in persuading private regional resource centers to replace the school districts as local administrative agencies. Only in Anchorage is a municipality the administrative conduit for the funds. They recover a ten percent fee for this function.

The regional resource centers were particularly well-suited substitutes, given their close working relationship with the school system. Established in 1976, the regional resource centers provide training and technical assistance to school districts on either a direct service or brokerage basis. The resource centers have expanded to the extent that they have almost totally replaced central staff from the Department of Education as technical and training resources for local districts, one of the reasons for their establishment.

For Michigan's Child Care Fund, county departments of social services function as local administrative agencies. It might be mentioned, however, that a lingering ambiguity exists in Michigan concerning whether the local departments of social services are county offices or branch offices of the state Department of Social Services.

State Oversight through Regional Coordinators and Local Field Representatives

Administration, coordination, and oversight of subsidized programs are sometimes managed through state employees working as local field representatives and regional coordinators. For New York's Youth Development/Delinquency Prevention Subsidy, the State Division for Youth employs 19 field representatives and three regional coordinators. The field representatives provide technical assistance to county youth bureaus, inform them of state policies, explain the mechanics of state funding, and monitor program development. They can also work as advocates to the state agency on behalf of youth bureaus in their area.

Local administrators in New York agree that the state needs some sort of mechanism to communicate state policy, objectives, and technical assistance to the local level and, conversely, that county and municipal youth program administrators benefit from having state field representatives living and working in their communities, who are able to understand and to relate their concerns to state administrators. The state system of regional coordinators and field representatives seems to make sense to all participants. However, what local administrators find frustrating are field representatives who are poorly trained and insensitive to community problems. Local administrators interviewed in New York reported having worked with some very competent and some very incompetent field representatives.

Service providers in South Carolina also had mixed reactions to regional coordinators from the Department of Mental Health. Conceptually, all agreed that there is a strong argument in favor of having regional coordinators for technical assistance and information. Operationally, however, the use of regional coordinators has been perceived as not very valuable. The underlying problem, in the view of one respondent, is that regional coordinators were not well-informed regarding state policies, procedures, and plans. One mental health center director was distressed that regional coordinators can sway opinions of lay board members with their presumed expertise when, in reality, they are not sufficiently informed of state policies, are not operationally familiar with community mental health centers, have not been in managerial roles, and are not sensitive to local issues and problems. Although state administrators concede that it is sometimes difficult to always have well-trained personnel in these positions, they feel, in general, that the system operates satisfactorily.

Training of regional coordinators and field representatives seems to be the key to their effectiveness. Local administrators for both the North Carolina Prevocational Education and Extended School Day Programs Subsidies reported that the regional coordinators and local directors knew the programs well and understood, as well as appreciated, local problems and needs. Further, they effectively fulfilled promises for technical assistance in providing information about funding sources, exemplary projects, personnel referrals, and methodology for assessing area needs. State staff at the regional and local levels were perceived as dedicated and mutually supportive. None of the program personnel expressed any desire to see the structure changed.

Interagency Coordination

Another challenge to subsidy administrators relates to coordination among the various state and local agencies which participate in the program. Some coordination efforts are very formal, having been established by legislative mandate. In a number of other instances, attempts are made in an informal although probably equally effective manner.

An interesting example of state-level coordination is described in a provision of the Utah code which established the Division of Alcoholism and Drugs. This section calls for the development of an Interdepartmental Coordinating Council consisting of the state planning coordinator, the executive director of the Department of Social Services, the directors of five of the department's divisions, the commissioner of the Department of Public Safety, a district judge, a juvenile court judge, a city court judge, the Superintendent of Public Instruction, the commissioner of the Utah System of Higher Education, and the director of the Department of Business Regulation. The council meets every three months to carry on a continuous review of programs relating to alcoholism and drug abuse to ensure that they do not overlap, duplicate, or conflict with one another.

Section 1600 of the North Carolina State Policy for Vocational Education requires that the Division of Vocational Education maintain effective liaison with other agencies and groups concerned with vocational training and other forms of manpower development. Specifically, the state master plan asserts that:

In carrying out its responsibility for administering all secondary vocational education efforts, the State Board gives special attention to coordinating its efforts with those public/private agencies, institutions, councils, and other organizations which have responsibility for or contribute to labor market needs, development and related activities. Working agreements are to be developed where feasible. The utilization of business, industry, and agricultural representatives in the development of decisions affecting secondary vocational education programs is to be encouraged through special committees, advisory councils and public hearings.²

In compliance with these directives, a number of cooperative activities have been initiated in North Carolina. The State Employment and Training Council is represented on the Vocational Education State Plan Committee and has a formal agreement to work with the State Board of Education. Local vocational educational plans, applications, and accountability reports require assurances that they were developed in consultation with prime sponsors for CETA and, reciprocally, that community action groups receiving CETA funds are to involve local school personnel in planning.

The linkage with the Governor's Crime Commission in that state has not been as well developed as Division of Vocational Education administrators would desire. In preparing a legislative package for the governor, the importance of

vocational education for delinquent and predelinquent youth became apparent. Commission staff directed specific questions to the Division of Vocational Education for quick response to accommodate a pressing deadline. The nature of the questions, however, indicated a lack of understanding of the Division of Vocational Education's existing effort, namely, the Prevocational Education Program. The director of Division of Vocational Education reported that he used the opportunity to inform the Governor's Crime Commission of activities for delinquent and predelinquent youth already under way and to suggest that someone from the division be assigned to work with the Governor's Crime Commission staff in preparation of the legislative package. In the interest of further coordination of efforts, it was also recommended that a representative of secondary vocational education be appointed to the Governor's Crime Commission, and that a conscious effort be made to keep the State Board of Education apprised of developing policies.

Perhaps the greatest challenge to interagency coordination is found in Iowa's complex pattern of funding family and children's services. To describe this pattern briefly, allocation decisions concerning purchase of service agreements and grant awards through the Alternatives to Foster Care and In-Home Services are made by district offices of the Department of Social Services. Grant awards from the Community-Based Juvenile Corrections Subsidy, on the other hand, are decided by a DSS state-level review committee. Federal monies from LEAA and JJDPa are administered by the Iowa Crime Commission and are allocated to county boards of supervisors. The youth coordinator, in the Governor's Office for Planning and Programming, administers funds from the Runaway Youth Act, among other youth-serving programs. Counties are responsible for the expenses of juvenile intake, probation, and detention.

This system would seem to pose a challenge to coordination. At the state level, it was recommended in the Plan for Community Integrated Youth Services that a consortium be developed of the following agencies: the Department of Public Instruction, the Department of Health, the Job Services Department, the Office for Planning and Programming, the Iowa Crime Commission, the Iowa Council for Children, representatives from the legislative, executive, and judicial branches of state government, and other interested public and private groups. A second recommendation included the appointment of a state coordinator with adequate support staff to work in the Department of Social Services. This person would be known as the Coordinator for Integrated Youth Services.

Until these recommendations are implemented, interagency coordination currently takes place on a local, ad hoc, and informal basis. A number of local agencies with services pertinent to a client's needs may be involved in planning the treatment. As an alternative, a primary service provider may refer the client to other providers who may not be formally associated with the case.

One substate district has a screening committee which meets once a month to review problem cases. The membership includes a juvenile court supervisor, a supervisor of DSS field services, a representative from the area education agency, as well as staff members from the district and local DSS staff offices. In another instance, the boards of supervisors of four rural counties have a special board to oversee their common probation and shelter care services.

The Single-Agency Concept: Models for Integrated Administration

A few states are taking steps to establish formally integrated administrative systems at the state and local level. Reimbursements to counties for services to children under Pennsylvania's Act 148 go directly to county youth services agencies. Because so much funding for services to children, including those for the juvenile courts, are directed through county youth services agencies, this structural design has been referred to as the "single-agency concept." In addition to disbursing funds, county youth services agencies are fully responsible for developing, coordinating, and implementing the county plan for services to children, which must be submitted to the state Department of Welfare.

Integration of juvenile services in North Carolina has been a goal of the Juvenile Code Revision Committee. Its basic recommendation was for the establishment of a single and separate agency encompassing all juvenile services in the state:

The Juvenile Code Revision Committee recommends that the functions of intake, probation and aftercare, currently under the Juvenile Services Division of the Administrative Office of the Courts; administration of the Interstate Compact, currently in the Division of Social Services, Department of Human Resources; and training schools, detention services, and community-based services, currently under the Division of Youth Services, Department of Human Resources, be unified in a single administrative entity called the Office of Juvenile Justice.³

Feeling that such an office would not require funding or personnel beyond what these agencies presently have, the committee went on to say that:

the principal objective of this reorganization is to integrate juvenile services in North Carolina into an accountable, consistent, child-oriented system while increasing current effectiveness of its component agencies.⁴

Two primary advantages of such a structure are indicated in the final report. Through the setting of unified policies and procedures, it could better control or influence the flow of work load from one component to another, and information concerning the youth could be systematically transferred from one service sector to the next. A third reason also emerged which seemed equally advantageous. Proponents felt that a single and separate agency would, due to greater "visibility," be better able to make juvenile services a more important priority within the state.⁵

FOOTNOTES

1. Advisory Commission on Intergovernmental Relations, Categorical Grants: Their Role and Design (Washington, D.C.: U.S. Government Printing Office, 1977), p. 237.
2. North Carolina Department of Public Education, Division of Vocational Education, State Master Plan for Vocational Education (Raleigh, North Carolina: Undated).
3. Department of Crime Control and Public Safety, The Final Report of the Juvenile Code Revision Committee (Raleigh, North Carolina: 1979), p. 37.
4. Ibid.
5. Ibid., pp. 41-42.

CHAPTER 8

CHAPTER 8

SUMMARY AND IMPLICATIONS OF THE FINDINGS

This summary delineates some of the more important findings of the study. It distills information from four major sources:

- A nationwide telephone and mail survey of selected state agencies.
- Contacts with relevant federal agencies.
- Case study analyses of 20 state subsidies found in ten states.
- References to pertinent literature in such areas as juvenile justice and intergovernmental financing.

CONDITIONS FAVORING THE DEVELOPMENT OF INTERGOVERNMENTAL GRANTS

With the growing emphasis on community-based services, local governments and agencies are coming to be seen as the logical executors of their administration and delivery, while the income-tax-based revenue growth enjoyed by the federal and many state governments have made them logical sources of support for underwriting at least some of the costs of local services. Assuming the support for services at a higher level of government has some practical advantages. The following benefits can be said to accrue from the use of intergovernmental grants-in-aid:

- Tax revenues collected from wealthier districts can be redistributed to poorer areas.
- Higher levels of government can assume payment for benefits that are external to the taxpayers of a local jurisdiction, who would otherwise pay for such services.
- Higher levels of government have more money to risk investing in experimental and innovative social programs.
- Higher levels of government can provide funds as incentives for the adoption or replication of workable programs across a state or the nation.
- The conditions attached to subsidies can ensure minimum levels of services at minimum standards of quality.
- Financial aid can be made conditional to achieving broad policy objectives. In the context of the Juvenile Justice and Delinquency Prevention Act of 1974, removing status offenders from secure confinement and prohibiting the commingling of juveniles and adults in corrections facilities became performance measures tied to future funding.

- Administration is decentralized and responsibilities are shared among federal, state, and local governments. The administration of services under a subsidy becomes the responsibility of local government, which remains politically accountable to citizens who live and receive services in the community.
- Certain types of allocation formulas are better suited to some objectives than others, a point which will receive greater discussion in a later section.

IMPORTANT FINDINGS RELATED TO GRANTS TO LOCAL DELINQUENCY
PREVENTION AND CONTROL SERVICES

A national survey of state agencies administering subsidies and services in five functional areas (juvenile justice, child welfare, mental health, education, and employment) revealed at least 101 state grant programs in aid of local delinquency prevention and control services. The majority of state grants-in-aid examined in this study are relatively recent in origin. Nearly 70 percent have been initiated since 1970. The number established during the last half of the 1970s was double the number enacted during the entire decade of the 60s.

Some very sizable state grants underwrite local services. In 1978, among the largest state juvenile justice and child welfare grant appropriations were:

- \$62 million for Pennsylvania's State Reimbursement to Counties for Child Welfare Services (Act 148);
- \$55 million for California's County Justice System Subvention Program (A.B. 90);
- \$36.8 million for New York's Child Welfare Services;
- \$19 million for Michigan's Child Care Fund;
- \$9.3 million for Virginia's Residential Care Subsidy; and
- \$6.8 million for Minnesota's Community Corrections Act.

Not only were these state grants among the largest in absolute dollars, they were also the largest in youth (ten to 18 years old) per capita appropriations. Their respective youth per capita appropriations were \$33.53, \$15.99, \$13.11, \$12.21, \$10.97, and \$10.07. Because many of these grants require local matching funds of 25 to 50 percent, increasing state appropriations by one-fourth to one-half provides an estimate of total state and local expenditures for child-placing services in these states.

- Many state grants, including the ones mentioned above, have had dramatic increases in appropriations (from 12 to 50 percent) since 1978. Appropriations to North Carolina's Community-Based Alternatives Program and Iowa's Community-Based Juvenile Corrections Subsidy have recently doubled in the interest of pursuing deinstitutionalization objectives.
- Even the smallest federal and state grants generate resources far beyond any matching requirements. Once service providers have

initial grants, these resources are almost always augmented in the course of routine fund raising activities. Private donations are sought, local funds are generated, and a great deal of frequently overlooked volunteer activity is added to the resource mix.

Services Developed Through State Grants-in-Aid

A diverse yet fairly common set of local residential and nonresidential services supported through federal and state grants has developed across the states. Furthermore, many of the same types of services are supported by different funding sources.

The design of these services are frequently guided by such policy concepts as "community-based," "least-restrictive," and "continuum of services." Continuum of services combines all of these concepts, for the objective is to have available a broad range of nonresidential and residential community-based alternatives capable of meeting the various needs of different children with the least intervention in their lives. A typical "continuum" might include (from least to most restrictive) services such as job training and placement, alternative schools, advocacy, counseling, intensive services to families, probation, independent living, foster care, group homes, shelter care, and detention.

- Most services are directed toward preventive and habilitative efforts. Nineteen of the 56 juvenile justice grants exclusively supported nonresidential services, while 26 funded a combination of residential and nonresidential services. Only 11 were devoted entirely to residential care. All of the remaining 45 grant programs in functional areas other than juvenile justice focused on habilitative or prevention programs.
- Some delinquency prevention and control programs have undergone very sophisticated evaluations. Other programs are not even required to conduct self-evaluations. There appears to be, however, increasing concern to know the effectiveness of various projects.
- Policy evaluations, that is, determining to what extent legislative objectives are being achieved through state grants, seem to be the exception and not the rule. Policy evaluations of state-funded juvenile justice programs, however, are being done in California, Iowa, Minnesota, and New York.

Legislative and Administrative Characteristics of
State Grants-in-Aid

Virtually all state grants are authorized through statutes. Most of them are enacted through permanent legislation, but some are created in appropriations bills or other forms of temporary laws. While there are certain types of granting procedures that are more suitable than others to meeting certain objectives, there is no one right way to design a state or federal subsidy. Not only will the initial grant legislation be shaped and directed by many and often differing political interests, but so too will the amendments to it over time.

- Major forces behind the development of state grants to local delinquency prevention and control services reflect a political spectrum which includes the federal government, advocacy groups, governors, key legislators, special commissions and task forces, executive agencies, service providers, and even other states.
- Competing interests which surfaced in more than one case study included the concerns of minorities, tensions between judges and social service agencies, the differing problems of urban and rural areas, and a tug-of-war for resources to help youth already in trouble or to prevent them from getting into trouble.
- Intergovernmental grants seem to foster rather than reduce inter-governmental cooperation. While delays in implementation or in reimbursements were frequent irritants, state officials were perceived to be accessible as well as helpful in seeing that local officials received their entitlements. They also seemed willing to make changes in administrative rules and regulations to ameliorate impediments to effective local service delivery. State grants were also perceived to be far more readily obtainable than federal grants.
- Using intergovernmental grants to implement national or state policies is only as effective as the conditions are palatable. Participation in a grant-in-aid is, after all, voluntary.¹ If policy mandates or administrative requirements differ too radically from the values of state or local officials, they will choose not to participate. Similarly, if the cost of complying with conditions exceeds the grant's benefits, in this case, too, local or state officials will decide not to take part.
- Large, comprehensive formula grants are not born overnight but seem to evolve in states having many years experience in smaller single-purpose categorical grants. Block grants are also a recent innovation in federal grantmaking, having developed only after 50 years of federal experience in intergovernmental funding.
- The development of state subsidies closely coincides with the initiation of federal grant-in-aid programs. Not only have allocation methods changed over the years, but so too have services. The block grants of the 1970s, which underwrote a comprehensive range of residential and nonresidential services, supplanted categorical grants of the 1950s and 1960s which supported group homes and probation services.

Survey of Federal Grants-in-Aid

Eleven major federal acts and subsections were found to meet the study's criteria of directing federal funds through state governments to local agencies in aid of delinquency prevention and control services. These 11 authorizations were (1) the Crime Control Act; (2) the Juvenile Justice and Delinquency Prevention Act; (3) Title IV-B of the Social Security Act; (4) Title XX of the Social Security Act; (5) Title I of the Elementary and Secondary Education Act; (6) Title IV-C of the Elementary and Secondary Education Act; (7) the Vocational Education Act; (8) the Comprehensive Alcohol Abuse and Alcoholism Prevention Treatment, and Rehabilitation Act; (9) the Drug Abuse Office and Treatment Act; (10) the Youth Employment and Development Act (CETA); and (11) the Youth Conservation Corps.

- While difficult to accurately estimate, total state and federal financial support through grants-in-aid adds up to more than several billion dollars. Among the largest federal allocations went to youth employment programs through CETA, which in 1978 allocated over \$1.4 billion. Through Title XX, in 1978 (according to officials with the U.S. Department of Health and Human Services), approximately 60 percent of state and federal funds (totaling \$4 billion) was spent on services to children.
- Both federal and state governments contribute substantial sums of money to local juvenile delinquency prevention and control services. In child welfare and education, the relative contributions of federal and state governments to these special services are so nearly equal that subsidized programs would have difficulty in continuing should either level of government decide to withdraw its support.

Methods of Allocating Intergovernmental Grant Funds

According to the Advisory Commission on Intergovernmental Relations (ACIR), there are three major grant-in-aid mechanisms:

- general revenue sharing,
- block grants, and
- categorical grants

Categorical grants, which characterize the majority of intergovernmental aid described in this report, are delineated by the ACIR into four types:

- project grants,
- formula grants,
- formula-project grants, and
- reimbursement grants.

Project Grants

Project grants offer maximum control to the grantor agency, for it is the organization offering the money which decides who will receive funds, for what types of projects, and to benefit what kinds of clients.

Project grants are well suited for:

- Targeting aid to special populations, needs, or geographic areas.
- Encouraging innovation, experimentation or replication of model programs.
- Stimulating the development of new programs and new agencies.
- Providing supplemental funds to meet federal matching requirements or to maintain existing programs.
- Beginning in an incremental way to gain legislative interest in a given social issue.

Project grants are less well suited for:

- Implementing programs across a state or the nation.
- Providing flexibility and autonomy to local governments.

Formula and Formula-Project Grants

Funds are allocated through formula grants and formula-project grants according to factors specified within enabling legislation or administrative regulations. Four principles underlie formula grant factors. They are:

- Political fair-share criteria.
- Need for services.
- Actual level of services or costs.
- Financial need.

Many federal and state grant formulas employ several of these factors.

Formula and formula-project grants are best suited for:

- Achieving statewide implementation of policies and programs.
- Redistributing funds to less wealthy areas.
- Affording greater autonomy and flexibility to local jurisdictions.
- Decentralizing services administration and planning.

They are less well suited for:

- Controlling what types of services are offered.
- Controlling who receives services.
- Providing sufficient funds to totally satisfy a jurisdiction's need for public services.

Reimbursement Grants

Reimbursement grants are characterized by an arrangement wherein the state or federal government is committed to reimbursing a specified proportion of local program costs, thus eliminating competition among recipients as well as the need for an allocation formula.

Advantages of reimbursement grants are that they:

- Allow local jurisdictions to determine the level of public resources they need.
- Promote local autonomy and flexibility by not attempting to pre-determine for communities the types and levels of services to be delivered.
- Appear to be the easiest form of financial aid to administer.

Disadvantages of reimbursement grants are that they:

- Tend not encourage innovation and experimentation, in that services eligible for reimbursement have to be clearly defined.
- Subvert any fair-share notions of fund distribution, for some communities will undoubtedly be far more aggressive spenders than others.
- Tend to result in runaway expenditures. Ceilings are frequently required to keep a lid on spending.

Other Considerations

Reimbursement rates and formulas can be varied to establish certain types of incentives, such as to encourage use of "least restrictive" alternatives (Pennsylvania), to engage in comprehensive planning (New York), and to reduce commitments to state institutions (California, Minnesota, Missouri, Ohio, Texas, and Washington). Charging counties for placements in state institutions is a disincentive used by many states.

Many pieces of grant legislation, or administrative rules, contain maintenance-of-effort clauses to ensure that grant funds will be used to expand services and not to supplant local contributions. However, research findings show that it is impossible over the long run to hold jurisdictions to maintenance-of-effort agreements.

Matching requirements stipulate what proportions of costs will be borne by which levels of government. At least 25 state grants included in this study indicated having matching requirements, and for the majority of these, state contributions ranged from 50 to 70 percent.

Intergovernmental grants used to "seed" new programs, that is, to initially fund a program and to gradually lessen allocations in the interest of having its

long-term support assumed by the recipient, cause many problems for local governments and agencies.

Requirements for Receiving Grant Funds

The receipt of intergovernmental funds may be based upon meeting certain conditions or requirements. Among these are:

- Standards for facilities and programs.
- Development of comprehensive state and local plans.
- Fiscal accountability.
- Programmatic accountability.
- Citizens' participation.

The federal government is far more likely than state governments to require adherence to policy mandates. Some national policy mandates are very specific in focus and apply only to a given grant-in-aid program, such as provisions to deinstitutionalize status offenders and to separate adult from juvenile offenders in order to receive JJDPA formula funds.

Other national policies, such as equal employment opportunity and clean air and water, are blanketed, that is attached as conditions to virtually all federal grants. Failure to comply with any of these mandates could result in loss of federal funding.

Policy mandates cause a great deal of frustration for state and local recipients. They feel that the federal government does not fully appreciate the dollar impact on state and local governments and makes little attempt to compensate for it. The federal agencies are seen as allowing inadequate state and local flexibility in keeping these costs manageable, loading the basic requirements with confusion and impediments, and too often taking a "requirements" approach rather than an assistance view of its compliance role.

Administrative Structures

Almost invariably, state grants are administered by state agencies with line authority for the oversight of client services, rather than by fiscal or contract control agencies, or by special planning or advisory bodies.

- With the exception of four programs in three states, all of the state grants-in-aid surveyed in this study were administered by executive rather than by judicial agencies.
- Fourteen of the 29 juvenile justice grants were administered through divisions of comprehensive human services departments. In 23 of the

29 states, the programs were administered in departments or in major divisions that exclusively deal with youth services.

A legislature's first assignment for the administration of a state grant program does not always work out. Given sufficient receptivity to change, however, a better administrative fit with legislative objectives can usually be found. While state and local administrators agree that local field representatives from the state agency can serve very useful functions, poorly trained or ill-informed field representatives cause far more difficulties than can be compensated by any assistance they may have to offer. Various state interagency coordinating committees of unknown efficacy exist. Interagency coordination at the local level tends to be undertaken on an informal and ad hoc basis, an approach which seems to work as suitably as more formal arrangements.

In most cases, public agencies and local units of government may qualify as recipients of state and federal grants-in-aid. A trend to name private agencies as local recipients has become apparent in the last ten years. As more intergovernmental money and administrative responsibility are afforded to recipients, local umbrella agencies, such as youth services bureaus or county departments of child welfare services, have become important administrative linchpins.

Although children "in need" or "at risk" continue to carry different labels (e.g., status offenders, dependent or neglected, delinquent), it is apparent that they share many of the same needs and draw from the same community-based services mix (e.g., day treatment, alternative education, etc.). This overlap in needs and use of resources is leading some states to consider establishing better administrative coordination through a single agency concept. The objective is to have one agency, at the state, local, or both levels, responsible for the administration of children and family services.

IMPLICATIONS FOR POLICY DEVELOPMENT

Few problems facing government or business are simple. Most are very complex and can be approached through a variety of alternatives. There are no procedure manuals which specify that for all cases one method works better than another. It is for this reason that most graduate schools of public and private management have gone to the case study method of instruction. This approach acknowledges the rich assortment of variables a decisionmaker faces in formulating policies. Case studies also allow analysts to review comparable objectives and methods attempted under similar circumstances to determine what worked and what failed. The intention is to resist reinventing the wheel and to avoid stumbling into pitfalls which have entrapped others.

Our study of 20 grant-in-aid programs in ten states surfaced some observations regarding policy implications of state grant-in-aid development and implementation for services to local delinquency prevention and control. Some of the observations take the form of discussions, some of recommendations, and some of questions for policymakers and future researchers.

Establishing Community-Based Services

Subsidies, or grants-in-aid, do not have to be directed toward any particular objective or service. They may simply involve the transfer of funds from one level of government to another as a form of fiscal relief, allowing the recipient government to use the funds as it sees fit. In many cases, however, subsidies may be used to encourage the development of certain kinds of services, such as detention centers or probation. The data of this study shows that many states used grants-in-aid to establish fairly narrowly focused services, such as those just mentioned. However, other states have moved from the project grant approach into two broader allocation measures: the reimbursement grant and the formula-project or block grant. This extension has allowed states to pursue another objective, the reduced use of state institutional facilities for these broader allocation approaches offer the flexibility to develop the continuum of community-based services needed to replace reliance on institutional placements.

Flexibility, through formula-project and reimbursement grants, is realized in a number of ways. First of all, under these allocation methods, all jurisdictions are entitled to state or federal funds and need only submit an application or meet certain preestablished conditions. They need not become involved in a protracted competition for funds, where proposals must be submitted with no guarantee for the receipt of funding. Second, under formula-project and reimbursement grants, recipient jurisdictions are extended a great deal of discretion in determining how much of what types of services are to be offered. The recipient may decide if a juvenile can be kept at home and in school with professional supervision, or if funds should be spent on residential care for youth with more intensive treatment needs. Finally, recipient jurisdictions, for the most part, are better able to count on continuation funding through formula-project and reimbursement grants. While these types of grants have been known to be curtailed, they tend to be far more stable sources of funding than project grants.

The case studies, however, revealed no pure-bred systems. Some states which administer services from the state level or offer large subsidies to local governments for service development will retain discretionary funds to use as project grants for innovative programming, to purchase community-based services for juveniles felt to be inappropriately referred to state institutional placement, or to target special populations and geographical areas.

Establishing a variety of approaches to providing local services, however complex it may become, has certain advantages. Giving a state agency discretionary funding for project grants allowed Iowa to establish new programs in areas where none existed. It allowed New York to redirect funds to neglected youth populations. In Ohio, state purchase-of-services funds have given the state agency the option of seeking the least restrictive treatment for juveniles remanded to its care.

However, legislatures that funnel resources to both state agencies and local governments must walk a cautious path to ensure that one part of the system does not overbalance or function to the detriment of the other. In New York, the spectre of dismantling the comprehensive planning process caused a great deal of

intergovernmental tension. In Michigan, the parallel subsidy and state purchase-of-services systems resulted in two tiers of service delivery which disgruntled many participants.

The bottom line, perhaps, is that no single approach--whether state-administered services, state purchase of services, or state subsidies will meet all objectives. Some approaches have advantages that will compensate for the disadvantages of other approaches, indicating, perhaps, the need for complex systems. However, the state that establishes a complex system should do so with care to avoid dysfunctions which may outweigh the advantages.

There are no pat recommendations to be made on this matter, other than to suggest that the experiences of states, which have seemed to have moved further down the evolutionary track toward comprehensive grants and other forms of complex systems, be shared with other states through case studies and technical assistance.

Allocating Funds

The challenge for public administrators is to allocate scarce resources to approaches that will offer the best return on investment or, as frequently translated into military terms, the "biggest bang for the buck." In delinquency prevention, this objective is particularly vexing due to our lack of understanding of what really works. For example, what proportions of funds should be directed toward helping youngsters already in trouble, as opposed to programs aimed at keeping all juveniles out of trouble? As indicated in the case studies, some states have already begun to direct resources to primary prevention efforts.

While the first question deals with who should be the target of efforts, a second question arises regarding what efforts should receive the greatest emphasis. Should the greater part of investments go to the public schools or to youth employment programs or to something else? Perhaps there is a way to proportion resources that will provide an optimal balance among juvenile justice, child welfare, mental health, education, and employment services.

This study offers no answers to these questions. The data, however, does allow one to make the observation that management information systems, which would indicate who receives what services, and program evaluations, which would indicate how effective services had been, seem to be in fledgling stages across states. While fiscal auditing is done religiously, programmatic auditing is given only glancing attention. Few cogent answers can be given to questions regarding what types of services are most effective for which clients until states are closer to having on-going management information systems and program evaluation tools.

Evaluation becomes important for another reason. The local flexibility offered by reimbursement and block grants, as discussed in the preceding section, is a two-edged sword. While communities may be encouraged to establish

a broad range of services in quest of least-restrictive options, they may not be prohibited from using secure confinements or other restrictive forms of placement. In the mid-1970s, several authors raised the possibility of subsidies being used to develop restrictive local options, with few of the habilitative services which may have been envisioned by legislatures in enacting grant-in-aid bills.

There even exists the opposite fear on the part of many observers that too great an emphasis on least-restrictive options will result in ensnaring a growing number of less severe cases in an ever-widening social services net, leaving only the most difficult cases for traditional treatment in state institutions. In recent years, policy evaluations have been formulated in some states in answer to these criticisms. The possibility of these conditions, however, once again points to a need for on-going evaluation on the part of state agencies.

State and Local Administration

For many years, communities have been struggling with the ways in which the federal and state governments categorically allocate funds. While an individual child may have multiple needs requiring special education, counseling, and foster care, the funds to support such services might only be available from three different sources, such as a department of education, a department of mental health, and a department of public welfare. To complicate matters, each of these state departments may have an administrative counterpart at the local level.

The case studies revealed that some states are beginning to observe that status offenders, dependent and neglected children, and some types of delinquents share not only many of the same problems but also receive essentially the same types of community-based services. These conditions have led officials to question whether it matters how these youngsters are labeled and, accordingly, how funds are directed to help them.

The question has also been engendered by turf disputes. As the juvenile justice system has moved from traditional dispositions, such as probation, confinement, and parole, to such alternative approaches as counseling or foster care, it has entered into the niches of the traditional mental health and child welfare systems. The ensuing conflicts have encouraged states and communities to seek ways to consolidate services administration at the local level and, in some cases, at the state level.

Florida's solution was to establish a massive system of state-administered social services through the Department of Health and Rehabilitative Services. Pennsylvania is striving for local subsidy (and services) coordination through the designation of a single children and youth services agency under the county commissioners. These trends in the consolidation of funds and services administration at both state and local levels will be worth watching.

PAST AND FUTURE TRENDS IN THE DEVELOPMENT OF INTERGOVERNMENTAL GRANTS-IN-AID

The final work on this study was being completed during the initial days of the Reagan administration. The Reagan administration's policies of substantial budget cuts and the consolidation of federal programs into block grants began to cast doubt on the efficacy of a study dealing largely with categorical grants-in-aid. However, while there is evidence that the growth of intergovernmental aid is declining, there are also indications that categorical grants will remain important mechanisms to the federal and state governments.

The resulting local dependency from the infusion of two decades of federal funds and corresponding increases in state aid was probably predictable.² In 1978, over 40 percent of local resources came from other levels of government. Local units in 1957 paid for 72 percent of their expenditures from own-source revenues, but by 1977 that proportion had fallen to 59 percent. Local governments in 1977 received more than 70 cents in federal and state aids for every dollar of general local funds.³

During the 20-year period from 1957-1977, direct federal to local aid increased by 51.7 times in current dollars and 18.8 times in constant dollars. Federal aid which passed through the states increased 9.7 times in current and 4.5 times in constant dollars. Nationwide, state aid to localities has been growing at a rapid rate but not as rapidly as federal aid. Between 1957 and 1977, federal aid doubled every five years while state aid doubled every 10 years. State to local aid from state revenues during this period increased 8 times in current dollars and 3.8 times in constant dollars.⁴

Since 1978, however, federal aid to state and local government has leveled off to comprise a fairly stable 31 percent proportion of state-local receipts from own-sources. From fiscal 1978 to fiscal 1981, the rate of federal aid growth slowed to 7.8 percent, one-half the annual figure for the preceding 20 years.⁵ State aid in most states may level off also, depending on directions taken by fiscal containment movements.⁶

With the adoption of the Reagan budget, projections for fiscal 1982 indicate a decrease in federal grants by 8.5 percent to \$86.4 billion.⁷ Major cutbacks occurred in several areas relevant to this study, most importantly, LEAA, JJDPA, and CETA.

Current events offer credence to the premonitions of observers cited by Carl Stenberg in the Public Administration Review. Stenberg relates that:

Many observers believe that the "days of wine and roses" are over as far as expansion of the federal government's role in domestic affairs through grants-in-aid is concerned. Commitments to increase defense spending, desires to reduce deficit financing and to balance the budget, and concerns about the solvency of the social security system have placed further pressure on the so-called "controllable" portion of the federal budget. With respect to the public sector generally,

and the federal assistance component particularly, the management environment is changing from conditions of resource growth and rising expectations to conditions of resource stability or decline and failing expectations.⁸

Stenberg continues to paint a picture that is hardly "rosy."

Applying the fiscal brakes at the national level will have wide-spread and unpleasant effects on state and local governments. Clearly, it will hit hardest those units which have become increasingly dependent on federal aid to finance their operations over the past two decades. It will mean that more battles will be fought in Congress over formulas for entitlement programs. More vigorous competition will take place between and among states, localities, and non-governmental aid recipients for available project grants or discretionary funds....Local governments will have to rely on their own revenue sources or state aid for a larger share of their expenditures. They will have to become more concerned about the costs and benefits of participating in federal programs from the standpoints of administrative overhead as well as the price tag on assuming services started with federal seed money.⁹

Not only is it clear that federal and state aids have grown in number and have come to comprise increasing proportions of local budgets, but it is also evident that a large part of this aid has been categorical in nature. Also writing in the Public Administration Review, John Bowman finds that:

The very rapid increase in intergovernmental aid over the 1966-67 to 1976-77 decade largely involved categorical aid. While federal general revenue sharing was initiated during this period, it accounted for only 27 percent of direct federal aid to municipalities; the bulk of the very large increases over the decade was in the form of categorical aid.¹⁰

It had appeared in the early months of 1981 that federal categorical aid might obsolesce as an allocation form under the Reagan administration. President Reagan's proposed strategy has been to transfer more discretion to the states by replacing funds designated for specific programs with unconditional grants. Currently, however, these proposals have met with opposition from Republican as well as Democratic Congressional leadership. It is instructive to note that Congress is prepared to disagree with the new Administration on how funds are to be given to state and local applicants, despite its approval of over \$35 billion in budget cuts. A number of proposals, to date, would limit states' discretion in spending block-grant funds in one way or another, either through earmarking appropriations for certain purposes, by requiring public hearings on the use of federal funds, or by insisting upon external evaluations.¹¹

It appears then that despite decreases in federal spending in general, and elimination of some specific programs important to this study in particular, the issues concerning allocation methods and administrative requirements for subsidies discussed in this volume are still very relevant. Even with a transition to block grants on the part of the federal government, state governments will have even greater authority and discretion in reformulating these funds for distribution to local governments. Hence, state subsidies may emerge as the most important intergovernmental fund-transfer mechanism during the 1980s. Accordingly, it is our hope that this study will prove to be both informative and helpful to state legislative and executive decisionmakers regarding not only the past but also the future development of state subsidies for local delinquency prevention and control services.

FOOTNOTES

1. The extent to which participation in intergovernmental grants-in-aid is voluntary might be subject to debate. For example, during a budget crisis in Pennsylvania in 1977, a two-month period elapsed during which time state spending authority had expired and appropriations for the new fiscal year had not been enacted. Federal funds as well as state funds were tied up during this period including federal grants for Aid to Dependent Children and Medical Assistance. In a suit brought in U.S. District Court by the Welfare Rights Organization of Western Pennsylvania, it was argued that states have no power to withhold payment in programs funded in part by the federal government. The court, accepting this reasoning, ordered the state to begin issuing payment checks in these programs within 48 hours, states rights arguments notwithstanding. In a similar case, a second Federal District Court ordered the state to release WIC funds (Women, Infants and Children's food assistance) during this same budgetary crisis. "[Even though] the Pennsylvania Supreme Court has upheld the state legislature's control over federal funds, two Federal District Courts, however, ordered the governor to make payments without state legislative appropriations in programs funded in part by federal funds." (Cited from James E. Skok, "Federal Funds and State Legislatures: Executive-Legislative Conflict in State Government," Public Administration Review 6 [November/December 1980], p. 565.)

2. This discussion refers to all federal grants-in-aid, not just those to local delinquency prevention and control services.

3. Cathrine H. Lovell "Evolving Local Government Dependency," Public Administration Review, Special Issue (January 1981), p. 189.

4. Ibid., p. 190.

5. Carl W. Stenberg "Beyond the Days of Wine and Roses: Intergovernmental Management in a Cutback Environment," Public Administration Review, (January/February 1981), p. 14.

6. Catherine H. Lovell "Evolving Local Government Dependency," p. 191.

7. "Federal Aid to States, Localities Rises," Public Administration Times, May 1, 1981, p. 12.

8. Carl W. Stenberg "Beyond the Days of Wine and Roses," p. 14.

9. Ibid., p. 15.

10. John H. Bowman "Urban Revenue Structures: An Overview of Patterns, Trends, and Issues," Public Administration Review, Special Issue (January 1981), p. 142.

11. "Reagan Block Grants Stumble in Congress as Some in GOP Resist 'New Federalism'," Wall Street Journal, May 12, 1981, p. 2.

APPENDIX A METHODOLOGY

From its inception, the Juvenile Subsidies Study was designed to be conducted in two phases. The first phase involved a national survey of state governments. For the second phase, case studies involving on-site interviews were conducted in ten states. The principal sources of information for the national survey in Phase I fall into three categories, (1) research and professional organizations, (2) federal agencies responsible for the grant-in-aid programs, and (3) state agencies which either administer those federal programs or state subsidies.

Before initiating contacts with federal and state officials, relevant professional associations and public interest groups were identified. These groups were informed that their memberships were being surveyed. Introductory letters endorsing the study were secured, membership directories from centralized sources were obtained, and it was ascertained if any complementary studies were either completed or in progress. The telephone contacts proved useful in meeting these objectives in varying degrees depending on the organization contacted and information being sought. The membership directories obtained from these organizations supplemented or refined information already available at the Council of State Governments (CSG). (The CSG retains telephone directories published by each of the 50 states which list department administrators, and publishes a biennial listing of state administrative officials classified by functions.)¹ In the course of contacts with the various associations and organizations, staff found 22 directories and studies that served as supplementary resource material for this project.

Other preliminary tasks involved the preparation of a telephone script for the pre-test, which was to be revised as needed for the actual survey, and the examination of budgets which were available for most states. It was anticipated that state budgets would be useful reference documents for identifying potential subsidy programs, which could be confirmed during the telephone survey. At the same time, a data survey form, which would be distributed to those state contact people who indicated during the telephone survey that their agency administered subsidy programs conforming to our definitional criteria, was prepared. This survey form was designed to elicit descriptive information about a subsidy program's characteristics.

The method employed for identifying state subsidy programs began with a telephone canvass of relevant state agencies. With respect to federal subsidies, contacts were made with the appropriate agency in Washington to assess whether information on a state-by-state basis could be obtained. The Law Enforcement Assistance Administration (OJJDP and Crime Control Act), and the Department of Labor (CETA) were the only agencies that had sufficient centralized information. Although aggregate national data were available in other relevant federal agencies contacted, it was impossible for them to supply more discrete state-by-state information. Thus, in the survey of state agencies, information was requested not only on state subsidy programs, but on federal pass-through funds that could not be obtained centrally from federal departments.

A telephone pre-survey was conducted with state agencies in Georgia and Minnesota. The pre-survey was intended to determine if the telephone techniques and procedures would succeed in communicating to state agency people the nature and purpose of the project, and a clear understanding of the definition of

juvenile subsidy. This was particularly critical to ensuring that all relevant subsidy programs would be identified and analyzed. The pre-survey resulted in a few minor changes in approach and, by late January, the actual telephone canvassing began.

The governor's executive budget agency was the first point of contact in each state. The central budget office was presumed to be in the best position to provide overview information regarding the extent to which there are federal pass-through and state-to-local intergovernmental cash transfers. It was also anticipated that the state budget office could refer the study to the appropriate state agency contact people, regardless of whether a subsidy program could be identified. Expectations about budget offices were met in a number of states. In fact, 21 state budget offices (Arkansas, California, Colorado, Hawaii, Illinois, Indiana, Kansas, Michigan, Minnesota, Mississippi, Missouri, Montana, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Virginia, and Washington) offered to serve as coordinating clearinghouses for identifying programs and for ensuring that the data survey form was completed by appropriate state agency personnel. In some instances, budget offices had to recant their original promise, once it was realized the substantial amount of work to which they had committed themselves. Nonetheless, state budget offices were generally of great assistance to the survey, either as a central coordinating clearinghouse or a referral source.

The following functional program agencies were contacted to inquire about the existence of programs relevant to the study: (1) mental health, (2) health, (3) drug abuse and alcohol (if different from health and mental health), (4) child welfare, (5) education, (6) employment security or labor, (7) arts council or board, (8) recreation, (9) vocational rehabilitation, and (10) governor's office (principally for discretionary funds). In several instances, a state had an intergovernmental clearinghouse that proved to be a good source of centralized information when the budget office could not be of assistance.

Once it was determined that a state subsidy program existed, or that available federal money passed through to local recipients, a data survey form, accompanied by a covering memo explaining the project, was disseminated to the appropriate state contact. The contact was offered the choice of completing the questionnaire on his or her own and returning it within two or three weeks, or completing the questionnaire during a follow-up phone call. Typically, the contact opted for the first alternative.

During the telephone calls and in cover letters to the state contact, necessary supplemental materials (budget data, statutes, administrative regulations, evaluation reports, etc.) were requested. The completed questionnaire and supplemental documents would provide the requisite information for preparation of program profiles on state subsidies, and the funding and local services data needed to summarize federal programs in the aggregate and on a state-by-state basis.

State contacts were requested to return the completed questionnaires within two to three weeks after receiving the survey forms. Most contacts had difficulty meeting those deadlines, although initial indications were that the timetable would be met. The delay in returning questionnaires can be attributed, in large part, to the demands placed on executive agencies during those legislative

sessions that coincided with the survey work. The practice was to wait approximately four weeks and, if the questionnaire had not been returned by that time, to place reminder phone calls.

As the survey forms were returned, the programs reported were reviewed for conformance with our definitional criteria. Although some programs were eliminated, many were found to conform with the criteria.

From the information in the questionnaires and accompanying materials, individual subsidy program profiles were prepared and entered into CSG computer terminals. A profile format was designed to compile information received from state and federal sources. These profiles were then given a number according to state and funding source, and cross-filed to enable location of the profiles by either state or functional category. A printout of the profiled data was mailed to the state contact for verification of information. Any changes were made on the original profile to update the records.

Tabular presentations of the most pertinent data are contained in this report. This data provides the baseline information for the analysis of federal and state subsidy programs from national, state-by-state, and categorical perspectives presented in this report. Altogether, 483 profiles were entered into the computer. Some of the original profiles were found to be exempt from the study, so they were deleted from the overall run of information.

While the survey research approach of Phase I provided the opportunity to discover these state subsidies, as well as states' participation in federal programs, it was known from the time the study was proposed that the importance of subsidies to local delinquency prevention and control transcended the mechanics of transferring funds from one level of government to another. Accordingly, Phase II was designed to pursue a more in-depth investigation into the impact of state subsidies. A well-established method for obtaining the rich information required for policy analysis is the case study; hence, data-gathering for Phase II was conducted through case studies of ten states. The following states and subsidies were selected based upon recommendations of the staff, and approvals by the Advisory Committee and OJJDP:

- (1) Alaska Drug Abuse Grants
- (2) Alaska Youth Employment Services Subsidy
- (3) Florida Alternative Education Program
- (4) Florida Specialized Children's Projects Subsidy
- (5) Iowa Alternatives to Foster Care and In-Home Services, and Community-Based Juvenile Corrections Subsidies
- (6) Maryland Youth Services Bureaus Subsidy
- (7) Maryland Youth Diversion Projects Subsidy
- (8) Michigan Child Care Fund
- (9) Michigan Work Opportunity Resources Corps Program
- (10) New York Youth Development/Delinquency Prevention Subsidy and Special Delinquency Prevention Program Grants
- (11) North Carolina Community-Based Alternatives Program
- (12) North Carolina Prevocational Education and Extended School Day Programs Subsidies
- (13) Pennsylvania State Reimbursement to Counties for Child Welfare Services, Act 148

- (14) South Carolina State Aid to Community Mental Health Centers
- (15) Utah Juvenile Court Teen Alcohol/Drug School and the K-12 Alcohol Education Project Subsidies
- (16) Utah Juvenile Detention Services Subsidy

Phase II topics included an investigation of (1) short- and long-range objectives of subsidies, (2) success in accomplishing objectives, (3) the response of local officials, (4) the impacts on the availability of local services, (5) the administrative procedures required to implement the subsidy, (6) methods of monitoring and evaluating programs for compliance with state objectives, (7) the fiscal impact of federal and state dollars on local budgets and priorities, and (8) the state of intergovernmental political relationships. It was hoped the information gathered in these areas would permit the formulation of answers to policy questions such as:

- (1) Do subsidy dollars provide for a means for local governments to enhance juvenile justice services or merely represent a way to supplant local resources?
- (2) What are the trade-offs for assuring program quality and standardization versus the need for local autonomy, responsiveness, and control?
- (3) Do matching requirements place a significant burden on local governments?
- (4) How stable are federal and state subsidy funds, and what impact has variations in funding levels had on service availability?
- (5) What are the intergovernmental political dynamics surrounding different types of subsidy programs?

The Phase II research can be characterized in two major parts. The first part investigates more fully the selected subsidies themselves--their legislative histories, their supporters and detractors, the mechanics of how they work and their perceived successes. Information for this part was obtained from (1) the profiles, catalogued from Phase I, (2) copies of the legislation (where appropriate), (3) interviews of state administrators by phone, and (4) personal interviews of state legislators, legislative aides, and members of interest groups.

The objectives of this part of the research were:

- To describe the political and legislative history of specific subsidies.
- To describe the political environment at the state and local levels both prior (where possible) and subsequent to passage of the subsidy.
- To describe the mechanics of the subsidy in terms of the way in which monies are allocated, the types of requirements recipients must meet in order to receive funds, and the types of services funded.

The overall purpose for this research, in addition to enhancing the base of information for the second part of Phase II research, was to provide guides to state legislators and interest groups regarding important considerations in the development and passage of state subsidy legislation.

The second part of the Phase II research was designed to investigate the impact of subsidies. Subsidies, in one sense, can be viewed merely as pieces of legislation or as mechanisms for the transfer of funds from one level of government to another. On another level, however, subsidies can be viewed as a catalyst for change--in the level of responsibility assumed by local governments and in the type and quality of services available to clients. It is not simply coincidence that subsidies to local delinquency prevention and control programs began to develop at the same time national concern shifted toward an awareness that handling youth in their own communities was preferable to incarceration in large, remote congregate facilities, or institutions. From other research regarding intergovernmental subsidies, it becomes fairly clear that state subsidies, like federal programs, are developed to create change--in the types of services offered, in the placement of youth to less restrictive environments, in the amounts of money leveraged from various levels of government, and in the types of organizational structures designed to administer subsidies and the programs they establish. It is these changes that were the foci of this part of the Phase II study.

The objectives of the study were as follows:

- To analyze the extent to which the legislative objectives (explicit and implicit) of subsidies were being met.
- To analyze the attitudes toward subsidy among state/local political operatives.
- To analyze the impact of subsidies on the type and availability of state/local services.
- To determine the change in services received by juveniles according to (1) whether services were state-controlled or locally-controlled, and (2) degree of restrictiveness.
- To analyze the change in proportional financial support to services from state, local, and federal sources.
- To describe changes in state-local organizational and administrative structures with the initiation of the subsidy.

Obtaining information to complete case study analyses was undertaken through a variety of strategies which included personal interviews with key informants, telephone interviews, data collection from secondary sources such as budget documents, legislation, departmental memoranda, administrative rules, letter brochures, sample contracts, etc., evaluations, and other previously conducted research. References are cited at the end of each case study found in Appendix D.

Completed drafts of each case study were mailed to several key people in each of the ten states to verify the accuracy of information reported. Responses were received from all case study states, and corrections were made to the drafts as required.

FOOTNOTE

1. Council of State Governments, State Administrative Officials Classified by Functions (Lexington, Kentucky: 1979).

APPENDIX B STATE PROFILES

PROFILE FORMAT

Each of the 101 state subsidies listed and described in Appendix B are profiled according to a uniform format described below. This procedure should help the reader to compare the subsidies within and across the five selected categories.

Title of Program

Legislatively or administratively designated title for the subsidy.

Citation

Legal or departmental authorization of the subsidy.

Program Initiation

Year in which the legislature or state department established the subsidy.

Program Objectives

Intent of the subsidy as cited by statutory provision or as identified by legislative or administrative officials.

Factors Applied in Determining Allocation of Subsidy

Criteria by which the allocation to states, local governments, or agencies is determined.

Administrative Requirements for Funding Eligibility

Administrative process for application and receipt of subsidy funds. Requirements for local compliance to state standards is noted, where specifically related to the subsidy.

Local Agencies Eligible to Apply for Funds

Identification of the types of organizations able to apply for funds, whether general purpose government jurisdictions or public and private agencies.

Number of Participating Agencies

The number of governments or agencies receiving funds from the subsidy.

Types of Services Provided

Listing of the services funded by the subsidy.

Restrictions on Use of Funds

Funds may be directed to a specific program cost, such as personnel, operations and maintenance, construction, and direct or contracted services.

Budget Year

The 12-month period for which a state intends the use of its funds.

Source of Funds

Identification of subsidy funds as being from federal, state general, or earmarked funding sources.

History of Appropriations and Expenditures

Federal and state funding as legislatively or departmentally authorized for fiscal 1970 through 1978, as well as reported actual fiscal year expenditures and encumbrances, where available.

Other Pertinent Information

Explanations or clarifications of the subsidy.

Probable Continuation

Perceptions of state officials as to the subsidy's general acceptance and continuation.

Administrating Agency

Name, address, and telephone number of state agency responsible for the program and for responding to public inquiries.

Juvenile Justice

JUVENILE JUSTICE SUBSIDIES

The greatest number and variety of pertinent state subsidies were found in the area of juvenile justice. Considering all types of state subsidies for delinquency prevention and control, more than one-half were within the juvenile justice area. These 56 subsidies include 23 of the 28 corrections subsidy programs identified and profiled in a previous Council of State Governments (CSG) study conducted in 1977, entitled State Subsidies to Local Corrections. Four of the five other subsidies from the 1977 study (Michigan's Basic Grant; California's Probation Subsidy and its Juvenile Ranches, Camps and Homes Subsidy; and Pennsylvania's Detention Subsidy) have been revised and consolidated under new or already existing subvention programs. The fifth--Pennsylvania's Juvenile Probation Subsidy--had been incorrectly included in the 1977 report when it, in fact, was a state-administered program. In addition to those subsidies described in the 1977 study, 33 noncorrections juvenile justice subsidies are found in the current survey.

This survey reveals a continuing growth in state juvenile justice subsidies, a trend that began in the late 1960s and early 1970s. Thirty-five juvenile justice subsidies were initiated since 1969, almost one-half of those after 1975. Only five began prior to 1955. These subsidies were widely dispersed, with only a few states having more than one distinct juvenile justice subsidy program. Twenty-one states had no juvenile justice subsidy.

Objectives of State Juvenile Justice Subsidies

The survey reveals a variety of objectives ascribed to state subsidies. Although articulated differently among programs, state subsidies for juvenile justice have one or more of the following objectives:

- To shift greater responsibility for juvenile justice services from state to local governments (eight subsidies).
- To reduce commitments to juvenile institutions (13 subsidies).
- To encourage the development of community-based alternatives (31 subsidies).
- To encourage the development of minimum standards for staff, programs, and facilities at the local level (eight subsidies).
- To stimulate intergovernmental cooperation and coordination through sharing of facilities, programs, and staff (ten subsidies).
- To expand existing services (five subsidies).
- To provide greater public protection (five subsidies).

While some comprehensive programs, e.g., the Minnesota Community Corrections Act, the California County Justice System Subvention Program, and Michigan's Child Care Fund, have multiple and interrelated objectives (which is why 56 programs listed 80 objectives), most state subsidies have a fairly narrow intent. For instance, most of the juvenile probation subsidies propose to increase the number of local probation officers or to upgrade the quality of local probation services. The alternative residential placement subsidies are usually directed toward establishing alternatives to incarceration in large state-operated institutions.

Types of Services Funded by Juvenile Justice Subsidies

Although a variety of state subsidies exist, most of them fall into three broad categories: (1) community placement alternatives to incarceration, (2) probation, and (3) detention. Very few states attempt to encompass all three categories under a comprehensive, consolidated subsidy. The most notable exceptions are Minnesota's Community Corrections Act and California's new County Justice System Subvention Program. Table A displays 53 different types of services supported by state juvenile justice subsidies.

TABLE A: SERVICES FOR JUVENILE DELINQUENCY PREVENTION AND CONTROL FUNDED BY STATE JUVENILE JUSTICE SUBSIDIES

Service Type (as defined by state agencies)	State
Adult Volunteers	North Carolina
Advocacy	California, New York
Alternative Living	Alaska, Arkansas, California, Louisiana, Minnesota
Boarding Homes	Kansas
Child Welfare	Washington
Community Services Development	Alaska, California, Kansas, Maryland, Missouri,
Corrections	California, Minnesota, Washington
Counseling	Alaska, Arizona, California, Hawaii, Iowa, Maryland, New York, North Carolina, Ohio

TABLE A. (Continued)

Service Type (as defined by state agencies)	State
Crisis Intervention	Alaska, Maryland, Utah
Day Treatment	Alabama
Delinquency Prevention	California, Kansas, Minnesota, Missouri, New York, South Carolina
Detention	Alabama, California, Georgia, Michigan, Minnesota, Missouri, New York, Ohio, Utah, Washington
Diagnostic Services	Arkansas, South Carolina, Utah
Diversion	Arkansas, Colorado, Minnesota, Missouri
Drug Education	Maryland
Educational Services	Alaska, California, Maryland, New York, North Carolina, Ohio, South Carolina
Emergency Shelter	Arkansas, Iowa, New York, North Carolina, Utah
Family Counseling	Hawaii, Maryland, New York, Utah
Foster Care	Michigan, Minnesota, North Carolina, Ohio, Oregon, South Dakota, Washington
Group Homes	Alabama, Iowa, Michigan, North Carolina, South Dakota, Washington
Health Services (Medical)	Maryland, New York, Washington
Independent Living	Iowa, Michigan
Individual and Group Treatment	Alaska, Maryland, South Carolina
Information and Referral	California, Hawaii, Maryland, New York, South Carolina
In-Home Services	Michigan
In-Service Training	Ohio

TABLE A. (Continued)

Service Type (as defined by state agencies)	State
Job Placement	Maryland, New York, Washington
Job Preparedness	California
Juvenile Officer Services	Ohio
Parole	Minnesota
Police	New York
Probation	Alabama, Arizona, California, Illinois, Minnesota, Missouri, Nevada, Ohio, Pennsylvania, Texas, Virginia
Psychological Services	Oregon, Washington
Recreation	Maryland, New York, North Carolina, Ohio, South Carolina
Rehabilitative Services	Ohio, Washington
Residential Care	Michigan, Minnesota, Missouri, New York, Texas, Virginia
Shelter	Hawaii, Maryland, Wisconsin
Social Work, Social Services	Maryland, Washington
Substance Abuse Treatment	Washington
Supervision	Nevada
Support Services	Maryland, Nevada
Teenage Pregnancy Programs	New York
Therapy	Maryland
Training	Oregon
Transportation	Hawaii, Maryland, New York

TABLE A. (Continued)

Service Type (as defined by state agencies)	State
Tutoring	Maryland, New York
Vocational Services	Ohio, Washington
Volunteer Coordinator	Oregon
Wilderness Camping	North Carolina
Work Programs	Ohio
Youth Bureaus	New York
Youth Service Bureaus	North Carolina

The comprehensive subsidies, and others which encourage community alternatives, include such programs as diversion, family counseling, youth service bureaus, emergency shelter, foster care, and crisis intervention. State subsidies for community alternatives substantially outnumber those for probation or detention, although some subventions also include provisions for alternative placements in conjunction with probation.

Level of Financial Support for State Juvenile Justice Subsidies

For the 56 state juvenile justice subsidies identified, the cumulative appropriations for fiscal 1978, the most recent year for which data was available, totaled almost \$161 million. Although Ohio reported the largest number of distinct juvenile justice programs, California allocated the most money. Of the nearly \$56.6 million in California subsidies, \$55 million was appropriated under the County Justice System Subvention Program. New York was second, providing \$33 million to local agencies. Michigan had the third largest appropriation, reporting over \$23 million. Except for Virginia and Minnesota, which reported \$11.7 million and \$8.8 million, respectively, the remainder of appropriated state subsidy funds averaged less than \$4 million per state.

California's County Justice System Subvention Program consolidated major elements of the previous probation subsidy and two other juvenile subsidies into a new program, along with a number of new provisions. Michigan's Child Care Fund was the next most substantially funded subsidy at a \$19 million level,

followed by New York's Youth Development/Delinquency Prevention Subsidy (\$16.4 million). Table 4 in Chapter 3 identifies all state subsidies in juvenile justice, including the individual and aggregated subsidy appropriations, with per capita breakdowns for the states' youth populations.

Ranking states and individual subsidies solely according to absolute levels of funding support can provide a misleading picture of relative state financial commitment to local juvenile services. A more significant statistic for comparison is per capita dollar support. Using this criterion, the major subsidy support among states can still be found in the same five states: California (\$16.45 per capita), Virginia (\$13.74 per capita), Minnesota (\$12.99 per capita), Michigan (\$12.21 per capita) and New York (\$11.77 per capita).

Local Recipients of State Juvenile Justice Subsidies

States prefer to distribute subsidy funds to general purpose governments (usually counties), after which funds are frequently contracted to private service-providing agencies, or allocated to juvenile courts or other public social service agencies.

Requirements to Receive Funds from State Juvenile Justice Subsidies

Most programs require compliance with various state standards, but stringency of state application of such standards varies considerably by state. Application procedures tend to be most complex and strict when states distribute funds according to a statewide competitive process, or in instances where funds are limited, or a statewide comprehensive plan is mandated and certain performance criteria required. Administrative and programmatic requirements are considerably more simplified in those subsidies where payments are provided according to a formula or local claims for reimbursement.

ALABAMA JUVENILE PROBATION OFFICER SUBSIDY

Citation: Code of Alabama, Title 44-1-26
Program Initiation: 1965

Program Objectives

To develop a state-local partnership in handling youth services, to improve the quality of juvenile probation services, and to establish and maintain minimum standards for certification of juvenile probation officers.

Factors Applied in Determining Allocation of Subsidy

State statute requires Department of Youth Services (DYS) to subsidize one probation officer per 20,000 persons in a county. This subsidy must cover at least 50 percent, and up to 100 percent, of total salary.

Administrative Requirements for Funding Eligibility

All subsidized juvenile probation officers must meet minimum standards set by the DYS for certification, training, probation, and aftercare services. Local judges appoint officers based upon minimum qualification requirements and submit applications to DYS to verify eligibility for the subsidy.

Local Agencies Eligible to Apply for Funds

Juvenile courts through county governments.

Number of Participating Agencies

Sixty-seven counties.

Types of Services Provided

Probation.

Restrictions on Use of Funds

Personnel (salaries only).

Budget Year

October 1, 1977-September 30, 1978.

Source of Funds

State Special Education Trust Fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	\$ 200,000	\$ 200,000
1974	200,000	200,000
1975	950,000	950,000
1976	1,000,000	1,000,000
1977	1,100,000	1,100,000
1978	1,143,588	1,143,588

* denotes Not Available.

Probable Continuation

This subsidy is a legislatively mandated state function that must continue unless the law is changed. It is widely accepted and has positively affected salaries of juvenile probation officers.

Administrating Agency

Department of Youth Services
2388 Fairlane Drive, Building D, Suite 29
Executive Park
Montgomery, Alabama 36116
Telephone: (205) 832-3910

ALABAMA COMMUNITY SERVICES SUBSIDY PROGRAM

Citation: Code of Alabama, Title 44-1-24 thru 44-1-28
Program Initiation: 1977

Program Objectives

To assist local alternative placement programs with operational funding, provided that any subsidized facility or program acts as a regional program and admits clients on a statewide basis, if space is available.

Factors Applied in Determining Allocation of Subsidy

Need is the primary allocation factor. The local agency must substantiate that the program cannot continue without funds from the Department of Youth Services (DYS). The contractual amounts are determined by program financial needs within the formula of up to 25 percent of the per diem or cost, not to exceed \$4 per day.

Administrative Requirements for Funding Eligibility

Contracts between individual agencies and DYS are on a fiscal year basis. All subsidized programs must be licensed by DYS, operate regionally, and submit monthly reports of services provided.

Local Agencies Eligible to Apply for Funds

Any DYS licensed facility operating under local auspices--public or private--that can document financial need. Programs receiving funds under low-match grants are generally not eligible.

Number of Participating Agencies

Nineteen private nonprofit agencies and four public agencies.

Types of Services Provided

Group homes, detention, and day treatment.

Restrictions on Use of Funds

Purchase of services.

Budget Year

October 1, 1977-September 30, 1978.

Source of Funds

State general fund.
Juvenile Justice and Delinquency Prevention Act.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation</u>		<u>Expenditure</u>	
	<u>State</u>	<u>Federal</u>	<u>State</u>	<u>Federal</u>
1977	\$365,800	\$100,000	\$365,800	\$100,000
1978	255,541	200,000	255,541	200,000

Other Pertinent Information

A \$200,000 Juvenile Justice and Delinquency Prevention Act discretionary grant expired December 1978; a reapplication is on file for continuation.

Probable Continuation

Subsidy program is widely accepted in spite of requirements for providing regional and statewide services. Most programs are dependent upon DYS funds to remain operational.

Administrating Agency

Department of Youth Services
2388 Fairlane Drive, Bldg. D, Suite 29
Executive Park
Montgomery, Alabama 36116
Telephone: (205) 832-3910

ALASKA YOUTH SERVICES SUBSIDY

Citation: Departmental Program
Program Initiation: 1977

Program Objectives

To prevent youth from entering the state social service system or the juvenile justice system.

Factors Applied in Determining Allocation of Subsidy

(1) Whether the agency program falls within the scope of the purpose of youth services, (2) innovativeness of the program, (3) geographic location of the program, and (4) funding request. Subject to availability of funds, the Division of Social Services (DSS) plans to fund one or more projects in fiscal 1980 for four categories of services: alternative living facilities, youth and family crisis and counseling services, school-related programs, and community service development. Priority will be given to funding projects so that each of the division's six regions will receive some portion of the subsidy allocation. The anticipated maximum award for any one project will be \$25,000.

Administrative Requirements for Funding Eligibility

Agencies and organizations within the division's six regions must submit program proposals. Projects are selected not only on the basis of their individual merits, but also according to whether they demonstrate a range of techniques for meeting the needs of youth and their families.

Local Agencies Eligible to Apply for Funds

Agencies and organizations within the DSS' six regions. The program has attempted to provide funding for both small communities and nonprofit agencies.

Number of Participating Agencies

Four nonprofit agencies.

Types of Services Provided

Alternative living, educational services, community service development, individual and group treatment, crisis intervention, and counseling.

Restrictions on Use of Funds

Administrative costs, personnel, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1977	\$ 75,000	\$ 74,900
1978	120,000 est.	100,660 est.

Probable Continuation

The program has been well received. Funding will probably increase by six percent per year.

Administrating Agency

Division of Social Services
Department of Health and Social Services
Pouch H-05
Juneau, Alaska 99811
Telephone: (907) 465-3170

ARIZONA JUVENILE COURT FAMILY COUNSELING PROGRAM

Citation: Arizona Revised Statutes, Chap. 2, Article 5, Section 8-261-6
Program Initiation: 1973

Program Objectives

To strengthen family relationships and to prevent juvenile delinquency.

Factors Applied in Determining Allocation of Subsidy

A base figure of \$5,000 is available to all participating counties. The remaining balance of funds is distributed on the basis of juvenile population within the participating counties.

Administrative Requirements for Funding Eligibility

A county must indicate its intention to participate in the family counseling program through a resolution of the county's board of supervisors submitted to the Arizona Supreme Court. The supreme court certifies a list of participating counties and informs them of amounts available. The court also certifies expenditures to ensure that matching funds are used to supplement, not supplant, county funds which would otherwise be available for family counseling services. The court also certifies that the amount of aid provided by the state and county to a family counseling program does not exceed 70 percent of the program's annual operating budget.

Local Agencies Eligible to Apply for Funds

Juvenile courts through county governments.

Number of Participating Agencies

Fourteen counties.

Types of Services Provided

Counseling.

Restrictions on Use of Funds

Purchase of services and personnel.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1973	\$250,000	\$250,000
1974	250,000	250,000
1975	250,000	250,000
1976	250,000	250,000
1977	250,000	250,000
1978	250,000	250,000

Probable Continuation

The program has received wide general acceptance and should continue to be funded by the legislature.

Administrating Agency

Arizona Supreme Court
201 South-West Wing
State Capitol Building
Phoenix, Arizona 85007
Telephone: (602) 255-4359

ARIZONA STATE AID FOR PROBATION SERVICES PROGRAM

Citation: Arizona Revised Statute, Chap. 2, Section 12-261
Program Initiation: 1978

Program Objectives

To expand local probation services.

Factors Applied in Determining Allocation of Subsidy

The funds allocated to a county may be distributed between adult and juvenile probation departments in proportion to the adult and juvenile populations of the county or be distributed on any other basis approved by both probation departments and the Arizona Supreme Court. The juvenile probation subsidy must be limited to supervision of first-time juvenile felony offenders who are adjudicated delinquent. Any county operating a program shall receive a base amount of \$10,000. In addition to the base amount, the remainder of any appropriated funds, excluding funds appropriated for administration, shall be made available to each participating county based upon the proportion of each county's population to the total population of all participating counties.

Administrative Requirements for Funding Eligibility

The presiding judge of each county desiring to participate in the state aid program submits a plan and proposed budget to the administrative director of the Arizona Supreme Court. The plan is then reviewed by the supreme court. If the program is approved and implemented, a yearly evaluation report is submitted by the presiding judge to the administrative director who may recommend to the court that funding be continued.

Local Agencies Eligible to Apply for Funds

Superior courts through county governments.

Number of Participating Agencies

Nine of the 14 counties participate.

Types of Services Provided

Probation and related services.

Restrictions on Use of Funds

Personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1978	\$350,000	\$350,000

Other Pertinent Information

The State Aid for Probation Services Program provides funds for both adult and juvenile populations being supervised on probation. The program is not limited solely to the juvenile justice system.

Probable Continuation

The program should be funded for fiscal 1979-80.

Administrating Agency

Arizona Supreme Court
201 South-West Wing
State Capitol Building
Phoenix, Arizona 85007
Telephone: (602) 255-4359

ARKANSAS COMMUNITY SERVICES SUBSIDY

Citation: Arkansas Act 502
Program Initiation: 1977

Program Objectives

To provide supplemental funds to local governments for matching funds needed to obtain federal funds for community services, and to ensure compliance with standards for programs receiving funds.

Factors Applied in Determining Allocation of Subsidy

The total amount of funding an individual program receives may not exceed 20 percent of the approved total budget for eligible services. Monies may be utilized (1) as a portion of local matching monies required to obtain federal funds, (2) as reimbursement for services delivered to clients not eligible for federal funding, or (3) as reimbursement for start-up expenses incurred in developing new programs.

Administrative Requirements for Funding Eligibility

General program standards must be met in the following areas: organization, administration, personnel study, service plan, client record information, and termination of services. Specific organization and admission standards are required for youth-in-need programs. Organization, admission, and treatment standards are also required for emergency shelter programs.

Local Agencies Eligible to Apply for Funds

County and city governments, and private agencies.

Number of Participating Agencies

Three counties and 22 private agencies.

Types of Services Provided

Diversion, diagnostic and evaluation, emergency shelter, and alternative living.

Restrictions on Use of Funds

Operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1977	\$700,000	\$700,000
1978	950,000	635,747

Probable Continuation

Continuation is favorable.

Administrating Agency

Division of Youth Services
Department of Human Services
1320 "C" Brockwood Drive
Little Rock, Arkansas 72202
Telephone: (501) 371-2651

CALIFORNIA YOUTH SERVICE BUREAUS SUBSIDY

Citation: California Welfare and Institutions Code, Section 1900
Program Initiation: 1975

Program Objectives

To fund and establish standards for the operation of youth service bureaus.

Factors Applied in Determining Allocation of Subsidy

Each bureau must establish a citizens advisory board to review overall policy and program direction. From funds available, the Department of the Youth Authority shall reimburse each approved bureau at a rate of not more than 50 percent of the actual costs incurred during the fiscal year or \$80,000, whichever is less.

Administrative Requirements for Funding Eligibility

Application is made to the Department of the Youth Authority for the establishment or operation of one or more youth service bureaus. Evaluation of each bureau is performed by the Department of the Youth Authority at least once a year.

Local Agencies Eligible to Apply for Funds

Any public or private organization qualifying as a youth service bureau.

Number of Participating Agencies

One youth service bureau.

Types of Services Provided

Information and referral services, individual and group counseling, advocacy, educational services, job preparedness, and community service development.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, construction, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State^a</u>	<u>Expenditure State^a</u>
1975	\$80,000	\$80,000
1976	80,000	80,000
1977	80,000	80,000
1978	80,000	80,000

^aOnly one program has ever been funded.

Other Information

Pilot programs were begun in 1968.

Probable Continuation

Program will probably continue.

Administrating Agency

Division of Field Services
Department of the Youth Authority
4241 Williamsborough Drive
Sacramento, California 95823
Telephone: (916) 445-2561

CALIFORNIA DETENTION OF STATUS OFFENDERS PROGRAM

Citation: Uncodified Appropriation, A.B. 958
Program Initiation: 1978

Program Objectives

To develop secure detention facilities for status offenders.

Factors Applied in Determining Allocation of Subsidy

One-time grants to be used to assist counties in meeting nonrecurring program costs.

Administrative Requirements for Funding Eligibility

The Department of the Youth Authority reviews all requests from counties for modification of existing facilities, the construction of new facilities, and the need for additional beds.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Varies according to the number of agencies applying.

Types of Services Provided

Detention.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, construction, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1977	*	*
1978	\$1,500,000	*

*denotes Not Available.

Probable Continuation

Not given.

Administrating Agency

Division of Field Services
Department of the Youth Authority
4241 Williamsborough Drive
Sacramento, California 95823
Telephone: (916) 445-2561

CALIFORNIA COUNTY JUSTICE SYSTEM SUBVENTION PROGRAM (A.B. 90)

Citation: California Welfare and Institutions Code,
Article 7, Division 2.5, Chapter 1
Program Initiation: 1978

Program Objectives

To subsidize county justice programs which assist in public protection by providing appropriate services which protect and care for children and youth in need of such services.

Factors Applied in Determining Allocation of Subsidy

Counties can select one of two funding options: (1) a per capita amount, or (2) the amount of money the county received in fiscal 1977 for programs under a previous subsidy which was replaced by the County Justice System Subvention Program.

Administrative Requirements for Funding Eligibility

The county board of supervisors submits a plan and budget to the Department of Youth Authority. The budget must follow state guidelines, giving funding priority to seven programs. The county cannot request more funding than the maximum allowed under the allocation option selected.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Forty-three counties.

Types of Services Provided

Probation, corrections, alternative living, and specific delinquency prevention programs.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, construction, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditures State</u>
1978	\$55,000,000	*

*denotes Not Available.

Probable Continuation

Program will continue until 1983, when legislative review will determine its future.

Administrating Agency

Division of Field Services
Department of Youth Authority
4241 Williamsborough Drive
Sacramento, California 95823
Telephone: (916) 445-2561

COLORADO DIVERSION PROGRAM

Citation: State Appropriation's Act (must be renewed each legislative session)
Program Initiation: 1976

Program Objectives

To divert youth from the juvenile justice and corrections systems.

Factors Applied in Determining Allocation of Subsidy

Needs assessments and budgets are submitted to the Division of Youth Services. Allocations are limited to seven percent increase on line items.

Administrative Requirements for Funding Eligibility

Programs previously funded and monitored by the Division of Criminal Justice in the Department of Local Affairs are evaluated for possible state funding. The Department of Institutions' staff evaluates the degree of ongoing service needs, identifies efforts made to meet those needs, confirms the need for financial assistance, and reviews monitoring reports. Once funding is granted, the recipients must agree to ongoing fiscal monitoring and program evaluation by the Department of Institutions. A single audit is being prepared for all programs for continuity and fiscal accountability.

Local Agencies Eligible to Apply for Funds

Any local government unit or public or private agency.

Number of Participating Agencies

Twelve private agencies and three local units of government.

Types of Services Provided

Diversion.

Restrictions on Use of Funds

Administrative costs, personnel, maintenance and operations, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1976	\$1,115,000	\$1,115,000
1977	1,136,766	1,136,766
1978	1,340,276	1,340,276

Probable Continuation

This is expected to be an ongoing program.

Administrating Agency

Division of Youth Services
Department of Institutions
4255 South Knox Court
Denver, Colorado 80236
Telephone: (303) 761-5966

GEORGIA COUNTY-OWNED DETENTION CENTER SUBSIDY

Citation: 1963 Children and Youth Act
Program Initiation: 1968

Program Objectives

To assist county-owned juvenile detention centers through a cost-sharing program. The state contracts with county detention centers for a small number of beds for youth from surrounding counties, as well as for a portion of the local detention costs.

Factors Applied in Determining Allocation of Subsidy

The grant share to each county is based upon a formula utilizing county census data and a base figure allotted for each county's expenditures.

Administrative Requirements for Funding Eligibility

The Division of Youth Services, Department of Human Resources, administers the program. At the beginning of the fiscal year, each participating juvenile court judge signs a contract with the Division of Youth Services. Payments are made quarterly to the county board of commissioners.

Local Agencies Eligible to Apply for Funds

County-owned detention centers, which are separated from adult corrections facilities, are eligible. The number of such centers has diminished as multi-county or regional centers become more prevalent.

Number of Participating Agencies

One county-owned center now participates in the grant program.

Types of Services Provided

Juvenile detention.

Restrictions on Use of Funds

Operational costs.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	*	*
1975	\$400,000	\$400,000
1976	369,000	369,000
1977	*	*
1978	70,000	70,000

*denotes Not Available.

Probable Continuation

The 11-year-old subsidy program has been phasing down as the state has encouraged a regional approach for provision of detention services for the state's 159 counties. Since 1977, the state has taken over the operation of four county-owned detention programs which once participated in the grant program.

Administering Agency

Division of Youth Services
Department of Human Resources
618 Ponce DeLeon Avenue, NE
Atlanta, Georgia 30308
Telephone: (404) 894-4565

HAWAII SHELTER CARE FOR STATUS OFFENDERS SUBSIDY

Citation: Legislative Budget Act I
Program Initiation: 1970

Program Objectives

To provide residential care for minors 12 to 17 years old who are in need of shelter care in Hawaii County.

Factors Applied in Determining Allocation of Subsidy

Based on clientele eligibility requirements and assessment of minimum resources needed to support the program.

Administrative Requirements for Funding Eligibility

Applications for funds are made directly by Hilo Interim Home to the state legislature.

Local Agencies Eligible to Apply for Funds

Local private agency.

Number of Participating Agencies

One local private agency.

Types of Services Provided

Shelter care, referral services, family counseling, transportation, individual and group treatment, and counseling.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	*	*
1975	*	*
1976	*	*
1977	\$60,000	\$60,000
1978	60,000	60,000

*denotes Not Available.

Probable Continuation

The prospects for continuation are good.

Administrating Agency

Office of Children and Youth
P.O. Box 3044
Honolulu, Hawaii 96802
Telephone: (808) 548-7582

ILLINOIS JUVENILE PROBATION SUBSIDY

Citation: Illinois Revised Statutes, Chapter 37, Section 706.5
Program Initiation: Late 1940s

Program Objectives

To institute minimum academic standards for juvenile probation officers.

Factors Applied in Determining Allocation of Subsidy

State reimburses county 50 percent of probation officers' salaries up to \$300 per month. To be eligible, probation officers must possess a baccalaureate degree.

Administrative Requirements for Funding Eligibility

The counties bill the state comptroller's office for reimbursement.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Of 102 county governments, almost all claim reimbursement.

Types of Services Provided

Probation.

Restrictions on Use of Funds

Personnel (partial salary reimbursement for probation officers).

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	\$1,800,000	\$1,800,000
1974	2,000,000	2,000,000
1975	2,200,000	2,200,000
1976	2,300,000	2,300,000
1977	2,500,000	2,500,000
1978	2,800,000	2,800,000

*denotes Not Available.

Probable Continuation

The prospects for continuation are excellent at approximately the same funding levels adjusted for inflation.

Administrating Agency

Juvenile Field Services
Office of the Comptroller
160 North LaSalle Street
Room 416
Chicago, Illinois 60601
Telephone: (312) 793-2970

IOWA COMMUNITY-BASED JUVENILE CORRECTIONS SUBSIDY

Citation: Iowa Appropriations Act (must be approved each legislative session)
Program Initiation: 1976

Program Objectives

To promote the development and expansion of community-based corrections programs for youth.

Factors Applied in Determining Allocation of Subsidy

The need for services, local community support, and utilization of federal funds.

Administrative Requirements for Funding Eligibility

A private agency or local unit of government submits a grant request, including documentation of need and local support, to the Bureau of Children's Services. Agencies receiving funds are monitored for compliance with state regulations.

Local Agencies Eligible to Apply for Funds

Any local unit of government or private agency is eligible.

Number of Participating Agencies

Nine private agencies.

Types of Services Provided

Counseling, emergency shelter care, group homes, and independent living.

Restrictions on Use of Funds

Personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1976	*	*
1977	\$160,000	\$ 90,000
1978	160,000	160,000

*denotes Not Available.

Probable Continuation

Prospects are good for the state to continue the program at slightly higher levels of support.

Administrating Agency

Bureau of Children's Services
Division of Community Programs
Department of Social Services
Hoover Building
Des Moines, Iowa 50319
Telephone: (515) 281-5521

KANSAS COMMUNITY-BASED BOARDING HOMES SUBSIDY

Citation: Kansas Statutes Annotated, Section 39-1301
Program Initiation: 1974

Program Objectives

To prevent juvenile delinquency through the development of community-based programs.

Factors Applied in Determining Allocation of Subsidy

Grant applications are filed with and reviewed by a committee of the Department of Social and Rehabilitative Services (SRS). Applications are judged on whether goals address the priorities set by the state agency.

Administrative Requirements for Funding Eligibility

A request for proposal is sent from SRS' central office. Grants are made on the basis of adherence to the request, the reasonableness of the request, and a proper level of staff salaries.

Local Agencies Eligible to Apply for Funds

Public mental health agencies and private organizations.

Number of Participating Agencies

Fifteen community mental health centers.

Types of Services Provided

Community service development and boarding homes.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Social Security Act, Title XX.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation</u>		<u>Expenditure</u>	
	<u>State</u>	<u>Federal</u>	<u>State</u>	<u>Federal</u>
1974	\$150,000	\$26,000	\$150,000	\$26,000
1975	268,000	26,000	268,000	26,000
1976	199,000	0 ^a	199,000	0 ^a
1977	177,000	41,000	177,000	41,000
1978	302,000	16,000	302,000	16,000

^aNo federal monies were expended in 1976 due to restrictions on the use of Title XX funds that year.

Probable Continuation

Program has had excellent acceptance and will continue.

Adminstrating Agency

Department of Social and Rehabilitative Services
State Office Building
Topeka, Kansas 66601
Telephone: (913) 296-3271

KANSAS COMMUNITY-BASED DELINQUENCY PREVENTION GRANTS

Citation: Kansas Statutes Annotated, Section 39-1301
Program Initiation: 1974

Program Objectives

To establish needed services, improve services, maintain minimum standards, and evaluate results of services.

Factors Applied in Determining Allocation of Subsidy

Findings of needs assessments conducted by a state agency or by special task forces or interim legislative committees are applied in determining allocations of funds.

Administrative Requirements for Funding Eligibility

Requests for proposals are issued for specific services. Grantees must meet applicable service standards, e.g., group boarding homes must meet state licensing standards.

Local Agencies Eligible to Apply for Funds

Any community-based public or private nonprofit agency (except public schools).

Number of Participating Agencies

Thirteen private and three public (i.e., community mental health centers) agencies.

Types of Services Provided

Specific delinquency prevention programs.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and construction.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Social Security Act, Title XX.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation</u>		<u>Expenditure</u>	
	<u>State</u>	<u>Federal</u>	<u>State</u>	<u>Federal</u>
1974	\$176,002	\$ 0	\$176,002	\$ 0
1975	288,698	0	288,698	0
1976	300,780	0	300,780	0
1977	220,000	0	220,000	0
1978	350,000	150,000	350,000	150,000

Probable Continuation

Prospects look good for continued funding at expanded levels of support.

Administrating Agency

Division of Children and Youth
Department of Social and Rehabilitative Services
2700 West 6th
Topeka, Kansas 66606
Telephone: (913) 296-4646

LOUISIANA PURCHASE OF SERVICES TO PREVENT INAPPROPRIATE INCARCERATION

Citation: Louisiana Revised Statutes, 15:1082
Program Initiation: 1974

Program Objectives

To provide a community-based setting for youth in need of services and to prevent inappropriate incarceration.

Factors Applied in Determining Allocation of Subsidy

Monthly payments are made to nonstate-operated institutions or agencies according to a formula based on actual cost of care, not to exceed \$21 per day for each child.

Administrative Requirements for Funding Eligibility

An itemized budget is submitted annually to the Division of Youth Services by each agency or institution desiring to participate.

Local Agencies Eligible to Apply for Funds

Any nonstate-operated agency or residential facility for delinquent youth, status offenders, or neglected children. Detention and shelter care facilities are excluded.

Number of Participating Agencies

Thirty private nonprofit agencies and two public agencies.

Types of Services Provided

Alternative living.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, construction, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1974	*	*
1975	*	*
1976	\$1,156,959	\$1,156,959
1977	1,842,663	1,842,663
1978	2,027,663	2,027,663

*denotes Not Available.

Probable Continuation

Prospects for continuation are excellent. The statute was reenacted in 1978.

Administrating Agency

Division of Youth Services
Office of Human Development
Department of Health and Human Resources
Box 44141
Baton Rouge, Louisiana 70804
Telephone: (504) 342-2644

MARYLAND PURCHASE OF SERVICES PROGRAM

Citation: Annotated Code of Maryland, Courts and Judicial Proceedings
Article, Title 3, Subtitle 8, and Article 52 A, Section 7.
Program Initiation: 1974

Program Objectives

To provide supportive services to juveniles and their families to retain the child in his natural family.

Factors Applied in Determining Allocation of Subsidy

Independent service providers are approved, placed under contract, and reimbursed according to an established fee schedule. Agencies are placed under contract and compensated according to a negotiated fee based on actual costs.

Administrative Requirements for Funding Eligibility

Budget requests are reviewed by the Secretary of the Department of Health and Mental Hygiene, the Department of Budget and Fiscal Planning, the governor, and the legislature.

Local Agencies Eligible to Apply for Funds

Private agencies and independent service providers.

Number of Participating Agencies

Not Available.

Types of Services Provided

Therapy, educational services, counseling, recreation, and support services.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1974	*	*
1975	\$441,600	\$170,888
1976	441,600	341,091
1977	384,000	384,000
1978	403,200	403,200

*denotes Not Available.

Probable Continuation

The program will undoubtedly continue at current or slightly higher levels of support.

Administrating Agency

Juvenile Services Administration
Department of Health and Mental Hygiene
201 West Preston Street
Baltimore, Maryland 21201
Telephone: (301) 383-3770

MARYLAND SHELTER CARE PROGRAM

Citation: Code of Maryland Regulations 10.08.03
Program Initiation: 1972

Program Objectives

To provide short-term residential programs to children within the jurisdiction of the courts in need of supervision and to delinquents who otherwise would be without housing.

Factors Applied in Determining Allocation of Subsidy

Need and quality of program or proposal.

Administrative Requirements for Funding Eligibility

Juvenile care facilities must be licensed by the Juvenile Services Administration.

Local Agencies Eligible to Apply for Funds

Any private nonprofit agency.

Number of Participating Agencies

Not available.

Types of Services Provided

Shelter, educational services, health services, and social work.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1972	*	\$134,907
1973	\$108,000	128,796
1974	144,000	294,717
1975	274,796	425,626
1976	442,860	594,037
1977	442,860	577,638
1978	653,350	540,046

*denotes Not Available.

Probable Continuation

The program is very well accepted as a treatment alternative and will continue.

Administrating Agency

Juvenile Services Administration
Department of Health and Mental Hygiene
201 West Preston Street
Baltimore, Maryland 21201
Telephone: (301) 383-3770

MARYLAND YOUTH DIVERSION PROJECTS SUBSIDY

Citation: Departmental Program
Program Initiation: 1971

Program Objectives

To provide the opportunity for arrested youth 10 to 18 years old to seek voluntary counseling to diminish the likelihood of their repeated delinquent behavior.

Factors Applied in Determining Allocation of Subsidy

Funding is based on a review of the program proposal/budget request, an evaluation of previous utilization of funds, the number of children served, and the incidence of delinquency.

Administrative Requirements for Funding Eligibility

A contract is negotiated between the private agency and the state. Standards are stated in the policy and procedure manual of the Juvenile Services Administration.

Local Agencies Eligible to Apply for Funds

Private agencies already in operation receive funds. No new programs are invited to apply.

Number of Participating Agencies

Five private agencies.

Types of Services Provided

Counseling, tutoring, travel, and recreation.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Law Enforcement Assistance Administration (formerly)
Federal Department of Labor Funds (formerly)
Federal Social Security Act, Title XX.

CONTINUED

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History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation</u>		<u>Expenditure</u>	
	<u>State</u>	<u>Federal^a</u>	<u>State</u>	<u>Federal</u>
1971	*	*	*	*
1972	*	*	*	*
1973	\$ 36,955	\$184,138	*	*
1974	78,693	251,276	*	*
1975	79,326	509,231	*	*
1976	88,114	793,031	*	\$793,031
1977	*	*	*	*
1978	252,852	416,912	\$252,852	416,912

*denotes Not Available.

^aIn 1971, the original diversion project was supported by funds from the U.S. Department of Labor, the state Juvenile Services Administration, and a private contribution. Federal funds from the Law Enforcement Assistance Administration (LEAA) were used from 1973-77. LEAA discontinued funding in fiscal 78. Title XX, Social Security Act, funds were added in 1978 for eligible clients.

Probable Continuation

The state will continue to fund the existing programs on a year-by-year basis.

Administrating Agency

Juvenile Services Administration,
Region VIII Office
Department of Health and Mental Hygiene
212 North Calvert Street
Baltimore, Maryland 21202
Telephone: (301) 383-6404

MARYLAND YOUTH SERVICES BUREAUS SUBSIDY

Citation: Annotated Code of Maryland, Article 52A,
sec. 5(a)
Program Initiation: 1975

Program Objectives

To develop programs for predelinquent children whose behavior would likely lead to contact with juvenile justice agencies.

Factors Applied in Determining Allocation of Subsidy

Based upon the appropriateness of the application submitted by the grantee.

Administrative Requirements for Funding Eligibility

The application must include a statement of compliance with Title VI and VII of the Civil Rights Act of 1964, Articles of Incorporation, and definitions and descriptions of services. The grantee must agree to not negotiate or obligate grant programs to control of any other governing body, and agree to not terminate or discontinue any youth service bureau without prior clearance from the Juvenile Services Administration.

Local Agencies Eligible to Apply for Funds

Any local government or agency.

Number of Participating Agencies

Eighteen units of local government (cities and counties) which subcontract with private agencies.

Types of Services Provided

Individual and group treatment, information and referral services, family counseling, crisis intervention, individual counseling, tutoring, recreation, community service development, job placement, and drug education.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Law Enforcement Assistance Administration (formerly).

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation</u> <u>State</u>	<u>Expenditure</u> <u>State</u>
1975	\$ 436,589	\$ 436,589
1976	790,493	790,493
1977	1,018,418	1,018,148
1978	1,111,332	1,111,332

Probable Continuation

Program has been moved from a supplemental budget request to a line item in the Juvenile Services Administration budget. Continuation is likely.

Administrating Agency

Juvenile Services Administration
Department of Health and Mental Hygiene
201 West Preston Street
Baltimore, Maryland 21201
Telephone: (301) 383-3770

MICHIGAN CHILD CARE FUND

Citation: Michigan Public Acts of 1955, Act 112, as amended
Program Initiation: 1955

Program Objectives

To provide total protective care to children under the jurisdiction of the juvenile court and to encourage joint planning and programming of child care services among small- and medium-size counties.

Factors Applied in Determining Allocation of Subsidy

Counties are reimbursed 50 percent of expenses incurred in providing residential services which meet guidelines established by the state Department of Social Services. Up to 20 percent of the state appropriation may also be used to reimburse counties for in-home services, and to shorten or prevent the need for foster care. Basic grants of \$10,000 to \$15,000 are available for counties with populations of less than 75,000 which are engaged in joint programming and planning.

Administrative Requirements for Funding Eligibility

A planning process must be initiated by the county board of commissioners, juvenile court judge, and director of the local department of social services. The plan is reviewed by the state Office of Children and Youth Services, which must adhere to administrative and programmatic regulations established by the state Department of Social Services. Reimbursement must be claimed monthly on a cumulative basis.

The state must pay 50 percent of county costs, as long as those costs are for reimbursable items, even when this means exceeding the legislative appropriation for the fiscal year.

Local Agencies Eligible to Apply for Funds

County boards of commissioners, on behalf of juvenile divisions of probate courts and departments of social services.

Number of Participating Agencies

All 83 counties.

Types of Services Provided

Family foster care, detention, independent living, in-home services.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

October 1, 1977-September 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	\$10,935,000	*
1972	13,696,625	*
1973	13,696,625	*
1974	13,819,017	*
1975	15,018,300	*
1976	15,018,300	\$22,681,275
1977	19,424,200	34,733,195
1978	19,262,841	37,400,232

*denotes Not Available.

Other Pertinent Information

There is some dispute of the ownership of local department of social services offices, since they bear characteristics of both state and local governments. With regard to the Child Care Fund, the local department of social services offices appear to operate as county agencies, even though salaries for local personnel are paid by state government.

Probable Continuation

The program has been in operation since 1955. The state Department of Social Services' judgment is that, with positive modifications, the prospects for continuation of the program are excellent.

Administrating Agency

Office of Children and Youth Services
Department of Social Services
112 West Allegan
Lansing, Michigan 48926
Telephone: (517) 373-7950

MINNESOTA COUNTY PROBATION REIMBURSEMENT PROGRAM

Citation: Minnesota Statutes, Chapter 698, Section 3
Program Initiation: 1959

Program Objectives

To extend probation services to all county courts in Minnesota counties under 200,000 population.

Factors Applied in Determining Allocation of Subsidy

Reimbursement of 50 percent of probation officers' salaries and fringe benefits, to be prorated if appropriation is insufficient to cover costs.

Administrative Requirements for Funding Eligibility

Eligible counties certify costs of county probation officers' salaries and fringe benefits to Department of Corrections.

Local Agencies Eligible to Apply for Funds

Probation agencies in counties.

Number of Participating Agencies

Sixty-six counties.

Types of Services Provided

Probation.

Restrictions on Use of Funds

Personnel (salaries and fringe benefits of county probation officers).

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$ 500,000	\$ 500,000
1971	525,000	525,000
1972	575,000	575,000
1973	700,000	700,000
1974	700,000	700,000
1975	770,000	770,000
1976	*	*
1977	*	*
1978	1,490,600	1,490,600

*denotes Not Available.

Probable Continuation

Program will be continued. It may eventually be superseded by the Minnesota Community Corrections Act.

Administrating Agency

Department of Corrections
430 Metro Square Building
St. Paul, Minnesota 55101
Telephone: (612) 269-7076

MINNESOTA COMMUNITY CORRECTIONS CENTERS ACT

Citation: Minnesota Statutes, Chapter 761, Section 241.31
Program Initiation: 1969

Program Objectives

To encourage the development of local alternatives to incarceration, particularly residential treatment centers, and as seed money to encourage county participation in the Community Corrections Act.

Factors Applied in Determining Allocation of Subsidy

There are no special criteria for these subsidy grants. The Department of Corrections has open-ended discretion in awarding monies. These funds are often applied to matching federal grants for the development of group homes.

Administrative Requirements for Funding Eligibility

Grants are awarded on a quarterly basis.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Not available.

Types of Services Provided

Delinquency prevention programs, residential care, and diversion.

Restrictions on Use of Funds

Operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	\$212,500	\$247,131
1975	212,500	266,561
1976	212,500	177,878
1977	212,500	212,488
1978	362,300	362,300

*denotes Not Available.

Probable Continuation

As more counties participate in the Community Corrections Act, programs funded under this subsidy will be phased out accordingly.

Administrating Agency

Department of Corrections
430 Metro Square Building
St. Paul, Minnesota 55101
Telephone: (612) 269-7076

MINNESOTA JUVENILE JUDGES' GROUP FOSTER HOME PROGRAM

Citation: Minnesota Statutes, 260.185 and 260.251
Program Initiation: 1969

Program Objectives

To stimulate the development of group homes in small communities, supplant the welfare department's role in licensing of group homes, and involve county judges in the licensing of group homes.

Factors Applied in Determining Allocation of Subsidy

The state reimburses 50 percent of county funds expended for the cost of care of a youth, not to exceed \$150 per youth per month. Costs covered by federal and other state aids, grants, and relief programs are not reimbursable.

Administrative Requirements for Funding Eligibility

Reimbursement is made on a quarterly basis for the cost of care. The probation officer assigned to the group home by the juvenile judge must submit residential statistics quarterly.

Local Agencies Eligible to Apply for Funds

Any county welfare department, not under the Community Corrections Act, that has a current agreement with the Department of Corrections to operate a juvenile judges' group foster home. Currently, participating counties are from rural areas.

Number of Participating Agencies

Fifteen counties with 25 homes and 134 beds.

Types of Services Provided

Group foster care.

Restrictions on Use of Funds

Operations and maintenance, and personnel.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	\$398,430 ^a	\$165,743
1973	398,430 ^a	217,842
1974	500,000 ^a	130,660 ^b
1975	500,000 ^a	62,648 ^b
1976	400,000 ^a	75,898
1977	*	*
1978	100,000 ^c	100,000

*denotes Not Available.

^aPortions of these appropriations were also for state-operated group homes.

^bThe decrease in expenditure from 1974 to 1975 is due to Ramsey County (St. Paul) coming under the Community Corrections Act and no longer being eligible to receive reimbursement.

^cFor purposes of tabular information, expenditure levels are used to reflect appropriation levels.

Probable Continuation

As counties join the Community Corrections Act (CCA), this subsidy will be reduced in scope accordingly. The Department of Corrections anticipates the eventual termination over the course of the next few years as the CCA expands.

Adminstrating Agency

Department of Corrections
430 Metro Square Building
St. Paul, Minnesota 55101
Telephone: (612) 269-7076

MINNESOTA REGIONAL JAIL AND DETENTION SUBSIDY ACT

Citation: Laws of Minnesota, Chapter 965, Section 3, Subdivision 12
Program Initiation: 1971

Program Objectives

To stimulate the development of regional jail and detention facilities.

Factors Applied in Determining Allocation of Subsidy

Monthly reimbursement is based upon average daily population multiplied by \$450 for adult and \$800 for juvenile facilities. Reimbursement is limited to regional facilities housing offenders from two or more counties.

Administrative Requirements for Funding Eligibility

Counties submit claims which the state reimburses on a monthly basis. Facilities must be in compliance with state standards to receive funds.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Six facilities: two juvenile detention centers and four adult jails.

Types of Services Provided

Corrections facilities and detention.

Restrictions on Use of Funds

Operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1971	*	*
1972	\$400,000	\$202,928
1973	400,000	202,928
1974	465,603	376,530
1975	465,603	376,530
1976	281,300	113,553
1977	281,300	113,553
1978	19,200	*

*denotes Not Available.

Probable Continuation

This subsidy program has been and will continue to be superseded by the Community Corrections Act (CCA) as more counties participate in CCA.

Administrating Agency

Department of Corrections
430 Metro Square Building
St. Paul, Minnesota 55101
Telephone: (612) 296-7076

MINNESOTA COMMUNITY CORRECTIONS ACT

Citation: Laws of Minnesota, Chapter 401, Sections 1 through 16
Program Initiation: 1973

Program Objectives

To transfer responsibility for corrections services for all but serious offenders to local units of government, to reduce judicial commitments to state adult penal facilities and juvenile training schools through financial assistance designed to induce the development of additional sentencing alternatives at the local level, to improve coordination among criminal justice components at the local level, and to promote the development of comprehensive corrections planning at the local level.

Factors Applied in Determining Allocation of Subsidy

The subsidy allotment is based upon an equalization formula designed to meet county corrections needs and local ability to pay. The four-part formula consists of: (1) per capita income, (2) per capita property value, (3) percentage of population six to 30 years old, and (4) per capita expenditure for corrections purposes. The first two are factored inversely, with the result being that counties with higher per capita or taxable value are eligible for less per capita subsidy than poorer counties. The latter two categories are based upon an age factor, with the ages six through 30 representing the percentage of high-risk population, and corrections purposes reflecting county expenditures for probation services. The standard score based upon these factors is then applied proportionately to the available legislative appropriations. Counties will have subtracted from the subsidy the cost of commitment for adult offenders (sentenced to five years or less) and juvenile offenders committed to state institutions. Deductions are made at a rate of \$25 a day for adults and \$45 a day for juveniles. During the first fiscal year of participation, existing state-funded services and programs available to a county are also subtracted from the subsidy eligibility amount.

Administrative Requirements for Funding Eligibility

The subsidy is awarded to counties at the beginning of the fiscal year based upon the formula eligibility. Counties are required to prepare a comprehensive plan which must be approved by the Department of Corrections for funds to be allocated. To receive the subsidy, counties must also comply with minimum standards established by the state.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Not available.

Types of Services Provided

Detention, alternative living, probation, residential care, parole, and corrections.

Restrictions on Use of Funds

Operations and maintenance, administrative costs, personnel, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1973	\$ 750,000	*
1974	750,000	*
1975	3,750,000	\$ 769,685
1976	3,750,000	769,685
1977	6,800,000	3,305,400
1978	6,800,000	3,305,400

*denotes Not Available.

^aApproximately \$6 million in unexpended funds were carried over until the next biennium.

Probable Continuation

Gradual expansion of the program is anticipated.

Administrating Agency

Department of Corrections
430 Metro Square Building
St. Paul, Minnesota 55101
Telephone: (612) 269-7076

MISSOURI CARE AND MAINTENANCE OF DELINQUENT OR DEPENDENT CHILDREN

Citation: Missouri Revised Statutes, Section 210.310

Program Initiation: 1939

Program Objectives

To reimburse appropriate governing bodies of any county for maintaining a facility for delinquent or dependent children.

Factors Applied in Determining Allocation of Subsidy

An average daily census is used to determine monthly state allocations.

Administrative Requirements for Funding Eligibility

Each facility submits bills for reimbursement with signed certificates stating the number of youth served and the number of days covered.

Local Agencies Eligible to Apply for Funds

County governments (including the City of St. Louis).

Number of Participating Agencies

Seventeen counties (City of St. Louis has two programs).

Types of Services Provided

Detention.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	\$360,000	\$404,434
1975	600,000	362,462
1976	600,000	366,318
1977	500,000	302,364
1978	500,000	351,506

*denotes Not Available.

Probable Continuation

No information provided.

Administrating Agency

Division of Budget and Planning
Office of Administration
P. O. Box 809
Jefferson City, Missouri 65102
Telephone: (314) 751-4921

MISSOURI COMMUNITY-BASED YOUTH SERVICES SUBSIDY

Citation: Missouri Revised Statutes, Section 219.041
Program Initiation: 1975

Program Objectives

To encourage the development of community-based treatment services and to reduce commitments to the Division of Youth Services.

Factors Applied in Determining Allocation of Subsidy

For fiscal 1979, a base rate or an average rate of commitment over the past five years or past two years (whichever was greater) was established for participating counties. For every juvenile not committed to the Division of Youth Services below the base rate, the county receives \$5,000.

Administrative Requirements for Funding Eligibility

The juvenile judge for the county appoints an advisory committee to determine how the subsidy will be spent and presents the program to the Division of Youth Services. Upon approval of the program by the Division of Youth Services, the county becomes eligible to receive funds.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

One county.

Types of Services Provided

Community services development, delinquency prevention, diversion, probation, and residential care.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1975	No appropriation	No appropriation
1976	No appropriation	No appropriation
1977	No appropriation	No appropriation
1978	No appropriation	\$5,625 ^a

^aIn fiscal 1979 (July 1, 1978-June 30, 1979), appropriation language was adopted which provided for excess funds to be transferred from existing program budgets into the Community-Based Youth Services Subsidy budget. In fiscal 1979, \$45,000 was transferred and \$5,625 was spent the last two months of 1978.

Probable Continuation

It is believed that a statewide comprehensive program would be well received.

Administrating Agency

Division of Youth Services
Department of Special Services
P.O. Box 447
Jefferson City, Missouri 65102
Telephone: (314) 751-3324

NEVADA JUVENILE PROBATION SUBSIDY

Citation: Nevada Revised Statutes, Chapter 213, as amended
Program Initiation: 1973

Program Objectives

To improve community-based treatment programs and probation services for juvenile offenders, to reduce unnecessary commitments to state-operated institutions, and to work toward change in institutions to more adequately meet the needs of youth.

Factors Applied in Determining Allocation of Subsidy

Monies are allocated to the judicial districts in accordance with the following formula: $[YP \times (\$3.50 + \text{CPI change})] + BG = \text{Judicial District Allotment}$.

YP = latest total Youth Population prior to budget preparation based on the Nevada Elementary and Secondary Civil Rights Survey, the State of Nevada Department of Education parochial and private school enrollment figures, and federal school enrollment figures.

CPI change = positive or negative change in the Consumer Price Index from the latest CPI report prior to budget preparation.

BG = Block Grant of \$10,000 per district, or in those districts with three or more counties per district, \$5,000 per county.

Administrative Requirements for Funding Eligibility

An application is submitted by a county official, endorsed by the district court judge and approved by the county commissioners. The application contains: the estimated number on probation, the number of staff, location of the program components, the local official responsible for the administration of the program, and a statement assuring no discrimination for race, creed, color, or national origin.

