

**HUMAN SERVICES
JOINT SUBCOMMITTEE
CLOSING LIST #3
April 30, 2015**

<u>BUDGET ACCOUNT</u>	<u>EXECUTIVE BUDGET PAGE</u>
	<u>Volume II</u>
<u>Department of Health and Human Services</u>	
<u>Division of Child and Family Services</u>	
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UNITY/SACWIS (101-3143)	DHHS-DCFS-36
Washoe County Child Welfare (101-3141)	DHHS-DCFS-45
Clark County Child Welfare (101-3142)	DHHS-DCFS-48
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Title: HHS-DCFS - CHILDREN, YOUTH & FAMILY ADMINISTRATION
 Account: 101 - 3145

Budget Page: DHHS-DCFS-23, Volume II

Revenues	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
BALANCE FORWARD	19,899	36,360	82.72	36,360		36,360	
FEDERAL FUND	11,246,618	10,743,403	(4.47)	12,906,265	20.13	12,900,077	(0.05)
GENERAL FUND	5,403,390	5,473,059	1.29	5,513,972	0.75	5,597,352	1.51
INTERAGENCY TRANSFER	842,608	1,024,805	21.62	1,115,076	8.81	1,125,485	0.93
OTHER FUND	40,000	47,500	18.75	40,000	(15.79)	40,000	
REVERSIONS	(161,703)						
Total Revenues	17,390,812	17,325,127	(0.38)	19,611,673	13.20	19,699,274	0.45
Total FTE		85.51		88.51		88.51	

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16	2016-17
E225	00	2501	Reduce General Fund to reflect a reduction in building rent to align with new employee starting date of October 1, 2015.	(713)	
E225	00	3562	Reduce federal Title IV-E funding to reflect a reduction in building rent to align with new employee starting date of October 1, 2015.	(119)	
E229	00	2501	Reduce General Fund to reflect a reduction in building rent to align with new employee starting date of October 1, 2015.	(713)	
E229	00	3562	Reduce federal Title IV-E funding to reflect a reduction in building rent to align with new employee starting date of October 1, 2015.	(119)	
Sub-total				(1,664)	0
Line Item Changes to Revenues				(1,664)	0

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16	2016-17
E225	04	7000	Reduce building rent to align with new employee starting date of October 1, 2015.	(832)	
E229	04	7000	Reduce building rent to align with new employee starting date of October 1, 2015.	(832)	
Sub-total				(1,664)	0
Line Item Changes to Expenditures				(1,664)	0
Total				0	0

Grand Total General Fund Impact of Closing Changes	(1,426)	0
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Overview

The Division of Child and Family Services (DCFS) provides an array of services to children and adolescents and is organized into three major program areas: Child Welfare Services; Children’s Mental/Behavioral Health Services; and Juvenile Justice Services. This budget is the central administrative account of the division and contains the unclassified Administrator; the division’s four unclassified Deputy Administrators; and central fiscal, accounting and personnel staff. This budget is primarily funded by federal Title IV-E and Title IV-B grants; federal Victims of Crime and Family Violence Prevention grants; and General Fund appropriations. The Executive Budget recommends total funding of \$510.4 million to support DCFS over the 2015-17 biennium, which is a 10.4 percent increase from the \$462.3 million approved for the 2013-15 biennium. Total General Fund support is recommended to increase 9.3 percent, or \$21.6 million.

Major Closing Issues

1. New Statistician Position
2. New Personnel Technician Position

Discussion of Major Closing Issues

1. New Statistician Position (E-225, DHHS-DCFS-26): The Governor recommends \$106,073 (\$90,651 General Fund) over the 2015-17 biennium to fund a new Statistician position and associated costs. This would be the first Statistician position authorized in this budget. According to the agency, there is an existing need for dedicated continuous quality improvement (CQI) staff to conduct data collection and analysis, and ensure the division's ability to meet federal requirements.

The agency testified during the budget hearing on February 26, 2015, that the federal Administration for Children and Families (ACF) has required states to establish CQI systems with the goal of using data to drive the program's decision making, and document progress towards compliance with federal requirements. Fiscal staff confirmed that the ACF Children's Bureau has issued guidance for CQI systems requirements in the following areas:

- Quality Data Collection
- Case Record Review Data and Process
- Analysis and Dissemination of Quality Data
- Feedback to Stakeholders and Decision-makers and Adjustment of Programs and Process

The agency indicates that this position would have responsibilities specific to the Family Program Office for Child Welfare, which would include performing statistical computations, drawing survey samples, reviewing statistical reports and interpreting the information for use by management. Additionally, the position would collect and interpret performance measures and disseminate the results through reports and websites.

During review of this decision unit, Fiscal staff noted that additional building rent costs were budgeted to begin on July 1, 2015, while the position would not start until October 1, 2015. The agency concurred with reducing building rent costs for three months. Fiscal staff has included the technical adjustment in this closing document.

Does the Subcommittee wish to approve the Governor's recommendation to add one new Statistician position, with the technical adjustment noted by staff?

2. New Personnel Technician Position (E-229, DHHS-DCFS-26 and 27): The Governor recommends \$94,007 (\$80,343 General Fund) over the 2015-17 biennium to fund a new Personnel Technician position and associated costs. The agency indicates that the position is needed to provide timely and efficient human resource (HR) and personnel support services to its growing number of employees. Fiscal staff compared the HR staffing ratio for the existing Personnel classified positions to the staffing ratio that would result from the addition of this new position, as shown in the following table. The table also reflects the staffing ratios that would result if the Subcommittee approves the budget amendment to reopen Summit View Youth Correctional Facility, with the addition of 59 new positions:

	Legislatively Approved		Governor Recommends		Governor Recommends, as Amended for Summit View Reopening	
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2016	FY 2017
Total Division FTEs	866.83	894.32	922.32	925.32	981.32	984.32
Existing Personnel FTEs	7	7	7	7	7	7
Ratio with Existing Personnel FTEs	123.83	127.76	131.76	132.19	140.19	140.62
Governor Recommended Personnel FTEs			8	8	8	8
Ratio with Recommended Personnel FTEs			115.29	115.67	122.67	123.04

The agency indicates that this new position would primarily focus on the recruitment, selection, hiring and orientation for DCFS positions. Duties would include preparing and posting job announcements, requesting hiring lists, processing payroll system transactions, providing orientation programs for new employees, and ensuring that all new hires pass background checks. Additionally, the agency anticipates that the new position would work to reduce the average days that DCFS positions are vacant.

During review of this decision unit, Fiscal staff noted that additional building rent costs were budgeted to begin on July 1, 2015, while the position would not start until October 1, 2015. The agency concurred with reducing building rent costs for three months. Fiscal staff has included the technical adjustment in this closing document.

Does the Subcommittee wish to approve the Governor’s recommendation to add one new Personnel Technician position, with the technical adjustment noted by staff?

Other Closing Items

1. Position Transfers: The Governor recommends the following position transfers between other DCFS budgets:
 - a. Management Analyst Transfer (E-900, DHHS-DCFS-29): Transferring out a Management Analyst and associated costs of \$127,828 to the UNITY/SACWIS budget. The agency indicates that this position would support the Data Management Unit that was established during the 2013-15 biennium in the UNITY/SACWIS budget.
 - b. Accounting Assistant Transfer (E-501 and E-901, DHHS-DCFS-27, 29 and 30): Transferring in an Accounting Assistant and associated costs from the Southern NV Child & Adolescent Services budget. The agency indicates this position’s duties support the Personnel/Payroll function, which is located in the Administration budget. The funding alignment would increase General Fund support by \$26,401 over the 2015-17 biennium.
 - c. Personnel Analyst Transfer (E-502 and E-902, DHHS-DCFS-27 and 30): Transferring in a Personnel Analyst and associated costs from the Southern NV Child & Adolescent Services budget. The agency indicates this position’s duties support the Personnel/Payroll function, which is located in the Administration budget. The funding alignment would increase General Fund support by \$46,923 over the 2015-17 biennium.
 - d. Personnel Technician (E-503 and E-903, DHHS-DCFS-28, 30 and 31): Transferring in a Personnel Technician and associated costs from the Southern NV Child & Adolescent Services budget. The agency indicates this position’s duties support the Personnel/Payroll function, which is located in the Administration budget. The funding alignment would increase General Fund support by \$28,231 over the 2015-17 biennium.

- e. Management Analyst Transfer (E-905, DHHS-DCFS-31): Transferring out a Management Analyst and associated costs of \$146,263 to the Youth Parole Services budget. The agency indicates that the transfer would provide support to the Administrative Services Officer, who is responsible for all of the juvenile justice budgets.

These position transfer recommendations appear reasonable.

2. Equipment Replacement (E-710, DHHS-DCFS-28-29): The Governor recommends \$5,060 (\$4,338 General Fund) over the 2015-17 biennium to replace eight office chairs, two printers and one wireless phone that have reached the end of their useful life. **This recommendation appears reasonable.**

Fiscal staff recommends that all Other Closing Items be closed as recommended by the Governor, and requests authority for staff to make other technical adjustments as needed.