Local Agencies Eligible to Apply for Funds

State judicial districts.

Number of Participating Agencies

All state judicial districts.

Types of Services Provided

Probation, supervision, and support services.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, purchase of services, and travel.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1974	\$415,000	\$375,732
1975	470,000	455,857
1976	505,000	474,876
1977	567,000	533,378
1978	629,000	*

*denotes Not Available.

Probable Continuation

All districts have experienced positive results. The legislative recommendation from the governor's office was for no increase in funding for fiscal 1979-80 and 1980-81.

Administrating Agency

Juvenile Community Service Unit
Youth Services Agency
Department of Human Resources
250 Park Street
Reno, Nevada 89582
Telephone: (702) 784-6421

NEW YORK YOUTH DEVELOPMENT/DELINQUENCY PREVENTION SUBSIDY

Citation: Consolidated Laws of New York, Chapter 18,
Executive Law, Section 420

Program Initiation: 1946

Program Objectives

To provide support to local governments for recreation and other leisure activities, to encourage programs that address the problems of delinquent and pre-delinquent youth, and to establish county wide comprehensive planning and program development.

Factors Applied in Determining Allocation of Subsidy

The state reimburses 50 percent of expenditures up to a maximum of \$4.50 per youth in counties which prepare comprehensive plans; \$2.25 per youth in non-comprehensive plan counties.

Administrative Requirements for Funding Eligibility

Municipalities prepare an application and budget which must be reviewed and approved. Claims are submitted for reimbursement of expenditures, which are audited for conformance to approved programs.

Local Agencies Eligible to Apply for Funds

County, city, town, village; also, private service providers may operate programs under contract with municipalities.

Number of Participating Agencies

Fifty-six counties, 62 cities, 756 towns, 473 villages, and six school districts.

Types of Services Provided

Information and referral, education, employment, counseling, health, youth advocacy, special prevention services, recreation, and youth bureaus.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

April 1, 1977-March 31, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$ 7,800,000	\$ 7,300,000
1971	8,100,000	8,100,000
1972	8,100,000	9,900,000
1973	10,000,000	9,000,000
1974	11,000,000	11,300,000
1975	14,200,000	9,600,000
1976	16,100,000	14,700,000
1977	16,400,000	18,200,000 ^a
1978	16,400,000	15,000,000

^aAppropriation language allows for claims to be paid for programs operating before or after the year of appropriation.

Probable Continuation

The programs are widely accepted and continuation is probable.

Administrating Agency

New York State Division for Youth
84 Holland Avenue
Albany, New York 12208
Telephone: (518) 473-7535

NEW YORK DETENTION SERVICES PROGRAM

Citation: Consolidated Laws of New York, Chapter 18,
Executive Law, Section 530
Program Initiation: 1955

Program Objectives

To provide adequate levels of secure detention, to develop nonsecure detention in all counties, and to remove status offenders from secure detention.

Factors Applied in Determining Allocation of Subsidy

Daily rates are established from prior year's expenditure by dividing the total expenditure by the days of care provided.

Administrative Requirements for Funding Eligibility

Quarterly claims are submitted by county social services agencies; services must be in compliance with state rules and regulations.

Local Agencies Eligible to Apply for Funds

Counties and New York City.

Number of Participating Agencies

Fifty-seven counties and New York City.

Types of Services Provided

Detention.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

April 1, 1977-March 31, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	a	a
1971	a	a
1972	a	a
1973	a	a
1974	a	a
1975	a	a
1976	a	a
1977	a	a
1978	\$5,400,000 ^a	\$5,400,000 ^a

^aPrior to 1978, appropriations and expenditures were combined with the Care and Maintenance of Juveniles Subsidy. The combined appropriation for 1978 was \$10,900,000. The appropriation and expenditure history prior to 1978 is shown in the New York Care and Maintenance of Juveniles Subsidy profile.

Probable Continuation

Well established; will continue.

Administrating Agency

New York State Division for Youth
84 Holland Avenue
Albany, New York 12208
Telephone: (518) 473-7535

NEW YORK CARE AND MAINTENANCE OF JUVENILES SUBSIDY

Citation: Consolidated Laws of New York, Chapter 18,
Executive Law, Section 529
Program Initiation: 1955

Program Objectives

To share the cost of care with counties for adjudicated delinquents and status offenders placed in voluntary agencies.

Factors Applied in Determining Allocation of Subsidy

A daily rate is established by a statewide standards-of-payment system, computed on the basis of services provided. The standards-of-payment system is administered by the Department of Social Services.

Administrative Requirements for Funding Eligibility

Care must be provided by an authorized child care agency which complies with standards set by the Department of Social Services. County social services departments submit claims quarterly.

Local Agencies Eligible to Apply for Funds

Counties and New York City.

Number of Participating Agencies

Fifty-seven counties and New York City.

Types of Services Provided

Residential care.

Restrictions on Use of Funds

Purchase of services.

Budget Year

April 1, 1977-March 31, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$ 9,700,000	\$ 8,700,000
1971	13,100,000	11,300,000
1972	14,400,000	13,100,000
1973	10,800,000	10,000,000
1974	14,500,000	14,500,000
1975	13,400,000	13,400,000
1976	12,300,000	12,300,000
1977	14,600,000	14,600,000
1978	5,500,000 ^a	5,500,000

^aUntil 1978, the Care and Maintenance of Juveniles Subsidy appropriation included funds for the Detention Services Program.

Probable Continuation

Well established and probably will continue.

Administrating Agency

New York State Division for Youth
84 Holland Avenue
Albany, New York 12208
Telephone: (518) 473-7535

NEW YORK RUNAWAY AND HOMELESS YOUTH PROGRAM

Citation: Consolidated Laws of New York, Chapter 18,
Executive Law, Section 532
Program Initiation: 1978

Program Objectives

To provide state support for the development or expansion of programs to serve runaway and homeless youth and their families, and to foster coordination of services to runaway and homeless youth.

Factors Applied in Determining Allocation of Subsidy

Relative priority based on the number of runaway and homeless youth, levels of existing services, and local commitment of tax levy funding (at least 12.5 percent of program cost).

Administrative Requirements for Funding Eligibility

Funds awarded are based upon the submission of a satisfactory youth services plan for runaway and homeless youth.

Local Agencies Eligible to Apply for Funds

Fifty-seven counties and New York City.

Number of Participating Agencies

Approximately 30 counties have indicated interest, six others have had plans approved, and about 12 others are actively developing plans.

Types of Services Provided

Medical services, transportation, emergency shelter, family counseling, individual counseling, and referral for other services.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

April 1, 1977-March 31, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1978	\$750,000 ^a	*

*denotes Not Available.

^aAppropriated for fiscal 1979 (April 1, 1978-March 31, 1979).

Probable Continuation

Continuation is probable, although the level of funding is unsure.

Administrating Agency

New York State Division for Youth
84 Holland Avenue
Albany, New York 12208
Telephone: (518) 473-7535

NEW YORK SPECIAL DELINQUENCY PREVENTION PROGRAM GRANTS

Citation: Supplemental appropriation in fiscal 1978-79 budget
Program Initiation: 1978

Program Objectives

To encourage and support augmented services to youth in communities with concentrations of disadvantaged or unemployed youth, or youth with a high risk of becoming delinquent.

Factors Applied in Determining Allocation of Subsidy

Relation to high-priority needs and statewide allocation plan based on population, poverty levels (Aid to Dependent Children rates), and delinquency petitions.

Administrative Requirements for Funding Eligibility

Proposals are requested and competitively awarded.

Local Agencies Eligible to Apply for Funds

Nonprofit community organizations.

Number of Participating Agencies

One-hundred and eighty community organizations.

Types of Services Provided

Special delinquency prevention programs.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

April 1, 1978-March 31, 1979.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1978	\$5,000,000	*

*denotes Not Available.

Probable Continuation

Well received--over 900 proposals were submitted. Governor has recommended a higher level of funding for fiscal 1979.

Administrating Agency

New York State Division for Youth
84 Holland Avenue
Albany, New York 12208
Telephone: (518) 473-7535

NORTH CAROLINA COMMUNITY-BASED ALTERNATIVES
PROGRAM

Citation: Session Laws of 1975, G.S. 7A-289.13
Program Initiation: 1976

Program Objectives

To deinstitutionalize status offenders through the statewide development of locally controlled, state-funded, and community-based programs.

Factors Applied in Determining Allocation of Subsidy

There is a \$2,500 base grant for each county, with the balance of available funds distributed on a prorated amount, based on a county's ten- to 17-year-old population.

Administrative Requirements for Funding Eligibility

A local interagency task force in each county studies local needs and submits recommendations to county commissioners. Program agreements are forwarded to the Community-Based Alternatives Section of the Division of Youth Services for final review and approval. Local match of 10 percent to 30 percent is required depending upon the jurisdiction's ability to pay. Residential programs must be licensed.

Local Agencies Eligible to Apply for Funds

Local units of government, local public agencies, and local private nonprofit agencies.

Number of Participating Agencies

Ninety-seven county governments.

Types of Services Provided

Adult volunteers, counseling, school-related services, group homes, wilderness camping, recreation, youth service bureaus, emergency shelter, and specialized foster care.

Restrictions on Use of Funds

Programs must be direct-service in nature.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1976	\$ 250,000 ^a	\$206,103
1977	1,000,000	826,341
1978	2,000,000 ^b	*

*denotes Not Available.

^aNot a legislative appropriation, but resulted from reallocation of funds from the Division of Youth Services.

^bThe interim session of the 1977 General Assembly appropriated an additional \$1,000,000 for the second year of the biennium.

Probable Continuation

State funding should increase. Program acceptance is good and continuation appears very likely.

Administrating Agency

Division of Youth Services
Department of Human Resources
401 Glenwood Avenue
Raleigh, North Carolina 27603
Telephone: (919) 733-3011

OHIO PROBATION DEVELOPMENT SUBSIDY

Citation: Ohio Revised Code, Section 5139.17

Program Initiation: 1964

Program Objectives

To expand and improve the probation services within county juvenile courts.

Factors Applied in Determining Allocation of Subsidy

A maximum of 50 percent of the salary and travel expenditures of probation personnel, including the positions of probation officer, supervisor, and clerical support, are eligible for reimbursement. The Ohio Youth Commission establishes the maximum salary for each position as the basis for reimbursement. Allocation of appropriated funds is based upon requests from participating counties. The Ohio Youth Commission attempts to expend one-half of the funds in counties with populations below 400,000 and one-half in counties with populations above 400,000.

Administrative Requirements for Funding Eligibility

County governments are reimbursed quarterly, based upon reported expenditures and demonstration of compliance with standards of the Ohio Youth Commission.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Seventy-eight counties.

Types of Services Provided

Probation services.

Restrictions on Use of Funds

Personnel and travel.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$400,000	\$377,317
1971	400,000	386,330
1972	400,000	387,919
1973	500,000	451,376
1974	624,000	539,802
1975	900,000	784,569
1976	981,000	953,000
1977	982,000	960,472
1978	982,000	960,267

Probable Continuation

This subsidy will be phased out in favor of a newly proposed subsidy package.

Administrating Agency

Subsidy Unit
Community Services Division
Ohio Youth Commission
35 East Gay Street
Columbus, Ohio 43215
Telephone: (614) 466-8783

OHIO JUVENILE REHABILITATION FACILITIES CONSTRUCTION SUBSIDY

Citation: Ohio Revised Code, Section 4139.27
Program Initiation: 1965

Program Objectives

To promote the development of local, community-based residential treatment facilities for delinquent youth.

Factors Applied in Determining Allocation of Subsidy

Counties applying for assistance may receive up to one-half of the costs of construction or acquisition of rehabilitation facilities, not to exceed \$6,500 per bed. The facilities must be designed to accommodate no more than 150 children.

Administrative Requirements for Funding Eligibility

Facilities must comply with the standards of the Ohio Youth Commission.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Counties

None. There have been no applications.

Types of Services Provided

Rehabilitation facilities.

Restrictions on the Use of Funds

Facilities construction and acquisition.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation^a State</u>	<u>Expenditure State</u>
1970-78	None	None

^aFunds are appropriated as needed to meet costs for approved construction requests and are combined with the Ohio Facility Maintenance Subsidy.

Probable Continuation

Likely to continue to be available.

Administrating Agency

Subsidy Unit
Community Services Division
Ohio Youth Commission
35 East Gay Street
Columbus, Ohio 43215
Telephone: (614) 466-8783

OHIO DISTRICT DETENTION/REHABILITATION
FACILITY MAINTENANCE SUBSIDY

Citation: Ohio Revised Code, Section 2151.652
Program Initiation: 1967

Program Objectives

To operate and maintain training and rehabilitation facilities and local and district detention facilities for adjudicated delinquent and unruly youth.

Factors Applied in Determining Allocation of Subsidy

Rehabilitation programs operating in approved facilities and meeting program standards may be reimbursed by the Ohio Youth Commission at a rate of \$200 per month per occupied bed, for either single or multicounty facilities. Approved detention (single county or district) programs may receive a maximum of \$100,000 per annum or one-half of the annual operating expenses, whichever is less.

Administrative Requirements for Funding Eligibility

Operational costs are reimbursed quarterly on the basis of reports filed. Receipt of reimbursement for operating expenses is contingent upon full compliance with standards established by the Ohio Youth Commission.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Rehabilitation units in 16 counties and district detention in 21 counties.

Types of Services Provided

Rehabilitative services, individual counseling, recreation, academic and vocational programs, and work program.

Restrictions on Use of Funds

Operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$ 3,300	\$ 3,300
1971	18,700	18,700
1972	21,380	21,380
1973	39,602	39,602
1974	90,108	90,108
1975	129,270	129,270
1976	232,478	232,478
1977	2,148,696	2,148,696
1978	1,743,829	1,743,829

Probable Continuation

Program acceptance is good.

Administrating Agency

Subsidy Unit
Community Services Division
Ohio Youth Commission
35 East Gay Street
Columbus, Ohio 43215
Telephone: (614) 466-8783

OHIO JUVENILE LAW ENFORCEMENT SUBSIDY

Citation: Ohio Revised Code, Section 5139.33
Program Initiation: 1967

Program Objectives

To provide financial assistance to municipal and county law enforcement agencies to increase the number of officers trained to deal with juveniles.

Factors Applied in Determining Allocation of Subsidy

Up to 50 percent of the salaries of juvenile officers (not to exceed \$3,500 for each officer annually) is reimbursed to participating counties.

Administrative Requirements for Funding Eligibility

Municipal or county governments applying for state aid file a plan and an estimate of costs for juvenile services for the fiscal year. At the end of each quarter, municipal or county governments submit a verified accounting of juvenile enforcement services expenditures and other statistical information required by the Ohio Youth Commission. Participating law enforcement agencies must comply with standards of the Ohio Youth Commission.

Local Agencies Eligible to Apply for Funds

County and municipal governments.

Number of Participating Agencies

Seventy law enforcement agencies in 34 counties.

Types of Services Provided

Juvenile officer services and in-service training.

Restrictions on Use of Funds

Personnel, training, and travel.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	*	*
1975	*	*
1976	\$262,300	\$253,017
1977	262,300	281,641
1978	262,300	267,300

*denotes Not Available.

Probable Continuation

Scheduled to terminate in favor of a new comprehensive subsidy program.

Administrating Agency

Subsidy Unit
Community Services Division
Ohio Youth Commission
35 East Gay Street
Columbus, Ohio 43215
Telephone: (614) 466-8783

OHIO COUNTY FOSTER CARE SUBSIDY

Citation: Ohio Revised Code, Section 5139.37
Program Initiation: 1967

Program Objectives

To provide county assistance to maintain adjudicated delinquent youth in foster care setting.

Factors Applied in Determining Allocation of Subsidy

Subsidy reimbursement is made for three-fourths of the daily foster care rate paid by the court, up to a maximum of \$15 reimbursement per youth per day. Because the appropriation made to this program by the legislature is insufficient to provide reimbursement to counties for all delinquent youth placed in foster care by the juvenile court, each county is assured an allocation level based on total county population.

Administrative Requirements for Funding Eligibility

Requests are based on projected needs. Foster homes must meet standards of the Ohio Youth Commission. Individual courts must ensure compliance with all rules, regulations, and standards.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Thirty-eight counties.

Types of Services Provided

Foster care placements.

Restrictions on Use of Funds

Purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$146,000	\$ 76,909
1971	125,000	87,716
1972	125,000	110,472
1973	200,750	133,443
1974	332,160	226,077
1975	500,000	422,718
1976	588,000	513,237
1977	582,800	564,366
1978	582,800	549,340

Probable Continuation

This subsidy will be phased out in favor of a new comprehensive subsidy.

Administrating Agency

Subsidy Unit
Community Services Division
Ohio Youth Commission
35 East Gay Street
Columbus, Ohio 43215
Telephone: (614) 466-8783

OHIO DISTRICT DETENTION CONSTRUCTION SUBSIDY

Citation: Ohio Revised Code, Section 5139.271
Program Initiation: 1970

Program Objectives

To construct district detention facilities for youth.

Factors Applied in Determining Allocation of Subsidy

The construction portion of the detention subsidy is available only to those counties joining in the development of district detention facilities. The aggregate population of the participating counties must total 100,000 or more, as determined by the most recent census. Construction funds may be utilized for the construction of new facilities or the acquisition, remodeling, and initial equipping of existing structures. Eligibility for receipt of financial grants for construction is dependent upon the facility's compliance with specific building construction standards. Funds provided by the Ohio Youth Commission may be up to one-half of the participating counties' share of the cost of construction or acquisition of the facility, with a \$3,000 per bed maximum.

Administrative Requirements for Funding Eligibility

The Ohio Youth Commission reviews the application submitted by the appointed district board of trustees of the detention facility. The Ohio Youth Commission reviews architectural plans, costs, and the proposed program. The total number of beds in any one facility may not exceed 150 and must meet state construction and program standards.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Six counties.

Types of Services Provided

Detention facilities.

Restrictions on Use of Funds

Construction and acquisition of facilities.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation^a</u> <u>State</u>	<u>Expenditure</u> <u>State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	*	\$279,122
1975	*	390,000
1976	*	0
1977	*	0
1978	*	0

*denotes Not Available.

^aThere is no specific capital improvements budget, and needed funds are reallocated from total subsidy appropriation.

Probable Continuation

Few counties are able to participate, but subsidy is expected to continue.

Administrating Agency

Subsidy Unit
Community Services Division
Ohio Youth Commission
35 East Gay Street
Columbus, Ohio 43215
Telephone: (614) 466-8783

OREGON JUVENILE COURT SUBSIDY

Citation: Oregon Revised Statutes, Chapter 423, Section 310
Program Initiation: 1969

Program Objectives

To reduce institutional populations by providing resources to communities for dealing with the more difficult behavioral problems of delinquents.

Factors Applied in Determining Allocation of Subsidy

A state advisory committee develops guidelines. Counties may submit plans which are assessed against the guidelines and available dollars. There are financial allocation criteria based primarily on demographic factors. The state pays 70 percent of costs of an approved plan as a reimbursement.

Administrative Requirements for Funding Eligibility

The state reimburses the county for 70 percent of the cost of implementing the approved plan.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Twenty-nine counties.

Types of Services Provided

Volunteer coordinators, training, foster care, and psychological services.

Restrictions on Use of Funds

Personnel, operations, and direct care costs.

Budget Year

July 1, 1977-June 30, 1978

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$300,000	\$286,091
1971	302,500	335,876
1972	302,500	195,993
1973	281,039	231,012
1974	281,039	238,362
1975	305,637	356,992
1976	305,637	224,408
1977	331,560	313,787
1978	331,560	*

*denotes Not Available.

Probable Continuation

Program continuation and gradual expansion is expected.

Adminstrating Agency

Children's Services Division
Department of Human Resources
198 Commercial Street, SE
Salem, Oregon 97310
Telephone: (503) 378-5303

PENNSYLVANIA GRANTS FOR THE IMPROVEMENT
OF JUVENILE PROBATION SERVICES

Citation: Pennsylvania Code, P.L. 177
Program Initiation: 1962

Program Objectives

To assist in developing, strengthening, and extending essential juvenile probation services to children.

Factors Applied in Determining Allocation of Subsidy

Funds under this program are granted according to an established formula and must be used in addition to county funds to provide increased and improved services. The formula is based on the percentage increase in juvenile probation staff in each county from 1961 until the current year. At least 3.5 percent of the county's total grant must be set aside for training, unless the county has developed its own training program.

Administrative Requirements for Funding Eligibility

Application is made to the Juvenile Court Judges' Commission which reviews the application and certifies that the county's plan for use of grant funds conforms to the standards. Payment of the grant is made after approval of the application by the Department of Justice.

Local Agencies Eligible to Apply for Funds

County juvenile courts.

Number of Participating Agencies

Sixty-one counties.

Types of Services Provided

Probation.

Restrictions on Use of Funds

Personnel.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$ 720,000	\$ 687,569
1971	720,000	685,537
1972	720,000	702,699
1973	1,320,000	1,255,919
1974	1,320,000	1,313,345
1975	1,320,000	1,232,108
1976	1,452,000	1,430,449
1977	1,568,000	1,490,698
1978	1,452,000	1,499,902

Other Pertinent Information

The Department of Public Welfare administered the subsidy from 1962-68.

Probable Continuation

Program has been well received and will probably continue.

Administrating Agency

Juvenile Court Judges' Commission
Strawberry Square
P.O. Box 1234
Harrisburg, Pennsylvania 17108
Telephone: (717) 787-6910

SOUTH CAROLINA PURCHASE OF SERVICES PROGRAM

Citation: Departmental Program
Program Initiation: 1973

Program Objectives

To secure diagnostic, medical, psychological, and psychiatric examinations, and tutorial services for predelinquent and delinquent children.

Factors Applied in Determining Allocation of Subsidy

Availability, cost, and quality of services are considered. Services are purchased according to a standardized fee schedule or through negotiation of payment that represents reasonable and allowable costs based on services available.

Administrative Requirements for Funding Eligibility

Participants must meet guidelines as outlined in the Treatment Procedures and Policy Manual.

Local Agencies Eligible to Apply for Funds

Any public or private nonprofit agency.

Number of Participating Agencies

Not available.

Types of Services Provided

Diagnostic and evaluation services, and educational services.

Restrictions of Use of Funds

Purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State^a</u>	<u>Expenditure State</u>
1973	*	*
1974	\$ 19,160	\$ 19,160
1975	62,606	62,606
1976	119,861	119,861
1977	66,886 ^b	66,886
1978	25,546 ^b	25,546

*denotes Not Available.

^aFor purposes of tabular information, expenditure levels are used to reflect appropriation levels.

^bRecent changes in the definition of purchase of services has resulted in what appears to be a decrease in funding. However, prior to 1978, the figures were inflated due to various programs being considered as part of purchases of services. These programs are now funded under separate titles which accounts for the apparent decrease in funding.

Probable Continuation

The program will definitely continue. It is widely accepted and appreciated in the communities it serves.

Administrating Agency

Department of Youth Services
P.O. Box 21487
Columbia, South Carolina 29221
Telephone: (803) 758-6251

SOUTH CAROLINA COMMUNITY CAMPING PROGRAM

Citation: Departmental Program
Program Initiation: 1975

Program Objectives

To secure recreational outlets for troubled children throughout the state.

Factors Applied in Determining Allocation of Subsidy

Availability, cost, and quality of services are considered when contracts are negotiated, based on the services available and the program's established cost per child.

Administrative Requirements for Funding Eligibility

The contract specifying the number of children to be served and the services to be provided must be met.

Local Agencies Eligible to Apply for Funds

Any public or private nonprofit agency.

Number of Participating Agencies

Not available.

Types of Services Provided

Recreation.

Restrictions on Use of Funds

Purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation^a State</u>	<u>Expenditure State</u>
1975	\$ 1,740	\$ 1,740
1976	8,593	8,593
1977	6,729	6,729
1978	10,768	10,768

^aFor purposes of tabular information, expenditure levels are used to reflect appropriation levels.

Probable Continuation

Program is very well accepted and will continue to be funded.

Administrating Agency

Department of Youth Services
P.O. Box 21487
Columbia, South Carolina 29221
Telephone: (803) 758-6251

SOUTH CAROLINA ORANGEBURG PARTNERS' PROGRAM

Citation: Departmental Program
Program Initiation: 1975, federally funded;
1977, state assumed program costs.

Program Objectives

To provide counseling, referral, and recreation programs to troubled youth in Orangeburg County.

Factors Applied in Determining Allocation of Subsidy

There is no formula for allocating funds. A contract is developed which identifies the minimum number of children to be served and outlines the services to be provided.

Administrative Requirements for Funding Eligibility

The contract specifying the number of children to be served and the services to be provided must be met.

Local Agencies Eligible to Apply for Funds

Orangeburg Partners' Program (local private nonprofit agency).

Number of Participating Agencies

One private nonprofit agency.

Types of Services Provided

Specific delinquency prevention programs, information and referral services, individual and group treatment, and recreation.

Restrictions on Use of Funds

Administrative costs, personnel, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Juvenile Justice and Delinquency Prevention Act.

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State ^b	Federal ^a	State	Federal ^a
1975	\$ 0	\$18,000	\$ 0	\$18,000
1976	0	20,000	0	20,000
1977	5,000	20,000	5,000	20,000
1978	25,000	0	25,000	0

^aThe federal amounts for 1975-77 are estimated, based upon projected program costs.

^bFor purposes of tabular information, expenditure levels are used to reflect appropriation levels.

Probable Continuation

Highly accepted program which will continue to be funded.

Administrating Agency

Department of Youth Services
P.O. Box 21487
Columbia, South Carolina 29221
Telephone: (803) 758-6251

SOUTH DAKOTA ALTERNATIVE CARE PROGRAM

Citation: South Dakota Compiled Laws Annotated, 26-8-40.1
Program Initiation: 1974

Program Objectives

To provide alternative care in foster homes and group care for adjudicated delinquents and children in need of supervision.

Factors Applied in Determining Allocation of Subsidy

A daily rate is set for each facility by the Department of Social Services. Reimbursement varies in terms of reasonable and allowable costs according to the services provided by each facility.

Administrative Requirements for Funding Eligibility

A local court orders placement in foster or group homes. The Court Services Department makes payment to the homes.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

Sixty-four counties.

Types of Services Provided

Group and foster care.

Restrictions on Use of Funds

Purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Social Security Act, Title IV-A.
Federal Social Security Act, Title XX (formerly).

History of Appropriations and Expenditures

Year	Appropriation		Expenditure	
	State	Federal ^a	State	Federal
1974	*	\$ 0	*	\$ 0
1975	*	0	*	0
1976	*	0	*	0
1977	*	0	*	0
1978	\$672,000	94,345	602,640	94,345 ^b

*denotes Not Available.

^aFor purposes of tabular information, expenditure levels are used to reflect allocation levels.

^b\$79,945 of Title XX funds were included, but not available after October 1, 1978.

Probable Continuation

The program will continue as an alternative to commitment to state training schools and inadequate home situations.

Administrating Agency

Court Services Department
South Dakota Supreme Court
State Capitol Building
Pierre, South Dakota 57501
Telephone: (605) 773-3474

TEXAS COMMUNITY ASSISTANCE PROGRAM

Citation: Vernons Civil Statutes,
Section 6, Article 5143 D.
Program Initiation: 1976

Program Objectives

To reduce the number of commitments to state institutions by (1) providing supplemental assistance to county probation departments, (2) increasing the resources for community alternatives for placements, and (3) facilitating working agreements between county probation departments and private sector agencies.

Factors Applied in Determining Allocation of Subsidy

The county enters into a negotiated performance-based contract with the state. For each reduction in commitments below a determined base rate, the county receives \$4,500 annually.

Administrative Requirements for Funding Eligibility

All applicants are accepted into the Community Assistance Program. County participation is limited only by state budgetary constraints.

Local Agencies Eligible to Apply for Funds

County governments apply individually or by judicial districts.

Number of Participating Agencies

Seventy-nine counties.

Types of Services Provided

Residential care and probation.

Restrictions on Use of Funds

Personnel and operations and maintenance.

Budget Year

September 1, 1977-August 31, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1976	\$1,500,000	*
1977	700,000	*
1978	1,800,000	\$1,600,000

*denotes Not Available.

Probable Continuation

Participation will increase in fiscal 1979 to include approximately 90 counties. Funding will be approximately \$2,600,000. Funding for fiscal 1980-81 biennium by state legislature is very likely. Participating counties include most major metropolitan counties.

Administrating Agency

Community Assistance Program
Texas Youth Council
P.O. Box 9999
Austin, Texas 78766
Telephone: (512) 452-8111

UTAH JUVENILE DETENTION SERVICES SUBSIDY

Citation: Utah Code Annotated, as amended, Section 55-11a-5
Program Initiation: 1961

Program Objectives

To assist counties in the development, operation, and maintenance of juvenile detention or holdover facilities which meet or exceed minimum state standards for care of detained youth.

Factors Applied in Determining Allocation of Subsidy

Counties bill the state directly for at least 50 percent of the net cost of operation and maintenance, or the cost of construction. The total amount of reimbursement is determined by legislative appropriation.

Administrative Requirements for Funding Eligibility

In order to receive funds, counties must have facilities which meet minimum detention standards and have a current license. A specific work plan for the fiscal year must have prior approval by the Division of Family Services.

Local Agencies Eligible to Apply for Funds

County governments. Several counties may operate a regional, district, or multicounty detention facility.

Number of Participating Agencies

Twenty-nine counties. There are three full-service detention centers and four holdover facilities (which house children for not more than 48 hours). Counties with no facilities may contract with those counties operating a detention center or holdover facility.

Types of Services Provided

Detention services.

Restrictions on Use of Funds

Administration, personnel, operations and maintenance, travel, and construction.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	*	*
1975	*	*
1976	*	*
1977	\$450,000	\$362,000
1978	450,000 ^a	450,000

*denotes Not Available.

^aFor fiscal 1979, the Division of Family Services added \$50,000 to the state legislature's appropriation.

Probable Continuation

The concept of a detention subsidy has been well accepted; however, counties were displeased because the state had been paying less than 50 percent of the net costs. As a consequence, counties succeeded in having legislation passed requiring the state to pay at least 50 percent of costs, and prospects for continuation appear favorable.

Administrating Agency

Division of Family Services
Department of Social Services
Room 370
150 West North Temple
Salt Lake City, Utah 84110
Telephone: (801) 533-7110

UTAH YOUTH SERVICES/YOUTH CRISIS INTERVENTION PROGRAM

Citation: 1977 House Bill 340, Utah Code Annotated, 1953, as amended.
Program Initiation: 1977

Program Objectives

To provide primary services to runaway and ungovernable youth and their parents and to divert youth from unnecessary law enforcement, detention, and juvenile court involvement.

Factors Applied in Determining Allocation of Subsidy

The state negotiates with the county for an amount based upon a needs assessment and the ability of the county to provide services. Total amount is determined by legislative appropriation for the program.

Administrative Requirements for Funding Eligibility

Legislation allows state to contract with counties to provide services. County programs must meet state standards.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

One: Salt Lake County.

Types of Services Provided

Crisis intervention, diagnostic services and evaluation, emergency shelter, and family counseling.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1977	\$ 88,000	\$ 88,000
1978	94,000	94,200

Probable Continuation

The program has a very good chance for continuation. Through the present arrangement, more can be accomplished than by having the state operate the program alone.

Administrating Agency

Division of Family Services
Department of Social Services
Room 370
150 West North Temple
Salt Lake City, Utah 84110
Telephone: (801) 533-7110

VIRGINIA RESIDENTIAL CARE SUBSIDY

Citation: Code of Virginia, Chapter 11, Section 16.1-310
Program Initiation: 1950, predisposition detention facilities;
1968, expanded to include postdispositional
group homes

Program Objectives

To provide juveniles with a positive residential setting for individual treatment and to enhance the juveniles' abilities to function within the community.

Factors Applied in Determining Allocation of Subsidy

This subsidy program consists of five components, each with different reimbursement formulas. (1) Renovation and construction: the state pays one-half of local costs at any one time over a period of three years. The facility must be available for use over a 10-year period by three or more cities or counties or any combination thereof. (2) Personnel: in accordance with established standards, the state reimburses two-thirds of total personnel expenditures for employees operating or maintaining detention, group homes, or residential facilities. (3) Travel: in accordance with established standards, the state reimburses 100 percent of total travel expenditures. (4) Equipment: 100 percent of the total of all reasonable expenditures for operational equipment. (5) Operation: 100 percent of the total of all reasonable expenditures are reimbursed, including telephone, medical, utilities, garbage collection, repair, laundry, hospitalization, and laboratories. Only facilities or programs serving delinquents or alleged delinquents are eligible for reimbursement. Secure detention facilities are not funded for postdispositional use because treatment placements are prohibited by law in these facilities.

Administrative Requirements for Funding Eligibility

A budget is submitted to the Department of Corrections for review and approval by the Board of Corrections. All conditions set forth by the minimum standards and Code of Virginia must be met to receive funds.

Local Agencies Eligible to Apply for Funds

All local governments.

Number of Participating Agencies

Fifty local governments.

Types of Services Provided

Residential care.

Restrictions on Use of Funds

Personnel, operations and maintenance, travel, and construction.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	*	*
1975	\$3,200,000	\$3,753,769
1976	3,700,000	4,513,104
1977	7,993,389	5,315,388
1978	9,298,141	5,202,580

*denotes Not Available.

Probable Continuation

Program acceptance is good and subsidy is likely to be continued.

Administrating Agency

Department of Corrections
4615 West Broad Street
Richmond, Virginia 23225
Telephone: (804) 257-6164

VIRGINIA COURT SERVICES SUBSIDY

Citation: Code of Virginia, Chapter 11, Section 16.1-238
Program Initiation: 1952

Program Objectives

To financially assist localities providing locally administered probation and related services.

Factors Applied in Determining Allocation of Subsidy

Based upon the availability of funds, localities are reimbursed 50 percent of personal services and travel expenses incurred by services units of the Juvenile and Domestic Relations Court, provided minimum standards are met.

Administrative Requirements for Funding Eligibility

Budgets are submitted to the Department of Corrections for review and approval by the Board of Corrections. All conditions set forth by the minimum standards and Code of Virginia must be met to receive funds.

Local Agencies Eligible to Apply for Funds

Court services units.

Number of Participating Agencies

Thirteen court services units.

Types of Services Provided

Juvenile court services and probation.

Restrictions on Use of Funds

Personnel and travel expenses.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	\$1,904,740	\$2,222,578
1975	705,855	1,519,887
1976	1,485,445	2,125,306
1977	2,054,068	1,953,451
1978	2,353,976	2,419,650

*denotes Not Available.

Probable Continuation

This program will continue unless the Code of Virginia is revised to discontinue reimbursements or should funds not be appropriated for this purpose.

Administrating Agency

Department of Corrections
4615 West Broad Street
Richmond, Virginia 23225
Telephone: (804) 257-6164

WASHINGTON PROBATION SUBSIDY

Citation: Revised Code of Washington, Section 13.06
Program Initiation: 1970

Program Objectives

To provide services to delinquent youth in the local community, in lieu of institutionalization.

Factors Applied in Determing Allocation of Subsidy

At the initiation of the program, to earn reimbursement, counties were required to reduce commitments to institutions. Since then, the subsidy formula has been altered to allocate \$5,000 per reduction or reimbursement for actual costs incurred in providing services, whichever is less. Counties must also provide services to five youth for each reduction in commitment. The amount of payment cannot exceed the contract amount.

Administrative Requirements for Funding Eligibility

Counties must go through a planning process at the local level. Application is made by appropriate county officials designated by the county commissioners, who must approve the local plan.

Local Agencies Eligible to Apply for Funds

Administrative boards of the counties, generally the county commissioners, administer the program through the juvenile court.

Number of Participating Agenices

Thirty-two counties.

Types of Services Provided

Job placement, foster care, and group homes.

Restrictions on Use of Funds

Personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State^a</u>	<u>Expenditure State</u>
1970	*	*
1971	\$ 700,000	\$ 700,000
1972	900,000	900,000
1973	1,200,000	1,200,000
1974	1,800,000	1,800,000
1975	2,380,000	2,380,000
1976	1,800,000	1,800,000
1977	2,100,000	2,100,000
1978	2,600,000	2,600,000

*denotes Not Available.

^aFor purposes of tabular information, expenditure levels are used to reflect appropriation levels.

Other Pertinent Information

The Division of Juvenile Rehabilitation is moving to combine all contracted services into one award, rather than several grants.

Probable Continuation

Program will probably continue through 1979-81 biennium although problems have developed with the funding formula and categorical funding.

Administrating Agency

Division of Juvenile Rehabilitation
Department of Social and Health Services
Office Building 42J
Olympia, Washington 98504
Telephone: (206) 753-3268

WASHINGTON REFERENDUM 29--DETENTION PROGRAM

Citation: Revised Code of Washington, Section 43.83-D
Program Initiation: 1972

Program Objectives

To establish a capital funding source to develop a system of regional and community health and social service facilities throughout the state.

Factors Applied in Determining Allocation of Subsidy

Application for state matching funds for projects requires conformance with a comprehensive facilities plan developed through a planning process initiated by the Department of Social and Health Services (DSHS). A prioritized facilities plan must be compiled and updated annually. Priorities are set in terms of feasibility, appropriateness, acceptability, adequacy, and demonstrated need. The second major requisite is that applicants must obtain federal or other matching funds prior to approval of an application for Referendum 29 funding to maximize utilization of available federal funds for matching programs.

Administrative Requirements for Funding Eligibility

Funds are allocated among the six DSHS regions on the basis of population and based on the number of feasible projects submitted from the region in that year. Over the life of the program, total funds available for projects are disbursed to the regions in proportion to the percentage of total state population within regional boundaries.

Local Agencies Eligible to Apply for Funds

Eligibility for this funding program is limited to public bodies defined by the law as "the State of Washington, or any agency, political subdivision, taxing district, or municipal corporation thereof, and those Indian Tribes, now or hereafter recognized as such by the federal government for participation in the federal land and water conservation program and which may constitutionally receive grants or loans from the State of Washington."

Number of Participating Agencies

There were approximately 70 public bodies participating in the program at the end of 1978.

Types of Services Provided

Capital funding for corrections, detention, child welfare, social services, mental health services, public health services, substance abuse treatment and prevention, vocational rehabilitation, and rehabilitative services.

Restrictions on Use of Funds

Construction, including planning, land acquisition, and improvement of existing eligible facilities.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general obligation bonds.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1972	\$25,000,000 ^a	b
1973	a	b
1974	a	b
1975	a	b
1976	a	b
1977	a	b
1978	a	b

^aIn 1972, \$25 million from a voter-approved sale of bonds was deposited into a state and local improvements revolving account of the general fund to be administered by DSHS, subject to legislative appropriation. The legislature appropriated the entire amount.

^bExpenditure levels will vary annually during the life of the program. At the end of 1978, \$19 million of the \$25 million bond issue had been expended. Services to adults may be included.

Probable Continuation

The program's funding is based upon the life of the \$25 million state and local improvements revolving account. The program has been extremely well received, and there is a continuation bill before the current session of the Washington legislature to provide another \$25 million in state bonds for community facilities.

Administrating Agency

Referendum 29 Section
Division of Analysis and Information
Department of Social and Health Services
Mail Stop 32J
Olympia, Washington 98504
Telephone: (206) 753-0356

WISCONSIN SHELTER CARE LICENSING/REIMBURSEMENT PROGRAM

Citation: Wisconsin Statutes, Section 48.31(4).

Program Initiation: 1977

Program Objectives

To provide short-term, nonsecure holding of children pending court action.

Factors Applied in Determining Allocation of Subsidy

A county is reimbursed for 50 percent of the cost of care per child. Reimbursement is limited to the first 20 days of care per admission, not to exceed \$15 per day. Application for reimbursement is submitted to the Bureau of Children, Youth and Families.

Administrative Requirements for Funding Eligibility

To be eligible, the county must apply to the Bureau of Children, Youth and Families. Applicants are subject to the following conditions: (1) the plan must demonstrate the need for shelter care in that location, indicate the need for the number of beds proposed, outline specific methods for the reduction of the number of beds proposed as well as specific methods for the reduction of the number of children held in jail or detention; (2) the facility must be licensed by the Department of Health and Social Services; (3) the county must have a 24-hour-a-day screening service; and (4) the facility must not receive any other form of federal or state reimbursement for per capita cost of care of children in the shelter care portion of the facility's program.

Local Agencies Eligible to Apply for Funds

County governments and private agencies.

Number of Participating Agencies

Eight counties.

Types of Services Provided

Shelter care.

Restrictions on Use of Funds

Personnel and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1977	*	*
1978	\$633,000	\$114,000 ^a

*denotes Not Available.

^aExpenditures for fiscal 1978 are for those reported through March 7, 1979.

Probable Continuation

Not given.

Administrating Agency

Bureau of Children, Youth and Families
Division of Community Services
Department of Health and Social Services
Room 570
1 West Wilson Street
Madison, Wisconsin 53702
Telephone: (608) 266-2208

**Child
Welfare**

CHILD WELFARE SUBSIDIES

In the preliminary survey, 25 states reported having some type of public welfare funding for delinquency prevention services. However, seven of these states were not able to estimate the amount of assistance expended for services to youth. Another 12 of these states had fiscal arrangements which did not meet the study's criteria because of at least one of the following:

- (1) Local services were administered by a state rather than local agency.
- (2) Clients were considered to be under the custody of a state rather than local agency.
- (3) The services funded had no nexus to the study's definitions or to the juvenile justice system.
- (4) The funds supported technical assistance to staff rather than direct services to clients.

Finally, 22 states reported having no state child welfare subsidies, and three states did not respond to the request for information. Consequently, only six state child welfare subsidies in six states have been included in this report. These subsidies, in Connecticut, Delaware, Iowa, New York, Pennsylvania, and South Carolina, support such services as adoption, day care, foster and shelter care, group homes, counseling, tutoring and social development.

Objectives of State Child Welfare Subsidies

Iowa is attempting to establish alternatives to foster care through funds which support services delivered in the home to assist families to remain together. This, too, is a primary objective of the New York Child Welfare Services Subsidy. The Delaware subsidy was developed to continue programs for the deinstitutionalization of status offenders previously funded under a federal grant.

State subsidies in this area not only reflect support of traditional child welfare services (protection and amelioration of poverty), but they also encourage administrative changes, such as increased citizens' involvement as in Pennsylvania, research and development as in New York, and adherence to state standards in general.

Types of Services Funded by State Child Welfare Subsidies

The scope of child welfare services, for the purpose of this study, included social services provided for children 10 to 18 years old, excluding those directed toward only youth with developmental, physical, or learning disabilities. The most commonly subsidized child welfare services were alternative living arrangements, family counseling, protective services, crisis intervention, in-home services, supportive services, emergency shelter, day treatment, residential care, and community services development. New York was the only state to report a subsidy which permitted child welfare research and demonstration projects directed toward improving methods of social services delivery. Table B shows the array of child welfare services supported by state subsidies.

TABLE B: SERVICES FOR JUVENILE DELINQUENCY PREVENTION AND CONTROL FUNDED BY STATE CHILD WELFARE SUBSIDIES

Service Type (as defined by state agencies)	State
Adoptions	New York
Crisis Intervention	Delaware, Iowa
Day Care	New York
Day Treatment	New York, Pennsylvania
Employment	Connecticut
Family Counseling	Delaware, Iowa
Foster Care	New York, Pennsylvania
Group Homes	Pennsylvania, South Carolina
In-Home Services	Iowa, Pennsylvania
Preventive Services	New York
Protective Services	New York
Recreation	Connecticut
Research and Demonstration	New York

TABLE B. (Continued)

Service Type (as defined by state agencies)	State
Residential Care	Pennsylvania
Shelter Care	New York, Pennsylvania
Social Development	Connecticut
Support Services	Delaware, Iowa
Tutoring	Connecticut
Youth Service Bureaus	Pennsylvania

Level of Financial Support for State Child Welfare Subsidies

State appropriations, and the corresponding youth per capita amounts for child welfare subsidies, are given in Table 5 of Chapter 3. A significant proportion of child welfare services in Pennsylvania and New York are delivered locally and subsidized by the state. Appropriations in 1978 of \$62 million and \$36.8 million for Pennsylvania and New York, respectively, amount to \$33.53 and \$13.11 on a youth per capita basis.

Local Recipients of State Child Welfare Subsidies

While local governments are eligible, in many cases, to receive child welfare subsidies, private agencies are the predominant recipients.

Requirements to Receive Funds from State Child Welfare Subsidies

State child welfare subsidies are distributed as reimbursements, program grants, or formula grants. States generally request that proposals, contracts, grant requests, or comprehensive annual plans be submitted. Additional

information could include needs assessments, demographic or geographic data, statements of service availability, program plans, line-item budgets, evidence of local funding, and compliance with regulations or minimum standards. Once these criteria are met, allocation of state subsidies may depend upon the availability of state funds, appropriateness of the grant requests, degree of need documented, past performance of a service provided, financial levels of existing programs, and the amount requested.

In New York, units of local governments receiving subsidies are allowed to deliver only those services outlined in the state Comprehensive Annual Services Plan, which is a combination of the plan required under Title XX, Social Security Act, and county plans. In Delaware, the state subsidy is available only to those programs previously funded under a federal grant.

CONNECTICUT HUMAN RESOURCE DEVELOPMENT PROGRAM

Citation: Connecticut General Statutes, Section 8-221, Chapter 133
Program Initiation: 1967

Program Objectives

To eliminate poverty through the funding of various programs such as education, employment, and recreational/social programs.

Factors Applied in Determining Allocation of Subsidy

In the early years of the subsidy, allocations to local agencies were based on a weighted index of the number of households below the federal poverty level and the number of families receiving assistance through Aid to Families with Dependent Children (AFDC). In recent years, this method has been supplemented by evaluating individual programs, based on state agency staff reviews of program activities.

Administrative Requirements for Funding Eligibility

Grant actions are submitted 90 days prior to the start of the program budget period by the grantee to the Department of Human Resources. Each grant action contains a program plan, line-item budget, resolution of the grantee governing body, and other legal and supportive documentation. When the grant action is approved by the department, payments are made quarterly. Quarterly reports are required of the agency by the Department of Human Resources.

Local Agencies Eligible to Apply for Funds

Thirty-four community action agencies and human resource development agencies, both public and private, were eligible in fiscal 1977-78.

Number of Participating Agencies

Seventeen private nonprofit agencies.

Types of Services Provided

Employment, tutoring, recreation, and social development.

Restrictions on Use of Funds

Administrative costs, salaries, and operations and maintenance.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	\$2,055,306	\$1,747,010
1974	1,608,374	1,222,364
1975	1,816,065	1,725,261
1976	1,551,294	1,396,165
1977	1,432,692	1,432,692
1978	1,625,523	1,625,523

*denotes Not Available.

Probable Continuation

The program has received general acceptance and has been continually funded since 1967. It is considered a key program and will continue.

Administrating Agency

Department of Human Resouces
P.O. Box 786
Hartford, Connecticut 06101
Telephone: (203) 566-4143

DELAWARE PURCHASE OF SERVICES

Citation: Delaware Code, Title 31, Section 301;
Title 10, Sections 901, 921, 933, 937;
Title 11, Sections 1102, 1103
Program Initiation: 1978

Program Objectives

To provide necessary services to dependent or neglected children and their families.

Factors Applied in Determining Allocation of Subsidy

This subsidy provides for the continuation of programs previously funded under a federal grant for deinstitutionalization of status offenders. Counseling services are reimbursed according to an established hourly rate. For diagnostic and evaluation services, reimbursements are made according to a fee scale.

Administrative Requirements for Funding Eligibility

Service providers are required to submit proposals to the Division of Social Services.

Local Agencies Eligible to Apply for Funds

Local public and private agencies which have programs that were previously federally funded.

Number of Participating Agencies

Three private agencies.

Types of Services Provided

Family counseling, crisis intervention, and support services.

Restrictions on Use of Funds

Purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.
Federal Juvenile Justice and Delinquency Prevention Act (formerly).

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1978	\$57,753	*

*denotes Not Available.

Probable Continuation

Not given.

Administrating Agency

Division of Social Services
Department of Health and Social Services
P.O. Box 309
Wilmington, Delaware 19899
Telephone: (302) 421-6786

IOWA ALTERNATIVES TO FOSTER CARE SUBSIDY

Citation: Session Law for the 66th General Assembly, 1976,
Chapter 1132, Section 5, Subsection 15
Program Initiation: 1976

Program Objectives

To provide services to families in stressful situations, rather than removing the child from the home.

Factors Applied in Determining Allocation of Subsidy

Districts receive funds based on documentation of need. A unit cost for each service is agreed to when the contract is signed. This cost is updated every six months. When the service has been provided, a bill is submitted by the service provider to the local office of the Department of Social Services and forwarded to the district office for approval. Payment is made directly to the service provider.

Administrative Requirements for Funding Eligibility

Service providers: (1) must be at least 18 years of age; (2) must have appropriate training and experience; (3) must have appropriate liability coverage; (4) must have flexibility of hours; (5) must obtain a doctor's report, when appropriate; (6) may be relatives who do not live in the home of the families; (7) must keep records and make reports on services delivered; (8) must complete an Individual Services Agreement Form unless payment is made to a service agency that is reimbursed by the purchase-of-service method.

Local Agencies Eligible to Apply for Funds

Public and private service providers.

Number of Participating Agencies

There are 23 private agencies providing services in 15 of 16 social services districts.

Types of Services Provided

In-home services, family counseling, crisis intervention, and support services.

Restrictions on Use of Funds

Purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	*	*
1971	*	*
1972	*	*
1973	*	*
1974	\$1,904,740	\$2,222,578
1975	705,855	1,519,887
1976	1,485,445	2,125,306
1977	2,054,068	1,953,451
1978	2,353,976	2,419,650

*denotes Not Available.

Probable Continuation

This program will continue unless the Code of Virginia is revised to discontinue reimbursements or should funds not be appropriated for this purpose.

Administrating Agency

Department of Corrections
4615 West Broad Street
Richmond, Virginia 23225
Telephone: (804) 257-6164

WASHINGTON PROBATION SUBSIDY

Citation: Revised Code of Washington, Section 13.06
Program Initiation: 1970

Program Objectives

To provide services to delinquent youth in the local community, in lieu of institutionalization.

Factors Applied in Determining Allocation of Subsidy

At the initiation of the program, to earn reimbursement, counties were required to reduce commitments to institutions. Since then, the subsidy formula has been altered to allocate \$5,000 per reduction or reimbursement for actual costs incurred in providing services, whichever is less. Counties must also provide services to five youth for each reduction in commitment. The amount of payment cannot exceed the contract amount.

Administrative Requirements for Funding Eligibility

Counties must go through a planning process at the local level. Application is made by appropriate county officials designated by the county commissioners, who must approve the local plan.

Local Agencies Eligible to Apply for Funds

Administrative boards of the counties, generally the county commissioners, administer the program through the juvenile court.

Number of Participating Agenices

Thirty-two counties.

Types of Services Provided

Job placement, foster care, and group homes.

Restrictions on Use of Funds

Personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State^a</u>	<u>Expenditure State</u>
1970	*	*
1971	\$ 700,000	\$ 700,000
1972	900,000	900,000
1973	1,200,000	1,200,000
1974	1,800,000	1,800,000
1975	2,380,000	2,380,000
1976	1,800,000	1,800,000
1977	2,100,000	2,100,000
1978	2,600,000	2,600,000

*denotes Not Available.

^aFor purposes of tabular information, expenditure levels are used to reflect appropriation levels.

Other Pertinent Information

The Division of Juvenile Rehabilitation is moving to combine all contracted services into one award, rather than several grants.

Probable Continuation

Program will probably continue through 1979-81 biennium although problems have developed with the funding formula and categorical funding.

Administrating Agency

Division of Juvenile Rehabilitation
Department of Social and Health Services
Office Building 42J
Olympia, Washington 98504
Telephone: (206) 753-3268

WASHINGTON REFERENDUM 29--DETENTION PROGRAM

Citation: Revised Code of Washington, Section 43.83-D
Program Initiation: 1972

Program Objectives

To establish a capital funding source to develop a system of regional and community health and social service facilities throughout the state.

Factors Applied in Determining Allocation of Subsidy

Application for state matching funds for projects requires conformance with a comprehensive facilities plan developed through a planning process initiated by the Department of Social and Health Services (DSHS). A prioritized facilities plan must be compiled and updated annually. Priorities are set in terms of feasibility, appropriateness, acceptability, adequacy, and demonstrated need. The second major requisite is that applicants must obtain federal or other matching funds prior to approval of an application for Referendum 29 funding to maximize utilization of available federal funds for matching programs.

Administrative Requirements for Funding Eligibility

Funds are allocated among the six DSHS regions on the basis of population and based on the number of feasible projects submitted from the region in that year. Over the life of the program, total funds available for projects are disbursed to the regions in proportion to the percentage of total state population within regional boundaries.

Local Agencies Eligible to Apply for Funds

Eligibility for this funding program is limited to public bodies defined by the law as "the State of Washington, or any agency, political subdivision, taxing district, or municipal corporation thereof, and those Indian Tribes, now or hereafter recognized as such by the federal government for participation in the federal land and water conservation program and which may constitutionally receive grants or loans from the State of Washington."

Number of Participating Agencies

There were approximately 70 public bodies participating in the program at the end of 1978.

Types of Services Provided

Capital funding for corrections, detention, child welfare, social services, mental health services, public health services, substance abuse treatment and prevention, vocational rehabilitation, and rehabilitative services.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State^a</u>	<u>Expenditure State</u>
1976	*	*
1977	*	*
1978	\$450,000	\$450,000

*denotes Not Available.

^aFor purposes of tabular information, expenditure levels are used to reflect appropriation levels.

Probable Continuation

Continuation and growth look certain.

Administrating Agency

Foster Care Program
Bureau of Children's Services
Division of Community Programs
Department of Social Services
Hoover Building
Des Moines, Iowa 50319
Telephone: (515) 281-6802

NEW YORK CHILD WELFARE SERVICES SUBSIDY

Citation: Consolidated Laws of New York, Chapter 55
Program Initiation: 1940

Program Objectives

To strengthen the ability of families to remain together through the provision of preventive, protective, and supportive family services. To encourage stability in living arrangements, particularly to ensure the availability of permanent homes to all of the state's children. To provide high-quality specialized care for children in residential and day treatment settings consistent with the achievement of family stability and permanence. To plan, implement, and monitor federal-state grant monies provided under P.L. 93-247, Child Abuse Prevention and Treatment Act of 1974. To increase by 10 percent the number of adoptions of hard-to-place children. To develop and implement guidelines and procedures for inspection and evaluation of child care agencies and services. To implement foster care standards of payment programs.

Factors Applied in Determining Allocation of Subsidy

The state reimburses 50 percent of local expenditures for the following services: foster care, adoptions, preventive services, day services to children, protective services (over Title XX ceiling), child shelter (over Title XX ceiling), and adoption subsidy for hard-to-place and medically needy. Expenditures must fall within the county-approved Comprehensive Annual Services Plan (Title XX, Social Security Act, and county plans are combined).

Administrative Requirements for Funding Eligibility

The Department of Social Services' annual budget for services is appropriated by the legislature each year with specific allocations made subsequent to approval of the state director of the budget. Specific programs establish requirements for state reimbursement to local social service districts. Each service must be included in the comprehensive annual service plan.

Local Agencies Eligible to Apply for Funds

Fifty-six counties and New York City make up the local social service districts. Special program area subsidies may be allocated to 518 public and private agencies. Local districts may, and generally do, contract with other public and private agencies for provision of services.

Number of Participating Agencies

Fifty-seven local service districts received general Child Welfare Services subsidies. Eleven local social service districts and 24 voluntary agencies received special program area subsidies for preventive services. Eleven voluntary agencies received special program area subsidies for day services.

Types of Services Provided

Foster care, adoption, day care, protective services, shelter care, preventive services, day treatment/day services, and child welfare research and demonstration programs.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

April 1, 1977-March 31, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1970	\$106,805,000	*
1971	108,917,000	*
1972	103,540,000	*
1973	114,807,000 ^a	*
1974	112,925,000 ^a	*
1975	98,265,000 ^a	*
1976	85,477,000	*
1977	50,296,000	*
1978	36,811,000	*

*denotes Not Available.

^aSpecial daycare funds were allocated as follows: 1973--\$15,000,000; 1974--\$14,500,000; 1975--\$4,500,000. The allocation figures represent only those state funds spent for child welfare which are not used to obtain federal matching funds. Such funds were primarily used to pay for nonfederally supported foster care, adoption, protective services, and preventive services. The decline from 1970-71 to 1978-79 is due primarily to the transfer of many AFDC-FC costs to federal reimbursement.

Other Pertinent Information

In New York, all child welfare services are locally administered by county departments of social services and, in New York City, by the Human Resources Administration. The state provides regulatory, supervisory, and fiscal control, but services are provided or arranged by the local social service districts.

Probable Continuation

In 1978-79, New York rolled over preventive services state general purpose funds amounting to \$3.75 million. Appropriations were added for day services for youth (\$645,172) and alternatives to foster care (\$2.3 million). These funds were paid to local districts which had evidenced reduction in foster care population or return of children to families or adoptive placements. In 1979, the state legislature voted to restrict foster care services appropriations and to establish fiscal penalties on local districts which failed to reduce foster care expenditures or the length of stay of children in foster care. The full fiscal impact is yet to be determined, but it will reduce state expenditures in this area. At the same time, the state legislature established an incentive program to encourage expansion of preventive services programs.

Administrating Agency

Office of Deputy Commissioner, Services
Department of Social Services
40 North Pearl Street
Albany, New York 12243
Telephone: (518) 474-9635

PENNSYLVANIA STATE REIMBURSEMENT TO COUNTIES
FOR CHILD WELFARE SERVICES, ACT 148

Citation: Pennsylvania Code, P.L. 846, Number 148
(62PS, Article 7)
Initiation Date: 1978

Program Objectives

To establish a unified child welfare service delivery system to adequately fund public child welfare services. This subsidy was also designed to encourage the development of community-based programs, to establish a mechanism for citizen input into planning and implementation, and to reduce emphasis, through differential funding, on traditional forms of institutionalization of delinquent and dependent children and youth.

Factors Applied in Determining Allocation of Subsidy

Counties are reimbursed 50 to 90 percent of costs for services delivered locally. The reimbursement rate is linked to the types of services provided in the interest of creating a financial incentive for counties to offer less restrictive services, for which 75 to 90 percent of costs are absorbed by the state. Counties are charged 50 percent of the costs for institutional placements.

Administrative Requirements for Funding Eligibility

Counties must develop an annual comprehensive service plan and must establish a system for citizens' participation.

Local Agencies Eligible to Apply for Funds

County governments.

Number of Participating Agencies

All 67 counties participate.

Types of Services Provided

Foster care, shelter care, residential care, day treatment, group homes, youth services bureaus, and in-home services.

Restrictions on Use of Funds

Administrative costs, personnel, operations and maintenance, and purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State</u>	<u>Expenditure State</u>
1978	\$62,000,000	a

^aExpenditure exceeded the appropriation.

Probable Continuation

Program will continue.

Administrating Agency

Office of Children, Youth, and Families
Department of Public Welfare
1514 North Second Street
Harrisburg, Pennsylvania 17120
Telephone: (717) 787-4882

SOUTH CAROLINA GROUP HOME CONTRACTUAL PROGRAM

Citation: Departmental Program
Program Initiation: 1975

Program Objectives

To purchase group home care.

Factors Applied in Determining Allocation of Subsidy

A contract is negotiated with each facility for payment of \$16 to \$21 per day per child depending on services available.

Administrative Requirements for Funding Eligibility

Contracts are drawn which outline the services to be rendered.

Local Agencies Eligible to Apply for Funds

Any public or private nonprofit organization.

Number of Participating Agencies

Six private nonprofit organizations.

Types of Services Provided

Group homes.

Restrictions on Use of Funds

Purchase of services.

Budget Year

July 1, 1977-June 30, 1978.

Source of Funds

State general fund.

History of Appropriations and Expenditures

<u>Year</u>	<u>Appropriation State^a</u>	<u>Expenditure State</u>
1975	\$ 89,731	\$ 89,731
1976	238,238	238,238
1977	74,413	74,413 ^b
1978	55,302	55,302 ^b

^aFor purposes of tabular information, expenditure levels are used to reflect appropriation levels.

^bMost state-funded group home contracts are being replaced by Title XX funds.

Probable Continuation

It is hoped that federal funds will continue to decrease the need for state support.

Administrating Agency

Department of Youth Services
P.O. Box 21487
Columbia, South Carolina 29221
Telephone: (803) 758-6251

Mental Health

MENTAL HEALTH SUBSIDIES

Seventeen states reported a total of 25 subsidies directed specifically toward mental health services for children and youth. The majority of subsidies identified were in support of substance abuse programs. Subsidies in Connecticut and Oklahoma support child guidance centers, while in Florida, Indiana, Maryland, Minnesota, Nebraska, South Carolina, and Utah they provide mental health services for children with emotional or social adjustment problems. Tennessee funds a residential program for mentally retarded offenders, and New Mexico directs its support toward youth having committed first drug abuse offenses.

Although efforts were made to document the proportion of general community mental health funds serving youth in addition to subsidies supporting special programs in each state, the results were inconsistent. Twenty-two states indicated that they had subsidies for community mental health services, but data was not available to determine the amount of 1978 support for services to juvenile clients; 11 states said they had no general state mental health subsidies; one state reported that all state-funded mental health services were provided through state agencies; and four states did not respond to the request for information.

There has been a marked increase in both federal and state substance abuse prevention and treatment subsidies during the past ten years. Alabama established a substance abuse prevention and treatment program in 1965, five years before the federal Drug Abuse Office and Treatment Act of 1972. New York initiated a drug abuse subsidy in 1968, with Indiana, Maryland, and Nevada following in 1970. Since 1972, three other states have developed state drug abuse subsidies for youths. Seven states have combined alcohol and drug abuse subsidies which were begun between 1972 and 1978.

Objectives of State Mental Health Subsidies

The objectives of drug and alcohol subsidies were to treat and rehabilitate substance abusers, as well as to prevent juveniles from becoming substance abusers. In recent years, the fundamental objectives of state support to mental health have been focused on the unnecessary institutionalization of children and the provision of options for those who could leave institutional care if community resources were available.

SOCIAL SECURITY ACT, TITLE IV-B

Citation: P.L. 90-248, as amended through 1978,
42 U.S.C. Sec. 601.
Program Initiation: 1968

Program Objectives

To establish, extend, and strengthen services provided by state and local public welfare programs for the development of services to prevent neglect, abuse, exploitation, or delinquency of children.

Factors Applied in Determining Allocation of Funds

Each state receives a uniform amount of \$70,000 for child welfare services. The balance of the federal child welfare services appropriation is allotted to states on a variable matching formula, based on the population under 21 and state per capita income.

Administrative Requirements for Funding Eligibility

The state department which administers the services program under Title XX must also be designated as the single state agency to administer child welfare services. The agency must assure that the state plan is being met. Governors or single state agency staff review state plans and other federally required reports. Final decisions on all award applications are made quarterly by the Commissioner of Children, Youth and Families in Washington. The annual budget portion of the state plan is due in the regional office 45 days prior to the beginning of the fiscal year. States are required to submit quarterly expenditure reports and maintain their own audit systems, with provisions for field supervision and performance audits.

Agencies Eligible to Apply for Funds

Single state agencies in all 50 states, the District of Columbia, Puerto Rico, the Northern Marianas, the Virgin Islands, and Guam. The single state agencies may subcontract with local agencies.

Adminstrating Agency

Children's Bureau
Administration for Children, Youth and Families
Office of Human Development and Services
Department of Health and Human Services
P.O. Box 1182
Washington, D.C. 20013
Telephone: (202) 755-7418

COMPREHENSIVE ALCOHOL ABUSE AND ALCOHOLISM PREVENTION,
TREATMENT, AND REHABILITATION ACT OF 1970

Citation: P.L. 91-616, as amended through 1978,
42 U.S.C. Sec. 4541.
Program Initiation: 1970

Program Objectives

To assist states to plan, establish, maintain, coordinate, and evaluate effective prevention, treatment, and rehabilitation programs which deal with alcohol abuse and alcoholism.

Factors Applied in Determining Allocation of Funds

Grants are determined according to formula, with one-third weighted for the population in each state to the total U.S. population and two-thirds weighted for financial need, as determined by per capita income for each state for the three most recent consecutive years for which data are available from the U.S. Department of Commerce.

Administrative Requirements for Funding Eligibility

A state plan must be submitted by the designated state agency.

Agencies Eligible to Apply for Funds

Applicant must be the state agency designated by the governor to administer the state plan.

Adminstrating Agency

Division of State and Community Assistance
National Institute on Alcohol Abuse and Alcoholism
Alcohol, Drug Abuse, and Mental Health Administration
The Public Health Services
Department of Health and Human Services
Room 14C26
5600 Fishers Lane
Rockville, Maryland 20857
Telephone: (301) 443-2784

DRUG ABUSE OFFICE AND TREATMENT ACT OF 1972

Citation: P.L. 92-255, Section 409, as amended through 1978,
21 U.S.C. Sec. 1101.
Program Initiation: 1972

Program Objectives

To assist states in the preparation of plans for planning, establishing, conducting and coordinating projects for the development of more effective drug prevention functions; carrying out projects under and otherwise implementing those plans; evaluation of the plans; and paying the administrative expenses of the plans.

Factors Applied in Determining Allocation of Funds

Allotments to states will be weighted (1) one-third for the proportion of population in each state to the total population of all states; (2) one-third for financial need as determined by the relative per capita income for each state for the three most recent consecutive years for which data is available from the U.S. Department of Commerce; and (3) one-third for the following three equally weighted factors (a) relative population ages 12-24, (b) relative incidence of serum hepatitis (Type B), and (c) state-perceived need as measured by its relative per capita expenditure for drug abuse.

Administrative Requirements for Funding Eligibility

The state agency designated by the governing authority of the state as the sole agency for the preparation and administration or supervision of the preparation and administration of the state plan may apply.

Agencies Eligible to Apply for Funds

The state agency designated by the governing authority of the state as the sole agency for the preparation and administration or supervision of the preparation and administration of the state plan may apply.

Adminstrating Agency

Division of Community Assistance
National Institute on Drug Abuse
Alcohol, Drug Abuse, and Mental Health Administration
The Public Health Services
Department of Health and Human Services
Parklawn Building, Room 903
5600 Fishers Lane
Rockville, Maryland 20857
Telephone: (301) 443-6780

ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, TITLE I

Citation: P.L. 89-10, as amended through 1978,
20 U.S.C. Sec. 241a.
Program Initiation: 1965

Program Objectives

To expand and improve educational programs to meet the needs of educationally disadvantaged children in low-income areas, whether enrolled in public or private elementary and secondary schools.

Factors Applied in Determining Allocation of Funds

Primarily for provision of instructional activities to educationally deprived children in areas having a high concentration of children from low-income families. Services must supplement, not supplant, those normally provided by state and local education agencies. Funding is made according to formula grants based on (1) number of children from poor families in 1970, based upon the "Orshansky" poverty index; (2) two-thirds of the number of children from families above the poverty level receiving AFDC payments; and (3) number of institutionalized neglected, delinquent, and foster children supported by public funds. Maximum entitlements to local school districts are computed on a county basis by multiplying the number of eligible children by 40 percent of the state's average per pupil expenditure (or not less than 80 percent nor more than 120 percent of the national average per pupil expenditure). There are no matching requirements.

Administrative Requirements for Funding Eligibility

Before submitting an application, local school districts consult with parents, welfare agencies, nonpublic schools, and local and federal agencies to determine the needs of eligible children. Local education agencies submit proposals to state education agencies for approval.

Agencies Eligible to Apply for Funds

State and local education agencies.

Adminstrating Agency

Office of Compensatory Education
Office of Elementary and Secondary Education
U.S. Department of Education
7th and D Streets, SW
Washington, D.C. 20202
Telephone: (202) 245-8720

ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, TITLE IV-C

Citation: P.L. 95-56, as amended through 1978,
20 U.S.C. Sec. 1831.
Program Initiation: 1976

Program Objectives

To support supplementary educational centers and services, innovative projects, drop-out prevention projects, as well as health and nutrition programs.

Factors Applied in Determining Allocation of Funds

Funds are allocated to states based on the ratio of the state's five- to 17-year-old population to the total population of the United States. A portion of these funds is awarded on a competitive basis by states to local education agencies to support supplementary educational centers and services, innovative projects, drop-out prevention projects, and health and nutrition programs. Fifteen percent must be spent on special programs for the education of children with specific learning disabilities and handicapped children. Expenditures for programs and projects for nonpublic school children must be equal to expenditures for public school children.

Administrative Requirements for Funding Eligibility

Any state wishing to receive funds from Title IV-C must establish a Title IV state advisory council and submit a state program plan designating the state education agency as the sole administrator of the plan. The annual state program plan must provide assurances for nonpublic participation, and provide for adoption of procedures for an annual state advisory council evaluation of programs and projects, for dissemination activities, and for the adoption of successful projects. The agency must also provide assurances that federal funds will not be combined with state funds.

Agencies Eligible to Apply for Funds

Public state education agencies and local education agencies, both public and private.

Administering Agency

Division of State Educational Assistance
Office of Educational Support
Office of Elementary and Secondary Education
U.S. Department of Education
400 Maryland Avenue, SW
ROB-3, Room 3010
Washington, D.C. 20202
Telephone: (202) 245-8720

VOCATIONAL EDUCATION ACT OF 1963

Citation: P.L. 90-576, as amended through 1978,
20 U.S.C. Sec. 2301.
Program Initiation: 1976 (See historical note,
20 U.S.C. A.p. 123).

Program Objectives

To provide special programs for persons who have vocational education or economic handicaps, and who require special services and assistance to enable them to succeed in vocational education.

Factors Applied in Determining Allocation of Funds

Funds may be used only for special vocational education programs for the disadvantaged. These funds are allocated within the state to areas with high concentrations of youth unemployment and school dropouts.

Administrative Requirements for Funding Eligibility

A five-year state plan and annual program plan must be prepared. Active participation of representatives of state agencies, councils, and individuals in consultation with a state advisory council must be included in the planning process.

Agencies Eligible to Apply for Funds

State education agencies in cooperation with state vocational education departments.

Administering Agency

Office of Vocational and Adult Education
U.S. Department of Education
7th and D Streets, SW
Washington, D.C. 20202
Telephone: (202) 245-8166

YOUTH CONSERVATION CORPS ACT OF 1970

Citation: P.L. 91-378, as amended through 1978, 42 U.S.C.
Sec. 2711 (now 16 U.S.C. Sec. 1701).
Program Initiation: 1970

Program Objectives

To accomplish needed conservation on public lands; to provide gainful summer employment for youth 15 to 18 years old from all social, economic, ethnic and racial classifications; and to develop understanding and appreciation for the environment and natural heritage.

Factors Applied in Determining Allocation of Funds

Factors considered are state's population, existing federal Youth Conservation Corps programs, and state plans or capability. All states are initially allocated a minimum allowance, regardless of population and program plans. Actual performance in administering YCC projects are also considered in future program years. States may receive up to 80 percent of the cost.

Administrative Requirements for Funding Eligibility

All applications must be made through the governor's designated program agents to local representatives of the U.S. Departments of Agriculture and the Interior.

Agencies Eligible to Apply for Funds

State agencies administering nonfederal public lands, waters, and natural resources.

Administrating Agency

Office of Youth Programs
U.S. Department of the Interior
C Street Between 18th and 19th, NW
Washington, D.C. 20250
Telephone: (202) 343-5951

YOUTH EMPLOYMENT AND DEMONSTRATION PROJECTS ACT OF 1977

Citation: P.L. 95-93, as amended through 1977,
29 U.S.C. Sec. 801.
Program Initiation: 1977

Program Objectives

To employ and increase the future employability of young persons; to help coordinate and improve existing career development, employment, and training programs; and to test various approaches in solving the employment problems of youth.

- o Youth Employment and Training Programs (YETP)--To enhance job prospects and career opportunities of young persons in securing unsubsidized employment in the public and private sectors of the economy.
- o Youth Community Conservation and Improvement Projects (YCCIP)--To provide youth who experience severe difficulties in obtaining employment with well-supervised work in projects that produce tangible benefits to the community.
- o Youth Incentive Entitlement Pilot Projects (YIEPP)--To guarantee jobs for all 16 to 19 year olds economically disadvantaged youth who reside in designated areas, who attend school, or who are willing to return or enroll in a course leading to a high school equivalency certificate.
- o Summer Youth Employment Program (SYEP)--To provide employment training, counseling, and job preparation for economically disadvantaged youth during the summer months.

Factors Applied in Determining Allocation of Funds

- o Youth Employment and Training Programs--75 percent of the funds are allocated by formula to prime sponsors. Five percent of available funds under Title IV, Part A of the act shall be allocated by formula to governors for special statewide youth services. Funds are also allocated to native American, migrant, and seasonal farm worker sponsors. All remaining funds are used to identify and test approaches for dealing with unemployment problems of youth.
- o Youth Community Conservation and Improvement Projects--Allocation of funds are made to the states based on the relative number of unemployed persons within each state compared to all states. Prime sponsors are provided with program funding estimates based on their relative share of the state's unemployed. Ninety-five percent of the funds allocated must be used for projects. No more than five percent of the total funds may be used by the prime sponsors and program agents for administrative costs. Under special conditions, prime sponsors may be awarded less than the full funding estimate,

with the remaining funds awarded for projects to prime sponsors elsewhere in the state.

- o Youth Incentive Entitlement Pilot Projects--Project grants are competitively based on differing socio-economic and regional circumstances. The secretary has discretion in selecting project sites and number of projects to be funded.
- o Summer Youth Employment Program--Funds are allocated by formula. Five percent of the appropriated funds may be used for discretionary purposes, including allocations to native American sponsors for summer programs.

Administrative Requirements for Funding Eligibility

- o Youth Employment and Training Programs--Each prime sponsor submits a youth plan and establishes a youth council. The youth council monitors and evaluates all youth programs in the area to improve the utilization and coordination of the delivery of services. Each prime sponsor involves community-based organizations and appropriate labor organizations in the planning process. Special consideration is given to community-based organizations which have demonstrated effectiveness in the delivery of employment and training services.
- o Youth Community Conservation and Improvement Projects--Prime sponsors submit project applications selected at the local level. The Department of Labor funds only projects which fulfill the requirements of the program. Each prime sponsor submits a youth plan. Effectiveness in providing employment and training services to youth are considered before applications from other project applicants are considered.
- o Youth Incentive Entitlement Pilot Projects--All CETA prime sponsors are eligible to compete for entitlement projects. Selected prime sponsors must furnish signed assurances and certification that they will comply with the act, appropriate regulations, and grant agreements.
- o Summer Youth Employment Program--To receive financial assistance each prime sponsor submits a summer plan. This plan must be coordinated with the prime sponsor's Title II (Youth Employment and Training Programs) and Youth Community Conservation and Improvement Projects' annual plans. Summer sponsors utilize the same planning process and youth council established for Youth Employment and Training Programs. Each prime sponsor develops a written agreement with each worksite employer which assures (1) adequate supervision for each participant, (2) adequate accountability for participant time and attendance, and (3) adherence to the rules and regulations governing the summer program.

Agencies Eligible to Apply for Funds

- o Youth Employment and Training Program--Community-based organizations, local education agencies (22 percent for in-school programs), and local public and private profit or nonprofit agencies.
- o Youth Community Conservation and Improvement Projects--Neighborhood and community-based organizations, and local education agencies.
- o Youth Incentive Entitlement Pilot Projects--All prime sponsors are eligible to apply. (See Youth Employment and Training Program.)
- o Summer Youth Employment Program--Private profit and nonprofit organizations.

Administrating Agency

Employment and Training Administration
U.S. Department of Labor
601 D Street, NW
Washington, D.C. 20213
Telephone: (202) 376-2649

APPENDIX D CASE STUDIES

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ALASKA DRUG ABUSE GRANTS

BACKGROUND AND ACKNOWLEDGMENTS

The Drug Abuse Grants program was one of two subsidies examined in Alaska on April 28-May 2, 1980. The field work began in Juneau, continued in Fairbanks, and concluded in Anchorage. Interviews at these sites were conducted with the director and staff of the State Office of Alcoholism and Drug Abuse in the Department of Health and Social Services, a deputy commissioner in the Department of Health and Social Services, state legislators, local government administrators, and drug abuse program directors and their program staff.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

State Administrators

Allen Korhonen, Deputy Commissioner, Department of Health and Social Services, Juneau

Robert Cole, Director, State Office of Alcoholism and Drug Abuse, Department of Health and Social Services, Juneau

State Legislators

Representative Russ Meekins, Chairman, House Finance Committee, Alaska House of Representatives, Juneau

Senator Mike Colletta, Majority Leader, Alaska Senate, Juneau

Senator John Sackett, Chairman, Senate Finance Committee, Alaska Senate, Juneau

Local Administrators

Mar Winegar, City Manager, Municipality of Juneau

Matt Felix, Director, Central Alcoholism Agency, Municipality of Juneau

Dr. Raymond Fedje, Commissioner, Department of Health and Environmental Protection, Municipality of Anchorage

Local Service Providers

Mark Hansen, Program Specialist, Southeast Regional Resource Center, Juneau

Barnasi Lal, Director, Drug Abuse Program, Fairbanks Native Association

Cheryl Branigan, Director, Sitka Teenage Club

George Max, Senior Counselor, Sitka Council on Alcoholism and Drug Abuse

Barbara Hoffman, Director, and Mary Kay Crawford, Administrative Assistant, Anchorage Council on Alcoholism and Drugs
John Purcell, Alaska Native Commission on Alcoholism and Drug Abuse, Anchorage
Richard Tolman, Open Door Clinic, Anchorage

Alaska was selected for case study because it had the requisite functional differentiation of subsidy programs from which to select, encompassing three of the five functional categories.

The Drug Abuse Grants was chosen, in particular, because it represented one of the few comprehensive alcoholism and drug abuse grant programs in the study's inventory of state subsidies. This subsidy was also of interest due to the administrative and fiscal growth it was experiencing. Revenues obtained from the Alaska pipeline had enabled the state to substantially increase alcoholism and drug abuse monies for local programs during the 1979 session. More significantly, the Alaska legislature had just budgeted, prior to the case study visit, the first of a projected five-year \$15 million annual appropriation for local alcoholism and alcohol abuse programs.

Finally, the Drug Abuse Grants program was selected because it provided an opportunity to study the intergovernmental dynamics of a subsidy where both government and private agencies were eligible for funding.

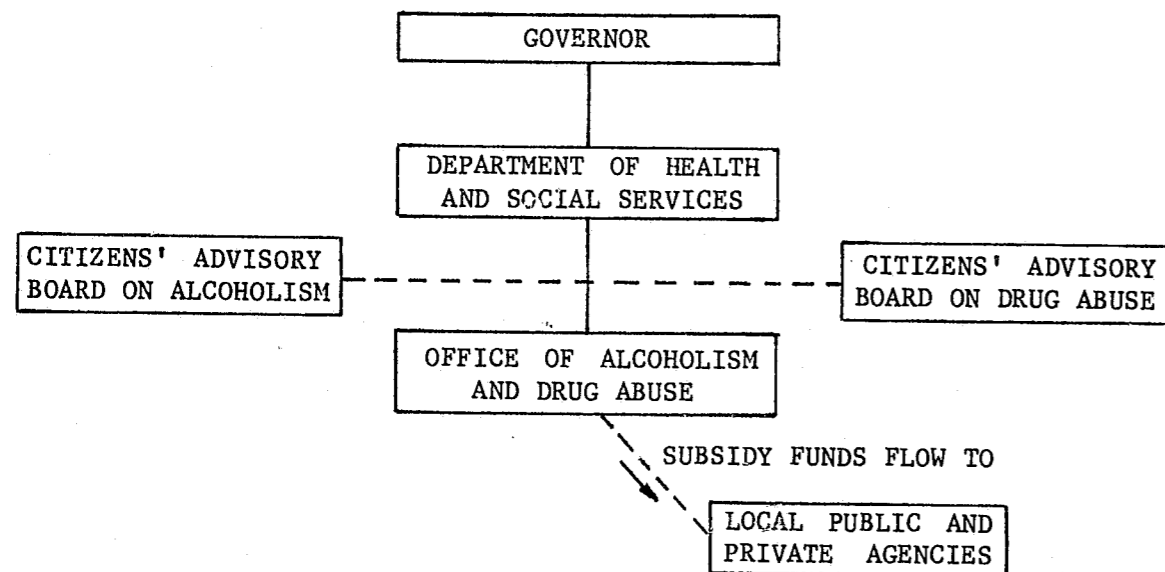
ORGANIZATIONAL CONTEXT

The Drug Abuse Grants program is administered by the State Office of Alcoholism and Drug Abuse (SOADA) which is located within the Office of the Commissioner, Department of Health and Social Services (DHSS), one of the 14 cabinet-level agencies. DHSS is responsible for the custody, rehabilitation, treatment, probation, and parole of adult offenders and delinquent youths; hospital care of the mentally ill and mentally retarded; a coordinated statewide program of preventative and social health; and public assistance programs.

The State Office of Alcoholism and Drug Abuse, the agency relevant to this case study, represents an administrative combination of two formerly separate offices. On July 1, 1977, the state Office of Drug Abuse was merged with the Office of Alcoholism, although duties of most agency staff had overlapped into both areas of substance abuse. However, the agency continues to derive its state-level policies from two sets of state legislation and two citizens' advisory boards. At the time of the field work, however, legislation was pending to consolidate both the statutory authority and the two citizens' boards.

State-supported substance abuse programs serve both adult and juvenile clientele, the latter being the focus of this study. Most of the 26 alcoholism prevention and rehabilitation programs supported by the agency serve adults. Eleven drug abuse prevention, treatment, and rehabilitation programs are more oriented to youth clientele. Figure 1 delineates the agencies relevant to the Drug Abuse Grants program.

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO THE ALASKA DRUG ABUSE GRANTS



As additional context for the case study, it might be noted that the principal functional components of Alaska's juvenile justice system--institutions, probation, detention, and aftercare--are all state administered through DHSS' Division of Corrections, which is responsible for both adult and juvenile offenders. Parole and probation services are regionalized, with probation officers assigned to superior court districts. Superior Courts have original jurisdiction in all civil and criminal matters.

POLITICAL AND LEGISLATIVE HISTORY

Alaska Statute 47.37, establishing the Office of Alcoholism and the Governor's Advisory Board on Alcoholism, was enacted in 1972 to meet qualification for federal National Institute on Alcohol Abuse and Alcoholism formula grants. It was also necessary for the state to appropriate the requisite state matching amount and designate an administrative mechanism for "developing and maintaining a comprehensive program of services for the prevention of alcoholism and treatment of alcoholics and intoxicated persons to local governments and private service providers."

In the same year, a complementary Office of Drug Abuse was established by Alaska Statute 44.29. The functions of the Office of Drug Abuse paralleled those of the Office of Alcoholism, in that the drug abuse program coordinator

was assigned to carry out the development and implementation of a comprehensive program to prevent and treat the use and abuse of drugs as they affect the people of Alaska.

By 1976, the Alaska legislature, stimulated by the interest and involvement of Governor Hammond, Chairman of the Alcohol Beverage Commission, the State Crime Commission, and SOADA, began to take a more active interest in the problems of substance abuse. In response to the initiative of the governor and other executive branch officials, the Senate Select Committee on Alcoholism and Drug Abuse was formed to pursue a more active state effort, extending beyond strictly appropriating state matching dollars to federal initiatives. Thus, in 1977, the state appropriated more funds than were necessary to meet federal matching requirements. Although the subsidy technically began in 1972, it was not until this increased infusion of funding that the Drug Abuse Grants program could be regarded as an active expression and extension of state substance abuse policy. While initial appropriations had been comparatively modest, tax receipts from North Shore oil revenues allowed the legislature to substantially increase drug abuse grant dollars, as well as to establish a new state subvention program, the K-12 Alcohol Education Project. The legislature, however, could not be accused of just "throwing money" on Alaska's serious alcoholism and drug abuse problems, for it has also stressed the need to evaluate the benefits of these programs for their effectiveness and efficiency. To this end, the two original enabling statutes have been amended to mandate the development of local planning standards and criteria for evaluating local programs.

OBJECTIVES OF THE SUBSIDY

Of the several policy objectives ascribed to this subsidy, the essential thrust of the funding for youth programs has been on preventing delinquency and reducing youth involvement with the juvenile justice system. It is reasoned that intensive counseling, recreational programs, and educational activities rather than court proceedings will minimize youth involvement with drugs. Alaska Statute 47.37 incorporates in its Declaration of Policy the Uniform Alcoholism and Intoxication Treatment Act of 1972, which states: "It is the policy of the state that alcoholics and intoxicated persons should not be criminally prosecuted for their consumption of alcoholic beverages and that they should be afforded a continuum of treatment so they may lead normal lives as productive members of society."

The current emphasis is on targeting programs to at-risk populations instead of directing efforts toward youth in general. From interviews with legislators, it became apparent that more modest objectives were attached to the subsidy than those stated in the statutory policy preamble and by SOADA staff. In one legislator's words, the intent is merely "to keep the lid on substance abuse." While originally the legislature had hoped to substantially reduce substance abuse, legislators interested in this problem no longer believe this to be a realistic expectation. "If there is a good chance of a 5 to 10 percent reduction these days, they'll (legislators) go for it (a program)."

ALLOCATION OF FUNDS

Drug abuse grants are awarded by SOADA on a competitive basis to local public and private nonprofit organizations which either deliver services directly or subcontract to other agencies. Local governments and agencies are not required to match state funds.

State alcoholism and drug abuse monies allocated to the Municipality of Anchorage are used strictly for adult programming, while the city, through subcontracts with three private nonprofit agencies, supports youth services with local revenues. The only state monies targeted specifically for youth in the Anchorage area is for support of the K-12 Alcohol Education Project operated by the Anchorage Council on Alcoholism and Drug Abuse, a private nonprofit organization. Grants for the K-12 Alcohol Education Project are also awarded on a competitive (request for proposal) basis.

SOADA has developed a grant proposal review sheet enumerating the criteria applied in ranking and evaluating local project proposals. Eight review categories are used to rate applications, which include agency and board apparatus; need, planning, and coordination; treatment services and objectives; prevention services and objectives; internal operations; self-evaluation procedure; prior experience; and budget and management.

The subsidy grants for local alcoholism and drug abuse programs are divided into two separate funding pools (one for alcoholism programs and one for drug abuse programs), with each presented as distinct budgetary line items. This dichotomy reflects the fragmented statutory authority under which the office operates, and the separation of the citizen advisory boards which review all project applications and make recommendations on grant awards to the DHSS commissioner. This division of statutory authority and advisory board responsibility has meant extra administrative burdens for local agencies, because they must submit separate applications for proposed alcoholism and drug abuse projects to each board. That, in itself, would not be so problematical if there were not several other intermediate steps required in processing project proposals. Two boards, in effect, duplicate the already extensive number of administrative steps required in the application process.

Although separate applications are required, once funds are allocated to a local agency, they are often intermingled. Local agencies, in many cases, are not dealing exclusively with either a drug or alcohol abuse problem in a client. Substance abuse, in fact, increasingly involves simultaneous alcohol and drug use. As such, therapeutic and prevention strategies for alcoholism and drug abuse are frequently the same.

The burdens imposed by the current administrative system have become apparent to Alaska officials. At the time of the field work, a bill consolidating legislative authority for alcoholism and drug abuse programs into a single statute was pending. With passage of this bill, the two citizen advisory boards will be combined into one, and the three distinguishable funding pools for alcoholism, drug abuse, and the K-12 Alcohol Education Project will be collapsed

into one budgetary line item. Favorable action was expected on this bill, but a final vote had not been taken as of the last day of field work.

The application and award process under the current system works as follows. In early February, SOADA issues requests for proposals to all eligible public and private agencies, with mid-March established as a deadline for submission of applications. Between early February and mid-March, local applicants must proceed through several other review and approval points. An initial review is performed by the borough or municipal agency responsible for human services. At the same time, proposals must be analyzed by the appropriate regional health systems agency. Once a proposal clears these two points, it is then submitted to SCADA's staff where it is rated and ranked in preparation for review by one of two advisory boards, depending on whether the application is for an alcoholism or drug abuse project. Simultaneously, a copy of the proposal is forwarded to the governor's office, where it passes through the A-95 planning review process. The two advisory boards meet in May to make recommendations on project proposals to the DHSS commissioner, who makes the final decision. Grant awards are typically announced by the commissioner's office shortly thereafter.

Private agencies found the several review stages to be so cumbersome and time consuming as to detract from their ability to administer their programs and deliver services. In their view, not only is it inefficient to deal with two citizen advisory boards, but there is also redundancy in some of the review and approval points in the application process. Cited specifically was the duplication in requiring reviews by both the regional health systems agency and the A-95 review process, both of which are measures to comply with federal mandates. In addition to these concerns, private agencies would prefer two-year grants over the current system of awarding grants on an annual basis, for it was felt that programs would be more stable and effective if agencies could be assured of a minimum of two years' funding. This latter issue has been addressed by SOADA. The interviews revealed that beginning this fiscal year, grants will be awarded on a two-year basis, although projects found to be performing poorly could have their funds withdrawn short of the program's completion date.

Most local recipients of the subsidy were more satisfied with state procedures for the disbursement of funds. The state advances sufficient funds on a quarterly basis to accommodate the four-week turnaround time needed for processing. With only one exception, recipient agencies appear to be receiving their cash advances promptly. One agency, however, complained of delays of two weeks or more beyond the time expected to receive funds.

ADMINISTRATIVE REQUIREMENTS

Local agencies are not mandated to develop formal plans as a condition for funding; yet, since proposals are evaluated on the basis of the justification of need for services, some form of planning must occur. As mandated by the legislature, SOADA is now in the process of developing standards for planning at the local level.

The process at the state level, which involves local agencies in the development of a statewide plan, is already routine. The participation of local agencies is achieved through the Plan Advisory Committee (PAC) which is "designed to represent the range of interests and expertise within the substance abuse delivery system." The PAC for the fiscal 1980 planning cycle consists of one member of the Governor's Advisory Board on Drug Abuse, five local alcoholism and drug abuse program directors, and one criminal justice specialist. Local program directors were appointed with "an eye to balancing alcoholism and other drug services, geographic representation, urban and rural interests, and native and Caucasian representation." The PACs have been used during the plan preparation cycle to provide input to SOADA planning staff on state policy and program priorities.

Assessment of local service delivery quality and uniformity is based on standards by the Joint Commission on the Accreditation of Hospitals and the National Institute on Drug Abuse. In the process of development by SOADA officials are standards governing local planning and a special set of standards for the certification of personnel in rural areas.

State monitoring of compliance with standards is accomplished in two ways. The first is an annual on-site program review conducted by SOADA's regional field teams. Local vendors are also required to submit monthly and quarterly program reports. The statistical information contained in these reports are incorporated into SOADA's currently rudimentary management information system. To enhance its planning and oversight capability, SOADA's highest priority among central office functions is to upgrade its management information system.

Local agencies also must meet state fiscal reporting requirements and, as such, revenue and expenditure statements accompany the monthly and quarterly program reports. SOADA officials conduct a fiscal audit annually, while federal agencies also audit those local substance abuse programs which receive federal funds.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY

As a recipient of federal mental health funds, SOADA officials must see that a minimum of eight services are available. These prescribed service categories are:

- | | |
|------------------------------|----------------|
| (1) Prevention and Education | (5) Inpatient |
| (2) Outreach | (6) Outpatient |
| (3) Emergency Care | (7) Training |
| (4) Treatment Services | (8) Recreation |

State funds are also used to support services within each of these eight categories, for the objective is to "create and maintain a comprehensive program

of needed prevention, treatment and rehabilitation services" encompassing the eight broad federally prescribed categories. However, in the face of limited budgets for grant-in-aid programs, SOADA's actual service strategy has been to first meet the treatment needs of the most severely affected abusers. Because resources have been increased over the last two legislative sessions, attention has been directed toward primary and secondary prevention programs, including: (1) alternatives to alcohol or drug misuse, (2) education and public information, (3) early intervention, and (4) outpatient care for those clients less severely or indirectly affected by substance abuse.

The K-12 Alcohol Education Project initiative is illustrative of SOADA's shift to a more preventative and educational orientation. Although the program is not technically part of the Drug Abuse Grants, the K-12 Alcohol Education Project was of special interest to this study because it is illustrative of a direct technology transfer. The program is a replication of an effort begun in Seattle and supported by the National Institute on Alcohol Abuse and Alcoholism. With local dollars for support, the K-12 project was started in Alaska as a pilot effort by the Anchorage Council on Alcoholism and Drug Abuse in 1978. Two favorable studies by SOADA and the interest of several legislators resulted in a \$510,000 state grant for the project in the fiscal 1979 budget, after only one year of operation.

As noted earlier, the state agency is also shifting the focus of its funds and services to target more intensively on at-risk populations. Illustrative of this approach is a diversion project in Juneau for substance abusers. State funds have enabled Juneau's Central Alcoholism Agency, for the first time, to establish a formal arrangement with the courts, whereby status offense cases involving substance abuse are diverted to prevention and treatment programs. While this avoids a strictly punitive approach, the court still retains jurisdiction over the youth until he successfully completes his program, at which time pending charges are dropped.

While the state subsidy funds have been used to supplement federal dollars in many existing programs, they have stimulated new projects. In particular, drug abuse funds have established several youth recreation centers. These centers offer youth an alternative to drugs by providing a place to socialize. However, the centers also offer structured drug education and counseling programs for interested youth.

State agency staff consider the establishment of a community network among local substance abuse agencies and other local agencies serving youth to be a major achievement of the subsidy program. Responses at the local level confirm that considerable coordination exists, much of it on the basis of formal service agreements. A high premium is placed on intercity cooperation because of the distance between communities. Communities in southeast Alaska, for instance, have service organization agreements with virtually all relevant local agencies throughout the state. Within localities, however, arrangements are sometimes more informal than for those between communities. For example, in Fairbanks, several ad hoc and informal referral arrangements have been made among the city's rather extensively coordinated service system, involving such diverse

agencies as the juvenile probation office, an LEAA-funded family intervention and counseling program, the local DHSS offices, teen clubs, local health organizations, school districts, and others.

SERVICES RECEIVED BY JUVENILES

Although little statistical evidence could be provided, the impression among state and local agency personnel was that levels of delinquency had been reduced with the availability of the subsidy. Projects, such as the status offender court diversion program, reflect efforts to focus on at-risk populations. Initial data from one of the status offender court diversion projects confirm its effectiveness. In Juneau, diversion of youth charged with substance abuse-related offenses has reduced the size of juvenile court caseloads in two ways. First, youth are diverted into education and treatment programs, in lieu of a court appearance. Second, youth diverted into such programs have tended not to recidivate. It appears, then, that prevention is operating at a secondary and not primary level, as youth are diverted from further penetration into the juvenile justice system after initial contact for substance abuse-related offenses, while treatment programs have reduced the likelihood of similar repeat offenses.

Considerably less confidence was expressed regarding the effects of the availability of subsidized local programs on state training school or mental health institutional populations. No data are available, but the impression of the few respondents venturing an opinion was that programs supported by the subsidy would affect populations to the extent that they prevented youth from penetrating deeper into the system and eventually becoming hard-core offenders. However, youth presently in the hard-core offender category are not being reached by local programs in most cases. In any event, data are not available that would confirm or not confirm these judgments. The absence of data collection and analyses addressing this issue is considered by SOADA staff to be a serious deficiency, for one of the subsidy program's primary purposes is to reduce institutional populations. Client monitoring and tracking capability, to be part of an upgraded management information system, will presumably provide state agency officials with some indicators of the relationship between local programs and outcomes, such as reductions in the incidence of delinquency and institutional commitment rates.

SOURCES AND LEVELS OF FUNDING

Most of the local agencies surveyed as part of the field work provide a range of other social services in addition to alcoholism and drug abuse programs. Only one of the local vendors heavily depends upon state funds. This agency receives 90 percent of its funding from state sources, including the Drug Abuse Grant program. No federal funds come to this agency; the other ten percent

of its revenues is derived from local private sources and client fees. Other agencies receiving Drug Abuse Grants dollars show more balance among funding sources, with approximately equal federal and state levels of support. In one of the agencies, local public and private dollars constitute almost 35 percent of overall revenues, while another depends on local monies for only a small fraction of its resources. Likewise, in two of the three private agencies surveyed, client fees and third-party reimbursements were a small but still important funding source, comprising about 15 percent of total revenues.

Until the 1978 legislative session, the growth of the subsidy appropriation proceeded at a steady but unspectacular rate. From fiscal 1977 to fiscal 1978, for instance, funding only increased from \$151,090 to \$160,255. However, with the huge influx of tax receipts from the North Shore oil revenues, the legislature during the 1979 session had the resources to address the growing problems of alcoholism and drug abuse. According to the interviews, there has traditionally been among policymakers in Alaska a high sensitivity to social issues. Thus, the 1979 legislature appropriated over \$676,000 for alcoholism and drug abuse programs, and budgeted another \$510,000 to a special line item for the K-12 Alcohol Education Project. An additional \$517,000 comes from federal sources, which comprises about one-third of the total budget. A total of \$15 million appropriated during this legislative session, as part of a projected five-year package, provided even more dramatic evidence of the legislature's concern with the alcoholism and alcohol abuse problems. While these funds will be generally allocated to local agencies, it can be anticipated that a substantially increased proportion of the dollars will be targeted for teenage alcoholism problems, a focal point of legislative attention during hearings on the appropriation measure. When questioned as to the reason for concentrating the increased resources so heavily into alcoholism and not drug abuse, respondents typically answered that, while there were often cases involving both alcohol and drugs, the incidence of the former, whether or not complicated by drug abuse, substantially outweighed the latter. Yet, as in the past, the alcoholism funds will not be restricted to cases where only alcohol abuse is involved.

ORGANIZATIONAL STRUCTURES

Five full-time equivalent positions at the state level are needed to administer the subsidy, although responsibilities are shared among all staff employed by the office. None of the time spent on Drug Abuse Grants administration is paid for out of subsidy funds, but rather comes from the DHSS' general administrative budget.

Included among the staff noted above are members of a regional field team based in Anchorage. The team consists of a manager, two facility surveyors, and a secretary. They are responsible for giving technical assistance to and evaluating all local agencies receiving state funds. It was estimated that 25 percent of the field team's time is spent on subsidy-related duties. From the perspective of the central office staff, the field team is indispensable, particularly in a state the size of Alaska, because it is the only practical

approach for fulfilling the office's statutory responsibility to assure that evaluation of local programs takes place. Other valuable services performed by the field team include providing consultation and information to local agencies, maintaining a close working relationship between the state and its local vendors, and functioning as an instrument for the exchange of information about innovative program techniques and strategies among local agencies. Given these assorted roles, and the geographic area they must cover, it was not surprising to learn that field team members spend about 80 percent of their time on the road.

Similar advantages of the regional field staff are viewed by local service providers; that is, local agencies rate the liaison, technical assistance, and informational services provided by regional staff as essential elements to successful functioning of their programs. The only complaint was that the existing field team is spread so thin. With the expansion of SOADA's budget this year, several new central and field staff have been assigned to administrative work, planning, technical assistance, and on-site compliance monitoring.

As mentioned previously, SOADA operates under the auspices of two advisory boards which function solely in an advisory capacity. Their major role, specifically with regard to the subsidy, is to review project applications and make recommendations on grant awards to the commissioner of DHSS. The Advisory Board on Drug Abuse and the Advisory Board on Alcoholism also function as advocates on behalf of legislation dealing with drug and alcohol abuse, respectively.

Statutory requirements governing representation differ for the two boards. The Advisory Board on Drug Abuse membership is drawn from interested citizens. The Advisory Board on Alcoholism, on the other hand, has stipulated categories of representation with required composition of its members as follows: (a) attorney, (b) physician, (c) licensed beverage industry representative, (d) one social worker, (e) one recovering alcoholic, and (f) two interested citizens.

No specific positions have been established at the local level for administrative purposes. The local programs surveyed operate under an umbrella agency. The approximately ten to 15 percent of the grant awards allocated for overhead cover administrative costs for time spent by umbrella agencies or by program staff on such functions.

INTERGOVERNMENTAL RELATIONS

A principal source of friction, thus far, has been related to many local agencies competing for limited dollars. Because many applications must be rejected, the state is faced annually with the resentment of several unsuccessful bidders. A broader issue is the perspective of many local officials that the state should be fully responsible for delivery of mental health, drug abuse, and alcoholism services; however, one legislator characterized this attitude as a way of avoiding local accountability.

For those agencies awarded drug abuse grants, though, a general spirit of state-local cooperation prevails. Local agencies have been receptive and supportive of program standards and administrative regulations imposed by SOADA, and the activist posture adopted by the office in compliance monitoring. One local agency director praised standards adopted by SOADA for the higher program and service quality imposed by such requirements. The orientation of SOADA's standards, not the need for them, was questioned in only one instance at the local level. In that case, the individual proposed that the standards should be adapted to allow for diversion, prevention, and outpatient programs, as well as for treatment, emergency care, and extended inpatient care. As the Drug Abuse Grants program shifts to a more prevention and early intervention focus, it would not be surprising to see a corollary adaptation of applicable program standards. Indeed, sensitivity among state officials to the need for flexibility in view of local conditions seems to be reflected in the development of certification standards for personnel in rural areas.

Lack of sufficient staff means that on-site technical assistance is typically provided only in response to specific requests. Local agencies sympathized with the problems SOADA faced in affording on-site technical assistance in a state the size of Alaska. When available, however, the assistance was highly regarded for its quality. With additional funds now available, the state agency will be expanding technical assistance.

Another major factor contributing to the current state of state-local harmony is the opportunity for local service providers to participate in state policy and program planning processes. Local agency directors, for example, meet with both advisory boards on a monthly basis to discuss issues. Also, local agency representation on the PACs involves them directly in SOADA's comprehensive program planning process.

It remains to be seen whether the absence of intergovernmental tensions will continue, as local agencies develop new programs and expand existing ones with increased alcoholism funding. Upgraded SOADA efforts to institute local planning standards and performance evaluation, as mandated by the legislature, may be potential sources of state-local conflicts.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

The Drug Abuse Grants program is highly regarded both by state officials and local agencies which receive subsidies. Summarizing the responses, the program appears to have produced five significant outcomes. First, there has been an actual reduction in destructive behavior (suicide, violence), which is particularly prevalent among teenage youth. Suicides in the state's rural areas are four times higher than the per capita average in other U.S. rural areas.

Second, subsidy-supported court diversion projects have been responsible for a second major effect--preventing youth from involvement in the formal juvenile justice system. The community service network system, noted earlier, is a third

positive result influenced by the subsidy. Fourth, local Drug Abuse Grants programs have stimulated and improved cross-cultural awareness through the intermixing of youth from various racial backgrounds in community programs. Finally, the prevention and educational components of these programs have stimulated community awareness of the severe drug problems among Alaska youth. The future emphasis on local planning is anticipated to further enhance community awareness.

By general agreement of state and local offices, administrative capacity for meaningful evaluation of local programs is lacking. Under a mandate from the legislature, however, the improvement of its management information system is a high SOADA priority.