Title: HHS-DCFS - UNITY/SACWIS
 Account: 101 - 3143

Budget Page: DHHS-DCFS-36, Volume II

	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
Revenues							
BALANCE FORWARD	(15,610)						
FEDERAL FUND	2,454,404	2,468,416	0.57	2,441,601	(1.09)	2,497,753	2.30
GENERAL FUND	3,173,855	3,017,550	(4.92)	3,287,771	8.95	3,369,795	2.49
INTERAGENCY TRANSFER	270,098	275,322	1.93	364,846	32.52	370,931	1.67
INTERIM FINANCE	177,238						
OTHER FUND							
Total Revenues	6,059,985	5,761,288	(4.93)	6,094,218	5.78	6,238,479	2.37
Total FTE		38.00		44.00		46.00	

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16	2016-17
E226	00	2501	Reduce General Fund to reflect a reduction in building rent to align with new employee starting date of October 1, 2015.	(916)	
E226	00	3562	Reduce federal Title IV-E funding to reflect a reduction in building rent to align with new employee starting date of October 1, 2015.	(719)	
E226	00	4669	Reduce federal Medicaid funding to reflect a reduction in building rent to align with new employee starting date of October 1, 2015.	(29)	
E230	00	2501	Reduce General Fund to reflect a reduction in building rent to align with new employee starting date of October 1, 2015.	(915)	
E230	00	3562	Reduce federal Title IV-E funding to reflect a reduction in building rent to align with new employee starting date of October 1, 2015	(719)	
E230	00	4669	Reduce federal Medicaid funding to reflect a reduction in building rent to align with new employee starting date of October 1, 2015.	(30)	
E231	00	2501	Reduce General Fund to reflect the elimination of Decision Unit E-231.		(85,413)
E231	00	3562	Reduce federal Title IV-E funding to reflect the elimination of Decision Unit E-231.		(68,054)
E231	00	4669	Reduce federal Medicaid funding to reflect the elimination of Decision Unit E-231.		(2,756)
Sub-total				(3,328)	(156,223)
Line Item Changes to Revenues				(3,328)	(156,223)

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16	2016-17
E226	04	7000	Reduce building rent to align with new employee starting date of October 1, 2015.	(1,664)	
E230	04	7000	Reduce building rent to align with new employee starting date of October 1, 2015.	(1,664)	
E231	01	5000	Eliminate Decision Unit E-231.		(140,558)
E231	04	7000	Eliminate Decision Unit E-231.		(8,028)
E231	05	8000	Eliminate Decision Unit E-231.		(3,980)
E231	26	7000	Eliminate Decision Unit E-231.		(1,141)
E231	26	8000	Eliminate Decision Unit E-231.		(2,516)
Sub-total				(3,328)	(156,223)
Line Item Changes to Expenditures				(3,328)	(156,223)
Total				0	0
Grand Total General Fund Impact of Closing Changes				(1,831)	(85,413)

Overview

This budget represents the Division of Child and Family Services' (DCFS) compliance with a federal mandate to automate a Statewide Adoption and Child Welfare Information System (SACWIS), now referred to as Unified Nevada Information Technology for Youth (UNITY). The budget funds the Information Management Services (IMS) unit within DCFS that supports the technology needs of the division and the county child welfare agencies. The IMS maintains two major computer applications, UNITY and Avatar. Avatar is the Health Insurance Portability and Accountability Act (HIPAA) compliant case management and billing system that supports children's mental health, and has been operational since August 2005. In addition to maintaining these two applications, IMS provides helpdesk support and application training to all three Nevada child welfare agencies (DCFS, Clark County and Washoe County), and network and desktop computer support for DCFS. The budget is primarily funded by federal Title IV-E funds and a General Fund appropriation.

Major Closing Issues

1. New IT Positions to Support Specialized Foster Care
2. New IT/Data Positions for General Division Support

Discussion of Major Closing Issues

1. **New IT Positions to Support Specialized Foster Care (E-226, DHHS-DCFS-38 and MAJOR BUDGET INITIATIVES-25)**: The Governor recommends \$260,247 (\$142,234 General Fund) over the 2015-17 biennium to add one IT Professional and one Business Process Analyst position and associated costs. The agency indicates these two positions are recommended to implement modifications to the UNITY application that would be required to support the full implementation of the specialized foster care program that is recommended in the Clark County, Washoe County, and Rural Child Welfare budgets. This program implements a specialized foster care pilot (Pilot) that was conducted from FY 2013 to FY 2015.

In response to Fiscal staff inquiries, the agency reported that much of the monitoring and evaluation of the Pilot was performed manually, which according to the agency was acceptable given the temporary nature of the Pilot and its limited caseload. However, with full implementation of the Specialized Foster Care Program, the agency indicates that UNITY would need enhancement in four functional areas:

- **Assessment and Evaluation Tools** – Enhanced and new web pages that would allow case workers to enter the results of standard assessment and evaluation tools.
- **Provider Training Management** – New web pages that would allow agency staff to track the requirements, progress, and completion of training provided by the agency to the foster care providers.
- **Provider Reporting** – New outward facing web pages that allow the foster care providers to automatically provide the agency with information pertaining to treatment.
- **Data Analysis and Monitoring** – New and modified reports that allow the agency to track the program population, including placement stability and psychotropic drug usage.

The agency indicates that the **IT Professional** position would be responsible for UNITY programming changes; the **Business Process Analyst** position would analyze the business requirements of the program and communicate them to technical staff, test software developed by technical staff, and generate training materials for users of the system.

The agency testified at the February 26, 2015, budget hearing that due to a backlog of UNITY work requests, these positions would be needed even if full implementation of the specialized foster care program is not approved.

During review of this decision unit, Fiscal staff noted that additional building rent costs were budgeted to begin on July 1, 2015, while the positions would not start until October 1, 2015. The agency concurred with reducing building rent costs for three months. Fiscal staff has included the technical adjustment in this closing document.

Does the Subcommittee wish to approve the Governor's recommendation to add one new IT Professional and one new Business Process Analyst position, with the technical adjustment noted by staff?

2. New IT/Data Positions for General Division Support (E-230, DHHS-DCFS-39): The Governor recommends \$270,375 (\$147,813 General Fund) over the 2015-17 biennium to add one IT Professional and one Management Analyst position and associated costs. Although the narrative for this decision unit indicates that the request would support the Rural Infrastructure decision unit in the Rural Child Welfare budget, in response to Fiscal staff inquiries, the agency confirmed that the new positions would benefit all three child welfare agencies within the state.

According to the agency, the addition of the IT Professional position would address an existing need, as IMS lacks dedicated technical staff with server administration and network administration skills. As a result, the agency reports software products falling out of support; missing or inaccurate documentation; poorly configured systems; inadequate disaster recovery strategies; and aging hardware that remains in production long after support contracts have ended. The new position would manage planning, installation, configuration, administration, and troubleshooting for all DCFS server and network infrastructure, including systems located at the EITS facility.

The Management Analyst position would serve as a data manager with responsibility to analyze data for all three DCFS programs: Child Welfare, Children's Mental Health, and Juvenile Justice. The position would fulfill data requests for both internal and external stakeholders, and work with DCFS IT staff to improve collection of necessary data. The data analysis would be used to identify trends and assist agency management in making decisions regarding the enhancement of agency programs.

During review of this decision unit, Fiscal staff noted that additional building rent costs were budgeted to begin on July 1, 2015, while the positions would not start until October 1, 2015. The agency concurred with reducing building rent costs for three months. Fiscal staff has included the technical adjustment in this closing document.

Does the Subcommittee wish to approve the Governor's recommendation to add one new IT Professional and one new Management Analyst position, with the technical adjustment noted by staff?

Other Closing Items

1. Upgrade Computer Circuits/Connectivity (E-227, DHHS-DCFS-38-39): The Governor recommends \$92,874 (\$51,108 General Fund) over the 2015-17 biennium to upgrade the division's computer circuits. The agency indicates that undersized and antiquated circuits between the state's SilverNet wide area network connection and DCFS locations cause poor response times in the UNITY and Avatar systems for computer users. **This recommendation appears reasonable.**
2. New IT Positions (E-231, DHHS-DCFS-40): The Governor recommends \$156,223 (\$85,413 General Fund) in FY 2017 to add two IT Professionals and associated costs. In response to Fiscal staff inquiries, the agency indicated that this decision unit was mistakenly included in The Executive Budget for the 2015-17 biennium and should be removed; the agency intends to request these positions in the 2017-19 biennium. Fiscal staff has included a technical adjustment to remove the decision unit in this closing document.

3. Position Transfers: The Governor recommends the following position transfers between other DCFS budgets:
 - a. Management Analyst Transfer (E-500 and E-900, DHHS-DCFS-40-42): Transferring in a Management Analyst and associated costs from the Children, Youth & Family Administration budget. The agency indicates that this position would support the Data Management Unit that was established during the 2013-15 biennium in the UNITY/SACWIS budget. The funding alignment would decrease General Fund support by \$39,229 over the 2015-17 biennium.
 - b. Business Process Analyst Transfer (E-506 and E-906, DHHS-DCFS-41-43): Transferring in a Business Process Analyst and associated costs from the Southern NV Child & Adolescent Services budget. The agency indicates that this information technology position would be better suited in the UNITY/SACWIS budget, with better access to the technical staff that support Avatar. The funding alignment would increase General Fund support by \$74,453 over the 2015-17 biennium.

These position transfer recommendations appear reasonable.

4. Computer Replacement Equipment (E-710, DHHS-DCFS-41-42): The Governor recommends \$288,127 (\$158,556 General Fund) over the 2015-17 biennium to replace 88 desktop computers for the division, 4 printers, 13 file servers and related hardware. **This recommendation appears reasonable.**

Fiscal staff recommends that Other Closing Items #1, #3 and #4 be closed as recommended by the Governor, recommends eliminating Decision Unit E-231 as requested by the agency, and requests authority for staff to make other technical adjustments as needed.

Title: HHS-DCFS - WASHOE COUNTY CHILD WELFARE
 Account: 101 - 3141

Budget Page: DHHS-DCFS-45, Volume II

Revenues	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
FEDERAL FUND	12,590,118	15,609,322	23.98	14,238,238	(8.78)	15,008,102	5.41
GENERAL FUND	15,251,425	15,786,606	3.51	16,614,915	5.25	18,002,923	8.35
INTERAGENCY TRANSFER	986,153	966,506	(1.99)	656,152	(32.11)	656,152	
Total Revenues	28,827,696	32,362,434	12.26	31,509,305	(2.64)	33,667,177	6.85

Total FTE

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16	2016-17
M201	00	2501	Reduce General Fund to reflect updated adoption subsidy caseload projections.	(41,846)	(53,162)
M201	00	3562	Reduce federal Title IV-E funding to reflect updated adoption subsidy caseload projections.	(53,875)	(71,104)
E226	00	2501	Reduce General Fund to remove base foster care provider payments already paid with block grant, and correct Title IV-E funding for salary costs.	(483,093)	(1,037,050)
E226	00	3562	Reduce federal Title IV-E funding to remove base foster care provider payments already paid with block grant, and correct Title IV-E funding for salary costs.	(193,883)	(429,558)
Sub-total				(772,697)	(1,590,874)
Line Item Changes to Revenues				(772,697)	(1,590,874)

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16	2016-17
M201	09	8000	Update adoption subsidy caseload projection.	(95,721)	(124,266)
E226	13	8000	Remove base foster care provider payments already paid with block grant, and correct Title IV-E funding for salary costs.	(676,976)	(1,466,608)
Sub-total				(772,697)	(1,590,874)
Line Item Changes to Expenditures				(772,697)	(1,590,874)

Total 0 0

Grand Total General Fund Impact of Closing Changes (524,939) (1,090,212)

Overview

This budget represents the state's portion of costs for child welfare services in Washoe County. Pursuant to Senate Bill 447 of the 2011 Legislative Session, funding in this budget was changed to a block grant each year instead of the historic model of line-item expense budgets. The block grant allows Washoe County to use the money without restriction for child welfare services and without requirement to revert unspent money to the General Fund. Additionally, S.B. 447 provided for a categorical grant for the cost of adoption services, and a fiscal incentive plan based on county performance. In addition to a General Fund appropriation, the budget is supported by federal Title IV-E reimbursements for foster care and adoption payments, and by federal Title XX funds.

Major Closing Issues

1. Full Implementation of the Specialized Foster Care Program
2. Adoption Subsidy Caseload Growth

Discussion of Major Closing Issues

1. Full Implementation of the Specialized Foster Care Program (MAJOR BUDGET INITIATIVES-25 and E-226, DHHS-DCFS-46): The Governor recommends \$5.4 million (\$3.7 million General Fund) over the 2015-17 biennium for full implementation of the specialized foster care program in Washoe County. “Specialized foster care” is full-time foster care and services for children who require special care for physical, mental or emotional issues.

Pilot Background

As approved at the August 2012 Interim Finance Committee (IFC) meeting, the specialized foster care (SFC) pilot began in FY 2013 and initially served a total population of 70 children, with 30 from Washoe County. Per the agency’s business plan, the goal of the pilot was to redesign the specialized foster care system to “provide the most effective appropriate services with positive measurable outcomes to children with mental health diagnoses in foster care in the most stable, normative environment while at the same time maintaining fiscal responsibility.”

The pilot was funded through a General Fund transfer from the Basic Skills Training (BST) funding in the Nevada Medicaid budget, with the stipulation that the pilot providers could not bill Medicaid for BST services provided. Instead, the pilot providers were paid a higher daily rate than SFC providers who did not participate in the pilot. According to the agency, the funding method was intended to address a dramatic increase in BST services billed by foster care providers to Medicaid, which resulted in no corresponding improvements in outcomes for youth in these placements. Additionally, the pilot was designed to provide youth with clinical/behavioral health services, rehabilitative services, crisis intervention, supportive education and training for pilot foster parents and birth parents, and utilization management.

The agency reported improved outcomes for children in the pilot, including decreases in the number of placement disruptions, decreases in the number of in-patient hospitalizations experienced by a youth, and decreases in the number of psychotropic medications prescribed to a youth.

General Fund Impact

As noted above, the pilot was funded by a transfer of General Fund appropriations from the BST funding in the Nevada Medicaid budget; therefore, the pilot had no net effect on the General Fund. In response to Fiscal staff inquiries about whether the General Fund costs of full implementation would be offset by corresponding reductions in General Fund appropriations to the Nevada Medicaid budget, as was the case during the pilot, the division indicated that Nevada Medicaid Decision Unit E-232 in the table below represents the reductions to BST costs. To provide a summary for the Subcommittee of the net impact on the General Fund for the full implementation of the SFC program for all three child welfare agencies in the 2015-17 biennium, as recommended in The Executive Budget, Fiscal staff provides the following table:

Net General Fund Impact of SFC Program Implementation					
	Decision Unit	HHS Page Number	FY 2016	FY 2017	Total
Washoe County Child Welfare	E-226	DCFS-46	\$1,221,665	\$2,469,466	\$3,691,131
Clark County Child Welfare	E-226	DCFS-49	\$1,469,147	\$2,998,632	\$4,467,779
Rural Child Welfare	E-226	DCFS-54-55	\$222,503	\$280,204	\$502,707
Total E-226 General Fund			\$2,913,315	\$5,748,302	\$8,661,617
Less: Nevada Medicaid BST Reduction	E-232	DHCFP-50	(\$1,058,745)	(\$1,058,867)	(\$2,117,612)
Total Net of Nevada Medicaid BST Reduction			\$1,854,570	\$4,689,435	\$6,544,005

The agency testified at the February 26, 2015, budget hearing that Medicaid claims for all pilot participants were analyzed to make comparisons between pre-pilot, pilot, and post-pilot Medicaid costs. The agency concluded that pilot participants showed a 72 percent decrease in Medicaid costs for such services as hospitalizations, psychotropic medications and residential placements. However, Fiscal staff would note that a corresponding decision unit to reflect reductions in these Medicaid costs for the expanded population has not been included in The Executive Budget. Therefore, as recommended by the Governor, the overall net total cost to the General Fund for full implementation of the program over the 2015-17 biennium is \$6.5 million.

Washoe County Full Implementation Request

The agency has indicated to Fiscal staff that the recommended funding for the Washoe County full implementation is based on the costs that Washoe County Department of Social Services (WCDSS) determined would be required for their community. Based on the county's proposal, the Governor recommends \$5.4 million (\$3.7 General Fund) over the 2015-17 biennium to fund the following expenditures for SFC program implementation in Washoe County:

Description of Costs	No.	FY 2016	No.	FY 2017	Totals
New Mental Health Counselors	2	\$218,654	4	\$453,356	\$672,010
New Social Workers	1	\$101,082	3	\$314,053	\$415,135
New Office Support Specialist	1	\$76,796	1	\$79,867	\$156,663
Overtime		\$12,143		\$0	\$12,143
Higher Level of Care Provider Payments	65	\$1,350,000	136	\$2,700,000	\$4,050,000
Recruitment of Foster Care Providers	65	\$12,500	136	\$26,250	\$38,750
Vendor Contract for Home Studies	35	\$17,500	65	\$36,750	\$54,250
Totals		\$1,788,675		\$3,610,276	\$5,398,951

The table above reflects that Washoe County has requested new employees for full implementation of the program, four in FY 2016 and an additional four (eight total) in FY 2017. Provider payments would be made at two tier levels: \$40 per day and \$115 per day. The number of children in each tier was projected by WCDSS based on the acuity of the SFC program population. For comparison, the provider payment rate in Washoe County for foster care averages \$28.94 per day. With a projected Washoe County population of 136 children, the full implementation cost in FY 2017, as recommended by the Governor, would be \$26,546 per child (\$18,158 General Fund per child).