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ALASKA YOUTH EMPLOYMENT SERVICES SUBSIDY

BACKGROUND AND ACKNOWLEDGMENTS

The Youth Employment Services (YES) Subsidy was one of two programs examined in Alaska. Interviews were conducted in Juneau, in Fairbanks, and in Anchorage, on April 28-May 2, 1980. In the course of the field work, interviews were conducted with state Department of Education and Department of Labor administrators and program specialists, local public officials, and local private agency directors and their staffs.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

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Sharon Hamlin, Supervisor, Youth Employment Service Program, Anchorage Employment Center

Alaska's selection for case study is partially attributable to its having several state-administered subsidies from which to choose for analysis, for the Alaska subsidies found during our national survey encompassed three of the study's five functional categories. Since case selection was to be governed principally by the need to have a representational distribution of subsidies among the five functional categories, the diversity of programs made it a prime candidate as a case study state. This criterion made it possible to examine more than one state subsidy in the course of a given field trip. Most important, however, with the 1978 termination of Michigan's Work Opportunity Resources Corps Program, the Alaska Youth Employment Services Subsidy represented one of the few remaining state youth employment subsidies identified through the survey. Thus, it became one of two programs selected for case analysis during our Alaska field visit, the other being the Alaska Drug Abuse Grants.

ORGANIZATIONAL CONTEXT

Alaska functions under a consolidated cabinet form of government. Services of state government are provided by 14 executive departments, including Education and Labor, the agencies relevant to this case study. The commissioner of the Department of Education (DOE) is appointed by the State Board of Education. The Department of Education exercises regulatory and supervisory authority over local school districts, including regional attendance areas, and licenses pre-elementary schools. The organization of the department includes five major divisions: (1) Executive Administration; (2) Division of Management, Law and Finance; (3) Division of Educational Program Support; (4) Division of Vocational Rehabilitation; and (5) Division of State Libraries and Museums.

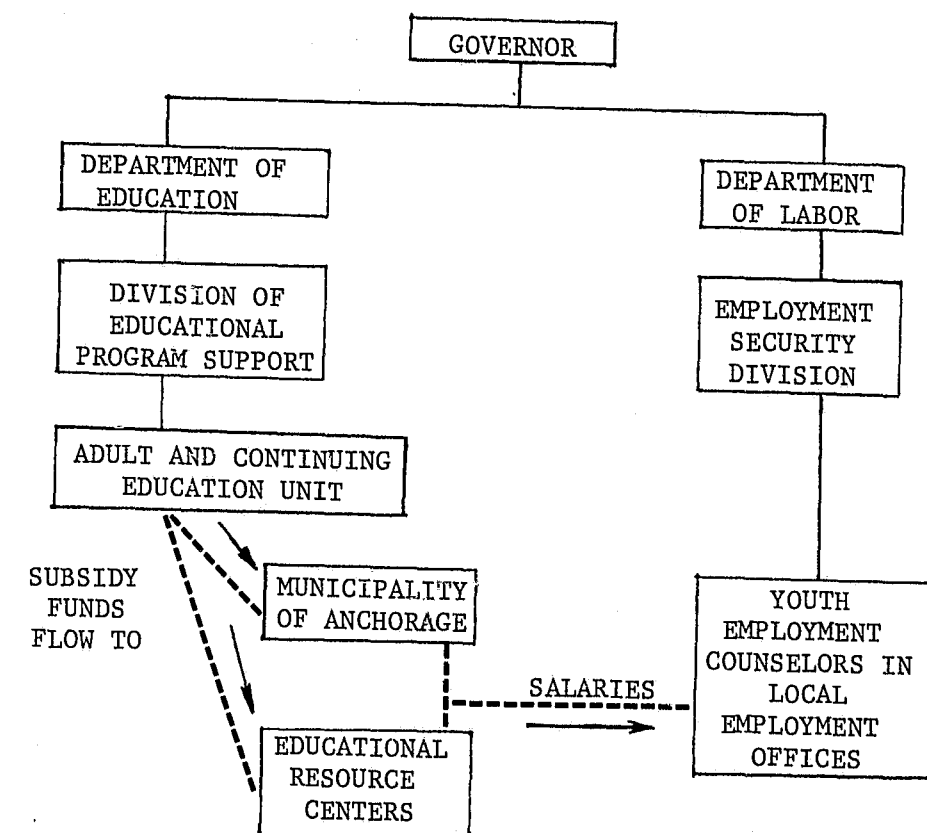
The Youth Employment Services (YES) Subsidy is administered by the Adult and Continuing Education unit within the Department of Education's Division of Educational Program Support. The Division of Educational Program Support is charged with developing local educational resources; resolving problems with federal programs; providing education and training to exceptional children under the age of three, and to handicapped children and adults; operating adult basic education classes; and, with state YES funds, supporting job placement, vocational counseling, and job preparedness programs at the local level.

The administrative anomaly of the Youth Employment Services subsidy makes relevant a description of the Department of Labor's (DOL) organizational structure. Personnel are hired for selected local offices of the Employment Security Division to deliver youth employment services. While no actual cash transfer occurs, local employment security offices incur costs against subsidy funds. The reasons behind this arrangement will be described in a succeeding section. Suffice it to say that subsidy funds are allocated directly to private nonprofit agencies in Juneau and Fairbanks, and to the municipal government in Anchorage which pay for personnel and operational costs of the program with subsidy dollars, even though the YES staff is, in fact, physically located in local employment security offices across the seven participating jurisdictions. In effect, then, the resource centers, the private agencies, and the Municipality

of Anchorage function as administrative conduits for subsidy funds, and personnel in the local employment security offices actually deliver the services. This organizational structure is illustrated in Figure 1.

Employment Security is one of five divisions in the Department of Labor. The Employment Security Division administers an employment service program that provides a labor exchange between employers and applicants through statewide job service offices. The division also oversees an unemployment insurance program. In addition, officials from this office also participate in statewide manpower planning and various training programs for unemployed and underemployed workers.

FIGURE 1. ORGANIZATIONAL STRUCTURE FOR THE ALASKA YOUTH EMPLOYMENT SERVICES SUBSIDY



POLITICAL AND LEGISLATIVE HISTORY

The Youth Employment Services Subsidy represents an example of an administratively established subsidy program. In other words, it was not statutorily authorized, but operates with funds appropriated to the Department of Education annually through the State Appropriation Act. The origins of the current Youth Employment Services Subsidy date to 1968, when the Department of Labor and the Department of Health and Social Services (DHSS) jointly assumed responsibility for a job placement program which had been federally funded under the Manpower Development Training Act. Problems of coordination between the Department of Labor and the Department of Health and Social Services led to the transfer of the program to the governor's office shortly thereafter. In 1973, the administrative responsibility for the program was shifted again, this time to the Department of Education, where it still resides.

By arrangement with the Department of Labor, the Department of Education maintained the funding and service delivery arrangement described earlier. The objective would be to integrate educational and work study programs of local school districts with existing youth employment service programs in an effort to assist adolescents in making a successful transition from school to work.

Until 1978, subsidy funds passed through the school districts, in six of the seven participating jurisdictions, to local employment security offices. However, when changes in unemployment compensation regulations made it administratively and financially infeasible for school districts to serve any longer as the pass-through mechanism, the Department of Education succeeded in persuading private regional resource centers and the Fairbanks Adult Learning center to replace the school districts as local administrative agencies. In the seventh participating jurisdiction, the Municipality of Anchorage continued to be the administrative conduit for subsidy funds.

The regional resource centers were particularly well-suited substitutes, given their close working relationship with the Department of Education and the school districts. Established in 1976, the role of a regional resource center is to provide training and technical assistance to school districts on either a direct service or brokerage basis. The resource centers have now expanded to such an extent that they have almost totally replaced Department of Education central staff as a technical assistance and training resource for local districts, one of the reasons for establishing resource centers.

Until recently, the Youth Employment Services Subsidy was notable for its lack of controversy. However, a few minority and native organizations have approached the legislature requesting funding through the Department of Health and Social Services for youth job programs targeted to their respective groups. Behind this effort are several individuals who were once with the state or federal government and are now employed by these private action agencies. Officials from the Departments of Education and Labor consider a minority-targeted youth employment subsidy to be duplicative of the Youth Employment Services Subsidy. They further argue that the subsidy has had a good record in serving

minorities in those areas to which funds have been allocated. At the time of the field work, legislation establishing a new youth employment subsidy was pending.

OBJECTIVES OF THE SUBSIDY

Most respondents viewed the purposes of the Youth Employment Services Subsidy strictly in utilitarian terms. It was generally agreed that its major objectives are job placement, career counseling, and job skill instruction. However, some individuals interviewed also felt that reducing youth unemployment had broader social policy dimensions, such as preventing delinquency and controlling crime. The subsidy was also perceived as a way to improve coordination and cooperation between school districts and local job service offices.

ALLOCATION OF FUNDS

Youth employment service sites are determined from data secured from the Alaska Employment Services' Automatic Reporting System. Central and local employment service offices provide additional economic and labor market data to the Department of Education. Once a site has been selected, its budget is then determined by the Department of Education, based upon local staffing needs. The ultimate level of funding depends upon the total amount appropriated by the legislature. If the appropriation is less than the budget request, a proportional reduction is made in the allocation to each eligible recipient. (Seven local sites received YES funds; five were temporary five-month programs, while Fairbanks and Anchorage operated year-round.) Although objective criteria are utilized to select sites, areas are not able to compete for subsidy funds. The absence of a competitive bidding system, in fact, was the subject of criticism in a recent report by the state auditor. A more competitive allocation method may be devised in response to the auditor's report.

ADMINISTRATIVE REQUIREMENTS

While the administration of the Youth Employment Services Subsidy is almost as simple as its allocation method, it does have some unusual features. In theory, local vendors are to complete and submit a Department of Education application for subsidy funds. In practice, however, once a local site has been designated to receive subsidy money, the form is actually completed by the

Department of Education's subsidy coordinator and sent to the vendor for its approval and signature. The state coordinator retains the original of the application and a copy of the grant document.

In most cases, funds are distributed to local sites on a reimbursement basis. While the department's policy does not prohibit cash advances, the practical effect of the bureaucratic procedures involved serves to discourage any such requests. For those few agencies willing to undergo the necessary clearances, the department will advance up to 25 percent of the budget and subsequently roll-over the money as funds expire. The typical procedure, among programs operating during the summer months, is to file for reimbursement at the end of the fiscal year. Administrators for the year-round programs in Anchorage and Fairbanks submit vouchers for reimbursement on a quarterly basis. The difficulty in obtaining cash advances was a source of complaint in at least two instances. It was pointed out that, although the sums involved are small, the overall cash flow problems of private agencies are further aggravated by having to wait for reimbursements.

The seasonal youth employment services programs begin in April and conclude in October. This schedule coincides with the period of peak private sector market demand for youth in Alaska, an arrangement which has been both beneficial and problematic regarding the administration of the subsidy. On the positive side, the YES coordinator is able to evaluate expenditure patterns in the late winter and reallocate any surpluses to other local sites. The pattern in the past has been to reallocate subsidy dollars to the year-round programs in Anchorage and Fairbanks, which typically receive less than what is needed to support 12-month efforts. However, all programs are currently spending up to their budgetary limits and, accordingly, no surplus is anticipated.

Because the program's operation in a given year actually spans portions of two fiscal years, it has been difficult for local employment service offices to anticipate whether legislative appropriations will be adequate to continue staff employed in April beyond the beginning of the new fiscal year. A proposed corrective measure would once again shift administrative authority for the program from the Department of Education to the Department of Labor. The reasoning behind this proposal is that the October 1-September 30 fiscal year would more closely accommodate the April-October period of operation for seasonal programs, since the fiscal year for educational organizations customarily terminates with the end of the school year in June.

The simplicity of the subsidy's administration is reflected in a lack of planning requirements and only the most skeletal form of administrative guidelines, which are generally outlined in a two-page memorandum solidifying a cooperative agreement between the Department of Education and the Department of Labor. The items covered in the agreement concern program location and staffing, space and supply provisions, supervisory responsibility for employment counselors, staff training, and program activity reporting procedures.

While the state-administering agency has not developed program standards, a service delivery model is described in the Department of Labor's Employment Security Manual, which local offices are required to follow. The Department of Education, on the other hand, provides vendors with suggested job descriptions

and minimum requirements. Although YES staff work for offices under the Department of Labor, it does not set qualification standards for these positions. In addition, state merit system rules and regulations do not apply to staff hired with subsidy funds, for these counselors are technically employees of the vendors, which are private agencies. Therefore, a procedure has been implemented whereby the Department of Labor interviews candidates for subsidized counselor positions, while aware that selections are subject to veto by either the vendor or the local education agency. In actual operation, the Department of Labor has only needed approval of the local education agency, for the vendors have tended to approve any selection agreed to by the other two parties.

The Department of Education exercises minimal fiscal, programmatic, and administrative oversight over the Youth Employment Services Subsidy. It appears that the Department of Education conducts no fiscal audit, but rather obtains its best picture of local activities from narrative "end of the program" reports submitted by YES counselors. These reports describe efforts to promote youth services; a description of the contacts YES staff have made with youth groups, schools, and business organizations; and any special efforts to provide youth vocational guidance. There are no specific requirements regarding report format or documentation of program activity. As a result, reports tend to be sketchy in their descriptions of program activity, inconsistent in the items covered, and highly variable in the degree of statistical and other documentation provided. Not surprisingly, the most extensive statistical compilations of activity were found in Anchorage and Fairbanks, the two year-round programs.

There is little on-site monitoring of the program, since no travel funds have been specifically allocated for this purpose. Since most travel in Alaska must be done by plane, on-site monitoring by central office staff becomes very expensive. Further, the Department of Education is not organized into field units and, as such, there is no regional staff which normally would be assigned the responsibility for on-site inspections. Thus, the Department of Education's only on-site review of Youth Employment Services Subsidy is accomplished through infrequent informal visits conducted by the state coordinator as part of other field studies he conducts.

Ongoing monitoring of the program is largely undertaken by local employment security office managers who combine this function with responsibility for supervision and training of YES staff. Given the Department of Education's low administrative profile and lack of direct involvement in the program by local vendors, it has become essential for employment security office managers to function in both supervisory and field monitoring roles. In their monitoring capacity, these managers rely upon the Department of Labor's Employment Services Manual and state job descriptions to ensure uniform service delivery. A critical role of employment security office managers and their staffs is to train new YES counselors, who typically have no experience in employment security procedures.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY

For six of the seven participating localities, new services have been established as a result of subsidy funding. Prior to the subsidy, youth employment programs had been funded almost exclusively with federal CETA dollars. The approach of the two differ; CETA's Neighborhood Youth programs have been targeted toward creating jobs for disadvantaged youth, while YES is a job placement program open to youth between the ages of 14 and 25 regardless of a family's income level. In Anchorage, YES funds permitted the expansion of an existing service underwritten by local resources.

The following types of services are supported through the subsidy: (1) job placement, (2) vocational counseling, (3) job referral, (4) aptitude and proficiency testing, (5) career goal assessments, and (6) job preparedness training. The scope and diversity of services vary among the seven participating jurisdictions depending upon a program's staffing level. Interviewing and job placement constitute core activities for each program. The two largest programs, Anchorage and Fairbanks, also offer counseling, referral, training, and testing services.

In its services orientation, Alaska's Youth Employment Services Subsidy differs from Michigan's Work Opportunity Resources Corps Program in that funds in Michigan were used to establish public sector employment positions for youth, while the YES program strives for placement in nonsubsidized private sector jobs.

Considerable interaction between school district officials and YES counselors has been a feature of this program in at least three jurisdictions surveyed as a part of the field work. Probably the most extensive and formal linkages can be found in the heavily outreach-oriented Anchorage program. There, local YES counselors cosponsor regular training and counseling workshops with vocational education staff from area schools. Coordination of efforts is also emphasized in programs in Juneau and Fairbanks, but the interaction tends to be more informal and ad hoc in nature.

These programs have also developed cooperative efforts with other youth-serving agencies. In addition to training and counseling activities with local schools, the YES staff in Anchorage provides referral, counseling, and job placement assistance to such local agencies as the Municipal Youth Services, a local native association, the juvenile probation department, and the McLaughlin Youth Center.

SERVICES RECEIVED BY JUVENILES

The Youth Employment Services Subsidy is targeted toward job development and placement. While reductions in state training school populations, juvenile

court intake levels, or delinquency rates might result from the subsidy, these were not explicit objectives for establishing the subsidy. Thus, the program's success is better assessed in terms of successful job placements. Data collected by the Department of Education for fiscal 1979 reveals a very high proportion of placements. Program counselors successfully placed 5,487 youth out of the 7,098 applying for jobs, which represents a 75 percent placement rate, a figure within ten percent of the department's goal for that year. Approximately one-half of the placements were in permanent part-time jobs, while the other one-half were in temporary full-time employment. The majority of placements, furthermore, are with private sector employers rather than in publicly subsidized jobs. Therefore, most of the \$7.5 million in wages paid to youth placed through this program did not represent a further drain on governmental resources. Rather, these job placements could be seen as having a stimulative effect on the overall Alaska economy.

To identify potential private sector placements, YES counselors must make repeated contacts with employers. The Department of Education collects data on the number of job development contacts; however, that information alone probably has limited value for evaluative purposes in the absence of corresponding data on actual jobs identified or created as a consequence of the contacts.

SOURCES AND LEVELS OF FUNDING

In six of the seven jurisdictions, the state subsidy is the sole means of cash support for local programs. The exception is the Municipality of Anchorage, which matches its state allocation with an additional \$35,000 from city revenues. The Anchorage program is further distinguished from the others in that it employs a permanent full-time YES supervisor and three additional staff, supported entirely by funds from the Department of Labor rather than from the subsidy. The subsidy grant and local funds are used to employ temporary YES counselors on a seasonal basis. In-kind contributions, such as office space, equipment, telephones, mail service, materials, and manuals, are made by the Department of Labor to all programs.

The funding history of this subsidy has been rather uneven. Since 1976, state appropriations to the program have fluctuated, as reflected by the following figures:

Fiscal 1976 --	\$126,600
Fiscal 1977 --	150,200
Fiscal 1978 --	60,000
Fiscal 1979 --	150,000
Fiscal 1980 --	270,000

The steep decline in funding during 1978 can be attributed to the legislature's decision to fund only the Municipality of Anchorage, while administrative shifts were under way. This process was completed by 1979, and funding was restored to 1977 levels.

A loss of subsidy funds would have different effects among participating jurisdictions. Because the Department of Labor directly underwrites four staff positions, the termination of the subsidy might be crippling but not totally devastating to the Anchorage program since there are local funds also involved in the program. In Fairbanks and Juneau, existing job service office personnel could probably assume some of the work if there were a loss of subsidy funds. Despite these adjustments, an approximately 50 percent loss of program capacity in Anchorage, and probably more in Juneau and Fairbanks, would be a consequence of the subsidy's termination. Interviews in Anchorage, furthermore, revealed the unlikelihood of additional municipal funding to compensate for lost state dollars. In smaller local employment service offices where there would be less ability to absorb a staff reduction, the loss of the state grant funds would likely result in termination of youth job placement services.

There would be two especially damaging program effects resulting from the loss of subsidy funds. One would be an inability, or at least a reduced capability, to serve unemployed youth other than the disadvantaged youth eligible for assistance through federal employment programs. The second would probably be a decline in job development and placement in the private sector.

Based upon the 1980 legislature's action, it is apparent that, at least for now, YES programs will not be faced with such dire prospects. The legislature almost doubled the size of the subsidy by appropriating \$270,000 of the \$300,000 requested by the Department of Education for fiscal 1981. The increase will be used to: (1) maintain YES counselor salaries at approximately the state rate, (2) extend all five-month programs to six months, (3) add one six-month position at Fairbanks, (4) increase the Anchorage allocations to virtually full support, (5) provide travel funds for monitoring and evaluation, and (6) provide funds for developing workbooks to supplement a recently produced videotape relating to career counseling.

ORGANIZATIONAL STRUCTURES

No new organizational structures or full-time administrative positions were established for this subsidy. Instead, a staff member and secretary from the Department of Education spend 20 percent of their time carrying out the subsidy's few administrative duties. Moreover, none of the subsidy funds is spent to cover administrative costs; rather, funds for this come from the department's general administrative budget.

At the local level, private resource centers are allowed to recover a ten percent fee for serving as the administrative mechanism for the subsidy. No positions had to be specifically established to administer the funds.

Administrative costs for the Municipality of Anchorage are also miniscule. Prorating figures from July 1 to December 31, 1979, the cost of administration in the Anchorage program was only \$2,200. This represents approximately three percent of the subsidy allocation and six percent of the local share. Given

these low costs, it has not been necessary for the municipality to establish a full-time position for administrative purposes. Administrative duties are absorbed by a staff accountant in the city's Employment and Training Division, as part of the overall financial management responsibilities.

INTERGOVERNMENTAL RELATIONS

The only local unit of government administering YES funds is the Municipality of Anchorage, and interviews there discerned no dissatisfaction with either the Department of Education or the Department of Labor's policies and practices, other than a typical complaint about the need for more state funds for the program. Indeed, Anchorage officials indicated, in both general and specific references to YES, that state mandates and requirements have been reduced although funds have been increased over the last five years.

The most fundamental interagency issue is the question of where state administrative responsibility for the subsidy should reside. Although Department of Labor staff and local employment service administrators maintain good relationships with the Department of Education, several of them feel that the program should be placed in the Department of Labor. These administrators argue that the Department of Labor's fiscal year of October 1-September 30 would align better with the operational requirements of the program. In more than one instance, it was reported that the current situation requires that employment of YES counselors be deferred until early summer, because of the difficulty of predicting funding availability with the existing fiscal cycle.

A shift of the program to the Department of Labor would also remove the need for private resource centers to serve as conduits for the subsidy, an arrangement that local employment service officials, in particular, saw as redundant, administratively unwieldy, and cost-ineffective. It was argued that funneling subsidy dollars through private resource centers adds another layer of administration and brings unnecessary costs, given the ten percent management fee collected by the centers. The current arrangement is not totally disadvantageous, however, for one employment center manager saw it as a way to circumvent rigid state merit system rules and guidelines.

Department of Education administrators counter that the current organizational location of the program prevents YES from operating strictly a job placement service. While acknowledging the benefits of the job placement activities, the perspective among administrators from the Department of Education is that greater long-term benefits are realized from imparting career planning and decisionmaking skills. These officials feel that with the Department of Education as the administrative agency, a balance between job placement and career planning activities is maintained. If the financial incentives were more compelling under the current structure, the regional resource centers and the Fairbanks Adult Learning Center would be amenable to assuming direct program operation responsibilities. They argue, in fact, that resource centers would bring a broader and more innovative programming to YES than the more traditional approach of local employment security offices. Such a change would entail a major

reorientation of YES from a job placement emphasis to one of education, counseling, and training in the opinion of private agency directors and staff.

However, the Department of Education exercises little in the way of administrative oversight; indeed, local employment security offices play as great, if not more, of a role in monitoring program activity. The replacement of school districts by private vendors for subsidy pass-through purposes also removes one of the original reasons for locating administration of the subsidy in this department. While the school districts may have provided the initial administrative bridge for coordination of effort between local employment security offices and school vocational programs, their replacement with private vendors has not weakened those linkages.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

The subsidy was highly regarded by almost all principals interviewed. The most tangible features cited were: (1) the high proportion of job placements relative to applicants, and (2) success in developing and placing youth in private sector jobs, rather than subsidized positions established through public funds. The more enduring impact of YES has been the program's efforts in vocational counseling with youth. As a result, young people are better able to formulate more reasonable career expectations.

Thus, with a small investment of public funds, the subsidy has begun to make a dent into the perennial problems of high youth unemployment for all classes of youngsters, regardless of family income level. In the process, other desirable social policy administrative and program benefits have been reaped, including sensitizing private sector employers to the dysfunctional effects of youth unemployment, developing linkages between school districts' vocational counseling programs and Department of Labor job service offices, instilling in youth a broader and longer-term career development approach, and reducing the likelihood of delinquency among the teenage segment of youth served.

To broaden service to other localities beyond the seven currently participating, however, will require additional funding. Existing programs are already overextended in providing training and counseling in the schools, and developing jobs through contacts with private employers cannot be expanded without more funds. Thus, respondents felt the program would have even greater potential for success if the legislature continued to expand funding as it did this past legislative session.

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FLORIDA ALTERNATIVE EDUCATION PROGRAM

BACKGROUND AND ACKNOWLEDGMENTS

The Academy for Contemporary Problems conducted field work for its case study of the Florida Alternative Education Program on December 10-14, 1979. Interviews were conducted with various individuals in Tallahassee, including state legislative staff, administrative personnel from the Department of Education, as well as staff members from educational associations and youth advocacy organizations. Interviews also took place in three counties: Dade, a largely populated and mostly urban county; Hillsborough, where Tampa is located; and Taylor, a sparsely populated county. Interviewed in these counties were local school district board members, district superintendents, assistant superintendents and program directors, as well as supervisors and specialists working in Department of Health and Rehabilitative Services (DHRS) district youth services units.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

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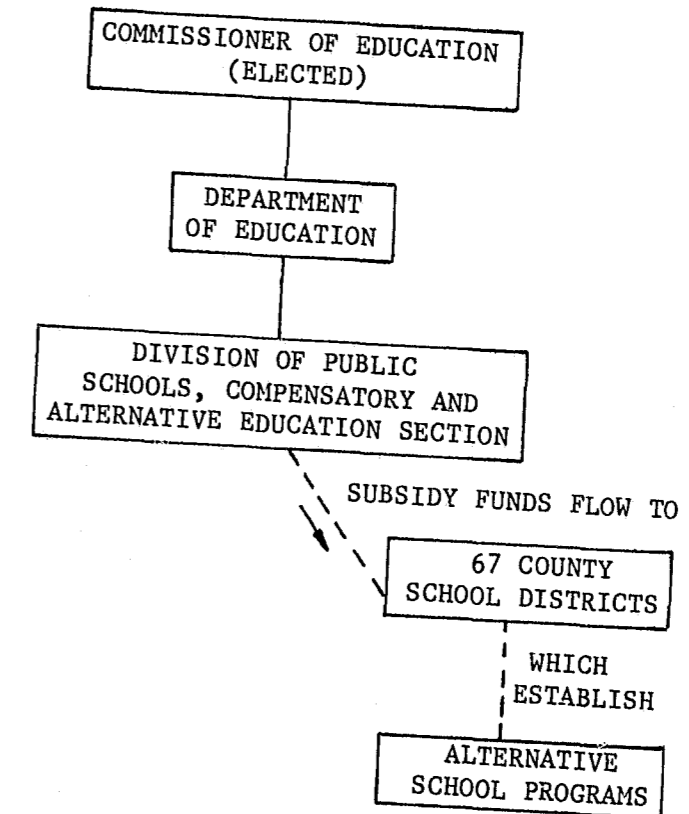
Rodney Davis, Florida Education Association, Tallahassee
 Phyllis Newport, President, Taylor County School Board
 Phyllis Miller, President, Dade County School Board

ORGANIZATIONAL CONTEXT

The Florida Department of Education is one of six constitutionally established agencies with an elected administrator. The department is organized into four program divisions and five administrative support offices. The Alternative Education Program is organizationally placed within the Compensatory and Alternative Education Section, Division of Public Schools. An organizational chart for the agencies relevant to the Alternative Education Program is found in Figure 1. This subsidy is one of three relevant to this study administered by the Department of Education. The other two subsidies are the Law Education Program and the Basic Skills and Functional Literacy Supplement.

Each county has a county school board district, which operates as an independent level of government with a separate legal and financial base. Altogether, there are 67 school districts. Local public schools are extensively linked with

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO THE FLORIDA ALTERNATIVE EDUCATION SUBSIDY



several components of the human services system: public health immunizations; physicals and referrals; traditional child welfare services; educational services to the handicapped youth; and, in some instances, to children residing in state facilities, adult and vocational education services, summer youth employment or recreational employment, etc. However, none of these linkages are unique to Florida and most are arranged and carried out at the local level on a voluntary and sometimes informal basis.

Each school district has a board whose members are elected, generally on a bipartisan basis. The school board is composed of five to seven members, with the chairperson elected from this membership to serve a one-year term. The chairperson can serve consecutive terms but must be elected on an annual basis.

The superintendent of schools for each district may be either elected through bipartisan or nonpartisan voting, or appointed, depending upon local preference. The role of the superintendent, by statute, is to administer and make recommendations to the board. The board is responsible for administering and operating the school board and for approving or disapproving the policy and program recommendations of the superintendent. The school board may employ an

attorney, but all other positions (including the superintendent's staff) are recommended by the superintendent and must be approved by the board.

Florida's 67 local school districts are eligible to receive subsidy funds to develop and administer alternative education programs. There are no special boards or subcommittees of the local school board to govern alternative schools. Instead, the schools are administered in the same way as the conventional public schools with local school boards as the primary policymaking bodies.

POLITICAL AND LEGISLATIVE HISTORY

The statute authorizing the Alternative Education Program (Florida Statutes, Section 230.2315) was enacted as part of a broad package of educational legislation passed by the legislature during its 1978 session. The legislation authorized approximately \$21 million in state funding support to establish alternative education programs throughout Florida's 67 school districts.

This grant-in-aid was established in order to meet the needs of students who are poorly served in conventional education settings and to reduce the occurrence of disruptive behavior, truancy, and student referrals to special services or other agencies. Alternative education is considered valuable for its potential in reducing suspensions, expulsions, school dropouts, or long-term educational deficiencies. Students are eligible for an alternative education program if they are judged to be "disruptive, unsuccessful, or disinterested" in the regular school environment as determined by grades, achievement test scores, referrals for suspension or other disciplinary action, and rate of absences. The authorizing legislation requires that these programs "be positive rather than punitive and emphasize each student's abilities, in order to ensure full realization of the potential of each student."

This section of the case study will describe: (1) the relevant legislation which antedated the alternative education subsidy law, (2) the legislative and political contextual environment surrounding its passage, (3) interests supporting and opposing the legislation, and (4) legislative activity since the laws' passage.

Antecedent and Concurrent Legislation of Relevance

The Alternative Education Program is one of 28 state basic and special education programs which, according to Florida's Educational Finance Program (FEFP), provide support to local school districts based upon full-time equivalent (FTE) students enrolled in each program area. Its immediate predecessor was an exceptional education program which provided funds for "socially maladjusted" students, instituted as part of the FEFP system in the 1970-71 school year.

The Alternative Education Program arose, in part, out of dissatisfaction with its predecessor. Specifically, the state procedures for the "socially maladjusted" program were interpreted as restricting placement in alternative education to only children processed through the juvenile justice system. These procedures, as well as requirements for psychological testing, were faulted on the grounds that they were cumbersome and involved too much red tape. Several principals, school administrators, and board members, therefore, objected to the program for "socially maladjusted" children because state rules and procedures restricted their ability to place students poorly served in a conventional setting into alternative education programs. Their argument was that funds tended to be narrowly targeted for disruptive and truant children, and neglected students who needed to be in an alternative education setting but did not fall into these categories. To those advocating change, the focus on disruptive and truant children often resulted in programs which were more punitive than positive in their orientation. Alternative education legislation was viewed as a means of focusing attention on children who were unsuccessful and disinterested in school, as well as those who were behavioral problems. By widening the scope of children served, it was anticipated that the subsidy would stimulate the development of a broader range of local services embodying positive alternative education approaches.

In large measure, the exceptional education program for "socially maladjusted" children appears not to have been nearly as restrictive as attributed by proponents of alternative education. As described by one of the local alternative education supervisors, school districts had essentially the same discretion, as exists under the current subsidy, to transfer pupils from the conventional schools into alternative education programs without first processing them through the juvenile justice system. Indeed, this had been the practice followed by Hillsborough County school system and, no doubt, by other districts which operated alternative education programs with "socially maladjusted" funds. In Hillsborough County, alternative education services had also been provided for clientele of the Department of Health and Rehabilitative Services in local residential and nonresidential programs, as well as for students who, while not processed through the juvenile justice system, were not succeeding in the conventional school environment either because of poor academic performance or for disciplinary reasons. In this latter sense, alternative education functioned in many cases as a diversionary alternative to juvenile court involvement.

However, even though there existed a great deal of local discretion in determining what criteria could be used to qualify a student for alternative education under the "socially maladjusted" weighting factor, pressure built for an alternative education weighting factor to replace the program for socially maladjusted children.

As attention was focusing on the exceptional education program for "socially maladjusted" children in early 1977, there was also growing disenchantment with another piece of delinquency prevention and control legislation, the 1973 Safe Schools Act. The intent of this legislation was to assist school districts in alleviating vandalism and other forms of school violence by enhancing the physical security of local schools, particularly those in larger urban areas. Critics faulted this approach for its emphasis on physical security (guard dogs, enhanced lighting, fences, etc.) at the expense of prevention services which would address the needs of students. Proponents of alternative education viewed

the legislation as a way to substitute supportive services for the physical security orientation of the Safe Schools Act.

Efforts for alternative education programming received an additional boost from legislation, passed in 1975 and implemented in 1977, prohibiting the incarceration of status offenders, including truants, in secure detention facilities. This action underscored the need for specialized, supportive services for truants, who were now outside the jurisdiction of the juvenile justice system and whose needs could be dealt with directly within the educational system.

Broader Legislative and Political Contextual Environment Surrounding the Passage of the Subsidy Law

The move to enact alternative education legislation occurred at a time of some profound overall changes in philosophy throughout Florida's educational system. The thrust of Florida's revamped educational philosophy is perhaps best represented by the state's educational accountability initiatives, in which Florida has been a national leader, beginning with 1971 legislation and culminating with the educational accountability statutes of 1974 and 1976. The 1976 legislation mandated the development of minimum student performance standards identifying the minimum competencies expected of all students in the subject areas of reading, writing, and mathematics. The rationale underlying the educational accountability initiatives and other reform measures of this period embodies a shift from remedial schooling to an early intervention and prevention strategy. This philosophy of education translates into a programmatic approach in which early intervention is not aimed at problem children per se but at preventing problems from emerging at a later stage in the student's development.

Major Participants in the Law's Passage

By late 1977, operating in an environment of broad educational reform on several fronts, those advocating a revamping of the exceptional education program for "socially maladjusted" children introduced legislation calling for a state subsidy in support of more broadly defined alternative education programs. Among those leading organized moves for the legislation were youth advocacy groups, such as the Florida Center for Children and Youth, the Florida Educational Association, local parent-teacher associations, school board members, and school administrators, particularly from several large urban areas. As previously noted, these groups had a common desire to redirect and broaden the focus of existing alternative education programs to encompass academically deficient, disruptive, or disinterested students who, while not necessarily interacting with the juvenile justice system, were not functioning successfully in a conventional classroom. They were also interested in this legislation for the opportunity it provided to heighten public awareness of alternative education programs and their potential application to a wide range of student problems.

Governor Reuben Askew's support for alternative education generated additional momentum for the bill. The governor's interest had been stimulated earlier by a study showing that the majority of children being expelled for truancy were black. Thus, Governor Askew supported this legislation presumably because he saw it as a means of alleviating this problem.

When the legislation was introduced in 1978, several school board members and district administrators from smaller districts added support for the legislation on two grounds: (1) that the subsidy allow for considerable local autonomy and discretion, an interest shared with urban counterparts; and (2) that the subsidy provide the opportunity to establish alternative education programs for the first time in new districts. To reiterate, it appears that at least some of the board members and administrators from smaller districts, along with their counterparts from larger districts, did not know that funds from the exceptional education program for "socially maladjusted" children could be used to establish alternative education programs for both adjudicated and nonadjudicated students alike.

No organized, concerted opposition formed against the legislation and it passed easily. In view of the strong support for the legislation, it is not surprising the primary elements of the Alternative Education Program reflected the interests of its major proponents, a matter which can be readily discerned from a review of the legislation's principal provisions.

(1) Each school board is authorized to establish one or more alternative education programs to meet the needs of students who are disruptive or unsuccessful in the normal school environment.

(2) A student may be eligible for participation in the Alternative Education Program if the student is disruptive, unsuccessful, or disinterested as determined by grades, achievement test scores, referrals for suspension, or other disciplinary action or rates of absences. (The requirement for psychological screening under the "socially maladjusted" program was eliminated.)

(3) Considerable local discretion exists in determining programming priorities. Alternative education programs may be in the form of learning centers specializing in areas such as occupational skills, communication, and the performing arts, or crisis intervention centers, or in-school suspension programs for students with behavioral problems, or any other alternative to suspension or expulsion which is approved by the school board.

(4) The district school boards are required to adopt policies and procedures consistent with the law, which will provide that the programs shall be positive rather than punitive in nature, and establish criteria for the selection and placement of students.

Proposed and Enacted Legislative Amendments to
the 1978 Subsidy Law

While constituent support of the Alternative Education Program has basically remained intact, two major amendments to the legislation were introduced during the 1979 session. However, only one amendment, Committee Substitute for House Bill 1327, the Education of Health and Rehabilitative Services Clients, passed. This amendment places the responsibility for the education of school-age clients in residential care facilities of the Department of Health and Rehabilitative Services with the local district school board in which the facility is located. Thus, the statutory change will expand alternative education to youth service facilities, including training schools and community-based programs for adjudicated delinquents. Accordingly, the increased number of students to be served by local alternative education programs, as required by C.S.H.B. 1327, was a factor in the legislature's removal of the ceiling or cap previously placed on the allocation to each school district. For fiscal 1980, the legislature allowed the amount allotted to each district to float according to need, as reflected by FTE enrollments. Having gained a base of experience with a floating allocation, the 1980 legislature reimposed a new cap.

A second major modification of the legislation was proposed by the Florida Center for Children and Youth which, while continuing support for the basic concepts of the alternative education subsidy, expressed concern regarding the following aspects of the law's implementation: (1) the large number of students referred to alternative education programs for disciplinary reasons; (2) discriminatory referral of students to alternative education; and (3) inadequate procedural and due process safeguards relative to referral, placement, and discharge from programs.

According to the center, the current law and the implementing state board rule (1) do not provide the Department of Education with sufficient authority to set and enforce clear guidelines consistent with criteria for supportive rather than punitive programs, (2) do not adequately provide for periodic review of individual placements, and (3) do not require an educational plan for the traditional program. Accordingly, the center prepared a bill which would have reversed the local discretion component in the current law by requiring each school district to develop a plan specifying how alternative education funds would be used. Prior approval of such plans by the Department of Education would be required before funds could be allocated. While this bill (H.B. 282) passed the House, it died in the Senate.

In the opinion of one interviewee, this legislation is not likely to pass if reintroduced since the restrictions on local autonomy embodied in the bill run counter to the legislative shift away from categorical programs in education over the last five to ten years.

The weighting formula of the Alternative Education Program is subject to change during the 1981 session, if cost studies determine that the present weight of two is inadequate, but no other major revisions are foreseen for the 1980 legislative session. During the 1980-81 interim period, evaluations of the

Alternative Education Program by both the House and Senate education committees are scheduled.

OBJECTIVES OF THE SUBSIDY

The intent of the education subsidy law is specifically stated in the legislation:

It is the intent of this Act that Educational Alternative Programs be established throughout the state which will assist students in preparing for their roles in the community, reduce the incidence of disruptive behavior and truancy in the public schools, reduce the number of students referred to special services or agencies, and generally offer alternatives to conventional education which will meet the needs and interests of those students now poorly served by the public school system. Such alternatives are to be positive and emphasize each student's abilities in order to ensure the full realization of the potential of each student.

Overall, the purposes of the Florida Alternative Education Program conform to the following objectives: to reduce youth involvement and interaction with the juvenile justice system, to prevent juvenile delinquency, to encourage development of community-based alternatives, and to stimulate intergovernmental cooperation and coordination. The findings from the fieldwork indicate that essentially there was consonance regarding objectives between the statement of legislative intent and perceptions of interviewees at both the state and local levels. The interviews revealed two other primary purposes ascribed to the subsidy not explicated in the statement of intent but implicit throughout the legislation: (1) to shift greater responsibility for services from state to local government, and (2) to effect a more even distribution of services. Another implicit, albeit secondary, consideration behind the subsidy was to encourage the development of minimum standards for staff, programs, and facilities at the local level. It was emphasized by respondents, however, that since the Department of Education does not have the authority to establish and implement program guidelines, "to encourage the development of standards" is the more appropriate phrase.

ALLOCATION OF FUNDS

Funds for alternative education programs are allocated on the same basis as are state monies for all other basic and special education programs functioning under the Florida Educational Finance Program. Therefore, before covering the allocation method, a brief general explanation of Florida's educational finance system is perhaps necessary to understand the Alternative Education Program subsidy specifically.

Florida allocates funds to its 28 basic and special education school programs according to an entitlement formula. As such, it guarantees school districts a certain level of funding per full-time equivalent (FTE) student for various education programs, providing the district levies a prescribed amount of ad valorem taxation as local effort in support of schools. In essence, the state makes up the difference between the guaranteed level of funding per FTE and the amount generated per FTE from the required local tax effort. Under this relationship, there can be a wide variance in financial support, for one district may receive 90 percent of program funding from the state while another district may receive only ten percent.

In addition to the 28 programs funded under FEFP, Florida's Department of Education also subsidizes school districts through several categorical grants, including the two mentioned previously under Organizational Context and which are listed in Appendix B. In instituting the 1973 FEFP program, Florida shifted from using measures of average daily population to numbers of FTE students enrolled during designated count periods as the method of computing fund apportionment to school districts. Under this system, the legislature determines a base allocation each legislative session. For the 1979-80 session, the base allocation was \$989 for each FTE. The base allocation can be adjusted yearly by the legislature to accommodate for inflation.

Each school-age child generates funding equal to one full-time equivalent, provided the student is attending classes during designated FTE count periods. Children with special needs, however, generate a weighted full-time equivalency, with the actual weighting varying according to the special programming required for the child. The rationale for this weighted FTE is that children with special problems and needs require greater attention and, hence, more staff time and money. The assigned weights are based on past FTE enrollment patterns, program practices, and cost data. Whether the assigned weights actually reflect the true educational costs of school programs appears to be a matter of conjecture.

As previously mentioned, state administrators and appropriate legislative committee staff will conduct cost studies during the 1980-81 interim period to verify the accuracy of the weight assignments and to propose revisions for legislative consideration, if necessary. Several persons interviewed, however, questioned the validity and reliability of the data upon which cost studies are drawn and subsequent weighting decisions are based. With respect to alternative education specifically, the sentiment of state decisionmakers is that there is not enough experience with the program yet to determine whether weighting is accurate. Local officials, however, take the view that the current weighting of two fails to generate funds sufficient for alternative education.

Within the boundaries set by the legislative appropriation to education, a base student allocation is determined. Drawing from FTE data and cost and expenditure studies by state administrators and legislative staff, and then making modifications as needed relative to resource constraints, the legislature (in each biennium) assigns relative weights to each FEFP program and apportions the base allocation amount according to the weighting system. For the Alternative Education Program, the legislature determined that the state could afford an appropriation that was twice the base student allocation. Overall adjustments for inflation are made through increases in the base student allocation figure. Unless there is growth in state dollars beyond adjusting for inflation,

increases in any one of the 28 FEFPs will bring reductions in the weight assignment and dollars available for other program areas, given the relative weighting system employed.

If district expenditure patterns indicate a divergence from the previous year's weighting for an FEFP program, that factor will be adjusted either downward or upward, depending on the direction of the variance. Only a 25 percent annual adjustment is made, however, in order to cushion the shock of any large-scale variation. The advantage of the adjustments is that the weight will continue to reflect approximate program costs. Problems can occur, however, if one or two large districts have substantial variances which could unduly influence dollar flow to smaller districts. While the overall educational pattern in recent years has been for districts to underspend on their allocated amount, the consensus of opinion at the state level was that it was too soon to determine expenditure patterns for alternative education monies. However, interviews in Hillsborough and Dade revealed that both of those districts were spending their full allocation. Since there were other districts which had underexpended, Dade and Hillsborough were reimbursed at a weight of two. Otherwise, excess FTEs would have only been reimbursed at the primary education weight of one.

Pupils in the Alternative Education Program receive weighted FTE funding of two. For each student enrolled in an alternative education program, the school district receives the base student allocation which varies from year to year. For fiscal 1980, the base allocation was set at \$989 which, when multiplied by two, equals \$1,978 allotted for each FTE. As required of all new state education programs, a cap or ceiling was placed upon the maximum amount of alternative education monies a school district would be eligible to receive during the first year of alternative education. There are two purposes for capping new programs, particularly those with higher weighted factors: (1) to restrain excessive spending the first year in order to gain a base of experience with a program and be able to gauge expenditure patterns in the future, and (2) to deter manipulation of FTE counts by local school districts through short-term transfers of students during FTE count periods into higher weighted programs.

To accommodate 1979 legislation requiring educational support to DHRS clients from the alternative education subsidy, the ceiling has been removed this fiscal year. Specifically, funding will float according to the level of appropriate enrollments in alternative education programs. While the removal of the ceiling will potentially generate more funds, it will have little or no impact on pupil/teacher staffing ratios. It is anticipated by some that once experience is gained with a "floating" program and weights are readjusted, a ceiling will be reset, most likely during the 1981 session.

School district spending discretion is further constrained by the requirement that a certain proportion of FEFP allocations, covering personnel costs, be spent in each program area. For the Alternative Education Program, school districts must spend 80 percent of their allocation, the percentage which applies to the majority of FEFP programs. If a school district fails to expend at the specified rate for a program, it is required to submit reasons in writing to the Department of Education.

The formula method is particularly appropriate for this subsidy, where a principal emphasis is on maximizing local discretion and autonomy and minimizing

state guidelines and other controls. A formula scheme also supports objectives which aim at a more even distribution of services, as all school districts are eligible on the same basis (FTE counts) for state funds.

ADMINISTRATIVE REQUIREMENTS

In its application and disbursement requirements and procedures, the Alternative Education Program is administratively simple. Particular emphasis is afforded to ensuring local program flexibility and autonomy, and minimizing administrative red tape.

The rather simplified procedure for determining district funding levels aptly illustrates this point. Four times yearly--twice during the 180-day term in October and February, and twice during the extended term in June and July--local school districts conduct an FTE count (stipulated by the Florida Department of Education) to determine funding eligibility levels for each FEFP program area.

Persons interviewed in Hillsborough County's school district described the following process for the alternative education, as well as other FEFP programs. Each teacher submits to the program supervisor a count of students and hours that students are served during FTE week. A copy is also sent to the building administrator. The building administrator uses this data, along with data submitted in the other funding categories, to report the school's total FTEs. Each program supervisor, using the data submitted by the teacher, checks the data submitted by the school administrator to ensure that no hours were inadvertently omitted by the school. The procedures employed by Hillsborough County are probably representative of medium-size to large school districts; smaller school districts no doubt use a more abbreviated method to arrive at their count figures.

The Department of Education will designate an FTE count week, shortly before the beginning of either October, February, June, or July. Dates are varied so that districts cannot anticipate a count and shift school calendars or temporarily increase student attendance into more highly weighted programs. Any student in attendance, either six days previous to an FTE week or during that week, is counted. The October and February counts are used to project the school district's budget for the succeeding fiscal year, while the sum of FTE counts around the state are one element in the legislature's program allocation determinations, as described in the previous section. Counts from the two summer months, as well as projections for October and February, are used by the state to make adjustments in fund allocation patterns, if there are discrepancies between initial and subsequent count figures.

The disbursement of subsidy and all other FEFP funds to local districts occurs through a bimonthly allotment, a recent change from a previously monthly disbursement system. The change was implemented in response to school district cash flow problems which were causing the districts to draw from their reserves. The reasoning was that the state was better able than local school districts,

particularly smaller ones, to absorb temporary cash flow shortages, given its large surpluses. In contrast to the bimonthly allotments for FEFPs, categorical programs receive their funds in quarterly disbursements.

If the system in Hillsborough County is representative, accounting procedures employed in most medium- to large-size school districts are reasonably sophisticated. The budgeting and accounting system operating in Hillsborough allocates revenues and expenditures by cost centers. Monthly accounting statements, categorized by program cost centers, are submitted to the Hillsborough School Board, with the information also forwarded to each individual school in the district. The state does not require that these monthly statements be submitted to the Department of Education.

Although time constraints permitted only a cursory look, it appears that a more traditional and simplified budgeting and accounting system operates in the Taylor County district. Funds are budgeted and accounted for on a line-item basis there.

The state exercises minimal control over local programming decisions. The subsidy legislation states that local school board districts must adopt policies and procedures consistent with the law and State Board Rule 6A-1.994 authorizing the establishment of alternative education programs, yet does not specifically mandate that these policy statements be submitted to the state before funds can be released. This is apparent by the fact that Hillsborough County continues to receive subsidy monies, although a program plan and policies were still in the preparation stage at the time of the field interviews. The districts are only required to "make available" these policies and procedures statements upon request by the Department of Education. Further, the format or content of policy and procedural statements are not specifically prescribed.

In the three counties visited, therefore, it was not surprising to find wide variation in the existence of the policy statements and, where available, their specificity and quality. For instance, Dade County has established a detailed, formal appeals process to ensure that fair and nondiscriminatory procedures for assigning and placing students into alternative education programs have been incorporated into its comprehensive Code of Student Conduct. On the other hand, the Taylor school district has only a highly generalized set of procedures governing placement decisions.

Consistent with the formula method of fund allocation, local school districts have great flexibility in choosing the types of alternative education programs to implement. The Department of Education is not given the authority to formulate and impose program regulations and guidelines. There are also no planning requirements specified in the law; that is, school districts are not mandated to develop program plans for state approval prior to the release of Alternative Education Program funds. Further, minimum state program standards on staffing, class size, facilities, and teaching materials, have not yet been formulated.

Apart from allocation restrictions built into the entitlement formula, the only state controls over local alternative education programs are through statutory provisions, administrative rules (such as State Board Rule 6A-1.994), and state field audits. The statute is very detailed and covers several items nor-

mally found in rules and regulations; yet these provisions are still quite general in their wording and application. The implementing board rule is a one-page sheet defining alternative education, as well as students eligible to participate in local programs. However, these definitions are stated in only the broadest terms, leaving it to each district to develop its own student eligibility criteria and screening referral and placement procedures within the even more general requirements of the law and board rule. Even where there is more specific definitional content, such as guidelines defining the characteristics of "positive" programs, local school districts retain a great deal of discretion in interpreting those guidelines. Although the Department of Education lacks enforcement sanctions against districts found to vary in the implementation of the "positive and not punitive" rule, the state's specification of program characteristics does provide a common basis for the legislature to determine whether the legislative intent is being met.

The only state mechanisms for enforcing compliance with the statutory and board rule intent is through the field audit process. Audits take two forms: (1) fiscal, and (2) program or performance. Fiscal audits, used to verify the accuracy of district financial records and FTE counts, are conducted on an annual basis. In contrast, the Department of Education only does a program audit of 15 school districts per year, owing to statutory restrictions and lack of sufficient staffing. School districts, therefore, experience program audits about every five years on an average. The department has published general performance criteria covering policies, records, local evaluation components, and program implementation guidelines for use of its field staff during these program audits.

Both types of audits involve a comprehensive review of all educational programs for the school district being audited and, as such, alternative education is only one element within the overall review. Of the two types, the fiscal audit is the most important to the school districts, since discrepancies discovered by auditors in financial records or FTE counts can mean audit exceptions or disallowances in state reimbursement dollars.

To establish a better liaison, the Department of Education has recently decentralized its fiscal audit staff so that now auditors are located in various school districts throughout the state. Where there is a cluster of smaller jurisdictions, an auditor will be responsible for covering multiple school districts.

The department perceives its role as one of monitoring, evaluation, and technical assistance to school districts. Beyond these functions, officials feel that the department lacks the legal authority to promulgate rules and regulations, as well as sufficient staff to actively monitor and enforce compliance with rules, even given the authority to impose them. Another respondent, outside of the department, expressed the opinion that the state was not particularly inclined to take a more activist role, legal authority and staff resources notwithstanding. The department's low profile is consistent with the more general trend of the last six to seven years in which the state's role in education has shifted from supervision to monitoring and evaluation. In its Compensatory and Alternative Education Section, at least, the department takes its monitoring and evaluation responsibilities quite seriously. For instance, the development of an extensive technical manual is in progress, which will inform

local school districts of the various alternative education programming options, and advising them of steps for implementing a program.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY
AND SERVICES RECEIVED BY JUVENILES

Although the 1978 Alternative Education Program legislation was intended to establish a broader variety of program offerings, expansion may only have had a significant effect in smaller counties such as Taylor, for in medium- to large-size school districts, many programs had already been instituted under the exceptional education program for socially maladjusted children. Descriptions of selected alternative education programs prepared by local school districts and a Department of Education survey of school district alternative education programs substantiate this observation.

In Hillsborough County, for instance, it was the exceptional education program and not the Alternative Education Program which was responsible for development of the extensive network of alternative education programs operating in that school district. Interviews revealed that every one of the existing state-funded programs in Hillsborough had been supported by monies for socially maladjusted pupils. Only bilingual education, like in-school suspension and the Learning Alternatives Program now funded by the Alternative Education Program, were not subsumed under the socially maladjusted weighting factor. Further, the subsidy did not depart from past practice with respect to relative state and local financial burden. More specifically, the 1978 Alternative Education Program continues to be almost exclusively the source of funds for alternative education, since local dollars are only used to match the small amount of federal monies received.

Interviews in Dade County reveal a slightly different practice, albeit one that is in essence a continuation of the system operating with socially maladjusted monies. In that district, alternatives were funded by a mixture of federal, state, and local dollars. In fact, long before state funds became available for socially maladjusted children, the Dade County school district was funding alternative education from local dollars. Interviews in this district revealed that school board members and administrators have long regarded the state funding levels as inadequate relative to the local contribution. This perception was not even changed by the 1978 subsidy legislation. Therefore, Dade school district continues to supplement state monies with federal and local dollars at approximately the same level as existed under the socially maladjusted weighting factor.

From this evidence, it is apparent that it was the exceptional education program and not the 1978 legislation which has most significantly influenced the establishment of services in Dade and Hillsborough Counties, a pattern likely reflected in some other jurisdictions of similar size.

The 1979 legislative amendment, requiring alternative education services to be provided to DHRS clientele, necessitated the removal of the existing allocation ceilings. An DHRS program supervisor in Hillsborough County indicated that the legislative amendment resulted in an expansion of services for youth services clientele. The highly regarded Learning Alternatives Program started in one classroom and, through the 1978 legislation and 1979 amendment, has now expanded to 15 schools. For services to other clientele, however, removal of the cap returned school districts back to the antecedent status quo operating under the socially maladjusted weighting factor in which FTEs were allowed to "float." However, the cap, reimposed by the 1980 legislature, provides that FTEs in alternative programs will be limited to 2.55 percent of an individual district's unweighted FTEs in grades four through 12. Thus, for 1980-81, a district may serve a greater number of students than the specified cap in the alternative program, but the number of pupils exceeding the cap will be adjusted to a cost factor of 1.0, except for FTEs earned by DHRS clients whose education is provided by public schools.

Taylor County school district, a comparatively small county, has expanded its level of services by the passage of the 1978 legislation. Interviews in Taylor suggest that, before the subsidy, an alternative education program had not existed in the two years since a locally supported effort had been terminated for lack of funds.

Two reasons may explain why smaller counties, such as Taylor, did not avail themselves of funds until the passage of the 1978 Alternative Education Program. One explanation is that it was not commonly understood that socially maladjusted funds were available. Thus, the 1978 subsidy heightened the visibility of state alternative education monies. A second reason is that smaller counties lacked the staff specialization to devote the time necessary to meet procedural requirements for arranging the transfer of adjudicated or detained children to alternative education classrooms, a procedure required to qualify for socially maladjusted funds. As previously noted, although school districts could adopt criteria and procedures which would have permitted socially maladjusted funds to be used for disruptive or unsuccessful children not involved in the juvenile justice system, it appears that Taylor may not have been aware of this funding and program flexibility.

A state-sponsored survey of local school districts, together with selected program districts, support the opinions of Hillsborough and Dade County interviewees that the services supported with current funds represent a continuation in the type as well as level of programming under the exceptional education program for socially maladjusted children. As with the previous subsidy, the most common alternative education program is in-school suspension/crisis intervention. This type of program is an alternative to out-of-school suspension or expulsion and generally provides a framework for addressing disciplinary problems. Thirty-eight of 67 school districts responded to the DOE survey; of these, 16 operated in-school suspension programs.

Other types of local alternatives which were continued by the 1978 legislation include:

(a) Schools With Schools (SWS)--this is an educational plan organized as a unit within a conventional school, including satellite and minischool programs.

(b) Alternative classrooms--these are individualized classrooms within the conventional school setting which seek to match teaching and learning styles.

(c) Learning centers--in these centers, learning resources are concentrated in one location and are available to all targeted students in the community. Centers might include magnet schools, educational parks, career/vocation centers, and technical high schools.

(d) Continuation schools--these schools provide for students whose education in the conventional school has been interrupted. These programs usually provide for specifically targeted populations, e.g., drop-out centers, pregnancy/maternity centers, street academies, and drug-related programs.

In addition to programs offered for children transferred from conventional school settings, alternative education services are provided to juveniles placed in halfway houses, detention centers, group homes, and shelter care facilities. In these instances, the school system supplies public school teachers to meet educational needs of the youth in such programs.

The greater visibility afforded alternative education since the passage of the 1978 legislation has undoubtedly spawned a greater number and diversity in program offerings, particularly in small- to medium-size counties. Because of limited funds, most programs are directed, however, toward disruptive and truant children, as evidenced by the high concentration of in-school suspension/crisis intervention centers. Despite some promising innovative programs instituted in recent years, service gaps still exist in early intervention programming at the elementary school level and in the development of continuation schools which meet the needs of students whose education has been or might be interrupted (dropout centers, evening and adult high schools, pregnancy/maternity centers, street academies, and drug-related programs).

SOURCES AND LEVELS OF FUNDING

Of the three counties visited, only Dade receives any significant measure of federal funds to support alternative education programming. The sources of federal dollars in Dade County are the Law Enforcement Assistance Administration (Juvenile Justice and Delinquency Prevention Act, Crime Control Act) and the Office (now Department) of Education (Elementary and Secondary Education Act, Titles I, III, and IV). Dade County officials felt that the level of federal funding only marginally supported the true program needs in alternative education. Funds from the Elementary and Secondary Education Act, which are targeted exclusively for children who are poor or have learning deficiencies, have been especially inadequate. Federal support in Hillsborough County comes exclusively from LEAA dollars which, in total, have only represented a fraction of alternative education funding. During 1979, Hillsborough County schools received

only \$59,000 in LEAA funds. No federal dollars for alternative education programming were reported by respondents in Taylor County.

The preponderance of alternative education funding is derived from the state Alternative Education Program and, before that, the exceptional education fund. Additionally, local officials found application procedures for state funds much simpler than for federal dollars. With respect to the proportion of state funding relative to other sources, state dollars to Hillsborough provide over 90 percent (\$1 million) of alternative education budgets, and for Taylor County alternative education is entirely state-supported, and yet the general sentiment is that state funds are far from adequate to meet the real costs of operating programs. Urban school districts, in particular, seem to have fared better under the socially maladjusted program. The new legislation resulted in a reduction in weighting from 2.3 to two, so that now 14 FTEs are needed to generate funds to support one teacher, as opposed to only 12 FTEs under the socially maladjusted weighted factor.

Despite the legislature's expressed intent to broaden the scope of children served, legislative underfunding was held responsible for minimal program offerings in elementary schools and for academically unsuccessful and disinterested students who do not pose behavioral problems. Respondents felt that only the "tip of the iceberg" is being touched by targeting funds on disruptive students in junior and senior high schools.

Although the importance of establishing alternatives for disruptive children was not diminished, several interviewees felt that significant opportunities for early intervention at the elementary school level (where problems may be in formative stages) are being missed.

When questioned about what would constitute an appropriate weighting factor, one local official ventured the opinion that the weight should be set in the three to 3.5 range. However, another local decisionmaker took issue with the prevailing perspective that the program is underfunded. He viewed the problem, instead, as poor application of state funds resulting in a cascade of special programs over the year, most of which serve the same 15 to 20 percent of the students.

Local dollars are an important source of funding only in Dade County. Dade County officials indicated that if state funds were curtailed or eliminated, the district would continue some--but not all--programs. Reduction or termination of state funding in Hillsborough would have a more dramatic effect, since only a small percentage of local funds are appropriated for alternative education programs, and such funds are used exclusively to cover administrative costs and to match LEAA funds (\$21,000 local contribution). There were no private funds or fees used in any of the three counties visited to support alternative education programs.

ORGANIZATIONAL STRUCTURES

With the passage of the Alternative Education Program statute and the enactment of a comprehensive state compensatory education program, the Department of Education established a special section for administering these state funds. However, no special policy body has been established, and so oversight is exercised through the State Board of Education.

State-level administration is undertaken by a full-time administrator (who divides his time almost equally between the alternative and compensatory education programs), a part-time alternative education "consultant," and three support persons. In addition, an LEAA grant underwrites the salary and other operational expenses for a full-time educational alternatives consultant, who has, as a major project, the responsibility for preparation of a technical manual guiding school districts in implementing alternative education programs. In addition to basic management responsibilities, the section's administrator is charged with monitoring local programs through field audits and other oversight methods, and providing technical advice and assistance to school districts. In these latter roles, the administrator is joined by the part-time consultant. The administrative cost to the state for program administration amounts to approximately \$35,000 to \$40,000 per year.

Although a staffing level of two full-time equivalents is needed for the Alternative Education Program, this, in actuality, only represents an increase of 1.5 FTE above the personnel requirements for administering funds provided for socially maladjusted youth.

At the local level, no organizational realignments have occurred or new administrative positions added as a consequence of the 1978 legislation. Organizational structures for the Alternative Education Program in Hillsborough and Dade Counties had already been established under the exceptional education program. In the Taylor school district, the Alternative Education Program is administered by existing staff in the superintendent's office.

Hillsborough County has retained the same administrative structure as before, with an assistant superintendent ultimately accountable for alternative education services. Working directly under the assistant superintendent is a supervisor for alternative education programs. This person works on alternative education programs most of the time, but also has some responsibility for various special education services offered by the school district.

No special boards, either, have been established to exercise control over alternative education. Policy oversight is exercised through the local school boards, to which superintendents report in all three counties.

Extensive coordination of services with other relevant local agencies occurs in the Dade County and Hillsborough County school districts. Some of the coordinating is through formally established linkages while, in other cases, interagency committees are established on more of an ad hoc basis, with the composition of a working group depending on the program being developed and the agencies affected.

In Hillsborough, the assistant superintendent responsible for alternative education requires the school system to establish an interagency task force or committee when a new program design is being formulated. The task force develops program criteria which is reviewed by the assistant superintendent and, ultimately, the school board.

While, in the short run, the development of interagency linkages seems time-consuming, Hillsborough officials feel that, in the longer term, coordination makes a program function more effective as disputes are minimized through better communication channels. This perspective was also echoed by school district officials interviewed in Dade County.

INTERGOVERNMENTAL RELATIONS

The heavy emphasis on local control and discretion evident in the administration of the Alternative Education Program is a product of a period when greater autonomy and authority in general had shifted to school districts from the Department of Education. Beginning in the early 1970s, the state department moved from a supervisory to essentially a monitoring role. The department functions largely in a technical assistance and monitoring capacity. A political tradition which has diluted the power of the Department of Education is that 50 of the state's 67 school superintendents are elected.

There has also been a corresponding move in recent years, reflected by the 1973 changes in Florida's educational finance laws, to reduce and limit the number and duration of categorical programs in favor of a funding system permitting greater local autonomy and less state control. Indeed, there is a legislative requirement that categorical programs in education are to be transitional and available only a maximum of four years.

The general consensus of state officials was that intergovernmental relationships have improved considerably as the profile of the Department of Education has lowered over the last six to seven years. When the Department of Education undertook a more supervisory role, local school districts tended to scapegoat the agency for educational problems. The legislature is now less receptive to local complaints about the agency, in light of its more modest monitoring and technical assistance posture, all of which leaves a few districts somewhat disconcerted.

Not surprisingly, a contrasting view of state-local relationships was expressed during our local interviews. These comments appear to be directed at the nature of state education programs, in general, rather than the Alternative Education Program toward which there seems to be high receptivity. In general, the complaint continues to regard too much state control over local education, a questionable viewpoint given the department's diminished supervisory powers of recent years. When pressed for specific examples, local officials expressed concern over the proliferation of overlapping and duplicative state education programs, each with its own complex and confusing guidelines and requirements.

Accordingly, the ire of local officials seems to be focused more on the guidelines and restrictions imposed by the sundry categorical programs rather than on FEFP programs. While other FEFP programs permit essentially the same measure of local autonomy as the Alternative Education Program, some do tend to be more restrictive on local districts and entail greater state controls. Local attitudes, however, may have evolved more from past practices than current reality.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

In general, alternative education programs that have been evaluated have been those underwritten with federal funds and state monies appropriated to the Florida Department of Health and Rehabilitative Services. The methodological limitations, however, of these program evaluations are that all except one of the evaluations limit their tracking to the period in which the students participate in the program. Only the Hillsborough Education and Employment Program attempted to track students subsequent to their departure from it and, in that case, monitoring only continued for one year thereafter.

Studies of Hillsborough County's Learning Alternatives Program (LAP) during 1976-79 reported that the program succeeded in reducing suspensions by about one-third, reduced unexcused absences by 85 percent, and managed to have approximately 45 percent successfully complete the program. An evaluation of Pinellas County's (St. Petersburg) Positive Alternatives to Student Suspension Programs (PASS), initially funded in 1972 under ESEA Title III and now supported from a mixture of state, local, and federal funds, found that schools participating from September 1971 to June 1974 experienced a decline in suspensions. Evidence of the positive effects of alternative education on dropout rates was found in Dade County's annual dropout rate report which documented that: "In Hillsborough's Education and Employment Program, approximately 75 percent of the participants earned their GED, which, although under the 90 percent standard set for the program, was considered a good indicator of success."

Intuitively, most state and local officials interviewed felt that alternative education programs have been effective in reducing youth involvement and interaction with the juvenile justice system and the incidence of juvenile delinquency. Those perceptions are substantiated by the evaluations which suggest that, at least while students are enrolled in the program, interaction with juvenile justice agencies and incidence of delinquency are reduced. Hillsborough's Learning Alternatives Program, for instance, reported a reduction in number of delinquencies from 166 to 18 of the 140 students enrolled in the program during the 1978-79 school year. Status offenses had been reduced by 91 percent for the same period. Further, statistics for the Education and Employment program reveal that 87.5 percent of participating youth were not arrested for an offense while in the program or for a year following their release. According to the author of the evaluation report, this accomplishment is made even more impressive by the fact that all of the youngsters enrolled had histories of repeated acts of delinquency, with 62.5 percent of those actually being in a committed status at the time of their placement.

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13. Hillsborough County Public Schools, "Hillsborough Education and Employment Program: Alternatives to Incarceration, Final Report, July 1, 1977 to June 30, 1978."
14. Hillsborough County Public Schools, "Summaries of County-Funded Programs for the Socially Maladjusted."
15. "Proposals for Alternative School Programs." From Alachua, Dade, Pinellas, and Wakulla School Districts. (Undated).
16. "Pupil Attendance in Florida: 1973-1977." Memorandum from Don Magruder, Executive Director, Florida School Boards Association, to Senator Kenneth H. Mackay, Jr., January 8, 1979.
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FLORIDA SPECIALIZED CHILDREN'S PROJECTS SUBSIDY

BACKGROUND AND ACKNOWLEDGMENTS

In the interest of learning more about the origins and administration of state support to local specialized children's mental health programs in Florida, interviews were conducted with state elected officials and state administrators in Tallahassee, as well as with local elected officials, administrators, and service providers in Hillsborough, Dade, and Perry Counties. The interviews took place December 10-14, 1979.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

State Legislators and Legislative Staff

Representative Samuel P. Bell, III, House District 30, Daytona Beach
Mike Kusick, legislative staff, Tallahassee

State Administrators

Alvin Taylor, Secretary, Department of Health and Rehabilitative Services, Tallahassee
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Joe Byers, Evaluation Unit, Department of Health and Rehabilitative Services, Tallahassee

Local Administrators

Ronald Kirkland, Director, Apalachee Community Mental Health Services, Tallahassee
Pat Robinson, Program Supervisor, Department of Health and Rehabilitative Services, District VI, Tampa

Local Service Providers

Anthony Broskowski, Director, Northside Mental Health Center, Tampa
Diana Lillesand, Director, Out-Patient Clinic, South Dade Community Mental Health Clinic, Miami

Key Informants

Vivian Zaricky, Florida Council for Community Mental Health, Inc.,
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Pete Mitchell, Florida Center for Children and Youth, Tallahassee
Peter Bermont, District XI Mental Health Board President, Miami

When children manifest the types of behavior that are less than socially acceptable, these conditions, if unattended, can lead ultimately to institutionalization in a state mental hospital or to incarceration in juvenile corrections facilities. In an effort to meet the needs of children with emotional disabilities, the Florida legislature, in 1973, authorized funds for the development of model programs in each of Florida's 11 human services districts. Although originally a rather limited initiative to make available community-based mental health services primarily to emotionally disturbed children, the legislation has evolved into a broader focus which also emphasizes measures to prevent the onset of emotional disabilities. Preventive measures, which involve strengthening families and other social support systems, are seen to be fundamental to averting behavioral problems which may require the use of stricter controls, such as in the most severe cases, with confinement in state hospitals or corrections facilities. Ideally, successful preventive measures result in keeping children entirely out of state institutions, only temporarily in special programs, and continually in the mainstream of society.

For these reasons, the Florida Specialized Children's Projects Subsidy appeared to offer an interesting subject for case study. This subsidy is also one of the few state mental health grants-in-aid in the country that could be specifically identified as benefiting children. Funds for these efforts are awarded to local private service providers in the interest of stimulating innovative approaches to treating and preventing emotional disturbance among children.

ORGANIZATIONAL CONTEXT

The Florida Department of Health and Rehabilitative Services

Human Services Before 1968

As in many states, human services grew slowly in Florida, responding to the gradual involvement of government in meeting human needs. Health services were the first to be formally organized, while over the years additional mechanisms were established to help deal with orphaned children, with destitute citizens, and with those who were infirm of mind or body.

As it became necessary to provide a uniform means of dealing with particular problems, special commissions or boards were established. This piecemeal way of organizing for social governance eventually became too cumbersome. By the late 1960s, state government had overlapping, duplicative, and fragmented functions and agencies.

The 1968 constitution required the simplification of the structure of Florida's government by establishing a 25-agency cap on the number of executive branch agencies, which then totaled close to 200. Furthermore, it delegated to the legislature the task of establishing those agencies.

The 1969 Reorganization

Accordingly, the 1969 legislature, as part of the general restructuring of Florida's executive branch of government, established the Department of Health and Rehabilitative Services (DHRS). Often called the "69 Reorganization," it really was not a reorganization at all. It was the first organization of human services functions in Florida's history and resulted in more than 20 independent service units being lumped into seven line divisions--corrections, family services, health, mental health, retardation, vocational rehabilitation, and youth services. In 1973 two more line divisions were added: aging and medical services for children.

In establishing the 1969 structure, the legislature had hoped to provide a fully unified human services delivery system, one that would ensure adequate communication among service providers as well as between consumers and providers. It sought an organization that would be fully responsive to actual circumstances in any given community and a structure that would prevent the multi-need client from falling through cracks between the categorical line divisions. It succeeded only in part in 1969.

There was enormous pressure from service providers and from categorical interest groups to maintain the strict categorical line structure in the human services organization. Likewise, each entity wanted to maintain its link to the governor without an intervening step. Consequently, the 1969 structure was still functionally categorical rather than unified. In addition, it provided for gubernatorial appointment of each division head, thereby preventing the departmental secretary from controlling the very units he was supposed to coordinate and lead.

The effort to achieve unified services delivery was not abandoned, however. It was apparent that the ability of the secretary to administer the agency was seriously hampered by the autonomous nature of the division structure. Further, there was no ability to provide aggregated data on numbers of clients served, costs for service delivery, and costs for administering the state programs.

The matter of altering the structure of DHRS came up in the legislature virtually every year. In August 1974, those who favored reorganization of DHRS along its present lines were given strong support when the governor's Management and Efficiency Commission recommended that DHRS be restructured to provide a unified system of community service delivery.

The 1975 Reorganization

When the legislature convened in 1975, both houses were ready to act on reorganizing DHRS. Early in the session, bills were introduced and passed. When the session was over, a new Department of Health and Rehabilitative Services emerged from the heated debate.

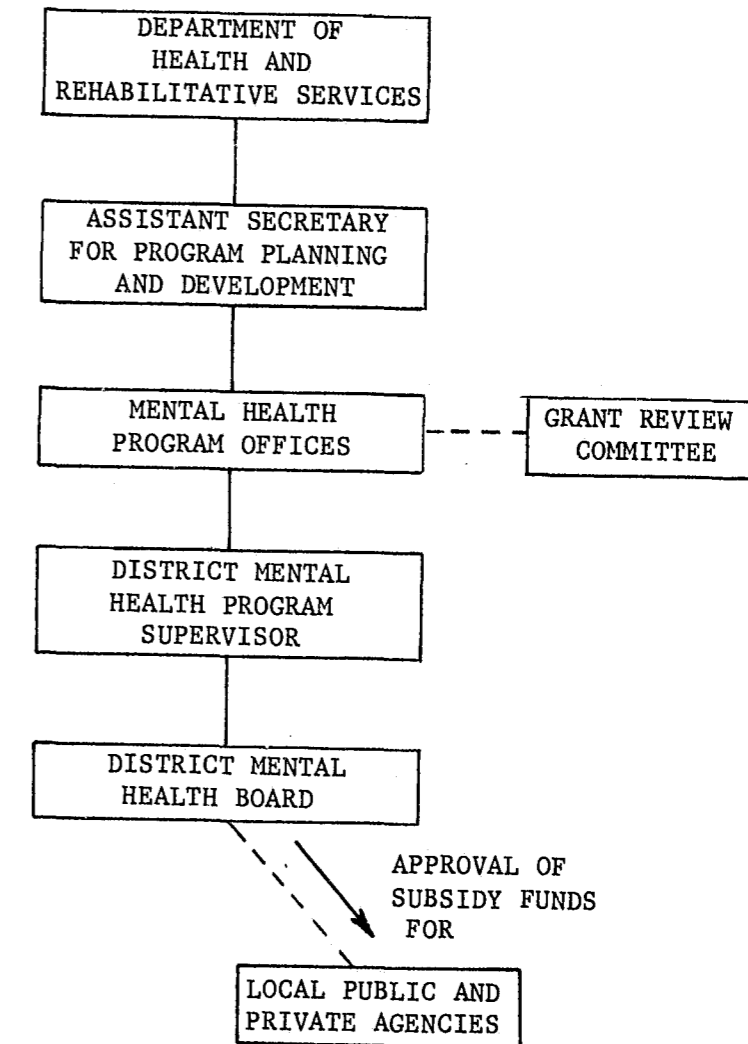
Currently, planning for services takes place in eight program offices at the state and district levels. These eight program offices are (1) Social and Economic Services, (2) Health, (3) Mental Health, (4) Developmental Services, (5) Vocational Rehabilitation, (6) Aging and Adult Services, (7) Youth Services, and (8) Children's Medical Services, and all are offices under the supervision of the Assistant Secretary for Program Planning and Development. Line authority for the management of institutions, residential treatment programs, departmental employees engaged in providing direct services for clients, and transfer of purchase-of-service and special program funds is given to the Assistant Secretary for Operations and, in turn, is delegated to the respective district administrators.

Beginning in 1981, the Department of Health and Rehabilitative Services established, as the result of a legislative mandate, a Program Office for Children, Youth and Families. This office will incorporate, among other components, several current mental health programs for children, including the following: (1) Purchase of Services for Residential Mental Health Treatment for psychotic or seriously emotionally disturbed children and adolescents; (2) Specialized Children's Programs; and (3) District High Priority Prevention Programs. It is expected that the Children's Mental Health unit under the Mental Health Program Office will oversee community mental health services for the under 18 population, as well as alcohol and drug abuse programs for the same age group.

Figure 1 outlines the organizational structure for agencies relevant to the Specialized Children's Projects Subsidy at the time of this case study.

There are 11 health and rehabilitative service districts, each managed by a district administrator and each, like the state-level organization, having eight program offices charged with planning for its respective functional and geographical areas. The mechanism for integrating the diverse range of human services at the district level is a single client intake and referral system, also established in the reorganization of 1975. Intake is staffed by workers from the district youth services program unit, which handles delinquency referrals, and the district social and economic services program unit, which is responsible for dependent cases.

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO FLORIDA SPECIALIZED CHILDREN'S PROJECTS SUBSIDIES



The Structure of Mental Health Administration

Operating under the Deputy Secretary for Program Planning, the Mental Health Program Office is responsible for program development, planning, research, identification of client needs, promulgation of program policies and standards, technical assistance to districts, reviewing and monitoring of district-level program operations, as well as assurance of uniform program quality among districts and program evaluation.

Each district also has a mental health program office and administrator. Unlike the other program areas, however, the line of authority for mental health services does not end with the state-appointed district administrator. Counties share in the responsibility for funding and general oversight of mental health services through district mental health boards. Despite periodic attempts to eliminate these boards, powerful local political and professional influences have forestalled these moves. It was agreed that district boards were important in retaining a measure of local autonomy in mental health programming. While still in existence, the number of boards have been reduced from 22 to 15, most of which now coincide with the geographical area served by the health and rehabilitative services districts.

The district mental health boards are private nonprofit entities. Each board is made up of at least 21 local participants, including a physician or psychiatrist, and other representatives of mental health interests who are appointed by the county commissions for a two-year staggered term. The boards are responsible for such activities as planning, evaluating, coordinating, developing service linkages, administering state and county funds and resources, and contracting for mental health services.

The district board may contract with community mental health centers, clinics, local inpatient units, and sole-source service agencies. Community mental health centers (CMHC) are private nonprofit corporations which receive federal and state funds and are overseen by an independent board. Composition of the CMHC board is determined by federal P.L. 94-63 guidelines, which include geographic, age, sex, race, and employment factors. There are 34 centers serving the 11 districts in the state. The centers enter into contracts to provide mental health services and develop community resources.

Mental health clinics are private nonprofit corporations which differ from centers in that they do not receive federal funds. A clinic has a separate board which represents the demographic composition of the area served. There are approximately 25 clinics serving the 11 districts in Florida. The clinics provide mental health services and are responsible for developing community resources.

Local inpatient units may be provided under direct contract with the district board or as a subcontract with a center or clinic to provide services. When specific services are unavailable through a clinic or center, the district board may contract with a sole-source service agency to provide the needed services.

The community-based approach in mental health had its origin during the last stages of the Kennedy Administration and under President Johnson through the passage of the Community Mental Health Services Act, which provided large sums of federal monies directly to localities to develop community-based mental health facilities. For political and other reasons, the Johnson Administration bypassed the states in providing funds directly to localities and private service providers. The state role in mental health had traditionally been confined to administering large, essentially custodial, institutions for the mentally ill or the criminally insane. The Florida mental health system has four state-operated hospitals.

When the federal funds began to shrink, localities and service providers pressured state governments for financial support which would fill the gap. Having been bypassed initially, several states had little political interest in bailing out the community mental health centers. Since Florida's experience had been largely restricted to management of large institutions, there was minimal understanding of or sympathy for community mental health initiatives.

Florida has supported community mental health centers, but as a condition of this support requires adherence to state standards, regulations, and procedures which have been developed for administration of and programming in those centers.

POLITICAL AND LEGISLATIVE HISTORY

Legislation for the Specialized Children's Projects Subsidy was passed in 1973. The original funding was intended to support at least one model program for emotionally disabled children in each DHRS service district. By 1975, 16 projects had been awarded grants through a Request for Proposal (RFP) process. The subsidy complements funding for general community mental health programming through the Florida Community Mental Health Act.

Since the initiation of these original project grants, three other funding mechanisms have been added to support services which are also considered by state administrators to be specialized projects for children. They are (1) the Purchase of Service (POS) Program for Psychotic and Emotionally Disturbed Children and Adolescents, (2) supplemental residential and nonresidential services monies, and (3) primary prevention projects.

In 1977, the legislature added funds for residential services through the Purchase of Services Program for Psychotic and Emotionally Disturbed Children and Adolescents. The intention was to allow psychotic and emotionally disturbed children to obtain residential services from privately owned facilities which had met standards of the Florida Department of Health and Rehabilitative Services (Administrative Regulations 10E-10) and had received accreditation from the Joint Commission on the Accreditation of Hospitals (JCAH). According to these criteria, only three facilities in Florida were eligible in 1978: Montanari in Hialeah and Fort Lauderdale, and Aneewakee in Carabelle; and so, for most communities, making use of the POS funds meant sending children from their homes to distant placements in other parts of the state. This situation

caused a great deal of criticism and provoked several districts to allow the funds to lapse in protest over the state's allocating monies which ostensibly were to support alternative placements to state hospitals but which obviously inhibited community-based treatment by certifying only three facilities in the state. The controversy compelled the Mental Health Program Office to examine its policies, with the result that facilities need only be approved by the Department of Health and Rehabilitative Services and need not be JCAH-accredited. State standards were also being modified in the hope that more locally based facilities would qualify. As a result, several additional facilities have been certified.

Also in 1977, a second source of residential funds, which also supports non-residential services, was established through a special appropriation and an incomplete diversion of monies slotted for wilderness camps operated by the Eckerd family, owners of a Florida drugstore chain. While these wilderness camping experiences were originally designed as services for unruly juveniles, a partial transfer of funds supporting the Eckerd camps was made from youth services monies to mental health sources. One million dollars of state money which funded these camps was combined with another \$1 million to become a pool of resources for community-based residential and day treatment services for emotionally disturbed youth. However, the Eckerd camps, which reportedly have no psychiatric components, continue to receive contracts for over \$1 million of this money. Those districts not using the funds for therapeutic foster homes are given first preference for placement in Eckerd Camps.

The most recent addition to the Specialized Children's Projects Subsidy supports local prevention efforts. Spurred by a national awareness reflected in the policies of the President's Commission Task Panel Report on Prevention, \$1.1 million was appropriated by the Florida legislature in 1979 to establish services directed toward ameliorating the conditions that may be primary stages in the development of emotional disabilities. Like the original Specialized Children's Projects Subsidy, the prevention projects have been designed initially as model programs. The strategy, once again, is to fund at least one project per DHRS service district, and to award grants to providers based on the strength of proposals specifying various prevention approaches. This strategy permits the state to equitably distribute funds across service districts while maintaining an experimental approach in determining which of a variety of service options seems to most effectively prevent the development of secondary and tertiary emotional disabilities. Presumably, the appropriations for services directed towards prevention, as well as for these meeting the needs of children who have manifested some degree of emotional disabilities, will be increased so that the "model projects" which have proven to be most successful can be replicated throughout the state on a level that benefits all children in need and not just those in proximity to the mental health center which submitted a successful proposal.

The origination of a state subsidy targeted especially to the needs of emotionally disabled children in Florida is credited to a number of factors. The first factor is the concern of new legislators who have recently come to leadership positions in the two houses. They bring to Florida's policymaking an interest in dealing with the root causes which put children in risk of developing the emotional difficulties and behavioral problems that have traditionally resulted in confinement in state mental hospitals or corrections facilities. So great is

their concern that these legislators have established a new subcommittee, the DHRS Subcommittee on Prevention--Children and Youth, devoted to concentrating on early intervention policies. In the interest of promoting better treatment of children as well as transferring the responsibility for services from the state level of government to communities, these legislators have opted to meet these needs through the use of state funds to subsidize local efforts.

At the same time that the awareness of state leadership was becoming attuned to the needs of emotionally disabled children, two key interest groups were being formed to foster and lend support to these emerging philosophies. The first group is the Florida Council for Community Mental Health, Inc., which in the absence of a state department of mental health, has come to be perceived by providers of community-based mental health services as the most effective vehicle for influencing legislators.

The second organization is the Florida Center for Children and Youth, which undertakes special research projects funded by the federal Law Enforcement Assistance Administration as well as various state agencies and private contributors. The center forms "clusters" of experts and key informants, such as judges, service providers, administrators, and others, around pertinent policy issues. Through its study of pressing issues and its coordination of some 20 interest groups across the state, the center, like the Florida Council for Community Mental Health, Inc., has become a formidable force on state policy-making.

Added to the individual strengths of these organizations is the fact that their viewpoints seem to be in harmony with one another as well as with the state representatives who now occupy key leadership positions. Together, they have organized to shape the state's efforts toward meeting the needs of children. The result, thus far, has been that Florida is one of only a few states to specifically target a state mental health subsidy to children.

OBJECTIVES OF THE SUBSIDY

Florida, like many other states, is actively pursuing efforts to move emotionally disabled clients, both children and adults, from treatment in state hospitals to less restrictive settings in communities. The state's basic strategy in meeting this objective, commonly known as deinstitutionalization, is to provide resources to communities to develop a range of treatment alternatives. These alternatives not only establish settings other than hospitals for treatment of emotional disabilities, but they allow clients to continue in their daily occupations, whether in schools, jobs, or homes and, in many cases, to remain with their families. By encouraging people to cope with difficulties in their immediate and customary surroundings, community-based services are geared to prevent the onset of more severe emotional disabilities which require hospitalization.

Thus, in order to diminish the state's direct involvement in the hospitalization of clients, Florida has chosen to pursue a twofold strategy to lessen the

need for long-term hospital care. Through the transfer of resources from the state to local level, communities are able to develop a diverse range of services which serve not only as treatment alternatives but also to prevent the onset of more severe disabilities. More than just authorizing a transfer of funds from state to local governments, the Florida legislation calls for (1) the joint participation by the state and communities in financing mental health services, (2) the integration of state-operated and community mental health programs into a unified mental health system, and (3) the strengthening of locally administered and locally controlled community mental health programs.

Put into simplest terms, the Florida Community Mental Health Act was designed to prevent the inappropriate institutionalization of mentally handicapped individuals and to protect their rights as clients and as members of society. At the same time, on a more systemic level, the Florida legislature wished to promote the effective utilization of resources through planning, coordination, and evaluation. While the state provides approximately three-fourths of community mental health program funds, the intergovernmental partnership is secured through a mandate that local governments, in nearly all cases, be responsible for 25 percent of the funding for mental health services, whether in-kind or in-cash.

The objectives of the Specialized Children's Projects Subsidy fit into this basic philosophical framework for mental health services in Florida. Like the overall objectives for mental health in Florida, these programs have become part of the strategy to deinstitutionalize children from state hospitals, to develop and expand community-based alternatives and, with recent changes to the legislation, to focus efforts on the prevention of behavioral problems and emotional difficulties through a variety of approaches directed toward children perceived to be at risk. More specifically, services supported through appropriations from the Specialized Children's Projects Subsidy are designed to increase skills in parenting and maintaining a household and, in general, in helping children as well as adults to cope with the stresses and expectations of a complex society. More discussion of the objectives of services will be offered in a later section.

ALLOCATION OF FUNDS

As mentioned earlier, funds for the Specialized Children's Projects Subsidy are allocated in basically two ways: as project grants and through purchase-of-service agreements.

The original model projects, also described previously, were established through grant awards made through a Request for Proposal (RFP) process. These projects have continued to be funded through contracts negotiated each year.

The primary prevention projects have also been developed through an RFP process. Each DHRS district is guaranteed a minimum of \$50,000 of the \$1.1 million appropriated by the legislature in 1979. State funds go through the local mental health boards and require a 25 percent match. Individual project budgets are requested not to exceed \$100,000.

Proposals are first submitted to the local mental health board for screening. A week later, they are forwarded to the DHRS district administrator. At this point, the district mental health program supervisors, working in collaboration with the district mental health board, rank the proposals in order of preference for funding. The district mental health board director is given final authority for ranking before sending the proposals to the state office.

At the state level, final review of the proposals is accomplished by a special grant review committee composed of a mental health program supervisor, an executive director of a district mental health board, as well as representatives of community mental health centers, DHRS Office of Operations, Mental Health Program Office staff, and professionals from the drug and alcohol programs sections. Legislative staff for the respective House and Senate DHRS committees served in an ex officio capacity. Proposals are evaluated according to weights given to factors such as program description, statement of need, measurable objectives, methodology for implementation, budget, evaluation approach, cost effectiveness, performance history, and innovativeness.

Residential facilities wishing to receive funds from the Purchase of Services Program for Psychotic and Emotionally Disturbed Children and Adolescents must request written approval to participate from the local district administrator. A daily reimbursement rate for the facility is negotiated with the state annually. The Department of Health and Rehabilitative Services establishes the rate for private profitmaking facilities based upon usual and customary charges or Medicare or Medicaid per diem rates, whichever is less. "Usual and customary" charges are defined as "an open market rate charged by the facility to any client who obtains like or similar services." In no case may the state-approved daily rate exceed that charged private clients for the same services. The state rate established by DHRS and the facility may be renegotiated at any time, subject to the discretion and approval of the district administrator; however, any requests for state increases must be well-documented and justified.

Twenty-five percent of mental health funds must come from local sources, minus any third-party payments or fees collected from non-Title XX eligible clients.

ADMINISTRATIVE REQUIREMENTS

As cited earlier, residential facilities for psychotic and emotionally disturbed children must meet state standards but are no longer required to meet standards of the Joint Commission on the Accreditation of Hospitals. State standards were especially promulgated for these facilities in order to encourage their availability in more communities.

A facility, according to these standards, is required to have a governing body, bylaws and rules, a written plan of operation, separate accounting and fiscal records for these funds, and written personnel policies, as well as to observe other standards concerning the safety and welfare of clients. Reports covering patients' therapeutic and educational treatment plans must be submitted

quarterly. Annually, a report prepared by an independent certified public accountant regarding funds expended specifically for children participating in the POS program is due at the DHRS district office.

Projects receiving grant awards are to indicate how projects are to be evaluated and what steps are to be taken to ensure interagency coordination among social and economic services, youth services, the local school system, and other appropriate agencies serving children.

THE TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY

The Specialized Children's Projects Subsidy was designed to meet the needs of emotionally disabled children in the least restrictive setting. The state legislature has already assumed that the number of children in state hospitals is indicative of a lack of less restrictive alternatives at the community level. A measure of the impact of the subsidy, therefore, can be assessed in terms of the number of service modalities developed according to varying degrees of restrictiveness.

It is this need to diversify the degrees of restrictiveness in handling emotionally disturbed children that has prompted the Mental Health Program Office to develop a typology for a continuum of services. The overall objective is to enable a child to remain a part of, or to expediently return to, the activities of family and friends. At the same time, the child and others should be protected from any uncontrollable behavior while efforts are concentrated on ameliorating the child's emotional disabilities. Included in this continuum are the following services (from least to most restrictive): (1) preventive services, (2) individual and family counseling, (3) day treatment, (4) individual and family crisis intervention, (5) short-term residential services for crisis situations, (6) therapeutic foster homes, (7) small group homes, (8) group child care and residential treatment centers, and (9) intensive residential treatment centers.

One approach to categorizing services by degree of restrictiveness is offered by the balanced services system, the conceptual basis for the community-based standards of the Joint Commission on the Accreditation of Hospitals (JCAH). The balanced services system defines three broad categories of services: (1) protective services, (2) supportive services, and (3) natural services.

The protective service environment is most restrictive; it shelters a group of unrelated people in the same setting and controls their activities 24 hours a day. Ideally, only two types of individuals should be assigned to protective settings: those children whose behavior is so threatening to self and others as to make it impossible to provide services to them in any other setting, and those children with handicaps requiring intensive and continuous medically related services.

The supportive service environment is more moderately restrictive. Services of this type involve groups of children and usually control their activities for only part of a day. The natural service environment is the term attributed to settings typical to most people--homes, schools, workplaces and, accordingly, services offered in this environment are delivered to people while at home, at school, or at work.

By arranging the services to meet the mental health needs of children in Florida according to the balanced services system typology, it can be seen how many children were being served in what types of settings according to degree of restrictiveness.

The addition of the prevention funds (\$1.1 million) appears to have complemented the types of services made available through the original Specialized Children's Projects Subsidy. Table 1 indicates that the prevention funds enabled Districts III and IV to offer services in the natural environment where previously none existed and, accordingly, District VII was able to establish supportive residential services with these monies.

Funds for the Specialized Children's Projects have resulted in a better statewide balance of services across environments. By far, the greatest number (over 2,000) of children and parents were being served through primary prevention efforts in the natural service environment. The number of placements in the supportive service environment also exceeded those in protective settings.

While the number of supportive residential placements clearly outnumbered those in protective settings, the Florida legislature, as well as youth advocacy groups, remain concerned that districts are overutilizing state hospitals as placements for emotionally disturbed children. Indeed, a look at the admissions trends since 1974 reveals an almost cyclical pattern of admissions, increasing to a peak, dropping dramatically, and then increasing again. This trend is illustrated in Table 2.

There are at least two things which are disturbing about these figures. The first is that the increase in admissions to state hospitals over the last three years has occurred at the same time the community-based residential program has been building. It would appear that the community-based system has not yet developed to a sufficient level to affect the number of referrals to state hospitals.

The second observation that can be made is that the greatest percentage increase in admissions has occurred among children 14 years old and younger. Specifically, the number of admissions for children five through nine years old jumped from three placements in 1977 to 27 in 1978.

The interest in continuing efforts to control the number of admissions of children to state hospitals is great. The Florida Center for Children and Youth is concerned that not only are state hospitals less than effective in treating the emotional problems of children, but they have the additional liabilities of being removed from the child's family and community and, for children placed in adult wards, of subjecting them to the possibilities of physical and sexual abuse.

TABLE 1. FLORIDA SPECIALIZED CHILDREN'S PROJECTS BY DHRS DISTRICT
AND RESTRICTIVENESS OF SETTINGS*

District	Supportive Services		Natural Services			
	Service	No. Served Annually	Dollars Allocated	Service	No. Served Annually	Dollars Allocated
I				Comprehensive Early Childhood		\$ 50,000
II	Adolescent Res. Treatment	24		Prevention-Day Treatment School-Home Intervention	71 298	
	Therapeutic Foster Homes	5	\$ 43,000	Child Abuse Prevention Project		72,000
III	Adolescent Res. Treatment	11		Life Coping Skills Education Project		62,000
	Adolescent Res. Treatment	20		Project Life Styles		38,000
	Respite Foster Care	32				
IV				Prevention-Day Treatment	114	
				Prevention-Day Treatment (Family)	30	
				Family Skills Team		62,000
				Skills for Living		30,000

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TABLE 1. (continued)

District	Supportive Services		Natural Services			
	Service	No. Served Annually	Dollars Allocated	Service	No. Served Annually	Dollars Allocated
V	Adolescent Res. Treatment	11		Youth and Family Resource Center		\$ 35,000
				Focus		37,000
VI				Prevention-Day Treatment	188	
				Prevention-Day Treatment	179	
				Rappin		75,000
				Children of Divorced Parents		75,000
VII	Residential Treatment		\$100,000			
	Small Group Home		80,000			
VIII	Therapeutic Foster Homes	8	61,000	Prevention-Day Treatment (Pre-School)	352	
	Adolescent Res. Treatment	25		Prevention-Day Treatment (Primary, Secondary)	28	
				Early Intervention for Handicapped Children		50,000
				Adaptive Parenting		26,000

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TABLE 1. (continued)

District	Supportive Services		Natural Services			
	Service	No. Served Annually	Dollars Allocated	Service	No. Served Annually	Dollars Allocated
IX	Res. Treatment (Primary Age)	45		Prevention-Day Treatment (Teenage Parents)	520	
	Therapeutic Foster Homes	25	\$102,000	Proposal "B"		\$ 86,000
X				Foster Parent Training		34,000
				Prevention-Day Treatment	277	
XI				Project for Unwed Parturient Adolescents		75,000
	Pyscho-Education	31		Prevention Consultation and Education (Abusive Parents)	46	
	Adolescent Res. Treatment	40		Prevention Consultation and Education (Pre-Natal)	42	
				Prevention Consultation and Education (Primary Age)	43	
			Day Treatment (Primary & Secondary Ages)	48		

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TABLE 1. (continued)

District	Service	Supportive Services		Natural Services	
		No. Served Annually	Dollars Allocated	Service	No. Served Annually Dollars Allocated
				Parent Education Infant Stimulation	\$ 92,000
				Project Support	100,000
Statewide	Eckerd Camps	145	\$1,700,000		
Totals		422	\$2,806,000		2,236 \$999,000

*No local protective services were subsidized in fiscal 1978 under the Specialized Children's Projects Subsidy. However, Florida did expend \$1,900,000 from this account in providing projective services to 317 children in state hospitals.

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TABLE 2. NUMBER OF ADMISSIONS OF CHILDREN TO FLORIDA STATE HOSPITALS

Fiscal Year	Ages 5-9	Ages 10-14	Ages 15-17	Total
1978-79	27	101	189	317
1977-78	3	70	177	250
1976-77	7	65	172	244
1975-76	7	93	216	316
1974-75	9	69	192	270

Source: Florida Center for Children and Youth.

Another disincentive to state hospital placements is their high costs. The annual cost for keeping a child in a state hospital ranges from \$13,000 to \$20,000, while therapeutic foster homes range from \$19 to \$44 per child per day, or an average of \$11,000 per year.

SERVICES RECEIVED BY JUVENILES

A high level of concern regarding having to place children in state hospitals for treatment has been apparent among Florida's state legislators. Their concern, in fact, has resulted in proviso language being attached to the 1979 appropriations act for the Purchase of Services Program for Psychotic and Emotionally Disturbed Children and Adolescents. As explained in a memo to DHRS district administrators:

It is the intent of the proviso language for the Purchase of Services for Psychotic and Emotionally Disturbed Children and Adolescents that children and adolescents not be placed in any state hospital until all Purchase of Services (POS) funds have been committed, unless a court order is issued which authorized placement in a state hospital. POS funds will be considered "committed" when all POS slots allocated to an HRS District have been filled.

In other words, if POS funds are available, children who arrive at a receiving facility or a state residential center for children must be referred to a POS case review committee, available on a routine and emergency basis for deciding suitable (least restrictive) placements in local POS residential programs. The POS case review committee is comprised of representatives from the mental health district boards, local school districts, DHRS district office, and community mental health agencies. Not even a voluntary placement in a state

hospital or state children's residential facility is possible if there are POS slots available. The only way a child could be admitted to a state facility would be if the child were considered unsuitable for POS treatment and were granted a court-approved involuntary admission.

If all POS funds have been committed, a child may be referred to a receiving facility for evaluation regarding admission to a state hospital or to a residential treatment center for children. Admission to a state facility may be voluntary, in which case a voluntariness hearing must be held, or involuntary, in which case a petition must be filed with the court for an involuntary placement within 48 hours of a child's admission to a receiving facility and a court hearing scheduled within five days of the notice of hearing. No direct admissions can be made to a state hospital, for all children must be referred to a receiving facility for evaluation prior to commitment.

The provision also pertains to youth referred from the juvenile justice system. They must also be referred to a receiving facility for evaluation prior to commitment to a state hospital or residential facility for children.

SOURCES AND LEVELS OF FUNDING

Support for children's mental health programs in Florida comes from a mixture of federal, state, and local funds. Participants are encouraged to generate local matching funds from the school systems and county commissioners, among other sources. According to the Administrator of Special Projects for the Mental Health Program Office, approximately \$1.2 million was distributed during fiscal 1979-80 for the 24 original Specialized Children's Projects Subsidy; \$1.15 million allocated for Purchase of Services contracts, slightly over \$1 million went to therapeutic foster homes with another \$1 million set aside for Eckerd camp placements, and, finally, grants amounting to \$1.1 million were awarded for prevention projects.

With the legislature's continuing interest in deinstitutionalization, appropriations to community-based alternatives for emotionally disturbed children have been increasing. The appropriation for POS in fiscal 1978-79 was \$350,000. In fiscal 1979-80, it was increased to \$1.1 million; and, by fiscal 1980-81, it will be \$2 million.

Other sources of state support to children's mental health programs have been estimated by the Florida Center for Children and Youth. For 1979 and 1980 fiscal years, the Florida Mental Health Institute was allocated nearly \$1.7 million for residential and day treatment services. State mental health hospitals, it is estimated, will receive \$1.3 million to serve children.

As was discovered by researchers conducting the first phase of this study, the Florida Center for Children and Youth found that "the state budgets millions of dollars from community mental health grant-in-aid, most of which cannot be traced to children's services because of limitations in current budgeting and accounting methods." The reason for this, they observe, is that "the use of

grant-in-aid money is determined by local service providers after it passes through the district offices and district mental health boards. For example, some portion may fund outpatient services for children at a local community mental health center or a day treatment program in the district."

ORGANIZATIONAL STRUCTURES

Except for five staff members at the state level assigned to mental health programs for children, there is no organizational structure established expressly for the administration of the Specialized Children's Projects Subsidy. Rather, the existing mental health administrative structure is used for the distribution of these funds as well as all other mental health funds which are transferred from the state to local service providers. This structure was discussed under a previous section, Organizational Context. No funds from the grants are expended for administration at the state level; however, approximately ten percent of grant funds are needed for administration at the local level.

INTERGOVERNMENTAL RELATIONS

Mental health programs in Florida are a last vestige of locally operated, state-subsidized human services. As explained in the section on organizational context, unlike other human services program areas, the line of authority for mental health services does not end with the state-appointed district administrator. Counties share in the responsibility for funding and general oversight of mental health services through district mental health boards. Efforts to eliminate these boards have been unsuccessful, but the number of boards has been reduced from 22 to 15, and they more closely coincide geographically with DHRS districts.

Ironically, even in the face of a predominately state-administered human services system, local mental health providers seem to be getting politically stronger. The recently organized Florida Council for Community Mental Health, Inc., provides ready advocacy linkages to the state legislature. While there was no indication of any great friction between local mental health boards, local mental health service providers, and DHRS district administrators and Mental Health Program Office supervisors, it was apparent that the local boards and providers appreciated both their measure of autonomy from DHRS and direct access to the legislature. Without the level of local autonomy and activity possible through the current system, mental health providers and administrators felt that mental health concerns would be lost in the DHRS maze.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

Twenty percent of DHRS programs are required to be evaluated every year, and a special evaluation unit exists just to undertake this responsibility. The legislature has expressed an interest in having an evaluation of the original specialized children's projects, the POS Program for Psychotic and Emotionally Disturbed Children and Adolescents, as well as the new prevention projects, and it is anticipated that such an assessment will soon be done. In the meantime, projects are expected to have measurable objectives and to perform continuous self-appraisals.

Most people interviewed supported the concept of specialized children's projects and felt that the few existing projects were successful in meeting objectives to prevent children from having to be institutionalized. The major problem cited was that the programs were too few in number. One or two projects per DHRS district were felt to be inadequate. Some districts have been forced to declare emotionally disturbed children as dependent in order to make them eligible for community-based services. This situation prompted one legislator to suggest that perhaps the distinction between emotionally disturbed and dependent children should be dropped altogether in favor of a children-at-risk designation, so that children in need of help would not be left to fall between categorical cracks.

The Florida Center for Children and Youth, in proposing to examine the state of deinstitutionalization services for emotionally disturbed children, surfaced a number of problems relating to the current mental health system. First of all, the center stated that attempts to define a child's need for mental health services have been vague, inconsistent, and restricted to severe cases, while focusing on a behavioral definition with emphasis on a psychiatric diagnostic classification.

A second problem concerned program planning. The center felt that the state has limited information on the actual number of children in Florida in need of mental health services. Lack of a clear definition of needs, fragmentation of services among various providers, and an inadequate client information system are cited as underlying complications. While the Mental Health Program Office may have the best of intentions regarding these concerns, the center observed that the current staff level investment is woefully inadequate to monitor the mental health needs of 27 percent of Florida's population--its children.

The center also found that mental health services currently available to children continue to be limited in scope and availability, and that the local match requirement presents a major funding issue. Some poor rural areas of the state, it is felt, are unable to take advantage of state funding because they lack resources to meet the local match. Cited as an example of current problems with categorical funding is a juvenile court mental health clinic in Dade County which is required to operate on county funds because neither the Mental Health Program Office nor Youth Services Program Office consider the program their funding responsibility.

A final collection of difficulties noted by the center had to do with monitoring. The claim is that variations in case monitoring procedures present problems for program monitoring. While information on the number of children served is available for most programs, additional information is needed to adequately assess the characteristics of children served by programs at each point of the continuum, the reasons for their placement, the length of time they receive services, the degree to which families are involved, etc.

CONCLUDING REMARKS

The problems attributed to the Florida Mental Health Program Office by the Florida Center for Children and Youth are not peculiar to Florida but exist in systems throughout the country. The potential for experimentation and innovation in mental health programs for children that is offered through the Specialized Children's Projects Subsidy is an indicator of a step in the right direction. Many of the people interviewed in the course of the case study related that the appropriations were too small and the projects too few to have a dramatic impact on meeting the mental health needs of children, but the few model projects that were available offered the opportunity to observe what could be done and what more needed to be done.

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IOWA ALTERNATIVES TO FOSTER CARE AND IN-HOME SERVICES, AND COMMUNITY-BASED JUVENILE CORRECTIONS SUBSIDIES

BACKGROUND AND ACKNOWLEDGMENTS

The subsidy programs in Iowa--Alternatives to Foster Care and In-Home Services, and Community-Based Juvenile Corrections--were initiated during the second half of the 1970s. These programs are devoted to treating children in the least restrictive environment, particularly their own homes, and preventing their placement in state institutions. The children and families to whom these services are directed tend to be clients of the Iowa Department of Social Services and juvenile court, which have exclusive original jurisdiction over cases of delinquency, dependency, and neglect. While the programs were legislated independently and receive separate appropriations, their mutual objectives, beneficiaries, and organizational contexts warrant a discussion of all three programs in a single case study.

In April 1980, state and local officials in Des Moines, Indianola, and Cedar Rapids, Iowa, were interviewed. Information was collected in Des Moines for Polk County and District 11 of the Iowa Department of Social Services (DSS), in Cedar Rapids for Linn County and DSS District 10, and in Indianola for Warren, Adair, Madison, and Marion Counties also in DSS District 11.

To gain a complete perspective of these programs, personal interviews were held with state legislators; legislative aids; state, regional, and local administrators from the Department of Social Services and the Iowa Crime Commission; county probation officers; juvenile court judges; program directors of child-placing agencies; and youth advocates.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

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Local Administrators

Department of Social Services

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Fran Zmolek, District 11 Office, Des Moines
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Roger Reid, District 10 Office, Cedar Rapids
Loren Jansa, District 10 Office, Cedar Rapids
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Local Service Providers

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Don Gean, Area Substance Abuse Council, Inc., Cedar Rapids
Bob Buntz, Alternative Services, Inc., Cedar Rapids
Diane Baumbeck, Lutheran Social Services, Iowa City
Jim Swain, United Action for Youth, Iowa City
Bill McCarty, Department of Youth Facilities, Linn County
Gil Cerveney, South Central Juvenile Care Center, Indianola

Key Informants

Carol McBroom, Iowa Crime Commission, Des Moines
Art Fine, Iowa Network of Youth Services, Des Moines
Brent Hege, Youth Law Center, Des Moines
Brent Harstad, Juvenile Court Judge, Linn County
Gary Ventling, Director of Juvenile Court Services, Polk County
Robert Haldeman, Probation Officer, Adair, Madison, Marion, and Warren Counties

We would also like to extend our gratitude to State Senator John Murray, Representative Charles Bruner, and Catherine Williams, Deputy Commissioner, Department of Social Services, who had agreed to talk with us but whose schedules during the last week of the legislative session, the week of our visit, precluded time for personal interviews.

Iowa's innovative dedication to community-based and, in particular, home-based services captured the interests of this study from its earliest phase. Iowa is one of only several states offering special appropriations to child welfare services, as defined by this study. The legislature has appropriated funds for specific children's services in three functional areas: juvenile justice, child welfare, and education; state administrators also report participation in six federal grant programs across all five of the functional categories considered by this study, indicating a strong pattern of intergovernmental funding. The use of subsidies to stimulate program development in a system which is predominantly supported through state-administered purchase-of-services contracts also made Iowa a uniquely interesting setting for a study of state subsidies. Iowa is, also, the only state among those selected for investigation located in the central United States and Federal Region VII.

ORGANIZATIONAL CONTEXT

The Juvenile Court

The juvenile court of Iowa has exclusive original jurisdiction in proceedings concerning any child alleged to be delinquent or children in need of assistance in cases of dependency and neglect. An extensive revision of the juvenile code in 1978 removed status offenses from the adjudication process and established, instead, a family in need of assistance section. Under this provision, any family member may petition a juvenile court for help when there is a breakdown in the family relationship. The court may adjudicate a family to be in need of assistance, if it is found that there are difficulties in reconciling the relationship between a child and his or her parent or guardian. Other considerations include whether services to maintain and improve the family's relationships have been sought, and whether the court has services at its disposal to which the family can be directed for help. A child not complying with the orders of the court may be found in contempt and punished by imposition of a work assignment. Only a family member may file a family in need of assistance petition. The court may not remove the child from the home unless the child requests and agrees to such a placement.

Juvenile court intake workers and probation officers are county employees. In smaller counties, the intake process is performed by probation officers. While the majority of referrals to juvenile court are made by law enforcement officers, children may be sent to the court's intake process by schools, public or private agencies, other courts, citizens, or parents. The intake officer, after consultation with the county attorney, when necessary, determines whether

the complaint is legally sufficient, based upon an inquiry into the facts, to file a petition. Even if the intake officer determines that the complaint is legally sufficient to support filing a complaint, the officer has the discretion to determine whether the interests of the child and the public are best served by dismissal of the complaint, an informal adjustment, or adjudication. Any agreement for informal adjustment is entered into voluntarily by the child with the advice of counsel and the consent of the child's parents.

A formal judicial proceeding to determine whether a child is in need of assistance is also initiated by filing a petition. Authorization for filing is given to the Department of Social Services, the probation officer, or the county attorney. A child's parents, guardian, or custodian must be present at any hearings or proceedings held subsequent to the filing of the petition.

A child found by a juvenile court to have committed a delinquent act is given a dispositional hearing, at which point the court is to enter the least restrictive dispositional order in view of the seriousness of the delinquent act, the child's culpability, as indicated by the circumstances of the particular case, the age of the child, and the child's prior record. Dispositional orders which the court may enter include prescribing a work assignment or restitution, or placing a child on probation or under special care and treatment for physical, emotional, or mental health needs. Under these dispositions, the child may be released to his parents or transferred under legal custody to an adult relative or other suitable adult, to a public or private child-placing agency, or to the Department of Social Services. Legal guardianship may be transferred to the commissioner of the Department of Social Services for placing a youth into a state juvenile corrections institution.

A juvenile court awards legal custody or guardianship to the agency receiving the child. The rights and duties of a legal custodian are to maintain or transfer the child's physical possessions; protect, train, or discipline the child; provide food, clothing, housing, and medical care; consent to emergency medical care, including surgery; and, release medical information to a health professional. A legal guardian, in addition to the rights and duties of a legal custodian, is authorized to make important decisions which may permanently affect the life and general development of a child, such as consenting to the child's adoption, marriage, enlistment in the armed forces, or receiving medical, psychiatric, or surgical treatment. Regardless of the child's disposition, the court maintains continuing jurisdiction.

A child found in need of assistance also receives a dispositional hearing. Legal custody of the child may be transferred to a relative or other suitable person, to a licensed child-placing agency, or to the Department of Social Services. Legal guardianship of the child may be transferred to the commissioner of the Department of Social Services for placement in the Iowa Juvenile Home at Toledo.

Even though a juvenile court has transferred the custody of a child to the Department of Social Services or other agency, it retains the right to prescribe the type of treatment which will serve the best interests of the child. The agency to which the child is directed is required to submit a specific placement plan and to make every effort to return the child to his or her home as quickly as possible. The maximum initial placement period is six months, at which time

the court determines whether the child should be returned home, an extension of the placement is appropriate, or a proceeding for the termination of the parent-child relationship should take place.

The Department of Social Services

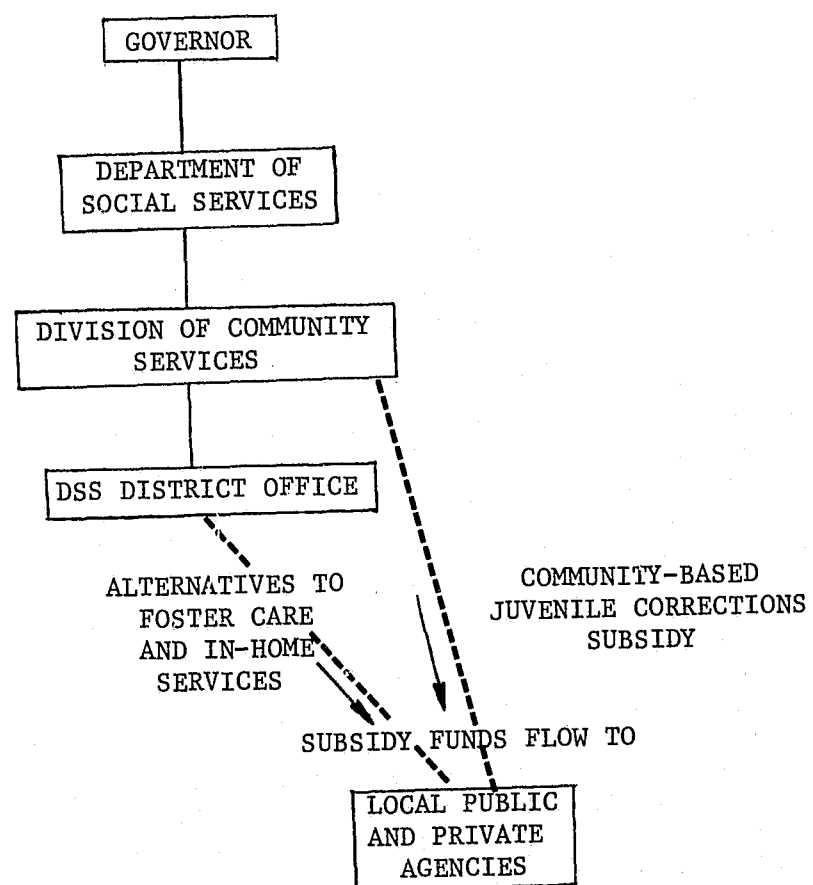
The Department of Social Services is directed, by statute, "to develop and administer programs concerned with the problems of human behavior, family, child, and adult welfare, economic assistance, rehabilitation toward self-care and support, delinquency prevention and control, treatment and rehabilitation of adult and juvenile offenders, care and treatment of the mentally ill and mentally retarded and other related programs by law."

The commissioner of the Department of Social Services, the chief executive officer, is appointed by the governor and confirmed by the Senate. The deputy commissioner and seven division directors are appointed by the commissioner. The Council on Social Services, composed of five members selected to reflect a diversity of interests and viewpoints, sets policy and approves budgets. These members are also appointed by the governor with the consent of the Senate.

The department's seven divisions cover executive support, adult corrections, community services, field operations, mental health resources, planning, and administration. Of particular interest to this study is the Division of Community Services, which contains five bureaus: Financial Assistance, Medical Services, Food Programs, Adult Services, and Children's Services. In addition to administering the subsidies discussed in this report, the purchase-of-services contracts, and Title XX funds, the Division of Community Services is also responsible for overseeing the three state institutions for children, as well for licensing community-based child care and child-placing agencies.

The Department of Social Services has divided the state into 16 regions, which are administered by district offices. Local administration and direct services are performed by DSS employees, customarily social workers, assigned to various communities. Local DSS employees are responsible to the district directors who, in turn, are responsible to the division director for field operations and, ultimately, the commissioner of the Department of Social Services. Purchase-of-services contracts and the home-based services subsidies are negotiated between public and private providers and the district offices, while grants from the Community-Based Juvenile Corrections Subsidy are awarded to providers directly from the Bureau of Children's Services. Figure 1 shows the organization of agencies relevant to the subsidies.

FIGURE 1. AGENCIES RELEVANT TO IOWA ALTERNATIVES TO FOSTER CARE AND IN-HOME SERVICES, AND COMMUNITY-BASED JUVENILE CORRECTIONS SUBSIDIES



The Iowa Crime Commission

The Iowa Crime Commission is designated as the state's criminal justice planning agency. In this capacity, the commission administers funds from the Law Enforcement Assistance Administration (LEAA) and the Juvenile Justice and Delinquency Prevention Act (JJDP). It also prepares an annual action report and monitors juvenile court and detention use activity to ensure compliance with federal requirements to receive JJDP funds. A Juvenile Justice Advisory Council, comprised of members representing various juvenile justice agencies and organizations, directs the commission's JJDP involvement.

The Iowa Crime Commission has divided the state into seven areas, each with a regional planning unit to administer grants to local units of government (boards of supervisors) and to perform local planning functions. The commission and the regional planning units work closely with the courts and the Department of Social Services through their monitoring activities of grants received by these agencies.

The Office for Planning and Programming

The Office for Planning and Programming is an arm of the governor's office directed to coordinate the development of physical, economic, and human resource programs, as well as to promote the efficient and economic utilization of federal, state, local, and private resources. The Office for Planning and Programming (OPP) and 16 areawide planning organizations for local governments coordinate the development activities of state programs and prescribe state program standards.

The Office for Planning and Programming has a subdivision for youth programs which oversees some special programming for youth at the state level, as well as locally through the areawide planning organizations. Primarily, these programs deal with youth employment, such as all CETA youth employment programs, the Youth Conservation Corps, the Governor's Youth Opportunity Program, the Work Experience Program, and the Iowa Juvenile Victims Restitution Program. However, the Youth Coordinator's Office has also been assigned such juvenile justice projects as the Youth Needs Survey and Capacity Building Project, the Juvenile Justice Personnel and Youth Service Workers Training Project, Youth Rights and Youth Advocacy Project, and the Runaway Youth Services Act under Title III of the Juvenile Justice and Delinquency Prevention Act. It is because of OPP's successful involvement in juvenile justice programs that the Iowa legislature first assigned the Youth Coordinator's Office to administer the Community-Based Juvenile Corrections Subsidy program when it was initially passed in 1976.

POLITICAL AND LEGISLATIVE HISTORY

In the first part of a report evaluating the In-Home Services and Alternatives to Foster Care subsidies, conducted by the Iowa Legislative Fiscal Bureau, federal legislation is credited with providing the philosophical foundations for the state's thrust toward community-based and, particularly, home-based services. Researchers on the project point to the goals of Title XX of the Social Security Act, passed by Congress in 1975, which call for preventing or remedying neglect, abuse, and exploitation of children and adults, promoting self-sufficiency and economic self-support, as well as reducing the inappropriate use of institutional care. Also acknowledged as underpinning the current wave of legislation in Iowa are the precepts of the Juvenile Justice and Delinquency Prevention Act of 1974 which, in addition to prohibiting the secure confinement

of status offenders, espouses the development of "advanced techniques" to prevent delinquency, to divert juveniles from the traditional juvenile justice system, to provide critically needed alternatives to institutionalization, and in general, to improve the quality of juvenile justice in the United States.

By tracing the roots of the development of social programs and policy in this country from English common law to the present, a number of historical parallels appear. In 1855, a reform school for boys opened in Illinois, and in 1868 Eldora, a reform school for boys and girls, was founded in Iowa, a facility still in use today. The first juvenile court was established in Chicago in 1898, and in 1904 the juvenile court became an institution in Iowa. Congress passed the Social Security Act in 1935 and, by 1937, Iowa had legislated its own child welfare act. Finally, to complete this sample of parallel events, in 1978 the Iowa legislature dramatically revised the state's juvenile code, largely in response to the mandates of the Juvenile Justice and Delinquency Prevention Act of 1974.

Even if major social policy changes in Iowa seem to be at the initiative of federal legislation, it is clearly a state that responds quickly and introduces its own brand of innovation. The establishment of state subsidies for in-home services and community-based corrections alternatives is a testimony to the seriousness with which state legislators have embraced the least restrictive treatment philosophy. Indeed, the state has pressed this concept to the point of encouraging the development of alternatives to foster care or, in other words, of promoting services that are even less restrictive than conventional community-based settings, such as group homes, shelter care, and even foster care, the latter customarily credited as the most "family-like" approach that communities have to offer.

The Iowa interpretation of least restrictive treatment provides the introductory tenet for the state's revised juvenile code. It holds that children under the jurisdiction of a court shall preferably receive care and guidance in their own home, and should removal from the home be necessary, the care should be nearly as possibly equivalent to that which should have been given by parents. To promote these objectives, the legislature has established two financial incentive programs, in addition to a substantially endowed purchase-of-services system, for developing home-based and community-based services. Other concrete evidence of the state's dedication to least restrictive treatment is the closing of one state juvenile institution and calling for the development of a statewide deinstitutionalization plan. A more detailed, chronological description of these events follows.

In 1975, the Annie Wittenmyer Home was closed. The facility had been financed and administered by the state since 1866, and was used primarily for housing dependent and neglected children. A realization that a great deal of capital expenditure would be needed to bring the facility into compliance with building code standards is given as much credit for its closure as any concern for the deinstitutionalization of children. In any case, in 1961, the legislature specifically earmarked \$30,000 to the Annie Wittenmyer Home for the development of community foster care services, which became a part of its annual budget until its closure. During its last year, the state added \$100,000 for the establishment of community-based pilot programs to serve as alternative care for residents of the institution.

In 1969, the Boys Training School at Eldora was awarded a Title I grant to provide therapy to youth in the institution. With an extension of the Title I grant in 1971, this effort was expanded to provide family therapy services to children returning to the community from the Eldora and Mitchellville Training Schools. Professionals involved in this activity were known as a "family therapy team." In 1973, a team was assembled with the support of a grant from the Law Enforcement Assistance Administration. The scope of a family therapy team's efforts was broadened to include preventive services, meaning that juveniles not previously institutionalized could be helped as well. During the next five years, other teams were begun largely through the assistance of LEAA grants. However, three family therapy teams were completely state supported. By 1978, there were 15 family therapy teams.

The pilot projects enlivened the interest of a number of private service providers, among others, who pressed for more funding to support activities in the area of in-home or family-based services. In 1976, the legislature authorized the Department of Social Services to use ten percent of its foster care appropriation for the development of services designed to reduce the number of out-of-home placements. By 1978, the legislature specifically set aside appropriations to In-Home Services and Alternatives to Foster Care, with 1979 appropriations of \$1,000,000 and \$750,000, respectively.

During this same period, in 1976, the legislature appropriated \$160,000 to encourage the development and expansion of community-based juvenile corrections programs. While the amount of money seems small, the intention, clearly stated in the legislation, was to provide matching funds to maximize the use of federal dollars, in this case, from the Law Enforcement Assistance Administration and the Juvenile Justice and Delinquency Prevention Act. Indeed, it was felt that an additional \$500,000 to \$600,000 in federal funds could be acquired.

The revision of the juvenile code and the establishment of the Community-Based Juvenile Corrections Subsidy in the same year was probably not coincidental. Changes in the code clearly pointed toward increased juvenile rights and responsibilities and broader use of alternatives to institutionalization.

In its decision not only to continue the Community-Based Juvenile Corrections Subsidy but also to double its annual appropriation to \$320,000, the legislature made its intentions considerably more direct by including the following language of intent:

It is the intent of the general assembly that the department of social services develop a three year plan for juvenile deinstitutionalization through the use of community-based, family-oriented services. The department shall coordinate these efforts with the joint appropriations subcommittee on social services, county officials, employees of the courts and other organizations or individuals who might have significant interest in, and contribution to make to, this effort. It is the intent of the general assembly that this plan will be presented to the joint appropriations subcommittee on social services, and to the other members of the general assembly, by January 15, 1980, and that a preliminary report

be made to the joint appropriations subcommittee on social services by December 1, 1979.

The actions that followed on the part of the Department of Social Services were, according to a number of people interviewed for this study, not satisfactory. The Department of Social Services appointed a Deinstitutionalization Task Force, which appeared to several observers to be favorably disposed to institutional treatment, setting off protests from community-based services providers. According to some sources, disputes caused the actions of the committee to become deadlocked until the arrival of the new commissioner for the Department of Social Services. The commissioner assigned the task for developing a deinstitutionalization plan to the department's Division of Planning, supposedly a more neutral setting. A plan was developed, approved by the task force, and sent to the legislature. The plan, given the more acceptable title of a Plan for Community Integrated Youth Services (CIYS), proposed the development of four pilot projects "to demonstrate innovative service delivery theories and methods other than traditional institutional programs." The pilot projects were to be set in four demographically and geographically different areas: a larger urban area, a city in a rural area, a larger city in a rural area, and a rural county. Implementation of the plan had progressed to the point of appointing a coordinator and naming at least two sites for the projects, Marshalltown in Marshall County and Council Bluffs in Pottawattamie County.

Funding for the effort was to come from the \$320,000 appropriated for the Community-Based Juvenile Corrections Subsidy and \$430,000 in savings from reductions in institutional beds. Specifically, capacity at Eldora was to be decreased from 238 beds to 200 beds and from 60 to 50 beds at Mitchellville for a savings of \$130,000. The additional \$300,000 was to come from a two-phased reduction of beds at Toledo, which would go from 84 to 76 beds in the first phase and from 76 beds to 50 in the second phase. A provision in Senate File 2241, the same legislation appropriating the \$320,000 to the Community-Based Juvenile Corrections Subsidy, authorized the use of unencumbered or unobligated institutional funds for community-based services. In other words, savings from reductions in institutional placements could be redirected to build community-based alternatives, rather than having to be turned back to the state general fund.

Similar to the experience in other states, however, it became apparent that institutional savings were going to fall far below expected levels. While institutional beds might decline in number, there remained fixed costs to be covered and increasingly rigorous standards to be met. The result was little or no actual savings in expenditures. Additionally, in the wave of public spending austerity sweeping the country, the legislature had decided not to increase appropriations to the Community-Based Juvenile Corrections Subsidy. The allocation pattern for this money had already been established the previous year and was not readily adaptable to the pilot project effort. Implementation of the deinstitutionalization or CIYS plan, at the time this case study was concluded, had come to a halt.

Despite the lack of progress in implementing this effort, the Iowa subsidies have resulted in the development of some very interesting and innovative community-based services. They will be described in greater detail in subsequent sections of this case study.

OBJECTIVES OF THE SUBSIDIES

The legislative intent language calling for the development of a deinstitutionalization plan, which appeared in the appropriations bill of 1979, unquestionably indicated an interest in reducing and even eliminating the use of Iowa's state juvenile institutions. The objectives of the subsidy programs are to provide the financial support and incentives needed to develop the community-based services that must serve as alternative placements. In their design, these subsidies take the development of community-based services a step further, that is, toward a very deliberate encouragement of treatment in the least restrictive environment--a child's own home. Ultimately, the goal is to reduce delinquent behavior by strengthening families and keeping them together.

The legislature, however, also addressed some more administrative objectives in the subsidy bill, Senate File 2241, which called for the Department of Social Services to provide incentives to make maximum use of available federal funds and to provide technical assistance to local groups intending to establish or improve community-based juvenile services.

An implicit objective of these subsidies is to stimulate the development of innovative programs and new agencies in unserved areas of the state. The Department of Social Services interpreted this to mean that the subsidy funds would be used as "seed grants" to start new programs and agencies, which would after a year or two receive continuation funding through the far more substantially endowed purchase-of-services system.

ALLOCATION OF FUNDS

Funds appropriated to the In-Home Services and Alternatives to Foster Care, and Community-Based Juvenile Corrections programs are distributed as project grants, which are awarded in a competitive process to local private and public, although mostly private, service providers. The Bureau of Children's Services, under DSS' Division of Community Services, was given responsibility for administering the Community-Based Juvenile Corrections Subsidy. Requests for proposals (RFPs) were sent to family and child-care and child-placing agencies throughout the state. Proposals were selected by a DSS-appointed screening committee, and contracts were negotiated directly between the agency submitting the proposal and the Bureau of Children's Services. While the agency would receive the full grant, payments were to be sent as reimbursements. In some cases, agencies were given start-up funds, i.e., monies disbursed at the beginning of the program year to support activities prior to getting services under way.

Originally, the legislature had designated the Youth Coordinator's Office, under the Governor's Office for Planning and Programming, to administer the Community-Based Juvenile Corrections Subsidy. The reason, according to observations of those interviewed, was that the Office for Planning and Programming was perceived to be doing a competent job of administering a similar adult

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corrections program and several statewide youth programs. Another reason was that the legislature did not have complete confidence in the Department of Social Services.

During the program's first year of implementation, it became apparent that the Office for Planning and Programming was not going to be successful in getting the funds allocated. The support of community-based services had, after all, been under the guidance of the Department of Social Services for a long time. Despite whatever credibility problem the Department of Social Services had with the legislature, it was still the agency with the longest standing experience and rapport with local public and private agencies. Accordingly, administration of the funds the following year was transferred to the Department of Social Services.

At least two interests had to be met in the selection of proposals for funding: (1) some semblance of objectivity and (2) coordination with the Iowa Crime Commission, which administered the federal funds that monies from the Community-Based Juvenile Corrections Subsidy were intended to match. The first problem was solved by developing a screening committee, and the second problem was handled by including a representative of the Iowa Crime Commission on that committee.

Interestingly, the dissemination of funds from the Community-Based Juvenile Corrections Subsidy and the Iowa Crime Commission (LEAA and JJDP funds) work quite differently. Subsidy funds administered by DSS go directly to service providers, while JJDP and LEAA block grant funds go to county boards of supervisors.

At least two other of the state's traditional funding patterns made the picture even more complex. The first is that the majority of human services in Iowa are not supported by state subsidies to local governments or agencies, but rather by purchase-of-services (POS) agreements negotiated by the district offices of the Department of Social Services. The second tradition involves a rather elaborate statutory structure to determine whether the county or the state pays for services to families and children.

With regard to the POS arrangements, when the Department of Social Services was given the administrative responsibility over the subsidy funds, it was decided that these resources would be used to start new programs or even new agencies, which would later continue under POS contracts. The subsidy funds were to be considered as "seed money," and agencies were not to expect to receive support from these sources for longer than one to two years.

Most of the service providers interviewed were enthusiastic about the prospect of going to purchase-of-services contracts, for they perceived it as a far more stable funding option. Other agencies dreaded POS as an ultimate consequence, for they felt that POS reimbursement rates were always less than actual costs of providing services.

The "who pays for services question"--the county or the state--is in somewhat of a state of confusion at present, with at least two counties seeking interpretations from the state attorney general. Traditionally, foster care has been the responsibility of the county, but allocations from Title XX and the

state's greater revenue-generating capacity relative to local governments have placed the state in a better position to sustain the financial burden.

Basically, who bears the costs of services breaks down as follows: Section 234.35 of the Iowa Code provides that the Department of Social Services shall be responsible for paying the cost of foster care, when the department has received a child from the court through a commitment, transferral of legal custody, or signed agreement with the child's parents. Included also is placement in emergency care for up to 30 days. Section 234.36 calls for the county to pay for the costs of foster care for children placed by the court from the county mental health and institutions fund, except for years in which the state appropriates funds for the placement of children. In such instances, the county is only responsible for those costs which exceed the amount of funds appropriated by the legislature. Administratively, this is handled by calculating a base cost from an average of expenses over the preceding three years. Expenditures in excess of base costs are to be paid out of the county mental health and institutions fund.

Probation, intake, and detention are supported entirely by the county. Section 232.22 of the Iowa Code allows counties to levy a tax for juvenile homes, referred to as the County Juvenile Home Levy. However, Section 232.26 of the Iowa Code also entitles approved juvenile homes to receive state aid, not to exceed 50 percent of total costs, to establish, improve, operate, or maintain a juvenile home. While it is suspected that this option for state aid has never been used, the contention was that allocation of state POS funds to county juvenile facilities would constitute dual state funding. Others have argued that the state intended, through these provisions, to relieve the burden of governmental subdivisions financially unable to maintain effective programs, and even to offer the possibility of reducing the local taxes of area residents. The debate has been narrowed to only those county juvenile facilities licensed by DSS to provide foster care, which would preclude county detention centers. A decision on the matter, at least in Linn County, has been left to the commissioner of the Department of Social Services.

One other interesting debate provoked by Iowa's unique pattern of funding services concerns control of and payment for placements. The custom had been that if the court committed a child to the legal custody or guardianship of DSS, the state would pay. On the other hand, if the court placed a child on probation or sent the child directly to a local agency, the county would be responsible for assuming the costs. The new juvenile code, however, has given the court "continuing jurisdiction" over a placement, whether committed to DSS or not, and the authority, in the case of children in need of assistance, to review the placement after six months. Despite whatever annoyance DSS may feel in having to pay for placements that are not under its complete control, the attorney general has interpreted the statutes to mean that the responsibility for placements is to be shared by DSS and the courts, and that state funds have been provided and should be used for those placements.

A detailed discussion of a state's funding patterns is ordinarily not necessary to explain the allocation method for a state subsidy, unless one is struck by the realization that in Iowa, a few comparatively small subsidies have

been "layered into" a rather large and complex state-administered purchase-of-services system, complemented, in some instances, by county support. The question, obviously, is why the need for subsidies?

The answer given by the respondents is that the purchase-of-services system had resulted in only three agencies, serving primarily metropolitan areas, receiving over 50 percent of POS funds. The situation appeared to have stagnated, and there was an interest on the part of the legislature to stimulate the development of new programs in different geographical locations. The project grants seemed to offer a way to target monies to new programs, agencies, and areas.

The approach was perceived to be somewhat less than successful, for some people felt that the criteria DSS developed was biased toward established agencies. The criteria included considerations of the following: (1) compliance with the appropriation intent to develop "community-based juvenile residential corrections programs," (2) demonstrated need for the service in the community, (3) demonstration of community support, (4) extent of funding and service linkages developed with other relevant youth-serving organizations, (5) sources of continued funding of the program, (6) nature of the matching funds generated, and (7) considerations having to do with the general program structure, e.g., how closely does the project come to meeting legislative goals, how will referrals to the project be made, what type of assessment process will be followed, how does the overall quality of the proposed project compare to other proposals, etc. The two criteria which critics point to as biasing the process toward established agencies are the requirements for demonstrated community support and the existence of linkages to other relevant youth-serving organizations. New agencies, they argue, were at a disadvantage given these concerns and, as a result, existing agencies which already received other funding from DSS were also awarded grants from these subsidies.

The pattern of human services funding in Iowa has developed into a fairly elaborate structure. It is unknown whether this system of purchase of services with some subsidy funding for special projects will continue, or whether a new funding system will be developed. One indication that the latter situation may take place is a recommendation attached to the Plan for Community Integrated Youth Services that a three-track funding system be adopted. The first track involves a per capita formula allocation to communities for all youth under age 18, which is to be equally matched at the local level. These funds would largely support primary prevention activities, such as recreation, family counseling, child guidance centers, etc. The second track also involves a per capita allocation to communities, but the funds need not be matched and are intended to be directed toward youth who are already involved, or at risk of being involved, in the juvenile justice system. The third track would award fully funded grants to special projects or target populations in the state's areas of greatest needs.

This proposed funding pattern duplicates the approach of the New York Youth Development/Delinquency Prevention Subsidy, which evolved largely in response to New York's unique brand of political pressures. Its appearance in Iowa becomes less surprising when it is known that the current DSS commissioner came from New

York and had hired an administrator from New York as consultant in the development of the Plan for Community Integrated Youth Services. It is an interesting, and common, case of technology transfer.

ADMINISTRATIVE REQUIREMENTS

Applicants for subsidy funds may be a local private agency, a unit of local government, or some combination of both. It was stipulated that projects could either be new programs, expansions of existing programs, or continuations of programs previously funded under a similar legislative appropriation; however, programs were to be able to be implemented within 90 days of the grant award and have a 12-month or less project period. Guidelines stressed that proposed projects include provisions for coordination with, and general support of, existing youth-serving agencies.

Conventional state laws and regulations apply to agency accounting procedures for these funds, and allowable expenses include staff salaries, fringe benefits, contract services, remodeling costs, travel, tuition, equipment, and operational expenses. Use of the funds for construction or purchase of real estate is strictly prohibited.

Programs are monitored quarterly, both fiscally and programmatically, through unannounced visits to the agencies. Annually, there is an audit of case record notes, a review of management practices, and an analysis of billing procedures. Fiscal reports are sent on a quarterly basis. Every six months, there is a readjustment in the reimbursement rates based on the preceding period, and at this point disallowances are entered. Nearly all agencies reported that reimbursements were promptly received.

While facilities are required to be licensed, the existing standards have received much criticism as being only very general in nature. Almost any agency, with even the most minimal programming, has been able to comply. The Legislative Fiscal Bureau has recommended that the Department of Social Services be given a deadline to develop administrative rules. In 1976, the Division of Community Services started to develop standards for alternative care and in-home services. It was not completed due to lack of staff, but now increasing pressure has been put on the legislature by several providers who are upset that some agencies are receiving funds despite poor operating procedures.

While there are no requirements calling for comprehensive planning to receive funds (agencies are requested to complete detailed proposal narrative), implementation of the Plan for Community Integrated Youth Services calls for a great deal of planning activity. The plan recommends the development of a Community Planning Network, which would include representation from juvenile courts, probation departments, local police and sheriff's departments, Department of Social Services, public school personnel, school board members, county and city officials, local legislators, service providers, volunteer agencies, consumers, and the general public. Communities would be expected to conduct a needs assessment and to demonstrate that a local continuum of care was

being developed. A master planning effort would outline for a three-year period the implementation steps for a model delivery system. Costs would be estimated, and potential funding sources would be identified as a part of this effort. These activities would be coordinated through the Department of Social Services.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDIES

The goal of the Iowa Legislature and the Department of Social Services has been to establish a continuum of services. "Continuum of services" is a term that has come into wide usage among social service professionals as the result of deinstitutionalization efforts and court mandates to treat clients in a least restrictive setting. A placement is least restrictive to the extent that a client's needs for shelter and protection, as well as psychological and medical treatment, can be met while at the same time ensuring his or her personal freedom in pursuing everyday activities such as learning, working, playing--in familiar settings--homes, public schools, and local businesses. The basic premise behind the development of a continuum is the realization that clients have different needs which require different forms and levels of assistance and supervision. For example, a very aggressive adolescent may need to be kept under surveillance 24 hours a day to ensure the public's safety. For another child, probationary supervision may be sufficient, during which time the youth may continue to live at home and go to school. In still other cases, the home situation may warrant removing the child from his or her family, but because the child's behavior poses no continued danger to society, a nonsecure, home-like setting, such as a group home or foster care family, is most suitable. It is this variation in settings and degrees of supervision, or treatment, that establishes a continuum of services.

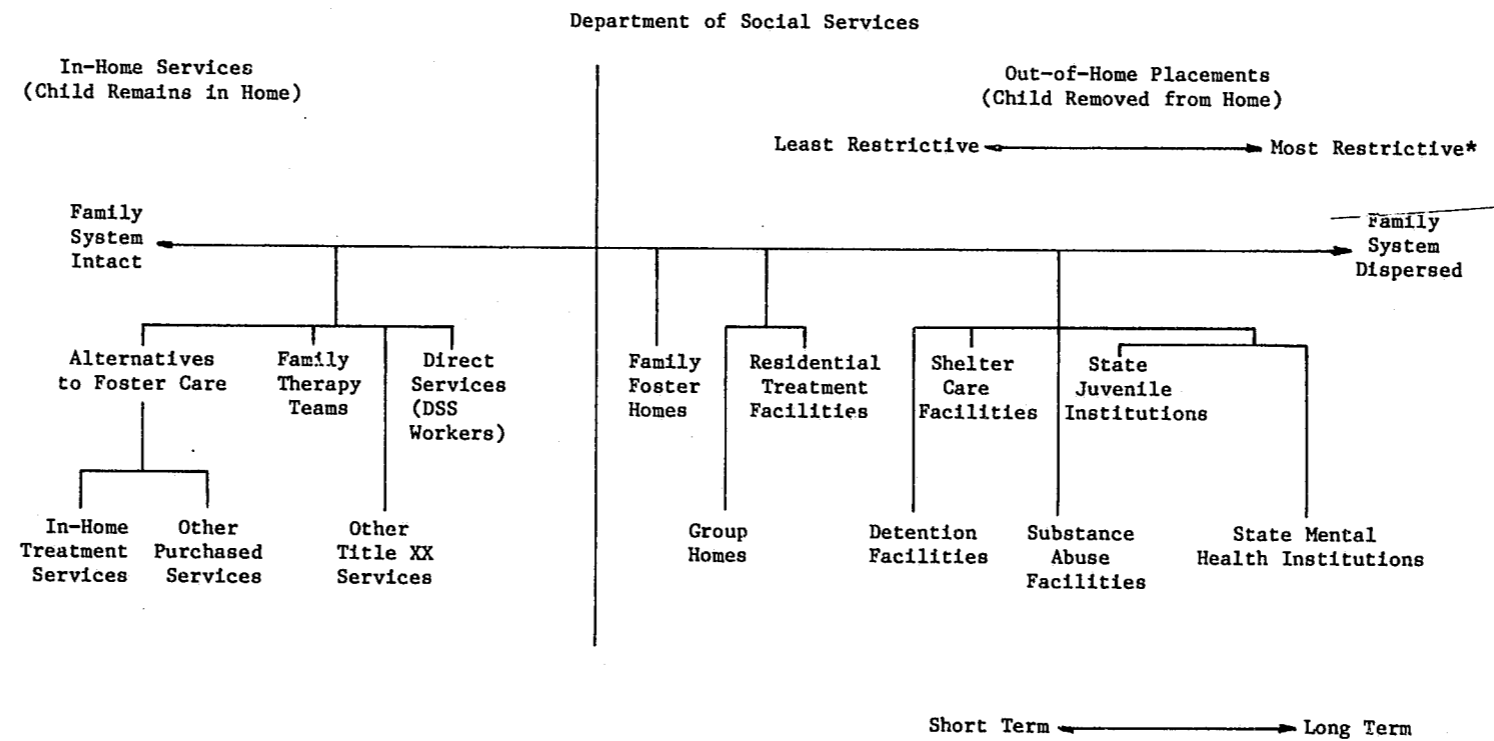
The continuum established by the Department of Social Services arranges services according to those which keep the family intact, at one extreme, to those which disperse family members, at the other. This range of services, from least to most restrictive, is illustrated in Figure 2.

Services illustrated in Figure 2 are defined as follows:

Alternatives to Foster Care. Preventive services which are designed to: (1) strengthen family life, (2) avoid unnecessary placements in foster care, (3) insure the swiftest possible return of a child to his/her family. Alternative services may include one or more of the following: specialized homemaker services; alcoholism and drug abuse services; after-care and follow-up services; mental health service; information and referral services and transportation services.

In-Home Treatment Services. A particular type of service that may be provided as an alternative to foster care. The purpose of these services is to provide guidance, management, and support to families facing voluntary and involuntary removal of a child because of dysfunctioning within the family unit. The services may include: intensive guidance

FIGURE 2. IOWA: CONTINUUM OF SERVICES TO CHILDREN AND FAMILIES



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* According to Iowa Code Annotated, Chapter 232.52.

Source: Iowa Legislative Fiscal Bureau, Summary and Analysis of Programs: Alternatives to Foster Care and In-Home Treatment Services, Appendix I, January 1980.

and counseling directed toward the improvement of parenting skills, intervention in family crisis and conflict, adult supervision and support of adolescents living alone, and modeling behavior by social workers and family therapists which supports keeping the family intact. Generally, in-home treatment is more intensive in nature than most of the other alternative services and it is provided in the home.

Other Purchased Services. Those services which are provided under an Alternatives to Foster Care program and cover all other areas beside In-Home Treatment, such as specialized homemaker.

Family Therapy Teams. Services provided directly by teams of (two) DSS workers to stabilize dysfunctional families and reduce the need for institutional placements. These may include evaluation services, counseling, role-modeling and family support services. Traditionally, the teams have worked primarily with families of delinquent youth and services may be provided both in the home or in an out-patient setting. There are 16 teams across the state, and one of them is a purchased service.

Direct Services (DSS Workers). Services directly provided to individuals or families by DSS Workers which help avoid out-of-home placements or maintain families intact. These might include evaluation, casework, and counseling services provided by Foster Care Workers, Youth Service Workers, or Protective Service Workers. Because these services are often provided in conjunction with an out-of-home placement or return of a child to the home and are not reported separately, they are difficult to define and compare with other purchased services.

Other Title XX Services. Title XX services which are most often used are: homemaker, mental health, home management/functional education, and health-related services.

Family Foster Homes. A home licensed by DSS to provide board and room and a normal family environment to five children or less.

Group Homes. A licensed child care facility utilizing local services' programming for no more than eight children whose emotional, social and behavioral needs require 24-hour care.

Residential Treatment Facilities. A licensed child care facility providing comprehensive services in a structured environment for more than eight children whose emotional, social and behavioral needs require 24-hour care. These include children's service centers and centers for mentally retarded/developmentally disabled children.

Detention Facilities. A physically restricting facility designed to insure the continued custody of a child at any point between a child's initial contact with the juvenile authorities and the final disposition of the case. A child may not be held in a detention facility longer than 24 hours without a court order authorizing the detention.

Shelter Care Facilities. A physically unrestricting facility designed to provide temporary care of a child at any time between a child's initial contact with juvenile authorities and the final disposition of the case. A child may not be held in a shelter care facility longer than 48 hours without a court order authorizing such care.

Substance Abuse Facilities. Facilities designed specifically for the treatment of individuals with substance abuse problems. The program on this charge are ones who have specific programs for adolescents on an in-patient basis.

State Juvenile Institutions. Self-contained treatment facilities for adjudicated delinquent (Eldora, Mitchellville) and CHINA (Toledo) youth. Program services include evaluation; counseling; and vocational, educational, medical and recreational services.

State Mental Health Institutions. Self-contained treatment facilities for individuals needing mental health services on a voluntary or court ordered involuntary basis. Services include: Diagnosis and evaluation, psychiatric treatment, medical treatment and after-care planning.

Only those services at the extreme left of Figure 2, the Alternatives to Foster Care and In-Home Treatment Services, are supported through their respective subsidies. The balance is funded directly by the state (institutions and direct services), the county (detention and shelter care), or through DSS purchase of services and Title XX (all other programs). The Community-Based Juvenile Corrections Subsidy will support almost any type of innovative service along this continuum for handling delinquent, or potentially delinquent, cases with the exception of detention or institutional placements.

In the case of community-based corrections, one of the least restrictive approaches receiving a great deal of advancement from the subsidy is independent living. This service allows youngsters to use their foster care maintenance funds to pay for their own apartment and other living expenses. Subsidy funds are granted to local agencies which offer assistance to these young adults, who are at least 16 years of age, in establishing their households and in finding employment.

Funds from the Alternatives to Foster Care Subsidy support programs in 12 DSS districts. The In-Home Services appropriation has enabled the development of programs in six DSS districts. The result is that 15 of the state's 16 social service districts have at least one of the two types of programs, and three districts have both.

The Iowa Legislative Fiscal Bureau has agreed that since In-Home Services is a type of alternatives to foster care approach, it makes no sense to continue to differentiate their appropriations. The Legislative Fiscal Bureau points to their similarities, that is, reducing inappropriate foster care cases, providing services in the home, and serving high-risk, Title XX-eligible populations.

The innovation that the Alternatives to Foster Care and In-Home Services Subsidy represents is a primary thrust toward keeping family members together.

Rather than removing the child from an unstable family, the first option is to ameliorate the problems that are contributing to its instability. Service workers may, and often do, live with the family to demonstrate how the behavior of an undisciplined child may be modified, how household finances can be budgeted, and how communication among family members can be improved. Services may take the form of instruction, role-modeling, or in just providing parents respite from the day-to-day tedium of parenting.

Service workers are on call 24 hours a day. While they are frequently asked to go into some highly volatile domestic situations, none of the service workers interviewed felt they had been in a life-threatening situation. Nor did they feel that by avoiding the removal of children from the home were the children's well-being in greater danger. There were no reports of child abuse occurring because a child was left in the home as the result of pursuing an alternative to foster care option. On the contrary, much media attention was given to a case of child abuse which had occurred, rather, in a group home, a placement for children removed from their own families.

Originally known as the Community-Based Juvenile Residential Corrections Program, the subsidy supported 11 projects during its first year. The appropriation was \$160,000 that year, and of that amount, approximately \$125,000, or 78 percent, was spent. Five shelter care and three group home programs were funded, an indication of the subsidy's objective to develop alternative placements to state facilities. The proportion of group home and shelter care facilities awarded grants points to the subsidy's initial focus on residential services. The Department of Social Services, however, felt that a broadened approach was needed to keep juveniles out of institutions. The department requested that the legislative language be revised to permit funding of prevention efforts and other nonresidential services. The legislature viewed the suggestion favorably and amended the legislation accordingly.

In fiscal 1979, the appropriation was doubled to \$320,000, but only three more programs, a total of 14, were funded. The difference, of course, was that much larger grants were made to a few recipients. Only four programs funded in 1978 received continuation funding in 1979. Funds for the South Central Juvenile Care Center, Hillcrest Family Services, and Iowa Runaway Service were doubled, while support for the Linn County Shelter Care was cut in half. The latter situation was probably the result of the debate over whether a county or the state is responsible for funding shelter care, discussed earlier.

In addition to the two shelter care programs, one group home, and a specialized foster care program which received continuation funding, the 1979 appropriation was divided among five new shelter care programs, one detention program, three transitional or independent living programs, and one substance abuse treatment program.

The alternative residential placement approach is clearly apparent in DSS' grant awards to community-based services which will allow reductions in institutional populations. However, the legislation, and DSS' implementation, is sufficiently flexible to allow even less restrictive options, such as specialized foster care and independent living.

The level and distribution of services in Iowa are the result of support from Title XX funds, purchase-of-services funds, county funds, as well as the Alternatives to Foster Care and In-Home Services, and Community-Based Juvenile Corrections Subsidies.

According to Tables 1A and 1B, showing which districts have available what options on the services continuum, five districts (one-third) have at least eight of a possible ten community-based services options. Eleven districts (two-thirds) have at least one-half, or more, of the possible options. While these figures are encouraging, it must be remembered that the basic premise of community-based services is the ability to treat clients locally, in their own communities. While community-based services are becoming available statewide in Iowa, the preponderance of resources still goes to a few, largely urban areas and not to every city and village.

SERVICES RECEIVED BY JUVENILES

Iowa's deinstitutionalization efforts are directed toward four state mental health facilities, as well as the three state juvenile institutions, Toledo, Eldora, and Mitchellville. Toledo serves children 12 through 17 years old, who have been adjudicated a child in need of assistance. The capacity of the facility is 76 beds, of which 16 beds are for diagnosis and evaluation and 60 beds for long-term treatment. The average length of stay is nine months. Nearly an equal number of boys and girls are served. A deinstitutionalization plan has proposed to reduce Toledo's capacity from 76 to 50 beds by the end of September 1980.

Mitchellville and Eldora are training schools for adjudicated delinquent youth 12 to 18 years old. Mitchellville is coed, and its current capacity is 60. The deinstitutionalization plan called for a reduction to 50 beds by April 1, 1980. The average length of stay there is seven months. Eldora houses only boys, with a 238-bed capacity. The plan also stipulated a reduction to 200 beds for this facility by April 1, 1980. The average length of stay in Eldora is five months.

Reduction in bed capacity may or may not reduce the annual number of admissions. With shorter lengths of stay, more youth can be served despite fewer beds. Between 1976 and 1977, Toledo had a seven percent increase in admissions, Eldora a 14 percent increase, and Mitchellville a 14 percent decrease. The following year, however, Mitchellville more than made up for its previous year's decrease by jumping 34 percent over its 1977 admissions. Eldora increased 24 percent and Toledo decreased admissions by five percent. Even though the state prohibited institutional placement of status offenders in 1977, admissions to Eldora in 1978 were 983, four times its stated capacity; to Mitchellville, 153, two and one-half times its stated capacity; and to Toledo, 277, three and one-half times its stated capacity.

Nearly one-half of the admissions to Eldora, one-third to Mitchellville, and three-fourths to Toledo are "guests." Guests are juveniles placed in the insti-

TABLE 1A. IOWA: RANGE OF SERVICES AVAILABLE IN 1978,
BY DISTRICT OFFICES

Districts	In-Home Treatment	Alternatives to Foster Care	Family Therapy	Other Title XX
District 1 - Decorah		X		X
District 2 - Mason City		X		X
District 3 - Spencer		X		X
District 4 - Sioux City		X	X	X
District 5 - Ft. Dodge	X	X	X	X
District 6 - Marshalltown		X		X
District 7 - Waterloo		X		X
District 8 - Dubuque	X			X
District 9 - Davenport	X	X	X	X
District 10 - Cedar Rapids	X	X	X	X
District 11 - Des Moines	X			X
District 12 - Carroll		X	X	X
District 13 - Council Bluffs	X			X
District 14 - Creston		X		X
District 15 - Ottowa			X	X
District 16 - Burlington		X	X	X

Source: Iowa Legislative Fiscal Bureau, Summary and Analysis of Programs: Alternatives to Foster Care and In-Home Treatment Services, Appendix IV, January 1980.

TABLE 1B. IOWA: RANGE OF RESIDENTIAL PLACEMENTS AVAILABLE IN 1978, BY DISTRICT OFFICES

	Family Foster Home	Group Homes	Residential Treatment Facility	Detention Facility	Shelter Care Facility	Substance Abuse Facility	State Mental Health Institution	State Juvenile Institution
District 1 - Decorah	85	16						
District 2 - Mason City	165		38					
District 3 - Spencer	230	32						
District 4 - Sioux City	156	60		16	10	21	61	
District 5 - Ft. Dodge	144	52		7	10			
District 6 - Marshalltown	198	42						314
District 7 - Waterloo	213	24	39		12		75	
District 8 - Dubuque	250	42			8			
District 9 - Davenport	175	12	32	6*	16	8		
District 10 - Cedar Rapids	221	93		11	17			
District 11 - Des Moines	462	74	87	25	58			60
District 12 - Carroll	59							
District 13 - Council Bluffs	135	30			35		24	
District 14 - Creston	46				8			
District 15 - Ottowa	132	8			6			
District 16 - Burlington	169	35					30	

* Proposed facility.

Source: Iowa Legislative Fiscal Bureau, Summary and Analysis of Programs: Alternatives to Foster Care and In-Home Treatment Services, Appendix IV, January, 1980.

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tution for diagnosis and evaluation. Those sent to Eldora and Mitchellville are delinquent, while those sent to Toledo are nondelinquent. Juveniles can be placed in a facility for diagnosis and evaluation after a preliminary hearing before a judge but prior to an adjudicatory hearing. Therefore, a youth can be detained in a state facility, for which the state pays, rather than in a detention home, for which the county pays. Often, the state facility will have no beds available for diagnosis and evaluation, and so will place referrals in foster care facilities at state expense.

Juveniles referred to state facilities for long-term treatment are described as having a history of disruptive behavior, of multiple delinquent, and of multiple placements prior to institutionalization. A recent DSS survey showed that the average number of prior placements for males was 5.3 at Eldora, 4.7 at Mitchellville, and 5.1 at Toledo. For females, it was 8.2 at Mitchellville and 4.1 at Toledo. Over one-half of all institutionalized juveniles had probationary status at one time. Lack of community resources to meet the needs of these youth was given as the reason for their placement in state facilities.

In general, activity in the juvenile court has gradually increased over the years. In 1950, less than one percent of school-age children in Iowa were brought before juvenile courts, either in an official or unofficial capacity, for delinquency proceedings or in need of assistance. Every ten years subsequent to that period, the proportion has nearly doubled. The actual proportion of school-age children before courts in 1950 was 0.6 percent; in 1960, it was 1.2 percent (double); in 1970, it was two percent; and in 1978, it was 3.7 percent.

The question is whether the availability of community-based services has allowed juveniles to be diverted from juvenile court, as well as diminishing the likelihood of placement in state institutions. The answer is "yes," but the current downturn in activity across the entire juvenile justice system in Iowa is probably more attributable to the state's new juvenile code.

As mentioned previously, the code prohibits the appearance of status offenders before juvenile courts. Since that time, a "random date" survey undertaken by DSS, which measured placements on four randomly selected dates prior to implementation of the code and on four randomly selected dates subsequent to its initiation, revealed that placements for children across all service categories were down by 7.5 percent. More specifically, placements in shelter care were down by 21 percent, in foster care, down by 1.5 percent; in group homes, down by 16 percent; and in residential treatment, down 12 percent. On the other hand, the analysis also shows an increase in the use of voluntary, youth-serving agencies which receive clients through community and self-referrals, rather than through the courts. Among these, use of shelter services was up 2.5 percent; counseling services was up 35 percent; and number of run-aways served was up 12.5 percent.

The explanation for this phenomenon is no doubt fairly simple. The reduction in court referrals is probably due to not only the removal of status offenders from the system but also a temporary reluctance on the part of judges to make certain kinds of placements until the ramifications of the new code are better understood. On the other hand, the increase in activity for voluntary community-based services is no doubt partly the result of shifting status

offender clients and partly attributable to the increasing recognition of the availability of these relatively new services.

Data were not able to be obtained to show whether the availability of community-based services was the main factor behind allowing the Annie Wittenmyer Home to be closed in 1975. Since that time, however, there have been no dramatic reductions in institutional admissions. There is no question, however, that the legislature and the Department of Social Services feel that community-based alternatives must be in place before institutional beds can be reduced and facilities closed. They also see subsidies as the administrative tool to develop community-based alternatives, even though purchase-of-services contracts are perceived as the financial mechanism to sustain them.

One shift in placements that can be dramatically illustrated as the result of a subsidy is the decrease in foster care placements. The Alternatives to Foster Care Subsidy and In-Home Services appropriation have stimulated a measurable decrease in the use of foster care. A comparison of the number of clients in foster care and home-based services over five quarters between July 1978 and October 1979 shows that clients in home-based services increased 23 percent, 75 percent, eight percent, five percent, and ten percent, respectively, over the first, second, third, fourth, and fifth quarters, while foster care placements demonstrated a consistent decrease of 1.6 percent, 1.2 percent, 1.3 percent, eight percent, and 3.8 percent for the same quarters. From the beginning of the period to the end, the number of clients in home-based services had increased by 171 percent, while those in foster care placement had decreased by 15 percent. The Des Moines Child Guidance Center estimated that in 1979 over \$200,000 had been saved by using home treatment services rather than foster care. Another agency, Iowa Children's and Family Services, estimated savings of \$240,000.

Foster care in District 10 has been reduced by 40 percent because clients are now served through in-home services. The strong commitment to home-based services in this district has nearly closed some group homes which must maintain an 80 percent occupancy rate to receive purchase-of-services reimbursements. While some group homes have sought placements from other parts of the state, other agencies have decided to change their service mix to meet the district's policy of increasing least restrictive options, such as independent living and in-home services. This district has estimated that \$1.4 million has been saved over three years in averted foster care placements.

SOURCES AND LEVELS OF FUNDING

State funds have always been the revenue source for the Community-Based Juvenile Corrections Subsidy. In 1978, the appropriation was \$160,000, and the following year it was doubled to \$320,000. By comparison, expenditures for juvenile institutions in 1979 were \$6.6 million, and institutional expenditures have risen five to 12 percent over the last three years.

In 1976, the Alternatives to Foster Care Subsidy and In-Home Services were supported through a set-aside of ten percent of foster care funds. That year, 60 percent of foster care monies came from state sources and 40 percent came from federal sources. A very dramatic shift in funding foster care services occurred from 1978 to 1979. During this period, state support increased by \$4.7 million, while federal Title XX support decreased by \$4.1 million. Prior to that time, the state had provided only slightly more than one-half of the foster care services funds. For In-Home Services in 1979, three-fourths of the funds were from federal sources, while one-fourth came from the state. The total appropriation was \$1,000,000. The \$450,000 expended from the \$750,000 appropriation to Alternatives to Foster Care Subsidy in 1979 was entirely from state sources.

Perhaps one of the most interesting findings is that despite the legislature's interest in using the Community-Based Juvenile Corrections Subsidy to maximize the use of federal funds, the proportion of LEAA Juvenile Justice Improvement Funds going to juvenile community corrections has decreased, taking its most dramatic reduction in 1978 (see Table 2). The proportion of LEAA juvenile justice funds went from 34 percent of allocations in 1975 to 15 percent in 1979, a decrease of 19 percentage points. In contrast, the proportion for institutional treatment and manpower went from 20 percent in 1975 to 35 percent in 1979, an increase of 15 percentage points. It would appear that the availability of state funds for the establishment of community-based alternatives to institutionalization has displaced federal support rather than stimulated it. Furthermore, support has gone to institutions, the elimination of which was the purpose of the subsidy. It is possible that the institutional treatment grants do go to community-based programs such as family therapy teams, but they should be labeled as such.

Eleven grants were awarded from the Community-Based Juvenile Correction Subsidy during 1978. The grants ranged in size from \$3,200 to \$31,000, with about one-half under \$15,000. The next year, only three more grants were awarded (a total of 14) despite the fact that the appropriation had been doubled to \$320,000. However, ten new programs and nine new agencies were funded from this money since only four of the ten proposals were funded again. Grants that year ranged in size from \$10,000 to \$61,000. Nearly two-thirds of these allocations exceeded \$15,000.

Grants for Alternatives to Foster Care and In-Home Services, while not significantly greater in number than the community-based corrections awards, are considerably larger in dollar amounts. In 1979, 13 awards were made--nearly one-third were under \$50,000, another one-third ranged from \$50,000 to \$100,000, while the final one-third exceeded \$100,000. The amounts of the grants were as low as \$5,000 and as high as \$378,000.

The next year allocations increased by one-third, and four more agencies were funded. The grants ranged from \$17,000 to \$421,000. Like the previous year, one-third received greater than \$100,000, and approximately another one-third were granted between \$50,000 and \$100,000, with the remainder below \$100,000.

When state funds are distributed through subsidies to local agencies, they are usually augmented by local resources. While some of the agencies surveyed

TABLE 2. IOWA: DISTRIBUTION OF FEDERAL FUNDS (JUVENILE JUSTICE IMPROVEMENT FUNDS) 1975-1979

	LEAA - Juvenile Justice Improvement						LEAA Total
	Prevention and Diversion	Police/Juvenile Relations	Improving Juvenile Adjudication	Juvenile Community Corrections	Institutional Treatment and Manpower	Juvenile Justice Training	
1975 Funds	\$ 50,740 8%	\$192,139 30%	\$ 54,299 8%	\$221,055 34%	\$127,800 20%	\$ 0 0%	\$ 646,033 100%
1976 Funds	\$278,000 24%	\$213,822 18%	\$ 40,070 3%	\$492,903 42%	\$157,919 13%	\$ 0 0%	\$1,183,397 100%
1977 Funds	\$ 21,863 3%	\$144,900 17%	\$ 55,980 6%	\$324,431 37%	\$269,500 31%	\$ 56,326 6%	\$ 873,000 100%
1978 Funds	\$104,810 17%	\$ 33,231 5%	\$ 47,500 7%	\$101,250 16%	\$240,884 38%	\$107,325 17%	\$ 635,000 100%
1979 Funds	\$104,524 15%	\$ 57,215 8%	\$128,283 19%	\$100,988 15%	\$235,000 35%	\$ 53,300 8%	\$ 679,310 100%

Source: Annual Action Plans, Iowa Crime Commission, 1975-1979.

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were receiving 100 percent funding for their programs, many added substantial support from other sources. The budgets of four Iowa agencies offer examples. Agency A, for instance, received 36 percent of its funding from private contributions, 13 percent from client fees, and 48 percent from the state, and three percent from miscellaneous sources. Agency B received 35 percent from client fees, 33 percent from private contributions, 21 percent from local public sources, ten percent from the state, and one percent from the federal government. Agency C's budget showed 62 percent of its revenue coming from the state, 37 percent from the United Way, and one percent from client fees; while Agency D received 18 percent of its funding from the state and the remaining 82 percent from the federal government. These data illustrate the point that up to 82 percent of funding for these programs is generated from other sources and that, generally, over one-third of the support is raised locally.

At least three local agencies among those surveyed for the case study had either started their programs with federal funds or were now receiving federal monies. These sources were the Comprehensive Employment and Training Act (CETA), the Law Enforcement Assistance Administration (LEAA), and the Drug Abuse Office and Treatment Act (DAOTA).

Finally, returning once again to the size of grants awarded from the subsidies, slightly more than one-half of the agencies surveyed felt that the allocations were not adequate. Reasons cited were that the number of referrals outstripped the money, the agency had an extensive waiting list, increases had only kept up with inflation and not growing client loads, and that reimbursements did not cover the full costs of providing the service. One sore point among providers was insufficient coverage of administrative costs.

When asked what strategy would providers pursue given that state subsidy funds were no longer available, over one-half of the providers interviewed expressed a desire to continue the service under state purchase-of-services contracts, fulfilling the intention that the subsidies be used "to seed" new programs for the POS system. One-third of the agencies reported that they would reduce or discontinue the service without state funds. Three agencies said that they would seek private funding from the United Way or contributions, and one agency reported that it would seek county funds from the board of supervisors. In all, nine local service providers were interviewed.

ORGANIZATIONAL STRUCTURES

At the state level, the subsidies are administered by the Bureau of Children's Services, one of the seven divisions of the Department of Social Services. One professional in charge of foster care management spends about ten percent of his time on matters related to the Alternatives to Foster Care Subsidy and In-Home Services. A second state-level professional administers the Community-Based Juvenile Corrections Subsidy.

As mentioned in the section on Organizational Context, the state is divided into 16 districts, each of which has a district manager. Local administration

is performed by DSS employees, customarily social workers, assigned to the community. The subsidies are administered through this structure. No special positions were established at either the state or local levels; rather, existing personnel devote a small percentage of their time to matters dealing with the subsidies. All of the appropriations are allocated to programs, and no money is retained for administration.

For the Alternatives to Foster Care Subsidy and In-Home Services, district personnel are somewhat more involved than for the Community-Based Juvenile Corrections Subsidy, for they determine how this money will be spent. On the other hand, grant awards from the Community-Based Juvenile Corrections Subsidy are determined by a State Review Committee, working with the state DSS office in Des Moines. The Juvenile Justice Advisory Council, the Iowa Crime Commission, the Youth Law Center, and the director of the Bureau of Children's Services, as well as the subsidy's state-level administrator, are represented on this committee.

Monitoring is done by staff at the district level. District level staff also keep track of case files, statistics, billing procedures, fiscal records, utilization of funds, and other administrative procedures.

Those interviewed cited far more advantages to having district and local offices than disadvantages. Most felt that these additional layers of state government allowed providers to have closer contact with DSS personnel and to better understand state policies. Local and district DSS personnel were perceived to be helpful, cooperative, responsive, and concerned about local needs. It was felt that county government officials were not really concerned with child welfare, and that DSS served this function well. The few disadvantages cited concerned what was perceived to be excessive red tape and numerous requests for information.

One interesting finding is that only two providers reported having received any technical assistance from DSS regarding program development, additional funding sources, etc. Considering that the legislation for the Community-Based Juvenile Corrections Subsidy expressly calls for "providing technical assistance to local groups" suggests another instance where one of the subsidy's objectives is not being met.

Currently, the only local bodies, besides the local and district DSS offices, engaged in policymaking and planning are the boards of directors for the public and private agencies. However, some legislators and state DSS administrators envision the development of community planning networks, a concept recommended in the Plan for Community Integrated Youth Services. Represented on these bodies would be such organizations as school districts, private agencies, volunteers, churches, law enforcement agencies, judges, and interested citizens' groups.

Perhaps the greatest challenge to interagency coordination is the state's complex pattern of funding family and children's services described in an earlier section. To reiterate briefly, allocation decisions concerning most DSS purchase of services, as well as awards from the Alternatives to Foster Care Subsidy and In-Home Services, are made by DSS district offices. Grant awards from the Community-Based Juvenile Corrections Subsidy are determined by a state-

level review committee. Federal monies from LEAA and JJDPa are administered by the Iowa Crime Commission and are allocated to county boards of supervisors. The youth coordinator, in the Governor's Office for Planning and Programming, administers funds from the Runaway Youth Act among other youth-serving programs. Counties are responsible for covering the expenses of juvenile intake, probation, and detention.

This system would seem to pose a challenge to coordination. At the state level, it was recommended in the Plan for Community Integrated Youth Services that a consortium be developed of the following agencies: the Department of Public Instruction, the Department of Health, the Job Service Department, the Office for Planning and Programming, the Iowa Crime Commission, the Iowa Council for Children, representatives from the legislative, executive, and judicial branches of state government, and other interested public and private groups. A second recommendation included the appointment of a full-time, state-level coordinator with adequate support staff to work in the Department of Social Services. This person would be known as the Coordinator for Integrated Youth Services.

Until these recommendations are implemented, interagency coordination currently takes place on a local, ad hoc, and informal basis. A number of agencies with services pertinent to a client's needs may be involved in planning the treatment case, or a primary service provider may refer the client to other providers who may not be formally associated with the case. One district has a screening committee which meets once a month to review problem cases. The membership includes a juvenile court supervisor, a supervisor of field services, a representative from the area education agency, as well as staff members from the district and local DSS staff offices. In another instance, the boards of supervisors of Adair, Marion, Madison, and Warren counties have a special board to oversee their common probation and shelter care services. It is apparent that many independent coordination efforts have been established in response to specific needs or problems.

INTERGOVERNMENTAL RELATIONS

The vertical administration of the Department of Social Services has meant that the subsidies themselves have presented no special cause for friction between the state and county governments. The greater controversies have resulted, rather, from the revisions in the juvenile code and from questions about whether the county or state is responsible for paying for local detention and shelter care services. The county boards of supervisors are satisfied to leave most of the responsibility for social services to DSS.

The one exception is the local judiciary. Juvenile judges and county attorneys have tried, and have succeeded, in maintaining discretion over placement decisions for adjudicated delinquents and children in need of assistance. The court's authority to have continuing jurisdiction and to hold a placement hearing after six months were revisions made in deference to juvenile judges, thus limiting the discretion of DSS.

In general, there is little local involvement with social services, and legislators would like to see more participation on the part of local groups and individuals. "Locals," however, have been described as suspicious of anything which will cost them more money. The general sense of agreement is that if the state asks local governments to do something, the state is expected to provide the funds to pay for it. A more concrete example is that, in 1974, the state assumed payment for the salaries of local DSS workers to accommodate a property tax cut. Residents were delighted to see the state take over this responsibility.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

Agencies with grants or contracts with DSS are reviewed on the following points: (1) the type of service and the number of clients served during the agreement period, (2) the number of clients with case plans, (3) the number of case plans up-to-date, (4) the number of clients considered to be reaching prescribed goals and objectives, (5) the number of clients that had reached prescribed goals and objectives, (6) the maintenance of current attendance data, (7) the quantity and quality of staff, (8) the adequacy of the physical plant, (9) any measurable impacts of the program, and (10) achievement of agency goals.

An overall evaluation of the Alternatives to Foster Care Subsidy and In-Home Services is currently being conducted by the Iowa Legislative Fiscal Bureau. The effort is divided into four phases, with the first phase just having been completed. This phase examined the congruence between legislative intent and delegation of authority. The second phase will look at the effectiveness and efficiency of state planning processes for program development and implementation. The effectiveness and economy of service delivery and case management functions will be the focus of the third phase, while the impact of the services on clients will be assessed in the fourth and final phase.

Because only the first phase is completed, no conclusions can be included here. From a cursory review of the study, however, it appears that those programs are succeeding in meeting their mutual objectives to reduce foster care placements, to keep families together, and to save money.

No formal evaluation of the Community-Based Juvenile Corrections Subsidy, as far as it is known, is under way or being planned. From the indicators obtained in this study, it appears that this effort may not be meeting its legislative objectives and, indeed, may even be subverting them. The legislation calls for the provision of "technical assistance to local groups which intend to establish or improve community-based juvenile correctional programs." Almost all providers interviewed--those who had been awarded subsidy grants--reported that they had not received technical assistance from DSS either prior to, during, or after the RFP process.

Another objective of the legislation is to maximize available federal funds. Analysis in an earlier section demonstrated that the proportion of LEAA Juvenile

Justice Improvement Funds to community corrections has decreased over the years, showing its greatest reduction in 1978.

A third point concerns 1978 legislative intent language mandating DSS to develop a plan for phasing out Iowa's three juvenile institutions. It can also be observed from the analysis described in a previous section that, while the proportion of juvenile improvement allocations to community corrections was decreasing, the proportion of allocations to institutional treatment and manpower was increasing. One could surmise that the availability of subsidy funds for community corrections allowed the shift of support to institutions. It is possible, too, that the institutional treatment grants support community-based programs such as family therapy teams or transitional placements. If this is the case, they should be labeled as community-based rather than institutional.

Finally, while not stipulated in the legislation, DSS, since becoming the subsidy's administrating agency, has assumed that subsidy funds should be used as "seed money" to develop new agencies and new programs, and after one or two years of initial grant funding, continue them through purchase-of-services contracts. From the sample of agencies interviewed for this study, only one-half of the service providers intended to continue under a POS arrangement. The balance wished to seek local public or private support.

A final point is that the subsidy was intended to develop new programs and agencies where there were none. While increased funding did provide grants for ten new programs and nine new agencies, only three more programs, in total, were funded over the previous year even though the appropriation had doubled. One-third of the agencies had received nearly two-thirds of the money, and many geographical areas without services continue to be without them.

One measure of the success of a program is subjective, yet valid, and that is how well people perceive the program to be doing. In this regard, the Alternatives to Foster Care Subsidy and In-Home Services appear to be achieving high marks. State legislators, as well as state, district, and local DSS administrators, and a variety of key informants felt that the programs were succeeding in reducing foster care placement and in keeping families together. They felt that family coping skills could be seen as appreciably improved and that unstable domestic situations had been ameliorated. Regarding the Community-Based Juvenile Corrections Subsidy, despite problems cited by respondents, it was generally felt that some very good and innovative programs have been initiated.

Several legislators and administrators interviewed suggested changes that they would like to see made. On a more systemic level, they would like to see a continuum of services developed and available throughout the state. Ways to encourage innovation, they feel, should be continued as well as a search for alternatives. Despite its current state of suspension, there continues to be a great deal of interest in the plan for establishing two to four pilot projects. Legislators and administrators feel that these small-scale efforts would give them a better appreciation of how to manage a statewide system. On an administrative level, a client-tracking system, a formal approach to needs assessment and evaluation, and alternative funding structures were among other improvements suggested.

CONCLUDING REMARKS

Project grants are frequently used by the federal and state governments to introduce innovation. They have the advantages of generally requiring smaller appropriations than formula grants and of being amenable to specific targeting to types of services, clients, and geographic areas.

The Iowa legislature established three specific line-item appropriations to introduce innovation into what was perceived to be a stagnated purchase-of-services system. In the one case, the legislature wished to implement a reduction in the number of children removed from their homes. It was hoped that the integrity of the family unit could be strengthened, thus diminishing the likelihood of situations that cause families to disintegrate. The Alternatives to Foster Care Subsidy and In-Home Services supported through these line-item appropriations have demonstrated that there are viable service approaches to help families stay together. The direct result has been a reduction in the number of foster care placements. However, this effort is now suffering from some of the deficiencies of project grants. In this case, a few agencies are receiving most of the money rather than encouraging a statewide distribution of services.

The Community-Based Juvenile Corrections Subsidy also permitted very specific programs and geographic areas to be targeted. Its overall objective was to reduce the number of placements in state juvenile institutions. Unfortunately, the technology in this area is not as well developed as for home-based services. Experts in the juvenile justice field are less certain of effective community-based approaches for children for whom all other community services have failed. The grants approach allows the state to be experimental--to fund what seem to be good but untried ideas. The problem is trying to concentrate sufficient resources in one area to develop the critical mass of services required to meet the needs of the types of juveniles sent to institutions. Another problem is funneling scarce resources to only a few geographical areas of the state without provoking political rancor among neglected constituencies.

Iowa seems to be on the verge of accommodating these problems. The pilot projects would allow the state to concentrate resources in a few areas, would permit programming to be experimental (for it would be implemented on a small scale), and would hold out the promise to other districts that once it can be determined "what works," efforts can be made toward statewide implementation. The problem now, however, seems to be getting the pilot projects off the ground.

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MARYLAND YOUTH SERVICES BUREAUS SUBSIDY

BACKGROUND AND ACKNOWLEDGMENTS

During February 1980, interviews were conducted in Maryland in Annapolis (Anne Arundel County), Baltimore, Hughesville (for Calvert, Charles, and St. Marys Counties), and Rockville (Montgomery County) with directors and staff of youth service bureaus, a state legislator and legislative staff for the Maryland General Assembly, key state and regional administrators, and local community administrators.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

State Legislators and Staff

Frank Pesce, Delegate, Maryland General Assembly, Annapolis
 Richard Bandeline, Budget Analyst, Department of Fiscal Services, Annapolis
 Peter Tsou, Administrative Analyst, Department of Fiscal Services, Annapolis

State and Regional Administrators

Department of Health and Mental Hygiene, Juvenile Services Administration, Annapolis

Jesse Williams, Deputy Director
 Ron Schmidt, Prevention Specialist
 Eugenia High, Planner
 Edward Lang, Regional Supervisor
 Eileen Lewis, Youth Diversion Coordinator

Howard Bluth, Director, Governor's Office of Children and Youth, Annapolis

Local Officials

Rick Ferrara, Chief of the Office of Children and Youth, Montgomery County
 Richard Crane, Program Manager, Youth Services, Montgomery County
 Chuck Short, Executive Secretary, Office of Children and Youth, Montgomery County
 Suzanne Muncy, Planner, Montgomery County

Local Administrators and Service Providers

Wayne Jerald, Director, Annapolis Youth Services Bureau
Audrey Moore, Executive Director, East Baltimore Youth Service Bureau,
and President of the Maryland Association of Youth Services Bureaus
(MAYSB), Inc.
Thelma Robinson, Executive Director, Northwest Baltimore Youth Service
Bureau, Inc., Baltimore
Mary Griffin, Administrative Specialist, Northwest Baltimore Youth Ser-
vices Bureau, Inc., Baltimore
Priscilla Mason, Clinical Director, Tri-County Youth Services Bureau,
Hughesville

Key Informants

Yevola Peters, Executive Director, Anne Arundel County Community Action
Carolyn Rogers, State Director, Southern New York Juvenile Justice Cen-
ter, New York City
Thomas Hampton, Mayor's Coordinating Council on Criminal Justice,
Baltimore

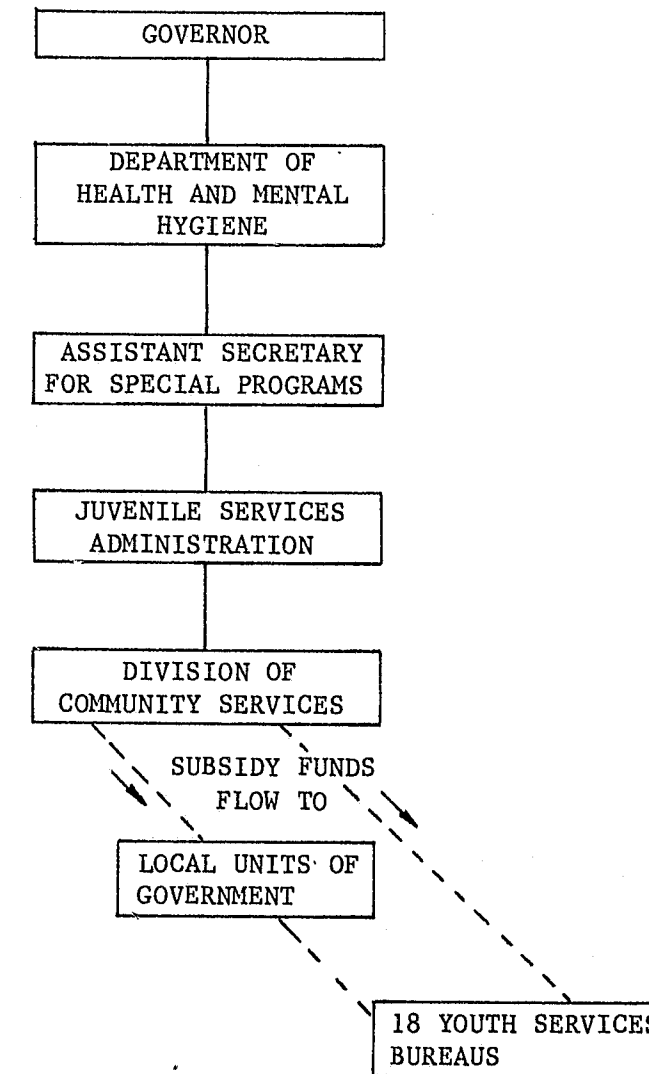
ORGANIZATIONAL CONTEXT

Since July 1, 1967, the Juvenile Services Administration (JSA) of the Depart-
ment of Health and Mental Hygiene has been the state agency to assume major res-
ponsibility for the administration, coordination, and standardization of state
and local programs for juvenile delinquents and children in need of supervision.
The Juvenile Services Administration has three major divisions: Court Services,
Community Services, and Institutional Services. Other units include Special
Services, Training and Staff Development, and Volunteer Services.

The Division of Court Services provides all court services related to in-
take, probation or protective supervision, and aftercare. When a juvenile case
is referred from a local law enforcement agency, school district, department of
social services, or an individual to the Juvenile Services Administration, intake
may file for formal court action, handle the case informally, or close it due to
legal insufficiency. During 1978, nearly 75 percent of the cases referred to
the Juvenile Services Administration came from the police. From 1968 to 1976,
the number of referrals steadily increased from 25,270 to 58,044. Since 1976,
the trend has been significantly downward, with nearly 13 percent fewer
referrals in 1977 and 6.6 percent fewer in 1978. The majority of referrals come
from metropolitan areas, such as Baltimore, Prince Georges County, Anne Arundel
County, and Montgomery County. These five areas accounted for 78 percent of all
cases referred to the Juvenile Services Administration in 1978.

The Division of Community Services has responsibility for the programs and
funding (or partial funding) of all JSA residential and nonresidential
community-based services. The decrease in referrals to the Juvenile Services
Administration for court services parallels the development and more extensive

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO THE
MARYLAND YOUTH SERVICES BUREAUS SUBSIDY



use of community-based services. Except for 1977, each year since 1969, there
has been a steady increase in admissions to community programs. The Juvenile
Services Administration also purchases care from private group homes, special-
ized institutions, foster homes, and emergency shelter care. The state operates
some of these services through community institutions, state-owned group homes,
and residential and day care programs.

The Division of Institutional Services administers seven secure state facil-
ities for the detention, treatment, or evaluation of juveniles, as well as hold-
over facilities. These are the Maryland Training School, a training school for

boys; Montrose School, a coeducational training school; Boys' Village, a detention facility; four Boys' Forestry Camps; Maryland Children's Center, a diagnostic and evaluation center; Waxter Children's Center, a detention facility; and Alfred D. Noyes Children's Center, a detention center. JSA also operates a six bed, 48-hour holdover facility in the YMCA in Cumberland, Maryland.

Figure 1 shows the organizational relationships among the agencies relevant to the Youth Services Bureaus Subsidy.

The purpose of this case study is to describe the establishment, development, and future of the state subsidy to youth services bureaus (YSB). These agencies serve "troubled" youth under 18 who have not yet but are likely to penetrate the juvenile justice system. The bureaus are based in communities with high juvenile crime rates. They provide services at no charge to youth and their families who voluntarily seek individual and group counseling, crisis intervention and referral, and general information. In addition, depending upon community needs and budgetary limitations, youth services bureaus provide tutoring, leisure time activities, employment counseling and placement, community education, drug information, and community resource development.

Youth services bureaus in Maryland differ from familiar models in that they provide direct services to youth, rather than functioning as a coordinative agency among local providers. The youth services bureaus in Maryland are more accurately "youth services agencies," because the legislature had mandated that a given core of services are to be available through each youth services bureau.

Currently there are 18 youth services bureaus located in nine counties, serving 82 percent of the population.¹ Fifteen counties representing the remaining 18 percent of the population do not have direct access to such services. The unserved counties are predominantly on the eastern shore and far western areas of the state.

POLITICAL AND LEGISLATIVE HISTORY

In 1971, several communities in Maryland were receiving funds from the federal Law Enforcement Assistance Administration (LEAA) to operate youth services bureaus.² The agencies were established to provide informal, neighborhood-based counseling to troubled youth and their families. The programs were designed to reach adolescents not served by other agencies, particularly public agencies. Initially, these services were often loosely structured, typically offering recreational activities and various types of counseling. The centers were open at all times as a safety valve to adolescents and families experiencing strained domestic relationships.

Each youth services bureau had an outreach component in an attempt to involve youngsters whose distrust or inexperience with social agencies discouraged them from dropping in for assistance. The center staff approached popular hangouts near schools and homes in an attempt to help juveniles potentially headed for trouble.

The five youth services bureaus estimated that they served a total of 7,000 youngsters and their families each year during the first three years of operation. Costs were estimated to range from \$29 to \$356 per youth per year. Despite these measures, no clear indicator could prove that youth services bureaus reduced the number of delinquent acts or diverted youth from the state's juvenile justice system. While it can be demonstrated that court referrals and juvenile corrections institutional populations steadily decreased during this three-year span, a causal relationship could not be established.

The youth services bureaus were started at a time when nationwide attention was directed toward the development of community-based programs for delinquent youth. Status offenders were removed from the juvenile justice system in Maryland on January 1, 1974. Overall, the youth population in state institutions declined. However, even without youth services bureaus, other states also showed significant declines in court referrals and commitments to state corrections facilities during the same time period, perhaps more a result of decriminalizing status offenders than of efforts to build community resources.

During 1971 to 1974, communities with youth services bureaus had contributed approximately 25 percent of the support. The federal funds to youth services bureaus had been considered "seed money" to stimulate the development of state and local support. Obviously, some local support had been obtained, but it was generally insufficient to continue the existing programs. Thus, with the termination of LEAA funds on June 30, 1974, the five youth services bureaus were destined to close unless additional funds could be leveraged.

The first step taken by the five youth services bureaus was to form the Maryland Association of Youth Services Bureaus, Inc. (MAYSB). Its sole purpose at that time was to develop a strategy to cause the state to compensate for the impending loss of federal funds through the state's budget.

Efforts were begun to inform clients and their families, citizen groups, other community agencies, local units of government, and state legislators of the problems to be faced with the termination of LEAA funds. Public awareness was engendered through public meetings, letter writing, speechmaking, active lobbying, and publications, among other approaches. Members of the Legislative Subcommittee of the Maryland Association of Youth Services Bureaus, Inc., attended a one-day training session on lobbying offered by the Maryland League of Women Voters and subsequently conducted their own lobbying workshop in Annapolis for all directors of youth services bureaus. A pamphlet entitled "Support Youth Services Bureaus" was sent to state legislators and other influential parties. The pamphlet described the origin, goals, services, accomplishments, and funding needs of the youth services bureaus. The stated purpose of this publication was to generate an understanding that, without state support, youth services bureaus would end with the termination of LEAA funds on June 30, 1974. The pamphlet was very direct in its call for state funds, saying, "At present, funding on a contract-for-services basis from the Department of Juvenile Services (sic) is a feasible and viable alternative source of revenue. Strong community, agency and legislative support is necessary, if these funds are to be secured. Immediate, concerted effort is needed because, without your help, five Youth Services Bureaus...will cease to exist (on June 30, 1974)... ACTION AFTER THE FACT WILL NOT BE ENOUGH!"

An active lobbying effort by the Maryland Association of Youth Services Bureaus, Inc. was begun with at least one member present each day of the 90-day legislative session. Efforts were made daily to talk with state legislators. Letters of support to be sent to state representatives were solicited from influential citizens and clients. Over 1,000 letters were also sent to the governor in an attempt to secure his endorsement. The letters indicated that the loss of LEAA funds would mean an end to a key effort toward primary delinquency prevention in Maryland.

Because 1974 was an election year, association members were also encouraged to actively participate in local political campaigns, working for those candidates who supported state funds for youth services bureaus and against those who did not. Legislative staff members, and especially fiscal analysts, were contacted, for budget analysts in Maryland tend to be highly influential in the original planning of legislation and presentation of proposals for the governor's approval.

The governor responded to the lobbying effort by recommending that the state's supplemental appropriation for 1975 include funds for youth services bureaus. The chairmen and key members of the House of Delegates Appropriation Committee and the Senate Finance Committee indicated that they, too, would support this appropriation. The recommendation from the Department of Budget and Fiscal Planning was that the state pay 75 percent of costs, with the balance to be matched by local sources. The amount requested by the resulting legislation, House Bill 768, was \$436,589 for 12 youth services bureaus, the five original bureaus plus seven more.

The budget was approved, but not before several objections were raised by a small group of legislators. Four arguments against the bill surfaced. Some legislators felt that youth services bureaus should continue to seek refunding by LEAA. Since the programs were begun with federal funds, they should continue to be funded in that way. This objection, however, was withdrawn when it was explained that federal funds would not continue beyond June 30, 1974, regardless of efforts to extend them. The initial funding was to pilot the youth services bureaus concept. Once established, the intent had always been to secure ongoing local and state support.

Delegates from rural areas objected that some communities would not have access to the service of youth services bureaus. To placate this concern, a promise was made to conduct a statewide needs assessment to determine appropriate locations for future state-funded youth services bureaus. Still other legislators felt that prevention of juvenile delinquency is a function of education, rather than juvenile justice. They suggested that services provided by youth services bureaus, especially community and drug education, employment services, and recreation, might more appropriately be delivered by schools. To meet this objection, state guidelines were to be established so that core services would address the issue of delinquency prevention. In addition, the Juvenile Services Administration would develop specific program guidelines to be met before a local youth services bureau could become eligible for state funding.

A final objection was whether the state should subsidize purely recreational programs. While recreation had been an important element of youth services bureau programming, it was not the primary objective. The compromise solution

was that the state would perform monitoring and oversight functions to see that services other than recreational activities were being offered.

While still retaining a local orientation, a three-year implementation plan was designed to integrate youth services bureaus into the Juvenile Services Administration's statewide prevention program. The legislators did not want 12 independent programs operating with state funds but without state guidelines. A pass-through arrangement was made part of the funding process so that local units of government could exercise some control over the program as well. This arrangement has presented some problems for a few bureaus, an issue which will be discussed later.

OBJECTIVES OF THE SUBSIDY

Youth services bureaus have programs directed toward primary and secondary prevention of juvenile delinquency. Their primary purpose is to develop services and coordinate resources in the community in order to serve troubled youth before they require judicial intervention or penetrate further into the judicial system. To accomplish these objectives, the bureaus pursue a number of strategies, including providing direct services and coordinating the delivery of services available to youngsters from other agencies.

ALLOCATION OF FUNDS AND ADMINISTRATIVE REQUIREMENTS

The Juvenile Services Administration requires local youth services bureaus to submit an annual application for funds to its grants section. The grantee also files a "Condition of Grant Award Statement" agreeing that control will not be relinquished to another agency or board without permission and that no services will be terminated without state approval. Compliance statements with Title VI of the Civil Rights Act of 1964 are also required. A youth services bureau then has three months, following approval, to make the program operational. Local sources, primarily from city and county, are required to underwrite at least 25 percent of the costs.

A youth services bureau may modify its budget during the fiscal year for items costing less than \$100. Any modification for larger amounts requires state approval. Unapproved changes become the liability of the agency and are not reimbursed by state funds. Also, failure to perform according to the state guidelines, execute appropriate fiscal and administrative practices, and initiate mandated services can result in the termination of funds. In six years of state support, however, no youth services bureau has lost its funding.

Costs which are eligible for state reimbursement include:

1. Direct costs for: (a) salaries, wages, and fringe benefits; (b) in-state travel expenses related to service delivery or staff development; (c) all direct operating costs; and (d) purchase of operating equipment, except automobiles.
2. Costs connected with the rental and maintenance of space.
3. Contractual agreements with third parties for the delivery of services, primarily training.

Payments are made, in most cases, to the sponsoring local unit of government, city or county, which provides the matching funds. This system has generally worked well with a minimum delay in fund transfers for the youth services bureaus. In Baltimore, however, where there are four bureaus, delays have been experienced since the city holds submission of applications to the state as well as reimbursements until all four youth services bureaus have met administrative requirements.

Local units of government are charged with monitoring youth services bureaus in their jurisdiction. They enforce fiscal practices to guarantee proper use of funds. Some jurisdictions have experienced difficulty with occasional cash flow problems. Bureaus without financial backing from a larger parent agency cite difficulty in maintaining program continuity and paying ongoing expenses during the gap between appropriation and disbursement of funds.

Under provisions of a 1979 amendment to the Youth Services Bureaus Subsidy, local agencies may incorporate and receive funds directly from the state, thereby bypassing the local governing body. This has been done by the Northwest Baltimore Youth Services Bureau, Inc., an action which eliminated the problem of delays in payment due to processing by the city. However, this provision might result in even greater problems. If the City of Baltimore no longer retains an active involvement in the financial arrangements, the interest in continuing to provide the local match could diminish, jeopardizing the continuation of the entire program.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY

The Code of Maryland requires the Juvenile Services Administration "to develop programs for the pre-delinquent child whose behavior tends to lead to contact with juvenile justice agencies." (Article 52A, Section 5(a)) The 1974 enabling legislation for state support to youth services bureaus mandated that four types of services be provided to receive state funds. These services are (1) individual counseling, (2) general and referral information services, (3) crisis intervention, and (4) informal or drop-in counseling. In addition, six other types of services may be provided as needed. They include (1) tutoring; (2) leisure-time activities; (3) mobilization of community resources; (4) job placement assistance; (5) community education, consultation, and training; and (6) drug education.

All youth services bureaus contacted offered the mandated core services. Many of these programs, such as family counseling, have diversified into services supplementing the mandated core. The family counseling program in one agency, for example, includes several short courses on topics related to family relations. Other types of optional services include: workshops for other youth service professionals, a "group-living" home for boys, counseling and diagnostic programs in the schools, programs to support and train foster parents, medical treatment, parent education programs, and youth employment programs.

All youth services bureaus provided services in addition to the mandated core services, depending on community needs and preferences, as well as on the interests and expertise of the professional staffs. The availability of money and time to develop non-required services would lead one to believe that core services were at least being adequately funded and staffed.

SERVICES RECEIVED BY JUVENILES

During 1978, youth services bureaus formally reported counseling over 5,000 youth. The number of juveniles served by all but one of the youth services bureaus is shown in Table 1. It should be noted that the number of juveniles reported as receiving "formal counseling" represents only a small percentage of the total number of youth served by youth services bureaus. For example, in one agency, where 355 youth were formally reported as having been counseled, it is estimated that nearly 1,000 juveniles may have been served. Thus, only 36 percent of the total was actually recorded. An exact number served by youth services bureaus is impossible to determine because many youth are reached through informal methods or by dropping in at the center, which are not reflected in an agency's records.

SOURCES AND LEVELS OF FUNDING

Each year since 1975, the state budget has increased the overall amount for youth services bureaus:

1975--	\$436,589
1976--	\$790,493
1977--	\$1,018,148
1978--	\$1,111,332

Funding for youth services bureaus was moved from the supplemental budget request to an ongoing line item in the budget request of the Juvenile Services Administration, an action which lessened the need for annual lobbying by the Maryland Association of Youth Services Bureaus, Inc., to ensure continued support. The annual drive to be refunded grew tiresome for many staff and took away time from the actual operation of services to youth.

TABLE 1. TOTAL NUMBER OF JUVENILES FORMALLY COUNSELED BY MARYLAND YOUTH SERVICES BUREAUS BY LOCATION, SEX AND RACE, FISCAL 1978*

Bureau	Location	Male			Female			Total
		Black	White	Other	Black	White	Other	
Annapolis	Anne Arundel Count	318	37		257	16		628
Bowie	Prince Georges Co.	101	127		78	190		496
Carroll County	Carroll County	1	101	2		54		158
College Park	Prince Georges Co.	1	133	3	12	83	3	235
Dundalk	Baltimore County	10	241	4	6	133	3	397
East Baltimore	Baltimore City	113	4		196	2		315
Gaithersburg	Gaithersburg	**	**	**	**	**	*	*
Glenarden	Prince Georges Co.	46			45			91
Greenbelt	Prince Georges Co.	5	142	5	4	162	7	325
Harundale	Anne Arundel Count	1	56		2	28		87
Laurel	Prince Georges Co.	7	54		9	40		110
Lighthouse	Baltimore County	10	57		3	54		124
Listening Post	Montgomery County	3	12	2		23	3	43
North Central	Baltimore County	76	21		37	6		140
Northwest Baltimore	Baltimore County	208	2		117	2		329

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TABLE 1. (Continued)

Bureau	Location	Male			Female			Total
		Black	White	Other	Black	White	Other	
People for Community Action	Baltimore County	4	71		2	43		120
Rockville	Montgomery County	44	180	5	26	214	4	473
Tri-County	Charles County	128	560		60	445		1,193
Total		1,076	1,798	21	854	1,495	20	5,264

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* Formal counseling is only a small portion of the total services and total actual clients served by youth services bureaus.

** denotes information Not Available.

Source: Juvenile Services Administration, Annual Report, 1978, Table XII, p. 48.

The projected budget for fiscal 1981 is estimated at \$1,340,000, signifying that in six years state support to youth services bureaus doubled. This amount supports, in part, 18 agencies. In some cases, local governments provide in excess of 25 percent of the support to ensure that additional services can be provided.

A few local governments, notably the City of Baltimore, provide less than 25 percent of the funds, thus forcing the local youth services bureaus to find other means to meet the shortfall. Sometimes as much as five percent of the costs must be covered by the youth services bureaus. Hence, professional staff time is often absorbed in organizing fund-raising projects. Ironically, the intent of the move to include youth services bureaus into the state's annual budget request was to reduce the yearly scramble for continuation funding. The practical effect of local budgetary shortfalls results in a similar situation.

Only one local unit of government has totally withdrawn its support. Calvert County withdrew from financial participation in the Tri-County Youth Services Bureau in Hughesville. Nevertheless, this eight-year-old agency continues to function successfully and still accepts referrals from Calvert County. The pattern in other jurisdictions, in keeping with the matching requirements, has been to increase the local share with each escalation in state appropriations.

INTERGOVERNMENTAL RELATIONS

Initial support of the youth services bureau concept was obtained in both the House of Delegates and Senate through the lobbying efforts of the Maryland Association of Youth Services Bureaus, Inc. Support in the House of Delegates Appropriation and Senate Finance Committees enabled the request to be added to the 1975 supplemental state budget. In 1977, a key state delegate introduced legislation, which subsequently passed, to remove funding for youth services bureaus from the special-project classification, implied by funding in the supplemental budget, and place it as an annual budget item in the appropriation for the Juvenile Services Administration. The annual increases in appropriations, coupled with the change in budgetary status, would appear to be strong indicators of continued legislative support.

The level of support has not always been so resolute by the Juvenile Services Administration. In many respects, the bureaus were an unsought responsibility for the state agency. The agency's lack of enthusiasm for youth services bureaus was demonstrated in the second year of the program, 1976, when the Juvenile Services Administration reduced its budget request for the bureaus. The Maryland Association of Youth Services Bureaus, Inc., once again mounted a campaign to restore the funds to the supplemental budget. Their effort was so successful that not only was the amount restored, but was increased over the previous year's appropriations by \$350,000--a gain of 81 percent. This enabled several new bureaus to be established, and clearly demonstrated the level of support of state legislators for the youth services bureau concept.

There is continuing strong evidence of support for the program. Since 1975, the budget has been increased overall by 175 percent. In contrast, during that same six-year period--1975 to 1981--state appropriations for the total Juvenile Services Administration budget increased by only 50 percent. Part of the attention to youth services bureaus, however, may be attributed to the nationwide emphasis on community treatment programs for delinquents.

"Flexibility" and "informality," two of the characteristics often cited by state officials as strengths of youth services bureaus, also work against them. The bureaus provide juveniles a place to drop in for help with their problems, and case files are not set up for those youth met on an informal basis. There is seldom a client needs assessment, formal treatment plan, or other such device as a means to document success or at least record organizational behavior. Legislators and fiscal planners request proof and documentation to support their continued funding, and lack of documentation inherent in an informal style of operation has resulted in some credibility problems.

Some serious questions are also being asked about how the programs prevent delinquency. Many people interviewed felt, simply on the basis of the programs, that delinquency is being prevented, but there has been no research to empirically link the programs of youth services bureaus to delinquency prevention. While no formal evaluations of their effectiveness have been undertaken, an analysis of recidivism rates performed by the Juvenile Services Administration showed a greater reduction in recidivism rates among clients of youth services bureaus than for those of another state-subsidized effort, the youth diversion projects.

Continuation of funds appears likely, but questions on program effectiveness will continue. Maryland continues to operate with a surplus of state funds. However, as inflation erodes this surplus and various program demands continue to absorb state monies, even more emphasis on accountability is likely to occur. Fiscal and programmatic accountability, directly tied to delinquency prevention, will probably be required.

When federal funds from LEAA were to be discontinued in 1974, directors of youth services bureaus saw state support coupled with local matching resources as the only available alternative to successful continuation of their programs. Local governments, which had originally committed themselves to picking up the greater part of costs, found themselves facing circumstances which were not favorable to being able to maintain this promise. Therefore, the 75 percent state support was greeted with enthusiasm, for it provided the means for local governments to continue youth services without the burden of having to underwrite all of the expenses. In most locations where interviews were conducted, there was enthusiastic support for the funding arrangement. In a couple of cases, however, it was felt that the local matching requirement should not exceed ten percent. There was also some sentiment for 100 percent state funding, based on the rationale that the state fully supports other services for the juvenile corrections system. Resistance to the local match is particularly evident in areas where youth services bureaus serve multiple jurisdictions. Some local government officials have been reluctant to continue support for the program when the physical location is not in their county, even though juveniles from their jurisdiction are being served through outreach efforts. The Maryland Association of Youth Services Bureaus, Inc., however, has always supported a

state-local matching arrangement as well as state standards as a way to maintain community ownership and still retain minimum quality and uniformity.

Increases in local support may be the best available indicator of program success. Some youth services bureaus receive greater support from local government than the 25 percent match required. In some cases, as much as 50 percent of a bureau's budget is provided by the local county or city government. Even in those communities, however, the local YSB administrators interviewed still felt that the amount of money received is "less than adequate." The overall total dollar match has steadily increased from about \$110,000 in 1975 to over \$400,000 for 1981.

Some local problems have developed, especially in rural counties, regarding salaries of the youth services bureaus staff when compared to other county employees. Youth services bureau staff, while not paid an exorbitant amount, frequently have salaries substantially higher than other long-term employees of county government. This situation has made the defense of the local share more difficult in such cases.

The zero-base budgeting concept has generated some criticism from the staff of youth services bureaus and local officials. Annual appropriations are reformulated each year. This perennial uncertainty forces the agencies to plan on a much shorter-term basis than if continued funding was assured. Despite this state of affairs, youth services bureaus have been successful in maintaining highly trained staff and have added new programs each year.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

From information developed through on-site interviews, the study of administrative and legislative documents and program information on the youth services bureaus in Maryland, several observations can be made.

Without the lobbying efforts of the Maryland Association of Youth Services Bureaus, Inc., in 1974 and 1975, state funds to continue operation of the federally initiated youth services bureaus would not have been set aside. Efforts of the association were the impetus for the original legislation as well as for subsequent increases in funding.

Technically, the concept of less restrictive, community-based treatment does not keep juveniles out of the system; what it does do is involve them in the broader human services system rather than the juvenile justice system. Since youth services bureaus are one type of formalized program for the juvenile justice system, the goal to prevent penetration into the system can never be realized through this method.

Youth services bureaus offer an example of the "seed money" concept employed by the federal government. The concept is that, if communities can demonstrate a program to be successful, then local and state governments should absorb the costs once federal dollars are withdrawn.

The level of funding from state and local sources is adequate to develop core services. There are some issues regarding funding which have caused some concern among local administrators. First of all, when local sources contribute less than the required 25 percent match, the bureaus are faced with using program staff time to raise money. Second, bureaus sometimes find themselves with a cash flow problem when funds are delayed due to administration. The current solution which allows bureaus to incorporate and bypass local government may solve the immediate cash flow delay, but may jeopardize future support from the local government which has been circumvented. Third, lapsed funds by a bureau cannot be reappropriated as needed. The Maryland Association of Youth Services Bureaus, Inc., has proposed that unused funds be made available to other bureaus on a competitive basis, rather than reverting to the state treasury. Finally, sentiment exists to urge the state to fund the bureaus at a higher proportion than 75 percent, thus reducing local government costs. Potentially, however, the withdrawal of local funding could mean the loss of local involvement and control.

The future for the Maryland Youth Services Bureaus subsidy appears to be generally stable. While the rise in funding and establishment of new agencies has reached a plateau, the sentiment among officials throughout the state remains favorable for continued support. While it is not likely that many new youth services bureaus will be established, it appears that the current programs will continue.

FOOTNOTES

1. The 18 youth services bureaus are: Annapolis Youth Services Bureau, Annapolis; Bowie Involvement Program for Parents and Youth, Bowie; Carroll County Youth Services Bureau, Inc., Westminster; College Park Youth Service Bureau, College Park; Dundalk Youth Service Center, Dundalk; East Baltimore Youth Service Bureau, Baltimore; Gaithersburg-Guide Youth Services Bureau, Gaithersburg; Glenarden Youth Services Bureau, Glenarden; Greenbelt Cares Youth Services Bureau, Greenbelt; Harundale Youth Center, Glen Burnie; Laurel-Beltsville Oasis, Inc., Laurel; Lighthouse, Inc., Cantonville; Listening Post, Bethesda; North Central Youth Services Bureau, Baltimore; Northwest Baltimore Youth Services Bureau, Inc., Baltimore; People for Community Action, Youth Services Bureau, Baltimore; Rockville Youth Services Bureau, Rockville; and Tri-County Youth Services Bureau, Hughesville.

2. These communities were Baltimore, Bowie, College Park, and Glenarden. A fifth youth services bureau was also established to serve the tri-county area of Calvert, Charles, and St. Marys Counties.

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MARYLAND YOUTH DIVERSION PROJECTS SUBSIDY

BACKGROUND AND ACKNOWLEDGMENTS

Field work for the case study of Maryland's Youth Diversion Projects Subsidy occurred during February 1980. Field work was limited to Baltimore--the site of all but one of the subsidized local diversion projects. Interviewed in Baltimore were state administrative personnel from the Juvenile Services Administration and the Governor's Office of Children and Youth, local service providers, and a local government administrator. Since no interviews were conducted in Prince Georges County for this particular subsidy, the data used in the case study, both primary and secondary sources, were drawn exclusively from the Baltimore projects.