Based on review of supporting documentation for the Washoe County request, Fiscal staff questioned whether the request included only the incremental portion of the higher level of care rate in excess of the regular foster care rate, since the regular rate is already being paid to providers with block grant funds in the base budget. The division and WCDSS concurred with Fiscal staff's analysis, and agreed that the average foster care rate of \$28.94 per day should be subtracted from the rates of either \$40 per day or \$115 per day. As a result, the Washoe County request would be reduced to a total of \$3.3 million over the 2015-17 biennium, as reflected in the following table:

Washoe County SFC Program Request - AS REVISED					
Description of Costs	No.	FY 2016	No.	FY 2017	Totals
New Mental Health Counselors	2	\$218,654	4	\$453,355	\$672,009
New Social Workers	1	\$101,082	3	\$314,053	\$415,135
New Office Support Specialist	1	\$76,796	1	\$79,867	\$156,663
Overtime		\$12,143		\$0	\$12,143
Higher Level of Care Provider Payments	65	\$673,024	136	\$1,233,393	\$1,906,417
Recruitment of Foster Care Providers	65	\$12,500	136	\$26,250	\$38,750
Vendor Contract for Home Studies	35	\$17,500	65	\$36,750	\$54,250
Totals		\$1,111,699		\$2,143,668	\$3,255,367

Fiscal staff has included the technical adjustment in this closing document, along with a correction to include federal Title IV-E funding for salary costs. With the technical adjustment, the full implementation cost in FY 2017 would be \$15,762 per child (\$10,532 General Fund per child).

Funding Mechanism for the Urban Counties

The funding of the Clark County Child Welfare budget and the Washoe County Child Welfare budget was changed to a block grant in FY 2012, whereby counties may use the block grant money from the state without restriction for child welfare services and without requirement to revert unspent money to the General Fund (NRS 432B.2185). Additionally, these budgets receive a categorical grant for the cost of adoption assistance subsidies within the counties to ensure that adoptions are continuously encouraged (NRS 432B.219). Unlike the block grant, a categorical grant is eligible for caseload growth, and any unspent monies are required to revert to the General Fund. The agency has testified that the block grant funding mechanism was designed to give the urban counties flexibility in allocating resources for child welfare, and to limit the state's liability. Fiscal staff would note that General Fund appropriations to fund urban county child welfare increased 89 percent from FY 2005 to FY 2011.

As recommended by the Governor, The Executive Budget proposes to distribute the funding recommended for SFC program implementation in the urban counties through the block grant mechanism established by NRS 432B.2185. Because the amounts recommended for FY 2017 represent 100 percent implementation, these amounts would become a permanent allocation to the urban county block grants in future years. When queried about why the SFC funding was recommended as a block grant rather than a categorical grant, the division testified that it opposes implementing the SFC program as a categorical grant, because that funding mechanism would allow the urban counties to isolate SFC youth as a specific population with funding above and beyond the allocated block grant amounts, and retain their entire block grant and reinvest it however they see fit. The division further testified that the flexibility built into the block grant allows the urban counties to use savings from declining caseloads to fund increases in other caseloads.

However, Fiscal staff would note that if the block grant funding mechanism established by NRS 432B.2185 is approved as recommended by the Governor, unless subject to expenditure restrictions or other direction by the money committees, all or part of the funding recommended towards expanding specialized foster care could be utilized by the urban counties for other child welfare purposes. Consequently, if the SFC program implementation is approved utilizing the block grant funding mechanism, the money committees may wish to consider additional accountability measures to ensure that the SFC pilot's positive outcomes continue.

The division prepared a proposal that outlines an evaluation and reporting process that could be utilized to monitor the SFC program; the proposal is included with this document as Attachment A. Under the proposal, the DCFS Planning and Evaluation Unit (PEU) would review the outcomes of the program every six months, and seven primary criteria would be tracked. The PEU would cross-check data from

the local child welfare agencies with available data in the UNITY and Avatar systems. Children accepted in the program would undergo a statewide, standardized assessment process, and would need to meet certain criteria. And finally, the DCFS would produce an annual report, encompassing all these activities that would be sent to the Legislature on an annual basis.

The Subcommittee may wish to consider the following options:

- 1. Approve the Governor's recommendation, as adjusted to a total of \$3.3 million over the 2015-17 biennium, to implement the specialized foster care program for Washoe County, utilizing the block grant funding mechanism.** This option would result in a permanent allocation, equal to the FY 2017 General Fund appropriation of \$1.4 million, as adjusted, that would be added to Washoe County's block grant in future years.
 - 2. Approve the Governor's recommendation, as adjusted, to implement the specialized foster care program for Washoe County, but utilize a categorical grant funding mechanism.**
 - 3. Do not approve the implementation of the specialized foster care program for Washoe County.**
2. Adoption Subsidy Caseload Growth (M-201, DHHS-DCFS-46): The Governor recommends \$2.7 million (\$1.2 million General Fund) over the 2015-17 biennium for caseload increases in adoption subsidies, based on FY 2014 actual growth of 4.28 percent. As noted above, in addition to a block grant, NRS 432B.219 also provides for a categorical grant for the cost of adoption assistance subsidies within the county to ensure that adoptions are continuously reinforced. Unlike the block grant, a categorical grant is eligible for caseload growth, and any unspent monies are required to revert to the General Fund.

The division submitted a new caseload projection on April 1, 2015, which would decrease adoption subsidies by \$219,987 (\$95,008 General Fund) over the 2015-17 biennium. The projection includes four additional months of data regarding FY 2015 actual number of adoptions in Washoe County, which reflects a trend of 6.47 percent, as compared to the FY 2014 actual growth of 4.28 percent. Also included in the projection is a revision of the blended FMAP rate for FY 2017 from 65.30 percent to 65.25 percent, and a correction to FY 2014 actual costs that Fiscal staff identified as not represented accurately in the original calculation. With these technical adjustments, which Fiscal staff has included in this closing document, this decision unit appears reasonable.

Does the Subcommittee wish to approve the adoption subsidy caseload growth, as adjusted?

Because funding to the urban counties is provided through a block grant, the 2013 Legislature approved back language for inclusion in the Appropriations Act providing that funds allocated to the Washoe County and Clark County Child Welfare budgets are limits, except that the division may request additional sums for the adoption assistance categorical grant established in NRS 432B.219. Fiscal staff would recommend inclusion of similar back language in the 2015 Appropriations Act. This back language would allow requests to the Interim Finance Committee (IFC) for the Clark and Washoe County Child Welfare budgets only for additional funding for adoption caseloads, should the counties finalize more adoptions than projected in this caseload growth decision unit. Fiscal staff would note that allowing the division to approach IFC for additional adoption caseload funding for these budgets would require use of IFC Contingency Funds, and the potential requested amount cannot be determined at this time.

Does the Subcommittee wish to include clarifying back language in the Appropriations Act that would allow the division to receive additional funding for adoption subsidies, and limit the block grant funding, for the Washoe County and Clark County Child Welfare budgets?

Technical Adjustments

Fiscal staff requests authority to make other technical adjustments as needed.

ATTACHMENT (5 PAGES)

Specialized Foster Care Evaluation and Reporting Process

Evaluation Process:

The DCFS Planning and Evaluation Unit (PEU) will complete the evaluation of the Child Welfare Agency Specialized Foster Care Program on an ongoing basis. The outcomes will be reported every six months.

Primary criteria tracked will continue to be:

- Hospitalizations
- Placement Stability/Runaways
- Psychotropic medication usage
- Permanency status
- Performance on clinical standardized assessment tools
- Educational status
- Legal status/delinquency information

Information to complete the evaluation will come from a variety of sources:

- Data and demographics will be provided by the local child welfare agency on the Data Collection Form,
- Utilization of Standardized Instruments, which will be administered by the PEU data collector include:
 - Child and Adolescent Functional Assessment Scale (CAFAS) - admission and every six months – interview with caregiver and youth
 - Child Behavior Checklist (CBCL) - caregiver version at admission and every six months – caregiver completes
 - Behavior and Emotional Rating Scale (BERS) - admission and every 6 months – youth completes
 - Strengths and Difficulties Questionnaire – admission and every 6 months caregiver completes
 - Satisfaction measure – youth (age 12 or older) and family member completes
- Incident Reporting to track suicide attempts, restraints, runaways, and other incidents
- Child Permanency Status Form
- Fidelity Tool - Together Facing the Challenge – Weekly Behavior Rating Scale – collected weekly after supervision with foster parents
- Fidelity Tool - Together Facing the Challenge – Therapeutic Treatment Parents as Front-Line Treatment Providers Checklist – collected weekly after supervision with foster parents

Data collected by the PEU from the local child welfare agency will be cross-checked with available data in UNITY and AVATAR. The data collected is analyzed utilizing the Statistical Package for the Social Sciences (SPSS).

Evaluation Protocol:

A more detailed breakdown of what is examined and required for the evaluation is outlined below:

Legal Information

Indicate whether or not the youth is on probation.

At admission, information on the number of arrests and number of days in detention will be collected for the six months prior to the youth's admission in the program.

At six month intervals, information will be collected on the past 6 months.

Services Youth Is Receiving

Service type is usually a Medicaid reimbursed service such as individual or family psychotherapy or psychosocial rehabilitation (PSR). The service provider is usually an agency or an individual. The service units are the dosage the youth is projected to receive such as one hour of individual therapy per week or two hours of PSR three times per week. In addition, youths over age 12 are also asked to rate their satisfaction with the services and supports they are receiving.

Medications

List all the psychotropic medications the youth is currently prescribed and the dosage. Changes in medications are tracked over time. .