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State Administrators

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Local Administrators and Service Providers

Jay Faron, Project Director, Communities Organized to Improve Life, Baltimore
Larry Bracey, Project Director, Baltimore Urban League
Eddie Harrison, President, Juvenile Justice Resources, Inc., Baltimore
Jean Prevas, Human Services Division, Southeast Community Organization, Baltimore
Audrey Moore, Youth Service Center, East Baltimore Community Corporation, Baltimore

Key Informants

Ken Hines, Governor's Commission on Law Enforcement, Baltimore
Howard Bluth, Director, Governor's Office of Children and Youth, Baltimore

Maryland was one of ten states chosen for case study because of the range and diversity of juvenile justice subsidies operating in the state. Maryland offered a history of state subsidization of juvenile services dating back to the early 1970s, and a rich diversity of subsidy programs from which to choose. Of Maryland's six subsidies identified through the survey, four were within the juvenile justice functional category. These juvenile justice subsidies were diverse with respect to the types of services subsidized. Different subsidies provided support for: (1) youth services bureaus, (2) diversion projects, and (3) residential treatment centers.

Selection of a specific subsidy was governed by the need to have subsidies represented in approximate proportions to their numerical distribution among the five functional categories (juvenile justice, child welfare, mental health, education, and employment) surveyed during the first part of the study. A series of additional factors also served to shape the choice of specific subsidy programs within potential case study states. In general, subsidies were selected for case analysis because of their representativeness relative to program design features, types of services subsidized, and eligible recipients. A subsidy program might also be chosen for certain unique features, when all other factors were equal among potential case study candidates.

The Youth Diversion Projects Subsidy was selected because it constituted one of the few instances where local private nonprofit agencies are the only participating agencies. The youth diversion programs themselves provided an example from the limited universe of purely nonresidential programs, as most subsidies support either exclusively residential or mixed residential/nonresidential services. A third consideration was that, in its administrative design, the Youth Diversion Program Subsidy was illustrative of a project grant allocation method. Another factor making the Youth Diversion Program Subsidy unique was that it was one of the few subsidies found in the survey that was administratively established.

ORGANIZATIONAL CONTEXT

The prevention, treatment, and control of juvenile delinquents, status offenders (children in need of supervision), and dependent and neglected youth (children in need of assistance) are responsibilities shared by state, county, local, and private agencies. Law enforcement and courts are local functions, while intake, probation, aftercare, the operation of training schools, forestry camps, detention centers, and purchase-of-care services are all administered by the state. Purchase-of-care services are usually obtained from private providers.

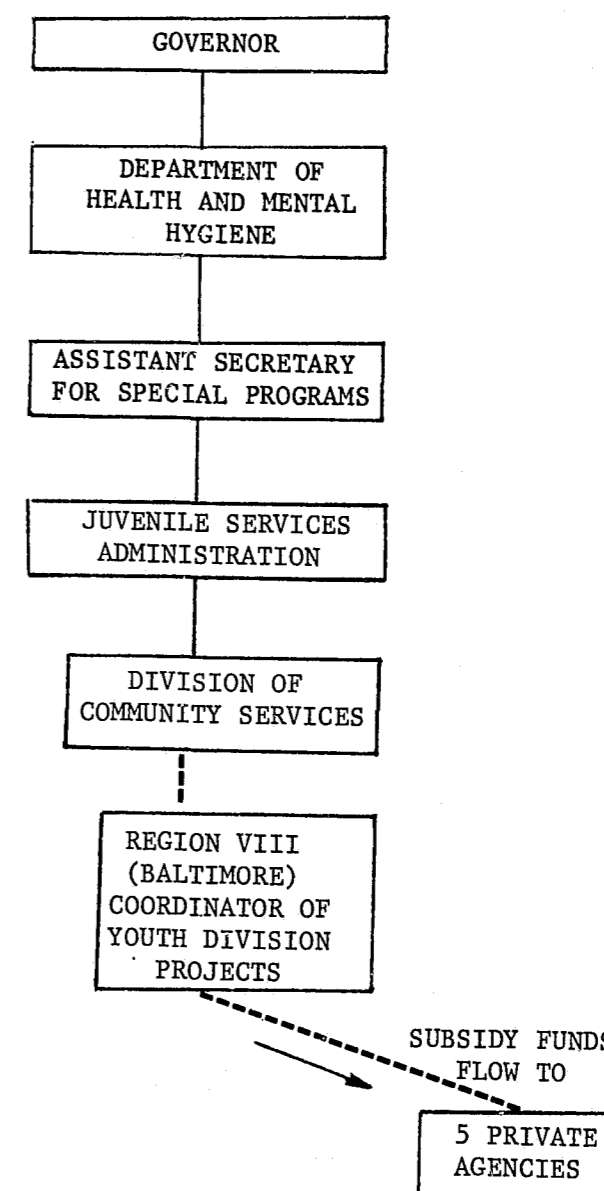
Juvenile Services Administration

Primary responsibility for delinquent youth and children in need of supervision rests with the Juvenile Services Administration (JSA). Children in need of assistance are the responsibility of the Department of Human Resources. A small number of mentally handicapped dependent and neglected youth, however, are placed in state hospitals, coordinated by the Juvenile Services Administration.

Since July 1, 1967, the Juvenile Services Administration has been the state agency to assume major responsibility for the administration, coordination, and standardization of state programs and local services for juvenile offenders and status offenders. Placed within the Department of Health and Mental Hygiene in 1969, the Juvenile Services Administration has three major divisions: Court Services, Community Services, and Institutional Services. The Division of Institutional Services administers holdover facilities and seven secure state facilities for the detention, treatment, or evaluation of juveniles. The Division of Court Services provides all intake, probation or protective supervision, and aftercare services, while the Division of Community Services has responsibility for funding (or partial funding) of all state-sponsored residential and nonresidential community-based services. Figure 1 displays the organization of agencies relevant to the subsidy's administration. The Division of Special Services supplies internal services to JSA in the form of planning, data collection, research, evaluation, publications, grants development, and Title XX planning.

The Juvenile Services Administration licenses private facilities from which it purchases services.

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO MARYLAND YOUTH DIVERSION PROJECTS



JSA provides the court intake unit personnel, who are available in person or by telephone on a 24-hour-per-day basis, for every juvenile court in the state. A few localities have developed diagnostic and referral teams composed of representatives from all relevant agencies as a means of assuring a continuity of

care and interagency cooperation and coordination following disposition of difficult cases. The arrangement is formalized in the city of Baltimore as the Child Management Intake Team, while it operates more informally in other localities.

Secure Detention, Commitment, and Evaluation Facilities

The Juvenile Services Administration operates four detention facilities: Maryland Training School, the Montrose School, Boys' Village, and the Waxter Children's Center. A new detention facility, the Alfred D. Noyes Children's Center in Montgomery County, was opened in 1978. Boys' Village, the Waxter Children's Center, and the Alfred D. Noyes Center are used exclusively for detention, with a total capacity of 126 beds. Institutional treatment programs are also in operation at the Maryland Training School and the Montrose School, which have a combined 556-bed capacity for both commitments and detentions. Additionally, four Boys' Forestry Camps with capacity of 140 are located in the western part of the state. The majority of adolescents placed in these facilities are alleged or adjudicated delinquents. The Maryland Children's Center with a capacity of 112 provides diagnostic and evaluation services for delinquents. Under Maryland law, this facility is not classified as a detention or corrections facility.

The Juvenile Services Administration also operates a six bed, 48-hour hold-over facility in the YMCA in Cumberland, Maryland. Funded by LEAA, the facility holds youth prior to court hearings or transportation to another detention center.

Juvenile Courts

In each county in Maryland, except Montgomery County, the circuit court exercises jurisdiction over all juvenile cases, whether delinquents, status offenders, or neglected children. In Montgomery County, the juvenile court exists within the District Court system, yet JSA staff performs all intake, probation, and aftercare functions as they do in all other jurisdictions. In eight counties and Baltimore City, "masters" are employed on either a full-time or part-time basis to hear juvenile cases; however, their findings must be confirmed by a juvenile judge. From time to time, the masters system has come under criticism for being inefficient as well as causing delays and duplication of work. It labors under a "second-class" status of the juvenile court. Although proposals to end the masters system throughout Maryland have not been implemented, Prince Georges County has established two judgeships and a family court structure to replace the work of masters and juvenile judges in the circuit courts. This forum also hears other cases involving family problems. The circuit court judges who act as juvenile judges are appointed by the governor. They serve at

least one year before standing for election. Subsequently, they must run for office as elected officials every 15 years.

The juvenile court has jurisdiction over all detention, adjudication, and dispositional decisions. By law, only the juvenile court or JSA intake officers may authorize detention or shelter care placement prior to adjudication. The intake officer may detain a child only until the next available court day, while a juvenile judge or master may detain a youth for a maximum of 30 days prior to an adjudicatory hearing. Additional 30-day detention orders can be obtained upon application. If the JSA intake staff does not close a case at intake or provide services informally, they authorize a petition which is forwarded to the state's attorney.

The court processes which follow are divided into two steps, an adjudicatory hearing and a dispositional hearing. The purpose of the adjudicatory hearing is to determine the truth of the allegations about the youth contained in the petition and his need for services. At this point, the juvenile court can waive jurisdiction to the adult criminal justice system (in the case of certain juvenile delinquents), dismiss the petition, continue the case without finding, refer the youth to another agency, warn the youth, place the youth on probation without verdict, or sustain the petition and adjudicate the youth.

In the event of adjudication, a dispositional hearing must be held to decide the program of treatment, training, or rehabilitation. The law permits only delinquents to be placed on probation under protective supervision in his own home. Status offenders or dependent children requiring supervision or assistance may be placed under protective supervision in their homes or in the custody or guardianship of others. Children may be committed to the custody of a local department of social services, the Department of Health and Mental Hygiene, or under the guardianship of the Juvenile Services Administration to a public or private agency.

POLITICAL AND LEGISLATIVE HISTORY

The origins of youth diversion in Maryland date back to 1971, when a combination of federal, state, and private funds were provided to Pre-Trial Intervention, a private nonprofit agency based in Baltimore. This program represented an extension of existing national efforts in diversion programming for adult offenders. Many features of its design, both for adults and youth, replicated the well-reputed New York pretrial project operated by the Vera Institute. The Baltimore agency attained national status, too, by virtue of being one of the first pretrial programs directed toward juvenile offenders 15-1/2 to 18 years old.

Original funding for Pre-Trial Intervention came from the U.S. Department of Labor, the state Juvenile Services Administration, and a private Boston corporation called Learning Systems. The state's share of the funding was small, particularly when compared to that of the program's major funding sponsor, the Department of Labor.

The next major development occurred in 1973, when Baltimore was selected by the Law Enforcement Assistance Administration as one of eight cities to receive Impact Offenders funds. The first impact funds were awarded by LEAA to Maryland in 1973. These monies were used to initiate a new program known as the Diversion of Impact Offenders Project. Over \$150,000 in impact funds was received and matched by state cash and in-kind contributions of \$36,955 and \$17,091, respectively. The Diversion of Impact Offenders Project did not overlap the Pre-Trial Intervention project, for the former was designed for ten to 14-year-olds in specific geographic areas, while the latter served youth 15-1/2 to 18 years old throughout Baltimore.

After the award was granted, the Juvenile Services Administration selected the Southeast Community Organization (SECO), East Baltimore Community Organization, and Baltimore Urban League as potential contractors. The Governor's Crime Commission gave approval in April, and in June 1973, funding officially began. In 1976, the Diversion of Impact Offenders Project also contracted with a fourth agency, Communities Organized to Improve Life (COIL).

Throughout this period, the Pre-Trial Intervention program continued to operate independently of the Diversion of Impact Offenders Project. Administrative reporting arrangements reflected this separation, for Pre-Trial Intervention reports went to JSA's deputy director, while JSA's Chief of Community Programs oversaw the impact program. It was not until July 1978, that the Pre-Trial Intervention program joined the Diversion of Impact Offenders Project in reporting to the Community Programs unit. By that time, the Pre-Trial Intervention program was no longer receiving U.S. Department of Labor funds. Most of its funds for diversion programming were now coming from the state. All five projects are still in operation, although Pre-Trial Intervention was incorporated under another name, Justice Resources, Inc., in 1977.

Maryland's participation in the Impact Offenders project brought to the projects not only federal funding benefits, but also federal program restrictions. Several restrictions detracted from the program's effectiveness. The most limiting aspect was that only youth ten to 14 years old committing "impact" offenses (assault, burglary, breaking and entering, larceny, purse-snatching, and robbery) could be referred to diversion programs. Another requirement was that only first-time offenders could be referred to diversion programs.

As the diversion program evolved, these restrictions gave way to more flexible arrangements, particularly when LEAA Impact Offender funds terminated and the state assumed responsibility for the program in September 1977. Diversion is no longer limited to juveniles committing impact offenses. The first-time offender requirement has also been considerably relaxed. Further, all diversion projects now accept juveniles older than 14 years of age, although on a selective basis. Despite these adjustments to client eligibility criteria, the programmatic thrust of the diversion projects has not undergone significant change. Family counseling, school intervention, and community referrals continue to be primary services.

Initially, legal issues also presented problems for the diversion program. For example, every referral had to be cleared by the Chief Judge of Baltimore City. While this requirement no longer exists, participation in a diversion

program is limited to 90 days, at which time the intake officer must decide whether to continue formal processing of the youth or close the case.

Legislation has never been developed in Maryland legally establishing diversion as an alternative. The position of the Juvenile Services Administration is that since the agency is statutorily authorized to provide intake services, the agency legislation authorizing diversion is unnecessary and redundant. The agency has never been challenged on its authority to fund and operate youth diversion programs as an adjunct to intake functions.

With LEAA funding scheduled to end in the summer of 1978, continuation of the Diversion of Impact Offenders Project depended upon state assumption of the program. While the Juvenile Services Administration assumed administrative responsibility for the program, the state's financial burden was eased considerably by the fact that 75 percent of state expenditures for diversion could be reimbursed by Title XX. One interesting finding was that local diversion projects, while cognizant that Title XX dollars flow to JSA as reimbursement for diversion costs, view the program as totally state-supported. Although local diversion projects are required to complete Title XX client eligibility information, their directors responded to our queries on sources of funding by stating that sole support for diversion comes from the state. Nonetheless, the majority of clients served by diversion programs were, and continue to be, Title XX eligible cases. (Those eligibility factors will be enumerated in the Allocation of Funds section.) As such, the program (although state-administered) is largely federally financed by Title XX dollars passing through JSA to local diversion projects. The key factors, differentiating the current funding mix from past patterns are the federal agency source (now the Department of Health and Human Services instead of LEAA) and the method by which dollars are allocated. (The historical pattern of funding for diversion will be traced in the Sources and Levels of Funding section.)

OBJECTIVES OF THE SUBSIDY

The purpose of diversion programs in Maryland (including the four projects funded originally by Impact Offenders funds and Justice Resources, Inc.) is to prevent a youth's penetration into the juvenile justice system, following initial interaction with the court system at intake. Because the primary goal is to prevent recurrence of delinquent behavior, the strategy is one of secondary prevention. Most diversion clients are JSA referrals who have made initial contact at the court intake level. The premise upon which diversion is based is that youth coming under juvenile court supervision are more likely to be repeat offenders than those receiving supervision without court involvement. It is also believed that diversion programs can be a vehicle for minimizing the stigmatization of youth that often results from formal intervention by the juvenile justice system.

As youth diversion has evolved, local programs have been permitted to accept a limited percentage of referrals from community sources other than the juvenile court. At present, state guidelines stipulate that only 20 percent of clients

may come from community referrals. To the extent that community referrals are permitted, then the youth diversion projects also function as primary prevention approaches in attempting to reach juveniles prior to manifesting delinquent behavior. By extension, primary and secondary prevention objectives imply a corollary goal of reducing commitments to state institutions, although this is not an express purpose of the program.

Expansion of services into counties with relatively low youth population density compared to Baltimore was considered financially infeasible. However, youth services bureaus were being developed in many jurisdictions without diversion projects, thereby at least partially filling the void in community-based services.

The purposes delineated by state administrators were echoed by local project directors interviewed. The local service providers, too, saw the state subsidy as a means to support programs intended to prevent youth involvement with and penetration into the juvenile justice system.

ALLOCATION OF FUNDS

The method employed in determining allocation of Youth Diversion Projects Subsidy funds can be classified as project grants. In practice, only agencies funded in the past are funded again, but that does not exclude others from applying or being considered. Since assuming administrative responsibility in 1977, the Juvenile Services Administration has applied standard across-the-board increases for all diversion projects as adjustments for inflation, but has rejected requests from individual diversion projects to increase their share above the agencywide inflation adjustment. When the state assumed funding responsibility in 1977, allocations to agencies were based upon such factors as how service providers utilized monies, the number of children served, and the rate of delinquency in the geographic area covered by each diversion project. In an effort to expand the overall funding base of the Youth Diversion Projects Subsidy, local agencies petitioned the Juvenile Services Administration to broaden the client count to include other individuals served, such as parents in the family counseling segment of the program. The agency, however, did not agree to this because of the political problems it would face in defending a change in client service parameters to the state's influential Department of Budget and Fiscal Planning.

As noted earlier, federal Title XX reimburses 75 percent of costs for diversion clients determined to be Title XX eligible, according to family income criteria. Local diversion projects are not required by the state to contribute the matching portion.

Since Title XX dollars partially underwrite diversion, the description of application and funding procedures will be better understood if it is divided into two subsections: (1) JSA's General Fund Appropriation and Contracting Process; and (2) Title XX Reimbursement Procedures.

General Fund Appropriation and Contracting Process

The Juvenile Services Administration presents its budget request in early fall to the Department of Budget and Fiscal Planning for its review and, with possible modifications, incorporation into the governor's executive budget, which is submitted to the legislature the following January. Taking the line item amount approved by the Department of Budget and Fiscal Planning, each local youth diversion project prepares a "tentative" budget for the Juvenile Services Administration. This preliminary budget is based upon the assumption that the legislature accepts, without change, the level of funding requested by the governor. Typically, legislative budget decisions are known by early April. If the governor's requested figure is reduced, then the preliminary budgets prepared by local diversion projects are adjusted accordingly. When the appropriation is known, a long-form contract is completed by eligible private agencies and then submitted to the Juvenile Services Administration. Each local contractor describes specific services to be provided and the number of clients to be served. A budget breakdown, which includes personnel hired under contract to deliver services, is also provided.

From this point, a rather elaborate set of procedures must be followed before the final contract can be signed. The nine steps involved in this process are outlined below:

- (1) After review by the Juvenile Services Administration, the contract's legal acceptability must be certified by the attorney general's office;
- (2) Community program contractor signs;
- (3) The Juvenile Services Administration's director reviews and approves the contract;
- (4) The assistant secretary of the Department of Health and Mental Hygiene assesses compliance with departmental policies and regulations;
- (5) The secretary of the department signs the contract;
- (6) The Department of Budget and Fiscal Planning confirms that the total contractual budget amount for all diversion projects does not exceed the overall appropriation;
- (7) The Board of Public Works gives approval;
- (8) The Department of Fiscal Services processes request for payment; and
- (9) Comptroller's Office issues check.

While many of these procedures tend to be pro forma, the processing of contracts was perceived to be time-consuming and cumbersome, involving considerable bureaucratic red tape. A common complaint was that no matter how early a contract is developed and processed, there are still delays that leave service providers at least in mild suspense regarding the status of their program as late as a month before the new fiscal year. When funds are ultimately released, they are distributed directly to participating local community organizations, bypassing Baltimore city government which has no formal participation in the process.

The contracts were also seen to favor the state. Little, if any, negotiation occurs during contractual preparation and processing. Most problematic for service providers, however, is the provision allowing the state, at its discretion, to terminate a contract for convenience upon 60 days' notice. The Juvenile Services Administration also has the freedom to unilaterally revise the terms of a contract, an option the agency exercised in 1978 when it requested that a portion of one service provider's funds revert back to the state. Rather than contest the matter, the service provider identified areas where there were under-utilization of funds, and others where further savings could be made. The contract was renegotiated with the state for an amount that would revert back to the state. Although a confrontational situation was avoided and a better spirit of cooperation was established, this example points to the special vulnerability of the local youth diversion projects, each of which depends heavily on state funds.

All contracts are handled on an advancement and reconciliation basis, with the contractor submitting an itemized quarterly budget for next quarter's advance. Based on this budget projection, the state will actually provide four months' advance payment to accommodate potential cash-flow problems from delays in processing future quarterly payment requests. A part-time diversion coordinator, working out of JSA's Region VIII office in Baltimore, is employed to review budgets and validate that services are being provided as expected. After the request for advancement is approved by the diversion coordinator, it is submitted to the regional supervisor who also examines the request and certifies that it is consistent with the contract. The request is then submitted to the fiscal office for payment. Only ten days are usually required to process the paperwork once it is received. However, there have been some instances where processing of paperwork has caused delay in the disbursement of quarterly payments. This is one major reason that local private agencies find a four-month advance payment system crucial, for it allows continuation funding for an additional month if quarterly budget paperwork is lagging.

Title XX Reimbursement Procedures

A plan for diversion programs is incorporated within the state's Comprehensive Annual Services Planning (CASP) document which is submitted to the Department of Human Resources, the state's designated Title XX agency. The complete plan must be approved by the state's designated official and published for comment at least 90 days prior to the start of the program year. A final plan must be published at least 45 days prior to the start of the program year. Development of the diversion component of the CASP document is the responsibility of the state's Title XX coordinator, with input from the diversion coordinator. Applications are made by submitting the required information regarding the CASP and an administrative state plan.

States receive Title XX funds on a quarterly advance basis, according to their estimates of needed funds in the CASP document. Included in the funds allocated to the Department of Health and Mental Hygiene are reimbursement dollars for diversion programs. If, at the end of the fiscal year, CASP estimates

differed from actual eligible clients served, an adjustment in the level of reimbursement for the succeeding fiscal year is made.

In accordance with Title XX regulations, determination of client eligibility is made by local diversion counselors, or other designated persons within each project, at the time the youth is accepted. The following categories of eligibility are included in the Title XX plan: (1) all persons who receive federally funded income maintenance payments (AFDC, SSI, SSI state supplements); and (2) all persons whose gross incomes are up to 80 percent of median income for a family of four, adjusted for family size. Forms are completed on each accepted youth. These provide the basis for monthly rosters of all clients served in that month, indicating which are Title XX eligible. The rosters are then used in the monthly expenditure statements and for monitoring program compliance with Title XX guidelines. The monthly statements of expenditures are prepared by a Title XX project officer in the Juvenile Services Administration.

ADMINISTRATIVE REQUIREMENTS

To qualify for state dollars, local private agencies must adhere to standards and guidelines stated in JSA's Baltimore City Youth Diversion Projects, Policy and Procedure Manual. The manual includes: (1) definitional terms, (2) intake and referral guidelines, (3) case file content requirements, (4) confidentiality structures, (5) program quality standards (e.g., client/counselor ratios, accessibility of services), and (6) administrative procedures (e.g., reporting requirements, fiscal accountability guidelines, personnel practices). While referral procedures and program standards are reasonably specific, guidelines governing administrative matters are highly generalized. The fiscal reporting and employment practices sections of the manual are limited to one-paragraph statements each. With respect to employment standards, any efforts at uniformity among programs appear to be undercut by the provision that allows each agency to develop its own personnel manual, job specifications, and salary schedule.

Compliance monitoring by the Juvenile Services Administration is accomplished in four ways. One is through a review of monthly case logs by the JSA regional coordinator to determine if referral and placement requirements are followed. Local agencies are also required to submit two quarterly reports: one providing expenditure data for fiscal accountability purposes, and the other describing all program activities, including supportive documenting data. A third method is the annual on-site monitoring of program activities by the diversion coordinator. The fourth means of compliance review is an annual fiscal audit conducted by the Department of Health and Mental Hygiene. The extent to which local agencies are audited annually by the state appears to vary widely. There is a Budget Review form submitted annually, in which projects indicate a year-end report of how much money they received, how much they spent, and how much they will return to the state. Only one agency reported having been audited. The state agency claims to lack the staff to audit the others, but has no immediate plans to hire more auditors.

These monitoring procedures have been successful in obtaining compliance with state guidelines and standards, in the opinion of state-level interviewees. Although the subsidy was believed to have contributed to the state's ability to obtain compliance with standards, the threat of withholding funds has never been employed. One local project director would like to see a common evaluative framework used in order to better assess which of the five programs is most effective. Such a procedure would provide a basis upon which local programs, operating effectively, can justify budgetary increases above the standard inflationary adjustment. It would provide stronger incentives for performance improvements as well, and make application for diversion funds truly competitive.

Detailed financial statements are not kept for contractors, as it is their responsibility to maintain those records. The community agencies, of which diversion projects are a part, are audited annually by certified public accountants, in accordance with federal regulations. Diversion project dollars, however, are not commingled with monies used for other activities by community agencies.

To recover Title XX dollars, the state must adhere to federal regulations of the Department of Health and Human Services. Monitoring is accomplished through the diversion coordinator's review of the project's monthly expenditure statements and roster reports. A quarterly statement of expenditure which, in effect, is an invoice, substantiates the use of federal funds by itemizing the number of children served, services rendered, actual cost of services in specific facilities, and the total amount of Title XX funds earned. After being analyzed by the Department of Health and Mental Hygiene's Title XX administrative specialist, the certified expenditure report is submitted to the designated official in the Department of Human Resources.

As specified in state guidelines, no less than 80 percent of referrals to diversion programs must be from JSA intake officers for juveniles who have had a delinquency complaint filed against them by the police. The complaint against a youth referred to and accepted by a local project becomes, in effect, a conditional charge--with subsequent action by the intake officer--dependent upon an assessment of a client's progress after his 90-day program is completed.

According to the strict letter of JSA guidelines, direct community referrals from schools, mental health clinics, police, and parents can comprise only 20 percent of program slots. In practice, the regulation has been modified in several instances principally due to underutilization of diversion by JSA intake staff and the increased number of parent referral cases. One project has been granted permission to accept up to 50 percent of its program slots from community referrals. Relaxation of the 20 percent rule, however, has not brought with it dramatic growth in community referrals. In fact, the largest percentage of community referral program slots, over the life of the Youth Diversion Projects Subsidy, has been a 28 percent level reported last year by one agency.

The ability to accept referrals from sources other than intake occurred around 1976, and represented a change from LEAA Impact Offenders funding requirements. Placement priority is still given to JSA cases and to youth ten to 14 years old, although older youth may be accepted by diversion projects if they meet other state eligibility criteria. Children currently under court supervision or who have been served by a diversion program three times or more are ineligible for

services, without exception. Each diversion project establishes its own procedures for referrals from sources other than JSA intake. In those cases where court intake is the referral source, intake officers must conduct a record check to assure that the above-noted criteria are met. If the youth is eligible, he is referred to the appropriate project for further screening. The youth's place of residence determines in which project he will be placed.

Upon receiving a client, the project director assigns a counselor to conduct an initial screening interview. At this point, contacts are made to establish eligibility. Reasons for rejecting potential referrals include: (1) pending charges which have already been scheduled for court appearance; (2) projects have no available slots for program enrollment; (3) unwillingness to participate voluntarily or refusal to sign the contractual agreement (since participation is not required); (4) refusal of the youth to be interviewed during the initial screening phases, or inability of the project to locate youth; and (5) cases where diversion is projected not to have an effect, which might involve cases where home environment is so abject that court intervention may be required, or cases where "retardation is obviously of a severe nature and services from another resource would be more appropriate." Those JSA referrals not qualifying for the program are returned to the intake office, where the case can be closed or forwarded to the state attorney's office for further court action. In most instances, rejected cases are sent to the state attorney's office. The reasons for rejection are reported on a form and submitted to the Juvenile Services Administration.

Upon acceptance into a program, clients and their parents are required to sign a contractual agreement acknowledging the voluntary nature of the program, waiving the right to a speedy trial, and accepting conditions of participation. The acceptance date is effective upon signing of the agreement. Intake officers and the court are working under the following guidelines. From the day the intake officer receives a case, there are 15 days for an inquiry; 10 more days for a "further inquiry;" and 90 days for "informal supervision," a total of 115 days from the receipt of the case to the final decision. Still, delays sometimes do lead to a 75-day service rather than 90-day period. Local project directors have complained that this is too little time to work effectively with many youth and, thus, vitiates the impact of counseling and educational services. More program flexibility, however, is permitted for community referrals as these participants may, and commonly are, kept for longer than the "informal supervision" period.

At the end of the 90-day program period, an assessment is made of the client's progress and recommendation relative to further action is forwarded to the appropriate intake officer. In some cases, informal discussions between project counselors and intake officers will supplement the written recommendations. Intake officers have tended to accept the recommendations of diversion project staff. As will be described in the following section, the recommendation from diversion projects in most cases is to dismiss without further processing. While it is known that intake officers generally accept diversion recommendations, no specific figures are kept regarding action by intake following the return of the client to court jurisdiction.

If the youth does not make a satisfactory behavioral adjustment in the judgment of the diversion counselor, or if he or she becomes involved in further

delinquent behavior, the case is referred back to juvenile court for further action. Otherwise, the complaint is customarily dropped upon successful completion of the program.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY

The subsidy supports individual, family, and rehabilitation counseling designed to assist in changing a youth's behavior; informational and referral services to help adolescents and families utilize community resources more productively; and job-related counseling and remedial educational services to assist youth in social adjustment and improving overall performance in school and jobs. Each youngster receives approximately three hours of counseling per week.

JSA guidelines and contractual stipulations limit youth diversion projects to these service categories. However, local projects have the discretion to determine the appropriate mix of services for individual clients. Within the defined service categories, the program offerings are determined on the basis of individual needs assessments of clients. The predominant service offered is counseling, with the type dependent on the particular problems encountered. Most of the services offered, whether counseling or other programs, involve some form of group activity.

Since the inception of diversion in 1971, the only major shift in service orientation accompanied the large infusion of LEAA funds which substituted for terminating Department of Labor funds in 1973. With LEAA funds came a change in programming emphasis from job training and placement to a counseling and educational services orientation. The substitution of state and Title XX dollars for LEAA funding in 1977 did not occasion further changes in service orientation among diversion programs.

No specific service gaps were noted in the interviews with local project directors. It should be noted, however, that the general opinion was that increased funding would permit a broader array of services to be provided.

It appears from the interviews that diversion projects regularly coordinate their program activity with other community agencies and organizations. The coordination is usually in the form of interagency referrals of clients. Diversion projects most commonly cooperate with mental health facilities, public schools, hospitals, local departments of social services, boys' clubs, recreation centers, and crisis centers. The agency interactions have tended to function more as an informal service network than through formal agreement, although occasionally "memoranda of understanding" are signed.

Funding patterns for the diversion program clearly indicate that principal expansion of programs and in levels of services transpired from 1971-76, during a period of heavy federal investment in diversion programs. The state subsidy, underwritten in part by Title XX dollars, has been essentially represented as continuation funding designed to maintain the operations of diversion programs

at approximately the same service levels as existed during the mid 1970s. However, state general fund dollars appropriated for diversion, even when combined with Title XX reimbursements, have never equaled the 1976 levels (when LEAA and state funds totaled over \$800,000). Over the three-year life of state assumption, moreover, funding increases have not kept pace with the rate of inflation. Despite the fiscal decline, in both absolute and "real" dollar terms, local diversion projects have succeeded in serving approximately the same number of clients as they did in 1976.

While the number of youth served in three of the five local diversion projects doubled from 1974 to 1976, the case loads have remained essentially at the same level in the succeeding two-year period. With the exception of a slight increase projected in a program operated by the Baltimore Urban League, clients served are not anticipated to increase in 1979 beyond 1978 levels. In fact, there is a pattern of underutilization of local diversion programs emerging this fiscal year, according to JSA's monthly diversion quota reports. Local diversion project directors would argue, however, that JSA guidelines restricting the proportion of direct community referrals have caused this problem. Table 1 presents cumulative data from the monthly quota reports, covering the period of July-December 1979.

TABLE 1. CLIENT UTILIZATION OF MARYLAND YOUTH DIVERSION PROJECTS

Agency	Quota	Actual Acceptance	Number Over/Under	Percentage Over/Under
East Baltimore Community Corp.	120	102	-18	-15%
Communities Organized to Improve Life	96	80	-16	-17%
Southeast Community Organization	102	58	-44	-43%
Baltimore Urban League	120	100	-20	-17%
Justice Resources	240	226	-14	-6%
Total	678	566	-112	-17%

Maintenance of service levels has been accomplished principally by decreased operating costs, relative to inflation, according to data provided by JSA officials.

The slower inflation growth in per capita costs appear to be related to reductions in administrative overhead costs and more efficient service delivery techniques, in light of the corollary finding that counselor-client ratios have remained essentially unchanged since the state assumed responsibility for the program.

The table below (Table 2) indicates that per capita costs for three programs have risen more slowly than inflation and, in one instance, have declined in absolute dollar terms.

SERVICES RECEIVED BY JUVENILES

Youth diversion projects operate exclusively on a nonresidential, day-treatment basis. As such, there is no placement as would be known in a community-based residential program but, instead, offenders are contingently diverted for a 90-day period. At the end of the 90 days, intake officers--upon reviewing a written report by diversion counselors--determine whether the youth has progressed sufficiently to merit closing the case without further processing.

Given the nonresidential nature of diversion, an analysis of degrees of restrictiveness is not particularly germane to this case study. A better measure of the subsidy's effects can be found in data on: (1) the number of youth who succeed in the program, thereby avoiding further court processing; and (2) recidivism rates among diverted offenders as reflected by statistics on subsequent contacts with the juvenile court.

Two studies in Maryland have evaluated these impacts; however, only one of the two represents an independent evaluation of diversion projects. This was a 1977 report by Trade Managers International, a research group commissioned by LEAA to evaluate the effectiveness of projects. The study showed a "recidivism rate of 16 percent among clients for a period up to 22 months from date of program completion. This compared with rates of 41 percent among youth having gone through court and 22 percent for youth not having received services." This study, however, is over three years old and no independent evaluation by a recognized outside research organization has occurred since then.

The only other systematic assessment is an in-house survey of recidivism rates conducted by JSA staff. The survey results have not been released, as of this writing, for comments are still being solicited from youth diversion project directors. State officials did provide us with the outlines of the survey's general findings. For diversion clients tracked over a three-year period, the survey revealed a positive effect on recidivism. However, recidivism rate reductions were not to the extent anticipated, and not as substantial as for youth services bureau programs. In this study, recidivism was defined in terms of subsequent contacts with the juvenile justice system, not in relation to adjudication and disposition. State officials advised that the findings should be treated with some caution, since the study represents a rather cursory first attempt by the agency to systematically ascertain the impact of diversion projects.

TABLE 2. PER CAPITA CLIENT COSTS FOR MARYLAND
YOUTH DIVERSION PROJECTS

	Fiscal 1976		Fiscal 1977		Fiscal 1978		Fiscal 1979	
	Per Capita Costs	Clients Served	Per Capita Costs	Clients Served	Per Capita Costs	Clients Served	Per Capita Costs	Clients Served
Baltimore Urban League	\$438	240	\$499	240	\$491	240	\$460	268
Southeast Community Organization	\$643	120	\$545	180	\$566	180	\$588	208
East Baltimore Community Organization	\$445	240	\$489	240	\$491	240	\$518	240

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Reports submitted by diversion projects contain data regarding only the number of youth who succeeded in the program and did not require further court action. There is no tracking on the extent of subsequent involvement by former diversion clients with the juvenile justice system, an informational deficiency noted by several local project directors. The reports, however, indicate that an average of 70 to 75 percent of clients successfully complete the program without the need for further court processing.

The low recidivism rates found in the report by the Trade Managers International and the internal JSA evaluation lend support to the interview findings that diversion has been an important element in Maryland's ability to reduce the number of institutional beds over the past few years. Maryland has developed an extensive network of community-based alternatives to institutionalization, beginning in the early 1970s, and these programs in total have served to reduce the number of inappropriate commitments. Yet, while diversion has been important to Maryland's deinstitutionalization, interviewees noted that it is only one of several programs directed toward this end. The impact of deinstitutionalization has been mitigated somewhat by limiting projects eligible for funding to the City of Baltimore.

Despite the availability of community-based alternatives such as diversion, another more intangible variable has accounted for the fact that existing youth training schools and youth centers are all experiencing overcrowding. Judicial attitudes, which are often reflective of the public mood and political climate on the issue of crime, determine institutional commitment patterns. While some judges are inclined to use community alternatives, where available, the philosophical and political attitudes of many others will lead them to institutionalize juveniles, regardless of other community program options. Thus, the availability of diversion and other community alternatives has limited the number of institutional commitments, but still has not eliminated recurring examples of inappropriate institutionalization.

SOURCES AND LEVELS OF FUNDING

One of the more interesting findings about the Maryland Youth Diversion Projects Subsidy has been the evolution in the sources of funding over the life of the program. Seed money for diversion programming was contributed by LEAA, with the state providing a small cash match. In 1978 another major shift in funding patterns occurred, with the sharp decline in LEAA dollars and the concomitant growth in state support to make up for the lost federal revenues. LEAA provided only enough funds (\$133,000) that year to ease the transition to state funding. In reality, however, the cessation of LEAA funding meant that the state could now recover Title XX dollars for eligible clients participating in diversion programs. Thus, the state's potential burden has been significantly relieved by Title XX reimbursement and, in effect, federal dollars, albeit from a different source, still provide significant financial support for Maryland's youth diversion efforts. Table 3 portrays the changing pattern of federal and state funding from fiscal 1973 through fiscal 1981.

TABLE 3. SOURCES AND AMOUNTS OF FUNDING FOR MARYLAND YOUTH DIVERSION PROJECTS

Fiscal Year	State Contribution	Federal Contribution	Federal Source
1973	\$ 36,955 (hard cash match)	\$ 184,138	LEAA
1974	78,693	251,276	LEAA
1975	79,326	509,231	LEAA
1976	88,114	793,031	LEAA
1977	*	*	*
1978 ^a	252,852	416,912	LEAA and Title XX
1979 ^a	401,191	302,061	Title XX
1980 ^a	240,930	483,068	Title XX
1981 ^a	285,215	501,402	Title XX

* denotes Not Available.

a. Includes Pre-Trial Intervention program.

Youth Diversion projects continue to be funded exclusively from a combination of state and Title XX dollars, and diversion projects do not collect fees from their clients. However, the agencies which operate these projects receive funds for other program activities from various government as well as private sources.

In effect, diversion projects are dependent upon the state as a funding source, given that Title XX dollars are generated only as reimbursement for allowable state social service costs for Title XX eligible clientele, who may be served at the state or local level. This total dependence was reflected in the responses of local project directors when questioned about alternative funding strategies should the state subsidy be withdrawn. Most indicated that their programs would close, in view of the improbability of obtaining federal LEAA funds and the inability of clients to afford fee charges, even on a sliding-scale basis. The only other potential sources suggested as alternatives in the event of substantial state or Title XX fund reductions included United Way, businesses, or philanthropic organizations.

Almost every local project director was critical of existing funding levels, faulting them for being either less than adequate or substantially less than adequate. One director qualified his criticism in observing that funding is adequate for the services specified in the contract. It was generally agreed by local interviewees that additional funds are needed, not so much to serve more juveniles but to provide a greater array of services and more intensified counseling to the current level of clientele. The consensus opinion, too, was that additional monies are necessary to upgrade the salaries of entry-level counselors, who are paid from \$9,000 to \$11,000 (varying according to the project), compared to state intake counselors' starting pay of \$13,000 a year. This perception contrasts with information provided by JSA, which advised us that juvenile intake counselors start at \$10,200. After one year intake counselors make \$12,500; and after five years, with promotions, they can make \$20,000.

ORGANIZATIONAL STRUCTURES

One-half full-time equivalent professional and one full-time secretary are needed by the Juvenile Services Administration to administer the diversion projects located in Baltimore City. The diversion coordinator operates out of JSA's Region VIII office in Baltimore and provides the day-to-day contact between JSA and local diversion projects. JSA headquarters administrators have only peripheral contact with the program, with involvement limited to those occasional instances when a problem cannot be resolved by the diversion coordinator. The coordinator's administrative role involves responsibility for program monitoring and evaluation; providing technical and informational assistance to local diversion projects on questions of program development; interpreting state guidelines, policies and project operations; and coordinating budget preparation and contractual arrangements. JSA general administrative funds rather than subsidy monies support the diversion coordinator and secretary.

JSA administrators and local project directors found having a regional JSA representative advantageous. As expected, the advantages of having a regional representative differ among state officials and diversion project directors. To state officials, having a regional representative ensures more uniformity in implementation of policies and procedures and a higher standard of service quality. The diversion coordinator is also considered to be a valuable communications link in responding to local programmatic and operational problems, as well as in expediting budgetary materials and other required administrative paperwork. Further, the state is able to obtain better insight into local communities' needs and problems through the regional diversion coordinator.

From the local perspective, the benefit of a regional representative rests with having an accessible resource person to provide information expeditiously about budgetary policy and administrative changes. This person also provides a vehicle for transmitting local concerns to JSA headquarters staff. However, the ambiguity of the regional coordinator's position was revealed in a comment that the coordinator cannot, and does not, play the advocate's role on behalf of diversion programs desired by project directors. This point was made more as an observation than as a particular criticism of the regional coordinator. Indeed,

local project directors well understood and were sympathetic to the regional coordinator's role conflict quandary.

The staffing pattern among local diversion projects typically includes a project director and assistant director, counselors, counselor aides, educational specialists, and secretarial support personnel. An example of the staffing configuration of one agency is presented below:

Project Director
Assistant Project Director
Counselors (4)
Counselor Aides (2)
Office Manager
Teacher (part-time)
Tutor (part-time)

These essentially administrative positions are supported by subsidy funds. The time allocated to diversion projects by directors of the parent nonprofit agencies are covered by general administrative support dollars, provided through the subsidy's indirect cost line item and other sources such as United Fund.

Local project directors did not find that being part of a parent agency diminished the identity of diversion. Although one director indicated that the program could function independently, being under the umbrella of a parent agency was perceived as helpful in terms of accessing other community resources.

INTERGOVERNMENTAL RELATIONS

In Maryland, the juvenile justice system is largely state-based, both administratively and financially. As a consequence of the 1967 reorganization, mentioned in an earlier section, the whole panoply of juvenile justice programs--institutions, probation, parole, and detention--were made state functions. Administration was first placed in an independent Department of Juvenile Services, but was shifted to the Department of Health and Mental Hygiene in 1969. The state and, more specifically, the executive branch, plays a dominant role in the administration and delivery of juvenile justice services. This dominance is reflected in JSA's control over local diversion projects.

Other than complaints about JSA's bureaucratic processes, no extraordinary controversies surfaced during the interviews. While the state's efforts to develop community-based programs were recognized as significant by some project directors, an undercurrent of discontent seemed apparent regarding: (1) the degree of JSA's commitment to diversion and other delinquency prevention programming, and (2) inadequate local involvement in the development of state policies and plans. On the first point, the program's underfunding was seen as evidence that the state has a marginal interest in formal diversion programs, although it was conceded that a considerable investment in community-based programming was made in the 1970s.

Some contradictory information was collected on the second question. One project director indicated being canvassed for ideas on policy and program issues as part of the development of JSA's overall five-year plan. It should be noted, however, that this individual was an initiator of the diversion concept in Maryland and, therefore, was involved in the formulation of the subsidy. Other directors, who have not worked with diversion programs as long, responded to this issue from a more limited historical perspective. Their opinions related to the process for developing annual contracts. On this point, the consensus was that there is little local input. They argue that actual practice belies the statement in the policy and procedures manual that guidelines are to be reviewed annually by JSA officials and diversion project staff.

Despite these concerns, a general passivity on the part of project directors was evidenced, perhaps induced by the total dependence of projects on JSA for funding support and the absence of local government involvement in the subsidy. While project directors identified a need for a more activist advocacy posture for diversion programs, similar to that undertaken by the Maryland Association of Youth Services Bureaus, Inc., JSA discourages efforts to lobby the legislature for diversion programs, a position that some project directors would like to challenge. A State Association of Diversion Projects exists, but has been largely inactive.

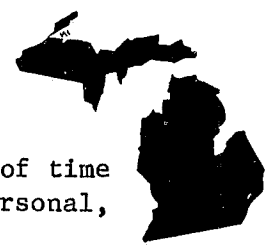
GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

While some respondents expressed concerns with particular features of the Youth Diversion Projects Subsidy, it was rated very positively in terms of overall impact and benefit. A strongly held view was that local diversion services could be delivered more effectively at a lower cost through community organizations than by the state.

The major impact of diversion has been to bring about a reduction in total cases penetrating the juvenile justice system and the incidence of subsequent court contact. It has also stimulated a greater awareness of delinquency problems and youth needs and, in that sense, has functioned in a primary prevention mode. One unanticipated result has been the assistance the program has provided beyond the clients directly served. In particular, the family counseling program, while designed to deal with problems and needs of juvenile clients, also helps parents, brothers, and sisters of participating youth. The remedial education component of diversion programs is also highly regarded and, in fact, local project directors would like to see tutorial services expanded.

Local project directors, however, expressed dissatisfaction with the inflexibility of JSA referral and other program guidelines. Cited specifically in one interview was the need to modify guidelines to enable more community referrals of a "walk-in" or "drop-in" nature.

Another problem raised in the course of the field work was the diminishing effect on service effectiveness of the 90-day limit placed upon client program participation. Because of intake screening and processing delays, counselors



typically have only a maximum of 75 days to work with clients, a length of time found to be inadequate to deal with the range of complex family, interpersonal, and educational problems often presented by delinquent youth.

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MICHIGAN CHILD CARE FUND

BACKGROUND AND ACKNOWLEDGMENTS

The Child Care Fund was one of two subsidies examined in Michigan during April 1980. Interviews were conducted in Lansing (Ingham County), Grand Rapids (Kent County), Traverse City (Grand Traverse County), and Detroit (Wayne County).

Interviewed in Lansing were state agency administrators from the Office of Children and Youth, a youth advocacy group director, legislative staff, and the State Court Administrator. For the local site visits, interviews were conducted with administrators from local social services offices, county commissioners, private agency directors and staff, juvenile judges, and juvenile court service directors.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing

requested documents for this case study. We are grateful to them for their cooperation and assistance.

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State Supreme Court

Russell Baugh, Court Administrator

State Criminal Justice Planning Agency

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Local Elected Officials

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Will Hardy, Executive Assistant to Commissioner Turner
Dr. Vernon Ehlers, Chairman, Kent County Board of Commissioners
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Local Administrators

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Ernie Davis, Supervisor, Foster Care Section, Kent County
Evelyn Hanson, Supervisor, Adoption and Foster Home Licensing, Kent County
Joseph Lee, Supervisor, Delinquency Services Unit, Kent County



Ralph Patterson, District Manager, Children and Youth Services, Wayne County
Robert Wilson, Director, Grand Traverse County

Probate Court: Juvenile Division

Judge James Lacey, Presiding Judge, Wayne County Probate Court
Arthur Ruhl, Court Executive, Wayne County Probate Court
Judge Randall Hekman, Kent County Probate Court
Bill Versluis, Director, Kent County Court Services
Ann Mapes, Director, Grand Traverse County Probate Court

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Richard Gritter, Executive Director, Wedgewood Acres, Grand Rapids
Pat Morin, Director, Parents and Children Together, Detroit
Bob Nehs, Psychiatric Social Worker, Psychotherapy Associates, Traverse City
Leslie Roberts, Children's Aid Society, Detroit

Michigan joins North Carolina as one of the two states in the case study sample where advance knowledge of a particular subsidy program dictated state selection. The basic outlines of the Child Care Fund were known from a previous survey of corrections subsidies conducted by the Council of State Governments in 1977. For various reasons, other subsidies took precedence over the Child Care Fund in that study's case work. The current study presented another opportunity, however, to go beyond the skeletal information contained in the profile of the Child Care Fund and examine in greater depth a subsidy with a long history, a substantial funding base, and a broad programmatic scope. These factors dictated the choice of Michigan as a case study state.

There were three other characteristics of the Child Care Fund in addition to its size and historical features that were of interest. First, it represented a massive reimbursement grant program, similar in size and scope to Pennsylvania's State Reimbursement to Counties for Child Welfare Services (Act 148). Second counties must appropriate funds collected from local taxes to cover their share of expenditures. Third, administrative requirements for the subsidy stipulate not only that an application be submitted, but that recipient local agencies are to plan for the use of subsidy funds and to comply with state standards.

ORGANIZATIONAL CONTEXT

In the 1960s, Michigan reorganized its executive branch into a cabinet form of government. Executive reorganization was accomplished in 1965 through a comprehensive revision of Michigan's constitution. The new constitution restricted the number of executive branch agencies to 20. Under the current organizational arrangement, 15 cabinet departments report directly to the

governor, while the other five are administered by constitutional executive officers elected directly by the public.

Among the 15 cabinet agencies reporting to the governor is the Department of Social Services (DSS), which is responsible for the administration of the Child Care Fund. Unlike many other states, Michigan did not opt for a full human services umbrella approach when this agency was organized in 1965. Instead, the Department of Social Services was restricted to administering social welfare programs for children and adults, while mental health, public health, and adult corrections functions were placed in separate and organizationally equal cabinet agencies.

Through the Office of Children and Youth Services (OCYS), the Department of Social Services receives and assumes legal custody of delinquent and neglected children committed to it by the juvenile division of probate court or referred for supervision. The office, established by Public Act 87, has four major subdivisions which report to the office director through a chief deputy director. The office is considered to be a support unit which serves in an advisory role to the director.


Two of the office's divisions, Delinquency Services and Neglect Services, are responsible for program and policy development in their respective areas. The Delinquency Services Division maintains development offices for delinquency, diversion, education, and employment services, as well as administering the Interstate Compact on Juveniles. The Neglect Services Division is divided into adoptions, foster care, and protective services.

The Child Care Fund subsidy is directly administered by a third division, the Child Care Resources Division. Through the fund, the division reimburses counties for out-of-home and approved in-home services expenditures. This division also approves private programs for placement of state wards by local department of social services offices. The division is organized into five program units: (1) Residential Care, (2) Policy Development, (3) Program Policy Control, (4) Program Development, (5) Community Assistance.

The Institutional Services Division is responsible for the administration of nine residential care and rehabilitation centers, as well as a regional detention center which provides short-term care and diagnostic services. These facilities provide care for adjudicated delinquents who have been remanded to the custody of the state by probate courts. Upon discharge from state training schools, children receive counseling, employment, and sometimes residential care services under the supervision of a community case worker from the delinquency services section of the local social services office.

Michigan's continuum of youth services includes 12 half-way houses, 18 shelter homes, and 18 subsidized group homes for state and court wards. These facilities also receive aftercare placements for children who have been released from corrections facilities and either need a structured setting or have no home to which to return.

In lieu of county social service agencies which are the prevalent vehicles for service delivery in many states, Michigan has local or branch office



extensions of its Department of Social Services. While employees in local offices are oriented to local concerns, their salaries are paid for by the Department of Social Services and are governed by state civil service rules and regulations. Each local social services office has a director who is appointed by the county commissioners, subject to the approval of the director of the Department of Social Services.

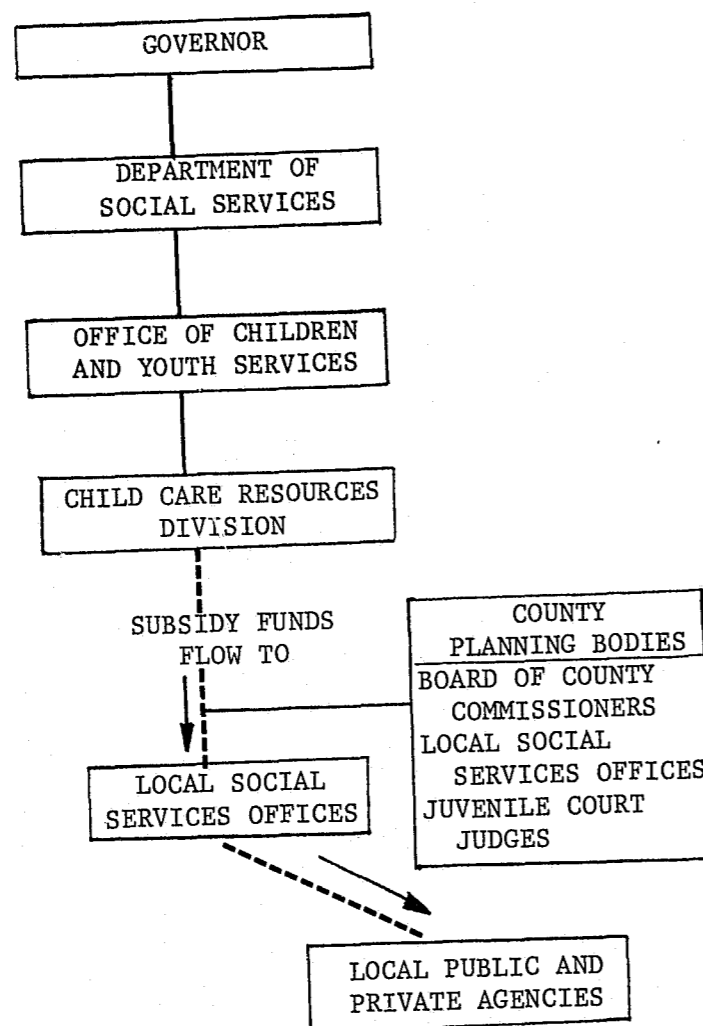
Line authority over the 83 local social services offices is exercised by the Field Services Administration which reports directly to the director of the Department of Social Services. The local offices in the counties provide protective, foster care, adoptive, and delinquency services under the supervision of zoned Field Services Administration offices. The branch offices receive referrals from parents, schools, mental health officials, and the probate courts. Dependency cases may be referred to the Department of Social Services for supervision and residential care but retained in the temporary custody of the court, or they may be committed to the custody of the state to receive the same services. The same options are available for the referral of juvenile delinquents, except for the fact that a youth must be made a ward of the state to be sent to the state training school or camp programs. Court and state wards in dependency status may be placed in emergency shelter care pending placement in a private foster home or other contracting facility. Local social services offices maintain contracts with private residential programs which are certified by the Child Care Resources Division and licensed by the Child Welfare Licensing Division, Bureau of Regulatory Services, Special Operations Administration of DSS. Local social services boards have review authority of contracts and make recommendations regarding them. The actual contracting is done by the central office.

Probation and dependency services are provided by each of the 83 county probate courts. Most courts maintain a services staff to supervise dependent and delinquent wards in both publicly and privately operated facilities, either in the county detention home or by contract. Private foster homes, group homes, or institutions receiving placements from the court must be licensed to be eligible to receive Child Care Fund reimbursements. The county youth homes are usually the only residential facilities operated directly by the courts, and they are supposed to be used for short-term preadjudicative detention or postadjudicative incarceration. Figure 1 outlines agencies relevant to the administration of the Michigan Child Care Fund.

POLITICAL AND LEGISLATIVE HISTORY

Initiated in 1955, the Child Care Fund is among the oldest of the subsidy programs for services to children in the country. The following political retrospective of the Child Care Fund is drawn from an excellent background synopsis of the subsidy's history contained in Michigan Comprehensive Plan for Juvenile Justice Services. This report was prepared in 1977 by the Office of Juvenile Justice Services. A second source is the 1976 Michigan Status Offender Case Study by Legis 50.

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO THE MICHIGAN CHILD CARE FUND



The Child Care Fund emerged as a product of efforts to reform the existing state and local system of financing services for youth. Until the 1955 enactment of the subsidy legislation, the child care financing system was structured in a way that provided incentives for juvenile courts to legally commit youth to state jurisdiction, which typically meant placement in a training school. This dilemma was summarized in the Michigan Comprehensive Plan for Juvenile Justice Services:

If the local court decided to retain jurisdiction over a child who was placed away from home, the cost of care was charged to the county government. The costs of operation for state training schools...were borne totally by state government. Thus, the juvenile court which was located in a 'poor'



county--or one in which funds were allocated grudgingly by the Board of Supervisors--could rid itself of the financial burden by committing children to the state.

This method of financing juvenile justice services impeded the development of rehabilitation-oriented programs at the community level. Until the enactment of legislation in 1966, the Department of Social Services had no options for developing alternatives to institutional care. Thus, the transfer to state wardship typically meant institutionalization of juveniles in training schools or camps. The problem was compounded by the inability or unwillingness of many county governments "to finance improvement of locally-based juvenile court services, since these services must be paid for totally out of the county general fund." The incentives, therefore, were largely directed toward inducing the juvenile court to pass along large numbers of children to the state.

Several influential legislators became alarmed at the overpopulation of training schools and the escalating costs to the state. This, combined with the increasing action of local corrections reform groups, made conditions ripe for a coalition of state and local interests to seek a solution to the problem. State administrators, legislators, probate judges, county supervisors, county welfare department personnel, and citizen groups all coalesced to bring about the passage of Act 112 of the Public Acts of 1955, establishing the Child Care Fund.

The Child Care Fund provided counties, for the first time, the incentive of state participation in the costs for out-of-home care of juveniles under the jurisdiction of the probate court, as long as minimum staffing and workload standards were met. The major elements of the enabling statute were:

- (1) The state would reimburse counties for a portion of the cost of expenditures for out-of-home care of delinquent and neglected children placed by order of the court or by protective services of the county departments of public welfare (now departments of social services).
- (2) The county would also be required to provide an initial amount, based upon a percentage of the state's equalized assessed valuation of property in the county, with all costs in excess of the basic amount to be shared equally by the state and county.
- (3) Minimum service and staff standards would be required for juvenile court personnel.
- (4) Counties were required to pay for 50 percent of expenditures for youth committed to the legal custody of the state by the probate courts which became known as the state "chargeback" provision.

Although the Child Care Fund provided a financial base for the development of community-based services, steadily rising juvenile arrest rates in the late 1950s and early 1960s meant a continued heavy reliance by counties on state institutional services. This was particularly true in many small and rural communities which lacked the tax base needed to generate the local matching amount necessary to obtain the state subsidy. Act 229 of the Public Acts of 1966 was a further effort to minimize the heavy reliance by several counties on state institutional-type services. This 1966 legislation enabled the Department of Social Services to establish a full complement of program and facility options. Act 229 specifically provided that children who were committed to the state

could be extended the same range of programs which the juvenile code empowered probate courts to use. The court was no longer required to commit children to specific institutions or programs. Instead, commitments or referrals could be made to the department, which would choose among various placement alternatives, including supervision of children in their own homes, placement in intensive day care programs, or foster care.

At the same time, urban area probate courts were using Child Care Fund subsidies to develop a full range of institutional and counseling services for their wards. Thus, by the late 1960s, a two-tiered system of service--one at the county level represented by the probate courts and one at the state level represented by the Department of Social Services--had evolved as a result of the Child Care Fund financing mechanism and the passage of Act 229.

The inevitable jurisdictional rivalries and the philosophical and political differences fostered by the two-tier system led to fragmented and uncoordinated services in many parts of the state. In addition to the problems of coordination, this system led to service inequities within the state and an inability to impose cost containment over expenditures made for foster and institutional care.


To address these issues, as well as problems with the juvenile justice system generally, the governor established the Special Commission on Juvenile Delinquency in 1968. Among its several recommendations, the commission proposed that the counties should be responsible for 50 percent of all expenditures, rather than having to provide a given funding base from local taxes. No legislative action, however, was initiated to revise the Child Care Fund allocation formula along the lines proposed by the governor's commission.

The problems of fragmentation, service inequity, and lack of cost containment continued to worsen. The seriousness of service disparities was documented in a John Howard Association report, prepared in 1973 for a special legislative Juvenile Justice System Study Committee. The John Howard report revealed that the state's share of child care services ranged from a low of 8.3 percent of total expenditures per child in one county to a high in another county of 89.2 percent of combined expenditures. The disparities were exacerbated by the lack of control over how state funds were used. The Department of Social Services had no means of comparing or monitoring county expenditures against a plan for services.

The John Howard Association report also surfaced another concern. The Child Care Fund incentives were heavily tilted toward subsidizing out-of-home care. Nowhere in the legislation were there financial inducements to keep children in their homes.

In response to the issues raised by its review, the special legislative study committee proposed three significant changes in the operation of the Child Care Fund:

- (1) The existing flat \$1,800 annual grant awarded to all counties should be changed to \$15,000 to counties with populations under 20,000 and \$10,000 to counties with populations between 20,000 and 75,000.

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- (2) The 50 percent reimbursement should be changed to a 75 percent state and 25 percent local ratio, with a phase-in of a five percent annual shift in the state-local proportions.
 - (3) County juvenile justice plans and budgets should be prepared jointly by the courts and county social services offices, with approval of the Department of Social Services required before Child Care Fund dollars could be released.

It was this third proposal which generated considerable opposition from probate court judges. These sentiments were articulated in a minority report, issued by the two judicial members of the study committee, in which it was argued that separation of powers doctrine precluded the joint preparation plan by courts and local social services offices. Within a month of the publication of the study committee's report in 1975, Michigan's H.B. 4392--the Juvenile Services Bill--had been introduced. Its major provisions were:

- (1) The local tax-base floor of the existing Child Care Fund system was abolished, while the 50 percent state reimbursement of expenditures was retained. This provision represented a compromise between the existing system and the Juvenile Justice System Study Committee's recommendation for a phase-in of a 75 percent state reimbursement with 25 percent local match.
- (2) Ten percent (later increased to 20 percent) of the Child Care Fund would go to county juvenile justice services programs which would provide for in-home care and other alternatives to foster care. This provision was intended to counteract the incentives toward out-of-home placements, criticized in the John Howard Association report prepared for the Juvenile Justice System Study Committee. The committee addressed this issue, but its recommendation was in the context of placing youth in in-home detention, under the supervision of juvenile probation staff, as an alternative to secure custody. House Bill 4392, on the other hand, placed no apparent limits on the use of in-home services, thus enabling the option to be used for diversionary as well as for corrections purposes.
- (3) An independent Office of Juvenile Justice Services would be established and given a two-year mandate to develop a comprehensive child care delivery system. The intent of establishing this independent office was to bring central coordination to the development and funding of child care services.
- (4) County social services offices and juvenile courts would be required to submit a plan and budget for child care services to the new Office of Juvenile Justice Services. The office would be given standard-setting powers.

Coalescing in support of the legislation were several interest groups, including the League of Women Voters, the American Association of University Women, the National Council of Jewish Women, the Michigan League for Human Services, the Michigan Coalition of Runaway Services, and the Michigan Council on Crime and Delinquency. More generally, other concerned groups and individuals included members of welfare organizations, women's groups, labor unions, legal aid societies, and youth services programs.

With one exception, all of the major provisions in the original bill remained essentially intact through committee hearings, floor debate, and final vote. The one important modification produced in the legislature's deliberations was the deletion of the proposed standard-setting power of the Office of Juvenile Justice Services. On October 29, 1975, all other principal amendments cleared the legislature. Gubernatorial signature followed on November 26, 1975, with the amended law becoming effective on January 1, 1976.

The Office of Juvenile Justice Services developed and recommended a plan for a unified and comprehensive system of programs and funding, and reviewed county plans and budgets mandated by Act 280. As a time-limited special agency, the two-year tenure of the office expired in 1978. In its stead Act 87 established a new Office of Children and Youth Services. During a transition period, Act 297 of 1977, effective January 1, 1978, brought the Child Care Fund under the temporary administration of the Department of Management and Budget until Act 87 was passed effecting the transfer to the Department of Social Services. Operational control over child care reimbursements also shifted to the Child Care Resources Division established within the Office of Children and Youth Services.


Unresolved Issues and Additional Proposed Legislative Changes

Some critics of the subsidy, both within and outside of the Office of Children and Youth Services, contend that while the 1976 amendments represented important reforms, several issues surrounding the Child Care Fund, due in part to ambiguities in statutory wording, remain to be addressed and resolved. The following is a summary of those issues and leading proposals for further changes in the Child Care Fund.

Cost Containment

Despite the emphasis by the special legislative Juvenile Justice Services Study Committee on the Child Care Fund's cost containment problems, the 1975 legislative changes did not include any provisions to cap or otherwise contain local ability to draw state reimbursement dollars. It has been necessary over the past few legislative sessions for the Office of Children and Youth Services to request supplemental appropriations, for expenditures exceeded originally budgeted amounts. The review authority over local plans and budget, first given to the Office of Juvenile Justice Services and later to the Office of Children and Youth Services, lacked the critical requirement of state approval before funds would be released.

The push for cost containment is particularly notable with regard to the construction of facilities by counties. Presently, the Office of Children and Youth Services has no control over the building of treatment facilities, even though it would be responsible for 50 percent of operating costs. According to the Child Care Resources Division director, any county is currently free to



build and operate an institution, subject to local officials agreeing that a facility is needed. Regardless of whether there may be unused beds in a neighboring county, the state is required to reimburse 50 percent of county-approved child care facilities.

Amendments have been proposed to deal with these various aspects of the cost control problem. One recommendation is that the Office of Children and Youth Services require a Certificate of Need from local officials prior to county construction of facilities for which the state will have fiscal responsibility. Another proposal for exerting state controls over county-operated institutional costs is to reimburse on a per diem basis according to children served. It has also been proposed that reimbursements, whether on per diem or any other basis, be tied to a specific service plan for a child. There is some legislative sentiment, too, for extending the office's authority beyond review to review and approval power over county plans and budgets.

In-Home Care Option

According to a paper prepared by staff of the Child Care Resources Division for the legislature, there is considerable interpretative discretion regarding the type of youth population to be served under the in-home option. The legislative provision enables funds up to 20 percent of the appropriation for "early intervention to treat problems of delinquency and neglect within the child's own home and to expedite a child's return to his or her own home." Since no new monies were appropriated by the legislature for the Child Care Fund, the Office of Children and Youth Services has interpreted this as indicative that no expansion was intended in the number of children served. Accordingly, a policy was established to limit the in-home target population to those who would have otherwise been placed out of home. Given limited resources, the Office of Children and Youth Services preferred narrowing in-home care from the preventative, diversionary approach taken by the Office of Juvenile Justice Services to a post-adjudicative, corrections strategy. Because many counties have already used in-home care money for diversionary services to children who are not at risk of being removed from the home, it was thought that implementing such a policy would be difficult. However, resistance from counties has been minimal, and full compliance is expected by September 30, 1982.

Detention of Status Offenders

The Office of Children and Youth Services contends that there are insufficient incentives within the subsidy in favor of a state policy which would discourage secure detention of status offenders. Rather, the focus has been placed primarily on bureaucratic and economic factors tied to federal mandates to reduce secure detention of status offenders. Through a more attractive state reimbursement differential, the Office of Children and Youth Services has proposed added inducements to counties for the use of in-home detention, which is already permissible under the in-home care option. For example, in-home detention, when used for eligible clients, would be reimbursed by the state at a rate higher than the current 50 percent.

At the time of the field work, none of the various proposals for change had been cast into bill form. Further, prognosis was not good for legislative approval of any of these measures should they be introduced. Least likely to win legislative support would be efforts to impose cost controls upon the Child Care Fund. Probate judges, in particular, would be a major roadblock to enactment of cost containment measures, for they are a major political force in the state. Judges are satisfied with the open-ended nature of the subsidy. Indeed, there is little need to lobby for increased appropriations because it is so open-ended and beyond the control of the legislature.


OBJECTIVES OF THE SUBSIDY

The Child Care Fund's original legislative intent as reported by those interviewed was to: (1) provide fiscal relief to county governments and probate courts, (2) reduce commitments to state institutions, (3) stimulate community-based alternatives, and (4) encourage a more even distribution of services. Several other individuals interviewed regarded the first of these four objectives as the overriding reason behind the Child Care Fund legislation. The other three programmatic objectives were ancillary to fiscal relief considerations, in the view of these individuals. The major 1975 amendments, however, had a clearer programmatic intent. The planning requirements, for instance, were intended to promote better coordination of services among local social services offices and probate courts. The amendment permitting 20 percent of the legislative appropriation to be targeted for in-home care appears to be aimed at establishing alternatives to an out-of-home placement bias promoted by the existing funding system. The deletion of the requirement for a base contribution from local taxes was intended to encourage more equity of services, particularly for those rural and smaller counties which were financially hard-pressed to attract state matching dollars.

ALLOCATION OF FUNDS

County receipt of Child Care Fund subsidies is a matter of entitlement, with the state sharing one-half of allowable costs. Each of Michigan's 83 counties is entitled to a 50 percent reimbursement of costs allowed by state rules and regulations. All counties, in turn, are required by law to have a juvenile court controlled Child Care Fund account. These funds can be used for children under court jurisdiction only.

At the same time, however, there is a performance factor to the child care funding system through a "chargeback" provision, in which counties are assessed 50 percent of the cost of care for children they commit to state wardship. The rate charged back to the referring county for state ward care is set by law (Act 150, Public Acts of 1974) at 50 percent of the average cost of care for the current year. Since state wardship can involve placement of a child in one of



several service alternatives, chargeback rates are established by category; i.e., training schools, camps, private institutions, halfway houses, group homes, shelter homes, shelter centers, and regional detention facilities.

It would appear, at first, that the state reimbursement and chargeback proportions would cancel each other as incentives or disincentives to county decisionmaking. As a matter of intentional policy, the state-operated facility chargeback rates have been based upon a projected 100 percent occupancy rate since the early 1970s. This has typically resulted in a chargeback that is significantly less than actual experienced cost. That practice was implemented, in 1974, to intentionally encourage state wardship, presumably as a way of reducing the continuing problem of service inequities among county juvenile courts.

Lower actual chargeback rates can also occur as a result of permissive provisions in Act 150 which allow rate revisions or even forgiveness of the owed amount. According to one respondent, Wayne County was a beneficiary of this provision last fiscal year, for the state forgave more than \$1 million in chargeback costs to this financially hard-pressed county.

The only component of the Child Care Fund in which the state is granted the right to have prior authorization for expenditures is in-home care. Up to 20 percent of the state appropriation may be used to reimburse counties for in-home services which shorten or prevent the need for foster care.

Only with the in-home care option does the state have the authority to review and approve expenditures. While the network of community-based programs can be traced to the availability of the Child Care Fund, most of the subsidy dollars (estimated at 55 to 60 percent) have been used to underwrite detention and other institutional costs. In short, counties will receive the 50 percent reimbursement, regardless of their particular programming orientation.

When legislation in 1975 no longer required counties to provide a funding floor from local taxes, a major impediment to state efforts to encourage greater service equity was removed. The legal requirement that each county must establish a Child Care Fund has, without doubt, meant that at least a basic level of service is available in all counties.


The in-home care feature of the child care funding system was intended to minimize inappropriate institutional and residential care placements. Several counties have taken advantage of this broadly defined objective to expand child care program alternatives. Although the state must give prior approval for in-home care expenditures, the financial incentives for judges to use this option are no greater than for foster care. As already noted, the Office of Children and Youth Services has recommended that incentives to in-home care for status offenders be increased by setting state reimbursement at higher than the current 50 percent level. Despite the flat 50 percent reimbursement rate, financial savings realized through less expensive in-home care options over foster care placements are becoming self-evident and are providing its own incentives.

ADMINISTRATIVE REQUIREMENTS

The 1976 amendments to the Child Care Fund require that a planning process be initiated by the county board of commissioners, juvenile court judge, and director of the local social services office. A plan and accompanying budget, signed by the chairperson of the county board of commissioners, the chief judge of the juvenile division of the probate court, and the director of the local social services office, are submitted annually to the Child Care Resources Division. The division staff reviews the plan and budget for conformity to administrative and programmatic regulations and guidelines established by the Office of Children and Youth Services. To assist counties with the development of their plans, the Office of Juvenile Justice Services developed a set of budget and planning guidelines, since revised and expanded by the Office of Children and Youth Services. The guidelines call for a specification of objectives, description of the types and number of children for whom the services are designed, and a plan for program evaluation. Also, the Community Assistance Unit within the division provides technical assistance to county planning efforts.

The county treasurer is the authorized recipient of subsidy funds and custodian for all monies for foster care services. The treasurer's office must have on hand the county's share of foster care costs. At the end of the month, the county treasurer totals all expenditures and submits that figure to the Department of Social Services. In turn, the department determines which expenditures are reimburseable, divides that figure in half, and sends the county a check for that amount. Definitions of reimburseable and nonreimburseable items, accounting procedures, and instructions to the county on completing monthly report forms and state ward chargebacks, are included in the Revised Handbook for the Child Care Fund, published by the Michigan Department of Management and Budget. Customarily, subsidy dollars are placed in a Child Care Fund account for probate court, established by the county treasurer. Child Care Fund legislation permits, but does not require, county social services offices to establish Child Care Fund subaccounts. These subaccounts can be used for children who are not under formal court or state jurisdiction but whose parents have applied for assistance to place their children in foster homes, a practice referred to as voluntary foster care. Funds in local social services subaccounts are also designated for cases where the youth is not formally committed to the state, but is referred by the court to social services for "care and supervision." These cases are typically dependent and neglected children who are known not to be eligible for federal Aid to Dependent Children-Foster Care payments. In larger urban counties, such as Wayne, referrals for care and supervision have been a growing trend as local social services offices have evolved as extensions of the probate court for child placement, service delivery, and purchase-of-care functions.

Local Child Care Fund subaccounts now exist in 56 of Michigan's 83 counties. In a background paper prepared for the legislature, the Child Care Resources Division director argued that the absence of local Child Care Fund subaccounts in the remaining counties raises the issue of a service inequity for the children in those jurisdictions who have no access to publicly funded voluntary foster care. The paper further notes that:



available private money is limited to preadoptive foster care. While this unequal situation is resultant from county decisionmaking, the state in participating in a reimbursement program is party to the inequality.

Interviews with probate court and county officials revealed that state reimbursements are made on a timely basis for processing of expenditure claims and are almost automatic. This finding, however, contrasts with the complaints voiced by most of the private service providers interviewed. Probate courts and local social services offices purchase a number of services with Child Care Fund monies from these private agencies. Most of the service providers interviewed criticized the delays in receiving reimbursements. These delays were attributed to insufficient staff to process bills properly, resulting in periods of severe cash flow problems for private agencies.

Private providers, however, are most concerned with the time lag in setting reimbursement rates. From the time that rates are set by the Department of Social Services until the applicable fiscal year ends, the cost data on which rate determinations were based can be as much as three years old. With current inflation rates, this means that reimbursements may run nearly 30 percent below real costs. The difference, of course, has to be made up from other funding sources which often are private contributions. An opinion expressed in one interview was that the discrepancy between rates and actual costs has a substantially negative effect on the quality, if not also quantity, of services.

State regulatory oversight for the Child Care Fund is provided both by law and administrative rule. The Social Welfare Law (MCL 400.117(2) and MCL 400.23) establishes the legal bases for operating and regulating the child care funding system. The Child Care Organization Licensing Law (Act 116 of 1973) provides legal authority for state licensing regulation, while Administrative Rules for Licensing of Child Care Institutions and Child Placing Agencies established by the Department of Social Services outline regulating standards. Act 116 of 1973 makes any "governmental organization...having as its principal function the receiving of minor children under 18 years of age for care, maintenance, training and supervision" subject to regulation. Act 116 further provides that:

local and state government child care organizations similar to those non-governmental organizations required to be licensed pursuant to this Act shall be evaluated and approved at least once every two years, using this Act and rules promulgated thereunder for similar non-governmental organizations licensed under this Act...unless child care organizations are approved, or provisionally approved...state funds shall not be appropriated for their continued operation.

Other administrative rules of the Department of Social Services (R 400.21-R 400.23) define what services can be reimbursed by the Child Care Fund, mandate monthly expenditure reports, define types of foster care to be paid from the Child Care Fund subaccounts, and establish quality of care standards for locally financed foster care. Standards address personnel, equity of service, medical care, placement planning, and records.

It should be noted, however, that service and program standards are not mandated for foster care or in-home care services supported by the probate court. In these cases, the state relies almost exclusively on its licensing authority, employment standards for court personnel, and planning requirements to ensure a higher quality or more uniform service delivery. Unlicensed facilities, for instance, are prohibited from receiving Child Care Fund reimbursements.

The Child Care Resources Division conducts compliance monitoring and enforcement, or coordinates other parties to undertake these responsibilities. Auditing of fiscal practices is conducted by the Local Governmental Audit Division of the Department of Treasury, under a working agreement with the Department of Social Services. Along with the fiscal audit, treasury staff select sample case files for review. Last year, counties were required to repay the state about \$250,000 because of expenditures disallowed by the fiscal auditors.

Program compliance in the area of institutional and foster care programs is measured through on-site reviews conducted by the Child Welfare Licensing Division of the Bureau of Regulatory Services in DSS. Certification, however, is delegated to the actual public and private child-placing agencies. Findings of noncompliance are investigated by the Child Welfare Licensing Division. The Child Care Resources Division follows up on audit resolutions.

The Community Assistance Unit staff of the Child Care Resources Division also makes monthly local on-site visits. Given limited staff size, visits are restricted to counties either having the greatest problems or making the most progress. The activities of Community Assistance Unit staff during an on-site visit can vary widely, depending on the county and the programs involved. Typically, there will be some selective program monitoring functions performed involving review of case records and assessments of child placement practices. Progress in meeting objectives specified in local plans will also be evaluated. The primary role, however, of Community Assistance Unit staff is to upgrade local planning capability. Local planning capabilities are presently in a rudimentary stage; the process is neither systematic nor routine. The Office of Children and Youth Services has viewed the task of enhancing local planning capability as a four-year process. Within that time, it is anticipated that counties will have the knowledge and skills to carry through planning processes on their own.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY

The Child Care Fund, as amended and authorized by Public Act 87 of 1978, supports four basic service components which allow diversity in facilities and program types. These service components are:

- (1) Family foster care.
- (2) Institutional care.
 - (a) Private institutions.
 - (b) County-operated institutions.

- (3) Independent living.
- (4) In-home care.

The written definitions of these services are excerpted, as follows, from the Revised Handbook for the Child Care Fund:

Family Foster Care

"Family Foster Care" is any 24 hour care provided in a private home which is licensed either as a Foster Family Home, or a Foster Family Group Home. The key element to this definition is the type of license, i.e., private family as opposed to a private agency or county operated facility.

Institutional Care

"Institutional Care" is any staffed facility licensed or approved to operate as a child care institution. Under this definition falls three types of facilities:

- (1) Detention: Detention facilities provide temporary care of a child in a physically restricting facility pending legal disposition by a Court or transfer to another jurisdiction or agency.
- (2) Group Care Facility: A Group Care Facility is an institution or Group Home which has the primary purpose of providing treatment for youth with identified behavioral or emotional problems. While containment may be a secondary purpose, the primary objective is treatment.
- (3) Shelter Care: Shelter Care facilities have the primary purpose of providing temporary care of a child in a physically unrestricting facility pending legal disposition by a Court or transfer to another jurisdiction or agency.

Independent Living

"Independent living" is care provided under the supervision of a public or private agency to a youth 16 or 17 years old in the youth's own unlicensed residence or in the unlicensed residence of an adult who has no supervisory responsibility for the child.

In-Home Care

"In-home care" refers to services provided for the purpose of reducing the length of time in out-of-home placement, or of avoiding such care. Such services must be provided to an individual youth and/or his/her family.

At the time the subsidy program was initiated in 1955, county services for juveniles, except in larger more urban jurisdictions, were basically limited to detention facilities and probation supervision. Some of the larger jurisdictions had established pilot experimental community-based programs, but the range and diversity of services that operate at the community level today in most

large counties had not been realized. At the outset of the subsidy and during its evolution through 1975, the Child Care Fund relieved counties of the fiscal burden of operating youth detention facilities and enabled more prosperous or larger urban jurisdictions to obtain sufficient state reimbursement dollars to stimulate the development of various group homes and shelter care facilities. The previous requirement for a funding floor from local taxes, however, impeded efforts of smaller or rural counties to qualify for state dollars for community-based rehabilitation and treatment programs. The deletion of this provision in the 1975 legislation was intended to overcome resulting service inequities. Still, many of the smaller or rural counties lack the resources to use matching Child Care Fund dollars for much other than underwriting of institutional costs.

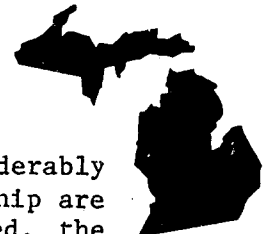
The bias toward out-of-home placement was partially counteracted by the in-home care provision in Act 280 of 1975. A new service has been established in several counties which have used state funds to institute in-home care programs as a result of this amendment to the Child Care Fund legislation.

Despite the obvious impact that the Child Care Fund has had in developing residential treatment and in-home care programs, the subsidy is still primarily utilized by counties to support county-operated detention and other institutional facilities. It has been estimated that up to 55 to 60 percent of Child Care Fund dollars are directed for institutional facilities.

The interviews revealed mixed success, thus far, toward improving the coordination of services between local social services offices and probate courts, a prime objective of the local planning requirement amendment in Act 87 of 1978. The lack of progress may be attributed, in part, to the still rather rudimentary planning process in several localities. As noted earlier, the preparation of plans remains essentially an ad hoc staff activity, lacking formal procedure or the active involvement of participants from the juvenile justice system. The lack of systematic planning, however, is probably attributed to the bad feelings it generates. The initial opposition of probate court judges to the joint planning requirement, on constitutional grounds, has apparently developed into outright hostility toward local social services directors in several instances. The tension between the probate judge and the local social services office is especially serious in one jurisdiction. In this county, the judge has been able to control the direction of subsidy dollars, a strategy made possible by not giving up legal custody of children under court jurisdiction, although such wards are often placed with the Department of Social Services. Although having agreed to sign required documents, the judge in question has apparently resisted participating in developing a plan and budget with the local social services director and county commissioners, on constitutional grounds regarding separation of powers.

SERVICES RECEIVED BY JUVENILES

The increase in the number of children committed to state wardship has admittedly led to a growth in state institutional populations. In the early 1970s, populations had been reduced by one-half but are now back up to highs recorded



in the 1960s. However, the rates of institutional commitments are considerably lower than in the 1960s, for many more children committed to state wardship are placed in community programs by local social services offices. Indeed, the general judgment was that without the Child Care Fund, and the ability of the Department of Social Services to make community-based placements, institutional populations would be rising at an even greater rate. Data from the Office of Children and Youth Services indicate that counties with high levels of local services have low commitment rates. The development of community-based services can be attributed to the subsidy, but the provisions of Act 229 of 1966 and the willingness of counties to commit their own resources also are factors.

The nature of state institutional populations has changed dramatically in the 1970s as training schools are now reserved typically for only the most serious or repeat offenders. But, this development appears more related to other state policy initiatives, such as prohibiting the placement of status offenders in state training schools.

The in-home care option, added by Act 280 of 1975, represented a change in state policy whereby 50 percent reimbursement to a nonresidential alternative to institutional or foster care was permitted for the first time. It is apparent, from a 1978 evaluation of in-home care, that utilization of 1976-77 in-home care monies was far below that legislatively authorized, with only 38.56 percent of the total authorization having been spent. The report attributes the low utilization rates to the inevitable implementation difficulties faced by new projects. Although no further reports are now available, it was learned from the interviews that there has been a substantial rise since 1976 in the number of contracts between courts and private agencies for in-home care.

The question is whether the major thrust of the legislation--providing alternatives to foster or institutional care--is being met. With state reimbursement, counties may now have the means to serve an expanded target population, while actual institutionalization rates may have remained unaffected.

The data presented in an independent evaluation of one program suggest that in-home care is functioning successfully as an alternative to institutional or foster care, and that institutionalization rates may be favorably impacted. The subject of the evaluation was the PACT program (Parents and Children Together) which has contracts with both the Wayne County Juvenile Court and local department of social services. From June 15, 1977, to September 30, 1978, PACT served 108 families living in Wayne County, Michigan. Approximately one-half of the families were referred from the Foster Care Division and one-half from the Protective Services Division of Wayne County Department of Social Services. Among the 108 families served by PACT, there was a total of 422 children, or an average of four children per family. Of these children, 116 (27 percent) were in foster care at the beginning of service, 247 (59 percent) were at risk of placement, and 59 (14 percent) were at home and thought not to be at risk of placement. Of these, 99 families (with a total of 324 children) had experienced at least two months of service between June 15, 1977, and September 30, 1978. In this population, 214 children were initially at home and indicated at risk of removal from their homes, and 110 were in foster care. As of September 30, 1978, 197 (92 percent) of the children initially at home and indicated at risk remained at home; 17 (eight percent) in the same category were placed in foster

care; 51 (46 percent) of the children in foster care were returned to their natural parents; and 59 of the children in foster care remained in foster care--"although, for many, return (to the home) was imminent." Therefore, 248 children (77 percent) were either returned to or remained in their natural homes. If this experience is typical of similar programs, then it can be assumed that in-home care is positively affecting institutionalization and foster care placement rates.

SOURCES AND LEVELS OF FUNDING

The pattern that emerges from interviews and data supplied by various agencies is one of heavy local dependency on the state subsidy for the support of county-operated facilities and purchase of care from private providers. For each of the service providers interviewed, the Child Care Fund constitutes about one-half of their budget, with remaining funds derived from local public and private sources (e.g., private foundations, gifts, United Fund, etc.).

The degree to which there is heavy local reliance on the subsidy was underscored by responses to a hypothetical question: "What would happen if there were no subsidy funds?" The subsidy is clearly integral to the support of Michigan's child care system, for some respondents could not even begin to conceive of a funding source other than the Child Care Fund. A few thought of pursuing alternative funding strategies but were not optimistic about the prospects. A more likely course envisioned was that services would be cut back or client loads reduced.

Probate court judges and staff reported that the money they receive from the subsidy is adequate. This perspective is not surprising in light of the essentially open-ended nature of the Child Care Fund. State matching expenditures are technically constrained only by the budgetary controls imposed by boards of county commissioners. However, several respondents related that probate court judges do not feel bound or governed in their dispositional and placement decisions by budgetary limitations. Constitutional separation of powers doctrine is one reason advanced by these judges for ignoring budget figures set by the executive branch. Another reason is that many judges see the probate courts' role as ensuring the availability of services and, hence, do not feel that their decisions regarding the needs of children should be affected by fiscal factors. Given the lack of cost controls, state matching expenditures have exceeded appropriation levels in each of the past years, as shown in Table 1.

TABLE 1. MICHIGAN CHILD CARE FUND APPROPRIATIONS AND EXPENDITURES FOR FISCAL 1976 TO FISCAL 1980

Funding Year	State Appropriation	Gross Expenditure
Fiscal 1976	\$15,018,300	\$22,681,275
Fiscal 1977	19,424,200	34,733,195
Fiscal 1978	19,262,841	37,400,232
Fiscal 1979	20,861,300	40,574,706
Fiscal 1980	23,361,300	*

* denotes Not Available.

ORGANIZATIONAL STRUCTURES

As noted earlier, the Child Care Resources Division has been designated as the state administrative unit for the subsidy. A total of 13 positions for Child Care Fund administration are needed. The staffing organization for these positions is:

- 1 Director (1/2 time)
- 1 Program Manager, Community Assistance
- 1 Program Manager, Policy Control.
- 1 Program Manager, Program Development
- 4 Field Staff
- 1 Fiscal Analyst
- 1 Analyst, Data Reporting Unit
- 3 Clerical Support Staff

The costs of supporting this unit are budgeted as a separate line item from the subsidy. The costs for administration in Fiscal 1979-80 were estimated to be approximately \$300,000 compared to a total budget for the subsidy budget of \$26 million.

No formal state advisory board has been established for the Child Care Fund. Instead, the Child Care Resources Division uses its field staff to periodically convene various groups on an ad hoc basis to provide advice and counsel on policy and program issues. To illustrate, an ad hoc group will be formed to assist with a rewrite of administrative rules.

No positions have been designated exclusively for subsidy administration at the local level. Subsidy funds are strictly to be used for programs and services. County treasurers and probate courts are required to absorb the costs of administering the program out of their own general fund revenues. Expenditures related to the preparation of plans and budgets are also borne by county general fund dollars. Although counties are pressing for an increase in child care reimbursement levels, the costs of administering the subsidy are not mentioned by officials as a reason for needing more state funds.

INTERGOVERNMENTAL RELATIONS

State and local relationships historically have been tranquil in Michigan, and the experience with the subsidy reflects the overall trend. It was surprising to find, for instance, that local officials in general were not concerned by the increased administrative burdens of the planning requirements brought about by the 1975 legislative amendment. Counties, in fact, have been very cooperative about submitting plans and making revisions requested by the Department of Social Services. Other aspects of state oversight--such as licensing requirements, staffing standards, fiscal reporting procedures, administrative and programmatic regulations, and financial audits--were also not considered to be onerous. Interviews with state and local officials strongly suggest that, whatever administrative burdens are imposed by these various requirements, the generous nature of the Child Care Fund serves to dampen any reasons for discontent. Indeed, it is said that the probate court judges, who are elected and a very powerful political force in Michigan, are supportive of the subsidy because of the substantial funds it provides to their courts.

Admittedly, the sharpest opposition to the planning requirements have been from some probate court judges. Their resistance is based upon a constitutional concern about executive branch infringement on judicial authority, not on a perception of state government interference in local affairs. At this stage, judicial opposition to joint planning is restricted to only a few counties. If the opposition were to become more widespread, it could be elevated to a major issue, as probate judges applied pressure on the legislature. It is probable, too, that opposition from the probate courts would be unleashed, if state powers were enlarged so that prior approval was required for receipt of subsidy funds.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

General evaluations of the Child Care Fund tended to be more positive from the local than from the state perspective. While state officials generally favored some elements of the subsidy, there were a number of reservations expressed, some of which have been noted in earlier sections of this case analysis. Although the program currently is experiencing no major controversies, it was claimed that most legislators familiar with the Child Care Fund do not think it

is working. Their major sources of concern can be summarized as: (1) a lack of control over expenditure levels; (2) inability to affect local child placements, although subsidy dollars are involved; and (3) inequity of access to services.

It was the opinion of state legislative staff interviewed that the Office of Children and Youth Services does not possess sufficient personnel to effectively monitor and evaluate the services supported by the subsidy. They acknowledged that some effort is made in the billing process to screen out ineligible services, but this procedure is not done routinely. On-site visits by field staff of the Child Care Resources Division are essentially for technical assistance purposes, while monitoring functions play a secondary role.

On the other hand, state administrators interviewed had a more positive assessment of the effectiveness of state oversight. It was admitted that staff size precluded active and consistent compliance monitoring; yet, requirements for planning, staffing standards, and licensing structures--combined with periodic on-site fiscal and program reviews--ensure that program quality is maintained across counties. The Office of Children and Youth Services has consciously used its field assistance staff more to provide technical assistance than direct compliance monitoring. By providing technical assistance to local planning efforts, state administrators believe that they can effect more improvements in program quality than through compliance monitoring. One observer, in fact, saw the requirement for local planning as the most potentially significant result of the subsidy.

The Child Care Fund is also considered beneficial in that it has provided a cost-sharing vehicle for counties inclined to diversify program alternatives for youth. In this sense, then, it at least has provided a mechanism for stimulating the development of community-based alternatives. Success in meeting deinstitutionalization objectives of the subsidy has been found in counties willing to develop a range of alternatives. However, some observers note that, on a statewide basis, the program has not diminished the use of county detention homes.

The foregoing is not intended to suggest that state administrators are unaware of continuing problems with the subsidy. For instance, they would tend to agree with legislative staff concerns about service inequities and inappropriate placements fostered by the existing child care funding system. One top-echelon administrator observed that the subsidy establishes incentives for correctional actions as opposed to prevention and early intervention efforts, out-of-home placements instead of in-home care, and detention rather than other less restrictive programs. The administrator suggested that the Child Care Fund will continue to bring about these largely unintended effects unless more funding incentives are established for early intervention programs. In this regard, addition of the in-home care option is regarded as a small but beginning step in the right direction.

Local assessments of the Child Care Fund stem from a fiscal perspective, instead of regarding programmatic impacts. The subsidy is thought by one local official to be absolutely essential to the continuation of community-based rehabilitative services for youth. One local official views the subsidy as a means of financing services to those children whom society is obligated to assist.

Local discontent about the Child Care Fund was found to be concentrated in Wayne County, and these concerns related to adequacy of the subsidy dollars. Faced with decreasing tax revenues brought by high unemployment rates and escalating costs of child care, Wayne County has sought a change which would have: (1) allowed probation staff of the juvenile court to be funded by subsidy dollars, and (2) absorbed annual increases in local costs due to inflation. In a staff paper prepared for the Wayne County Board of Commissioners, it was predicted that:

unless state aid is forthcoming, the juvenile court will be forced to terminate its own probation services, which will mean that all youth will be adjudicated to the Department of Social Services...it will cost the state less to provide 50 percent of the support for the care of these cases than to have to provide 100 percent of the costs.

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MICHIGAN WORK OPPORTUNITY RESOURCES CORPS PROGRAM

BACKGROUND AND ACKNOWLEDGMENTS

The Work Opportunity Resources Corps Program was one of two Michigan subsidy programs selected for case analysis. The other case study subsidy was the Michigan Child Care Fund. Interviews were conducted in April 1980 with state administrators and legislative staff who had been involved with the Work Opportunity Resources Corps Program and with officials in Detroit. Given the short life of the Work Opportunity Resources Corps Program, 1977 through 1979, this case analysis will be presented in abbreviated form.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

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Edward Hagan, Program Analyst

Department of Recreation

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Ernest Barnett, Assistant Director, Lansing

Local Administrator

Paul Hines, Assistant Director, Forestry Division, Detroit, Department of Recreation

Michigan was selected principally because of the number and diversity of its state-administered subsidy programs. Since a major factor in selection was the need to have subsidies represented in approximate proportion to their numerical distribution across the study's five functional categories, it was imperative that case study states offer a diverse range of programs from which to choose.

Although it was known that the Work Opportunity Resources Corps Program was no longer operational, it was, nonetheless, selected for two reasons. One was that Michigan's program represented one of only three state-administered youth employment subsidies found through the national survey, primarily attributable to the overwhelming presence of CETA funds which have minimized the need for states to subsidize youth employment programs. A second reason for choosing this subsidy was that it provided an example of a discontinued program; hence, Michigan's Work Opportunity Resources Corps Program offered an opportunity to examine the issues surrounding the termination of a subsidy program.

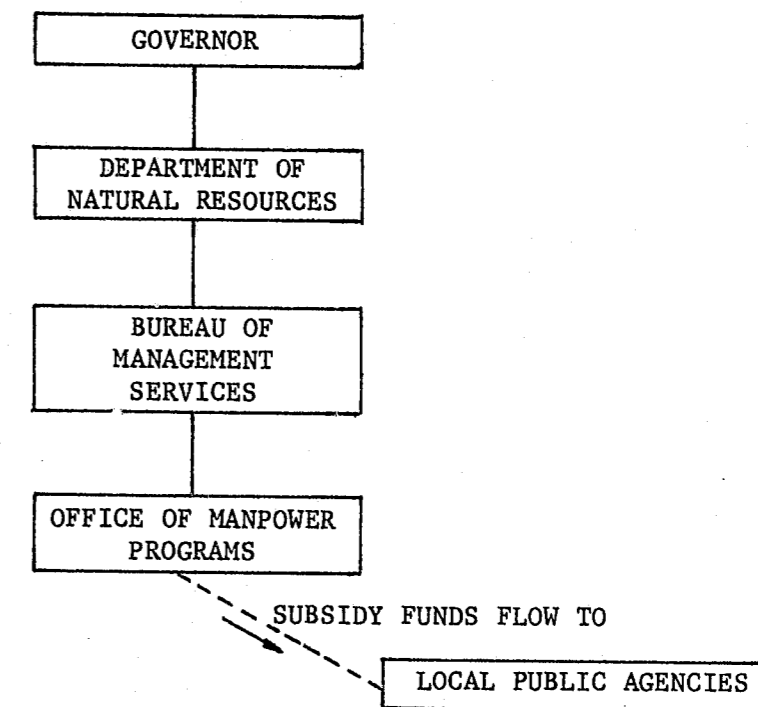
ORGANIZATIONAL CONTEXT

Michigan's executive branch is organized into a cabinet form of government. One of 15 principal cabinet departments reporting directly to the governor is the Department of Natural Resources, which is responsible for state environmental protection, recreational land use, and conservation programs. Under the director and deputy director of the department are four bureaus: (1) Management Services, (2) Recreation and Land Use, (3) Environmental Protection, and (4) Resources. The subsidy was administered by the Office of Manpower Programs located in the Bureau of Management Services of the Department of Natural Resources. Although one might presume a youth employment subsidy to have a better organizational fit in a labor agency, the conservation and recreational nature of the summer jobs established through the subsidy actually would argue for its placement within an environmental agency. This analysis was not compelling, however, to the Department of Labor which opposed the subsidy legislation because of the provision to place it in the Department of Natural Resources. Ironically, the Department of Natural Resources was reluctant to accept administrative responsibility for it, but once the subsidy became popular with local governments, the department's reluctance disappeared. An

organizational overview of agencies relevant to the Work Opportunity Resources Corps Program is portrayed in Figure 1.



FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO MICHIGAN WORK OPPORTUNITY RESOURCES CORPS PROGRAM



POLITICAL AND LEGISLATIVE HISTORY

The initiative for this subsidy came from the legislative branch. A sequence frequently found in other states has been for the proposed subsidy legislation to originate in the executive branch, with an interested legislator requested to introduce and carry the bill through the legislative process.

In this instance, however, the Work Opportunity Resources Corps Program was the idea of Senator Kerry Kammer and one of his legislative aides. Senator Kammer has had a long interest, both vocationally and avocationally, in conservation issues, and the idea of job programs designed along the lines of a New Deal Civilian Conservation Corps was particularly appealing. While the bill which ultimately emerged permitted state funds to be used for youth recreation projects, its orientation was more toward establishing conservation-related jobs.

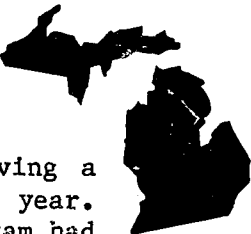
A second interest of Senator Kammer was to make eligibility for jobs relatively open-ended. The only constraining criteria were that youth: (1) must be between the ages of 15 and 21 for the entire period of employment, (2) must be a resident of Michigan, and (3) must be unemployed when hired. This approach stood in marked contrast to CETA, under which income-related criteria restrict eligibility to disadvantaged youth. It was the open-ended eligibility feature, plus the proposed \$10 million appropriation attached to the legislation, that aroused opposition by the governor and a group of legislators in the House of Representatives upon introduction of the bill during the 1977 session. As noted earlier, the Department of Labor also objected to the legislation because the subsidy would be administered by the Department of Natural Resources. Furthermore, the support of the Department of Natural Resources, at this point and throughout legislative consideration of the bill, could best be characterized as lukewarm. The department had no overriding interest in assuming administrative responsibility for the program, an unusual phenomenon since bureaucracies are not known to object to expansion so long as appropriated funds are sufficient. In this case, the proposed and eventual funding levels appear to have been more than adequate, considering the Work Opportunity Resources Corps Program was a new initiative.

Despite opposition in the House, no real organized constituency lobbied against the legislation. Legislative support was sufficient for enactment and, therefore, there was no need to modify its major provisions. The only accommodation made to opponents was to reduce the annual appropriation level from \$10 million to \$5 million. Of this appropriation, \$3.2 million was to be made available to local and intermediate school districts, public housing commissions, regional park authorities, community action agencies, cities, villages, townships, and counties, while the remainder could be used by the Department of Natural Resources to cover administrative costs and initiate its own youth employment projects.

Passage of the legislation was also eased by the governor's change of position on it. Had he maintained his original opposition, the governor would have faced the prospect of vetoing what had become a politically popular piece of legislation. When the legislature reduced the appropriation level, the governor's major reason for disapproval, it became easier for him to modify his initial opposition to the bill. Once these minor hurdles were cleared, the passage of the legislation proceeded quickly. In fact, the legislation cleared so rapidly that neither the Department of Natural Resources nor local governments had made adequate preparations for implementation on the program's effective date of July 1, 1977.

The bill passed by the legislature provided that funds were to be used to establish summer conservation and environmentally related projects. Local administrative costs, for up to 15 percent, could be covered through the grant allocation. The legislation specified that no criteria, other than age, would restrict youth eligibility for Work Opportunity Resources Corps Program jobs. Projects, furthermore, were permitted to operate up to a maximum of three months, although most ran for ten weeks.

By this time, a groundswell of local support had developed and, consequently, legislative reauthorization of the program was easily accomplished. Michigan's state government, however, was faced with a drastically different fiscal picture



as the 1979 legislative session started. Slumping auto sales were having a devastating effect on state revenue projections for the current fiscal year. Regardless of the local support the Work Opportunity Resources Corps Program had engendered, it was not considered an absolutely essential program when compared to other competing demands on limited resources. Consequently, it became a victim of Michigan's worsening economic situation when the legislature deleted funds for the program during the 1979 session.

In short, the Work Opportunity Resources Corps Program was perceived by the legislature as a politically popular and effective program. It was simply a matter of economics, and not political opposition, that the program was dropped from the 1980 budget. The prospects continue to be bleak as Michigan's fiscal health has deteriorated further throughout 1980, meaning that funding will not likely be restored until the state's economic picture visibly improves.

OBJECTIVES OF THE SUBSIDY

The development of community-based alternatives was identified as a primary consideration behind the subsidy. The prevention of delinquency, the encouragement of minimum standards, and the achievement of more even distribution of services were subsidiary reasons for the subsidy's establishment. The program's primary purposes, in fact, were stated in fairly utilitarian terms. Respondents at both the state and local levels concurred that the three main objectives of the Work Opportunity Resources Corps Program were:

- (1) To achieve needed conservation-related projects on public lands.
- (2) To employ youth within the 15 to 21 age group.
- (3) To provide needed employment training to youth so as to prepare them for competition in the employment market.

ALLOCATION OF FUNDS

Under Michigan's allocation system for the Work Opportunity Resources Corps Program, grants were awarded to local applicants on an open competitive basis, with the state retaining all funding discretion. Factors used in evaluating proposals were efficiency, types of projects, long-term effects, and types of performance. Local funds could be used to supplement a grant, but no match was required. Any local or intermediate school district, public housing commission, regional park authority, community action agency, city, village, township, or county could apply. As a result of 1978 legislative amendments, public housing commissions were also eligible for project funding. The only restrictions upon these subsidized programs were that participants were to be between the ages of 15 to 21, be residents of the state, and be unemployed. Income restrictions were not to be included.

Upon legislative approval of the subsidy's appropriation, project applications from eligible local units were solicited and reviewed by the Office of Manpower Programs in the Bureau of Management Services. These applications typically included a service plan describing the project, the number of jobs needed, and a budget. While implementation was delayed by late legislative action in 1977, reauthorization of the subsidy in 1978 occurred early enough to allow the Office of Manpower Programs to advise funded projects by early June.

Fund disbursements occurred in three stages. Fifty percent of the approved budget was advanced, upon request, after approval of an application. The balance, not to exceed 90 percent of the remainder, was paid at the completion of the project. The remaining ten percent was held by the state, pending completion of the fiscal audit required by the legislation. Failure by participating localities to adhere to state guidelines could have resulted in disallowances during the annual audit. Incorrectly documented expenditures and administrative costs exceeding 15 percent of the total grant amount are examples of costs that would be disallowed by the Office of Manpower Programs.

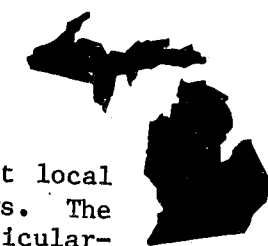
ADMINISTRATIVE REQUIREMENTS

Accompanying the legislation authorizing the Work Opportunity Resources Corps Program was a set of administrative guidelines that funded projects were required to follow. These are administrative and procedural guidelines rather than program or performance standards. The guidelines cover such items as funding, supervisor/enrollee ratios, types of work allowed, wage and pay guidelines, duration of employment, safety standards, training procedures, procedures for submitting performance reports, and audit requirements.

Monitoring of compliance with the state guidelines occurred in three ways. One was through an annual fiscal audit of project financial records by a private accounting firm contracted by the Office of Manpower Programs. The problems revealed by these audits tended to be that: (1) local units would spend more than the 15 percent allowed for administration, or (2) there was inadequate documentation of expenditures. These deficiencies were widespread during 1977, but markedly fewer fiscal and administrative problems were found during 1978 audits.

As a second state check, regional coordinators for Work Opportunity Resources Corps Program visited local projects to inspect case files, review budgets, and determine if those hired were performing jobs as proposed. While overages on administrative costs and inadequate expenditure documentation were identified in many cases, the coordinators generally found that participants were performing jobs for which they were employed.

The third way the state reviewed local projects was through an examination of performance reports. Areas covered in these reports included: (1) projects worked on by youth enrollees, (2) what was accomplished by enrollees, (3) problems encountered and how they were resolved, and (4) highlights and unexpected successes of the program.



The subsidy was a valuable inducement to the state in ensuring that local projects rectified deficiencies found in fiscal audits or program reviews. The structuring of disbursements into three phases appears to have been a particularly effective device for obtaining local compliance with guidelines. Forty percent of the subsidy was withheld until after the project was completed and the program reviews concluded. The withholding of the final ten percent until after the fiscal audit strengthened state oversight capability even more.

No project was ever actually terminated; yet, on several occasions the state threatened to do so. In those cases, administrative or program deficiencies were corrected in time to avoid termination.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY

The types of projects funded by the Work Opportunity Resources Corps Program included nature trail construction, litter pick-up, parks maintenance and building construction. These funds were not used to supplement existing services such as CETA-supported job programs or for local recreation or conservation projects. The subsidy was responsible for the establishment of new services in several instances. This was the case particularly for conservation-related projects in smaller local jurisdictions.

SOURCES AND LEVELS OF FUNDING

The Work Opportunity Resources Corps Program was funded completely by state general fund money. Of the \$3.2 million available for local projects, the average grant in 1978 was \$17,000; the smallest was \$2,500; and the largest was \$300,000. Up to 15 percent of any grant was allowed for administrative and equipment costs. Costs which were allowed to be paid from this 15 percent portion included administrative staff salaries as well as safety equipment, materials such as lumber for construction, workers compensation insurance, equipment, tools, and rental of equipment.

ORGANIZATIONAL STRUCTURES

To administer the subsidy, three full-time equivalent employees (FTE) were required. Of these, one FTE in the Office of Manpower Programs was solely dedicated to the Work Opportunity Resources Corps Program, while the remaining two FTEs represented the total amount of time allocated to the program by various Department of Natural Resources' central office and regional staff, the latter of which operated out of the department's three regional offices. In those

regional offices, four area coordinators monitored programs and assisted projects in developing budgets as part of their overall field duties in manpower training and development.

From the state perspective, regional coordinators were important because they afforded the field coverage that could not be provided by central office staff. Without this field staff, the Department of Natural Resources would not have had the ability to assist local projects in budgetary and program development or to monitor compliance with guidelines. Thus, the area coordinators were considered essential to the maintenance of program quality. The advantage to localities of these field representatives was that they provided an accessible informational and technical resource when questions about state policy and procedures arose.

No new full-time positions were established specifically to administer the subsidy at the local level. Instead, localities were allowed to spend up to 15 percent of the \$3.2 million in subsidy funds for administrative purposes. Localities tended to spend all of their administrative expense allotment, and for 1979 the allowable cost of administration was \$480,000. Administrative tasks underwritten by the subsidy usually were absorbed among existing professional and clerical staff at the local level; however, on occasion youth participants would be employed in temporary clerical positions. State guidelines were sufficiently permissive to allow local units of government to spend all of the 15 percent administrative and equipment portion of their grant on staff salaries and wages if they chose.

INTERGOVERNMENTAL RELATIONS

Little friction between the state and local level appears to have existed under the Work Opportunity Resources Corps Program. Indeed, one observer claimed that the program improved already sound intergovernmental relationships on conservation and environmental issues. The program's administrative flexibility and waiver of a match requirement were two major factors responsible for positive local attitudes toward the subsidy. The autonomy afforded localities recognized the historically strong local political role in Michigan's governmental environment. Legislators often defer to the wishes of local governments on major legislative issues affecting their interests.

The program's administrative flexibility was even more attractive to localities when contrasted with the relatively rigid guidelines and procedures of CETA's Neighborhood Youth Corps. The relatively open-ended youth eligibility requirements were also favored, when compared to the income restrictions under CETA.

The only state-local problems encountered were administrative in nature, pertaining to the subsidy's first-year implementation. While local officials complained about lacking lead time for establishing operating procedures, state administrators cited the numerous irregularities found in local project financial records during 1978 fiscal audits. These problems substantially abated,

however, during the second year of the subsidy, and any tensions which had existed largely dissolved.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

The Work Opportunity Resources Corps Program received highly positive ratings from all persons interviewed for this case study. The major tangible benefit of the subsidy was that it provided socially meaningful summer employment to teenagers who, otherwise, would not have found jobs or who were excluded from CETA employment because of that program's income restrictions.

The program was of value to the public because needed conservation and recreational projects could be completed. The Work Opportunity Resources Corps Program was also directly beneficial to participating youth for it allowed them to obtain useful job experience under supervision and to form good work habits. The jobs themselves, which involved outdoor work, were apparently attractive as turnover rates of participating youth were low. On a more intangible plane, some officials speculated that the program, by keeping idle youth off the street, was bound to have had some effect on juvenile delinquency.

REFERENCES

1. Michigan Department of Natural Resources, Office of Manpower Programs. Work Opportunity Resources Corps Guidelines. Lansing, Michigan: 1978.

NEW YORK YOUTH DEVELOPMENT/DELINQUENCY PREVENTION SUBSIDY AND SPECIAL DELINQUENCY PREVENTION PROGRAM GRANTS

BACKGROUND AND ACKNOWLEDGMENTS

Interviews for a case study of New York's state aid to local governments and community-based organizations for youth development and delinquency prevention programs were conducted during the week of November 12-16, 1979. State and local elected officials and administrators, as well as key informants and service providers, were interviewed in Albany (Albany County), Buffalo (Erie County), Glen Falls (Warren County), Troy (Rensselaer County), and New York

City. These locations were chosen as demographically representative of small, rural and medium- to large-size urban areas.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

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Key Informants

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ORGANIZATIONAL CONTEXT

New York is endowed with a comparatively large, diverse, and long-established human services industry. Since well before the turn of the century, local social services have been available through private providers supported in large part by philanthropic contributions as well as by local tax revenues. The existence of these resources has meant that rather than establishing a large system of state-administered services, state policy in New York could be directed toward extending financial support to local services through a variety of subsidies. In addition to the Youth Development/Delinquency Prevention Subsidy and Special Delinquency Prevention Program Grants, local juvenile justice services are also supported through state grants-in-aid to detention services, the care and maintenance of juveniles, as well as to runaway and homeless youth. Also, New York's local child welfare services are supported by a sizable state reimbursement grant, through which the state shares with counties an average of 50 percent of child welfare costs.

Dating its history back to 1946, New York's Youth Development/Delinquency Prevention (YDDP) Subsidy is the oldest of its kind in the country. It is also the largest state grant-in-aid that is called a delinquency prevention program. Additionally, YDDP is the only state juvenile justice grant-in-aid which uses a differential formula as an incentive for local governments to engage in comprehensive planning. As will be described in greater detail in later sections, counties which engage in comprehensive planning can receive a \$4.50 youth per capita allocation, while municipalities in counties without comprehensive plans receive a \$2.25 youth per capita allocation. For these reasons, the Youth Development/Delinquency Prevention Subsidy and Special Delinquency Prevention Program Grants were selected as state grants-in-aid of interest for case study.

Briefly, the primary objectives of YDDP are (1) to stimulate the development and coordination of effective delinquency prevention and youth development programs at the local level by providing financial incentives and technical assistance, and (2) to assist local governments in developing effective youth service systems that address youth needs prior to and as an alternative to involvement in the juvenile justice, social welfare, and mental health systems.

While the organizational structure for the administration of YDDP is explained in greater detail in a later part, it is important at this point to be familiar with three key organizations: (1) the New York State Division for Youth, (2) the local youth bureau, and (3) the local youth board.

The New York State Division for Youth (DFY) is a top-level state agency whose responsibilities include administering state reimbursement grants which stimulate recreation, youth development, and delinquency prevention efforts at the local level and which cover expenses incurred by counties for detention and community-based residential care. The Division for Youth is also responsible for the direct administration of state-operated youth facilities as well as for some community-based rehabilitative services programs. The Local Assistance Program Unit within DFY oversees the Youth Development/Delinquency Prevention Subsidy and the Special Delinquency Prevention Program Grants monies.

A youth bureau is an agency established by any county, city, town, or village with a total population of 20,000 or more for the purpose of planning, coordinating, and supplementing the activities of public and private agencies devoted to the welfare and protection of children. Youth bureaus are responsible for determining the needs of youth in a community, inventorying community resources, developing new services when needed, granting financial aid to public and private agencies, directly operating certain services on a demonstration basis, and coordinating the activities of local youth-serving agencies. Both counties and municipalities within counties may have youth bureaus.

A youth board is the citizen board of a youth bureau which acts in an advisory or decisionmaking capacity as determined by local chief executives, whether mayors, county commissioners, etc. A board may have from 13 to 28 members, appointed by the local chief executive and representative of social agencies, business, youth organizations, industry, and labor. Lay citizens must comprise at least one-half of the total membership. Public officials representing the courts, schools, police, and public health and welfare agencies may make up the membership balance. In their policy formulations, youth board members review and analyze local comprehensive plans and establish criteria for the allocation of state, federal, and county funds, as well as private contributions to youth programs. Figure 1 shows organizational components of the subsidy.

Few public policies in New York are easy to understand, and the New York subsidies to youth development and delinquency prevention programs are no exception.

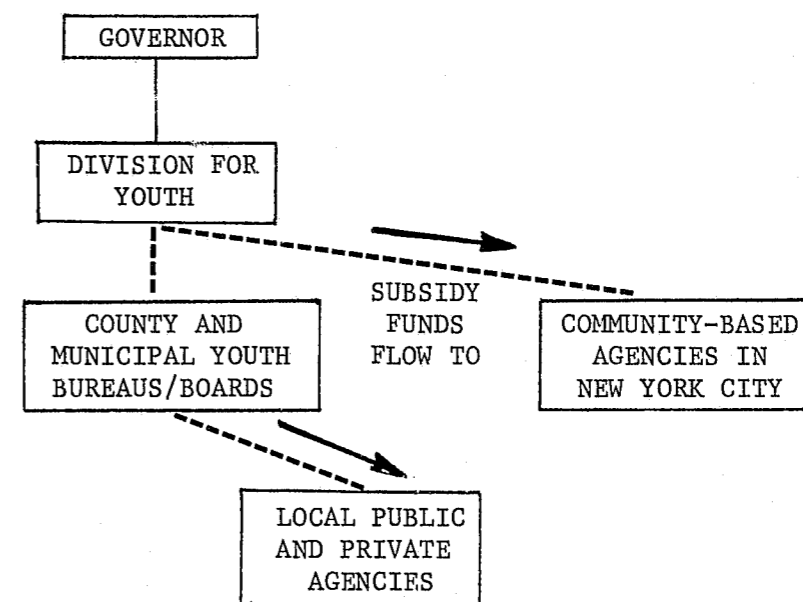
In 1978, there existed a complex of at least eight juvenile justice programs and funding methods. These grants-in-aid are referred to in the following ways:

- (1) the Youth Development/Delinquency Prevention Program (or, state-local match) for comprehensive plan counties.
- (2) the Youth Development/Delinquency Prevention Program for non-comprehensive plan counties.
- (3) Youth Initiatives, Part A.
- (4) Youth Initiatives, Part B.
- (5) Supplemental YDDP.
- (6) Special Delinquency Prevention Programs.
- (7) Runaway/Homeless Youth.
- (8) Special Legislative Appropriations.

Table 1 describes each of these components in greater detail. This plethora of programs is partially explained by their time of initiation--1978, a gubernatorial election year. Since that time, at least two programs, the Youth Initiatives, Part B and the Supplemental YDDP have been terminated. The remaining pieces have been merged into three components known as (1) shared funding (which encompasses the Youth Development/Delinquency Prevention Subsidy for both comprehensive and noncomprehensive plan counties as well as the Youth Initiatives, Part A); (2) 100 percent funding (which includes the Special Delinquency Prevention Program Grants and Special Legislative Appropriations); and (3) specialized target programs, in this case, particularly to runaway and homeless youth.



FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO NEW YORK YOUTH DEVELOPMENT/DELINQUENCY PREVENTION SUBSIDY AND SPECIAL DELINQUENCY PREVENTION PROGRAM GRANTS



These components have evolved in response to varying political interests throughout New York's long history in subsidizing local delinquency prevention efforts. These programs and their political precedents are discussed in greater detail in a succeeding section, Political and Legislative History. However, to understand these eight components and how they will be merged into a proposed four-tier funding system, it is helpful first to understand three basic concepts underpinning the allocational policies. These three major concepts are (1) Local Initiatives (the basic embodiment of the traditional YDDP), (2) State/Local Initiatives, and (3) State Initiatives.

Local Initiatives

The most unique feature of the local initiatives provision is the incentive it provides through a differential reimbursement rate for communities which participate in comprehensive planning. Counties which have developed approved comprehensive planning procedures are annually allotted \$4.50 for each youth, under the age of 21, residing in a county according to the last census. Of the

TABLE 1. BASIC CHARACTERISTICS OF NEW YORK'S DIVISION FOR YOUTH'S STATE AID PROGRAMS FOR DELINQUENCY PREVENTION

Name of Program	Target Programs	Aid Formula	Program Requirements
Youth Development/ Delinquency Prevention— Comprehensive Plan Counties (53 counties)	Youth bureau, recreation, and youth service projects and programs. Programs must conform to plan priorities.	Up to \$4.50 per youth, up to \$2.40 for recreation projects and the remainder for youth service projects. Youth bureaus receive \$75,000 per county youth bureau and \$50,000 for local youth bureaus. New York City receives \$75,000 for each of its five counties or \$375,000.	Local sponsors' projects are guaranteed \$2.25 per youth and local project applications must pass through, but cannot be altered by, the county. State aid is in the form of reimbursement and requires a 50 percent local public or private match.
Youth Development/ Delinquency Prevention Noncomprehensive Plan Counties	Youth bureau, youth recreation, and youth services.	Up to \$2.25/youth with max. \$1.20/youth for recreation. Youth bureaus ... (the same as above).	State aid is in the form of reimbursement and requires a 50 percent local public or private match.
Special Delinquency Prevention Program	Specified community-based services to locations with high delinquency or youth unemployment.	Advance funding of 50 percent to 66-2/3 percent of total program cost. Up to 100 percent of eligible program costs to be paid by state aid. The appropriation is based on a per capita formula of 90 cents for all youth under the age of 21 in the state.	All funds for 1978-79 and those for the state's two largest cities in 1979-80, awarded on basis of competitive proposals, go directly from state to program operating agencies. Outside New York City and Buffalo, county youth bureaus play a formal role in allocation of 1979-80 funds.

TABLE 1. (Continued)

Name of Program	Target Programs	Aid Formula	Program Requirements
Supplemental Youth Development Delinquency Prevention	Specified types of new or expanded programs. In counties all aid must be used for youth services. In cities half must be used in this way.	One hundred percent of new program costs to achieve 55 percent state aid for all YDDP programs operating in 1978.	Local maintenance of effort required. Localities must use state aid for new or expanded programs. Aid passes through regular YDDP funding channels and is in the form of reimbursement.
Youth Initiatives Program Part A	Ten priority programs specified.	Up to \$1 per youth.	New or expanded programs. Aid passes through regular YDDP funding channels and is in the form of reimbursement.
Part B	Four priority programs specified.	Up to 75 percent of costs for first and second year of program.	Funds awarded on the basis of competitive proposals. A 25 percent local public or private match is required. Aid passes through regular YDDP funding channels and is in the form of reimbursement.
Special Legislative Appropriations	Community-based programs.	Advance funding of 50 percent to 66-2/3 percent of total program costs. Up to 100 percent of eligible program costs to be paid by state aid.	Specific appropriations go directly from state to program operating agencies.

TABLE 1. (Continued)

Name of Program	Target Programs	Aid Formula	Program Requirements
Runaway/Homeless Youth	Coordination of existing services, crisis services, and shelter.	Up to 75 percent of costs for first and second year of program operation.	New or expanded programs. A 25 percent local match is required. Local taxes must finance 12-1/2 percent of this match. Aid passes through regular YDDP funding channels and is in the form of reimbursement.

Source: Legislative Commission on Expenditure Review staff from information furnished by Administrator, Local Assistance Program Unit, New York State Division for Youth, May 11, 1979.

full amount, \$2.40 per youth may be spent on recreational programs. While counties and municipalities share these funds equally, each receiving \$2.25 per capita, any remaining eligibility on the part of a jurisdiction can be shared with the other. For example, leftover municipal eligibility could be transferred to the county level. Municipalities in counties which do not undertake comprehensive planning receive only \$2.25 per youth, of which up to \$1.20 may be spent for recreation. This funding arrangement must serve as sufficient incentive to participation, for currently 53 of New York's 57 counties, as well as New York City, have been approved as comprehensive planning communities. A more detailed description of the comprehensive planning process will be given in a later section, Administrative Requirements.

The second allocation feature is that communities are expected to meet at least one-half of all expenditures for youth service and recreation programs with local public and private funds. The local match cannot come from federal, except for general revenue sharing monies, or other state sources. In some cases, local youth bureaus acquire these funds from municipal taxes, private foundations, United Way, and other contributors. In other instances, the contract agency is expected to contribute the 50 percent match, and the youth bureau provides only technical assistance in helping the agency to identify funding sources and to write proposals. Some youth bureaus will furnish the agency's match initially, but will encourage and assist the agency to find other funding sources. Fees for services cannot be charged.

The third feature is state support to the local youth bureaus. Like the reimbursement procedure for services, youth bureaus are expected to meet at least one-half of their expenses with local public and private funds. Again, these monies cannot come from other state sources or federal programs, with the exception of general revenue sharing. Youth bureaus in cities, towns, and villages are eligible to receive up to \$50,000, and counties of at least this size are eligible to receive \$75,000. Current proposals would increase the aid as the size of the county increased. New York City, which wholly contains five counties, receives five times the maximum allocation for a county.

The fourth feature is a one-dollar-per-youth add-on or bonus, which a county is currently eligible to receive annually, if the county is fully expending its previous allocation. Another feature which should also be emphasized is that both counties as well as cities, towns, and villages which lie within counties, are eligible to apply for funds. Municipalities can opt to receive money directly from the state, but their programs must be approved by county youth bureaus.

State-Local Initiatives

A concept operational in 1978 was the state-local initiatives provision which encouraged counties or cities to submit proposals for demonstration and experimental projects. The proposals were competitively evaluated and, if approved, received state funding for three years. After first deducting funds the program may be receiving from federal or other state sources, the state

reimbursed 75 percent of the projects' first year's expenditures, 75 percent of the second year's expenditures, and 60 percent of the third year's expenditures. While this particular provision terminated earlier than its scheduled expiration date in 1983, the concept of the state substantially underwriting demonstration programs on a temporary basis, or "seeding" new programs with state funds, is still apparent in some subsidies.

State Initiatives

The state initiatives concept is currently reflected in the Special Delinquency Prevention Program (SDPP) Grants. It provides 100 percent state money to demonstration projects that address the special problems of low-income communities with high rates of delinquency. The appropriation is based on a per capita formula of 90 cents for all youth under the age of 21 in the state. Like the state-local initiatives, aid is awarded on a competitive basis. Projects receiving these funds, other than those in New York City, are subject to the review and approval of the county youth bureaus from where they originated. While the New York City Youth Bureau may review SDPP projects proposed for funding, final selections are made by the Division for Youth.

POLITICAL AND LEGISLATIVE HISTORY

Because the Youth Development/Delinquency Prevention Subsidy has been in existence, in one form or another, for over 30 years, the key to understanding the current method of allocating state aid is found in looking at its past. The current allocation formulas are the result of changes and additions made over the years in response to shifting perspectives and priorities. Accordingly, a discussion of the subsidy's historical development is important for two major reasons. First of all, it sets the stage for understanding the precedents that have been the determinants of current policies. Second, it demonstrates that a workable state aid policy is not born overnight, but is subject to many revisions as needs and goals change.

When first established in 1945, the subsidy allocated to municipalities a maximum of 25 cents per youth under the age of 21 and \$15,000 for the establishment of a youth bureau. "Municipality," according to the law, meant a county, city, village, town, that part of a town not included within the boundaries of a village, or a school district. Later amendments also stipulated the inclusion of Indian reservations, subject to rules and regulations of the Division for Youth. While interest in preventing juvenile delinquency and promoting youth development has always served as the impetus for the subsidy, these objectives, in the early days of the subsidy's implementation, were approached through efforts to keep kids off the streets and preoccupied through recreational activities. State funds, for the most part, went directly to local governments to support basic recreational programs coordinated by local commissioners of

parcs and recreation. To this day, the subsidy distinguishes youth recreation projects from youth service projects.

At some point, it became apparent that recreational programs alone were insufficient in preventing juvenile delinquency. Other needs of maturing adolescents, such as educational, vocational, psychological, health, and social needs, had to be addressed. Programs offered in these areas became defined as youth service projects. The major problem, however, became striking a balance between support to the well-established, politically strong programs developed by local parks and recreation commissioners, and support to critical youth needs, such as dealing with truancy, youth prostitution, school violence, multiproblem families, and inappropriate placement of youth in residential and institutional settings.

Proposals to limit funding to recreational projects by the state Division of the Budget, however, have been met with so much opposition over the years that the legislature has always been forced to restore the monies. One of the compromise solutions, therefore, has been to establish a ceiling for recreational expenditures which currently is \$2.40 of the \$4.50 per youth under 21 available annually to the county with comprehensive plans and \$1.20 of the \$2.25 per youth per year available to municipalities.

One other problem regarding funding to youth recreation projects was noted by the Legislative Commission on Expenditure Review, and had to do with its perception of the Division for Youth's distinction between youth recreation and youth service projects that was not really a distinction at all. The commission observed that youth service projects with recreational components could be receiving both youth service and youth recreation funds, and that the Division for Youth would not be able to entirely account for funds so merged. In an audit conducted by the Legislative Commission on Expenditure Review in 1972, the commission felt that many programs supported by youth service as well as youth recreation funds had enough recreation components to render the distinction indistinguishable. Further, the commission expressed the suspicion that many youth service projects were indeed youth recreation projects with the names changed to avoid the existing limitation. While officials from the Division for Youth admit that this happens to a certain extent, they feel its occurrence is so limited as to be a generally overdrawn criticism on the part of the Legislative Commission on Expenditure Review.

Still cognizant of the importance to effectively control juvenile delinquency in high impact areas, the state legislature approved a "double state aid" formula in 1947. This legislation provided that double state aid might be granted to cities or counties for the operation of youth programs in areas with high delinquency rates. Although the initial law providing for double state aid was passed in 1947, it was not until after 1968 that municipalities other than Buffalo and New York City began receiving it.

By 1969, the Division for Youth formulated criteria for granting double state aid. The major requirements were that (1) a municipality had to be utilizing the maximum state aid available to it under both its recreation and youth service formulas, (2) a youth bureau had to be in place to administer the funds, and (3) a substantial increase in delinquency over the previous year's reported rate had to have been demonstrated.

The importance of double state aid is that it founded the principle of special help to high delinquency areas, particularly in New York City and Buffalo. This principle ultimately led to the establishment in 1978 of the separate Special Delinquency Prevention Program Grants. The legislature appropriated \$5 million to provide full support, as opposed to the 50 percent reimbursement through YDDP, to special projects in areas where youth were in high risk of becoming delinquent. While these grants were available to any agency in the state, it was well known that areas of primary interest were Buffalo and New York City. The establishment of this subsidy, in fact, found its greatest support among minority state representatives from these two major cities.

Given this historical perspective, the existence of special funds to delinquency prevention in high risk areas would not seem all that unsettling. The controversy that the proposal provided, however, was due to a preceding event that led to another profound change in the Youth Development/Delinquency Prevention Subsidy. In 1974, the legislature realized that while community-based service delivery is preferable to institutionalization, there are some inherent problems. Because many different services are delivered by many different agencies scattered throughout a county, there occur problems of fragmentation, duplication of services in some cases, and gaps in services in others. Program development is needed to fill service gaps, and priorities must be established among competing interests. The only way to gain a systematic overview of community-based services is through comprehensive planning.

So important was this concept, that it was for this reason that the legislature established a differential reimbursement rate to counties which undertook comprehensive planning. The comprehensive planning process was designed to be developed in a given county over a five-year period. Once a planning agreement had been reached by the county youth bureau and the Division for Youth, the county became eligible for reimbursement for one-half of all its expenses up to a maximum of \$4.50 per youth under the age of 21 per year. Counties that did not undertake comprehensive planning would not be eligible for reimbursements, but municipalities in those counties could still receive up to \$2.25 per youth.

By permitting proposals to be submitted directly to the Division for Youth, however, the Special Delinquency Prevention Program Grants, as originally designed, presented a way for agencies to circumvent the county youth bureau and the comprehensive planning process. Further, these agencies would be in line for 100 percent state funding and, accordingly, would not have to supply the customary 50 percent local match. Critics of the subsidy felt that the "special subsidy" undermined two important principles of the Youth Development/Delinquency Prevention Subsidy. The first was that a county had to be spending its maximum allocation under the primary formula to receive any additional aid. In other words, counties that "worked hardest" at meeting youth needs should be rewarded for their efforts in attaining maximum use of their funds. Second, it was perceived that the ability of agencies to obtain funds outside of the local comprehensive planning process undermined this goal as well. It also supplanted the power of the local youth bureau to know and determine what resources were and should be available in the community.

In defense of the "special subsidy," officials from the Division for Youth claimed that while county comprehensive plans had begun to address some of the significant gaps in youth development activities that result in the arrest,

detention, and incarceration of young people, they had also highlighted the limitations of county planning and fragmented state aid in addressing the problems of juvenile delinquency. It was felt that while the traditional Youth Development/Delinquency Prevention Subsidy had facilitated increased citizen participation and the establishment of a wide range of recreational and youth development programs, relatively few delinquency prevention programs had focused on troubled youth and troubled communities. Fundamental problems cited by the Division for Youth were that (1) grass-roots organizations and poverty areas were often excluded from the funding process, (2) minorities and high-crime areas were not receiving sufficient funding, and (3) the local initiative features of the state-local match in the Youth Development/Delinquency Prevention Subsidy did not allow the state to allocate resources to those individuals and geographic areas at greatest risk of involvement in the juvenile and criminal justice systems.

The county youth bureaus were continuing to be perceived as funding primarily well-established, long-standing agencies with white leadership and with an emphasis on recreation and youth development programs. It was felt that these implicit policies resulted in a systematic exclusion of direct efforts to deal with youth delinquency as well as of struggling minority agencies which lacked the standing and resources to acquire the 50 percent match.

Proponents of the comprehensive planning process, however, countered that if these indictments were true, there was still no reason to undermine comprehensive planning. If a systematic bias were apparent in the funding patterns of youth bureaus, then the Division for Youth should reject the plans until satisfactory changes had been made, rather than establish a new funding source to circumvent the newly developed planning process. The Division for Youth, it was felt, should have thrown its support behind the planning process in challenging and strengthening it rather than making an end-run around this innovation. The turmoil over the "special \$5 million subsidy" was temporarily quelled with a compromise solution that provided a like \$5 million as a supplement to the traditional Youth Development/Delinquency Prevention Subsidy to be funneled through the existing formula.

The Division for Youth continually advocates the state's need for some autonomy and discretion in directing funds to delinquency prevention efforts and higher-risk areas. These perspectives were apparent in two components of the allocational complex: Youth Initiatives and Special Legislative Appropriations. The Youth Initiatives was formerly divided into two parts, Part A and Part B. As mentioned earlier, Part B no longer exists. Part A monies provide an extra one dollar per youth under age 21 for counties which have fully expended these allocations from the YDDP Subsidy. Like the other YDDP monies, these additional funds are to be matched by an equal amount of money from local resources. Part B funds were awarded on a competitive basis and provide 75 percent state aid for projects which address high-priority youth problems. State funding to these projects, however, was designed to be withdrawn over time, with 75 percent state funds allocated in the first and second years and reduced to 65 percent in the third year. State allocations for the project in subsequent years, however, could be obtained through YDDP, if approved by the local youth bureau.

This provision was sort of a last vestige of the state's "seed money" concept. While the purpose of state aid has always been to encourage the initiation

and expansion of local youth programs, it was originally intended that once a program was shown to be of value, the local agency would take over the cost of the project and free the state aid to fund other new programs. This concept is similar to that employed by the federal government which provided funding for innovative projects up to three years through the Law Enforcement Assistance and Administration Act (LEAA). Projects initially funded by LEAA were to receive continuation support from state or local governments.

To enforce this policy, certain services were given specific time limitations for state funding. State aid for juvenile aid bureaus was to be phased out after five years of full support by reducing state aid one-sixth each year until such aid could be terminated at the end of 11 years. Remedial reading programs were to be funded for five years, and only new and expanded, not ongoing, recreation projects were to be funded until their support could be assumed by the local government.

In 1972, the Legislative Commission on Expenditure Review found little evidence of programs having been phased out by the division. The initial concept of funding projects for a limited time seemed to have been ignored. Once initial approval was given, a program continued to be funded year after year, and monies for program development and expansion were only available through increased state appropriations.

The most recent audit of youth development and delinquency prevention programs conducted by the Legislative Commission on Expenditure Review in 1980 has observed that the Division for Youth moved even further away from "seeding" experimental programs with a 1977 revision of YDDP rules and regulations. This revision deleted the word "experimental" from the definition of a youth service project, because it had become the division's policy to fund most youth service projects on an ongoing basis. The Association of New York State Youth Bureaus approved of this change, noting that reference to youth service projects as experimental did not, if ever, have any real meaning. The experience of youth bureau directors had been that the most successful programs were those which, with stable funding, had evolved over time and had established their credibility with local youth and the community at large.

Interestingly, not only did the state Division for Youth feel that it needed discretionary funds to direct support to high-risk areas, but so did the state legislature. Accordingly, the legislature allocated funds to itself, known as the Special Legislative Appropriations, to enable the legislature to approve and fully fund projects. While the Division for Youth monitors these contracts, it is in no way involved in their selection.

During an earlier period, two youth employment programs were added to the complex of subsidies to local delinquency prevention programs. The Probation Employment Program (PEP) was established with federal counter-cyclical employment funds and provided 100 percent funding for county youth bureaus to work in conjunction with county probation departments to run projects providing employment and vocational skills for court-involved youth. The other, Demonstration Youth Employment Program (DYEP), was supported through state unemployment insurance penalty funds and was developed to provide 100 percent state aid to provide job opportunities and employment training for disadvantaged, delinquency-prone youth. Both of these programs, however, have since been terminated.

Proposed Allocation Procedures for State Aid
to Youth Development/Delinquency Prevention Programs

As might be expected, the debate continues over the advisability of the Special Delinquency Prevention Program Grants, and frustration mounts over the fragmentation of funding streams. In 1979, the Division for Youth proposed to narrow the seven pieces of YDDP into three tracks. At the same time, the youth bureaus wished to regain control over the comprehensive planning process and all state aid coming into the counties. One compromise achieved at the outset was to have proposals directed to the Division for Youth reviewed and approved by the county youth bureau in the area from where the proposal originated. The proposed project would have to be consistent with the goals and priorities of the local youth board.

The three-track funding system promoted by the Division for Youth in 1979 has since been revised into a proposal for a four-tier system.

Youth bureaus, as provided under the first tier, would be eligible to receive 50 percent state aid reimbursement as before, but this aid would be increased. Counties with populations under 200,000 would be eligible to receive \$75,000, while counties, villages, and towns would be in line for \$50,000. Counties with populations from 200,000 to 400,000 would be eligible to receive \$100,000 and counties with populations over 400,000 would have available \$150,000. New York City, which encompasses five counties, would receive \$750,000.

The second tier would incorporate the current Youth Development/Delinquency Prevention Subsidy. Through this subsidy, municipalities would receive 50 percent state matching funds to establish and operate recreation and youth services projects. Allocations would be based on per capita formulas designed to encourage comprehensive planning and to support a range of coordinated youth programming. Counties which developed comprehensive plans would be eligible to receive matching funds up to \$5.50 for each youth residing in the county, of which no more than \$2.50 could be used for recreational programming.

The second tier also provides the per youth add-on formerly made available through Part A of the Youth Initiatives funds and raises it from one dollar to \$1.35 per youth. The current proposal, however, does not require eligible counties to spend their maximum YDDP allocation, but it does stipulate that these additional funds be directed toward priority problems of youth, such as truancy, youth prostitution, school violence, multiproblem families, vandalism, and the inappropriate placement of youth in residential and institutional settings.

A third tier would encompass communities in counties which do not participate in comprehensive planning. These communities would be eligible for a maximum of \$2.25 per youth, of which no more than a \$1.20 per youth could be used annually for recreation programs.

The fourth tier of funding would be directed toward the prevention of delinquency among troubled youth in high-risk communities. Under this proposal, public and private agencies could receive 100 percent state aid to establish and

operate specific projects targeted toward youth at risk of involvement with the juvenile or criminal justice systems. The projects would be directed toward priority programs such as (1) work experience and training programs, (2) alternatives to institutional care, (3) institutional aftercare programs, and (4) family support programs.

This fourth tier of funding also proposes state aid for delinquency prevention programs to address the special needs of urban communities which have high delinquency rates, such as New York City and Buffalo. Under this tier, community-based organizations could receive 100 percent state aid up to \$1.40 per youth population for these cities to operate special programs.

The local youth bureaus, while not disputing the state's need to retain some discretion over delinquency prevention programming, particularly in the encouragement of innovative and experimental projects, had wished to gain control over state discretionary funding by being given review and approval authorities over proposals submitted for such funds. Currently, youth bureaus and boards do have review and approval authority over proposals submitted for 100 percent funding from their counties. New York City, however, continues to be the exception, where the youth bureau has only review authority, for final approval for 100 percent state-aided projects is retained by the Division for Youth.

While many of the pieces of this four-tier funding system are already operational, although in some cases at lower allocational figures than described, the proposal as a package has just been sent to the Governor's Council for review. If accepted by the council, it will become part of the governor's program for proposed legislation. At last word, its future was still unknown.

ADMINISTRATIVE REQUIREMENTS

The following administrative requirements are for those counties where the chief executive of the county has decided to formulate a youth bureau and to participate in comprehensive planning.

- (1) Youth Bureau Feasibility Study.
- (2) Letter of Intent.
- (3) Preliminary Survey for Comprehensive Youth Services Plan.
- (4) Planning Agreement.

Youth Bureau Feasibility Study

The establishment of a county or municipal youth bureau is authorized by Article 19-A, Sections 410 and 426, of the New York Executive Law. The Youth Bureau Feasibility Study is a detailed plan, which must be approved by the Division for Youth in order for the county youth bureau to receive state aid. The study is required (1) to describe potential target populations; (2) to obtain statistical

information detailing delinquency rates by age, race, and sex; (3) to inventory local existing public and private services; (4) to evaluate existing services; and (5) to indicate long-range objectives. Once the Youth Bureau Feasibility Study has been approved by the Division for Youth, the youth bureau is actually established by resolution of the local governing body.

Letter of Intent

While a county is not required to have a youth bureau for communities within counties to obtain Youth Development/Delinquency Prevention Subsidy funds, a youth bureau must exist to participate in comprehensive planning and receive the higher reimbursement rate. Once a county decides that it wishes to participate in comprehensive planning, a letter of intent is sent by the county's chief executive officer to the appropriate regional office of the Division for Youth. The letter is sent three months prior to the date when the county plans to submit an application for a comprehensive county plan.

When the regional office receives the letter of intent, the division's field representative contacts the county and leaves forms for the Preliminary Survey for Comprehensive Youth Services Plan. The field representative remains available during this process to offer technical assistance.

Preliminary Survey for Comprehensive Youth Services Plan

The Preliminary Survey for Comprehensive Youth Services Plan requires that the county youth bureau conduct essentially the same research as needed for the Youth Bureau Feasibility Study. Like the Youth Bureau Feasibility Study, the preliminary survey covers an inventory of existing public and private services as well as statistical information regarding delinquency rates by age, race, and sex. As a part of this procedure, the youth bureau must identify (1) all municipal youth bureaus in the area, (2) existing public and private agencies, (3) the services they deliver by contract with the youth bureau, and (4) the services the youth bureau delivers itself. Other information reported in the survey includes breakdowns by age and sex for the following factors: the number of county youth, the number and type of dispositions, the number of police contacts and arrests, a summary of acts committed and actions taken, an enumeration of school dropouts, the number of children in families receiving government benefits and, finally, the number of children placed in various settings by the county department of social services.

Upon receiving the Preliminary Survey for Comprehensive Youth Services Plan, the Division for Youth evaluates the survey and assesses the county's qualifications to engage in comprehensive youth services planning. Once the Division for Youth is satisfied that the county is prepared to routinely undertake comprehensive planning, and once any necessary modifications to its planning design have been made, the Division for Youth and the county youth bureau enter into a Planning Agreement. The county now becomes eligible for the increased reimbursement rate.

The Planning Agreement

The Planning Agreement is, as mentioned previously, a signed document which qualifies the county for increased funding according to amendments made to the Youth Development/Delinquency Prevention Subsidy. However, a number of other requirements must be met in addition to approval of the Preliminary Survey for Comprehensive Youth Services Plan. First of all, the county must certify that 50 percent or more of the youth population under 21, or more than 50 percent of the number of municipalities within the county, are participating in either state-funded youth recreation or youth service projects. Additionally, the county must indicate which municipalities within the county are going to participate as well as those municipalities which will not participate in the plan.

A second step in meeting the planning agreement is the appointment of a planning committee, which is charged with undertaking the annual planning process and submitting a year-end Comprehensive Plan Report. The planning committee may be, but need not be, an enlarged subcommittee of the youth board. (Greater detail about the planning committee is given in a later section, Organizational Structures.) Once certification of participating municipalities has taken place and the planning committee has been appointed, the planning agreement can be signed.

Achieving full comprehensive planning is designed as a five-year process, which strives for higher levels of detail and increased sophistication in conducting needs assessments, services inventories, and program evaluations. The Planning Agreement mandates that a comprehensive planning county should notify the Division for Youth at designated points in the planning process that the required steps in information-gathering have been accomplished and analyses are being prepared for inclusion in the annual report. Compliance with these procedures is important, for a county's eligibility for comprehensive planning funding is renegotiated by the Division for Youth each year.

Program Application

A description of the program and budget figures are proposed by all applying for program funds. The Legislative Commission on Expenditure Review (LCER) views the program application, if properly designed and reviewed, as the basic resource for both comprehension of program features and for program accountability. It serves as the legal contract between the contractor and service agency. LCER, in its 1980 audit, paid particularly close attention to YDDP and SDPP program applications, for it was on the basis of these documents that millions of state aid dollars were awarded.

LCER's audit found the application procedures to be wanting. Problems with program applications, cited by LCER, were that (1) identification of short- and long-term goals was not required; (2) identification of whether programs benefited the general youth population, potentially delinquent youth, or delinquent youth was not required; (3) evaluation methods did not distinguish between

assessment of program operations and program results; and (4) wide variation existed in the information provided as well as in review procedures among county youth bureau staff and DFY field representatives. Further, little of this information, due to its lack of standardization, could be transferred to the state's management information system, the source for the development of DFY's state plan. The division is currently undertaking steps to correct these problems, and many have already been rectified.

Program Reporting

The Division for Youth, like most grant-monitoring agencies, requires the submission of an annual report on the use of funds by local recipients. The LCER audit found that it carries more strength in theory than in practice. The audit revealed that in a sample of counties, annual reports for 1978 had been submitted for only 40 percent of renewed youth service programs and 12 percent of youth recreation projects. The Division for Youth, however, feels that these figures, for various reasons, are questionable.

Actual Reimbursement of Funds

Whether or not a county qualifies for funds under comprehensive planning, the method for distribution of funds is the same. The county or municipality submits to the Division for Youth quarterly estimates of anticipated expenditures for the operation and maintenance of its youth program. Expenditures which can be included are personnel, rental of buildings, purchase of equipment, administrative overhead, and approved costs for improvements to property. Reimbursement for food and refreshments is limited for YDDP programs, but more generally available under SDPP programs. Estimates are to be submitted at least 30 days before the first day of the months of April, July, October, and January.

At the end of each quarter, the county turns over to the state a verified accounting of the financial operations of the youth programs together with a claim for reimbursement of one-half of the expenditures. The state agency, DFY, conducts a pre-audit of supporting documents before claims are reimbursed. Given that all claims are acceptable under the pre-audit, the director of the Division for Youth certifies to the comptroller for payment to the county.

For the most part, county governments, like the state, reimburse the youth bureaus quarterly, who in turn reimburse their contract agencies. The New York City Youth Bureau has a policy of advancing to agencies 20 percent of their expected expenditures in two ten percent installments early in the year. Agencies report, however, that this agreement is often not faithfully observed.

Programs funded under Special Delinquency Prevention Program Grants are also advanced up to two-thirds of their funds at the beginning of the program year. The rationale is that these less well-established agencies need funds to cover start-up costs. However, these agencies report, too, that this procedure is not always routinely executed.

As revealed by providers interviewed in the course of this case study as well as by the LCER audit, claims processing runs usually behind schedule. As much as an 11- to 12-week backlog occurs frequently. Reasons for this backlog are that while programs have been expanding, the number of administrative personnel has been decreasing. With changes in their responsibilities, DFY field representatives are faced with a constantly shifting and growing work load.

When questioned about how agencies cope with cash flow problems, providers responded that they get by either with advances from local governments or with loans from banks. Interest charges cannot be recouped and must be covered by private contributions, an approach far more difficult for less well-established agencies.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDIES

Services supported by the Youth Development/Delinquency Prevention Subsidy fall into three major categories: (1) youth recreation, (2) youth services, and (3) youth bureaus.

A youth recreation project is defined as an activity, maintained under the direction of a municipality, devoted to the provision of leisure time services for youth. Typical programs funded as youth recreation projects are playground activities, basketball, softball, swimming, ice skating, volleyball, and baseball. In addition to these sporting activities, recreation funds support teen centers which may offer music, arts and crafts, hobbies, table games, dramatics, dancing, and movies. Municipal parks also receive state aid for special programming, but in some instances the money may go toward general park operation.

Under the allocation formula, up to nearly one-half of available state aid can be used for youth recreation programs. Communities, however, are given the discretion to use one-half or all of their funds for youth service rather than youth recreation programs. Youth service projects may, nevertheless, have recreational components. In 1958, 52 cents of every state aid dollar was spent on youth recreation projects. By 1971, expenditures on recreation projects had dropped to 44 cents of each dollar.

A youth service project, on the other hand, is defined as an organized activity other than a youth bureau or recreation project, whose purpose is the detection, prevention, or treatment of the delinquency of youth, or any other services directed to youth development. Youth services are divided into eight areas: (1) information/referral, (2) education, (3) employment, (4) counseling, (5) health, (6) youth advocacy, (7) special prevention services, and (8) miscellaneous services. General definitions are provided for each of these categories,

but specific projects are designed and developed at the local level to best meet that area's needs. There are no specific projects defined by the state or mandated to be provided by a local community.

Types of services supported by SDPP funds are indicative of their targeting toward delinquent and potentially delinquent youth. These services encompass alternatives to institutional placements, recreation, teen sexuality, crisis intervention, youth unemployment, youth advocacy, and services to children with multiple problems.

The third service category is the youth bureau, which consists of a part-time or full-time professional staff to engage in planning, coordination, supervision, evaluation, and research. While youth bureaus may provide their own services, which most frequently tend to be demonstration projects or information and referral, for the most part they contract for services from local public and private agencies.

The level of services in local governments as the result of the YDDP funds has grown substantially during its more than 30 years of availability. The number of municipalities receiving state aid for recreation programs, youth service projects, and youth bureaus increased from approximately 1,100 in 1958 to 1,400 in 1969. The current level of services determined by the 1980 LCER audit indicates the existence in 1978 of 1,613 YDDP projects and 140 SDPP projects. Since projects are further divided into program areas, in 1978, there were 3,747 YDDP program areas and 233 SDPP program areas. The distribution of these program areas across the types of services for YDDP and SDPP funds are shown in Tables 2 and 3.

SERVICES RECEIVED BY JUVENILES

The types of clients served by youth development and delinquency prevention programs can be classified as general youth population, potentially delinquent youth, and delinquent youth. Potentially delinquent youth are those thought likely to have contact with the juvenile justice system, usually based upon a personality trait, past behavior pattern, or geographic area of residence. Delinquents are those juveniles who have already had contact with the juvenile justice system.

LCER analysis revealed that not only were all YDDP recreation programs intended to serve the general youth population, this was also true of 57 percent of YDDP youth service programs. Only 26 percent of these programs were directed at potentially delinquent youth and only eight percent at delinquents.

Substantiating their greater targeting emphasis toward delinquent youth, SDPP programs in 42 percent of the cases were intended to serve potentially delinquent youth and were directed toward delinquent youth for 12 percent of the program. Due to Division for Youth recordkeeping, it is not possible to know how many juveniles were involved in these programs.

TABLE 2. NEW YORK: PERCENTAGE DISTRIBUTION OF PROGRAM AREAS
CONTAINED IN YDDP PROGRAMS 1978

Program Areas	Percent
Administration	4.9
Recreation/Cultural	50.5
Information/Referral	4.1
Education	11.6
Employment	4.7
Counseling	10.3
Health	2.3
Youth Advocacy	5.7
Special Preventive Services	2.8
Other Services	3.0
Total Percent	99.9 ^a
Total Number of Program Areas	3,747

a. Does not total 100 percent due to rounding.

Source: State of New York Legislative Commission on Expenditure Review, Program Audit of Delinquency Prevention and Youth Development Programs, May 1980. Statistics provided by the state Division for Youth.

TABLE 3. NEW YORK: PERCENTAGE DISTRIBUTION OF PROGRAM AREAS
CONTAINED IN SDPP PROGRAMS 1978

Program Areas	Percent
Alternatives to Institutional Placements	3.4
Recreation	25.8
Teen Sexuality	1.7
Multi-Problem	15.0
Crisis Intervention	2.6
Youth Unemployment	7.7
Youth Advocacy	5.6
Volunteerism	0.9
Youth Participation	5.6
Education	29.2
Not Specified	2.6
Total Percent	100.1 ^a
Total Number of Program Areas	233

a. Does not total 100 percent due to rounding.

Source: State of New York Legislative Commission on Expenditure Review, Program Audit of Delinquency Prevention and Youth Development Programs, May 1980. Statistics provided by the state Division for Youth.

SOURCES AND LEVELS OF FUNDING

Table 4 shows the distribution of state funds for the components of youth development and delinquency prevention programs in 1978-79.

With regard to expenditures for traditional YDDP programs, analysis done by LCER revealed that, across the state, 43.3 percent of funds in 1978 were spent on recreation projects, 46.2 percent on youth service projects, and 10.5 percent on youth bureau projects. With regard to geographical allocations, New York City absorbs nearly one-third of traditional YDDP funds and approximately one-half of SDPP funds. Manhattan and Brooklyn are the two boroughs for which most of these funds are targeted.

TABLE 4. NEW YORK: FUNDS AVAILABLE FOR DELINQUENCY PREVENTION AND YOUTH DEVELOPMENT PROGRAMS 1978-79

Program	State Contribution	Local Match Requirement
YDDP	\$17,392,000	50%
SDPP	5,000,000	
Supplemental YDPP	5,000,000	
Youth Initiatives:		
Part A	80,000	
Part B	300,000	25%
Runaways	750,000	25%
Legislatively Designated Programs	1,425,000	
Total Funds Available	\$29,947,000	

A study done in 1980 by the New York Council on Children and Families ascertained the amount of monies spent from federal, state and local sources for services to children in New York. Table 5 shows the expenditure levels for programs in the Division for Youth.

TABLE 5. NEW YORK: EXPENDITURES FOR DIVISION OF YOUTH PROGRAMS 1978-79 (INCLUDES BOTH STATE AND LOCALLY ADMINISTERED PROGRAMS)

Program	Expenditures
Institutional Service Centers	\$ 48,000,000
Institutional Limited Service Centers	11,200,000
Institutional Nonservice Centers	5,300,000
Community-Based Nonservice Centers	13,800,000
Service Detentions	13,500,000
Nonservice Detentions	1,700,000
Voluntary Agency Placements	20,300,000
Foster Homes and Supervised Living	1,900,000
Placement and Counseling	7,300,000
Youth Development/Delinquency Prevention	46,800,000
Services to Runaway Youth	1,000,000
Special Delinquency Prevention Programs	5,000,000
Total	\$175,800,000

ORGANIZATIONAL STRUCTURES

In response to changing philosophies, political pressures, and administrative requirements, a complex and sophisticated organizational structure has evolved since 1946 when New York began providing financial support to communities through the Youth Development/Delinquency Prevention Subsidy. Changing philosophies encouraged diverting youngsters from involvement in the juvenile justice system through preventive efforts and arrangement of alternative dispositions within a youth's own community. Meeting these goals required the assembly of a comprehensive range of services to address the great variety of youth's needs--from educational needs to vocational to recreational to psychological and social. Many services already existed in communities, but needed to be inventoried in some way so that the availability of these resources could be made known to those seeking them. They also needed to be coordinated so that various needs could be met without duplication and gaps in service delivery. In cases where no services existed to address a given need, a catalyst to program development was required. In response to these shifts in philosophy, which highlighted the importance of meeting the needs of youth in their own communities and the resulting organizational challenges in ensuring the availability of services to meet these needs, a coordinating body at the local level, the youth bureau, and its advisory body, the youth board, were established. (Youth bureaus and youth boards may exist at both the county and municipal level.)

In time, however, it became apparent that broader representation was needed in the course of planning and prioritizing the range of community services to be

supported through state aid. Somehow the youth board was not of sufficient size and suitable character to represent the variety of interests, particularly among minorities and youth, which needed to be reflected in a comprehensive planning effort. Largely as a result of pressure from underrepresented groups, the establishment of a planning committee (developed as an expanded subcommittee of the youth board or as a separate advisory body) was mandated for each county applying to receive funds under the comprehensive planning formula. Some communities, in the interest of promoting even greater youth involvement, have established youth advisory boards.

Also, at the local level, community-based organizations were recognized as potential participants in local delinquency prevention planning. Reflective of current understanding of the term, a community-based organization is defined as a corporation organized under the not-for-profit corporation law which is representative of a community or particular segments of a community, allows for consumer participation in its planning and decisionmaking processes, and has among its corporate purposes the promotion of services to youth. This recognition laid the groundwork for making community-based organizations eligible for state delinquency prevention funds in 1978. Officials at the state level acknowledge the eligibility of a consortium of community-based organizations which attempt to coordinate activities among such agencies.

The state has established linkages to the county level through regional coordinators and field representatives. Each of 25 field representatives monitors combinations of counties or single counties with large populations. Four regional coordinators direct the activities of YDDP field representatives and provide liaison to the Division for Youth. The field representatives provide technical assistance to county youth bureaus, inform them of state policies, explain the mechanics of state funding, and monitor program development. They can also work as an advocate to the state agency on behalf of youth bureaus in their area.

The final state-to-local linkage is found in the state legislature's provision for the involvement of local chief executive officers. The YDDP Subsidy legislation empowers the county executive to initiate a youth board which serves as either an advisory or policymaking body, at his discretion.

In summary, the implementation of the Youth Development/Delinquency Prevention Subsidy has, in its over 30 years of existence, evolved into a complex and sophisticated organizational structure. Major elements of this structure at the local level include (1) the youth board, (2) the youth bureau, (3) the planning committee, (4) proposed community-based organizations, (5) field representatives, (6) regional coordinators, (7) local providers, and (8) local political leadership.

INTERGOVERNMENTAL RELATIONS

New York has had a long history of strong local governments which have prided themselves in providing their own social services. Although these

services have been financed in large part with local public and private funds, the state has also participated in their support since the mid-1940s, ten years after the passage of Titles IV-A and IV-B of the Social Security Act. Accordingly, New York is characterized by many years of experience in inter-governmental funding.

The long history of state aid to local services is indicative of the state's recognition of the strength, capability, and commitment of communities in meeting their own needs. One state official characterized the Youth Development/Delinquency Prevention Subsidy as grass-roots legislation with strong county control mechanisms. Another state legislative official related that any mandatory legislation affecting local government which bears excessively on a section of the state must receive a "home rule" message from the relevant county legislatures approving it.

For the most part, the subsidy is felt to have improved state and local relations even though some county officials feel that the state is looking over their shoulders. While state legislative and local relations seem to be fairly amiable, cooperative feelings among state and local administrators are less certain. Local administrators agree that the state needs some sort of mechanism to communicate state policy, objectives, and technical assistance to the local level and, conversely, that county and municipal youth program administrators benefit from having a state field representative living and working in their communities--able to understand and relate their concerns to state administrators. The state system of regional coordinator and field representatives, then, seems to make sense to all participants. What local administrators find frustrating are field representatives who are poorly trained and insensitive to community problems. Local administrators reported having worked with some very competent field representatives and some very incompetent field representatives.

Field representatives tend to have much closer relationships with youth bureau staffs than with local service providers. Interests in having local field representatives make on-site visits to all service providers under contract have been largely redirected in favor of strengthening local youth bureau personnel to undertake these tasks. The field representative, rather, attends youth board meetings regularly and works with youth bureau staff.

Research done in the course of the 1980 LCER audit lends insight into some of the reasons for current conditions. The sections given below are quoted from its report.

The local assistance program relies heavily upon its field representatives. These field representatives have diverse backgrounds that must be relied upon in lieu of standard operating procedures with respect to program monitoring and assessment.

Since 1978, field representatives have had little time available for program monitoring; they have been preoccupied with providing information on new programs and new program directions....These field staffers have had a constantly changing and growing workload.

The target of greatest criticism, however, has been the Division for Youth. The division's problems stem as much from the state's political splits between "up-staters" and "down-staters" and between minorities and conservatives as from any state-local frictions. As discussed earlier, the division was perceived to have succumbed to pressure from the minority legislative caucus consisting of Black and Puerto Rican representatives from Buffalo and "down-state" New York City. The minority caucus feels that the "up-state" Republican counties have absorbed far too much of the subsidy's funds into recreational programs to the neglect of the critical needs of impoverished youth in the ravaged urban centers. The division's perceived acquiescence to these accusations led to the development of the Special Delinquency Prevention Program Grants, a move which local administrators saw as a direct threat to local youth bureau control and attempts to pursue comprehensive planning. The "mixed messages" from the division, which supports financial incentives to comprehensive planning and, at the same time, provides funds to circumvent comprehensive planning, have caused a great deal of statewide dissatisfaction. In sum, the urban areas feel that the Division for Youth has neglected them and is not doing nearly enough in their interest, while the rural counties feel that the division has "sold-out." What sort of resolution will result remains to be seen.

In most states, it is sufficient to address intergovernmental relations in terms of state interests versus local interests. In New York, however, the conflict subdivides further into county versus municipal interests. It is because municipalities resist even county-level control that the state has agreed to allow them to establish their own youth bureaus and to receive their own YDDP allocations. One of the factors making this policy so significant is that municipalities, not counties, are the jurisdictions most likely to allocate funds to youth recreation programs for the youth population in general--two of the major reasons that YDDP has received so much criticism from urban minority constituencies.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDIES

The primary intentions of the Youth Development/Delinquency Prevention Subsidy are to stimulate service development at the local level, to achieve a more even distribution of services across the state, and to promote intergovernmental cooperation and coordination. As long as the number of local services continue to multiply, the subsidy could be said to be achieving its objectives. Less clear, however, is what is actually being accomplished in terms of preventing delinquency and enhancing youth development. Many of these observations apply to the Special Delinquency Prevention Program Grants as well. A current proposal to amend the Youth Development/Delinquency Prevention Subsidy would define youth development as the advancing of moral, physical, mental and social growth, and well-being of an individual from childhood to maturity, and delinquency prevention would be defined as preventing youth from failure or neglect to do what parents, superiors, or law require.

While officials with the Division for Youth feel that both objectives contribute to the same ends, there tends to be disagreement among administrators

across the state as to whether emphasis on youth development activities is an adequate approach to curbing youth delinquency. Promoters of youth development programs feel that they are necessary to ensure that maturing adolescents acquire the educational, vocational, and social skills to help them cope with the expectations of society and, accordingly, stay out of trouble. Emphasizing youth development, they argue, avoids labeling juveniles as potential delinquents.

Detractors of youth development programs, however, contend that such programs are not sufficiently targeted toward the critical needs of children with unstable family conditions, or who are habitually truant, or who are involved in drug and alcohol abuse, and even prostitution. The large proportion of funds spent on recreational programs seem to their critics to be an inefficient use of resources given the serious problems of juveniles, and particularly minority youth, who continue to become involved with the juvenile justice system and for whom typical youth development programs seem to be ineffective.

The YDDP subsidy, therefore, suffers from a sort of schizophrenia in not knowing whether it is or should be a youth development or delinquency prevention effort. Added to this ambiguity is an inability, not only on the part of state administrators but among juvenile justice researchers in general, to define delinquency prevention. Not only is it difficult to define delinquency prevention, but determining that a delinquent act did not occur due to efforts financed by the state seems to defy attempts to observe, measure, and validate the outcome.

The Legislative Commission on Expenditure Review recognized the problem of evaluating effective delinquency prevention efforts. The report states:

Neither the Division for Youth's administration of delinquency prevention programs nor the field of delinquency prevention, itself, has successfully identified or applied usually accepted effective program models to prevent delinquency. In light of the use of State aid for diverse program concepts, it is important to note that lack of commitment to experimentation means that State aid has been used to provide financial assistance for programs with an unknown delinquency prevention impact, no matter how worthwhile program sponsors believe these programs have been.

Programs operating with State aid at the time of the audit presented a vast array of program concepts and intervention techniques....These programs reflect the flexibility of YDDP State aid. Almost any activity sponsored by a locality can be considered for such aid if it serves youths....The diversity of programs also reflects lack of consensus on the causes and cures of delinquency. This is characteristic of the field of delinquency prevention in general. In an April, 1979 report, The National Evaluation of Prevention, the National Council on Crime and Delinquency notes that problems with these programs begin with the basics: "Unfortunately, the field of delinquency prevention exhibits a paucity of theory.

There exist few fully elaborated discussions of how preventive services lead to delinquency reduction."

Despite recognition of the problems in assessing the effective uses of delinquency prevention programs, the Legislative Commission on Expenditure Review was, nevertheless, critical of the state administrative agency. The report concluded:

The Division for Youth has not taken a leadership role in insuring that State aid for delinquency prevention had been used for effective program models. Evaluation is the exception, not the rule, and information required by the Division for Youth on State aided programs was often inadequate for assessment of program results. The Division for Youth's program application made no distinction between criteria to evaluate objectives related to the conduct of a program and those to measure program results. Eighty-six percent of YDDP recreation programs and 37 percent of YDDP youth service programs had no criteria to assess program results specified. Forty-two percent of SDPP programs also had no such criteria.

It was also sometimes deficient for monitoring purposes because of lack of information on the number to be served and the services to be offered with State aid. Not only did the Division for Youth lack information on whether delinquency was being prevented through financially assisted programs, but at the time of this audit, it also could not even specify in common format how many youths had been served, what types of youths had been served, and how youths had been served.

LCER's attack on the lack of program evaluation by the Division for Youth elicited two well-articulated responses, one from a youth bureau director and the other from a regional representative, on the nature of evaluation in the field of human services, in general, and for delinquency prevention, in particular. The quotes are reiterated verbatim here because they reflect the debate occurring nationwide. The first writer observed that:

Before the LCER staff begin criticizing the DFY regarding delinquency prevention they first establish the academic or theoretical framework within which they impose their imagined concept of "Delinquency Prevention" on the DFY.

One of the most contemporary explanations of juvenile delinquency or deviance examines the role of social institutions which impact, positively or negatively, on the development of young people. This departs from the traditional sociological theory base which focused almost entirely on the effect of social class and subcultures, eg., social disorganization theory, differential opportunity structure theory, the delinquency subculture theory, etc. In summary, the institutional focus starts out with a consideration of the institutional forces which effect youth and shape their

behavior. Instead of attempting to identify those factors that are thought to cause individual delinquency and then initiate programs to "correct" the problem--which is parenthetically the usual approach taken to delinquency prevention programs and usually represents much "wheel spinning" and ineffectual and dollar wasteful program initiatives, the DFY advocates much more progressive and fruitful approach to its delinquency prevention efforts. The assumption is that it is a denial of access of those institutional experiences through family, school, church, education, employment, etc., that lead to conformity in adult life which is the cause of adolescent alienation, rebellion and delinquency. These legitimacy granting experiences fall in the areas of competence, self-image, usefulness, belongingness and power. In respect to effective delinquency prevention it is therefore much more productive to deal with these institutional experiences and social institutions to allow young people to develop in positive, satisfying and socially acceptable ways. In this context the absolute distinction between youth development and delinquency prevention that the LCER report attempts to make in respect to DFY programming becomes less relevant and meaningful.

A similar reflection on the state of the act in delinquency prevention evaluation is reflected in the second writer's comments.

Adequately assessing the impact of these programs requires substantial additional costs for evaluation research, if the findings are to have any validity. The report, however, objects to diverting funds from "direct services." Furthermore, it would clearly be unfair and unreasonable to require youth services to meet a standard of demonstrated effectiveness, short-or-long-term (in terms of impact on youth served), not presently being demanded of any other funded human service programs. Evaluation research in the social sciences is only beginning to provide the necessary statistical tools and methodology to conduct such applied research, federal requirements notwithstanding. It is certainly misleading for the report to refer to routine evaluation requirements by the federal government without taking into account the staff and money the federal government also makes available for these efforts. Evaluation research is highly desirable--and time-consuming and expensive. It also usually requires artificial manipulation of programs, which change their very nature and characteristics. Despite federal requirements and support of evaluation, one is hard pressed to find evidence of demonstrated effectiveness of any nonresidential delinquency prevention programs in the country. And there have been no such studies done without research budgets far more substantial than those available to Youth Bureaus. One should not scrap the programs, however, anymore than one should eliminate mental health programs, deinstitutionalization programs, public assistance programs,

and other human services which have limited documentation of effectiveness. Improving human behavior is not so simple as correcting faults in roads or planes, and measuring change in human behavior and attitudes poses problems social scientists have not yet solved.

The LCER report ignores the generally accepted consensus that delinquency cannot be attributed to a single simple cause. Delinquency prevention programs must be designed and implemented which meet the various needs of youth most at risk. And these programs must be available and accessible to delinquency-prone youth and other youth. For a program to include only those youngsters who are known to the juvenile justice system or who come from only poor or minority or dysfunctional families flies in the face of all research, which indicates that several factors, singly and in combination, lead to delinquency. Excluding youth who do not fit into simple categories--and including only those youth who do--prevents youth in need from receiving services and leads to stigmatizing and labeling youth, which have effects opposite to those desired.

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NORTH CAROLINA COMMUNITY-BASED ALTERNATIVES PROGRAM

BACKGROUND AND ACKNOWLEDGMENTS

Interviews for this case study were conducted in North Carolina from March 10-13, 1980, with state legislators and administrators, local officials, service providers, and members of youth advocacy groups in Raleigh (Wake County), Wilkesboro (Wilkes County), and Charlotte (Mecklenburg County).

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

State Legislator

Representative Ruth Cook, North Carolina House of Representatives,
Raleigh

State Administrators

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Ken Foster, Assistant Director, Community-Based Alternatives Section, Division of Youth Services, Department of Human Resources
John Niblock, Director, Governor's Advocacy Council for Children and Youth
Druscilla Williams, Division of Policy Development, Department of Administration

Local Administrators and Service Providers

Bill Brittain, Director, North Carolina Lutheran Social Ministries, Raleigh
Mary Bryant, Finance Director, Wake County
Mike Reeder, Director, Haven House, Raleigh
William Ford, Grants Accountant, Mecklenburg County

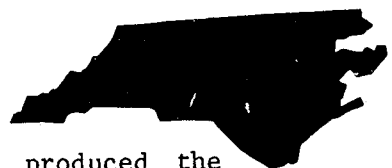
Key Informants

Mason P. Thomas, Jr., Assistant Director, Institute of Government, University of North Carolina, Chapel Hill
Ronald Aycock, Executive Director, North Carolina County Commissioners Association, Raleigh
Rex B. Yates, Chief Court Counselor, Wilkes County
Mayor Eddie Knox, Charlotte, North Carolina
Barbara Wells Sarudy, Director of Youth Care, Greensboro, and member of the Governor's Crime Commission

North Carolina was selected for case study because the Community-Based Alternatives Program has emerged as one of the more recent and better-known comprehensive juvenile justice deinstitutionalization subsidies. Although the Community-Based Alternatives Program was growing in recognition, its features and impacts had not been the subject of study by an independent, outside organization. This contrasted with the overwhelming attention devoted to other comprehensive deinstitutionalization initiatives, such as California's State Aid to Probation Services as well as its successor, the County Justice System Subvention Program, and Minnesota's Community Corrections Act.

ORGANIZATIONAL CONTEXT

Service responsibility for juvenile delinquents and status offenders is divided between the executive and judicial branches at both the state and local levels. Law enforcement remains strictly a local function, while detention is both state and locally administered. With respect to the latter, the state operates one regional detention facility. State subsidies also support six local juvenile detention facilities, five of which now serve regional areas.



Various state reorganizations occurring in the 1970s have produced the current organizational alignments of institutional services, probation, intake and aftercare programs. In 1973, North Carolina reorganized its assorted state agencies, commissions, and boards into a cabinet form of government. Under the reorganization, a new Department of Corrections assumed responsibility for adult and juvenile corrections. Included in the department was a Division of Youth Development with authority over training schools and state-level detention services. At the same time, juvenile intake, probation, and aftercare were made a state responsibility under a new Division of Juvenile Services established within the Administrative Office of the Courts. With this shift from local to state control over intake and probation, the administrator for the Division of Juvenile Services had the power to appoint chief court counselors for each judicial district, subject to the approval of the chief district judge. Indeed, while technical authority over personnel decisions was vested with the Administrative Office of the Courts, the political and operational reality was that locally elected judges had veto power over the selection or dismissal of chief court counselors and, by extension, other intake and probation officers.

In the 1975 legislative session, another realignment of juvenile services took place. Chapter 742 was enacted to transfer responsibility for the state's training schools for committed juvenile delinquents from the Department of Corrections to the Department of Human Resources (DHR). Also transferred to the Department of Human Resources was state responsibility for regional detention services and state subsidies for county detention homes providing regional services. In the process of transferring these functions, the Division of Youth Development was renamed the Division of Youth Services.

In addition to the line agencies delivering services to youth, the North Carolina General Assembly in 1971 established an Advocacy Council for Children and Youth. The council has no program authority, but functions instead as a vehicle within government to stimulate reform and improvement in the juvenile justice system and, as its title suggests, to serve as an advocate for children.

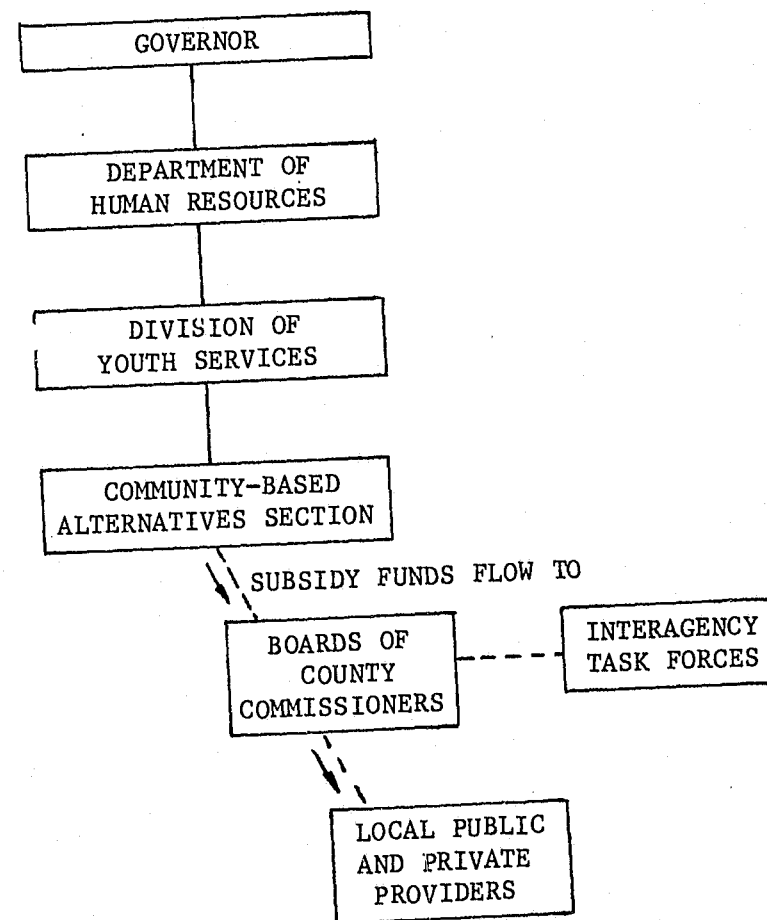
When first established, the Community-Based Alternatives Program was organizationally located in the Division of Youth Services within the Department of Human Resources. According to the first annual report on community-based alternatives, "inadequate funding, key personnel turnover, and lack of departmental support hampered initial...program implementation." As a means of enhancing its political stability and visibility, the Community-Based Alternatives Program was shifted in July 1977 to the Assistant Secretary for the Office of Children in DHR, where it became a staff function. In this internal reorganization, 11 positions from the Division of Youth Services were transferred to the Office of Children, while two new ones were established.

This move, however, almost immediately generated controversy. The Office of Children itself already was under sustained political attack from service providers and local government officials, who perceived it as duplicating the function of the Advocacy Council for Children and Youth. In response, the new secretary for the Department of Human Resources--upon assuming this position in 1977--promised to disband the office. At the time that the Community-Based Alternatives Program was being transferred, a phased termination of the office was proceeding. Although the placement was intended to be temporary, and the motivation was to improve its political visibility, augmenting the Office of Children with

13 new administrative positions made it appear to critics that the secretary was recanting on the previous commitment to disband the office.

Nevertheless, the administration of the Community-Based Alternatives Program remained in the Office of Children for approximately ten months. By May 1978, the consensus of top departmental officials was that the program now had sufficient political stability to accommodate a transfer back to a line agency placement within the Division of Youth Services. Accordingly, Community-Based Alternatives became one of three sections within the Division of Youth Services. Institutional Services and Administration are the other two sections. A chart of relevant organizations is shown in Figure 1.

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO THE NORTH CAROLINA COMMUNITY-BASED ALTERNATIVES PROGRAM



As of 1972, North Carolina had the dubious distinction of committing more children per capita to training schools than any other state. According to one study, over one-half of the 2,400 children then confined in juvenile training schools should not have been committed to those institutions. Although some community-based programs were operating with funds from LEAA, judges were typically faced, at the time of disposition, with a choice between imposing a suspended or probated sentence or committing a youth to a training school. The absence of community-based alternatives was especially detrimental to status offenders and other youth charged with minor offenses who were often inappropriately committed to state training schools.

Despite the stimulus of pilot federal programs, North Carolina entered the 1970s without any explicit state policy designed to deal with the problems of mounting institutional populations and inappropriate commitments to state training schools. In short, there was no coherent, statewide approach to foster deinstitutionalization.

Accordingly, the 1974 session of the General Assembly appointed a study commission, chaired by then-Senator Ed Knox, to study and propose solutions to the training school overcrowding problem. In its work, the Knox Commission relied heavily on As a Twig Is Bent, a 1972 publication of the North Carolina Bar Association, which provided valuable information and insights to policymakers on the problems with the state's juvenile justice system and opportunities for reform.

The recommendations emerging from the Knox Commission stressed the need to develop community-based alternatives as a means of relieving prison populations. The commission's recommendations were incorporated into H.B. 456, introduced in the 1975 session of the General Assembly. The provisions in H.B. 456 contrasted with the approach advocated by the state's Republican governor, who had requested an increased capitol improvements item in the Department of Corrections' budget to fund the construction of more youth institutional facilities.

The policy ultimately adopted by the General Assembly found expression in two integral parts of H.B. 456. The first was a legislative mandate prohibiting further commitments of status offenders in training schools after July 1, 1977. This deadline was later extended until July 1, 1978. The second principal element of H.B. 456 was to use state funds to stimulate the development of community-based programs as placement alternatives for status offenders and other youth inappropriately institutionalized.

The emphasis on developing community-based alternatives mirrored the enhanced visibility and attention that deinstitutionalization of juveniles, and particularly status offenders, was receiving due to federal activities surrounding the Juvenile Justice Delinquency and Prevention Act of 1974. This legislation mandates that states receiving federal funds from the act's formula grant provision reduce status offender populations in secure facilities by certain levels within specified time limitations. At the time that the community-based alternatives legislation was being deliberated, North Carolina was not

receiving federal funds from the Juvenile Justice and Delinquency Prevention Act. According to one observer, the passing of legislation in North Carolina was, at least in part, motivated by a desire to enhance the state's ability to meet JJDPa deinstitutionalization requirements and thereby qualify for federal funds available under that act.

H.B. 456 was not particularly controversial. In fact, it enjoyed strong legislative support. Among those testifying in favor of the legislation were staff from the Governor's Advocacy Council for Children and Youth, some juvenile court judges, various private youth advocacy groups, service providers, and the League of Women Voters. The only opposition of any significance arose from a small group of legislators representing poorer eastern-based counties who objected that their counties did not have the necessary resources to meet the local match requirements stipulated in the bill. Some of these legislators had philosophical reservations about H.B. 456 as well. In particular, they were concerned that the development of community-based alternatives would lead to large-scale releases of dangerous juvenile offenders.

With the passage of H.B. 456 in the 1975 session, the law's effective date was set for July 1, 1975. However, tight state budgetary conditions required that an appropriation for the bill be deferred for one year. This was understood and accepted by top Division of Youth Services administrators who were satisfied with obtaining a legislative authorization for the concept of community-based alternatives.

In reality, the subsidy did not receive a legislative appropriation until the 1977 session. Start-up funds in 1976 amounting to \$250,000 were actually dollars reallocated by the Division of Youth Services, which had been drawn from savings in other program areas. These funds were used to support 33 local community-based programs which were awarded Community-Based Alternatives Program grants on a competitive basis.

The subsidy has continued to enjoy strong political support. There was a move, however, by a few conservative Republicans and Democrats during one legislative session to repeal H.B. 456. These legislators opposed the subsidy because they saw it as a program which diminishes the power of juvenile courts and "coddles" youth. It was alleged by one individual that a few discontented juvenile court judges were behind this challenge to H.B. 456. This repeal measure, however, has not represented a serious threat to the subsidy's continuation. Mainstream and progressive Democrats, with backing from county governments and private service-providing agencies, had no difficulty in tabling the proposed repeal and referring the bill for further study to the Youth Services Advisory Board, a friendly commission which advises the Division of Youth Services director.

The key to the political success of the Community-Based Alternatives Program is the strong grassroots support that its administrative staff has built for the subsidy among North Carolina's county governments. Through their state association, counties were heavily involved during legislative drafting and testimony on H.B. 456. They have also been engaged in the process of implementing the legislation and, through an ad hoc committee of the County Commissioners Association and local interagency task forces appointed by boards of county

commissioners, continue to play a major role in determining policy and program directions of the subsidy.

The first issues addressed jointly by state administrators and the ad hoc committee of the County Commissioners Association centered around state fund allocations to participating counties. These initial sessions produced successful resolutions of those issues, satisfactory to both state and local policymakers. Indeed, these exchanges have served as the model for an ongoing state and local working relationship. The most recent example of state and local consultation and cooperation can be found in efforts to develop and implement statewide performance standards for state supported community-based alternatives. Hearings on the proposed standards are presently being held around the state in order to obtain input from county officials, service providers, and interested citizens.

The strong political support enjoyed by the subsidy is reflected most tangibly by the growth in its legislative appropriations. From its original budget of \$250,000, the funding grew dramatically over the succeeding four years, with \$4 million appropriated for the program by the 1980 General Assembly.

OBJECTIVES OF THE SUBSIDY

The development of community-based alternatives in North Carolina, as with other states implementing such programs, represented a departure from traditional approaches in the treatment and prevention of juvenile delinquency. The basic rationale of the community alternatives movement in this country rests on a perception that the most effective way to deal with the underlying causes of delinquency among most offenders is by working with them in their own communities.

The Community-Based Alternatives Program is clearly directed toward deinstitutionalization, with status offenders the target population of priority concern. The complementary objectives of reducing commitments to state institutions and encouraging the development of community-based alternatives were identified by state and local respondents as the two primary considerations for the establishment of the subsidy. Minimizing youth involvement and interaction with the juvenile justice system was perceived to be an important, but still secondary, objective. Thus, the programmatic orientation is more toward delinquency control and less toward prevention, at least in the primary sense. The subsidy is basically intended to develop community programs as an alternative to state institutions for delinquency control. With objectives such as preventing further penetration into the juvenile justice system and reducing the likelihood of future delinquent behavior, the subsidy can be said to have a secondary prevention emphasis.

The subsidy was not intended to foster the development of minimum standards for staff, programs, and facilities at the local level, although in the last year, the Community-Based Alternatives Section in the Division of Youth Services

has been working through six special state and local task forces to draft minimum performance standards. Accordingly, it appears that the development of minimum standards has emerged as another priority objective of the subsidy.

The stimulation of intergovernmental cooperation and coordination appears to have been viewed more strategically and tactically than as an explicit policy objective. Also, the desire to achieve a more even distribution of services was not a consideration, according to state respondents. Belying these claims, however, are efforts to secure maximum county participation, along with an allocation method based upon relative county needs. It appears that this, too, was an implicit factor behind the establishment of the subsidy.

ALLOCATION OF FUNDS

Each participating county is awarded a base grant of \$2,500, with the balance of available funds distributed according to a prorated amount based on a county's youth population between the ages of ten and 17. Participation by counties in the subsidy program is voluntary, but those that do participate are required to provide a ten to 30 percent match to state dollars, with the percentage dependent upon the jurisdiction's ability to pay. The relative ability to pay is determined by a Social Services Equalization Formula which takes into consideration per capita sales tax collections, property tax per capita, average monthly number of Aid to Dependent Children recipients per capita, and the county share of Aid to Dependent Children expenditures per capita. Using this formula, counties are divided into three categories with the following matching ratios:

- (1) Counties with the highest ability to pay (30 percent local, 70 percent state).
- (2) Counties with medium relative ability to pay (20 percent local, 80 percent state).
- (3) Counties with lowest ability to fund programs (10 percent local, 90 percent state).

The potential county fiscal burden is alleviated somewhat by the provision allowing counties the option of matching state dollars, either in cash or through in-kind contributions. With regard to in-kind contributions, client fees, provision of office space, percentage of county employee time spent on a program, and private donations, can be used to offset "hard" match requirements. Despite the flexibility, it was surprising to learn that counties have opted, generally, toward meeting their match requirements through cash outlays. In the view of some local officials, several medium-size to larger jurisdictions have had to overmatch with a combination of in-kind contributions and "hard" dollars because of inadequate state funding. In one large county, however, it was learned that until last year the state had neglected to document the required match. The latest increase in the subsidy's appropriation should reduce the necessity for county overmatches where they have occurred. No precise figures were available to document the proportions of cash versus in-kind matches.

However, data in annual reports appear to confirm the contention that several of the larger jurisdictions are overmatching.

The discretion afforded counties in matching state dollars have not stilled generalized discontent about having to contribute local resources at all. Some local officials insist that, as a state-initiated program, fiscal support for community-based alternatives should come from that level of government. The officials argue, further, that the state has greater ability to generate resources than do fiscally impaired local governments. State officials counter that the requirement of a local match brings with it greater local commitment to and involvement in the program.

Apparently, the match requirement is not so onerous as to deter county participation. Currently, 99 of North Carolina's 100 counties participate, representing a significant increase over the original 33 counties receiving subsidy funds. The high level of participation may be attributable to two factors: (1) scaling of local match according to ability to pay, and (2) the practice in some jurisdictions of requiring private agencies, to which counties subcontract subsidy funds, to contribute the cash match.

Another important feature of the legislation proscribes counties from supplanting local juvenile justice expenditures with state monies from the Community-Based Alternatives Program. Counties are required to maintain the same level of financial effort that existed when their first local application and plan was filed with the state.

ADMINISTRATIVE REQUIREMENTS

While participation of county governments in the Community-Based Alternatives Program is voluntary, the legislation mandates that each participating county submit an assessment of youth needs and a report on the status of existing program efforts on an annual basis. The legislation does not mandate but strongly suggests the formation of interagency task forces, appointed by county boards of commissioners, to initiate a local planning process and to develop a comprehensive plan for addressing youth needs in the community. Special interagency task forces have been formed in 92 of the 99 participating counties. In the other seven, an existing agency is responsible for the formulation of a local plan. The task forces not only function as a vehicle for local planning, but also act as an advisory body in making recommendations to their respective county boards of commissioners on programs needed to address youth problems.

The state suggests the following membership on the task forces:

- o Representation from each of the local school systems.
- o Representation from each public and private agency
 - (a) which receives state subsidy funds,
 - (b) which receives LEAA juvenile monies, and
 - (c) whose chief function is to serve children in trouble with law.

- o Representation from the district juvenile court counselors.
- o Youth representation.
- o Adult volunteers in the juvenile justice system.
- o Citizens concerned with juvenile delinquency.
- o Representation from county government.
- o Balanced representation of significant minority groups within the county.

To facilitate local planning efforts, a statewide task force compiled a manual providing guidance to local interagency task forces. The manual contains sections on structure and composition of the task forces, internal communications, external communications, and an overview of the subsidy's program monitoring and process.

Considering the state subsidy allocation, available county resources, and anticipated federal dollars, the county boards of commissioners make funding decisions from a prioritized list of program recommendations provided by interagency task forces. It was reported that county boards of commissioners typically follow the funding priorities recommended by their advisory boards. This finding is not surprising in light of the fact that members of the task forces are appointed by county commissioners, with many representing the principal agencies of local juvenile justice systems. Board-approved program agreements are tentative until the state office reviews program recommendations to ensure compliance with three funding guidelines:

- (1) Programs must be aimed at delinquent, predelinquent, and status offenders between the ages of 10 and 17.
- (2) They must be direct service in nature.
- (3) Residential programs must be appropriately licensed by the Department of Human Resources and other relevant licensing units.

The only problem with this procedure was raised by a private service provider who objected to the year-to-year uncertainty regarding continuation of the subsidy programs. One possible solution would be to develop contracts on a two-year rather than on an annual basis.

Once approval is secured, a contract between the state and county board of commissioners is developed. Fund disbursements cannot be authorized until these contracts are finalized. However, administrative deficiencies preceding the reorganization of the subsidy's administration in 1977 sometimes resulted in funds being distributed even in the absence of signed contracts.

Upon approval of program agreements, contracts can then be finalized with private service providers or, if the service is to be operated by the county, staffing decisions can be made. Counties have tended to use subsidy funds to contract with private vendors for most services, except alternative school programs, all of which are operated by local school boards.

Counties receive funds on a quarterly reimbursement basis. State funds flow to the county finance offices which then either allocate them to the appropriate public agency or, in the cases of subcontracts with private vendors, funnel the monies to those service providers. The funds appear to be efficiently and

expeditiously disbursed and, despite a two-tier process, private service providers generally had no complaints about the reimbursement process.

Apart from the three funding rules previously enumerated, there are no standards or guidelines currently in force. The Community-Based Alternatives Section has delayed work on the development of minimum performance standards until this past year. Six task forces, comprised variously of the subsidy's state administrative personnel, county officials, and private service providers have completed work on proposed minimum standards. Hearings on them are in progress around the state.

There were several considerations behind the delay in developing program standards. A principal factor was that attempts to develop standards would divert the attention of the Division of Youth Services from its first priority of disbursing appropriated funds and implementing the program. The perception was that opponents would seize upon any underspending as evidence that the program did not need more funds.

Another motivating factor was a desire to solidify the initial good will of county commissioners toward the subsidy program before embarking on a possibly controversial standard-setting process. Among North Carolina counties, there has been a traditional enmity and suspicion toward state standards. Indeed, the spectre of standards at a future time was raised by opponents during debate on H.B. 456.

Since no performance standards have been implemented, compliance monitoring is limited to annual fiscal audits and rather generalized, albeit structured, program reviews. Fiscal reporting requirements have become stricter over the years and audits occur much more frequently than initially. County governments, not private subcontractors, are fiscally accountable to the state. However, counties require that an independent auditor annually examine the books of private subcontractors.

Program reviews occur annually during October and November, when each agency receiving subsidy funds is visited by a state field consultant. An interim monitoring form is used by field consultants to elicit information from agency directors about their programs. Examples of the issues covered include: use of volunteers in any aspect of the program operation, availability of appropriate training for program staff, future funding problems envisioned by the program director, appropriateness of the clients being served, and review of any problem areas noted in the last year. The visits are scheduled early in the fiscal year so that any problem areas can be dealt with quickly in an effort to avoid program disruption. The visits are also intended to allow the direct service provider the opportunity to voice any concerns about policies and procedures of the subsidy.

If minimum performance standards go into effect, the state's enforcement approach will be to assist nonconforming agencies to reach compliance. The intention is to use a peer review process involving agencies which are already in compliance. During this period, the subsidy would continue to be provided. Ultimately, quarterly performance reports and on-site visits will be used to evaluate local compliance with minimum program standards. The Community-Based Alternatives Section is encouraging the formation of subtask groups on evaluation

within local interagency task forces as a means of preparing for the implementation of minimum performance standards.

Intended to enhance and complement the on-site visits, data from individual client-tracking forms for nonschool-related programs and quarterly monitoring forms for school-related programs are also collected. These forms are part of a fledgling effort to institute, at the state level, a management information system (MIS) for the subsidy. The system is designed to provide feedback on every community-based alternative program by January 15 of each year in order to assist local interagency task forces in making decisions. Task forces typically have had to rely on less than objective means for making funding decisions, given the absence of minimum performance standards and the rudimentary stage of the management information system. However, client-tracking forms have recently been redesigned. This development, plus the fact that minimum performance standards should be operational by the end of this year, should enhance the ability of task forces to assess program outcomes and make funding decisions by the beginning of the new funding cycle next year.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY

The availability of the state subsidy has enabled the development of programs which would likely have not been established without this support. Yet, the subsidy has also allowed the continuation of programs initiated with LEAA, Title XX, or local funds. It is probable that many of these federally or locally funded programs would have been faced with the prospect of closing their doors, or severely limiting services, without the state subsidy. At the present time, approximately 75 percent of subsidy funds support continuation services.

Most of the first programs funded through the Community-Based Alternatives Program were those which had been underwritten by federal or local dollars. These tended to be traditional community-based alternatives such as group homes, in-school suspension programs, or counseling programs. Indeed, one respondent complained that: (1) Community-Based Alternatives Program funding patterns place a lower priority on early intervention and prevention than a more treatment-oriented program; and (2) the state has no comprehensive approach to prevention "that involves such agencies as public education, churches, recreation, existing social service programs, family counseling resources, and others." While the profiles of programs supported by the subsidy seem to confirm this assessment, it is also clear that county task forces and service providers have experimented with innovative approaches, using mediums such as agriculture, arts and crafts, drama, and music. There is certainly nothing in H.B. 456 or in the state funding regulations which would preclude greater emphasis on prevention and early intervention.

The 239 programs funded in fiscal 1979 can be distinguished as follows:

- o Specialized foster care (24).
- o Emergency shelter (17).
- o Group home (19).

- o Alternative school programs (10).
- o In-school suspension (75).
- o Other school programs (5).
- o Adult volunteers (15).
- o Recreational therapeutic services (12).
- o Adventure camps (6).
- o Counseling and referral (47).
- o Comprehensive community-based programs (9).

The subsidized programs fall into two broad categories: (1) residential and (2) nonresidential. Within these two classifications, there are five nonresidential and three residential service categories eligible for funds. A definition of each service category has been excerpted as follows from the second annual report for the Community-Based Alternative Program.

Nonresidential

A. School Related Programs

(1) In-School Suspension

This program attempts to reduce disruptive classroom behavior by students that normally results in their suspension or expulsion from school. Generally, students are assigned to this program by the principal or his/her designee, and remain for a period of three to ten days. During their stay, students are provided with classroom instruction, as well as counseling.

(2) Alternative Classrooms

A class or classes within a school to which a student is assigned by the principal or his/her designee rather than continuing in the typical or traditional class. Normally, a student has exhibited disruptive behavior and/or is not benefiting from the traditional classroom setting.

(3) Extended Day Schools

This program is an extension of the regular public school for students who, for academic, economic, psychological, or other reasons, function better in a program such as this. Flexible scheduling (i.e., late afternoon and evening classes) is emphasized.

(4) Alternative School Programs

This program is usually located apart from the regular school. The student's behavioral characteristics include all of the previously mentioned behavioral patterns in addition to the fact that many have been expelled or suspended.

(5) Tutorial Programs

A program that normally utilizes volunteers who provide students with individualized instruction in subjects for which the student needs particular assistance.

B. Counseling

Most counseling programs are primarily found in youth services bureaus and mental health clinics. However, "counseling" in some form is an on-going component of all CBA funded program types.

Funded programs with a predominance of mental health practitioners (i.e., psychologists, psychiatrists, social workers, etc.) normally utilize two helping techniques that emphasize individual counseling. The most common technique employed involves the helping professional working face-to-face with the individual in need of help. The other technique is group counseling with the general goal being the utilization of group interactions and support in an effort to help the individual members learn the value of getting along with others and to resolve individual problems through peer support.

C. Recreation

Recreational programs primarily provide group structured physical activities for its participants. Particular emphasis is placed on physical development, character building, and mental discipline. Group reliance, team building, and respect for others are cornerstones of these programs.

D. Volunteer

These programs mainly utilize individuals (usually adults) who voluntarily provide goods or services without financial gain to the agency.

The majority of volunteers work with children and youths who are within the jurisdiction of the courts. They frequently spend several hours per week functioning as positive role models, chaperoning out-of-town trips for a day or weekend. Some programs also utilize youths in youth tutoring children and

youth programs. Typical programs that are staffed mainly by volunteers are Big Brothers/Sisters and adult court volunteer programs.

E. Prevention

The primary thrust of prevention programs is focused around the notion that if children are exposed to the negative consequences (training schools, jails, etc.) of social behavior and parents are taught "good" parenting skills, the results will be a reduction in juvenile delinquent acts.

There are several program types that embrace this philosophy such as Parent Effectiveness Training and Youth and The Law programs.

Residential

F. Temporary Runaway Shelter

This is a 24 hour program which provides both temporary housing (normally 90 days or less) and support services for runaway teenagers and youths who would otherwise be detained in a secure setting.

House parents (usually a husband and wife) act as the surrogate parents for the young people in residence. They assist the youth with meal preparation, personal hygiene, scheduling of group activities, and so forth.

The treatment component may include diagnostic evaluation, individual counseling, family counseling, crisis intervention, and/or referral to other agencies for specialized services.

G. Specialized Foster Care

These specialized homes provide care for children with serious behavioral or emotional problems. The foster parents receive special training designed to help them understand and provide needed support for children living with them.

H. Group Home

A group home provides 24 hour care for youth identified as being in danger of becoming formally involved with the juvenile justice system, as well as some who have been adjudicated undisciplined or delinquent. An individual treatment plan is developed for each youth and the families of all youths are encouraged to participate in the total group home program.

It appears from the interviews that state-subsidized providers regularly coordinate their efforts with other service providers. An important vehicle for stimulating awareness among service providers of other resources has been the interagency task forces. The interactions occur informally on a case-by-case basis, rather than through formal agreement, and the coordination is usually in the form of interagency referrals of clients. Given the broad scope of the subsidy, interaction among subsidized programs is as common as with community services supported by other sources.

Two major service gaps were identified in the interviews. One is the lack of sufficient emergency shelter facilities. The other is the dearth of juvenile detention facilities which, as noted earlier, has resulted in the incarceration of many juveniles in adult facilities. While funds from the subsidy could be used to increase the number of emergency shelter homes, detention facilities are ineligible for funding under present guidelines.

SERVICES RECEIVED BY JUVENILES

Three issues are relevant to the question of subsidy's effects on the placement of clients:

- (1) Whether the expansion of community-based services through the subsidy has also brought about a reduction in training school populations.
- (2) Whether community-based programs have had any impact in reducing youth interaction with the juvenile justice system.
- (3) What degree of restrictiveness exists for placements in community-based programs.

On points one and three, considerable hard data were available for our analysis. For point two, however, direct evidence was generally lacking as forms have not been developed and tested to systematically track and monitor clients during or after their participation in state-subsidized programs. Thus, on this issue, the analysis must rely on intuitive and impressionistic judgments of interviewees and be supplemented by available indirect measures.

Ratio of Clients in State Facilities to Numbers in Community-Based Programs

Hard data indicates that the subsidy has exerted a positive effect on reducing institutional population levels, particularly for status offender groups. Yet, the provision for state funding for community programs was not the only influential factor. One respondent attributed the reduction as much, if not more, to another important provision of H.B. 456--

prohibiting the commitment of status offenders to training schools after July 1, 1977 (later changed to July 1, 1978).

While not disputing the importance of the prohibition on commitments of status offenders to the deinstitutionalization efforts, it appears, however, that the subsidy provided the means for developing the community-based programs necessary to achieve the policy objective of reducing training school populations. Without the availability of alternatives, the existing pattern of inappropriate commitments would persist. Whatever the exact relationship of H.B. 456's major provisions, the overall thrust of the legislation accelerated the process of reducing training school populations started earlier in the mid-1970s by local chief court counselors. At the end of fiscal 1978, average daily populations in training schools were down by over 200 youth from levels prior to the enactment of the subsidy. During the same period, commitments to training schools were reduced by 24 percent, a figure which grew dramatically to 56 percent following implementation of the requirement prohibiting institutionalization of status offenders. The reductions in training school populations are particularly impressive when compared to the 1978 average daily population of 2,000 youth institutionalized in eight training schools. Since that time, three institutions have been closed.

In at least one large local jurisdiction, the availability of community-based programs has also significantly reduced the number of youth placed in detention facilities. The annual report of the Mecklenburg Youth Services Action Board revealed that between 1974 and 1979, the number of children detained fell from 686 to 305. While all of that decrease cannot be attributed to an increase in community programs, the subsidy was identified as a major factor in the reduction.

The reduction in training school populations contrasts with the rapid growth in youth served by community-based programs. From the 5,891 youth served in fiscal 1978, state funding expanded to support programs for 17,922 youngsters during fiscal 1979.

Despite this massive increase in youth served in the community, it is estimated that almost 60,000 delinquent status offenders and at-risk youth (undisciplined and truants) are still in need of local services. The expansion budget of \$4,000,000 approved by the 1979 General Assembly will contribute significantly in closing the gap between resources and needs. It is projected that 25,000 juveniles in fiscal 1980 and over 300,000 juveniles in fiscal 1981 will be served in state-subsidized programs.

Effects on Youth Interaction with the Juvenile Justice System

The general impression of both state and local respondents was that the subsidy has been one of several factors, albeit an important one, in reducing youth contact with the juvenile justice system. Data show that in 42 alternative education programs supported by the Community-Based Alternatives Program there has been a 54 percent decrease in out-of-school suspensions for those schools.

Attendance levels also stabilized. If one accepts the premise that children who remain in school are less likely than suspended youth to experience trouble with the law, this finding lends some weight to the impressions of interviewees that the subsidy has reduced penetration into the juvenile justice system. Another program review found that for those youth served by group homes, there was a 40 percent reduction in court contact. A third indicator of reduced court interaction was found in a report by the Administrative Office of the Courts, which showed that for 1978 and 1979 there was a 28 percent and 29 percent decline, respectively, in delinquency and status offender hearings in juvenile court. This report tends to confirm informal reports submitted by court counselors.

At the other end of the service continuum, there is claimed to be a drop in recidivism for those youth committed to training schools as a result of an intensification of treatment services in those facilities. Since approximately the same level of funding (adjusted for inflation) has been maintained, it is argued that the reduction in populations has meant lower student to staff ratios and more intensified services. It is estimated that the diversion of inappropriately committed youth to local programs has increased institutional service capability by almost 25 percent. This intensification of service has enabled training schools to better function as treatment and rehabilitative centers, and not merely as custodial institutions.

For reasons outlined earlier, recidivism and court contact data must be regarded with some caution. That is, until the state more fully develops a client monitoring and tracking system, the data--presented as an indicator of program success--will not inspire full confidence. Indeed, one observer questioned the reliability of data used to document the subsidy's success stories. Improvement is needed in client-tracking systems, according to this individual, who otherwise is a strong supporter of the subsidy programs.

Degrees of Restrictiveness of Placements

Programs supported by the subsidy have been overwhelmingly of the non-residential variety, and placements naturally have been in this category of programs. Trends indicate that the direction of the subsidy will be to emphasize funding of nonresidential alternatives. During fiscal 1978, nearly 6,000 juveniles were served in 111 of 135 state-subsidized programs which provided this documentation. Of these, nearly 3,500 juveniles were served in school-related programs, 860 in residential programs, and 1,545 in all other nonresidential programs. Approximately the same proportions of residential, school-related and nonresidential placements occurred over the first six months of fiscal 1979, when 8,961 were served by 162 programs reporting figures. Of the 8,961 youth, 3,470 were served in school-related programs, 925 in residential programs, and 4,566 in nonresidential programs.

The tendency has been to place delinquent offenders not committed to training schools in group homes. Status offenders and "at-risk" youth, on the other hand, tend to be placed in a variety of nonresidential alternatives.

SOURCES AND LEVELS OF FUNDING

For programs funded by the Community-Based Alternatives Program, state data revealed a balanced mix of financial support among federal, state, and local sources. Interviews with local service providers further confirmed statewide data obtained from the Division of Youth Services. For 162 reporting programs, the state subsidy provided 36 percent of operating funds, while counties provided 23 percent of the resources. It should be noted that the county figure includes both cash and in-kind contributions. Although precise figures are not available, interviews with local providers indicate that county support has tended to be more in the form of cash than "soft" match.

Support from the Crime Control Act, JJDP, Title XX, Runaway Youth Act, private foundations, civic groups, client fees, and private donations supplied 41 percent of total dollars. State data do not provide a breakdown among these funding sources; however, the sample of local service providers interviewed revealed that the predominant financial support within this category came from federal agencies, and only a small percentage from various private contributors.

As might be expected, the mix of funding can vary considerably from statewide averages for individual programs. For instance, one service provider interviewed was totally dependent on state subsidy funds, for the agency's only local contribution consisted of an in-kind or "soft" match. In contrast, another program was predominantly supported by federal dollars through the Runaway Youth Act and JJDP, while the state subsidy provided only \$7,000 of a \$139,000 budget. Another pattern was found in a third program where the state subsidy, federal, and local public dollars comprised 52 percent, 14 percent, and 27 percent respectively of that agency's budget, while client fees and private contributions made up the rest. This agency appears to be the closest, of the three selected for field interviews, to the overall statewide patterns of financial support for youth community programs.

Over the life of the Community-Based Alternatives Program, the aggregate funding mix has slowly shifted to a greater reliance by community programs on state support as LEAA funds to pilot projects were phased out. Ceilings were placed on Title XX allocations to states; Congress reduced appropriations for LEAA; and the North Carolina General Assembly expanded the Community-Based Alternatives Program budget. This trend should continue at an accelerated pace, given the dramatic growth in the subsidy's appropriation to \$4 million in 1980, and the continued decline in federal support for human services. The shift could be particularly dramatic since the excision of LEAA from the federal fiscal 1981 budget. It is possible that pressures upon the state to assume greater responsibility for programs supported in whole or part with LEAA dollars will be significantly increased.

Although these developments may foster greater dependency on the state, local officials and service providers were surprisingly sanguine in their appraisal of alternative courses of action in the unlikely event that state subsidy funds were to be terminated or reduced. Most were confident that they would pursue an alternative funding strategy involving an approach to federal funding sources such as OJJDP or, in one instance, to the school system for

additional assistance in supporting school-related programs. Respondents generally were confident these efforts would meet with success, although one interviewee expressed the view that other funds would probably not be sufficient to avoid terminating a portion of the agency's program. Despite this generally expressed optimism, the financial burden that would be imposed by termination of the subsidy on rural and less affluent counties, located in the eastern region of the state, would be greater than for more urbanized areas which supported youth programs with county dollars prior to the subsidy and which now often overmatch state funds.

A divergence of views emerged on the question of whether state subsidy funds are adequate. Local opinions on funding adequacy appear to be positively related to level and proportion of financial support provided by the subsidy. Optimism, however, was expressed by several individuals as to future funding prospects.

ORGANIZATIONAL STRUCTURES

Thirteen professional positions have been allocated for the administration of the subsidy by the Community-Based Alternatives Section of the Division of Youth Services. Of the 13 positions, 12 are currently filled--four in the central office and eight in the field. Two new central office positions were established specifically for the administration of the subsidy. Eight field consultants and three central staff positions had already been established in 1979, slightly over \$250,000 was spent on administration. These expenditures covered the salaries and fringe benefits for the 12 employees, as well as for travel and operating costs.

There is no official advisory board for the subsidy. The legislation originally provided for a formal oversight board; however, this body did not function successfully in the first year of the subsidy, and the provision for a board was subsequently deleted from the legislation. Throughout the life of the subsidy, however, there has functioned an ad hoc committee of the County Commissioners Association. The ad hoc committee meets on a quarterly basis or as needed to discuss major policy and program changes being proposed by the Division of Youth Services. Although the ad hoc committee has no formal veto power over state proposals, the views of this group are seriously considered, given the political influence of the association.

No new positions have been established created at the local level for subsidy administration because H.B. 456 prohibits counties from using subsidy funds for administrative purposes. Instead, counties are required to use their own resources for administration of the subsidy through county finance offices. Expenditures for administration can be applied as part of in-kind contributions to meet local match requirements specified in H.B. 456. To reiterate an earlier point, counties have tended not to meet their match requirements through in-kind contributions. Fiscal responsibility for the subsidy rests with the county finance offices. Other administrative tasks typically are assigned to a staff person attached to the county commissioner's or the county manager's office.

The interagency task force is the only local advisory body for the subsidy, as described in a previous section. Staff work for the local interagency task forces is a responsibility of state field consultants.