Clinical Information

Clinical information can be pulled from the most recent FH11-A form required by Medicaid. If an FH11-A is not used the youth's clinician should provide the information. Clinical information can be supplied through the case worker or case manager.

Whether or not the youth is Seriously Emotionally Disturbed (SED) needs to be indicated. Youth in the program should have SED. The Child and Adolescent Service Intensity Instrument (CASII) score and a 5-Axis diagnosis must be completed. Also, some of the Program youth may have a WIN worker. The WIN worker can be another source of data and the information may be in Avatar, the DCFS electronic record.

Educational Information

Indicate the school, the grade, the date started at the current school, and special education status. At admission, information on the most recent completed semester start date and end date is collected. For example, if a youth entered the Program in January 2013 he/she probably just completed a semester that began in August 2012 and ended in December 2012. The number of credits for middle and high school, or whether or not the youth passed if in elementary school, is collected. The number of absences and days in attendance are also collected for this time period.

At six month intervals, educational information will be collected on the most recently completed semester. Educational information is collected at the end of semesters (or trimesters depending upon the school's schedule).

Indicate if the youth changed schools in the most recently completed semester. If the youth did change schools, provide the name of the school(s) and the start and end dates.

Child and Family Team Information

The Together Facing the Challenge supervisor will share the Child and Family Team Confidentiality Statement/Team Agreement form with the Child and Family Team members. They will ensure that this form is used at all meetings, is completed, and provided to the PEU.

Incident Reporting Form

The child welfare case worker will ensure the Intensive Family Home (IFH) or the Specialized Foster Care (SFC) foster parents receive and implement the Incident Reporting form. All incident reports will be documented on the form and sent to the licensing authority and the PEU. Together Facing the Challenge supervisors will need to reinforce the use of the form and assist with collecting the form after an incident.

Child Permanency Status Form

The child welfare case worker will complete the Child Permanency Status form when the youth is discharged from the Program. Data collectors will provide the form to the case worker.

Fidelity Tools

The Together Facing the Challenge supervisors will use these forms weekly with the IFH or SFC foster parents. Supervisors are responsible for sending the completed fidelity tools to PEU.

Standardized Instruments

Data collectors are responsible for administering the standardized tools with the exception of the CAFAS in Fallon and Pahrump as previously mentioned. Upon completing the standardized instruments with the foster parents and youth, the data collector will send the instruments to the PEU for scoring. PEU data entry staff will score and enter data into the Access database. The scored instruments will be given to the Together Facing the Challenge supervisor to share with the Child and Family Team and/or the clinician for use in treatment planning with the youth.

Eligibility

Youth accepted in the Program should have SED. If for any reason a youth is disqualified from the Program within the first 30 days of enrollment he/she will be removed from the list of Program participants. If a youth is disqualified from the Program after 30 days of enrollment his/her participation will be included in the outcomes of the evaluation.

Target Population:

The Target Population will be identified by the local child welfare agency staff and include:

Children who must be in the custody of the child welfare agency and who meet at least one of the following criteria:

- Children and youth who are entering the foster care system and have identified behavioral or mental needs that cannot be met in traditional family foster care, or
- Children and youth struggling to maintain placement and make treatment plan progress in traditional foster care due to behavioral and mental health needs,
- Children and youth in treatment level care who have recently disrupted from placement or are placed in emergency shelters due to behavioral , or
- Children and youth returning or stepping down from residential treatment centers or other higher level of care placements.

Admission Criteria:

Admission to the program will be determined by the local child welfare agency staff.

In order to be accepted in the Child Welfare Agency Specialized Foster Care program, children will need to have undergone a statewide, standardized, assessment process which includes:

- Completion of the CAFAS or Preschool and Early Childhood Functional Assessment Scale (PECFAS),
- Completion of the CASII or Early Childhood Service Intensity Instrument (ECSII),

- A comprehensive bio-psychosocial assessment which includes a Diagnostic Classification System (DSM) or Diagnostic Classification of Mental Health and Developmental Disorder of Infancy and Early Childhood (DC: 0-3) diagnosis, and
- The child or youth qualifies as SED.

Admission Criteria Scores will be required as noted:

- CAFAS: scores at admission will be a score of 20 or higher on the subscales of school/work, home, and behavior toward others.
- PECFAS: scores at admission will be subscale scores of 30 for home, at least 20 for behavior toward others, and at least 20 for moods/emotions.
- CASII
 - Dimension I. Risk of Harm – a minimum rating of 3, significant risk of harm
 - Dimension II. Functional Status – a minimum rating of 4, serious functional impairment
 - Dimension III. Co-Occurrence of Conditions: Developmental, Medical, Substance Use, and Psychiatric – a minimum rating of 4, major co-occurrence
 - Dimension IV. Recovery Environment – a minimum rating of 4, serious for environmental stress and a minimum rating of 3, limited for environmental support
 - Dimension V. Resiliency and/or Response to Services – a minimum rating of 3, moderate or equivocal resiliency and/or response to services
 - Dimension VI. Involvement in Services – a minimum rating of 3, limited for child or adolescent involvement in services
 - The total CASII composite score should be 23 or higher.
- ECSII: The ECSII will be a level 5 with a corresponding composite score in the range of 27 to 30.
- DSM or DC 0-3: five axes diagnoses with a clinical disorder on Axis I

Oversight of Target Population and Admission Criteria:

The DCFS Family Programs Office (FPO) will ensure children and youth referred to the Child Welfare Agency Specialized Foster Care Program fit the target population and admission criteria standards. Annual reviews of the population receiving services will serve to inform DCFS about the compliance with adherence to the target population and admission criteria.

Periodic record reviews can include but will not be limited to:

- UNITY demographic reviews
- Review of bio-psychosocial assessments and clinical tools
- Medicaid data
- Child welfare case reviews
- Any other reports or data necessary to ascertain program suitability

Reviews indicating that children and youth are being served but do not meet criteria for the child welfare agency specialized foster care program will be referred to the Agency Director and DCFS

administrator, for immediate action and resolution. Non-compliance could result in a corrective action plan pursuant to NRS 432B.2155.

Annual Reporting

DCFS, through its Program and Evaluation Unit will produce an annual report encompassing all of the above mentioned activities. This report will be sent to the Legislature on annual basis and to the local child welfare agencies.

Title: HHS-DCFS - CLARK COUNTY CHILD WELFARE
 Account: 101 - 3142

Budget Page: DHHS-DCFS-48, Volume II

	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
Revenues							
FEDERAL FUND	41,507,814	41,400,899	(0.26)	44,680,936	7.92	46,204,181	3.41
GENERAL FUND	45,229,566	46,832,959	3.55	48,288,059	3.11	50,920,626	5.45
INTERAGENCY TRANSFER	2,907,979	3,764,466	29.45	1,959,079	(47.96)	1,959,079	
Total Revenues	89,645,359	91,998,324	2.62	94,928,074	3.18	99,083,886	4.38

Total FTE

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16	2016-17
M201	00	2501	Adjust General Fund to reflect updated adoption subsidy caseload projections	94,470	(48,267)
M201	00	3562	Adjust federal Title IV-E funding to reflect updated adoption subsidy caseload projections	122,720	(70,062)
Sub-total				217,190	(118,329)
Line Item Changes to Revenues				217,190	(118,329)

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16	2016-17
M201	09	8000	Update adoption subsidy caseload projections	217,190	(118,329)
Sub-total				217,190	(118,329)
Line Item Changes to Expenditures				217,190	(118,329)

Total 0 0

Grand Total General Fund Impact of Closing Changes 94,470 (48,267)

Overview

This budget represents the state's portion of costs for child welfare services in Clark County. Pursuant to Senate Bill (S.B.) 447 of the 2011 Legislative Session, funding in this budget was changed to a block grant each year instead of the historic model of line-item expense budgets. The block grant allows Clark County to use the money without restriction for child welfare services and without requirement to revert unspent money to the General Fund. Additionally, S.B. 447 provided for a categorical grant for the cost of adoption services, and a fiscal incentive plan based on county performance (NRS 432B.2185-432B.219). In addition to a General Fund appropriation, the budget is supported by federal Title IV-E reimbursements for foster care and adoption payments and by federal Title XX funds.

Major Closing Issues

1. Full Implementation of the Specialized Foster Care Program
2. Adoption Subsidy Caseload Growth

Discussion of Major Closing Issues

1. Full Implementation of the Specialized Foster Care Program (MAJOR BUDGET INITIATIVES-25 and E-226, DHHS-DCFS-49): The Governor recommends \$6.5 million (\$4.5 million General Fund) over the 2015-17 biennium for full implementation of the specialized foster care program in Clark County. “Specialized foster care” is full-time foster care and services for children who require special care for physical, mental or emotional issues. An overview of the specialized foster care (SFC) pilot, an overview of the program’s financial structure, and discussion about the block grant ramifications of program implementation are provided in the Washoe County Child Welfare budget closing document; these discussions are also applicable to Clark County.

In Clark County, the pilot commenced in FY 2013 with a population of 30 children, and was expanded in FY 2014 and FY 2015 to include 180 children. The agency has indicated to Fiscal staff that the recommended funding for the Clark County full implementation is based on the costs that Clark County Department of Family Services (CCDFS) determined would be required for their community.

Based on the county’s proposal, the Governor recommends \$2.5 million (\$1.5 million General Fund) in FY 2016 and \$4.0 million (\$3.0 million General Fund) in FY 2017 to fund the following expenditures in this decision unit:

TABLE 1					
Description of Costs	No.	FY 2016	No.	FY 2017	Totals
New Child & Family Intervention Specialists	7	\$793,222	7	\$822,543	\$1,615,765
New Office Service Supervisor	1	\$91,701	1	\$95,025	\$186,726
Foster Care Provider Payments	198	\$1,607,803	395	\$3,131,004	\$4,738,807
Totals		\$2,492,726		\$4,048,572	\$6,541,298

Table 1 reflects that Clark County has requested new employees for full implementation of the program, eight employees beginning in FY 2016 and continuing into FY 2017. Provider payments would be made at four tier levels: \$44, \$52, \$63, and \$100 per day. The number of children in each tier was projected by CCDFS based on the acuity of the SFC program population. For comparison, the highest provider payment rate in Clark County for family foster care is \$25.37 per day. With a projected Clark County SFC population of 395 children, the full implementation cost in FY 2017 as recommended by the Governor would be \$10,250 per child (\$7,591 General Fund per child).

Unlike the Washoe County recommendation, the Clark County amounts reflect only the incremental costs for full implementation; therefore, no adjustment to The Executive Budget is necessary for this budget.

In response to Fiscal staff inquiries, the division indicated that Clark County was funded at 50 percent of its request in FY 2016 and 100 percent in FY 2017. The division indicated that the reduction in FY 2016 was made in order to allow for program implementation and decrease the cost during the biennium. As recommended by the Governor, The Executive Budget proposes to distribute the funding recommended for SFC program implementation in the urban counties through the block grant mechanism established by NRS 432B.2185. Because the amounts recommended for FY 2017 represent 100 percent implementation, the \$3.0 million General Fund portion would become a permanent allocation to the Clark County block grant in future years.

The Subcommittee may wish to consider the following options:

1. **Approve the Governor’s recommendation, as adjusted, to implement the specialized foster care program for Clark County, utilizing the block grant funding mechanism.** This

option would result in a permanent allocation, equal to the FY 2017 General Fund appropriation of \$3.0 million, that would be added to Clark County's block grant in future years.

2. **Approve the Governor's recommendation to implement the specialized foster care program for Clark County, but utilize a categorical grant funding mechanism.**
 3. **Do not approve the implementation of the specialized foster care program for Clark County.**
2. Adoption Subsidy Caseload Growth (M-201, DHHS-DCFS-49): The Governor recommends \$9.9 million (\$4.3 million General Fund) over the 2015-17 biennium for caseload increases in adoption subsidies, based on FY 2014 actual growth of 8.02 percent. *Nevada Revised Statutes* 432B includes both a block grant funding mechanism for child welfare services in this budget, as well as a categorical grant for the cost of adoption assistance services within the county to ensure that adoptions are continuously reinforced. Unlike the block grant, any unspent categorical grant monies are required to revert to the General Fund.

The division submitted a new caseload projection on April 1, 2015, which would add a net total of \$98,861 (\$46,203 General Fund) over the 2015-17 biennium for adoption subsidies. The projection includes four additional months of data regarding FY 2015 actual number of adoptions in Clark County, which reflects a trend of 10.22 percent, as compared to the FY 2014 actual growth of 8.02 percent. Also included in the projection is a revision of the blended FMAP rate for FY 2017 from 65.30 percent to 65.25 percent, and a correction to FY 2014 actual costs that Fiscal staff identified as not represented accurately in the original calculation. With these technical adjustments, which Fiscal staff has included in this closing document, this decision unit appears reasonable.

Does the Subcommittee wish to approve the adoption subsidy caseload growth, as adjusted?

Technical Adjustments

Fiscal staff requests authority to make other technical adjustments as needed.

Title: HHS-DCFS - RURAL CHILD WELFARE
 Account: 101 - 3229

Budget Page: DHHS-DCFS-51, Volume II

	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
Revenues							
BALANCE FORWARD	50,343	207,444	312.06	207,444		260,992	25.81
FEDERAL FUND	7,716,044	10,396,009	34.73	7,385,399	(28.96)	7,481,905	1.31
GENERAL FUND	5,804,171	7,079,415	21.97	7,111,275	0.45	7,781,449	9.42
INTERAGENCY TRANSFER	1,983,115	1,938,205	(2.26)	2,154,535	11.16	2,212,237	2.68
OTHER FUND	2,293,860	2,378,779	3.70	3,357,823	41.16	3,357,823	
REVERSIONS	(171,427)						
Total Revenues	17,676,106	21,999,852	24.46	20,216,476	(8.11)	21,094,406	4.34
Total FTE		125.04		140.04		140.04	

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16	2016-17
B000	00	2501	Reduce General Fund to correct a base adjustment as identified by agency	(15,597)	(15,519)
B000	00	3562	Reduce federal Title IV-E funding to correct a base adjustment as identified by agency	(71,322)	(71,400)
M201	00	2501	Adjust General Fund to reflect updated adoption subsidy caseload projections	(4,493)	3,174
M201	00	3562	Adjust federal Title IV-E funding to reflect updated adoption subsidy caseload projections	(5,276)	3,351
M202	00	2501	Budget Amendment A150753229 - Reduce General Fund to reflect revised foster care caseload projections	(367,237)	(711,344)
M202	00	3562	Budget Amendment A150753229 - Adjust federal Title IV-E funding to reflect revised foster care caseload projections	48,485	95,645
E226	00	2501	Reduce General Fund to reflect a reduction in building rent to align with new employee starting date of October 1, 2015	(3,287)	
E226	00	4674	Reduce federal Medicaid funding to reflect a reduction in building rent to align with new employee starting date of October 1, 2015	(3,286)	
E230	00	2501	Reduce General Fund to reflect a reduction in building rent to align with new employee starting date of October 1, 2015	(4,933)	
E230	00	3562	Reduce federal Title IV-E funding to reflect a reduction in building rent to align with new employee starting date of October 1, 2015	(855)	
Sub-total				(427,801)	(696,093)
Line Item Changes to Revenues				(427,801)	(696,093)

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16	2016-17
B000	13	8000	Correct a base adjustment as identified by agency	(86,919)	(86,919)
M201	09	8000	Update adoption subsidy caseload projections	(9,769)	6,525
M202	13	8000	Budget Amendment A150753229 - Revise foster care caseload projections	(318,752)	(615,699)
E226	04	7000	Reduce building rent to align with new employee starting date of October 1, 2015	(6,573)	
E230	04	7000	Reduce building rent to align with new employee starting date of October 1, 2015	(5,788)	
Sub-total				(427,801)	(696,093)
Line Item Changes to Expenditures				(427,801)	(696,093)
Total				0	0
Grand Total General Fund Impact of Closing Changes				(395,547)	(723,689)

Overview

The Rural Child Welfare budget contains all positions and associated costs for rural child welfare responsibilities, including foster care placements, subsidized adoptions and higher-level placements for the rural region. Pursuant to NRS 432B.326 (S.B. 480, 2011) the division assesses counties whose populations are less than 100,000 (currently all counties except Clark and Washoe) for the cost of performing child protective services (CPS) in those counties. Historically, Clark and Washoe counties have provided and funded the cost of CPS in their jurisdictions. The budget is primarily funded by federal Title IV-B, Title IV-E and Title XX grants; county reimbursements; and General Fund appropriations.

Major Closing Issues

1. Full Implementation of the Specialized Foster Care Program
2. New Positions to Support Rural Infrastructure
3. Caseload Changes
4. Budget Amendment – Reduce County Assessments

Discussion of Major Closing Issues

1. Full Implementation of the Specialized Foster Care Program (MAJOR BUDGET INITIATIVES-25 and E-226, DHHS-DCFS-54-55): The Governor recommends \$1.0 million (\$502,707 General Fund) over the 2015-17 biennium for full implementation of the specialized foster care program in the rural region. “Specialized foster care” is full-time foster care and services for children who require special care for physical, mental or emotional issues. A background discussion, and an overview of the implementation funding structure, are provided in the Washoe County Child Welfare budget highlight; these discussions are also applicable to Rural Child Welfare.

The agency indicates that the lack of specialized foster care in the rural areas of the state has long required DCFS to move children to urban areas of the state, away from their communities. As a result, parents and caretakers have a difficult time continuing visitation with the youth, and the child must change schools, losing connections in his/her community. According to the division, the rural child welfare agency found during the specialized foster care pilot program that as foster parents received additional training, in-home supportive services, and a higher rate of payment, these youth showed increased stability in their placements and school, and had better outcomes in their well-being.

In the rural region, the pilot was funded for a population of 10 children; full implementation of this model in the rural region would serve approximately 40 children. To serve this population of 40 children, the agency proposes to establish a Specialized Foster Care Unit (Unit) with the addition of 8 new positions and associated costs: a Clinical Program Manager, 4 Mental Health Counselors, 2 Social Workers and an Administrative Assistant. The Clinical Program Manager would provide oversight of the unit; develop and implement a referral process for identifying youth who are eligible for the program; develop and implement policies and procedures; ensure training for all staff; and design and utilize data reports. The Mental Health Counselors would provide in-home supportive services with foster parents to ensure placement stability of foster youth, provide mental health assessments for children, and act as a resource for foster parent support. The Social Workers would be responsible for all case management services to the child and their family, and ensure that no Basic Skills Training (BST) services are billed by the foster care providers for this population of children. The Administrative Assistant would enter and maintain data in the UNITY system, thus reducing the data entry workload for social workers.