INTERGOVERNMENTAL RELATIONS

A close intergovernmental partnership between state and local governments has characterized the experience with the subsidy. Harmonious state and local relationships have traditionally been a fact of political life in North Carolina, for the dominant influence exercised by counties requires the state to court and solicit their support for any major legislative initiative affecting local government interests. A minority view is that county dominance is so overwhelming as to be tantamount to an abdication by legislators of their proper role in the legislative process. Nonetheless, the fact is that it is unlikely that locally based program efforts of any consequence will be successfully implemented without county support.

The need to involve counties in policy formulation and implementation is a requirement for any community-based initiative, but in North Carolina political necessity makes county input and involvement even more imperative. Whereas some community-based programs in other states have failed for neglecting this elemental political reality, the North Carolina Community-Based Alternatives Program has succeeded and expanded by working through and with established governmental structures rather than circumventing them.

The groundwork for the close state and local relations under the subsidy was set in July 1977 during preliminary discussions between the state subsidy director and the leadership of the County Commissioners Association. In August, the first meeting took place between state personnel and the ad hoc committee of the County Commissioners Association. From that time, all major policy decisions have gone before this ad hoc committee for review and approval prior to implementation.

The process has been advantageous in that it brings about more informed decisions by the state, promotes greater community awareness of the program, and generates political support for the subsidy within county governments across the state. The County Commissioners Association's lobbying effort on the subsidy's behalf, in fact, has been instrumental in the substantial expansion of state funding during the last two legislative sessions. The backing from county commissioners is attributable to their satisfaction with the level of input they have into policies and program decisions through their association, as well as through the county interagency task forces.

These task forces have been critical to the state's efforts to build a constituency for the subsidy among juvenile justice agencies, schools, and local service providers. Indeed, local service providers have banded together to form the North Carolina Association of Community Alternatives for Youth which, through its legislative committee, tracks legislation and lobbies the legislature on youth-related issues. In addition, the interagency task forces have

also strengthened intercounty program cooperation, increased coordination among local service providers, and improved communication and contact among county commissioners and juvenile justice system representatives. Both local officials and service providers interviewed saw the primary value of the interagency boards in these terms.

As staff to the interagency task forces, the eight field consultants of the Community-Based Alternatives Section in the Division of Youth Services have played an important role in the success of these local youth advisory boards. The field consultants initially were instrumental in securing appointments by the county commissioners to the task forces. In the time since the formation of the task forces, the field consultants have provided general staff research and informational support to interagency boards during their reviews of program proposals. Service provider task force members are also beneficiaries of technical assistance provided to them by field consultants. One service provider interviewed noted that the field consultants are the agency's principal means of obtaining needed technical assistance. Through interaction among the eight field consultants, each of whom is assigned to specific interagency task forces, intercounty informational exchange and program uniformity are enhanced. Finally, field consultants through their in-service training of interagency boards have been key actors in the effort to implement a management information system.

From the state's perspective, there are three advantages of having field consultants: (1) they are a source for bringing local problems to the attention of central office staff and getting quick resolution of festering conflicts, (2) they provide a vehicle for ensuring program quality and uniformity, and (3) they provide a state outreach for explaining new program initiatives under the Community-Based Alternatives Program and assisting interagency boards with implementation of those initiatives.

The primary value of the field representatives to county officials and service providers is that they are a vehicle through which local concerns and problems with the subsidy can be communicated to the central office. In this sense, field consultants are seen as advocates for local programs, rather than mere disseminators of information. Specifically cited were two instances where the field consultant argued on behalf of local agencies in resolving budgetary problems they were having with the central office.

There are beginnings of some strains in the general state and local harmony that has prevailed to date. By far, the most contentious issue is the imminence of state minimum standards for evaluating the performance of local programs. The prospect of standards has engendered hostility among officials at the local level, despite the involvement of county officials and service providers on five standards-drafting task forces. Concern not only about the concept of uniform statewide standards but also regarding the specific content of several of them has been expressed during public hearings now in progress around the state. Opponents of the original legislation are now pointing to the proposed standards as confirmation of their original misgivings that state money would ultimately bring state control over local programs.

This attitude lends credence to the observation of one state official who believes that the current hostility toward standards is due, in some measure, to

county complacency about the loose oversight exercised by the state over local programs thus far. As matters have developed, the Community-Based Alternatives Section may, in fact, be a victim of its own tactical reasons for deferring the development of standards. At the outset of the subsidy, it was decided that in the interest of maintaining the political good will of counties and demonstrating program success to the legislature, performance standards would be developed and implemented after the subsidy was more solidly grounded politically.

The Community-Based Alternatives Section now appears to be at a crossroads in state and local relationships. It is now facing the common policy challenge surrounding intergovernmental relations of the need to ensure uniform standards of program quality without stifling effective service delivery with excessive state controls, bureaucracy, and government-imposed red tape. The next fiscal year will tell much about how those intergovernmental policy trade-offs are resolved.

Opposition to the subsidy also continues from that small minority of legislators, county officials, and juvenile court judges who initially objected that it was too costly for local governments or disagreed with the philosophy of deinstitutionalization. While this segment of opposition will likely persist, it appears to be too small and disorganized to threaten continuation of the subsidy.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY


The consensus of opinion, at both the state and local levels, was that the Community-Based Alternatives Program represents an important reform in the juvenile justice system. The availability of these funds provided an important tool in the state's efforts to prevent inappropriate institutionalization of youth, particularly those in the status offender category. By emphasizing decentralized decisionmaking through established governmental structures, a strong political base for the state's deinstitutionalization policy has been built by the subsidy. As a result of its popularity, the concept of deinstitutionalization has become "institutionalized."

In terms of program impact, the contribution of the subsidy to reducing training school populations has been regarded as its most important achievement. While youth populations were already beginning to drop at the time of the subsidy's inception, the process was accelerated considerably by the expansion of community-based programming. The accelerated pace of deinstitutionalization, however, did not exceed local ability to develop alternative programs and community political tolerance, according to one view. This person contrasted the approach taken to deinstitutionalization in North Carolina with Massachusetts' experience in the early 1970s, where youth in training schools were released almost all at once, without the opportunity to prepare local communities or to develop sufficient alternatives.

The subsidy funds have been responsible, too, for the highly regarded school-related programs, with reductions in absenteeism and school expulsions attributed to those programs. A less tangible benefit is the greater community awareness of youth needs stimulated through the county interagency task forces. Better coordination of service delivery has also been a product of these task forces. However, the interagency task forces were faulted by one respondent. While concurring that new initiatives had been stimulated, the structure and composition of task forces may well discriminate against new projects and favor continuing present programs. This same bias could also serve to diminish the rigor and objectivity of program evaluations.

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NORTH CAROLINA PREVOCATIONAL EDUCATION AND EXTENDED SCHOOL DAY PROGRAMS SUBSIDIES

BACKGROUND AND ACKNOWLEDGMENTS

Because North Carolina is one of only eight states with specific state efforts directed toward delinquency prevention through local public schools, it was chosen as a case study state. Its three state subsidy programs and participation in eight federal grants-in-aid in all five of this study's categories gave evidence of a great deal of diversity and a strong pattern of intergovernmental activity.

A site visit was made to North Carolina in March 1980, and interviews were conducted in Raleigh (Wake County), Wilkesboro (Wilkes County), and Charlotte (Mecklenburg County).

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

State Legislators

Representative Jo Graham Foster, North Carolina House of Representatives, Raleigh
Senator Dallas Allford, North Carolina Senate, Raleigh

State Administrators

Department of Public Instruction

Nurham O. Warwick, Director, Extended School Day Programs, Instructional Services Area
Dr. Cliff Belcher, Director, Division of Vocational Education
Tom Stevens, Coordinator, Prevocational Education Program, Division of Vocational Education
Bryant A. Lindsey, Research Consultant, Division of Vocational Education
Barbara Carraway, Consultant, Planning and Program Improvement, Division of Vocational Education

Local Administrators and Service Providers

Lois Clements, Principal, Central Wake Optional High School
Kay Foley, Vocational Coordinator, Wake County School System
Julia Mobley, Director, Wake County School System
William Ford, County Finance Grants Coordinator, Mecklenburg County
Betty Standish, Curriculum Specialist, Department of Vocational Education, Mecklenburg County School System

Caroline Durall, Former Extended School Day Coordinator, Mecklenburg County School System
E. V. Dacones, Director, Wilkes County Vocational Center
Gene Canter, Director, Wilkes County Extended School Day Program
Gene Eller, Extended School Day Site Coordinator, Wilkes County School System

A number of activities in North Carolina are indicative of the state's interest in mobilizing delinquency prevention efforts through the public school system. One such activity was a conference called by the governor in 1978 on the Role of the Schools in Dealing with Status Offenders and Delinquency Prevention. The conference report reflected the opinion that public schools are potentially the most effective tool in preventing juvenile delinquency. Whether or not schools accept responsibility for the behavioral tendencies and emotional adjustment of pupils, it was observed, they exercise a significant amount of influence in the development of a student's habits, character, motivation, and self-concept.

A number of school-based efforts toward delinquency prevention are already under way in North Carolina, and others have been recommended. Approaches suggested included increasing the number of counselors and teachers to offer students more opportunities for individualized attention, incorporating into the middle grades' curricula instruction on juvenile law, hiring professional attendance monitors, holding parents accountable for their child's truancy, and evaluating and replicating especially effective alternative school programs.

Many alternative school programs are funded by the Community-Based Alternatives Program administered by the Division of Youth Services in the Department of Human Services. However, two programs targeted at school dropouts are the Prevocational Education Program and the Extended School Day Program, administered by the Department of Public Instruction. More specifically, the former program is administered by the Division of Vocational Education and the latter by a director in the Instructional Services area.

In 1979, state funds for these two programs were distributed by somewhat different formulas. A State Board of Education decision early in 1980, however, eliminated line-item appropriations for the Extended School Day Subsidy. A similar decision had affected the Prevocational Education Programs Subsidy in 1978. Instead, local education agencies can now choose to support or not support these programs out of their general allocations for public instruction. More discussion about this policy is provided in the following narrative.

ORGANIZATIONAL CONTEXT

Policies for vocational education are developed by the State Board of Education, which is legally empowered by the legislature to receive federal Vocational Education Act funds. Assisting the board in formulating plans for vocational education is the State Advisory Council on Education. This body was formerly known as the State Advisory Council on Vocational Education and, while its role

has been expanded to deal with a broader range of issues, the focus remains largely on vocational education. The 21 members represent business as well as education. Their activities are coordinated with the North Carolina Employment and Training Council.

The Department of Public Instruction and its Superintendent are charged with the administration of elementary and secondary education in North Carolina. Vocational education is administered through the department's Division of Vocational Education. The division has a state-level administrator for the Prevocational Education Program.

The Extended School Day Program was started by the Division of Vocational Education with a combination of state, federal and local funds. The program remained under the administration of the Division of Vocational Education for about five years until 1975. At that time, the overall administration, direction, and supervision was provided from the general staff of the Instructional Services Area. A state director was named and given overall responsibilities for providing leadership and direction. Since the shift in the Extended School Day program's administration in 1975 to the Instructional Services Area, the Division of Vocational Education provides direct support only for that portion of the program which is vocationally oriented and which provides vocational instruction. Figure 1 illustrates the relation of administrative sections relevant to the Extended School Day and Prevocational Education Programs.

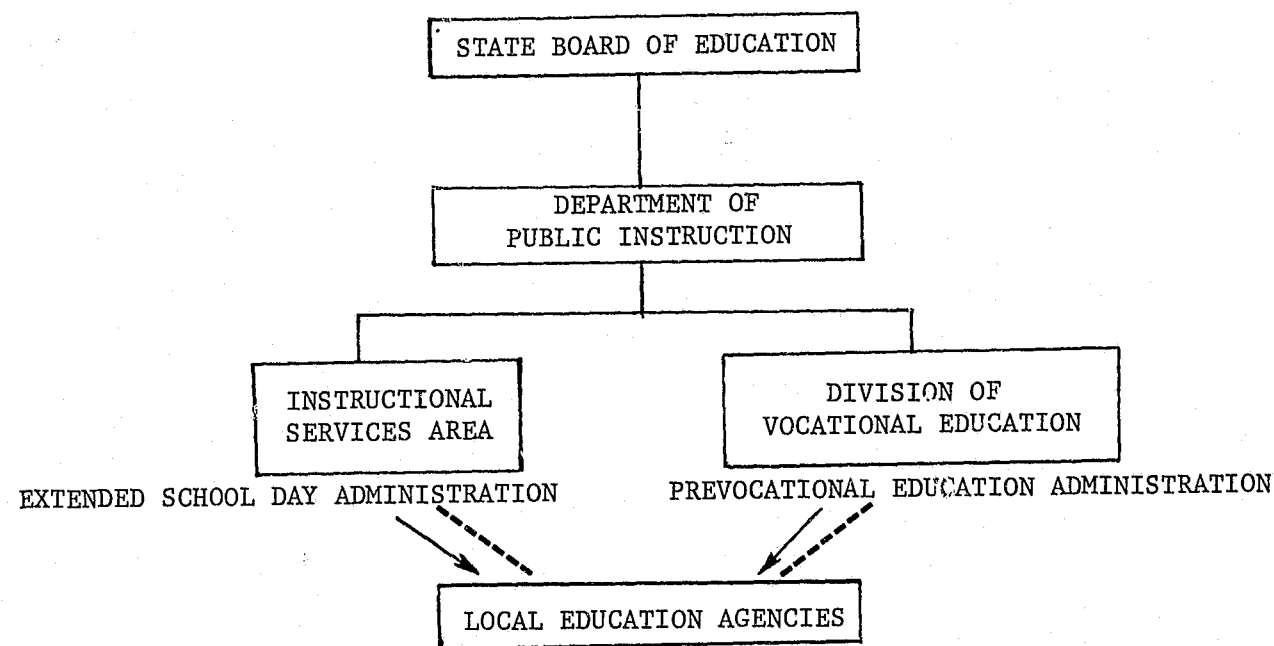
Even though public schools are heavily state funded, administration is the responsibility of local education agencies (LEAs). Because both counties and municipalities can be designated as local education agencies, there are 145 school districts for the 100 counties in North Carolina. Recently, the Department of Public Instruction divided the state into eight regions (which do not coincide geographically with the 17 regions designated by the state for administration of social services). Vocational education coordinators are assigned to each of the eight regional offices, and local directors of vocational education work as consultants to the schools and local education agencies.

Participation in the federal Vocational Education Act requires the formation of local advisory councils. Representatives from business, industry, and labor are convened to inform local boards of current job needs and about the relevance of programs offered in the schools for employment.

In addition to offering extended school day and prevocational education programs with state funds, LEAs are encouraged to establish other approaches to public education to meet the needs of their communities. Accordingly, some school boards have used local monies or funds from the state Community-Based Alternatives Program to provide educational opportunities for students who are not functioning well in traditional schools. These students may have volunteered for placement in alternative schools or may have been suspended, expelled, or referred by a juvenile court.

In cases where local education agencies wish to support alternative schools with state funds from the Community-Based Alternatives Program, an application must be approved by the county youth services task force, the county commissioners, and by the Division of Youth Services in the Department of Human Services.

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO NORTH CAROLINA'S EXTENDED SCHOOL DAY AND PREVOCATIONAL EDUCATION PROGRAM SUBSIDIES



Political and Legislative History

The foundations of the Prevocational Education and Extended School Day Programs Subsidies coincided with the early development of vocational education in North Carolina. The first vocational education programs concentrated on home economics and agriculture, and were offered only to students in the ninth and tenth grades. A public school curriculum study, conducted in the late 1950s, recommended that programs in agriculture should place less emphasis on production farming and more on various agricultural service occupations. Further, the suggestion that students needed an opportunity to explore many occupations served as the seed for the prevocational curricula. In the summer of 1960, a group of teachers developed a course of study to introduce students to a variety of agricultural occupations. After offering the course the following year, many teachers found the results to be encouraging and felt that all students should be given the opportunity to be introduced to a variety of occupations, not just those in agriculture.

During this same period, the legislature, governor, and Department of Public Instruction had become very concerned about the high dropout rate in North Carolina's schools, which reportedly approached a 50 percent fall-off in attendance between ninth and 12th grades. In considering ways to encourage students to remain in school, attention turned toward a proposal to demonstrate to students, while still in the middle grades, the relevance of their secondary education to eventual success in jobs and careers. A course entitled "Introduction to Vocations" was made available as an elective for ninth graders to inform them of possible career options, as well as the academic and vocational skills they would need to master their secondary education.

Authorization and funding for vocational education in North Carolina was provided in the state's Clark-Long Bill of 1963, the same year that Congress passed the Vocational Education Act. It was from a \$1.5 million appropriation to this bill that Prevocational Education was begun on an experimental basis. Part of these funds enabled 45 teachers to offer the "Introduction to Vocations" course to over 2,000 students.

In the late 1960s, a study commission was appointed by the governor involving nearly 1,000 state and local administrators, teachers, parents, and students, to examine public education in North Carolina once again. Among other recommendations, this group pressed to afford students in the sixth, seventh, and eighth grades the opportunity to explore career options and to be apprised of the skills they would need. The directors of the Division of General Education and of Vocational Education summoned a task force to study the types of occupational directions that would be appropriate for students at middle-grade levels.

Recommendations of the task force resulted in the development of a curriculum for middle schools called "Occupational Explorations." It was emphasized by the task force, and later in a formal policy by the State Board of Education, that the course's activities should, first of all, stimulate the performance of typical job tasks, allowing students to see the relationship between the tasks and job requirements. Second, the activities should enhance skills that could be developed at the secondary or even postsecondary educational levels. Finally, students were to be provided with information which would permit them to appraise current and future educational opportunities in relation to requirements for jobs of interest to them. The governor, legislators, and educational administrators referred to the program as "hands-on job experience" and "exposure to the real world of work" in the hope that students, while still in junior high school, could be persuaded to remain in school past age 16, the legal age for withdrawal.

The 1969 session of the General Assembly ratified S.B. 563, which provided a program of vocational education in the middle grades of the public school system. The text of the legislation began by noting, once again, the serious dropout problem and observing that the middle school years are the most crucial period for taking corrective action. In the interest of offering students more opportunities for appraisal of their abilities and interests, as well as in helping them to explore vocations available in their own communities, the act charged the State Board of Education, upon the recommendation of the Superintendent of Public Instruction, to develop a prevocational and industrially oriented "practical arts program" for the middle grades. The program of instruction was to be interwoven into the curriculum and was required to provide a thorough

introduction to the world of work. The program's statewide appropriation amounted to \$3 million. With this formal initiation, the Prevocational Education Program has remained in existence since 1969.

In 1970, concern for those students who had already left school, as well as a need to cope with increasing racial tensions, led local administrators in Wilmington, North Carolina, to seek special funding from the state for alternative educational opportunities. In response, the State Board of Education made available special project funds to allow the Wilmington schools to extend their hours of instruction into the evening, in the hope that students who had left school to work or to raise families could return to classes offered later in the day. In addition to making school hours more convenient for working students, instruction during the extended school hours was made more specialized and tailored to suit individual needs. Satisfaction with the project in Wilmington prompted the State Board of Education to extend the special funding to over 20 school districts for the 1973-74 school year.

A legislative committee on dropouts was organized in 1974. The Extended School Day Program captured the committee's interest and in 1975, funds were earmarked by the North Carolina General Assembly to be used by any local education agency wishing to apply.

By the end of 1979, over one-half of North Carolina's 145 local education agencies offered extended school day programs. At the same time, superintendents in the remaining areas were not supportive of the special funding for the traditional curriculum. They felt that greater flexibility for local options was needed. In part, they objected to support for an effort as specialized as the Extended School Day Program which serves, proportionately, a very small population. Their arguments apparently influenced the State Board of Education. In 1980, the board decided that funds would not be earmarked for the Extended School Day Program, but that the money would be used to increase overall public school support. A similar decision regarding prevocational education programs had been made in 1978. Local education agencies were encouraged to broaden into program areas, as needed, using their state allocations. The more specific intention of superintendents was to establish comprehensive high schools.

Some observers think that this policy change will promote expansion of special programs like prevocational education and extended school day, but members of the North Carolina Extended School Day Association believe otherwise. The association was established four years ago to provide a forum for over 500 teachers, counselors, and administrators involved in the Extended School Day Program. One of its stated purposes is to provide a unified political voice and as such, a legislative action committee which monitors policies proposed in Raleigh. At a public hearing held early in 1980, the association supported the comprehensive high school concept, but objected to the State Board of Education's decision not to designate funds especially for the Extended School Day Program. The association felt that the withdrawal of official state support to programs for dropouts would give local education agencies sufficient reason to discontinue the programs altogether. As evidence, the association pointed to the areas of the state still lacking programs for dropouts and to the erosion of support from the Department of Public Instruction. They identified the decrease in consultant services for developing extended day programs as evidence of a loss in state support. Further, the association predicted the loss of funds for special

training, transportation, counseling, job placement activities and, maybe, even the loss of dropout programs altogether.

The association's proposal was that, in the absence of an alternative plan by the Department of Public Instruction for services to dropouts, the specifically earmarked funds for the Extended School Day Program should not only continue but should also be expanded to make these efforts even more comprehensive. Currently, however, there is no indication that the State Board of Education has any intention of changing its recently adopted policy. State legislators and administrators felt that these dropout programs would continue to attract great public interest and that the Extended School Day Program, having become a well-established concept, would be sustained and probably even expanded.

The concerns of the North Carolina Extended School Day Association might have been premature. As the result of a study conducted by the Legislative Research Commission for the Committee on Public School Dropouts, recommendations sent by the legislature to the State Board of Education included a proposal to appropriate \$3.4 million for adding 84 extended school day programs, enabling each local education agency to have at least one program. The State Board of Education's response is not yet known.

OBJECTIVES OF THE SUBSIDIES

Stated formally in legislation and departmental policies, the ultimate goal of the Prevocational Education and Extended School Day Programs is to reduce the number of students leaving school prior to receiving high school diplomas. As mentioned previously, the Prevocational Education Program's approach to meeting its goal is through introducing middle-grade students to career options to demonstrate the relevance of secondary education to successfully earning a living. The Extended School Day Program, on the other hand, offers an alternative to meeting basic requirements for high school graduation. To attract students who have left school, as well as those inclined to leave, the program offers flexible hours, individualized instruction, and job placement opportunities.

In the course of encouraging middle-school students to consider their future careers, the Prevocational Education Program is designed to allow students to pursue their own interests, abilities, social skills, and positive attitudes toward work. Students are taught to understand the manufacture and distribution of products and services, analyze employment trends, recognize the skills required for various occupations, and solve problems associated with running businesses. Attainment of these objectives is measured for each student according to a competency listing designed for every vocational education course. A student's accomplished competencies become part of a permanent record which can be offered as background to future employers.

The Extended School Day Program is both academically and vocationally oriented. The primary objective, of course, is to enable students to meet the basic requirements for high school graduation. However, that process requires

that other objectives must be pursued by counselors and administrators, such as informing dropouts and potential dropouts about the Extended School Day Program and counseling these students regarding personal matters that may cause their nonattendance.

Accomplishing these objectives is a source of enormous satisfaction to state administrators and legislators. In providing state funds, legislators intended to make these programs available in local school systems throughout the state in the hope that such efforts would reduce the numbers of students leaving school prior to graduation and, subsequently, also reduce North Carolina's unemployment rate.

ALLOCATION OF FUNDS

Three basic funding formulas are combined in various ways to support public education programs at the primary and secondary levels in North Carolina. They are:

- o The public school fund.
- o Occupational education funds.
- o The fund for exceptional children.

The public school fund is fully state supported and allocates to local education agencies one teaching position for every 30 students in average daily membership (ADM). The ADM is based on daily attendance reported for the best three out of the first four months of the school year. Since salaries for teachers are established by the state, LEAs can supplement their salaries from property tax revenues, if desired. A per-student allowance is set aside from state funds for supplies and materials.

Occupational education funds derive from state and federal revenue made available to local school districts, based upon average daily membership in grades seven through 12. Many occupational education programs require local matching funds (from 26 to 32 percent), the level of funding determined by an ability-to-pay formula.

The third fund, for exceptional children, allocates a per-capita amount based on a head count of children determined to be exceptional during the previous school year. These funds are used for the Prevocational Education or Extended School Day Programs only when exceptional children are the direct beneficiaries.

Prevocational Education Program

In 1975, support for the Prevocational Education Program was allocated according to ADM for grades six through nine. Costs were reimbursed at 100 percent for instructional services, supportive personnel, operating expenses, equipment, and materials.

For fiscal 1981, support for the Prevocational Education Program was drawn from a number of occupational education funding categories depending upon the type of program and target population. The state will reimburse 68 to 74 percent of costs, with the match determined according to an ability-to-pay formula, as mentioned previously. Guidance counseling and placement services to economically depressed areas can receive reimbursement for 68 to 74 percent of costs from federal sources. The same is true for prevocational education instruction to basic disadvantaged and basic handicapped students, i.e., that federal funds will reimburse 68 to 74 percent of the costs.

Extended School Day Program

Also in 1975, the funding policy for the Extended School Day Programs urged LEAs to employ existing resources from standard allotments for public school and vocational education funds prior to requesting additional sources from the Department of Public Instruction. The general policy was that each LEA could apply for one special allocation at one additional extended school day program site each year.

After determining existing resources available for an extended school day program, an LEA could request from the State Department of Public Instruction, an allocation for the first year of operation by submitting an application for funding. The application included a description of the proposed program, an outline of operational procedures, the anticipated number of students to be served, and a proposed operating budget. Upon approval by the State Board of Education and within the availability of funds, extended school day programs were allotted one instructional position from the public school fund allocation and ten state months of employment from the occupational education fund allocation for every 30 students projected to be in the program.

A one-time allocation of \$10,000 to \$13,000 in occupational education funds was available for each new site. From these funds, \$8,000 was to be spent for a learning laboratory and \$2,000 to \$5,000 for development and staff travel. The number of students determined whether \$2,000 (30 students), \$3,500 (60 students), or \$5,000 (90 students) would be available.

Continuation of extended school day programs is based upon the public school fund positions and occupational education state months of employment generated through average daily membership in extended school day programs. Even programs with less than 30 students, however, would be guaranteed one public school fund

position and ten occupational education state months of employment. Per-student allocations for materials and supplies were also set aside. Students were counted as members of the extended school day given that was where they spent the major portion of their time. They could, however, be counted only once, either in the conventional program or the alternative one.

As is now the case, LEAs are expected to reimburse 24 to 32 percent of the costs for occupational education support (occupational education state months of employment). In 1975, to ease the financial burden of local education agencies, the State Board of Education made available nonmatching (100 percent) expansion funds from state revenues. These funds were allocated according to average daily membership in grades kindergarten through 12, rather than restricting the formula to the middle or high school grades. When first begun, these monies were primarily intended to maintain or expand extended school day programs; however, they now may also be used for introductory and prevocational education programs, consumer and homemaking programs, guidance counseling, and placement services, and as match for disadvantaged basic and handicapped basic (federal) funds. They may go toward the purchase of nonpersonnel items (e.g., equipment, materials, staff development, and purchase of services), as well as for personnel expenditures.

ADMINISTRATIVE REQUIREMENTS

The administrative requirements for all vocational education programs apply to the Extended School Day and Prevocational Education Programs. Overall planning for vocational education is the responsibility of the State Board of Education which produces a statewide master plan, a five-year plan, and an annual plan for vocational education. The master plan encompasses all activities in secondary vocational education and provides the framework for all of the other plans. The five-year plans and annual plans are compiled in compliance with requirements for federal funding under the Vocational Education Act. Goals and objectives identified in the master plan reflect those of local education agencies.

Local education agencies are also required to develop comprehensive vocational education plans. To assist LEAs in the formulation of goals and objectives, the Division of Vocational Education provides technical assistance, as well as information about federal rules and regulations and State Board of Education policies. It is stressed that these plans be shaped through an organized process involving local advisory councils, also a requirement for the receipt of federal funds. Composition of the local advisory council is explained in a later section, Organizational Structures. As part of the planning process, public hearings are held annually to afford the public the opportunity to express their views and suggest changes in the plan.

Local personnel assigned to these two programs are selected by local boards of education according to certification standards approved by the State Board of Education. Likewise, staff at the state level, who must meet minimum standards prescribed by state board policy, fulfill such functions as administration,

planning, curriculum development, personnel training, and program quality control. In-service training for state and local staff is accomplished through coordinated efforts by the state and local boards of education, community colleges, and other appropriate institutions.

State standards also provide such specifications as program objectives, skill competencies, course sequence, program duration, class size, on-the-job experiences, and other requirements to ensure that local programs are of high quality and coordinated with current employment opportunities. Program audits are conducted by state staff at all local sites at least once a year.

A system of continuing qualitative and quantitative evaluation of all vocational education programs is statutorily required of the state agency. To meet this requirement, 20 percent of the LEAs are reviewed annually. The legislature has also been particularly interested in receiving follow-up information on the activities of students who have been out of school for one year, three years, and five years to determine the effectiveness of their vocational education. The entire in-house evaluation system is just now being assembled, with pilot tests having been conducted early last year.

With the completion of a third-party evaluation recently authorized by the legislature for the Prevocational Education Program, it is expected that more standardization will be given to the curriculum, more sophisticated training approaches will be developed, and more teachers will be certified for prevocational education. Currently, there is a great deal of local variation regarding the offering of either Introduction to Vocations or Occupational Explorations, initiation at the sixth or seventh grade levels, and the ranges of careers explored.

The Extended School Day program is expected to offer the same course offerings in the same number of units as would a conventional high school. The major difference, of course, is the flexibility in time that it offers. Classes may begin at any time during the day and end any time during the evening. Classes may also be taught less than five days a week, offered on Saturdays, and extend into the summer months. Teachers on ten-month contracts, however, must be hired on the same schedule as all ten-month employees, but most extended school day teachers are on 12-month contracts.

The number of teachers employed in each each extended school day program varies from four to approximately 60, including full-time and part-time instructors. The smallest program, which serves approximately 25 students, employs only four or five teachers--one full-time and several part-time instructors. The largest program in the state, which serves approximately 450 students per year, has a core of about 20 full-time instructors and 40 part-time instructors.

The instructional staff is expected to provide programs which will most nearly meet the needs of individuals. The staff is not expected to provide instruction where capabilities do not exist. Neither is the staff expected to provide a full range of subjects at all sites of operation. While certification standards are never relaxed or suspended in the academic areas, in order to provide instruction which meets the vocational and job placement needs of a very diverse population, certification requirements have been relaxed in the

vocational areas. To enlarge the pool of expertise, certification requirements are established by local education agencies for part-time and temporary personnel. These requirements approximate state-established regulations. This allows the local program operators to acquire part-time specialists and counselors as needed.

While it is not required, it is urged that each local board of education appoint a committee to function in an advisory capacity to the program. Suggested membership includes parents, principals, counselors, attendance officers, school psychologists, staff from local agencies, as well as students who have left conventional school. Also strongly advocated is cooperation with state and local agencies, such as social services, mental health, and community centers, in the interest of being able to meet students' social and psychological needs.

Local education agencies have the option to offer classes in the traditional high schools or at other sites. Facilities, materials, supplies, and transportation are to be available to extended school day pupils in the same way that public schools normally provide them.

While state policies guarantee the same considerations for these pupils, in practice, the small number of students involved usually means less than adequate provisions of services. A good example is transportation. A board policy states that transportation shall be provided for extended school day students on the same basis as to students in conventional schools. However, use of buses must not interfere with the refueling schedule for conventional use, and buses must be returned the same night to regular drivers. Further, there are no funds to pay for mechanics or to obtain contract transportation. The result is that most programs do not offer transportation and expect students to get to school on their own.

TYPES AND LEVELS OF SERVICES SUPPORTED
BY THE SUBSIDIES

The Dropout Problem in North Carolina

The estimated annual rate of students leaving high school prior to graduation ranges from five percent to 12 percent across North Carolina's local education agencies. The statewide average is approximately eight percent each year, which means that the proportion of students retained from ninth to 12th grades is about 76 percent. Some retention rates are as low as 58 percent. Table 1 shows these rates, by county. Statisticians from the Department of Public Instruction are reluctant to compare current figures with those in the past because only recently have efforts been made to refine the estimates by carefully accounting for other factors of student losses, such as outmigration, transfers to other public and private schools, changes in the patterns of promoting students, and student deaths. Because it is not known how precisely

other states define and account for student losses, departmental officials advise that no comparisons of North Carolina's dropout rate to outside school systems or to a national average should be made.

TABLE 1. NORTH CAROLINA: DROPOUT RATES FOR 1978-79, BY LOCAL EDUCATION AGENCIES AND BY PERCENTAGE OF AVERAGE DAILY MEMBERSHIP

LEAs with Rates 7.9 Percent and Less ADP		LEAs with Rates 8.0 Percent and Greater ADP	
County LEA	Percent	County LEA	Percent
Anson	7.8	Alamance	8.2
Beaufort	6.8	Alexander	9.6
Bladen	6.7	Alleghany	8.0
Cabarrus	7.9	Ashe	8.2
Catawba	7.9	Avery	9.7
Chowan	7.6	Bertie	8.1
Clay	6.8	Brunswick	10.4
Cleveland	7.9	Buncombe	8.4
Columbus	6.9	Burke	9.8
Cumberland	6.9	Caldwell	10.1
Davidson	6.8	Camden	9.3
Davie	6.0	Carteret	10.6
Duplin	7.9	Caswell	10.5
Forsyth	5.6	Chatham	8.7
Gates	6.0	Cherokee	8.6
Granville	7.7	Craven	8.0
Guilford	6.9	Currituck	8.9
Harnett	7.9	Dare	8.0
Hyde	5.2	Durham	8.3
Jackson	7.9	Edgecombe	8.4
Johnston	6.3	Franklin	9.4
Jones	6.2	Gaston	10.0
Sanford-Lee	5.2	Graham	12.7
Macon	5.7	Greene	11.4
Martin	6.9	Halifax	8.6
New Hanover	7.5	Haywood	8.3
Northampton	6.9	Henderson	8.8
Onslow	6.2	Hertford	8.6
Pender	7.1	Hoke	11.7
Person	7.1	Iredell	9.7
Pitt	6.9	Lenoir	8.5
Rowan	7.4	Lincoln	8.4
Sampson	7.2	Madison	8.3
Stokes	6.4	McDowell	10.2
Swain	5.7	Mecklenburg	8.2
Vance	7.0	Mitchell	10.1

TABLE 1. (Continued)

LEAs with Rates 7.9 Percent and Less ADP		LEAs with Rates 8.0 Percent and Greater ADP	
County LEA	Percent	County LEA	Percent
Wake	7.1	Montgomery	8.1
Warren	6.1	Moore	9.0
Washington	5.8	Nash	9.5
Watauga	6.8	Orange	11.1
Wayne	5.5	Pamlico	9.7
Yadkin	7.4	Pasquotank	11.5
		Perquimans	8.6
		Polk	8.5
		Randolph	10.2
		Richmond	8.3
		Robeson	8.9
		Rockingham	8.6
		Rutherford	9.2
		Scotland	11.0
		Stanly	8.1
		Surry	8.7
		Transylvania	9.6
		Tyrrell	10.7
		Union	9.7
		Wilkes	9.7
		Wilson	8.3
		Yancey	8.0
<u>City LEA</u>	<u>Percent</u>	<u>City LEA</u>	<u>Percent</u>
Burlington	7.0	Albemarle	12.0
Chapel Hill	3.2	Asheboro	8.8
Clinton	7.9	Asheville	8.9
Eden	7.9	Concord	8.2
Elkin	5.3	Durham	14.5
Fayetteville	6.1	Fairmont	11.2
Franklinton	7.7	High Point	10.2
Goldsboro	6.5	Kannapolis	10.5
Greensboro	7.6	Kings Mountain	8.6
Greenville	4.8	Kinston	11.2
Hendersonville	4.6	Lexington	10.4
Hickory	7.5	Madison-Mayodan	8.8
Lumberton	7.7	Maxton	8.8
Mount Airy	6.9	Monroe	9.4
Rocky Mount	7.7	Mooresville	9.0
Saint Pauls	7.8	New Bern	10.9
Salisbury	7.2	Newton	8.2
Shelby	6.3	Red Springs	8.3
Statesville	7.0	Reidsville	9.0
Thomasville	6.3		
Tryon	6.8		
Washington	7.0		

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TABLE 1. (Continued)

LEAs with Rates 7.9 Percent and Less ADP		LEAs with Rates 8.0 Percent and Greater ADP	
County LEA	Percent	City LEA	Percent
		Roanoke Rapids	8.1
		Tarboro	8.7
		Weldon	9.4
		Whiteville	8.8

State Average: 8.0 Percent.

Source: Management Information System, North Carolina Department of Education.

TYPES AND LEVELS OF SERVICES SUPPORTED
BY THE SUBSIDIES

The Dropout Problem in North Carolina

The estimated annual rate of students leaving high school prior to graduation ranges from five percent to 12 percent across North Carolina's local education agencies. The statewide average is approximately eight percent each year, which means that the proportion of students retained from ninth to 12th grades is about 76 percent. Some retention rates are as low as 58 percent. Table 1 shows these rates, by county. Statisticians from the Department of Public Instruction are reluctant to compare current figures with those in the past because only recently have efforts been made to refine the estimates by carefully accounting for other factors of student losses, such as outmigration, transfers to other public and private schools, changes in the patterns of promoting students, and student deaths. Because it is not known how precisely other states define and account for student losses, departmental officials advise that no comparisons of North Carolina's dropout rate to outside school systems or to a national average should be made.

The statistics continue to give state legislators and administrators cause for concern. In a study by the legislative Committee on Public School Dropouts in 1974, the reasons attributed to students leaving school prior to graduation were negative self-image, poor basic skills, irrelevant curriculum, discrepancies in the cultural backgrounds of teachers and students, and teachers lacking the skills to meet a broad range of student needs. More recently, a survey by the Division of State Budget and Management, Department of

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Administration, found the need for employment, family problems, pregnancy, and lack of interest in school to be fundamental factors. In 1979, the Legislative Research Commission was statutorily authorized to further study the problem of school dropouts. Its efforts, to date, have included preparing a summary of problems identified by representatives of organizations dealing with children. Their observations affirm those made earlier and include discussions of peer and family characteristics which might be causal factors.

A variety of recommendations has been made by all groups studying the problem, and many of them are currently being implemented. The Prevocational Education and Extended School Day Programs, however, continue to be seen as effective approaches to meeting the needs of students likely to leave school. More about their respective characteristics follow.

Prevocational Education Program

The first prevocational education course, Introduction to Vocations, was offered in 1963 as an elective to provide ninth graders with information and experiences that would assist them in choosing careers. It was designed to be taught during the school year by a single teacher in a regular classroom setting. Introduction to Vocations explores eight career categories defined by the U.S. Department of Labor.

The success of Introduction to Vocations led the governor and state legislators to press for an expanded program, resulting in a more elaborate course called "Occupational Explorations," which was developed to span the seventh through ninth grades. In the interest of providing students with simulated work experiences, laboratories were set up for environmental, service, industrial, and business occupations. All students participate in the program for one semester in the seventh grade, where seven of the 15 job clusters are explored; for one semester in the eighth grade, to cover the remaining eight clusters; and for one full year in the ninth grade, to receive intensive counseling to permit more in-depth discovery in four areas of a student's choice.

Although the program appears to be highly structured, it allows for a great deal of local discretion. Indeed, one criticism of the curriculum pronounced by principals was that it was not sufficiently standardized to give clear guidance to teachers regarding its appropriate content. It is suspected that some systems may not have offered the course for this reason. The Division of Vocational Education has made a concerted effort to redefine the curriculum but still allow for local variations. One variation in Wake County takes a liberal arts approach by augmenting the career laboratories with special sections for art, music, health, and foreign language.

The Introduction to Vocations program is still offered extensively, despite the coexistence of the Occupational Explorations course. Reasons offered were that its relative simplicity, longer history, and familiarity to local schools continue to make it desirable.

The original appropriation to the Prevocational Education Program in Fiscal 1970 was \$3 million. By 1973, nearly 25,000 students were participating in 264 schools. The number of teachers at this time had grown from the 45 who first taught the program to over 200.

By 1974, the Occupational Explorations course had been developed and was even more widely adopted by local school systems. During the 1978-79 school year, nearly 1,000 teachers and 96,000 students were involved. The enrollment for Introduction to Vocations courses, however, had dropped to 7,500, reflecting preferences for the more elaborate Occupational Explorations curriculum.

Despite the present level of student participation and impressive growth rate since the inception of the Prevocational Education Program, the 103,500 students involved represent only somewhat over one-half (55 percent) of total enrollments in North Carolina's middle grades. State administrators believe, however, that interest will continue to increase and, even though funds are no longer specifically earmarked for prevocational education programs, its popularity will guarantee expansion.

It is difficult to determine whether the availability of prevocational education programs has decreased the number of students who eventually drop out from high school. Only recently have statistics been consistently kept as to why students are withdrawing from school. This year, however, the legislature approved funds for a third-party evaluation of the Prevocational Education Program. State administrators hope to determine the relevance of the curriculum, as well as its potential impact on persuading students to remain in school.

Intuitively, state and local officials feel that the program has made a difference, not only in retaining students, but also in encouraging them to seek skills for productive careers. These results, they reason, will naturally decrease youth involvement with the criminal justice system and, accordingly, the number of juveniles that the state would be required to handle were no such local services available.

The Extended School Day Program

The Extended School Day Program is designed to more directly meet the needs of students compelled to leave school. Local schools may decide when to begin classes, with some starting as early as 1:00 p.m. and extending until 8:00 p.m. Classes may be offered daily or every two to three days a week, as long as minimum requirements are met.

The Extended School Day Program was established to provide educational opportunities for students who could not participate in regular school, which generally operates between 8:00 a.m. and 3:00 p.m., Monday through Friday. It is designed as an extension of the regular public school and is intended to serve students who, for economic, psychological, academic, and various other reasons, could not respond in a positive way to programs offered in the

conventional manner and during conventional times. Many are served who have health, personal, family, and school-related problems, as well as financial difficulties.

Characteristics of the population served include students who are: working, parents, pregnant, economically disadvantaged, poorly motivated; or have poor attendance, poor self-concepts, deficient basic skills, histories of substance abuse, emotional problems, and physical problems.

Realizing that some students have learning problems, the teachers are trained to give individualized attention to students. While the progression of material is adapted to varying rates of comprehension, students are expected to reach minimum levels of competency in basic academic skills. A great deal of emphasis is placed on providing opportunities for students to achieve some degree of success. Difficulties experienced with academic skills may be balanced by chances to demonstrate proficiencies in vocational skills.

A third accommodation entails efforts directed toward finding work for unemployed students. The vocational elements of the program play an important part in meeting this objective, as do cooperative activities with state and local manpower agencies. As will be discussed in the next section, \$3 million in balance of state monies from the Comprehensive Employment and Training Act (CETA) was allocated for use in rural extended school day programs, and urban programs are urged to approach their own CETA prime sponsors for support. Some LEAs have full-time or part-time placement counselors working for the program.

Counseling of all types is another major part of the program. Frustrations with family, peers, and traditional approaches to education are often factors which compel students to abandon school. More ambitious extended school day programs may hire special counselors and develop linkages with community agencies which normally deal with problems typical to these students. One program held weekly sessions at various agencies to acquaint staff and students with one another.

Despite the special interest and funding it has received from the state, the Extended School Day Program has had its problems. The original funding has been spread thinly across the 74 participating local education agencies. School systems are urged to use local monies and available resources to the extent possible before applying for state funds. There, however, tends to be a reluctance to open school libraries after hours, to share instructional equipment, or even to extend the hours for heating and lighting the buildings. One program decided to routinely use the public library as classroom space to avoid these conflicts.

While state policy affirms the availability of transportation to extended school day students on the same basis as it applies to students in the conventional program, it is not observed in practice. The very small number of students involved from largely divergent geographical areas makes transportation costs for most systems prohibitive. Because classes are usually offered in only one to three schools in a community, most students are required to seek their own transportation. While some students own cars and efforts are made to pool riders, it is unknown how many students have been unable to participate due to lack of transportation.

During the first five years of operation, administering the program under the Division of Vocational Education caused some difficulties. The academic portion of the program was clearly not the responsibility of the Division of Vocational Education. Academic instruction was provided by the general staff. Supervision of the academic portion of the program came from both vocational and general staff personnel. Frequently, academicians felt that vocational educators were trying to tell them how to design and operate a program in the academic area. This is one of the reasons why general overall administration of the program was placed in 1975 in the general administration and supervision area of the Department of Public Instruction (Instructional Services Area). The arrangement has proven to be very successful. Personnel within the Department of Public Instruction who are charged with responsibilities in academic, counseling, and other pupil personnel service areas provide services across the state during afternoon and evening hours the same as during regular school hours. This approach is also encouraged at the local education agency level.

In the ten years of its existence, the Extended School Day Program has grown enormously from the first site in Wilmington in 1970. In 1973, state project funds supported 23 programs. When the funding was changed from project grants to formula allocations in 1975, a total of 54 programs were in existence. Two years later, the number had increased to 63 and, as of November 1979, a total of 91 projects were in operation in 74 local education agencies.

The enrollment in extended school day programs totaled over 10,000 students. Since its inception, it is estimated that between 8,000 and 10,000 students have graduated. Proponents of the program are quick to observe that these students would probably not have obtained high school diplomas without the opportunity provided by the Extended School Day Program. Their assertions, however, are countered by those who point to the GED program offered through the community college system. This program, too, allows students who have withdrawn from high school to meet the requirements for a diploma. Courses are taught on the campuses of community colleges located throughout the state, but are not available in every municipality. Advocates of the Extended School Day Program contend that the proximity and familiarity of locations in students' own towns provide greater incentive for attendance.

Students are informed of the program upon giving notice to withdraw from conventional schools or after prolonged truancies. From then on, they are actively recruited by local coordinators who often call, write, and make personal visits to the students. It is not known how many students can be coaxed into returning, but of those who do return, it remains a struggle to maintain the interest of individuals who have already left school at least once. The dropout rate among extended school day students averages about 40 percent. When measuring the program in terms of those who stay, however, the 60 percent retention rate stands out as being significantly higher than similar programs across the nation with average success rates of 35 percent.

Like prevocational education programs, the extension of extended school day programs to 74 local systems has been impressive. However, also like the Prevocational Education Program, this rate of participation represents only 51 percent of North Carolina's local education agencies. This figure would be less disturbing if nonparticipating school districts were those with lower dropout rates. This, however, is not the case. The average dropout rate for

nonparticipating school districts is approximately equal to the statewide figure, which has caused state legislators so much concern.

As discussed previously, there are conflicting beliefs whether curtailing line-item funding for the Extended School Day Program will lead to its demise or possible expansion, since local school districts will be able to shift resources to meet their most critical needs. A measure of the rate of participation in future years may be indicative of whether state incentives are stronger through categorical grants rather than through non earmarked allocations.

Like administrators of the Prevocational Education Program, those in Extended School Day Program intuitively feel that the program's availability has decreased the number of youth who might have become involved in the juvenile justice system. Because no data linking would-be dropouts to possible delinquent behavior have been systematically collected, people interviewed could not draw from such an information base but chose, rather, to highlight individual cases. A number of misdirected juveniles, they felt, have become sufficiently motivated by the Extended School Day Program to go on to post-secondary education or into productive careers.

SOURCES AND LEVELS OF FUNDING

Support for the Prevocational Education Program is allocated through conventional state formulas for allotting public school positions and occupational education states months of employment. As a state-initiated program, it was underwritten entirely with state funds.

The sources of support for the Extended School Day Program have been far more diverse. In fiscal 1979, funds came from all levels of government. The major source of federal funds was the Comprehensive Employment and Training Act, from which \$2 million (23 percent of the total allocation from all sources) was allocated to balance of state areas, designated for the administration of CETA funds to localities not under prime sponsors. Local school districts are encouraged to obtain their own federal funds; so, an additional \$700,000 in CETA funds and \$80,000 from the Law Enforcement Assistance Administration were gained through local efforts. Major state funds came through an earmarked supplement for extended school day fund (\$500,000), the public school fund (\$2.4 million), the occupational education fund (\$2.2 million), and funds for transportation, (\$170,000). As can be seen from the following breakdown (Table 2) most of the total \$8.6 million in support was derived from state sources.

ORGANIZATIONAL STRUCTURES

The administrative structures of the prevocational education and extended school day programs are relatively simple. In prevocational education programs,

TABLE 2. NORTH CAROLINA: EXTENDED SCHOOL DAY PROGRAMS
ESTIMATED STATEWIDE FINANCIAL SUPPORT FOR
FOR FISCAL 1979, BY SOURCE OF FUNDING*

Federal, State, and Local Sources	Amount
State Occupational Education State Months of Employment (1,600 months x \$1,400)	\$2,240,000
State ADM: 10-Month School Fund (159 positions x \$15,245)	2,424,000
State Dropout/Extended School Day Fund	500,000
State Transportation Funds	170,000
CETA (10 Counties, Balance of State)	2,000,000
County- or LEA-Controlled Funds: Local, State, and Federal	
a. LEAA	80,000
b. Vocational	120,000
c. ADM	100,000
d. Federal Grants	100,000
e. CETA Prime Sponsor Grants	300,000
f. Summer Youth Development Grants	150,000
g. CETA Regional Grants in Balance of State	400,000
Total	\$8,584,000

* Source: Instructional Services Area, Department of Public Instruction, Raleigh, North Carolina.

a team of teachers is trained to give prevocational instruction in participating middle schools. Usually, one vocational education teacher is designated as chairperson to coordinate activities for a particular school. From that point, the administration folds into the organizational structure for vocational education programs in general.

Extended school day teachers instruct at sites selected by the local school district. One teacher at each location is chosen to be site coordinator.

Sometimes a site will operate with only a few teachers, one of whom is still referred to as the site coordinator. In areas where there may be several extended school day sites, a citywide coordinator, or principal (as in Wake County), is usually appointed. Other staff may include academic and job placement counselors.

Local policies are determined by local education agencies, superintendents, principals, and other members of the administrative hierarchy. At the same level, major policy is determined by the State Board of Education under advisement of the State Advisory Council on Education.

Recently, federal regulations for receiving funds from the Vocational Education Act have required the establishment of local advisory councils to each local educational agency. Council members are to represent business, industry, consumer interests, and labor. The composition is to reflect demographically proportional numbers of minorities and women. Their counsel concerns current job needs in the area and the relevance of current curricula in meeting the area's employment demands. They are also responsible for assisting in developing the local vocational educational plan and for submitting applications for funding to the state.

As directed by statute, Section 1600 of the State Policy for Vocational Education requires that the Division of Vocational Education maintain effective liaison with other agencies and groups concerned with vocational training and other forms of manpower development. Specifically, the state master plan asserts that:

In carrying out its responsibility for administering all secondary vocational education efforts, the State Board gives special attention to coordinating its efforts with those public/private agencies, institutions, councils, and other organizations which have responsibility for or contribute to labor market needs, development and related activities. Working agreements are to be developed where feasible. The utilization of business, industry, and agricultural representatives in the development of decisions affecting secondary vocational education programs is to be encouraged through special committees, advisory councils and public hearings.

In compliance with these directives, a number of cooperative activities have been initiated. The North Carolina Employment and Training Council is represented on the Vocational Education State Plan Committee and has a formal agreement to work with the State Board of Education. Local vocational educational plans, applications, and accountability reports require assurances that they were developed in consultation with prime sponsors for CETA and, reciprocally, that community action groups receiving CETA funds are to involve local school personnel in planning.

The coordination with CETA has paid off in substantial financial support. In 1978, \$2 million from CETA was allocated to the Extended School Day Program. Additionally, in 1979, 16 local education agencies in balance of state areas each received \$74,000 to conduct education work experiences for a minimum of 240

disadvantaged youth. Other CETA-vocational education projects will link secondary and postsecondary educational systems with the business community. In addition, a staff development effort will train teachers and counselors to work with disadvantaged students.

The linkage with the Governor's Crime Commission has not been as well developed as Division of Vocational Education administrators would desire. In preparing a legislative package for the governor, the importance of vocational education for delinquent and predelinquent youth became apparent to the Commission. The staff directed specific questions to the Division of Vocational Education for a quick response to accommodate a pressing deadline. The nature of the questions, however, indicated a lack of understanding of the Division of Vocational Education's existing efforts in the area. The director of the Division of Vocational Education used the opportunity to inform the Governor's Crime Commission of activities for delinquent and predelinquent youth already under way and to suggest that someone from the division be assigned to work with the Governor's Crime Commission staff in preparation of the legislative package. In the interest of further coordination of efforts, it was also recommended that a representative of secondary vocational education be appointed to the Governor's Crime Commission, and that a conscious effort be made to keep the State Board of Education apprised of developing policies. However, those steps had not been taken prior to the termination of LEAA funding for the Governor's Crime Commission. It is difficult to predict the outcome of this effort to better coordinate planning activities between the agencies.

INTERGOVERNMENTAL RELATIONS

State and local elected officials, as well as state and local vocational educational administrators in North Carolina, appeared to be very supportive of one another. One state representative attributes the close relationship between state and local elected officials to their similar political activities in the interests of largely the same constituencies. Political dissension, it was observed, is more likely to split along urban and rural lines, rather than at state and local levels. Some rural legislators, or "down-easterners," refer to Mecklenburg County, where Charlotte, North Carolina's largest city, is located, as the "State of Mecklenburg." A political tug-of-war is more likely to occur between the conservative rural interests and comparatively more progressive urban interests, a situation similar to that in other states. State legislators are often unsure whether the capital city is the place where state policy is established or where the interests of the largest urban areas can be enacted into law.

The strength and independence of county government in North Carolina, however, should not be underestimated. The success of the implementation of another subsidy in the state, the Community-Based Alternatives Program, is attributed to a conscious effort on the part of state officials to include county commissioners in all key decisions from the program's formulation to its administration. Had this not been done, some observers feel that the program

would have been thwarted, if not totally defeated. The county commissioners' understanding and support of the effort were perceived to be crucial.

This same independence and interest in autonomy is apparent on the part of local school superintendents as well. Their urging resulted in the state's abandoning categorical funding for the Prevocational Education and Extended School Day Programs in favor of allowing local education agencies to use increased funding in general to meet the school district's own priorities.

The statewide bureaucratic structure for vocational education, according to responses of those interviewed, enjoys an appreciably sounder reputation than is frequently reported in other states. In the interest of establishing closer linkages between state government and local education agencies, the Division of Vocational Education works through coordinators in each of the eight regional offices and through local directors for each school district. The intention is to improve communications between the state and local levels, as well as to be able to offer more technical assistance to local administrators and teachers. Although state administrators concede that it is sometimes difficult to always have well-trained personnel in these positions, they feel, in general, that the system operates satisfactorily.

Their impressions are confirmed at the local level. Administrators for both the Prevocational Education and Extended School Day Programs reported that the regional coordinators and local directors knew the programs well and understood and appreciated local problems and needs. Further, they effectively fulfilled promises for technical assistance in providing information about funding sources, exemplary projects, personnel referrals, and methodology for assessing area needs. State staff at the regional and local levels were perceived as dedicated and supportive, and none of the program personnel expressed any desire to see the structure changed.

Local administrators also stated that they have much less difficulty obtaining state funds than they do in getting federal grants. They attribute this situation to a sincere interest on the part of state officials to see that local agencies receive the state funds to which they are entitled. Several local administrators also reported not being the least hesitant to place a personal phone call to a state legislator or administrator. Activities in the capital city were not at all perceived as being aloof or removed from the best interests of communities.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDIES

In accordance with legislation governing vocational education, the state master plan directs the agency to assume primary responsibility for establishing "a system of continuing qualitative and quantitative evaluation of programs, services, and activities." Programs in 20 percent of the local education agencies must be assessed annually. The evaluations include:

follow-up studies of former students of vocational education programs who have been out of school for one year, for three years, and five years to ascertain the effectiveness of instruction.

The evaluation system, however, is currently in a developmental stage. There is, at this point, no systematic information describing the effectiveness of the Prevocational Education and Extended School Day Programs. Nevertheless, some conscious efforts are under way. Early in 1980, the legislature approved funds for a third-party evaluation of the Prevocational Education Program in the interest of determining what elements of the program seem to be working well and what needs to be improved.

In the absence of formal evaluation findings, responses from participants give some indication of the programs' success. State legislators and administrators point to the enthusiastic reception of both programs by local school systems and an absence of serious objections raised about either program. Local administrators, on the other hand, comment that discipline problems have decreased and, intuitively, principals and teachers acknowledge that there are now students graduating who, prior to the availability of these programs, would not have received high school diplomas. Individual successes are frequently cited.

CONCLUSIONS

The North Carolina Prevocational Education and Extended School Day Programs are examples of dropout prevention efforts given impetus from the state level, started on a project basis, and expanded to statewide availability. Through the state's involvement, local autonomy and flexibility have been encouraged. Local school boards enjoy the exercise of discretion resulting from the State Board of Education's decision to allow districts to use public school formula funds for locally selected programs.


State funding for the Prevocational Education and Extended School Day Programs evolved in a way characteristic of other state funding efforts. Both programs began on an "experimental" project basis with limited demonstration grants awarded, according to a request-for-proposal process, to a few districts. When these districts determined that the concepts were effective, the legislature decided to expand the availability of the programs throughout the state. This was done by increasing the appropriation, by establishing an allocation formula, and by allowing districts to participate by submitting an application rather than a proposal. Because resources were still not sufficient to allow all districts to receive funds, choices among competing districts were made on the basis of need, such as dropout rate compared to the state average.

Both programs have now gone through a third phase in what appears to be an evolutionary development of a state subsidy program. This phase is characterized by merging specific categorical monies into an increased funding formula, and giving local agencies the option to use these funds in the way that

best meets local needs. The only requirements are that local plans be developed and that citizens have the opportunity to comment on local policies and directions. It is understood that established state standards will continue to be observed. The important distinction is that local governments and agencies, rather than the state, are given the initiative to determine how the funds will be used.

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PENNSYLVANIA STATE REIMBURSEMENT TO COUNTIES FOR CHILD WELFARE SERVICES, ACT 148

BACKGROUND AND ACKNOWLEDGMENTS

In February 1980, interviews were conducted in Pennsylvania with individuals directly associated with or interested in Pennsylvania Act 148 of 1976 (P.L. 846, No. 148), which reorganized the funding arrangements to local governments for child welfare services. Consistent with the study's research design, the following communities were selected for on-site interviews: Harrisburg, the state capital in Dauphin County; Philadelphia, the state's largest city, in Philadelphia County; Waynesburg in Greene County, a typical rural county; and Pittsburgh, because of its size and relative importance in the state, in Allegheny County.

Act 148 is the largest state subsidy of its kind in the United States. For this reason alone, it warranted inclusion as a case study. This plan for state subsidization of services for children and youth was designed to completely overhaul the organization of service delivery. Its intent was to shift the emphasis of child welfare service delivery from state institutions to private community-based providers by providing counties with financial incentives. Accordingly, the role of state government became largely that of funder and monitor, rather than service provider.

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Ken Adami, Legislative Staff, Pennsylvania House of Representatives, Harrisburg
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Richard Dario, Executive Director, Legislative Budget and Finance Committee, Pennsylvania General Assembly, Harrisburg
David Savitt, Judge, Court Administrator, Court of Common Pleas, Philadelphia
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Tom Carros, Executive Director, Allegheny County, Children and Youth Services, Pittsburgh
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Rupert Eder, Executive Director, Children and Youth Services of Greene County, Waynesburg
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Local Service Providers

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Ted Levine, Director, Youth Services, Inc., Philadelphia
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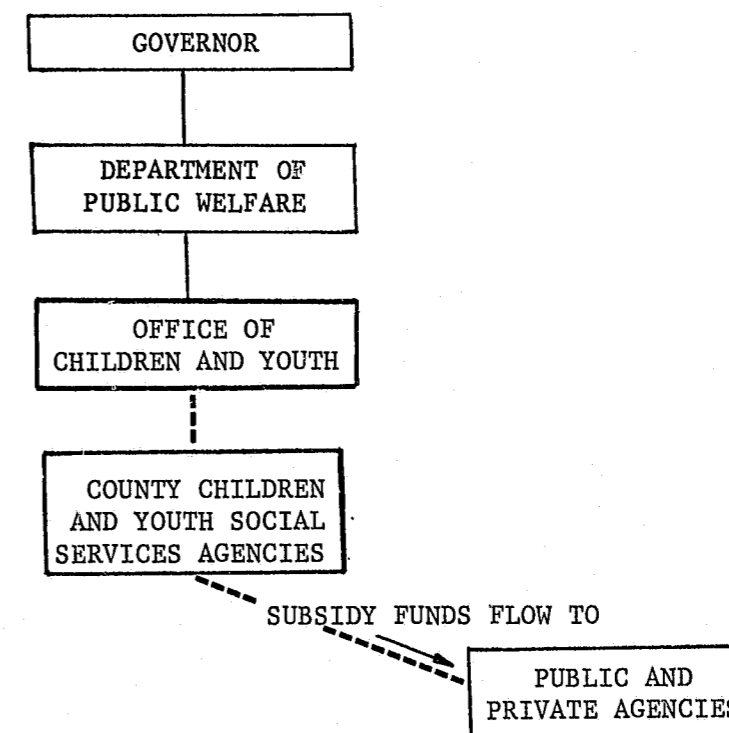
Marion Cassidy, Juvenile Justice Center, Philadelphia
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Richard Moore, Executive Director, Criminal Justice Coordinating Commission, Philadelphia
John Pierce, Director, Pennsylvania Council of Voluntary Child Care Agencies, Harrisburg

ORGANIZATIONAL CONTEXT

Historically, counties in Pennsylvania have had very strong county governments. With few exceptions, notably Philadelphia, which operates under a consolidated city and county government, most counties operate various services under the jurisdiction of a board of elected county commissioners. In some cases, a county executive officer is appointed to serve as the primary administrative official to manage county services. County commissioners also appoint a director of social services for children and youth, who administers Act 148 funds and supervises county-operated programs and purchase of services from local service providers.

The state places shared responsibility with the Department of Public Welfare and each of its 67 counties in providing social services to children in need. The Department of Public Welfare supervises the provision of services statewide by setting standards, monitoring compliance, and reimbursing the costs of approved local services. The Department of Public Welfare also operates juvenile corrections facilities for the placement of adjudicated delinquents, but no longer operates group homes as in the past. (For an illustration of the organizational structure of agencies relevant to the subsidy, see Figure 1.)

FIGURE 1. CHART OF ORGANIZATIONS RELEVANT TO PENNSYLVANIA ACT 148



CONTINUED

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Each county is responsible for assuring that local child welfare services are provided. A single county agency, called the "Children and Youth Social Services Agency," is designated by the county commissioners to either deliver or obtain services from private providers. This agency develops an annual plan and a budget estimate to meet the needs of the local community. The county is reimbursed, based on established percentages for various types of services to children under the age of 18 who are dependent, delinquent, or in need of social services.

Juvenile jurisdiction for delinquents in Pennsylvania is the responsibility of 67 juvenile courts located in local courts of common pleas. As a general rule, juvenile courts operate a range of standardized services such as intake, probation, and detention. Pennsylvania is one of the few states where juvenile courts also have responsibility for aftercare of institutionalized juveniles. In addition, some juvenile courts have developed other specialized services such as volunteer programs, in-home detention, and emergency shelter. Some large jurisdictions, such as Philadelphia, established domestic relations divisions in the court of common pleas to handle problems associated with dependency, child support, neglect, and delinquency. A state Juvenile Court Judges' Commission, consisting of nine juvenile court judges appointed by the governor, assists with the training of juvenile court personnel and provides subsidization to local juvenile courts for their probation services.

When a youth is determined to be delinquent by the county juvenile court, he may be committed to the custody of the Department of Public Welfare for placement in a secure or semisecure institution for a period of up to three years or a period not to exceed the maximum sentence applicable to an adult for the same offense. The Department of Public Welfare supervises six youth development centers and three youth camps.

With the passage of Act 41 in 1977, Pennsylvania removed status offenders (runaways, ungovernable/disobedient, and truant children) from its definition of delinquency. Act 41 prohibits the placement of "dependent" youth, including status offenders, in facilities maintained for delinquent youth, such as detention facilities. The monies from Act 148 became one means to fund services and programs for youth covered by Act 41. Act 148 provides for funds to be distributed to each of the 67 counties by the Office of Children, Youth and Families in the Department of Public Welfare. Counties deliver or purchase services for children and youth.

POLITICAL AND LEGISLATIVE HISTORY

In 1976, prior to Act 148's passage, Pennsylvania was paying over \$100 a day to house a juvenile in state-operated corrections institutions. There was widespread dissatisfaction with the system of state-operated services by many groups associated with child welfare, such as the Pennsylvania Children and Youth Administrators, Inc., Juvenile Justice Center of Pennsylvania, and Pennsylvania Joint Council on the Criminal Justice System. For the previous ten years, delinquency rates and commitments to state juvenile corrections

institutions had steadily risen. Juvenile corrections institutions were crowded and the costs associated with them had been escalating. Many people and groups, including judges, institutional personnel, and some county commissioners, openly expressed their disapproval of the system.

Prior to 1976, the state assumed 100 percent of the cost of institutional care of delinquents. For cases involving delinquents, the only incentives for retaining them locally were found in the provisions of the Juvenile Act of 1972, which required the Department of Public Welfare to reimburse counties for 50 percent of the costs of processing youth in juvenile courts, including the costs of administering summonses, warrants and subpoenas; witness travel; child's transportation, medical examinations, or other expenses associated with the adjudication process. Court-ordered treatment plans were reimbursable if a youth were committed to the legal custody of an agency not operated by the Department of Public Welfare, or placed with individuals other than parents. Meanwhile, the county also received reimbursement up to 60 percent for certain child welfare services provided.

The Juvenile Act of 1972 was subsequently amended to reimburse courts for handling "deprived" children, as well as delinquents. Counties were now guaranteed 50 percent reimbursement for youth handled by the court, whether "delinquent" or "deprived." Many dependent and neglected youth who might not have been processed in juvenile court were now included because the guarantee of 50 percent monies was usually more lucrative to counties than "up to 60 percent" reimbursement, which seldom reached 60 percent. By classifying youth as "deprived" and handling them through juvenile court, the overall case load for the court increased. Instead of solving the problems of providing social services to juveniles, this approach only served to complicate the actual delivery of services.

To find ways to address reform in social services delivery to children in Pennsylvania, the Juvenile Justice Center of Pennsylvania secured funding from the Law Enforcement Assistance Administration in 1976 to draft legislation. The subsequent legislation incorporated funding incentives for counties to develop and improve services to children and to establish more alternatives to institutionalization, especially at the local level. In addition, disincentives, in the form of financial penalties, were included for those counties that would continue to commit children to state institutions. The resulting legislation, S.B. 852, also proposed improving invoicing and data collection procedures, as well as emphasizing community planning and policy development. S.B. 852 required that a single county agency be established as the recipient of these state funds, removing the administration of services for deprived, dependent, neglected, and abused youth from juvenile court jurisdiction.

In a memorandum dated March 22, 1976, to members of the Joint Conference Committee of the legislature considering this legislation, Aldo Colautti, then Executive Deputy Secretary for the Department of Public Welfare, supported the passage of S.B. 852 which, when passed, became known as Act 148:

Senate Bill 852 is a major piece of proposed legislation which represents the Commonwealth's long standing commitment to community-based services to children.

The intent of the legislation is two-fold: to encourage counties to use existing community services and develop additional ones as necessary to meet the service needs of children in the community where they live and to make unnecessary the current practice of "labeling" children delinquent or deprived in order to deliver needed services. The intent of the legislation could be realized through revamping the funding mechanisms through which counties are paid for a portion of their costs of children's services.

The Department initiated the development of this concept in early 1975. Wilbur Hobbs, the former Commissioner of Children and Youth, envisioned the creation of a funding structure of children's services which would enable the Commonwealth to accomplish two objectives which reflect the reasoned thinking of professionals in the field of children's services. The objectives are as follows:

- (1) provide a financial incentive to counties for making community placements for children and to provide a lesser reimbursement for heavy reliance on institutional placements.
- (2) To stop the practice of labeling children either "delinquent" or "deprived" as a prerequisite for securing funding for needed services.

Act 148 was signed into law on July 9, 1976, but its effective date was delayed until January 1, 1978, to permit assistance from citizens groups, child welfare professionals, and local elected officials in developing plans for implementation. The unusually long delay is indicative of the wide disparity of view points on the scope of changes that Act 148 could impose on the child welfare system.

The delayed enforcement provided considerable time to develop regulations which could ultimately reform the entire child welfare delivery system in Pennsylvania. While Act 148 specified changes in the manner of funding services, the Department of Public Welfare interpreted it as mandate to revise the delivery of almost all child welfare services. It does not appear from careful reading of the act that specific language exists for this interpretation, although there was much sentiment for such a reorganization.

A major unresolved issue concerns reimbursement for salaries of juvenile court personnel. Currently, juvenile courts do receive, under Act 148, 50 percent reimbursement for such services to delinquents as detention, secure and nonsecure residential treatment, and the nonpersonnel costs associated with the adjudication process. Juvenile courts are not eligible for any reimbursement under Act 148 for any portion of personnel salaries. However, a state probation development subsidy, which is administered by the Juvenile Court Judges' Commission, reimburses courts for about 12 percent of the salaries of juvenile court personnel, an amount which does not approach the proportion of reimbursement received for child welfare personnel. Under current provisions,

salaries for court services personnel may not be reimbursed, but a private service provider who delivers similar types of services under contractual agreement with a county children and youth social services agency can be reimbursed for services to delinquent and dependent youth.

While the addition of a probation development subsidy to Act 148 is supported by the Juvenile Court Judges' Commission, juvenile court judges, and court staffs, it still faces formidable opposition from the Department of Public Welfare, the Juvenile Justice Center of Pennsylvania, the Pennsylvania Council of Voluntary Child Care Agencies (PCVCCA) and their constituents primarily because it competes with the single-agency administration that the Department of Public Welfare is seeking to have implemented at the local level. The issue at stake is the power which juvenile courts will exercise over the delivery of community services for delinquent and dependent children. To establish a reimbursement provision for juvenile court personnel, H.B. 2080 was introduced in 1979 calling for \$5 million from Act 148 to be allocated to the Juvenile Court Judges' Commission for probation development. After passing in the House Judiciary Committee, the bill failed in the House Appropriations Committee.

The legislation was reintroduced in 1980, but is still pending at the time of this writing. It is opposed by the Department of Public Welfare on the grounds that it establishes a separate track for service delivery and coordination apart from the county children and youth social services agency, diluting the single-agency philosophy. The prognosis for passage is uncertain at this time.

Other proposed changes have focused on the incentive structure established through the subsidy's variable reimbursement rates. In 1980, an increase in support of adoption services from 80 to 90 percent was sought. This change was to be contingent on increases in the overall appropriation for Act 148 and has subsequently been added to the appropriations measure.

In a related move, the Pennsylvania Council of Voluntary Child Care Agencies (PCVCCA) has proposed increasing state reimbursements to 90 percent for in-home day care, such as counseling or homemaker services. This organization has publicly advocated an overall increase of all reimbursements to 75 percent, retaining the 50 percent chargeback to counties for commitments to youth development centers.

Local service providers were most concerned that while community-based services had been encouraged by the legislature through the passage of Act 148, a major hindrance had been left by not changing the zoning laws. Many municipalities still retain zoning codes which require local approval for group homes to operate in residential neighborhoods. Some private service providers feel that without repeal of these regulations through state preemption, continued expansion of community-based facilities will not be possible. To facilitate variances in zoning codes for group homes, S.B. 94 was introduced in 1979 to permit group homes to operate in residential neighborhoods without approval by local governments. The bill passed, but was subsequently recalled because of pressure from local governments.

Three virtually identical bills were introduced in the 1980 legislature to resolve this issue and to provide for the operation of community-based

facilities in residential neighborhoods, H.B. 2111, H.B. 2112, and H.B. 2113. They were introduced and referred to three different committees: Health and Welfare, Local Government, and Urban Affairs, respectively. The strategy was that one or more of these might be passed in committee, making passage by the House, and ultimately the Senate, more likely. The Juvenile Justice Center of Pennsylvania and private service providers actively supported this legislation. The bills were never reported out of committee and subsequently died. According to one interviewee, it's unlikely that these bills will pass in the next session of the legislature either.

One other controversy, although not a direct attempt to revise Act 148, is worth noting. In 1979, five child-care facilities were faced with insolvency as a result of a specific administrative regulation. These facilities had been receiving per diem payments, based on the total cost of child care, including education. However, the Department of Public Welfare ruled that the educational portions of per diem were to be excluded from the computation for Act 148 reimbursement. H.B. 11 was proposed and ultimately passed, over the objections of the Departments of Education and Health, to amend the Public School Code by placing the responsibility for educating children in placement with local boards of education. The net effect was that child care facilities would be eligible for reimbursement of educational costs, but from a supplemental funding source.

Section 914.1A of the Public School Code, "Contracts with Private Residential Rehabilitative Institutions," would give boards of education the power to enter into contracts with private residential rehabilitative institutions for educational services to be provided to children as part of any placement. The actual cost would be borne by the school district of the child's residence and the Departments of Education and Health would reimburse the district. While not directly affecting the administration of Act 148, it came into existence because of the contingent liability provision in the act, requiring that all other sources of funding for which clients would be eligible be used.

Finally, another provision of Act 148 established in addition to the reimbursement grants, special state block grants and additional grants which were to be made available to counties on a proposal basis to assist in the development of new services. Along with this provision was the requirement that the Legislative Budget and Finance Committee monitor and report to the General Assembly by July 1, 1980, on the amount and usage of these "additional" grants. This committee proposed several solutions to the administrative problems experienced by the Department of Public Welfare resulting from the block grant provision. Direct quotes from the report's recommendations, with which the secretary for the Department of Public Welfare concurred are given below:

Report Recommendations

Regarding Act 148 Block Grants

- (1) The Department of Public Welfare should take immediate measures to acquire from the counties the fiscal data needed to compute block grant eligibility and should determine and award such grants to those counties which are found to be eligible. Awards to counties already determined eligible for 1978 block grant awards (Montgomery and Greene) should be made without further delay.
- (2) The Department of Public Welfare should immediately advise each county of its status concerning the block grant program, including an indication of the block grant calculation formula and the fiscal data used to determine each specific county's eligibility or ineligibility for receipt of a block grant. The Department should also fully advise all counties concerning the block grant determination process, including an explanation of the legal opinions effecting eligibility that have recently been rendered by Department of Public Welfare attorneys.
- (3) The Department of Public Welfare should develop a report on the progress of its implementation of the block grant program and submit such a report to the Chairmen and Minority Chairmen of the Senate Public Health and Welfare and House Health and Welfare Committees by October 31, 1980.

Regarding Act 148 Additional Grants

- (1) The Department of Public Welfare should take steps to implement the additional grants program authorized by Act 148, or the Department of Public Welfare should recommend to the General Assembly that the additional grants provision within Act 148 be deleted from law. This decision should be made as soon as possible so that it can be taken into account during development of the Department's FY 1981-82 budget request.
- (2) If the Department of Public Welfare chooses the first alternative suggested above, they should request a specific appropriation of monies from the General Assembly for funding the additional grants program. Monies for the additional grants program, if appropriated, should not be intermingled with other Act 148 State payments. Information on usage of additional grants, including an evaluation of the effectiveness of

funded programs, should be developed annually by the Department of Public Welfare and provided to the Health and Welfare and Appropriations Committees of the House and Senate.

- (3) The Department of Public Welfare should fully inform the counties concerning the current status of the additional grants program; also, the Department should inform the counties concerning their future plans in regard to the program.

For a complete description of the data which support these recommendations, see A Report on Special State Grants to Counties for New Services for Children and Youth Under Act 148 of 1976, Legislative Budget and Finance Committee, Pennsylvania General Assembly, July, 1980. The report not only analyzes "additional grants," but includes the total reimbursement system established by Act 148, the levels of state reimbursements which have been made under this system, and various administrative and management problems which were found to exist with the Department of Public Welfare, and specifically the Office of Children, Youth, and Families, relative to the implementation and administration of the subsidy.

ALLOCATION OF FUNDS AND TYPES AND LEVELS
OF SERVICES SUPPORTED BY THE SUBSIDY

Counties receive both grants and reimbursements. Reimbursements are made for existing services described in the annual plan, or approved revisions, and based on the allowed percentages for services prescribed by law. Grants are provided to counties and individual service providers to assist them in initiating new services for children and youth in accordance with the county plan. A county may provide services directly or through the use of private service providers. Allowable costs cover almost every expense associated with providing approved services.

Reimbursements to counties were statutorily determined to vary according to the services provided. Services traditionally provided to delinquents through juvenile courts were to be reimbursed at 50 percent. All community-based programs were reimbursed at 75 percent. Finally, innovative and prevention services were given the most favorable reimbursement for 90 percent of such costs could be recovered from the Department of Public Welfare. The intent in establishing this kind of variable reimbursement was to induce counties, by using financial incentives, to move away from traditional restrictive models of service delivery toward innovative, less restrictive, community-based programs. The specific services and their rates of reimbursement appear below:

o Fifty Percent Reimbursement

- (1) General Child Care Facility/Facility-Based--costs associated with the care of rehabilitation of dependent or delinquent youth committed by courts to nonsecure residential facilities.
- (2) Juvenile Detention Centers--Costs of short-term secure detention of youth awaiting adjudication or for an adjudicated delinquent awaiting placement.
- (3) Secure Units--Cost of residential secure facility care of delinquent youth.
- (4) Costs Associated with the Adjudication Process--Nonpersonnel costs, like medical examinations and treatment, psychological testing or treatment, protective services, summons, warrants, etc.

o Sixty Percent Reimbursement

Costs of administration for county children and youth social services agencies to cover planning, research, monitoring, coordination, and evaluation.

o Seventy-Five Percent Reimbursement

- (1) Information and Referral Services--Provision of information to an individual and referral to a service provider.
- (2) Service Planning--Arranging and developing needed services for children or their families.
- (3) Counseling and Intervention--For individuals and families to cope with problems.
- (4) Protective Services/Child Abuse--Assistance to an abused child, when costs exceed funds available from Title XX of the Social Security Act.
- (5) Protective Services/General--Assistance to neglected children.
- (6) Homemaker Services--Provision of a trained homemaker when no other responsible person is available.
- (7) Life Skills Education--Education for families to perform daily living, including child care, home management, etc.
- (8) Day Care--Out-of-home care of a child in a day care center.
- (9) Day Treatment--Activities to provide supervision and rehabilitation for dependent or delinquent youth in nonresidential settings, except probation, education, Title XX day care programs, primary health care, or programs for those with mental disabilities.
- (10) Adoption--Costs associated with establishing permanent adoption.
- (11) Foster Family Placement--Costs of placement of a dependent or delinquent child in a substitute family.
- (12) Group Home Placement--Residential care and supervision of up to 12 dependent or delinquent youth in a nonsecure community setting.
- (13) Shelter Care--Cost of emergency placement in nonsecure care for dependent or delinquent youth.

- (14) General Child Care Facility/Community-Based--Cost of care and rehabilitation in a nonsecure residential facility with eight or more dependent or delinquent youth.
- (15) Supervised Independent Living--Supervision and guidance of dependent or delinquent youth living independently.

o Eighty Percent Reimbursement

Adoption subsidies paid to adoptive parents to secure permanent placement for "hard-to-place" children.

o Ninety Percent Reimbursement

Ninety percent of the costs can be paid for shelter care needs in a foster family or group home established after August 3, 1977, (effective date of Act 41) to meet the needs cited by Act 41.

o Grants (Percentage varies up to 90 percent)


In some cases, grants are made by proposal from the single county agency for demonstration programs and innovative services. The reimbursement rate varies depending on many factors, such as whether the service is facility-based or in-home or community, etc.

Under current provisions, each county children and youth social services agency submits a budget estimate for implementing its annual plan to the Department of Public Welfare. The budget can be amended by the state, if it becomes apparent that the cost of the program will actually be substantially greater or less than the budgetary estimate. Until 1980, expenditures were not limited by legislative appropriation or the Department of Public Welfare. Since Act 148 is a reimbursement plan for services rendered, payments were made to cover legitimate demands outlined by the act.

Except for the initial appropriation, which covered only a partial fiscal year, annual costs have exceeded legislative appropriations since the plan was instituted. For example, the legislature appropriated \$75 million for Act 148 for fiscal 1979-80. In mid-year, it was necessary to obtain an additional appropriation of \$26.2 million to cover the costs for the remainder of the year. For fiscal 1980-81, the legislature appropriated \$88.245 million and included language in the appropriations bill stating that "reimbursement shall not exceed the level of state funds appropriated." An additional \$26 million had been requested but was vetoed by the governor. Ultimately, a compromise was reached to provide \$4 million in supplemental funds for a total of \$92.245 million for fiscal 1980-81.

ADMINISTRATIVE REQUIREMENTS

To assist in the development of regulations, the Department of Public Welfare contracted with a private consulting firm, Community Services of



Pennsylvania, Inc., to secure citizen and professional involvement. This agency agreed to convene and coordinate the work of a steering committee and various task forces and to provide the Department of Public Welfare with definitions and recommendations concerning regulations. Its additional tasks consisted of suggesting revisions for the annual plan format, for service delivery improvements, and for devising a schedule for implementation. The Department of Public Welfare supplied consultation and interpretation of departmental policy and secured information and materials as needed.

Over 20 organizations participated in this process, as follows:

- (1) Pennsylvania General Assembly legislative staff representing various committees
- (2) Juvenile Court Judges' Commission
- (3) Governor's Juvenile Justice Commission
- (4) Allegheny County commissioners
- (5) United Way
- (6) Pennsylvania Program for Women and Girl Offenders
- (7) Juvenile Justice Center of Pennsylvania
- (8) Pennsylvania Council of Churches
- (9) City of Philadelphia
- (10) Pennsylvania Association of Child Welfare Administrators
- (11) National Council of Jewish Women
- (12) Pennsylvania Catholic Conference
- (13) Pennsylvania Association of County Commissioners
- (14) Female Offenders Program of Western Pennsylvania
- (15) Pennsylvania Association of Probation, Parole and Correction
- (16) State Conference of Trial Judges
- (17) Pennsylvania Board of Public Welfare
- (18) Office of Youth Service and Correctional Education
- (19) Governor's Council on Drug and Alcohol Abuse
- (20) Pennsylvania Council of Voluntary Child Care Agencies
- (21) Pennsylvania Chiefs of Police Association
- (22) Various citizens at large

Between January and July 1977, the steering committee and five task forces met biweekly with representatives from Community Services of Pennsylvania and the Department of Public Welfare to draft regulations. In August 1977, a final report with recommendations was sent to the Department of Public Welfare, from which the staff began to draft the initial sets of regulations required by Act 148. The five areas described were:

- o Administration of the county children and youth social service programs.
- o State financial participation.
- o Grants to counties for new social services.
- o Grants to nonpublic service providers.
- o Allowable costs and procedures.

In November 1977, following the publication of the proposed regulations, public hearings were held in Harrisburg. After these hearings, the Department of Public Welfare made several important modifications to the proposed regulations. Several categories of services were excluded from reimbursement.

The services excluded were reimbursement for juvenile court services, such as intake and probation; treatment costs for mental retardation and mental or physical illness; drug and alcohol abuse; and educational programs. In addition, the definition of the single county agency, described in the following section, was expanded to allow for the participation of youth-serving agencies and to permit the funding of youth service bureaus. The changes were adopted without major problems and became effective December 31, 1978.

Proposed service-based regulations subsequently drafted met with widespread negative reactions from regional public hearings conducted in February 1978. Public comment was solicited on service regulations affecting group homes, community-based facilities, and general child care facilities. The proposals submitted were withdrawn due to the issues raised in public hearings. Although, they have never been fully resolved, the day-to-day operational administration of the act has proceeded in spite of the disagreement over meaning and intent.

Local Administration

One of the most significant provisions of Act 148 was the requirement that local administration be conducted under a single agency, rather than through an array of local agencies, such as courts, schools, county welfare departments, etc. While this may appear to be a relatively benign provision of the act, it served to concentrate the power over services to children into the hands of the county children and youth social service agency, thereby reducing control of other participating agencies. Private nonprofit service providers, to be eligible for funds, must integrate their service plan into the overall county plan. Local and state certification, although not a new phenomenon since these providers had been certified prior to Act 148, now included the added dimension of comprehensive service coordination by the county children and youth social services agency.

Act 148 requires that each county appoint an advisory committee to participate in developing, evaluating, and promoting programs for children and youth. Each committee has between 11 and 25 members appointed by the county commissioners. The committee meets monthly, or at least ten times annually. The duties and responsibilities for the advisory committee are outlined in the regulations. Generally, advisory committees assist in developing the annual county services plan, estimating the budget, and recommending policies and practices for the county children and youth social services agency.

The establishment of local advisory committees, with power to initiate recommendations at their discretion, represents a major refinement in the service system for children in Pennsylvania. The Juvenile Justice Center of Pennsylvania and other citizen advocacy groups have urged the advisory committees to generate public input into policymaking. In 1978, regional conferences were conducted by the Juvenile Justice Center of Pennsylvania in four locations of the state to train local committee members on the mechanics of Act 148, as well as to show committees ways to function more effectively.

Planning

Each local children and youth social services agency is required to submit an annual plan to the Department of Public Welfare, detailing all social services and activities to be provided or purchased from local service providers. The Department of Public Welfare guidelines require that the plan include several different components.

- (1) Needs Assessment and Resource Inventory, to be completed at the end of each three-year period, beginning with 1979. Included are an estimate of the number of children and youth needing social services; order of priority of services; demographics and characteristics of the area; and population to be served, as well as characteristics of the entire area to be served describing specific problems and service gaps.
- (2) Resource Inventory, listing all service agencies in the county and how each will be utilized to meet the needs of children and youth. Included are descriptions of services provided directly by the county, services provided by private nonprofit and profit-making providers and services of other agencies, such as schools, mental health, and police.
- (3) Public Review, which must be documented. The plan must be made available to the general public for review and comment at least 30 days prior to submission. A public hearing is required to comply with state sunshine laws.
- (4) Documentation of Planning Coordination is required.
- (5) Public Input section must list dates, places, attendance, agencies or persons who presented oral or written testimony, and a synopsis of the testimony and resultant changes.
- (6) Service Provision, which lists each social service, goals and objectives, estimated number of clients, and any unresolved problems, with appropriate solutions.
- (7) Organization Structure, which includes agencies' staffing patterns by functional category. This section also involves management policies and practices.

Allowable Costs

Allowable costs cover almost every expense associated with providing approved services. Administrative expenses for programs are allowable, including rent and occupancy expenses, utilities, taxes, supplies, communications, travel, equipment rental, repairs, and maintenance. Also included are a variety of such miscellaneous expenses as recruitment costs, interest paid on loans, auditing, bonding, and insurance. Costs of training of staff, where training is deemed related or necessary for the continuation or improvement of the program, are reimbursable.

A few costs are not allowable:

- (1) Expenditures above the level of state reimbursement rates. The county may fund at any rate that they elect, but if these costs exceed state maximums, the excess is the responsibility of the county.
- (2) Services provided without approval of the Department of Public Welfare.

For each fiscal year, a total of five payments are made to local governments, in January (for the first six months), July, September, December, and March. The final March payment completes the payments due for reimbursement for the previous year, even though a new fiscal year has begun.


SERVICES RECEIVED BY JUVENILES

In 1977, the legislature enacted Act 41, changing runaway, ungovernable/disobedient, and truant youth from "delinquent" to "dependent" categories. These "status offenders" could no longer be commingled with delinquent youth in either local or state facilities and programs. As a result of the statutory redesignation, children under ten years of age could not be declared delinquent under any circumstances, regardless of the offense. No child under 12 years of age could be committed to state institutions for delinquents. Act 41 also prohibited delinquent youth from being detained in adult jails after December 1979.

By nature and association, Act 148 and Act 41 are related. Act 41 was Pennsylvania's response to federal mandates under the Juvenile Justice and Delinquency Prevention Act of 1974 (JJDPA). To be eligible to receive funds from JJDPA, it was necessary to adhere to two of its major provisions, namely the deinstitutionalization of status offenders and their removal or separation in jails and other adult penal facilities. Fortunately, the prior passage of Act 148 enabled counties to deliver or purchase services for this population, thus avoiding one of the most serious obstacles faced by the other states in implementing JJDPA. Unlike many states, Pennsylvania had the financial mechanisms in place to deal with the new arrangements necessary to implement status offender legislation. Act 148 clearly contributed to the political success of advocates for Act 41.

The resulting shelter care programs, while newly funded by Act 148, might not have developed so rapidly without the revisions in the juvenile code through Act 41. By removing status offenders from the delinquency "pool," and thereby eliminating them from the juvenile justice system, several effects were observed:

- (1) Juvenile court case loads were reduced at intake, adjudication, detention, and probation levels.

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- (2) State institutional populations were reduced, but the impact was understandably not as noticeable as on juvenile court services.
 - (3) More children and youth now obtain shelter and rehabilitative services at the community level.
 - (4) More community-based programs were possible, causing the expansion of traditional services, like foster and group homes, as well as the development of new services, like supervised independent living arrangements.

Many other new community-based child welfare programs have been established or expanded. A rapid growth of nonsecure placement facilities and community programs, since the implementation of Act 148 has produced reductions in juvenile institutional populations in general. The reason is clearly due to financial incentives coupled with financial penalties for county commitments to secure state institutions as well as the redesignation of status offenders.

SOURCES AND LEVELS OF FUNDING

The latest revision in Act 148 legislation has had, by far, the most significant and far-reaching impact. As the Department of Public Welfare approached the end of the fiscal year, 1979-80, it became clear that the expenditures for reimbursements to counties would exceed the \$75 million appropriated by the legislature. The Department of Public Welfare sought and received an additional \$26.2 million to fulfill the obligations for the year. According to interviewees, programs had simply grown faster than expected. Act 148 was open-ended in its funding of reimbursable programs. In spite of attempts to estimate costs and to establish budgets for county agencies, demand and inflation had pushed the actual requests beyond appropriations. When the Department of Public Welfare then sought to estimate the 1980-81 appropriations and requested \$88.245 million for Act 148 programs, the legislature, as mentioned previously, attached a provision to the appropriations bill that reimbursement shall not exceed the level of state funds appropriated.

When county plans were submitted to the Department of Public Welfare, the actual amount requested was \$114 million, exceeding the available funds by nearly \$26 million. A request for supplemental funding of \$26 million was submitted but vetoed by the governor. However, an additional \$4 million was approved. The resulting furor had not abated at the time of this writing, for counties would actually be receiving less than 1979-80 levels.

The Pennsylvania Association of County Commissioners has filed suit against the Department of Public Welfare to force restoration of the open-ended funding. The contention is that an amendment to the appropriation bill, not Act 148 itself, does not have the force of law. An injunction to prohibit the implementation of the cut has subsequently been denied. Local sources indicate that the prospect of success in this matter looks very unlikely at this time.

Under a funding arrangement prior to Act 148, the estimated costs to all the counties for services to children was about \$50 million in 1976 and about \$76

million to the state. The state costs included \$51 million for child welfare/juvenile act programs, as well as \$21 million to operate state youth development centers. Under the new arrangement, counties are charged 50 percent of the costs of commitments to youth development centers, rather than the state assuming the full share. The original estimate for post-Act 148 for the first-year costs to counties was \$47 million (including about \$11 million for half of youth development center costs). Under this plan, state costs were estimated at \$75 million, including the share supporting youth development centers. Under either system, the total annual costs for child welfare/juvenile act and youth development center operation reached about \$122 million. The difference is that under Act 148, county costs dropped by about \$3 million and state costs increased by about the same amount. Thus, the actual amount of money spent on services to children in Pennsylvania was to increase only by about 25 percent. The big difference is obviously the additional \$11 million collected from counties for youth development center commitments and returned in the form of reimbursements for community-based programs. Those counties which continued to commit to state institutions obviously were penalized for it in the form of additional county costs.

With the appropriation for Act 148 increasing to \$88.245 million for fiscal 1980-81, and consequent increases in local match, one official estimated that Pennsylvania is spending considerably more for services to children than under the previous arrangement. The financial impact on services to children, however, is very difficult to estimate for it is compounded by the effects of changes in rates of reimbursement for services, the 50 percent chargeback to counties for youth development center commitments, increases in per diems, and the addition of some new programs and the elimination of others.

Per diems for community-based programs have increased because of expanded programming, as well as inflation. For example, one group home operator added in-home family counseling for youth moving from the group home to their natural families. The addition of this service has added a new dimension to the group home operation and has necessarily extended per diem rates beyond actual residential care. While this is clearly more costly, one could also argue that support for family reintegration represents a justifiable increase in the cost of group home care.

Interviewees did not feel that any counties had experienced financial losses due to the new arrangement. Most respondents felt that Act 148 was providing considerably more money to services to children, provided they were community-based. One interviewee said, "It's taken away the local excuse that no money was available for community services and that, therefore, commitments to state-operated programs were necessary."

INTERGOVERNMENTAL RELATIONS

Act 148 has been used by Pennsylvania to shift child welfare responsibilities to the counties. The state and county governments have virtually traded many roles. The responsibility for fiscal planning, recordkeeping, comprehensive

planning, service delivery, and administration now reside primarily with local governments. The state, on the other hand, now transfers funds and monitors programs, rather than provides services.

Priority for state institutions has given way to priority for community-based programs. This shift is viewed as a positive one for programs for children and youth in Pennsylvania. Whereas the state previously funded up to 60 percent of local child welfare services and assumed 100 percent of the costs of committing delinquents to state institutions, the new system offered ascending financial inducements weighted toward nonsecure community programs and negative incentives for commitments to state facilities. Clearly, the transition was due to the passage of both Act 148 and Act 41. Either act, without the other, may have had considerably different outcomes.

Some local officials in the state have expressed strong support for an overall 90 percent subsidy for all child welfare services. A local newspaper quoted the opinion of one county commissioner as follows: "The county can expect to receive more funding for its children and youth services because the state's child welfare allocation increased nearly 20 percent. But even though child welfare allocations are up 20 percent, the total amount doesn't come near providing the 90 percent subsidy that we're looking for." Some local officials also felt that money is flowing to many kinds of services that are not needed and not going where the needs were the greatest. "More court services are needed, but 148 funds do not go into court services," said one county official interviewed.

Several local officials indicated that, while many new procedures had been initiated and new programs had been established, the act's major accomplishment had been to heighten the consciousness of public officials, child advocates and the general citizenry on child welfare issues, rather than reform the delivery of child welfare services in the state. But, local officials also expressed dissatisfaction with the state administration for several reasons. "They are too removed from the local city/county situation to understand the problems," said one local official. When asked to characterize the attitudes of local elected officials toward state administrators, the response was strong: "Antagonism and contempt, lots of broken promises, lies, turnover of top officials." This response was the most extreme expressed, but others indicated that state officials frequently make unreasonable demands upon local officials because they are too removed from local situations to understand them. Act 148 regulations are viewed in some cases as unreasonable and unrealistic because, "instead of listening to local elected officials, especially judges, the legislature and the Department of Public Welfare responded to the pressure from women's groups." The reference was clearly to the coalition of groups which supported passage and implementation of Act 148.

Local service providers were concerned with distinctions made in the reimbursement for out-of-home placements and in-home services. They see the present policy working as a disincentive to keeping children at home. Currently, services to children in their own homes are reimbursed at 75 percent, as are foster home and group home care. Several people interviewed felt that in-home treatment should be reimbursed at 90 percent to encourage these types of placements over other types of out-of-home care currently funded at 75 percent. Perhaps one more reason for this attitude among private service providers is

that, prior to Act 148, most day treatment centers were state operated and thereby funded at 100 percent.

There was also some concern expressed that the state's planning cycle and fiscal year do not uniformly correspond to the ones used by local governments and private agencies. All counties, except the City of Philadelphia, operate on a January-December fiscal year, while the state fiscal year runs July to June. Quarterly payments partially alleviate this situation, but budget preparation, annual planning, and auditing fail to correspond between state and some local governments.

The last concern expressed by both state and local respondents dealt with interagency cooperation. At the state level, concerns were expressed that there is little in the way of lateral cooperation between departments and agencies connected with child welfare and juvenile justice. The Department of Public Welfare, Departments of Education and Health, Governor's Juvenile Justice Commission, and Juvenile Court Judges' Commission frequently hold opposing views on issues, with little evidence that cooperative resolution has been attempted. This condition causes many state and local officials to express frustration that results obtained are not the best attainable or, in some cases, even understandable.

Act 148 offers no incentives, either, for cooperation between local children and youth social services agencies and juvenile courts. For many people interviewed, reimbursing services provided only through local children and youth social services agencies without equal treatment accorded to courts is viewed as a disincentive to cooperation and, in some cases, contributes to overt hostility.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

By establishing an ascending rate of reimbursement for less restrictive programs, it was anticipated that this would impel counties in that direction. In 1979, 41 percent of Act 148 funds went to programs at the 50 percent reimbursement rate. These are funds which support costs of detention and secure and nonsecure residential treatment institutions, the most restrictive programs eligible for reimbursement. That figure will remain around 40 percent for 1980, according to the Department of Public Welfare. Figures for 1979 from the Department of Public Welfare indicate that 54 percent of Act 148 monies went to 75 percent reimbursement rates (services), and five percent for 60 percent reimbursement (administration), and 80 percent reimbursement (adoptions) rates. Similar percentages are projected for 1980.

One interesting aspect of this phenomenon is that these programs cost the counties more than programs for which higher rates of reimbursements are available, because residential institutions are usually the most expensive type of service delivery. At the same time, the county's share of reimbursement is also greater in real dollars, again because of the cost of care. The result is that more money is spent on fewer children.

While Act 148 has not solved all of the problems of the state, it has gone a long way to revolutionize the pattern of service delivery. All persons do not agree that all of the results are desirable, but all do agree that Act 148 has changed the role of government in financing and administering services to children.

One interviewee conceded that these reforms were necessary and no doubt a step in the right direction. However, when he was asked, "Are programs for children any better since Act 148 began?", his response was, "You can legislate more, but not better." However, despite this type of attitude, it can be documented that the state has experienced a shift away from the routine use of state corrections institutions to the use of a broad variety of community-based programs, primarily in nonsecure settings.

It also appears that Act 148 has resulted in more systematic planning for financial and administrative management of services to children. According to several interviewees, the counties now have greater capacities to plan and administer services to children. Act 148 regulations require that counties make better estimates of their actual program expenditures. Quarterly financial reporting and invoicing current expenses provide periodic controls over expenditures. Current procedures allow local and state officials to assess progress on a much more regular basis than the previous system.

The "single-agency" concept has resulted in countywide coordination of services and more formalization of agreements with local private service providers. This arrangement has assisted both public and private sectors to plan more thoroughly and for longer terms, since they are assured financial support for a full year. The single planning agency concept was intended to establish an integrated administrative structure at the county level but, according to several people interviewed, the "mind-set" is still not integrated among the child welfare establishment, the juvenile court, and other public service providers. Nonpublic service providers seem to have adapted to the concept more readily, according to those interviewed. While there was not complete satisfaction with the current arrangement, the overall mood of the responses was positive.

Residual displeasures appear to arise from the removal of responsibility for several community programs, like group homes, from administration of juvenile courts. Consistent with the philosophy of single agency control, courts were denied reimbursement for such programs which they operated, thus forcing the courts to refer children to programs in the county which the courts did not control. Some court personnel interviewed felt that this transfer was "unnecessary," resulted in "undue paperwork," "increased costs," and "didn't really change anything," suggesting that the single-agency concept has not been completely accepted, at least not when the child welfare agency is the administrative hub.

According to some respondents, counties now have "a lot more money for services and they have been able to divert funds previously used for children's services to other types of programs." This may not be a totally accurate perception since some of what was gained in state subsidization is lost in (1) overall increases in total dollars for matching funds and (2) the payment of 50 percent for youth committed to state facilities.

After examining those factors which could be verified, it appears that services for children are receiving much greater support under this plan than under the pre-1976 approach, even though an exact comparison cannot be made. It is clear that more money than ever is being spent for nonsecure, community-based programs, such as independent living and in-home programs.

Admittedly, territorial problems have emerged and some fragmentation has resulted. Interviewees tended to describe services in terms of the Department of Public Welfare's nomenclature. Child welfare services administered by local children and youth social services agencies are known as "social" services. The services of juvenile courts are described as "rehabilitative." The programs for mental health, developmental disabilities, education, and health are generally called "treatment" services. The reality is that no real distinction could be found to exist, resulting in competition for spheres of influence. Agencies which received the greatest percentage of reimbursement for their services appear to be emerging with greater power than they had possessed prior to the passage of the act. Many respondents believed that this fragmentation was caused by the belief, on the part of advocates of Act 148, that courts and mental health agencies should not have been excluded from the comprehensive act, but were unable to resist the political pressure to exclude them. Most interviewees expressed desires for linkages to be reestablished with the "rehabilitative" and "treatment" services. Without major efforts to restore these associations, problems of fragmentation will continue. The mistrust and resentment previously mentioned will only continue to compound the problems of effective service delivery.

The actual impact of the deinstitutionalization of status offenders is difficult to assess. The only measurable impact might be financial. One interviewee felt that about 70 percent of the status offenders in Allegheny County juvenile court had been informally adjusted anyway prior to Act 41's passage. "In 1976, only about 100 youth were officially adjudicated for status offenses--some being referred to children and youth services, some being placed in benign placements, and only three were committed to youth development centers." This would lead one to believe that less money was spent on them than is now being spent for community-based services under Act 148. This interviewee also felt that Act 148 established services in an area which was largely being met under the previous system and, since the current system is more costly, was wasting money on services largely unneeded.

CONCLUDING REMARKS

Act 148 has been one of the most interesting state subsidies examined in this study. Since its relatively recent inception, it has remained dynamic--being periodically modified and inviting constant reexamination. From the passage of the legislation to the current controversy over the ceiling on expenditures, administrators of the act have been confronted with numerous challenges to its philosophy, mechanics and, indeed, to its very reason for existence. Serious questions still remain unresolved, the outcome of which will affect the future of child welfare service delivery in Pennsylvania for decades.

Will the single-agency concept for coordination and delivery of services to children and youth prevail? The current and most serious challenge to this issue is the effort by juvenile court personnel to divert some Act 148 funds to the Juvenile Court Judges' Commission for distribution to juvenile courts. If this proposal is enacted, it will establish a second track to distribute Act 148 funds to the counties and will probably open the door for other agencies, public and private, to seek similar accommodations for direct control and administration of their shares of the subsidy. Should this become the case, one fundamental tenet established by the original legislation, the single-agency concept will be repealed, de facto.

Can incentives for cooperation between the state and county agencies be developed? Open hostility and antagonism were expressed by several interviewees, reflecting rifts between both the levels and branches of government. While opportunity exists for citizen and agency input into county programs, the ultimate power resides in the state and local children and youth social services agencies. Without some resolution of the existing polarity, a great deal of time and energy will be devoted to interagency quarrels over control of children and youth programs and the monies which flow to them.

Will the attempt by counties to restore the open-ended nature of funding be successful? If the ceiling remains, what impact will this have on local programs which are already spending 15 to 20 percent more than the current ceiling permits? How will counties meet the shortfall? Which types of programs will be reduced or curtailed?

Without the passage of legislation to enable group facilities to locate in residential neighborhoods, will private operators be able to establish sufficient services to meet community needs?