In response to Fiscal staff inquiries, the agency indicated that the Mental Health Counselors and Administrative Assistant would devote 100 percent of their time to the Unit. The Mental Health Counselors would be located in Carson City, Fallon, Elko, and Pahrump. However, the agency noted that the Clinical Program Manager could also supervise other programs that work closely with the children in the Unit, such as adoptions, to provide continuity of case management. The agency testified at the budget hearing on February 26, 2015, that Social Workers could be assigned cases both within

and outside of the specialized foster care program because children could move in and out of the program, and it was desirable for them to have continuity with the same social worker.

In response to Subcommittee questions at the budget hearing about how the division determined it needed eight new positions to serve a population of 40 children, the agency testified that because of the large geographical area, the division needed staff within each of the four district offices in support of the specialized foster care program.

During review of this decision unit, Fiscal staff noted that additional building rent costs were budgeted to begin on July 1, 2015, even though the positions would not start until October 1, 2015. The agency concurred with reducing building rent costs for three months. Fiscal staff has included the technical adjustment in this closing document.

Does the Subcommittee wish to approve the Governor's recommendation to add one new Clinical Program Manager, four new Mental Health Counselors, two new Social Workers and one new Administrative Assistant position to implement the specialized foster care program in the rural region, with the technical adjustment noted by staff?

2. New Positions to Support Rural Infrastructure (E-230, DHHS-DCFS-55): The Governor recommends \$784,916 (\$668,031 General Fund) to add seven new positions and associated costs, including three Social Work Supervisors, one Social Worker, two Family Support Workers, and one Administrative Assistant. Fiscal staff would note that The Executive Budget narrative incorrectly states that eight positions are included in this decision unit.

According to the agency's presentation at the January 22, 2015, pre-session hearing, this decision unit represents a rural region initiative that would emulate the infrastructure of the other child welfare agencies in the state (Clark and Washoe Counties). The initiative seeks to ease the burden on caseworkers and allow them to focus on the safety and well-being of children. The division reports that the attrition rate for social work staff was 42 percent in 2012, and 36 percent in 2013.

The agency indicates that in Washoe County, numerous support positions exist to assist caseworkers, including intake staff; after hours on-call staff; office assistants to transport children and families; and diligent search workers to make attempts to locate missing parents or relatives. In contrast, the agency reports that all of these duties are the responsibility of rural caseworkers, in addition to working with families while meeting federal, state and court timelines for each case. Additionally, rural caseworkers serve a geographical area that is significantly larger than Washoe County, requiring additional travel time.

In order to provide support for the rural caseworkers, and improve employee attrition rates, the Governor recommends the addition of the seven new positions noted previously. The three Social Work Supervisor positions would be located in the Winnemucca, Fallon, and Carson City offices. The agency indicates that currently the rural region has supervision ratios of 1:8 (for three units) and 1:10 (for two units), while Washoe County has an average supervision ratio of 1:6. In response to Fiscal staff inquiries, the agency indicated that the addition of the three new supervisors would result in supervision ratios of 1:5.

In addition to the three new supervisory positions, the Governor recommends one new Social Worker, two Family Support Workers, and one Administrative Assistant. The agency indicates that the Social Worker position would help address the significant increase to responsibilities resulting from the (Safety Assessment Family Evaluation) SAFE model, which requires a robust assessment of the family to identify the appropriate services to address the family's needs. Prior to implementation of this model, the services recommended for a family were based on a snapshot view of conditions noted during a social worker's visit, rather than a comprehensive family assessment. The SAFE model includes

in-home services for families, which may allow children to remain in the home rather than being removed by child protective services. The Family Support Workers are proposed to assist with the in-home services that are offered as part of the SAFE model. The Administrative Assistant would enter and maintain data in the UNITY system, thus reducing the data entry workload for social workers.

The agency testified at the February 26, 2015, budget hearing that lack of adequate resources for the rural caseworkers had resulted in increased length of stay in foster care, a decrease in timely response to investigations, and a decrease in caseworker contact with children. As an example, the agency noted that the federal requirement for timely responses to investigations was 90 percent, and in 2011 the division had been meeting that requirement; however, the timeliness response had slowly decreased to 84 percent by 2014. The division expressed concern about the decrease, and indicated that the positions requested for infrastructure support would allow the division to meet the federal requirement.

During review of this decision unit, Fiscal staff noted that additional building rent costs were budgeted to begin on July 1, 2015, even though the positions would not start until October 1, 2015. The agency concurred with reducing building rent costs for three months. Fiscal staff has included the technical adjustment in this closing document.

Does the Subcommittee wish to approve the Governor’s recommendation to add three new Social Worker Supervisors, one new Social Worker, two new Family Support Workers, and one new Administrative Assistant to support the child welfare infrastructure in the rural region, with the technical adjustment noted by staff?

3. Caseload Changes (M-201 and M-202, DHHS-DCFS-53-54): The Governor recommends \$781,696 (\$357,487 General Fund) over the 2015-17 biennium for caseload increases in adoption subsidies (M-201). Caseload increases in The Executive Budget are based on FY 2014 actual growth of 6.85 percent.

The division submitted a new caseload projection on April 1, 2015, which would result in a net reduction to the adoption subsidy caseload costs of \$3,244 (\$1,319 General Fund) over the 2015-17 biennium. The projection includes four additional months of data regarding FY 2015 actual number of adoptions in the rural region, which reflects a trend of 7.87 percent, as compared to the FY 2014 actual growth of 6.85 percent. Also included in the projection is a revision of the blended FMAP rate for FY 2017 from 65.30 percent to 65.25 percent, and a correction to FY 2014 actual costs that were not accurately reflected in the original calculation. With this technical adjustment, which Fiscal staff has included in this closing document, this decision unit appears reasonable.

The Governor recommends \$1.2 million (\$1.4 General Fund) over the 2015-17 biennium for caseload changes in three types of foster care (M-202), as reflected in the following table:

Caseload Description	Percent Change	2015-17 Biennium Total		
		General Fund	Title IV-E	Total Funding
Substitute Foster Care	-8.17%	(\$439,077)	(\$231,640)	(\$670,717)
Specialized Foster Care	2.86%	\$77,478	\$40,865	\$118,343
Court Jurisdiction Foster Care	45.16%	\$1,762,166	\$0	\$1,762,166
Totals		\$1,400,567	(\$190,775)	\$1,209,792

The court jurisdiction foster care caseload (NRS 432B.591) began in FY 2012 with the approval of Assembly Bill (A.B.) 350 (2011), which provided that foster care youth shall have the opportunity to remain under the jurisdiction of the court from age 18 up to age 21. While under court jurisdiction, these former foster youth are eligible to receive financial support and Independent Living services to

assist with their transition to self-sufficiency. The agency indicates that the monthly payments made to court jurisdiction youth are based on the rates paid to foster care providers before the youth reached 18 years of age. Federal Title IV-E funding does not reimburse foster care expenditures after a youth reaches the age of 18, therefore court jurisdiction foster care costs are entirely supported by General Fund appropriations.

Fiscal staff questioned the accuracy of supporting calculations for court jurisdiction foster care caseload growth, and in response the Executive Budget Office submitted Budget Amendment A150753229 on April 13, 2015. The amendment decreases the court jurisdiction foster care caseload costs from \$1.8 million to \$403,909 over the 2015-17 biennium, based on a projection of youths exiting the program at age 21, and youths entering the program at age 18 during the 2015-17 biennium.

Also requested in the budget amendment is an increase to substitute foster care of \$563,024 and decrease to specialized foster care of \$139,218, due to updated caseload projections based on FY 2015 trends, correction of errors in the original calculations used to project specialized foster care, and revision of the blended Federal Medical Assistance Percentages (FMAP) rate for FY 2017 from 65.30 percent to 65.25 percent. The revisions requested in the budget amendment would result in amended caseload changes as reflected in the following table:

Caseload Description	2015-17 Biennium Total, As Amended		
	General Fund	Title IV-E	Total Funding
Substitute Foster Care	(\$68,609)	(\$39,084)	(\$107,693)
Specialized Foster Care	(\$13,315)	(\$7,560)	(\$20,875)
Court Jurisdiction Foster Care	\$403,909	\$0	\$403,909
Totals	\$321,985	(\$46,644)	\$275,341

Fiscal staff has reviewed the supporting calculations for the budget amendment, and with the adjustments requested these decision units appear reasonable.

Does the Subcommittee wish to approve the adoption subsidy and foster care caseload decision units, as amended, resulting in a General Fund decrease of \$1.1 million over the 2015-17 biennium?

4. Budget Amendment – Reduce County Assessments: The Executive Budget Office submitted Budget Amendment A150613229 on April 13, 2015. The amendment would decrease county assessments for child protective services (CPS) by \$1.5 million over the 2015-17 biennium, and increase General Fund appropriations by the same amount. The amendment requests to reduce rural county assessments to the amounts that were budgeted for FY 2013.