The Legislative Budget and Finance Committee concluded that total state payments for child welfare services increased for calendar 1978 by 36 percent over the pre-Act 148 level of 1977. Nearly 90 percent of the counties (59 of 67) received more in state reimbursements under the provisions of Act 148 than the previous system. Act 148 generally resulted in significant increases in the amount of state funds which counties received. For example, 35 counties had increases of at least 50 percent.

Some reform in the delivery of services to children and youth has occurred in Pennsylvania because of Act 148. There still appears to be serious disagreement within the state over the approaches adopted within the legislation. It seems likely that Act 148 will continue, but with county projections for Act 148 budgets reaching \$114 million in 1980-81 and the legislature and administration striving to keep appropriations under \$100 million, directions for the future remain in doubt. Although the future of the act is not dim, how the subsidy will be administered, whether it will continue to be accepted, and whether it will provide fiscal incentives are issues clouded by the diversity in perspectives previously cited.

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SOUTH CAROLINA STATE AID TO COMMUNITY MENTAL HEALTH CENTERS

BACKGROUND AND ACKNOWLEDGMENTS

In March 1980, interviews were conducted in Columbia, the state capital (Richland County); Charleston, the largest city (Charleston County); and Beaufort (Beaufort County), a city in which a community mental center serves a

rural, multicounty catchment area. To provide a balanced perspective, interviews were conducted with state legislators, state Department of Mental Health administrators, members of state and local mental health associations, community mental health center administrators and program staff, and community mental health board members.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

State Legislators

Pat Harris, State Representative, Chairman, House Committee on Mental Health and Mental Retardation, Columbia

State Administrators

Hugh Sherer, Assistant Deputy Commissioner, Division of Community Mental Health Services, Department of Mental Health, Columbia
Robert Newton, Director, Office of Youth Services, Planned Systems Change Unit, Department of Mental Health, Columbia

Local Administrators and Service Providers

Kemper Breeding, Director, Columbia Area Mental Health Center
Linda Martin, Director, Children and Adolescent Services, Columbia Area Mental Health Center
Randy Spencer, Psychiatrist, Columbia Area Mental Health Center
Russ Hughes, Acting Director, Coastal Empire Mental Health Center, Beaufort
Jerome Hanley, Director, Children and Adolescent Services, Coastal Empire Mental Health Center, Beaufort
Bill Blanton, Director, Charleston Area Mental Health Center
Tom Hiers, Director, Children and Adolescent Services, Charleston Area Mental Health Center
Bob Bentley, Administrative Assistant, Charleston Area Mental Health Center
Nell Monroe, Chairperson, Charleston Area Mental Health Center

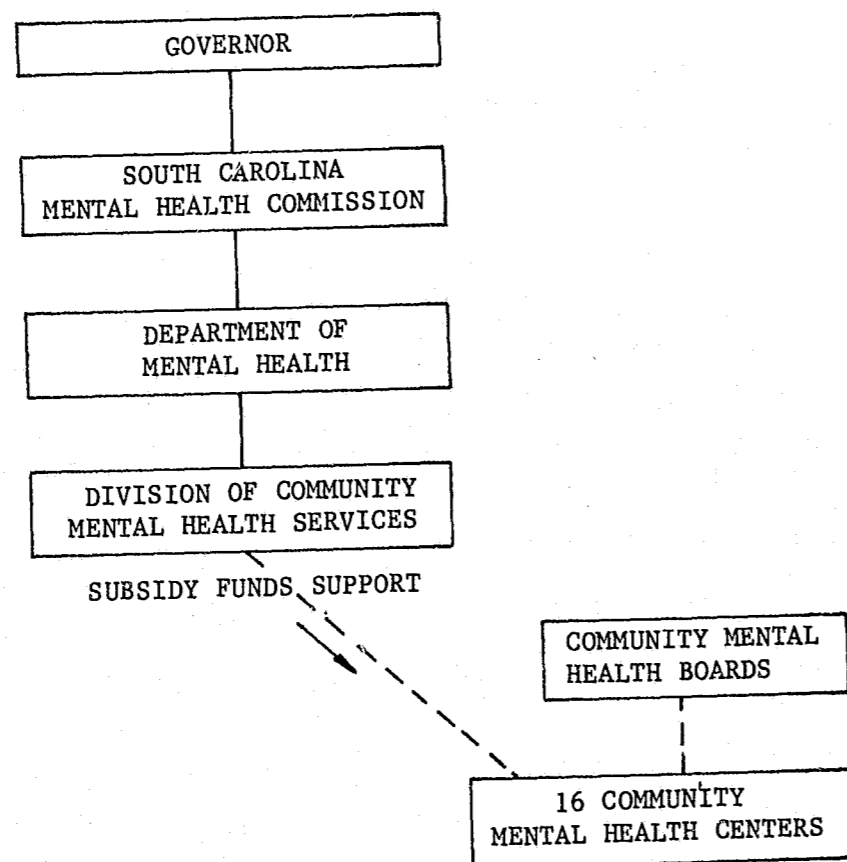
Key Informants

Paula Gaffney, Program Information Coordinator, Governor's Health and Human Services Liaison, Columbia
Ed Hitt, Director, South Carolina Mental Health Association, Columbia
Ann Warren, Program Director, South Carolina Mental Health Association, Columbia

ORGANIZATIONAL CONTEXT

The South Carolina Department of Mental Health is responsible for coordinating all state and local mental health programs. These programs are primarily available through the South Carolina State Hospital, Crafts-Farrow State Hospital, William S. Hale Psychiatric Institute, C. M. Tucker, Jr., Human Resources Center, William G. Brian Psychiatric Hospital, Morris Village, a residential treatment program for alcoholism and substance abuse, and 16 community mental health centers. Local mental health boards guide the policies and directions of the community mental health centers. The South Carolina Mental Health Commission, appointed by the governor, is the governing board for the Department of Mental Health. Figure 1 shows the organizational relationship of agencies relevant to the subsidy.

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO THE SOUTH CAROLINA COMMUNITY MENTAL HEALTH CENTERS SUBSIDY



To coordinate mental health services to children, the Office of Youth Services was established as part of the Planned Systems Change Unit under the commissioner. The office is devoted to planning for the Department of Mental Health. The director of the Office of Youth Services participates in inter-agency coordination efforts and in legislative and executive planning sessions.

State and local relations in South Carolina are better understood if reflected in an historical context. Formerly, an area's state legislative delegation also served as executors of county government. Not only did legislators introduce fiscal legislation relating to state appropriations, but they also controlled appropriations affecting their respective counties. In the early 1970s, however, a transition to home rule was begun and was completed in 1980.

The authorized recipients of state aid to local mental health programs are 16 quasi-public community mental health boards. These boards also receive funds from area county governments and, therefore, must submit budgets to county councils.

POLITICAL AND LEGISLATIVE HISTORY AND OBJECTIVES OF THE SUBSIDY

South Carolina's State Aid to Community Mental Health Centers originated in 1961 (South Carolina Statutes, Chapter 15, Sections 44-15-10 through 44-15-380), setting up a 50 percent state match of local contributions to establish and operate community mental health services. Unlike other state subsidies to mental health services, this enactment predates federal grant legislation in this field.

There seems to have been two reasons for the legislation. First of all, South Carolina was experiencing a rapid rise in state mental hospital commitments. Admissions for 1957 were 1,682; by 1961 they had reached almost 2,500. Admissions also tended to be relatively long-term rather than for short-term diagnostic or emergency care, thus steadily increasing the average daily population. Coupled with this alarming institutional population increase was growing sentiment for developing community-based treatment alternatives. Thus, overcrowding and the need to cut rising institutional care costs made the establishment of a subsidy for local alternatives seem a very reasonable and economical plan of action. Secondary considerations seem to have been to achieve a more even distribution of mental health services, stimulate state and local cooperation in this area, prevent and control deviant behavior, and encourage the development of minimum standards.

The subsidy has always supported services for both adults and children. However, since the primary motivation for enactment had been to reduce populations in state mental institutions, housing mainly adults, a large part of the support was directed toward adult clients. While children and youth services have always been a part of local programs, it was not until 1977 that the Department of Mental Health established the Office of Youth Services as a state-level planning agency to coordinate services to children and youth, thus apparently elevating services for children among the department's priorities.

The legislative and political history of the subsidy has been relatively uneventful since 1961. Original objectives have remained intact and clearly defined since its initiation. The only noteworthy revision occurred in 1975, which stipulated that the state's share of expenses would be based upon whatever was available through the legislature's appropriation, rather than according to a flat 50 percent reimbursement. This change was suggested to avoid having to approach the legislature each year for more funds than had been appropriated. Declining federal seed grants had resulted in uncertainty as to what portion of the costs state government would have to assume.

ALLOCATION OF FUNDS

Funds are allocated to community mental health boards according to need. Twelve to 18 months preceding the beginning of the fiscal year, needs assessments and budget estimates are submitted by community mental health boards for review by appropriate staff in the Department of Mental Health. The Department's appropriation request to the Legislature is based upon these reviews and its estimate of funds which will be available. There is no formula for distributing state funds to local mental health boards; however, in most years since the 1975 statute change, the state has attempted to match local funds on a 50-50 basis. The proportion of state support, however, does differ depending upon the availability of funds and the types of programs. For example, aftercare services are fully supported by the state, as are prescreening, the program for autistic children, and the newly authorized court screening project which seeks to ensure certain due process guarantees prior to authorizing state institutional commitments.

To qualify for state matching monies, community mental health boards must, of course, make a local contribution. The local share may come from local public funds, client fees, and private contributions. While federal funds may not be counted by either the state or community mental health boards as part of their matching share, federal dollars may reduce the total amount that would have to be contributed by local and state sources. Naturally, state and local support serves as the match necessary to attract federal dollars.

While the amount of state aid to each community mental health center is set aside from the time the appropriation is approved, these funds do not actually flow to the centers. Rather, the money is kept by the state agency which pays vouchers submitted by the centers. Formal accounts are kept by the Department of Mental Health, but most centers also maintain their own set of books.

ADMINISTRATIVE REQUIREMENTS

The needs assessments prepared by the community mental health centers and approved by their boards satisfy state planning requirements. These plans and

the accompanying budgets must meet criteria established by the Department of Mental Health. Community mental health centers must also comply with minimum state program and service standards, which were formulated by the Department of Mental Health five years ago and based heavily on standards of the Joint Commission on the Accreditation of Hospitals (JCAH). Community mental health centers, however, are not mandated to adopt and adhere to JCAH standards, unlike state mental health hospitals which must be accredited by JCAH to be eligible for federal funds. Nor does the Department of Mental Health license community mental health centers. Instead of licensing, the department has opted to use the subsidy as leverage for obtaining compliance with standards governing physical facilities and quality of services. Licensing is considered to be less flexible and not any more effective than linking compliance to continued funding. Subsidy funds have never actually been terminated, but the state, on several occasions, threatened to do so unless minimal compliance standards were met. In general, this strategy has been successful in gaining local compliance with standards.

Compliance is monitored through an annual on-site program review conducted by a regional coordinator from the Department of Mental Health and a review team consisting of the deputy commissioner and assistant deputy commissioner, peer reviewers, local mental health association members and, when appropriate, federal regional mental health staff. This on-site program review occurs about 90 days after a standards audit conducted by one of the three Department of Mental Health regional coordinators. While monitoring is the principal reason for the standards audit and comprehensive review, such visits also provide the opportunity to offer technical assistance to local programs.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY

In combination with federal funding, the state subsidy has been responsible for the development of the 16 community mental health centers now in operation in the state. Until funds became available from the state subsidy in 1961 and from the federal government in 1963, community-based health services were almost negligible. What services did exist were outpatient adjuncts of state mental health hospitals, which were financed almost totally by fee collections from first- and third-party payments.

Community mental health centers, to be eligible for federal funds, are required by the Community Mental Health Services Act to offer the following 12 categories of services:

- o Inpatient services.
- o Outpatient services.
- o Day care and other partial hospitalization.
- o Emergency services.
- o Specialized services for children.
- o Consultation and educational services.
- o Assistance to courts and other public agencies in screening commitments to state institutions.

- o Specialized services for the elderly.
- o Follow-up services.
- o A program of transitional halfway house services.
- o Alcoholism and alcohol abuse services.
- o Drug abuse services.

Fifteen of the centers have attained "comprehensive" status by providing these 12 core services. A few of the 15 comprehensive centers no longer receive federal funds from the Community Mental Health Services Act; however, conditional staffing and construction grants from the National Institute of Mental Health (NIMH) have provided the means to attain comprehensive status by enlarging these centers from what had been essentially outpatient clinics. For example, the Columbia Area Mental Health Center received an NIMH staffing grant in 1967, and by 1968 had attained comprehensive status. At the time of the on-site interviews, two clinics were moving toward comprehensive mental health center status with recent NIMH grants. State subsidization of mental health centers is not contingent upon being a comprehensive center, although the Department of Mental Health actively encourages the development of all 12 services.

The categorization of various projects and programs into these 12 service areas varies from center to center. In one, a project may be defined under "consultation and educational services," while in another it may be considered as "assistance to courts and other public agencies in screening commitments to state institutions." Of course, the priorities of projects and activities vary among centers according to assessed needs of the catchment area being served. For the 12 categories, services to children tend to fall most heavily in the areas of diagnostic treatment, specialized services for children, and consultation and educational services. Inpatient bed space for children ranges widely among the 16 centers.

Despite the variation among centers, it is possible, from interview notes and written descriptions of services in needs assessments, to generalize about service offerings as well as highlight particularly innovative projects. Specialized services for children commonly include individual therapy, group therapy, family counseling, child abuse casework, educational remediation, and play therapy. An innovative program developed by the Child and Adolescent Unit in one center trains parents to cope with hyperactive children from the ages of two through seven. This program has gained national recognition, and the center has even developed a videotape presentation to share with others interested in learning how to develop a similar package.

Diagnostic services usually involve development of social history, psychiatric evaluation, and treatment. Consultation and educational services are heavily oriented in most centers toward case consultations with other child care professionals in schools, courts, day-care centers, social service agencies, and homes for children. One center has gone beyond case consultations to provide training to local youth service bureaus, a principal referral source, on approaches for dealing with aggressive children. Several centers are also engaged in training teachers and guidance counselors basic mental health therapeutic techniques, to deal with behavioral problems when they arise.

Other examples of programs include sex education for teens. The Anderson-Oconee-Pickens Mental Health Center Consultation and Education Project, in

cooperation with the Appalachia I Health District Health Education Program, has developed a four-session program for high school students. The program deals with sexual decisionmaking, birth control, parenting, and rape prevention education. Staff from the center's Consultation and Education Unit join staff from the Department of Health in either teaching the curriculum or in instructing the school's faculty on use of the materials. A "resource list" for teachers and counselors has been developed which gives information regarding referrals related to sexual concerns. Information about clinics and other services is also provided to the students.

"Primary prevention" in mental health has emerged as one of the department's highest priorities. Projects aimed at intervention during early childhood years have steadily grown, and each center has designated a "primary prevention" team. In accordance with the South Carolina Code of Laws Pertaining to Mental Health, 44-90(3)(4)(5), primary prevention is an integral part of the rights, duties, and powers of the commission. The Department of Mental Health

shall inaugurate and maintain an appropriate mental health education and public relations program; it shall...study the cause, pathology and prevention of mental defects and diseases; it shall provide moral and vocational training... which is designed to lessen the increase of mental illness, mental defectiveness, epilepsy, drug addiction and alcoholism.

Attention to primary prevention efforts was stimulated once again by the President's Commission on Mental Health, which in 1978 identified the following three prevention program goals:

- (1) preventing new cases of mental illness and severe emotional disturbance,
- (2) reducing the impact of dysfunctional stresses and life crises by developing coping skills, and
- (3) promoting the strengths, resources and competencies of individuals, families and communities.

In response, the Department of Mental Health outlined a two-year mission statement in 1978 regarding primary prevention for the state. The obvious vehicle for its implementation were the community mental health centers. Across the 16 community mental health centers, activities in primary prevention have encompassed training of teachers in classroom management, rape and sexual abuse counseling, assisting community agencies such as Boys Clubs and Big Brothers/Big Sisters in the development of programs, and consultation to homes for children, substance abuse groups, foster parents, Head Start, and day care center staff.

It is virtually impossible from the information available to assess the relative importance of state versus federal monies as a catalyst to developing services for children and youth. It appears that some centers may have been spurred to offer comprehensive services in order to qualify for federal funds. According to one interviewee, child and adolescent grants from NIMH did serve as the impetus for the development of services for children in at least one community mental health center, but state officials caution that this reason may not hold true for all centers.

Prior to 1977, the Department of Mental Health targeted almost all of the subsidy funds toward an adult clientele, and programming for the community mental health centers naturally reflected this focus. However, through the initiatives of the Planned Systems Change Unit in the Department of Mental Health and the availability of additional resources, community mental health centers are now encouraged to direct a greater portion of programs toward children and youth. Department officials estimate that 30 percent of the cases served are children under 18 years of age, and community mental health centers have used federal money to institute programs for children and youth or to expand existing programs already begun with state funds.

People interviewed indicated that South Carolina still lacks enough short-term and medium-term group treatment homes for children with emotional disturbances who do not require hospitalization. Currently, the only residential capacity for children in the state exists in state hospitals and a few state-licensed private facilities, where there are estimated to be 150 beds for children. In Charleston, for example, the only residential alternative to sending a child to a state hospital is the local university medical facility, which has very limited bed space.

Many of the children currently hospitalized could be served as well, if not more effectively and at less cost, in smaller group treatment facilities. The Department of Mental Health requested \$300,000 in additional funds for fiscal 1981 to establish three group treatment facilities, at an average cost of \$100,000 per facility. The request was not approved, however, by the South Carolina Legislature.

SERVICES RECEIVED BY CLIENTS

During the past ten years, there have been some striking changes in the placement of patients in the state's hospital facilities. While admissions for 1978 were 7,046, an increase of 43.1 percent over admissions in 1968, actual resident population, which had reached almost 6,000 in 1968-69, fell below 4,000 in 1978. For the South Carolina State Hospital, admissions have more than doubled during the time since the subsidy to local services has been available, but the average daily population has steadily declined to 1,638 in 1978. The data confirm downward trends in resident populations between 1969 and 1978. The decrease in patient populations apparently is a result of (1) shorter average stay for new admissions, (2) diversion of substantial numbers of potential patients, and (3) deinstitutionalization of some patients into community-based programs.

The strain placed on community services because of this shift from hospital to community-based treatment is verified by statements drawn from the annual report of the Charleston Area Mental Health Center for 1979.

We have not been able to respond with direct service to full range of consumer demands for service. In spite of maintaining 100 percent occupancy in our psychiatric inpatient

unit for many months, we have seen a turnaround and resurgence once again of the numbers of citizens who cannot be served locally but who have to be transported to central state hospital facilities. Significantly, we are now accepting almost exclusively in all service areas those service recipients whose disability has become a crisis and who are easily defined as being within high-risk groups. In spite of these admission restraints, intolerable waiting lists have begun to form again. Half or more of the people who seek service from us, generally those whose problems are not emergent in nature, are of necessity diverted to alternative community treatment resources, private and public. We consider these events and circumstances to demonstrate a clear need for expansion of services and for expansion of effort to develop resources within the community to serve people. Our management and service area objectives are reflective of this consideration.

We anticipate focusing on crisis care both among the adult and youth groups. Crisis care means we identify and intervene on a priority basis with those people whose problems are definable as high risk. In the youth services area, this means cases where there is an abused spouse or child; in adult care this means cases wherein hospitalization for severe conditions may be avoided. We have also targeted the community support function, which included precare-aftercare, alternative resource development, and partial hospitalization as an overall priority in aiding the deinstitutionalization effort.

Given the reduction in federal support for staffing various components of the 12 comprehensive services, the denial of funds for a fairly large underserved population (the emotionally disturbed child in need of residential treatment), the increasing reliance on community mental health services, and the release of patients from state institutions to community programs, unusual stresses have been placed on community mental health centers. The response of the Charleston center to this situation has been to reduce the range of population to be served to "those people whose problems are definable as high risk." This approach, although easily justifiable, appears to be in direct contradiction to the philosophy of primary prevention articulated by the Department of Mental Health in its mission statement previously cited. The combination of factors which intensifies the service demands on community mental health centers without compensatory levels of resources potentially mitigates the philosophy of primary prevention.

While availability of community-based programs has clearly achieved the goal of reducing the use of residential state institutions, the community mental health centers have been able to exert very little control over hospital admissions, except through the recently adopted court screening project. There are four ways by which a patient (either adults or children) can be sent to a hospital without going through a community mental health center.

- (1) A physician can commit, provided that the parent and a concurring psychiatrist sign the order.
- (2) A person can seek a voluntary commitment.
- (3) Courts may refer a person for psychiatric evaluation.
- (4) A person may be referred for a competency evaluation, if charged with a criminal offense.

Unable to affect the first two approaches, community mental health centers have focused their efforts, both informally (through consultation and education) and formally (through the implementation of court screening), on decreasing the incidence of inappropriate commitments or referrals when clients could be diverted for diagnosis and treatment at a community mental health center. However, efforts in working with judges and court staff have met with mixed success thus far, according to center staff interviewed.

Data maintained by the Charleston center suggest that there is a positive relationship between the level and diversity of community-based services and admission rates of particular catchment areas. The Charleston area has the lowest rates of institutional commitments of any catchment area in the state. Commitments to the South Carolina State Hospital for Charleston showed a rate of 6.85 persons per 10,000 compared to an average of 13.71 persons per 10,000 for 15 other centers. At the same time, the Charleston center is the best funded and has the largest number and greatest diversity of services among the state's 16 community mental health centers.

Lacking trend data by age categories, it is not possible to assess whether the reductions in institutional populations have been proportionately the same for children and adult clients. Even if age categories for resident population trends could be delineated, it would be impossible to determine the relationship of that phenomena to the expansion of community-based service capability without a knowledge of the number of children served in centers over a corresponding time frame.

SOURCES AND LEVELS OF FUNDING

Community mental health centers rely on a variety of financial sources, namely federal funds from NIMH and formerly Title XX of the Social Security Act; state funds from the community mental health center subsidy; local funds from county governments; and private funds from client fees, gifts and donations, and several other miscellaneous sources. This mixture of funding varies from center to center and year to year, a situation which makes generalization about the total system extremely difficult, except to focus on trends in funding patterns. When state and local budgets are examined, some trends, although all subject to exceptions on a case-by-case basis, emerge.

First of all, federal funds to community mental health centers have been steadily decreasing over recent years as intended by the "seed money" nature of the Community Mental Health Services legislation. In fiscal 1980, two new grants were awarded to catchment areas to upgrade some clinics to "comprehensive"

status, but the pattern has been that fewer federal grants are available and tend to be for fairly narrow categorical purposes on a short-term basis, such as for construction or staffing for a particular type of service. Beginning with fiscal 1980, withdrawal from Title XX funding resulted in the depletion of one-fifth of an additional \$2 million state appropriation to the Division of Community Mental Health Services for that year. As federal funds have decreased, centers have begun to rely more heavily on state funds. The increases in state funds have been steady, but only keeping pace or slightly ahead of inflation.

Those people interviewed for the case study indicate that the local financial picture is not much brighter. Local government contributions are declining in many instances, and at best stabilizing, in spite of efforts by the Department of Mental Health to secure maximum local funding by working closely with local officials. The interviews surfaced a growing attitude among local officials that the centers, and community mental health functions in general, should be completely funded by the state. Faced with double-digit inflation and strong citizen resistance to tax increases, all levels of government, and especially local governments which seem to be most vulnerable to strong voter sentiment against tax increases, have sought any form of fiscal relief available. In this case, as in others examined, the call for increased state support is not surprising or unusual.

Community mental health centers are also passing more costs on to clients in the form of fees. The Department of Mental Health reported that overall client fee collection for fiscal 1980 was 20 percent greater than in fiscal 1979. Currently, client fees provide about ten to 15 percent of the centers' budgets. With declines in some forms of public support and only nominal increases in others, it is not surprising to see an increased reliance on client fees as a source of revenue.

With the financial outlook unpromising at both the federal and local levels, community mental health centers will likely be even more dependent in the near future on state dollars to merely maintain or expand current levels of operations. Already, state appropriations make up \$9 million (or 45 percent) of the Division of Community Mental Health Services \$20 million budget for fiscal 1981. Federal and local dollars amount to \$6 million and \$5 million, respectively. Based upon field visits to the centers in Charleston, Beaufort, and Columbia, the impact of state funding is even greater after the subsidy is distributed to these centers. The reliance on the state subsidy is heaviest for Charleston's community mental health center which serves South Carolina's most populous catchment area. For this center state dollars underwrite almost 76 percent of the fiscal operation, while county contributions and fee collections each make up 12 percent of the overall budget. Charleston's center receives no federal funds. In Columbia, state monies make up 50 percent of the budget, local government contributions and client fees provide 30 percent, and federal funds add the final 20 percent. More of a balance among funding sources was found in Coastal Empire Mental Health Center in Beaufort, but still the figures indicate a strong dependence on the state subsidy. Federal and state proportions each provide 35 percent of that center's funds. County government contributions rank second in proportion at 18 percent, and client fees provide the remaining 12 percent of revenues.

One state official indicated a prevailing sentiment among rural-based community mental health centers that the state has used the discretion to vary

local matching proportions, provided by the 1975 amendments, inequitably among rural and urban centers without regard to the relative needs of the center, particularly in the area of programs for children and youth. This perspective was shared by other interviewees. While no statewide expenditure data were collected to either substantiate or disprove this contention, it is known that urban centers had received federal funding earlier, and as federal funds were decreased over time, according to legislative intent, state funds were increased to these centers to allow them to maintain operating levels achieved under federal funding. State Department of Mental Health officials indicate that all community mental health centers are probably underfunded, not just rural centers. Interview responses at three community mental health centers suggested, however, that the state subsidy was adequate, although at one center it was reported that state funding had not been sufficient to offset the combined effect of declining federal dollars and increasing inflation. Staff from this center argued that federal funding could not be maximized because state and local dollars were insufficient to meet matching requirements. Without sufficient state appropriations for fiscal 1981 to counter federal funding losses and inflation, local interviewees indicated that overall levels of service would need to be reduced. The Department of Mental Health reported that the attitudes conveyed by staff at these three centers were fairly prevalent among most centers.

In anticipation of a possible reduction of state funds, the state Budget and Control Board posed a hypothetical 20 percent reduction in funds for community mental health centers. Center directors were asked to identify areas which would be affected by such a cutback. The Charleston center indicated that it would scale back operations primarily through staff attrition and, if necessary, reduce salaries by one-fifth. Charleston staff also speculated that it would have to substantially reduce or terminate its inpatient unit which absorbs over 40 percent of the budget and which cannot be sustained by fee collections from the large numbers of indigent clients it serves.

Other center directors interviewed did not specifically mention this exercise; however, their responses to the survey's hypothetical question regarding the possibility of a large-scale reduction or outright termination of state funds, reveal a slightly different strategy from that outlined in Charleston. Suggested cutbacks by the Coastal Empire Mental Health Center would be concentrated almost exclusively in the personal services area, reducing the level of programming based on perceived need and client load. Inpatient services were not specifically mentioned as an area of reduction possibly because, in that center, such services do not have the same budgetary impact as in Charleston. Also, the Coastal Empire Mental Health Center is not as dependent upon state funding.

At the Columbia center, other funding sources could not maintain staffing levels for minimal service delivery if state subsidy funds were to be withdrawn or substantially reduced. In actuality, Columbia, as well as four other centers around the state, have had to reduce staff and other operating costs in the face of budget deficits during the past two years. To accommodate these deficits, staff across the five centers were reduced 18 percent since July 1, 1978. The Columbia center believes that further large-scale staff cutbacks would so seriously impair program quality that even closing the center would be considered.

It was very difficult to extract funds expended for services to children and youth from the overall budget for community mental health centers. The Division of Community Mental Health Services of the department reported the 1979-80 total state appropriation for 16 centers and clinics to be almost \$18 million. With the state estimate of 15 percent of center funds going to programs for children and youth, this means about \$2.7 million for these services. This figure does not account for local contributions, federal grants to establish and staff units for serving children, and funds acquired from various other sources. Also not included is any breakout from the total of state administrative expenses for services to children and youth. The estimate provided is hopelessly complicated by multiple funding sources and no clear-cut mechanism to identify what portion of the overall costs are associated with services to children and youth.

It is difficult to know what the future of services to children and youth would be should major budget cuts become reality. There are several possibilities which might occur.

- (1) Since children and adolescent units, relative to other program areas, are fairly recent, they might suffer the first and deepest cuts.
- (2) Children and adolescents account for about 30 percent of the clientele of community mental health centers, but only average about 15 percent of the budget. Since this type of programming appears to be more economical than other areas, more expensive alternatives might be more vulnerable to reductions.
- (3) A level of community expectations has developed surrounding services to children and adolescents, and numerous constituent groups associated with youth programs, such as schools, youth service bureaus, therapeutic foster homes, and others, might lobby against a reduction in these services.
- (4) An across-the-board reduction in funds might result in children and adolescent units receiving cuts proportionate to the total.
- (5) Since some centers have large and costly inpatient units, utilized predominately for adults, the greatest cuts could occur in this area leaving outpatient and consultant/education services, where service to children and adolescents are concentrated, minimally affected.

To make up for reductions in federal funds and to adjust for inflationary increases, the Department of Mental Health (at the time of the field work) requested an increase of over \$2 million, or 25 percent, in its community mental health budget. People interviewed suggested that, while the legislature might cover part or all of the requested increase to maintain ongoing programs, new program initiatives would be very carefully scrutinized and have a far more difficult chance of being funded. A request for \$300,000 in additional funds for residential group homes had been rejected at the time of this case study. Further, when the legislature mandated assistance to courts and other public agencies in screening commitments to state institutions, the Department of Mental Health received no additional funds. Rather, the overall appropriation was reduced and capital improvement funds had to be diverted to cover these costs.

Interest in increasing community-based programming may also be thwarted by the accreditation crisis faced by South Carolina's state hospitals. At the time of this case study, one of the facilities had just lost its accreditation by the Joint Commission on the Accreditation of Hospitals. The speculation among informed observers was that this would have both significant short- and long-term financial implications for South Carolina's mental health system, possibly requiring the channeling of more state resources into institutions to bring them up to accreditation standards. However, even if cuts were not made to community mental health subsidy funds to divert additional monies to maintain hospital accreditation standards, there still may not be increases in community mental health funding of the magnitude which occurred earlier.

ORGANIZATIONAL STRUCTURES

The Department of Mental Health and, by extension, the community mental health center subsidy receive overall policy direction from a seven-member state Mental Health Commission comprised of physicians, businessmen, and other lay citizens appointed by the governor. Members are appointed to four-year terms and traditionally, although not statutorily prescribed, are geographically balanced by being drawn from each of the department's administrative regions. A new commission is appointed concurrent with the beginning of the gubernatorial term, and members may be reappointed to consecutive terms.

A review of selected budgets for community mental health centers indicates that a portion of the subsidy is used, along with other funding sources, to underwrite local administrative costs. These costs are presented in center budgets as a separate line item. The costs of administration vary from center to center. For instance, the Charleston center identified administrative expenditures of \$384,000 out of a budget of \$1,490,049, or about 25 percent. Other centers report higher and lower percentages of the budget than Charleston.

As noted earlier, community mental health boards provide policy governance for the centers. Members of the 16 boards are appointed by the governor upon the recommendation of the relevant area's legislative delegation or county council. Sections 44-15-60 and 44-15-70 of the South Carolina Statutes outline the establishment of community mental health boards as well as the powers and duties of the boards. Boards are to be made of not less than seven or more than 15 members drawn from representatives of local health departments, medical societies, county welfare boards, hospital boards, and lay associations concerned with mental health. In addition, members are drawn from labor, business, civic groups, and the general public. Although not statutorily required, board membership is typically balanced for racial and male/female membership. Tenure of members is limited to four years, with provision that a person may serve more than one term, but not consecutively. There have been cases, however, where members have served almost in perpetuity, being reappointed to fulfill another position vacated.

The powers and responsibilities outlined by statute for the boards list seven areas of responsibility. A local board is empowered to (1) administer the community mental health services program; (2) employ personnel; (3) review and

evaluate services; (4) recruit and promote local financial support from private and public sources; (5) promote, arrange, and implement working agreements with other social service agencies; (6) advise the local administrator of the adoption and implementation of policies to stimulate community relations; and (7) review the annual plan and budget.

From interviews with mental health center directors and staff, it was found that a considerable amount of coordination and interaction exists among local agencies serving children and youth. The interactions occur informally but regularly across a diverse range of agencies. Common forms of service interactions include reciprocal referral arrangements, consultation on individual cases, counseling to child abuse cases, counseling for children in therapeutic foster homes, and educational workshops. The agencies with which centers work most often include youth service bureaus, local social services offices, school systems, juvenile courts, hospitals, homes for children, and community service agencies.

INTERGOVERNMENTAL RELATIONS

State and local relations with respect to the subsidy appear to be in a state of flux. Issues of intergovernmental discord surfaced in a number of interviews, although both state and local officials cited some ways in which state and local relations function harmoniously. A primary issue of contention was whether county councils or local legislative delegations should be designated and authorized to recommend local community mental health board members to the governor. In that governors almost without fail accept nominees, those locally empowered to make recommendations have, in effect, a de facto appointing authority.

The genesis of the dispute dates back to the old local delegation system for administering county governments. Under this system, the local legislative delegation served as executors of the county government. Not only did local legislators introduce fiscal legislation relating to state appropriations, but they also controlled money bills affecting their respective counties.

With redistricting in the early 1970s, the system began to unravel, beginning a transition to county home rule that, as of 1980 is in effect across the entire state. Many of the state's more urban jurisdictions have already been functioning under county home rule for the past few years.

Reflective of the larger issue revolving around control over local governments, county councils have pressed for amendments to the state Community Mental Health Services Act which would empower them to make recommendations to the governor on community mental health board representation instead of local delegations of state legislators. It was mentioned that county councils in some jurisdictions resisted giving additional local contributions requested by centers because of their lack of input into the appointment of community mental health board members. However, there are several jurisdictions where state legislators have resisted giving up this power. Nevertheless, the amendment passed in favor of the county councils.

A feeling exists among some local administrators that too much control over community mental health centers is centralized in the state Department of Mental Health. For instance, personnel decisions must conform with state merit system rules and regulations, which reduces center flexibility to adjust staffing patterns to fit changing service needs. Also criticized was the centralization of bookkeeping and fiscal controls for centers in the Department of Mental Health.

A strategy that has been advocated to reduce state control and increase the department's responsiveness is to incorporate community mental health boards into an association of boards and community mental health centers. This incorporated association would exercise the organized political influence on state policy heretofore lacking by boards acting independently. Another solution offered is to establish community mental health centers as freestanding entities, with the state's role restricted to providing policy leadership and guidance, and setting monitoring and enforcing standards. Ironically, standards' monitoring and enforcement was considered, by these respondents, as one area where state oversight is too lax.

It should be noted, however, that these criticisms and recommended solutions reflect significant differences from the prevailing sentiments at the local level. In most cases, there were no complaints about centralized personnel and fiscal controls. The general concurrence was that state administrative oversight was sufficiently flexible to accommodate local differences.

Local center staff were in concert, however, regarding ineffectiveness of various Department of Mental Health mechanisms for soliciting input from centers into subsidy policies, plans, and budgets. Monthly center directors' meetings with the division's deputy commissioner are not felt to be a particularly effective vehicle. While these meetings are potentially useful for registering concerns from centers, it seemed to participants that often decisions already made were placed before the group.

Also, the value of the Department of Mental Health's regional coordinators as technical assistance resources and informational conduits on state policy and procedure was not rated very highly. Conceptually, there was a strong argument in favor of having regional coordinators, according to center directors. Operationally, however, the use of regional coordinators did not seem satisfactory. The underlying problem, in the view of one director, was that regional coordinators are not well-informed regarding state policies, procedures, and plans. Another director raised the issue that regional coordinators can sway opinions of lay board members with their presumed expertise when, in reality, they are not sufficiently informed of state policies, are not operationally familiar with the centers, have not been in managerial roles, and are not sensitive to local issues or problems.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

Evaluations from the state level were, on the whole, positive when the state subsidy was assessed from the standpoint of a generic allocation to community

mental health centers. The subsidy is felt to have been instrumental in stimulating the development of community-based alternatives and has influenced a change in the kinds of services offered locally as well.

Consultation and educational activities in the centers have expanded, which is considered to be a valuable means to assist and inform a broad range of social service agencies, elected officials, and citizens' groups on mental health issues and problems. Also, centers have evolved to where they are now treating many more chronically ill and high-risk patients through a variety of services. All respondents agreed that the subsidy's role in expanding and restructuring community-based services has, in turn, produced its greatest positive impact--the reduction in number of residents and average length of patient stay in state mental health hospitals.

An even greater impact on the number of children inappropriately committed to mental health hospitals or juvenile corrections facilities is anticipated, if funding for local children and adolescent programs continues to expand. In particular, innovative programs in the areas of primary prevention have great potential for reducing youth involvement with the juvenile justice system, a major source of commitments and referrals to state hospitals. More funds are needed, however, for centers to expand the successful court screening projects, operating now in one-half of the centers but still largely restricted, for financial reasons, to adult clientele. More subsidy dollars are also needed to expand early childhood intervention efforts, and training of school teachers and administrators in mental health counseling techniques. Without additional funds allocated to services for children, the need for short- to medium-term group care residential facilities will go unmet.

Interviews at the local level produced more of a mixed assessment of the subsidy's success. Local opinion agrees with state interviews that state funds accelerated the impact of federal grants in the development of community-based mental health services. The state subsidy was found, by one center director, to have been critical to the initiation and subsequent growth of programs for children and adolescents. He tied the development of his Children and Adolescent Unit specifically to having the lowest rate of admission of children to state hospitals of any catchment area. The subsidy was also cited for allowing him to attract extremely high quality staff for that unit.

Another director found that subsidy support has helped stimulate a greater awareness of the emotional problems of children, resulting in a climate where these problems are more accepted with less stigmatization attached to seeking treatment. Past practice would have funneled several of these children into the juvenile justice system, instead of toward the health system where their problems can be treated.

In summary, the South Carolina State Aid to Community Mental Health Centers Subsidy has provided the means to support community-based alternatives to state institutionalization, thereby realizing its primary goal of retarding an escalating population in state-operated residential facilities. However, it seems that the state now faces a major financial squeeze with the erosion of federal funds and the vulnerability of local matching monies. The intergovernmental partnership appears to have attenuated, shifting undue hardships to the local

level and placing what seems to be an unattainable expectation upon the state to find the money necessary to support the full range of comprehensive services.

REFERENCES

1. Code of Laws of South Carolina, as amended, Community Mental Health Services Act of 1962, Chapter 15, Sections 44-15-20--44-15-70.
2. South Carolina Department of Mental Health. Columbia, South Carolina. Comprehensive Mental Health Services Plan, 1978.
3. _____. Annual Statistical Report FY 1978, Part 1 and Part 2.
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6. _____. "Memorandum of Agreement Between the South Carolina Department of Mental Health and the Department of Health and Environmental Control Regarding Primary Prevention Programming."

UTAH JUVENILE COURT TEEN ALCOHOL/DRUG SCHOOL AND THE K-12 ALCOHOL EDUCATION PROJECT

BACKGROUND AND ACKNOWLEDGMENTS

Two substance abuse prevention programs in Utah are supported through state grants to local agencies. These programs, as well as a desire to have a state representing the southwest United States, led to the selection of this state and these two programs for study, the Juvenile Court Teen Alcohol/Drug School and the K-12 Alcohol Education Project.

During February 1980, personal interviews were conducted in Salt Lake City (Salt Lake County), Provo (Utah County), and Nephi (Juab County) with state legislators, state and local administrators, county commissioners, local service providers, and key informants.

The staff of the Academy for Contemporary Problems acknowledges the following individuals for giving their time to be interviewed and in providing requested documents for this case study. We are grateful to them for their cooperation and assistance.

State Legislators

Senator Moroni Jensen, Utah State Senate, Salt Lake City

State Administrators

Department of Social Services

Robert Courtney, Division of Alcoholism and Drugs, Salt Lake City
Karen Jorgensen, Division of Alcoholism and Drugs, Salt Lake City

Local Administrators and Providers

Dr. Edward Parker, Salt Lake City Board of Education
James Bradley, Salt Lake County Alcohol and Drugs
Betsey Mates, Juvenile Court Teen Alcohol School Facilitator and K-12 Teacher-Trainer Facilitator, Salt Lake City Schools
Marcia Peterson, K-12 Alcohol Education Project Coordinator, Salt Lake City Schools
Virginia Peterson, K-12 Alcohol Education Project Teacher, Salt Lake City Schools
Theodore Terry, K-12 Alcohol Education Project Director, Timpanogos Community Mental Health Center
Dave Smith, Juvenile Court Alcohol School, Provo
Derek Timms, Juvenile Court Alcohol School, Provo
Drew Bolander, K-12 Alcohol Education Project Teacher, Provo
Steve Olsen, K-12 Alcohol Education Project Teacher, Nephi Middle School

Key Informants

Melvin Sawyer, Third Juvenile Court District, Provo
Val Harris, Third Juvenile Court District, Provo
Kirk Wright, Principal, Nephi Senior High School

It was expected that a special concern for the abuse of alcohol among adolescents would be found in Utah. After all, one would anticipate little tolerance of consumption of alcoholic beverages in a state where 85 percent of the population belongs to the Church of Jesus Christ of Latter Day Saints, a religious denomination which adheres to total abstinence of alcoholic beverages. What was unexpected, however, was to find an alcohol abuse problem in this state, as well as an approach to dealing with drinking that was based on an appeal for temperance rather than abstinence.

Although the incidence of alcohol abuse among adolescents in Utah falls well below the national average, the patterns of usage among junior and senior high school students has evoked the attention of the state's leadership. A Youth Needs Survey conducted in 1977, which included 3,000 students in grades seven through 12 from 21 schools throughout the state, showed that 39 percent of the students reported drinking alcoholic beverages during the preceding six-month period. This compares to 87 percent of students who reported drinking during a 12-month period when surveyed nationally. Despite a lower-than-average incidence, a grade-by-grade breakdown demonstrated an increase in usage among students

in Utah that peaked in the sophomore and junior years. Specifically, 29 percent of seventh graders had reported using alcohol in the previous six months, 31 percent of eighth graders, 41 percent of ninth graders, 45 percent of tenth graders, 44 percent of 11th graders, and 42 percent of twelfth graders. Although the proportion of students who reported drinking alcohol has decreased from 46 percent in 1972 to 39 percent in 1977, the prevalence of alcohol-related traffic accidents among teenagers has been cause for continued concern among legislators.

Since 1974, two programs have come into existence in an effort to prevent alcohol abuse among teenagers, the Juvenile Court Teen Alcohol/Drug School and the K-12 Alcohol Education Project. Both programs take neither a moralistic nor a religious posture against drinking, but rather strive to teach youth to make responsible decisions about the use of alcohol when they reach the age of majority.

ORGANIZATIONAL CONTEXT

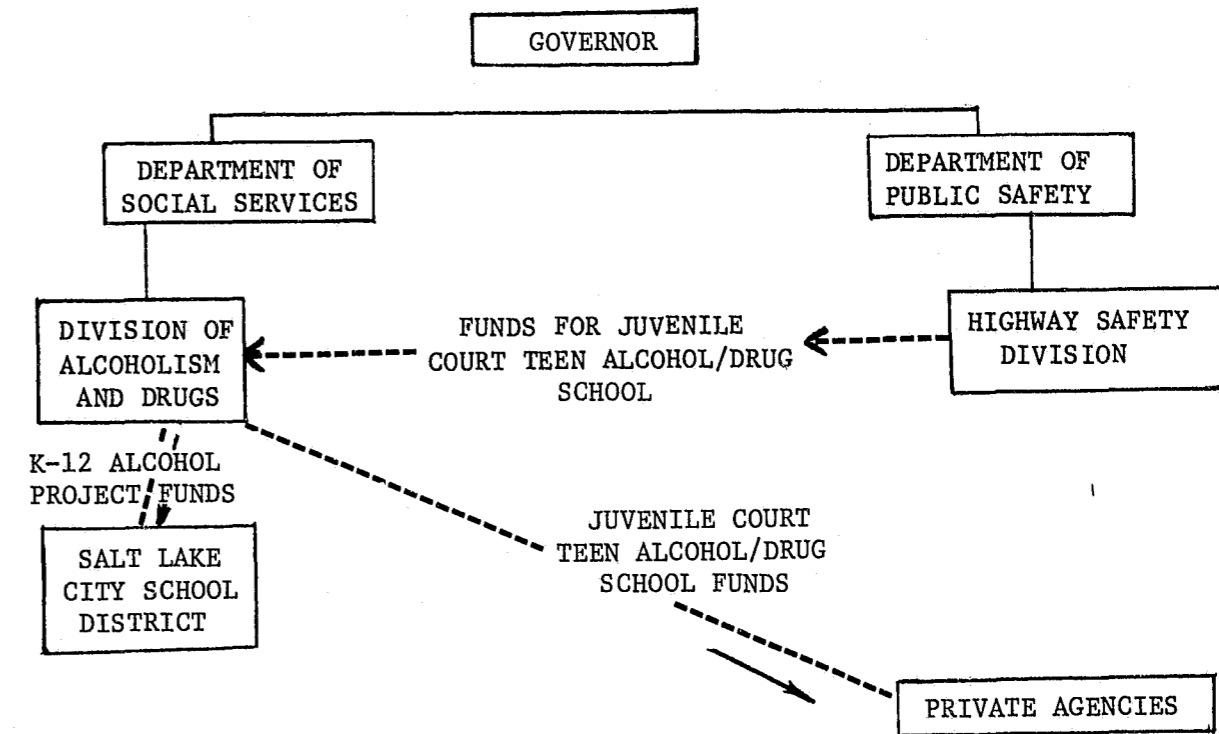
Administration of the Juvenile Court Teen Alcohol/Drug School and the K-12 Alcohol Education Project is the responsibility of the Division of Alcoholism and Drugs, one of seven divisions within the Utah Department of Social Services. The other divisions are Health, Corrections, Aging, Family Services, Indian Affairs, and Mental Health. The state is divided into seven regional planning districts, each with its own alcoholism and drug council, which functions in an advisory capacity to the division.

Each division under the Department of Social Services has its own board. The Board of Alcoholism and Drugs has seven members appointed by the governor with the advice and consent of the Senate. The board is legally the policy-making body for the Division of Alcoholism and Drugs and establishes programs and policies. The division's responsibilities include educating the general public on the nature and consequences of drug abuse and alcoholism; promoting cooperative relationships with courts, hospitals, clinics, social agencies, law enforcement agencies, and education and research organizations operating programs for the rehabilitation and care of alcohol and drug abusers; and conducting research. Two major sections in the division carry out these objectives: (1) Education and Prevention, and (2) Community Assistance Services. The division is authorized to receive and plan for the use of federal formula 409 funds.

In April 1979, the governor appointed a 13-member task force to study the problem of alcohol abuse in Utah and to develop ways to educate the public and propose prevention measures. The task force consisted of a state senator, the director of the Division of Alcoholism and Drugs, and representatives from business, labor, religion, and education. The governor attributed the need for the task force's establishment to the serious nature of alcohol abuse in Utah and the need to minimize the costly toll in human suffering, disrupted families, alcohol-related accidents, and impaired health.

One other organization needs to be noted in this description, the Highway Safety Program Office in the Highway Safety Division of the Department of Public Safety (DPS). As an agency of DPS, this office received a federal grant from the National Highway Traffic Safety Administration to begin the Juvenile Court Alcohol/Drug School. Figure 1 shows the organizational structure for the administration of both programs.

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO THE UTAH JUVENILE COURT TEEN ALCOHOL/DRUG SCHOOLS AND THE K-12 ALCOHOL EDUCATION PROJECT



POLITICAL AND LEGISLATIVE HISTORY

The Juvenile Court Teen Alcohol/Drug School

Federal grants served as the origins for both the Juvenile Court Teen Alcohol/Drug School and the K-12 Alcohol Education Project. In 1972, the Highway Safety Program Office was awarded a contract from the National Highway Traffic Safety Administration to conduct the Alcohol Safety Action Project. This project was described as a "full systems approach" toward reducing Utah's

alcohol-related accident toll. The program included a compulsory rehabilitation school for adults convicted of driving under the influence of intoxicants. Soon after the establishment of these adult alcohol schools, the Second District Juvenile Court judges expressed an interest in developing an educational alternative to traditional dispositions, such as fines, counseling, and probation. The Highway Safety Program Office was willing to use funds remaining from the federal grant for the Alcohol Safety Action Project to establish a juvenile court teen alcohol school in 1974.

Despite the end of federal funding in 1976, the Highway Safety Program Office continued to support the project with state funds drawn from its budget. While this agency still provides a portion of the funds for the project's operation and evaluation activities, the actual coordination and instruction of classes are subcontracted to county alcohol and drug services providers through the Division of Alcoholism and Drugs of the Department of Social Services. Currently, the division also provides funds from its budget to support the project.

In 1974, only Salt Lake County had a juvenile court teen alcohol school, but by 1977 requests for funding had been received from Tooele, Davis, Utah, and Weber Counties. In response to these requests, schools were established in the First Juvenile Court District, serving Davis and Weber Counties, and in the Second Juvenile Court District, where Tooele County is located. As of fiscal 1979, all five of Utah's juvenile court districts had at least one juvenile court alcohol school, with a total of eight projects in operation throughout the state.

In five years, a program which started with one school, supported with funds remaining from a federal grant, expanded statewide to eight locations in Utah's five juvenile court districts. By 1979, the program had gained the recognition of the Utah legislature. A bill was passed to formalize the concept, expand the program to drug offenses, and assess each family of a juvenile ordered to the school up to \$40 as supplemental funding for the schools. Because the attention to drug offenses is relatively recent, the following discussion will focus entirely on efforts in the alcohol abuse area.

The legislation, known as the Utah Juvenile Court Teen Drug/Alcohol Intervention and Prevention Act, defines a juvenile court teen drug/alcohol school as "any school established in mutual cooperation by the Utah Division of Alcoholism and Drugs and the Utah Juvenile Court Districts to provide an education, interpersonal, skill-building experience for juveniles under the age of 18 who have been cited for committing a drug or alcohol-related offense." Parents of juvenile offenders, according to the law, are also required to attend.

In general, the legislation is very simple. In addition to sections which define terms and designate organizations responsible for its implementation, the final section authorizes the collection of fees from families of juveniles ordered to attend the school. This provision, it is hoped, will enable the juvenile court teen alcohol/drug schools to become self-supporting, making further state appropriations unnecessary. It is this section of the act, however, which has received criticism from some agencies which contract to provide the service. A detailed discussion of these criticisms will be included in a later section of this case study.

The K-12 Alcohol Education Project

In 1978, the Timpanogos Community Mental Health Center and the Salt Lake City School District applied for funding from the National Institute on Alcohol Abuse and Alcoholism (NIAAA) to replicate the K-12 Alcohol Education Project developed in Seattle, Washington. The project consists of a graded curriculum designed for kindergarten through the twelfth grade to teach students about the physiological and social effects of alcohol, as well as to offer responsible alternatives to drinking, enriched self-concept, and coping strategies in dealing with life's problems.

NIAAA awarded two replication grants for the K-12 Alcohol Education Project that year, one of which went to the Timpanogos Community Mental Health Center in Provo, Utah. Due to its unsuccessful bid for federal funds, the Salt Lake City School District sought support for its K-12 project from the Division of Alcoholism and Drugs. The division provided support for the Salt Lake City program from within its budget, and this line-item addition was subsequently approved by the legislature.

In 1979, the Salt Lake City School District once again approached the Division of Alcoholism and Drugs to seek continuation funding. Endorsements were sought from the superintendent, Control Office Curriculum Council of the Salt Lake City Schools, school board members, principals, teachers, and community agencies interested in participating in the effort. Funding was granted the second year, as before, through an appropriation line item in the division's budget. This amount provided two-thirds of the project's support, and the remainder was supplied by the school district.

In 1979, the legislature included a \$150,000 appropriation in the budget for the State Office of Education to upgrade the quantity and quality of alcohol and drug education in the public schools. This measure was suggested by the governor at the urging of the Utah Parents and Teachers Congress, which had indicated that the problems of alcohol and drug abuse among students was a high-priority issue.

The mandate to the Office of Education to provide alcohol and drug-related prevention education is not without precedent, for Chapter 53 of the Utah Code stipulates that it is the duty of all boards of education to give instruction and guidance:

for student thinking, discussion, decision and activity as shall give special emphasis to the harmful effects upon individuals and society of alcoholic beverages including beer containing alcohol, tobacco and all other forms of harmful narcotics as shall lead such young people away from their use. For the purpose of this act the state superintendent of public instruction shall prepare not later than September 1, 1939, teaching materials and materials of instruction, bulletins, courses of study and visual education aids...for the use of [teachers]...and shall incorporate the same into the

regular course of study for use by schools and other education agencies of the state.

Hence, the authorization for the K-12 Alcohol Education Project was actually legislated in 1939.

The current appropriation of \$150,000 to the Office of Education was approved with the understanding that the office would work cooperatively with the Division of Alcoholism and Drugs. Preliminary plans called for using \$57,000 to train two teachers from each elementary and secondary school in 25 percent of Utah schools; \$40,000 to be used for instructional materials; \$40,000 for two trainers and coordinators; \$11,000 grant for a student-proposed project; and \$2,000 for evaluation. Just prior to the bill's passage, however, the budget was changed to provide \$87,788 for instructional materials and curriculum development, \$60,212 for teacher in-service training, and \$2,000 for evaluation. Two full-time persons were hired to administer the program.

While most of the respondents interviewed for the case study were encouraged that funds had been appropriated which had the potential for implementing the K-12 Alcohol Education Project statewide, they felt that the \$150,000 appropriation was a small and insufficient start. The inability to obtain more funds from the legislature was attributed to a position among conservative representation that alcohol education programs are "teaching responsible drinking," rather than "responsible decisionmaking about whether to drink." This situation would understandably be objectionable to those who advocate total abstinence from alcohol. Nearly all of the practitioners and advocates for the project interviewed as a part of this study were members of the Church of Jesus Christ of Latter Day Saints. Surprisingly, some stated that they would prefer to forego state funding for the program should the legislature insist that an abstinence posture replace the current philosophy.

OBJECTIVES OF THE SUBSIDIES

The only stated objective of the Juvenile Court Teen Alcohol/Drug School legislation is "to provide an educational, interpersonal skill-building experience for juvenile drug and alcohol offenders and their families." State administrators from the Highway Safety Program Office and the Division of Alcoholism and Drugs consider the program's effectiveness to be measured by its ability to prevent juveniles from repeating drinking offenses. The program has resulted in a maximum 18 percent recidivism rate for subsequent alcohol offenses committed within six months after completion of the program. A rather sophisticated evaluation performed by the Highway Safety Program Office, to be discussed in greater detail later, determined that 30 percent recidivism rates were found among juveniles who had received traditional court dispositions, such as fines and probation.

To achieve this goal, the program attempts to promote more responsible behavior on the part of teenagers by increasing (1) their understanding about the effects of alcohol, (2) their awareness of state alcohol laws, (3) their

appreciation of value differences within families and among cultures, (4) their ability to communicate with family members, and (5) their incentive to seek professional counseling.

The Juvenile Court Teen Alcohol/Drug School has purposely been developed as a source of information rather than treatment. Its teachers make a conscious effort not to present drinking as a moral issue, or to suggest that drinking is good or bad. Although the participants have been ordered by the court to attend, the intention is not punishment but education on the physical and psychological effects of alcohol.

The objectives of the K-12 Alcohol Education Project are similar to the Juvenile Court Teen Alcohol/Drug School, with the important distinction that this effort is designed to prevent alcohol abuse among all youth, not just those who have committed an alcohol offense. The basic philosophy of the K-12 Alcohol Education Project is that the incidence of alcohol abuse problems will decline among youth if they have a greater degree of self-esteem, are able to cope more effectively with life's problems, have current facts about alcohol and alcoholism, are more skilled in handling interpersonal relationships, and have practice in making reasoned decisions.

The state's objectives in providing these subsidies have been to encourage the development of at least one Juvenile Court Teen Alcohol/Drug School in each judicial district and to underwrite a second project site for the K-12 Alcohol Education Project. Both programs were begun on a limited, experimental basis; however, these small beginnings have provided a manageable scale for the implementation and close observation by the Division of Alcoholism and Drugs. A facilitator's manual for the Juvenile Court Teen Alcohol/Drug School has been developed to disseminate effective procedures and techniques to other providers. Manuals for the K-12 Alcohol Education Project were developed by the project's designers in Seattle.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDIES

Juvenile Court Teen Alcohol/Drug School

Juvenile court teen alcohol/drug programs are conducted every five weeks. Sessions last two hours with the first hour devoted to information on the physical and social effects of alcohol. The second hour involves small group discussion. Topics presented are (1) introduction to the course, (2) why people drink or use drugs, (3) communications within the family, (4) abuse of drugs and alcohol, and (5) review.

Providers feel that one of the most important attributes of the program is the involvement of the entire family. During the discussion period, parents are placed in groups with children other than their own to create a more neutral

environment and to allow the adults to hear the expressions, attitudes, and fears of other teenagers. Conversely, teenagers are exposed to the viewpoints of other parents.

The approach assumes that teenage drinking is one of many problems over which parents and children experience conflict. By helping family members to clarify values, talk freely with one another and listen more carefully to views being expressed, individuals and families are believed able to deal more effectively with alcohol and drug-related problems.

The K-12 Alcohol Education Project

The K-12 Alcohol Education Project is incorporated into the curriculum of public schools. Classroom teachers are trained by facilitators or coordinators to use especially developed materials, including audiovisual aids, to teach youth facts regarding the physiological effects of drinking and to increase their skills in determining their own values, making personal choices, and resisting negative peer pressure.

The curriculum is graded to the appreciation and conceptual levels of youth from kindergarten through grade 12. It is believed that this prolonged exposure is needed to effectively educate children on the effects of alcohol, and thus prevent its abuse. Employed as a part of the regular classroom activities for about three to four weeks during the school year, the curriculum is packaged into kits which include films, tapes, games, posters, charts, and other resource materials.

The kits range in cost from \$185 at the primary school level to \$1,395 at the senior high level. In the original project, facilitators trained teachers, who in turn trained other teachers. It was later found, however, that teachers trained directly by facilitators were more effective than those receiving instruction only from "trained teachers." Accordingly, all teachers who will eventually offer the K-12 curriculum are trained by facilitators. For the Timpanogos project, the objective is to train all elementary teachers and all junior and senior high school health teachers. In Salt Lake City, a team teaching approach is used where teachers who have received the training teach the curriculum in other teachers' classes.

SERVICES RECEIVED BY JUVENILES AND SOURCES AND LEVELS OF FUNDING

The Juvenile Court Teen Alcohol/Drug School

Juveniles arrested for an alcohol or drug offense can be ordered to attend a juvenile court teen alcohol/drug school with their parents. One juvenile court district refers a youth after a second offense, customarily levying a fine for the first offense. While the remaining districts usually make referrals after a first appearance in juvenile court, one district has agreed to allow offenders to be referred after arrest without a court appearance. A recent resolution by the juvenile court judges recommended that first-time offenders not be processed through the courts. A policy to allow law enforcement agencies to make direct referrals to the juvenile court teen alcohol/drug school would eliminate an appearance in court by youth and their parents.

In five years, state funds established eight juvenile court schools located in Salt Lake, Tooele, Weber, Davis, Price, and Utah Counties, and one five-county consortium serving Washington, Iron, Kane, Garfield, and Beaver Counties. Other schools in the Uintah Basin area, Bear River area, and Central Utah area, serving a total of 12 counties, will begin soon. Each of Utah's five juvenile court districts now have at least one school. During 1979, over 1,000 parents and 1,000 juveniles participated in the program statewide. A school in the five-county area served only 25 clients, while 865 were enrolled in the Salt Lake County program. The 1,052 juveniles in the program in 1979 represent one-third of all juvenile alcohol-related arrests. Juveniles from rural areas, comprising 22 percent of Utah's population, are usually not required to attend juvenile court teen alcohol/drug schools due to traveling distances to established schools.

With authorization of a fee collection by the Juvenile Court Teen Drug/Alcohol Intervention and Prevention Act, some counties are beginning to support their schools locally. In 1979, two counties began collecting fees, but this raised less than ten percent of the costs of the program.

Budget estimates for 1980 indicated that \$54,000 will come from the state, which amounts to 65 percent of total projected expenditures. The balance will be supplied from local sources, about one-half coming from fees and the other one-half from agency in-kind contributions. It is interesting to note that state funds were nearly equally divided between the budgets of the Highway Safety Program Office and the Division of Alcoholism and Drugs.

Annual budgets for each school receiving funding in 1979 ranged from \$7,000 to \$23,000, with the average budget at nearly \$12,000. While the state will probably continue to fund the program, the long-range goal is to have the schools become self-supporting through fee collections. Interviewees stated that if state funds were inadequate and fee collection failed to generate sufficient revenue to operate, county commissioners and private foundations would be

approached. Another provider reported that he had already aroused some interest from the Utah Breweries Association to consider partial funding.

The K-12 Alcohol Education Project

Currently, the K-12 Alcohol Education Project is available in only two areas, the Salt Lake City School District and in six of nine school districts of the Timpanogos Community Mental Health Center catchment area, with about 26,000 students in the program. In 1978, ten pilot schools in the Salt Lake City School District taught the K-12 alcohol education curriculum to 3,000 students. These 29,000 students (in total) represent almost ten percent of Utah's school-age population. As mentioned previously, a \$150,000 appropriation in 1980 to the Office of Education will support a beginning effort to make alcohol and drug education projects available statewide. Whether additional funding will be available from the state to make program expansion possible is not clear at this time.

The Timpanogos Community Mental Health Center project is supported by a \$50,000 replication grant from the National Institute on Alcohol Abuse and Alcoholism. This amount was supplemented by a \$31,000 in-kind contribution from the mental health center. The center is hoping that, after a year's demonstration, continued support will be assumed by the local school boards or an appropriation from the state legislature.

For two years, the Salt Lake City School District has received funding through an appropriation for the Division of Alcoholism and Drugs. The school district's proposed program budget for 1980-81 was for over \$40,000. Of that amount, slightly over \$22,000 was requested from the Division of Alcoholism and Drugs (including \$5,500 in in-kind resources), \$4,000 from the Utah Department of Public Safety, slightly over \$10,000 from the Salt Lake City School District, and \$4,000, covering the half-time salary of a secretary, from CETA.

The project coordinators have been encouraged that the local school board has offered financial support and that the Division of Alcoholism and Drugs agreed to continue the funding for a second year, even though future support is uncertain. The superintendent of the Salt Lake City schools requested that the school board set aside \$25,000 for in-service training for this project, but the proposal was tabled. Despite the fact that the superintendent enjoys a good rapport with the board, which has been generally supportive of the project, the local school district remains too financially strapped to expand into new program areas. It is hoped that the legislature will increase its appropriation for alcohol education to the Office of Education and that this agency will use the funds to support statewide implementation of the K-12 Alcohol Education Project.

ALLOCATION OF FUNDS

The Juvenile Court Teen Alcohol/Drug School

Allocation of funds to counties is based primarily on which juvenile court districts have demonstrated a need for a Juvenile Court Teen Alcohol/Drug School and the number of clients expected to be served. As explained earlier, the original juvenile court alcohol school in Salt Lake County was financed by a federal grant received by the Utah Office of Highway Safety, part of which was transferred to the Division of Alcoholism and Drugs to administer. As federal dollars decreased, the Division of Alcoholism and Drugs continued to support, and even expand, the program with state funds. The Division of Alcoholism and Drugs subsidized the schools from appropriation funds. Total costs for the program were determined from budgets submitted by each school which expected to operate the program in the coming year. Since no specific allocation language was added to the Utah code, it can probably be assumed that funds will continue to be distributed to programs in the same way.

While counties are not expected to provide matching funds, many add their own contributions, and local agencies frequently provide in-kind services. The state provides from one-third to three-fourths of the costs of the schools.

The most dramatic change in the funding of the juvenile court teen alcohol/drug schools has been the provision for fee assessment included in the legislation. Schools are encouraged to collect fees from the participants. The goal is that the schools will become self-supporting, no longer totally dependent upon state funds. It is hoped that at least 18 percent of the costs will be defrayed through fees by fiscal 1980. The legislation states that any juvenile required to attend a juvenile court teen alcohol/drug school will be required by the court to pay a \$20 fee to the court in addition to any other court-ordered disposition, and that his parents will be required to pay a \$10 fee per parent. Fees per family may reach, but not exceed, \$40, and are used to defray the costs of educational and administrative expenses of the court. All monies collected from fees are applied to the juvenile court teen alcohol/drug school in the judicial district in which the offense occurs or in which the teenager resides. Monies are drawn upon for the payment of expenditures authorized by the director of the Division of Alcoholism and Drugs.

The implementation thus far of the fee collection, however, has given discretion to the courts to collect the fees themselves or to require the service providers to do so. The fees have ranged from \$15 to \$40 per family, depending upon location. In the majority of cases, the school collects the fees. Only in Weber and Davis Counties has the court directly collected fees.

One agency has found this requirement to be highly unsatisfactory, and even expressed a willingness to forego state funds, if necessary, to avoid implementing the provision. The agency feels that overcoming the participants' hostility toward a court order to attend the school is a sufficiently difficult task without the added obligation to pay a fee. Clients are apt to feel

hostility toward the court in any case, and so it was felt that the court should assess the fee at the same time the order is given to attend the school. Such an approach might direct some negative feelings away from the school, allowing it to begin with more positive feelings among clients from the initial meeting. However, other schools required to collect fees have done so without evidence of encountering these problems.

The K-12 Alcohol Education Project

Because only one K-12 Alcohol Education Project is supported by state funds, the procedure for obtaining an allocation has been fairly direct. As mentioned previously, the Salt Lake City School District submitted a proposal to the National Institute on Alcohol Abuse and Alcoholism to conduct the K-12 Alcohol Education Project as a replication effort. When the school district was not awarded federal funds, the Division of Alcoholism and Drugs opted to use monies from its budget to support the program. Since that time, obtaining funds for expansion or continuation has been a matter of direct negotiation between the Salt Lake City School District and the Division of Alcoholism and Drugs. Funds are allocated from the division's budget rather than sought as a direct appropriation from the state legislature. The school district, however, observes all of the formalities expected of any contractor with the division. Proposals, budgets, and administrative forms are submitted annually. The administrative procedures are explained in the next section.

ADMINISTRATIVE REQUIREMENTS

Like the arrangement for funding the Salt Lake City schools' K-12 Alcohol Education Project, a juvenile court district may indicate to the Division of Alcoholism and Drugs a need for a juvenile court teen alcohol/drug school. The division, then, negotiates a contract with an appropriate local agency. To receive monthly reimbursements, the agency must submit a specification of services, a budget, and a "POME" statement. The "POME" statement contains an analysis of the "problem," a list of measurable "objectives," a description of treatment "methods" to be used, and an approach to an "evaluation" of accomplishments. Progress to date is indicated on the statement, which serves as a framework for making quarterly progress reports as well as the original proposal. The context describes the agency's efforts during the preceding quarter to meet its objectives as stipulated in the proposal. A quantified estimate of the progress made toward measurable objectives is given. If objectives are not achieved, reasons explaining in detail any deficiencies, as well as future modifications, are added to the report. The reports are due in October, January, April, and July.

Submitted with the July POME statement is an annual report which covers activities of the preceding fiscal year. The provider evaluates management procedures,

organizational structures, fiscal management, and contract services. In addition, the provider is requested to participate in the State Management Information and Evaluation System. The agency agrees to provide statistical reports each month and to participate in special surveys as required. The state offers technical assistance by training an agency representative to serve as a Mechanized Information System (MIS) contact person.

Claims for payment are made by submitting billing statements to the division by the twentieth of each month. Late claims are honored, given that they are not submitted past the close of the fiscal year, and no money is forwarded until the management information data have been received. A financial report summarizing total program operating expenses and income is sent to the division bi-annually.

The provider is also expected, within 180 days of submitting the final expenditure report, to file a fiscal audit and copies of any other formal audit conducted on the agency's program by an internal or external audit team. Financial records, reflecting all expenditures and income from other sources, are to be kept for four years. State contracts explicitly convey the expectation that the agency will make every possible effort to locate, solicit, and obtain local consumer, third-party, and other fiscal resources.

Alcohol and drug treatment programs are subject to standards monitored by the division. Equal rights and due process considerations are also observed, since contracts stipulate that providers must establish and maintain written procedures by which recipients of the services may present grievances about the operation of the program. The delivery of services must also reflect compliance with the Civil Rights Act of 1964, prohibiting discrimination on the basis of race, color, religion, sex, or national origin; Executive Order No. 11246 (Affirmative Action); and Section 504 of the Rehabilitation Act of 1973, prohibiting discrimination of any handicapped person solely on the basis of his or her handicap. The state agrees to provide manpower and training activities to direct service personnel and to disseminate information regarding new programs and funding sources.

ORGANIZATIONAL STRUCTURES

Neither the Juvenile Court Teen Alcohol/Drug School nor the K-12 Alcohol Education Project demand an elaborate administrative structure. At the state level, the oversight of each program takes only part time of a staff professional. While there are regional alcohol and drug councils, these only function in an advisory rather than administrative capacity. All administrative matters are handled directly between state division staff and provider agencies.

Locally, the Juvenile Court Teen Alcohol/Drug Schools also tend to have part-time coordinators, while the K-12 Alcohol Education Project has a full-time administrator. Only the distribution of funds for the Juvenile Court Teen Alcohol/Drug Schools involves county commissioners. Fees for services are collected by the state from either the juvenile court or the provider agency,

subject to the court's discretion. When billed by the provider agency, the state sends the reimbursement to the county treasury, which maintains an account from which the agency draws its expenses.

Successful operation of the Juvenile Court Teen Alcohol/Drug School Project requires cooperation among the local alcohol and drug treatment centers, the juvenile courts, and law enforcement agencies. Without confidence in one another, the program would likely fail. Likewise, the K-12 Alcohol Education Project has striven to enlist the cooperation of area drug and alcohol treatment centers, community mental health centers, other social service agencies, law enforcement agencies, local and state boards of education, and the research departments of Utah's state universities.

At the state level, the cooperation between the Division of Alcoholism and Drugs and the Highway Safety Program Office is, by previous description, readily apparent. However, another interesting example of state-level coordination is described in Section 6 of the chapter in the Utah code which established the Division of Alcoholism and Drugs. This section calls for the development of an Interdepartmental Coordinating Council consisting of the state planning coordinator, the executive director of the Department of Social Services, the directors of five of the department's divisions, the commissioner of the Department of Public Safety, a district judge, a juvenile court judge, a city court judge, the Superintendent of Public Instruction, the commissioner of the Utah System of Higher Education, and the director of the Department of Business Regulation. The council meets every three months to ensure that programs relating to alcoholism and drug abuse are not overlapping, duplicating services, or conflicting. Changes in legislation, policy, or implementation made by the council are submitted to the governor and the legislature.

INTERGOVERNMENTAL RELATIONS

Utah is a unique state, since the majority of its citizens share common religious beliefs and church affiliation. There is a great deal of common perspective among state and local leaders. The only friction cited by interviewees comes when state officials expect actions on the part of local governments without providing funds for execution. Some local officials stated that the delivery of certain types of services should be the responsibility of state administration and not of local government. Basically, however, case-study respondents stated that the funding arrangement of the Juvenile Court Teen Alcohol/Drug School and the K-12 Alcohol Education Projects has strengthened state-local relations.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDIES

The Juvenile Court Teen Alcohol/Drug School

The Juvenile Court Teen Alcohol/Drug School has undergone more evaluations of greater sophistication than perhaps any other program surveyed by this study. Evaluation of drug and alcohol schools dates back to 1970. In 1970, a study by T. J. Thomas and D. R. Anderson found no significant attitude changes about drugs among juveniles who attended a drug school, although parents were less likely to hold a stereotype view of a drug user after the course. In 1971, Thomas determined that drug-related offenses among juveniles who had attended a drug school declined 79 percent in a nine-month period following its completion. Marjorie Funk replicated the Thomas study in 1973 and discovered an 87 percent decline.

In 1975, D. Adams used the first experimental and control groups to test the effectiveness of an alcohol school program. In the treatment group, 13 percent of the juveniles recidivated, compared to 30 percent in the no-treatment group during the six-month period following completion of the alcohol program. An analysis of records kept by the Division of Alcoholism and Drugs between April 1974 and June 1976 showed that the recidivism rate among juvenile court alcohol school students was 34 percent during a six-month period prior to the sessions and 15 percent during the six-month postobservation period.

The most thorough study of the Utah juvenile court alcohol school was conducted for the National Highway Traffic Safety Administration in 1978. Comparisons among three groups were made. Group I, known as the "school group," consisted of juvenile alcohol offenders and their parents ordered by the court to attend the alcohol school. A second group, the "contact group," involved juvenile alcohol offenders and their parents who participated in five one-hour sessions held weekly. The first and last sessions were used for testing; the second, third, and fourth sessions were spent watching alcohol-related films and receiving literature on the subject. This group was established to serve as a control in measuring the effects of five weeks of "official attention." Finally, members of a third group, the "regular group," were given conventional court dispositions for alcohol offenses, such as fines, probation, and referrals to other agencies. Parents and juveniles were randomly assigned to the groups. After five cycles of the school, 224 teenagers, 173 mothers, and 115 fathers were included in the school group; 83 teenagers, 72 mothers, and 47 fathers in the contact group; and 71 teenagers, 59 mothers, and 39 fathers in the regular group. An analysis of background demographics showed the groups to be comparable, or at least not significantly biased in any one factor.

Participants in the school, regular, and contact groups were given questionnaires prior to and after their respective treatments. The follow-up period lasted six months. A one-way analysis of variance was used to compare the average changes in responses on variance questions after completion of treatments. A level of 0.15 was chosen for the reporting of statistically significant changes. Questionnaire responses were categorized and indexed to determine

background demographics, criminal and driving history, treatment motivation, self-perception, family life perception, parental support, juvenile perception of parental support, communications, peer relationships, alcohol knowledge, physical alcohol use, and attitude toward use of alcohol. Juvenile court statistics gathered independently were used to determine recidivism rates. Some of the findings are as follows:

- (1) During a six-month period following the school cycles, juveniles in the school group averaged 0.19 alcohol-related arrests during the follow-up time period, as compared to 0.16 for those in the contact group, and 0.21 for juveniles in the regular group. Described another way, 11.8 percent of the school group were repeat offenders during this time period, 10.8 percent of the contact group repeated, and 16.9 percent of the regular group repeated.
- (2) The results comparing the proportions of juveniles among the three groups involved in accidents are similar. Within the school group, 3.6 percent of the juveniles were involved in crashes during the follow-up period, 2.4 percent of those in the contact group, and 4.2 percent of the regular group.
- (3) There were no systematic differences before and after treatment in driving attitudes among the three study groups.
- (4) The juveniles in the study did not change their opinions of their parents' supportiveness after attendance at the school, contact, or regular sequences. The mothers and fathers in the study did not change their levels of supportiveness of their teenagers after experiencing their respective treatments.
- (5) Juveniles in the school group reacted more positively to following a counselor's advice after school attendance than did those juveniles attending the contact and regular sequences. On the other hand, the juveniles in the school groups were less inclined to find nondrinking-related activities than were the juveniles attending the contact and regular sequences.
- (6) There is no sample evidence that the juvenile court alcohol school increased communication between parents and teenagers as measured by the questionnaire responses.
- (7) The teenagers in the study reported no change in alcohol consumption, regardless of group.

Given that the school group and contact group appeared to yield comparable results, the relatively inexpensive treatment given the contact group led the Division of Alcoholism and Drugs to consider supporting the three to five film/lecture sessions, rather than the more comprehensive juvenile court alcohol schools. Many people came quickly to the defense of the juvenile court alcohol schools. Among the reasons for continuation cited was that the schools provided an arena in which to test various treatment approaches. Second, it was suggested that the research be expanded to include secondary dependent variables such as parent/teen relationships, problem drinking among youth, use of treatment services following school participation, and the effects on communication patterns in the family. Realizing that most juveniles will continue to drink, it was felt that reductions in problem drinking and family disorganization, and increased use of services by families who need it were perhaps, in the last analysis, more important than whether or not a youth was rearrested, the basis on which the program had been predicated.

The program is highly regarded and popular among the media, receiving frequent attention in a number of newspapers. Subjective evaluations given by teenagers and parents who participate in the school are usually positive, an unexpected finding since families ordered to attend the school are usually resistant at the outset. However, it was felt that this resistance dissipated as activities advanced. The counselors and facilitators who operate the program are generally perceived as competent, dedicated, and willing to offer their expertise for remuneration far below the market rate.

The K-12 Alcohol Education Project

As a replication project contractor for the National Institute on Alcohol Abuse and Alcoholism, the Timpanogos Community Mental Health Center is required to conduct a fairly sophisticated analysis of the K-12 Alcohol Education Project. At least one evaluation has already been conducted to measure the impact of training workshops on participating teachers and the impact of the alcohol education curriculum on students in grades four through six and some junior and senior high school students. Experimental data were collected on the students of the trained teachers. At least one classroom at each grade level was selected from schools in both urban and rural settings. A comparable number of control classrooms were obtained as well.

Questionnaires were administered before and after training workshops to 115 teachers participating in these sessions. The teachers were measured on knowledge achieved, changes in attitudes, ability to lead discussions, and skill in formulating coping strategies. Of the 115 teachers trained, nearly 73 percent used the curriculum during the 1979-80 school year, and 77 percent anticipate using it in 1980-81. Students were also tested following the presentation of the alcohol education curriculum. For the students, scores for knowledge gained, improvement of self-concept, assumption of responsibility for problems, determination of problemsolving strategies, and changes in attitudes were obtained.

The findings showed that 88.9 percent of the 115 teachers gave the three-day training workshops a four or a five on a scale of one to five. None rated the sessions at less than a three. On the same scale, 87.5 percent of the teachers rated the curriculum a four or a five. Ninety-one percent of the teachers did not use alcohol. Most abstained on principle. Fifty-eight percent favored prohibition. Among students, the findings indicated that students who had received the instruction scored significantly higher on knowledge of alcohol and its effects than students who did not. More refined analysis, however, showed that the difference in knowledge scores was only significant for the fourth grade. There were no significant differences in self-concept or attitude scores between experimental and control groups at any grade level. For all four areas of decisionmaking skills, the experimental group scored higher than the control group at the junior high school level. Regarding attitudes toward alcohol consumption, both experimental and control groups responded predominantly in the direction that the alcohol education program promoted.

It appears that the knowledge scores of the experimental group were the only ones showing any consistency in growth when compared to students in the control group. This is probably not surprising since the other major factors, self-concept, attitude, and decisionmaking skills, would need much longer than a four-week exposure to a given curriculum to show marked change. One would expect significant changes over time, however, given that students received instruction year after year beginning in kindergarten through high school. This situation calls for a longitudinal evaluation which the Utah implementors have plans to undertake.

What seems to be a variable equally important as measurable changes in knowledge, attitude, and decisionmaking skills is whether people think that the program works. Like the Juvenile Court Teen Alcohol/Drug Schools, the K-12 Alcohol Education Project has received considerable media attention. One of Utah's television stations recently produced a half-hour feature on the program. The evaluation had also found that 89 percent of students in senior high school felt that the program should be offered in school.

The reception among some teachers has been mixed. While some embrace the program enthusiastically, others do not wish to be burdened with extra responsibilities. Just handling a standard curriculum is sufficiently difficult, some feel, without having to attend extra training sessions or using additional materials. Another objection among teachers arises from the fact that so many teachers are Mormons. Their own persuasions are to abstain from drinking, and like some members of the legislature, feel that the K-12 Alcohol Education Project teaches responsible use of alcohol, rather than responsible decision-making about whether to drink at all.

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UTAH JUVENILE DETENTION SERVICES SUBSIDY

BACKGROUND AND ACKNOWLEDGMENTS

The purpose of this case study is to describe the history, development and future of the Utah Juvenile Detention Services Subsidy (Utah Code Annotated, Section 55-11a-5) enacted in 1961 to assist counties in the construction, capital improvements, operation, and maintenance of secure detention facilities for juveniles. Such facilities are deemed necessary to temporarily hold or detain arrested juveniles to assure their appearance in court or to protect them or the public from additional harm.

On-site interviews were conducted from February 4-8, 1980, in two locations: Salt Lake City (Salt Lake County) and Provo (Utah County). Several people were interviewed and numerous descriptive documents were obtained.

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State Legislators

Representative Steve Holbrook, Utah House of Representatives, Salt Lake City

State Administrators

Willard Malmstrom, Program Specialist, Division of Family Services, Department of Social Services, Salt Lake City

John Billings, Director, Division of Family Services, Department of Social Services, Salt Lake City

Local Elected Officials

William Hutchinson, County Commissioner, Salt Lake City

Local Administrators

James R. Walker, Superintendent, Salt Lake County Detention Center, Salt Lake City
Malcom Evans, Superintendent, Utah County Youth Home, Provo

Utah was selected for case study in the interest of having a southwestern state as a part of this sample. The study's primary interest in this state pertained to its several special substance abuse prevention subsidy programs; thus, the visit planned for this purpose also afforded us the opportunity to examine one of several state detention subsidies.

ORGANIZATIONAL CONTEXT

Utah law delegates to each county the responsibility to provide detention, while the state maintains a standard-setting and monitoring role. Currently, there are three subsidized detention centers. They are located in Salt Lake City (serving Salt Lake and Tooele Counties), Provo (serving Utah County), and Ogden (serving Morgan, Weber, and Davis Counties), areas accessible to about 80 percent of the state's population. In addition, there are four holdover facilities in Cache, Carbon, Iron, and Washington Counties, providing services for an additional nine percent of the population. The remaining 19 counties either contract with an existing detention or holdover facility, or use the adult jail for detention.

The Division of Family Services, Department of Social Services, is responsible for administering the Juvenile Detention Services Subsidy to

facilities in Cache, Carbon, Iron, and Washington Counties, providing services for an additional nine percent of the population. The remaining 19 counties either contract with an existing detention or holdover facility, or use the adult jail for detention.

The Division of Family Services, Department of Social Services, is responsible for administering the Juvenile Detention Services Subsidy to facilities for the custody and detention of children under 18 years of age. The Division of Family Services recommends that each detention facility have a citizen's detention advisory board whose membership is representative of the community and is interested in child welfare issues. Advisory boards are formed to evaluate, advise, and recommend policies and procedures. In addition, a state Youth Corrections Advisory Board is appointed by the governor to establish policy for the Division of Family Services. A chart depicting organizational elements relevant to the Detention Services Subsidy is found in Figure 1.

POLITICAL AND LEGISLATIVE HISTORY

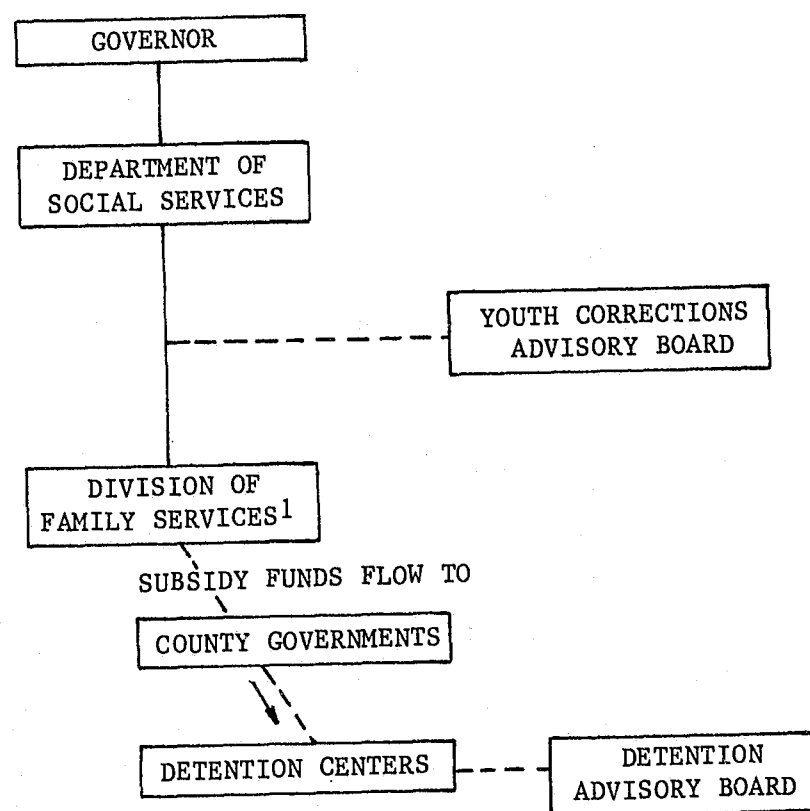
State financial assistance to counties to construct, maintain, and operate juvenile detention facilities has been available in Utah since 1961. The subsidy legislation (Utah Code Annotated, Section 55-11a-5) stipulates that county governments are responsible for detention services, while the state would provide reimbursements for "up to 50 percent" of the costs. Until 1976, the state had maintained its 50 percent portion of total expenditures. However, beginning that year, the state exercised the option implied in the phrase "up to 50 percent" and, in effect, provided only 41 percent of the total costs of operating detention facilities in the state. Each year thereafter the proportion not only remained below 50 percent but continued to decrease for three consecutive years so that in 1977 only 42 percent of the costs were met, in 1978 only 38 percent, in 1979 only 32 percent, and by 1980 the state was meeting only 28 percent of total costs. Fortunately, the percentage for 1980 was able to be increased to 32 percent with the addition of \$156,000 from underspending in other areas by the Department of Social Services.

The falling proportion of state support did not go unnoticed. In 1976, administrators of the three major detention centers in the state began to express concern about the shortfall. Officials responsible for budgets in several counties were also troubled. By mid-1978, the detention superintendents became convinced that the law should be amended to reverse the state's sliding support.

A bill was prepared by the three superintendents and presented to the 1979 Utah Legislature. This bill called for the state to contribute 50 percent of the costs, rather than "up to 50 percent," thereby eliminating the possibility of the state falling short of expected contributions. However, several circumstances led to the bill's failure in its first introduction.

First of all, no study had been conducted supporting the need for the legislation by any legislative committee. Second, the Department of Social

FIGURE 1. ORGANIZATION OF AGENCIES RELEVANT TO THE UTAH JUVENILE DETENTION SERVICES SUBSIDY



1. The Division of Family Services has been divided into three units by administrative directive. This new organization has not yet become law. The three units are:

- (1) Children, Youth and Families
- (2) Youth Corrections
- (3) Mental Retardation and Deviant Disabilities.

Services was worried that other groups would also produce plans to increase state support for their programs, thus straining the department's budget. Further, the Utah Association of Counties had not been involved in writing the bill or in laying the groundwork for its passage. Once the bill was filed, however, county lobbyists did participate in working for its passage. The Senate passed the bill 26-1, but the next day it failed in the House, losing by only two votes.

The opposition in the House came from a few legislators who were concerned that the bill's enactment would result in a "blank check" for county detention services, requiring the state to reimburse 50 percent of local expenditures, regardless of appropriation levels. To overcome this objection, the following language was inserted in the bill when it was reintroduced in 1980:

At least 12 months prior to the beginning of the state fiscal year for which state assistance is sought, the county or counties operating the detention facility shall submit to the state department of social services a proposed budget for capital improvements and operation and maintenance of the facility which, upon concurrence by the state department, shall be submitted to the legislature. Nothing in this section shall prohibit the legislature from amending the proposed budget. The requirement of at least 50 percent assistance by the state shall apply only to the budget approved by the legislature. (Emphasis added.)

For the bill's second introduction, the House of Representatives' Interim Social Service Committee conducted a study regarding the need for the legislation. Also, many individuals and groups were contacted in an attempt to broaden the base of support, including county lobbyists, county commissioners, and state legislators. A formal resolution supporting the provision for "no less than 50 percent state reimbursement for detention services" was adopted by the Utah Association of Counties on October 12, 1979. Other lobbying efforts included a legislative breakfast which was sponsored by the youth-serving agencies of Salt Lake City, which included an oral presentation with audiovisual aids. Finally, influential legislators from both parties representing counties with detention centers were secured as sponsors for House Bill 35.

This time the bill passed easily in both houses (22-0 in the Senate, where no real opposition had existed, and 62-4 in the House) and, accordingly, the language of the bill was changed from "up to 50 percent of the total net expenditure" to "at least 50 percent of the total net expenditure." It became effective July 1, 1981.

ALLOCATION OF FUNDS

State financial assistance of at least 50 percent of total net expenditures for approved capital improvements, operation, and maintenance is provided to counties complying with minimum standards established by the Division of Family Services. In situations where counties contract with each other, the Division of Family Services will supplement the payment of detention services up to 50 percent of daily per capita costs. Also, a county in contract with another county for detention care may bill the division and receive up to 50 percent of the cost of transporting a child to and from the facility, except when this task is undertaken by a regular law enforcement officer acting in an official capacity. Approved expenditures include salaries, food, clothing, utilities, professional services, and various operating and maintenance activities. Monthly

requests for payment are submitted by the fifth working day following the month during which services were delivered.

ADMINISTRATIVE REQUIREMENTS

To qualify for state reimbursement of the costs of construction, operation, and maintenance, the state requires prior approval by the Division of Family Services of specifications for new construction or capital improvements, prior approval by the Division of Family Services of a specific work plan for the fiscal year, and certification by the Division of Family Services that the facility meets minimum standards as outlined in the Utah code.

The Division of Family Services is directed by law to provide "guidance and direction" in the establishment and administration of detention facilities. This is accomplished primarily by a program specialist in the division assigned to administer the subsidy.

Each facility is inspected at least once every six months. Standard reporting forms and written annual reports must be submitted to the division. The division has the power to suspend or revoke approval of funds, if the detention facility no longer complies with standards of the Division of Family Services. Annual audits are conducted by the county, and the state requires that records be retained for three years or until an audit has been completed by the state. Each detention superintendent interviewed reported that he had been audited by both the county and state within the past three years.

The annual synopsis of the program and plan of operation includes details on budget and staff, and a statistical summary specifying number of youth detained annually, reasons for detention, types of offenses, length of stay, average daily population, number of days approved capacity was exceeded, average length of stay, disposition, and other information which might reflect monthly or yearly trends.

A daily log is also required, which lists the date and hour each child was brought in and by whom, who was notified, and the date and hour of discharge and by whom. A copy of the referral report must also be kept on file. The detention facility is required to make a daily report to the juvenile court having jurisdiction. The report gives the name, date of admission, reason for detention, probation officer assigned, etc., for each child admitted.

The Division of Family Services establishes standards for the operation of the detention facility. It specifies intake and release procedures, personnel standards, standards of care, and basic building and equipment requirements. It also offers suggested guidelines for "reasons for admission to a detention facility" and construction guidelines. These standards are outlined in a pamphlet entitled Minimum Standards of Care for the Detention of Children.

TYPES AND LEVELS OF SERVICES SUPPORTED BY THE SUBSIDY

The subsidy supports three detention facilities located in the major population centers of the state, which serve approximately 80 percent of the state's population, either directly or by contract with a nearby facility. Also available are four holdover facilities. Without state funds none of the seven facilities would probably exist.

Holdover facilities provide detention for up to 48 hours, unless a child is under a court order to be held longer. Holdover facilities serve counties located at such a distance from one of the three detention facilities that transportation is impractical for a juvenile needing immediate detention. However, a small percentage of the population, probably less than ten percent living in the southeast and southcentral portions of the state, have neither holdover facilities nor easy access to one of the three detention centers.

The three detention facilities offer a variety of services to youth. According to the legislation, each detention center must offer instruction through the eighth grade, similar to that which is provided in the public schools. The local school district is required to provide the basic instructional material. The school programs typically include physical education, arts and crafts, home-making, and remedial instruction in reading and mathematics.

The centers also provide recreational activities. The program in Salt Lake City, for example, offers arts and crafts, reading and educational films, sports, and other diversions, such as group discussion, music periods, letter writing, and so forth.

The Minimum Standards of Care for the Detention of Children manual suggests that, "when possible a volunteer program shall be designed to complement and enrich the daily activities at a detention facility." Several areas of volunteer service are suggested, such as programs in homemaking, foods and nutrition, arts and crafts, grooming and personal hygiene, tutoring, performing arts, and so forth. The Salt Lake County Detention Center has prepared a publication entitled Listen! The Volunteer Service Program, describing its volunteer effort. At the present time, about 100 volunteers contribute between 300 to 400 hours of service each month to this facility. The types of services performed parallel those suggested in the minimum standards manual.

Centers also offer clinical, psychological, and social work services. General medical service and emergency medical and dental care are also provided.

SERVICES RECEIVED BY JUVENILES

The Utah State Juvenile Court establishes the following guidelines on detention for ungovernable children beyond the control of parents or school authorities or children who have run away from home:

- (1) Law enforcement agencies and personnel are to be instructed that in any case where they take a runaway child into custody or in any case where the parents or custodian or school official is requesting law enforcement assistance to take an out-of-control child into custody, such child is not to be brought directly to a detention facility. The child is to be taken to the nearest office of the Division of Family Services (or contract agency). If no such office is available in the community, a caseworker of the Division of Family Services is to be contacted for instructions on disposition of the child at that point. The law requires that: "when an officer or other person takes a child into custody, he shall without delay notify the parents. The child shall then be released to his parent or other responsible adult unless his immediate welfare or protection of the community requires that he be detained." (Section 55-10-90 UCA, 1953, as amended). In runaway and out-of-control cases, a caseworker of the Division of Family Services or contract agency is a responsible adult to whom the officer should release the child if circumstances preclude immediate release to a parent. If the child cannot be cared for in emergency foster care, the caseworker may bring the child to a detention facility provided the case meets the requirements set forth in the following paragraph.
- (2) Detention intake personnel are only to accept out-of-control and runaway children for detention upon application of a caseworker of the Division of Family Services (or contract agency). The child shall be admitted only if a written report is submitted at the time of application for detention or a verbal report is reduced to writing at that time showing:
- That the emotional condition or total circumstances of the child are such that there is a very high probability the child will physically harm himself or others if not detained.
 - The reasons why court authorized shelter care would jeopardize the welfare of the child or the protection of the community as an alternate to detention.

One respondent felt that some youth were inappropriately placed in secure detention in lieu of other alternatives. Utah retains exclusive original jurisdiction in juvenile court for all matters relating to delinquency, dependency, and neglect of individuals under 18 years of age. Status offenders (truants, runaways, etc.) are referred to the Division of Family Services, but these youth also may be sent to juvenile court and placed in detention if the division fails "after earnest and persistent efforts." Current estimates indicate that between ten to 20 percent of those in detention are status offenders. This rate, however, has been dropping steadily since the 1977 passage of legislation to transfer primary jurisdiction of status offenders to the Division of Family Services. A 1977 study by Arthur D. Little, Inc., concluded that about one-third of the cases referred to juvenile court could be classified as "status offenders."

John Billings, Director, Division of Family Services, was recently quoted in Juvenile Justice Digest (April 18, 1980) regarding inappropriate detentions. He said that more than one-half of the juveniles arrested and placed in Salt Lake

County Detention Center did not need to be locked up and should be placed in a community-based program. Most juveniles processed through the county detention center are arrested for minor offenses, like "joyriding, shoplifting, theft, drug possession, public drunkenness and smoking," according to Billings, and are "not a danger to the public."

Billings also questioned the need for adding more bed space at \$50,000 per bed costing \$50 a day to maintain, when for about \$30 a day a juvenile could be supported in a community-based program. According to the article, Billings said that recidivism rates for youth referred to community-based treatment programs are only one-third as high as for those institutionalized. Alternatives to detention suggested were home detention; "proctor" programs, in which the juvenile lives with another young person who works or goes to school; "tracker" programs, in which a person is assigned to keep track of the juvenile at all times; and various types of group homes.

SOURCES AND LEVELS OF FUNDING

State expenditures for the Juvenile Detention Services Subsidy have been increased above the \$450,000 appropriation level for the past two years from funds underspent by other programs in the Division of Family Services. In fiscal 1979, while the appropriation remained the same, the division added \$50,000 from leftover funds to bring state expenditures up to \$500,000. In fiscal 1980, \$106,000 was added to meet \$556,000 in expenditures. Expenditures for fiscal 1981 are anticipated to be about \$633,000. These additions have been attempts to gradually meet the requirements of "at least 50 percent" before the law's effective date of July 1, 1981.

Detention facilities also receive some special project funds from federal sources. For example, the Utah County (Provo) Detention Center anticipates a grant for computer assistance with recordkeeping. A very small percentage of funds comes from other states for detention of runaways, but this typically is less than one percent of the total. In general, counties and the state are responsible for virtually all costs, with counties currently shouldering most of the burden.

INTERGOVERNMENTAL RELATIONS

With the passage of House Bill 35 mandating that the state reimburse counties a minimum of 50 percent of total costs, the major point of disagreement between state and local officials has been resolved. With one exception, all those interviewed expressed satisfaction with the current arrangement. The one person dissatisfied with the arrangement took the position that the state should be responsible for all juvenile justice programs in Utah. The arguments presented were that the state should administer detention services and other community-

based programs since (1) most counties could not afford them, and (2) the state is better equipped than the counties to "have a general, integrated overview of juvenile justice."

Differing fiscal years between the state and some counties presents problems. In one case, the county finds it must develop a detention budget 15 months in advance, causing some difficulty in being able to anticipate needs and the economic situation that far ahead.

GENERAL EVALUATIONS OF THE SUCCESS OF THE SUBSIDY

Detention facilities have been established and now operate to serve most of the state's needs for secure placements. The detention subsidy has provided counties with funding to operate three detention facilities and four holdover facilities. In 1979, there was serious doubt that the strategy would continue to work as long as the percentage of state support was falling below the 50 percent level, but this condition has since been corrected.

The subsidy has successfully established the state and county governments as partners in the responsibility of detention facilities for juveniles. While the state sets standards and monitors compliance, the county administers and maintains the facilities. This arrangement seems to work to the satisfaction of most people involved.

Utah is seeking funding for two additional holdover facilities, one in San Juan County to serve in the southeastern section of the state and one in the Basin area, near the Wyoming-Colorado border, to serve Daggett, Vintah, and Duchesne Counties. If state support is obtained from the legislature in February or March 1981, funding for these facilities could begin July 1, 1981. It appears that the subsidy will continue with standard increases to compensate for inflation, thus maintaining the state's 50 percent minimum share.

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ABOUT THE AUTHORS

Constance L. Simmons is currently principal investigator of the study. She also serves as consultant to various state and local programs, which in the past have included the Ohio Joint Mental Health and Mental Retardation Advisory and Review Commission, the Metropolitan Human Services Commission in Columbus, the Women's Resource and Policy Development Center, and the Center for Management Development of the University of Missouri at Kansas City. She has conducted research projects in social policy development for state and local governments. Two projects, this effort and a former project, were done in cooperation with the Council of State Governments. Ms. Simmons holds a bachelors degree in political science and a master of public administration (MPA). She is the principal author of this volume and prepared several case studies.

Michael D. Kannensohn, at the time the research was conducted, was employed by the Council of State Governments (CSG) with responsibility for public policy research and informational assistance to state government officials. He was formerly employed in the Southern Regional Office of CSG, in the Georgia Department of Human Resources as Director of the Employee Services Section, and as a research Associate with Public Research and Management. Mr. Kannensohn holds bachelors and masters degrees in political science. He has authored numerous publications for government officials on state and local government problems, with emphasis on criminal and juvenile justice. Mr. Kannensohn initially served as principal investigator on this study. He directed the data collection phase and prepared several case studies.

Jack D. Foster, at the time of the study, was a Senior Fellow in Social Policy at the Academy and principal partner in State Research Associates, a public policy consulting firm. His previous posts include Director of Research for the Council of State Governments, and Chairman of the Department of Criminal Justice at Youngstown State University. He has written, co-authored, and edited numerous articles, books, and monographs on criminal and juvenile justice issues. Dr. Foster holds a bachelors degree in philosophy and a masters degree in sociology. He received his doctorate in sociology in 1971. His major contributions to this study have been in the areas of research, instrument design, and report format.

Arleen Johnson, at the time of the study, was a Research Associate with the Council of State Governments (CSG) and was responsible for this project's coordination. She was formerly Manager for the Administration of Aging Project for CSG. She has held positions as health care specialist and adult care specialist with Kentucky's Department for Human Services and has worked as a staff member for the Aging Subcommittee for the Legislative Research Commission of Kentucky. She has served as a consultant to various organizations, including Morehead State University, the American Public Welfare Association, and the Kentucky Association of Business Women. Ms. Johnson holds a bachelors degree in sociology and a masters degree in social work. She also served as a graduate instructor in social work. Her major contributions to the study were data collection and compilation and analysis of Phase I, including questionnaire preparation and conducting interviews with state officials.

Wayne C. Murphy, at the time of the study, was a Research Associate with the Academy. He is a former elementary and secondary teacher of English and social studies. He was employed as an urban specialist with the Cooperative Extension of the Ohio State University. He has worked as an adult educator with Ohio University-Lancaster and Hocking Technical College, teaching courses in leadership development, memory improvement, and group processes. He has authored several publications on leadership development. In addition, he was employed in community development with the Ohio Youth Commission, was a project teacher in the Youth Development Project (a delinquency prevention, school-based program), a teacher-probation officer, and a specialist for school desegregation with the Metropolitan Columbus Schools Committee. Mr. Murphy holds a bachelors degree in social studies and English, and a masters degree in educational administration. He has also completed additional graduate work in adult education. In this publication, he assisted in the preparation of case studies, as well as state and federal subsidy profiles.

Joseph L. White is Director of the Major Issues in Juvenile Justice Information and Training Project and Senior Fellow of the Social Policy Center at the Academy. Previous employment included such posts as Director of the Ohio Youth Commission, Director of the Ohio state criminal justice planning agency, and Assistant Attorney General for the State of Ohio. He holds a bachelors degree in political science, a masters degree in social work, and a juris doctor degree from Ohio State University. At present he is adjunct assistant professor of social work at Ohio State University. Dr. White serves as permanent consultant to the Council of State Governments, and as consultant to numerous state and federal agencies. He was a member of the National Advisory Commission on Standards and Goals Police Task Force. Although he has authored numerous articles and monographs, he is probably best known for two works published by the Council of State Governments, Status Offenders: A Working Definition and The Future of Criminal Justice Planning.

ABBREVIATIONS

CAAAPTRA	Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act
CCA	Omnibus Crime Control and Safe Streets Act
CETA	Comprehensive Employment and Training Act
DAOTA	Drug Abuse Office and Treatment Act
EHA	Education for the Handicapped Act
EOA	Economic Opportunity Act
ESAA	Emergency School Aid Act
ESEA, Title I	Elementary and Secondary Education Act, Title I
ESEA, Title IV-C	Elementary and Secondary Education Act, Title IV-C
est.	Estimated
FY	Fiscal Year
JCAH	Joint Commission on the Accreditation of Hospitals
JJDPA	Juvenile Justice and Delinquency Prevention Act
LEAA	Law Enforcement Assistance Act
NIMH	National Institute of Mental Health
OJJDP	Office of Juvenile Justice and Delinquency Prevention
P.L.	Public Law
SSA, Title IV-B	Social Security Act, Title IV-B
SSA, Title V	Social Security Act, Title V
SSA, Title XX	Social Security Act, Title XX
VEA	Vocational Education Act
YCC	Youth Conservation Corps

END