As background for the Subcommittee, county assessments began in FY 2012 with the passage and approval of Senate Bill (S.B.) 480 (2011), codified as NRS 432B.326. Pursuant to this statute, the division assesses counties whose populations are less than 100,000 (currently all counties except Clark and Washoe) for the cost of performing child protective services (CPS) in those counties. Also known as “front-end services”, CPS is the provision of services for prevention, investigation, and treatment of children who were abused or neglected. Fiscal staff reviewed the minutes from the committee hearings on S.B. 480 in order to understand the legislative intent of this statute. This review revealed that the allocation of CPS costs to the rural counties was recommended by the Legislative Committee for the Fundamental Review of Base Budgets of State Agencies for consideration by the 2011 Legislature. Historically, Clark and Washoe Counties have funded the costs of, and provided, CPS in their jurisdictions. Testimony during the committee hearings indicated that requiring rural counties to fund these services directly would be consistent with the current practice in Clark and Washoe Counties, and that the cost for CPS would be fully assessed to the rural counties.

A history of the budgeted county assessments, actual county assessments collected, and total expenditures (actual and budgeted) for the Rural Child Welfare budget is reflected in the following table:

	County Assessments			Total Expenditures for Budget		
	Legislatively Approved	Governor Recommends	Actual Collections	Legislatively Approved	Governor Recommends	Actual
FY 2012	\$2,396,258		\$2,121,731	\$16,434,267		\$15,048,689
FY 2013	\$2,441,086		\$2,441,085	\$17,078,049		\$15,564,766
FY 2014	\$2,121,731		\$2,121,731	\$18,743,510		\$17,664,931
FY 2015	\$2,121,731		N/A	\$19,540,354		N/A
FY 2016		\$3,185,694	N/A		\$20,216,476	N/A
FY 2017		\$3,185,694	N/A		\$21,094,406	N/A

Fiscal staff would note that the table reflects total expenditures for all functions performed in the Rural Child Welfare budget, not just the CPS costs.

A review of the budget closing document from the 2011 Legislative reveals that the amount recommended to be allocated to the rural counties for FY 2012 and FY 2013 was based on a random moment sampling analysis of the agency's activities to determine those costs related to CPS, and the distribution of costs was determined by each county's percentage of the population of persons under 18 years old. The FY 2013 allocation was slightly higher than the FY 2012 allocation, consistent with the slight increase in budgeted expenditures for those two years.

The table above shows that not all of the FY 2012 county assessments were collected, as Nye County did not pay, and still has not paid, its \$274,527 assessment for CPS services in that year. The division provided Fiscal staff with correspondence written by the Nye County District Attorney on October 5, 2011, which stated that the FY 2012 assessment was not proper and would not be paid because an estimate of the assessment was not provided by May 1, 2011, with reference to S.B. 480, Section 2. This budget was not closed until May 17, 2011, so the division could not have provided an assessment by May 1, 2011. The Attorney General sent a response to Nye County on October 21, 2011, asserting that the assessment was valid for FY 2012, and Legislative Counsel provided a letter to Senator Leslie on November 1, 2011, which concluded that "it is the opinion of this office that the counties have a duty to pay the assessment required pursuant to S.B. 480 during both years of the biennium." On October 1, 2012, the division referred the unpaid assessment to the State Controller for collection, but the Controller declined to collect because the debt was disputed by Nye County.

The Executive Budget recommended county assessments of \$2.1 million per year for the 2013-15 biennium, based on the actual collections from FY 2012, rather than properly basing the assessment on projected costs for CPS services for that biennium. Therefore, the counties were under-assessed for CPS costs in FY 2014 and FY 2015. When Fiscal staff reviewed the agency request budget submittal in November 2014, staff noted that \$2.1 million was budgeted for FY 2016 and FY 2017, and asked the division why county assessments had not increased commensurate with the increasing total expenditures in this budget. In response, the division provided a spreadsheet that calculated CPS costs of \$3.2 million, based on actual FY 2014 personnel and operating costs dedicated to the CPS function. After review by the Executive Budget Office, the revised amount calculated by the agency was recommended in The Executive Budget for county assessments for FY 2016 and FY 2017, although the actual costs in the 2015-17 biennium are likely to be higher than FY 2014 actual costs were.

The budget amendment requests to reduce county assessments from \$3.2 million per year to \$2.4 million per year, which is the amount that was assessed for FY 2013. When Fiscal staff asked the division for a justification for the amendment, the agency indicated that after discussion with the counties after release of The Executive Budget, the division had committed to only increasing the assessment if a decision unit is introduced that increases the CPS, such as the addition of new positions, and that no such enhancements for CPS had been requested since FY 2013. However, Fiscal staff would note that costs for the provision of existing service levels have risen since FY 2013, as evidenced by the division's calculation of \$3.2 million in costs based on FY 2014 actual expenditures.

The Subcommittee may wish to choose one of the following options:

- 1. Approve The Executive Budget recommendation to assess rural counties a total of \$3.2 million per year for the cost of CPS services, based on FY 2014 actual expenditures.** This option would not approve Budget Amendment A150613229.
- 2. Approve Budget Amendment A150613229, which would reduce rural county assessments to the FY 2013 amount of \$2.4 million per year, and increase General Fund appropriations by \$744,609 per year as compared to the amounts recommended in The Executive Budget.** This option would result in the counties funding 77 percent of the \$3.2 million annual cost of rural CPS services, not 100 percent of the costs as required by NRS 432B.326.

Other Closing Item

Equipment Replacement (E-710, DHHS-DCFS-56): The Governor recommends \$19,256 (\$16,506 General Fund) to replace office furniture, computer printers, digital recorders, wireless headsets, and child care equipment. **This recommendation appears reasonable.**

Fiscal staff recommends that the Other Closing Item be closed as recommended by the Governor, and requests authority for staff to make other technical adjustments as needed.

Title: HHS-DCFS - COMMUNITY JUVENILE JUSTICE PROGRAMS
 Account: 101 - 1383

Budget Page: DHHS-DCFS-64, Volume II

	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
Revenues							
BALANCE FORWARD	164,217	155,212	(5.48)	39,982	(74.24)		
FEDERAL FUND	1,144,415	1,989,133	73.81	1,239,237	(37.70)	1,239,237	
GENERAL FUND	2,349,807	2,349,807		2,531,633	7.74	2,442,371	(3.53)
OTHER FUND	5,696	15,664	175.00	5,341	(65.90)	5,341	
Total Revenues	3,664,135	4,509,816	23.08	3,816,193	(15.38)	3,686,949	(3.39)
Total FTE		1.00		1.00		2.00	

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16	2016-17
M595	00	2501	Reduce General Fund to reflect the adjustment to VPN, voice mail and state phone lines required for PREA compliance, and removal of three vehicles not required for PREA compliance	(11,854)	(22,811)
Sub-total				(11,854)	(22,811)
Line Item Changes to Revenues				(11,854)	(22,811)

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16	2016-17
M595	50	6000	Remove three vehicles that are not required for PREA compliance	(11,160)	(22,140)
M595	50	7000	Adjust VPN, voice mail and state phone lines required for PREA compliance	(694)	(671)
Sub-total				(11,854)	(22,811)
Line Item Changes to Expenditures				(11,854)	(22,811)
Total				0	0
Grand Total General Fund Impact of Closing Changes				(11,854)	(22,811)

Overview

This budget serves as a pass-through account for federal Office of Juvenile Justice and Delinquency Prevention (OJJDP) funds that are allocated to judicial districts for community-based delinquency prevention programs. General Fund appropriations provide funding to the counties for the non-medical room and board expenses (not covered by Medicaid) for youth involved with the juvenile courts who are receiving rehabilitative services from treatment home providers. This budget also supports the Social Services Chief who serves as Nevada's juvenile justice specialist; prepares monitoring and performance reports for the federal grant programs; and supports the Juvenile Justice Commission.

Major Closing Issues

1. Federal Mandate: Prison Rape Elimination Act (PREA) Compliance
2. New Juvenile Justice Data Position

Discussion of Major Closing Issues

1. **Federal Mandate: Prison Rape Elimination Act (PREA) Compliance (M-595, DHHS-DCFS-66):** The Governor recommends General Fund appropriations of \$217,386 over the 2015-17 biennium to comply with provisions enacted in the Prison Rape Elimination Act (PREA) of 2003. According to the division, major provisions of PREA include:

- Adherence to a zero-tolerance standard for the incidence of inmate sexual assault and rape;
- Development of standards for detection, prevention, reduction, and punishment of prison rape;
- Collection and dissemination of information on the incidence of prison rape; and
- Award of grant funds to help state and local governments implement the purposes of the Act.

The agency testified at the February 26, 2015, budget hearing that it had applied for a federal grant from the U.S. Department of Justice to help implement the PREA federal mandate, but had not received a grant award. In response to Fiscal staff inquiries, the agency indicated that it plans to apply for the next grant award opportunity in summer 2015, in collaboration with the state's grant management unit.

The agency reports that in May 2014, Governor Sandoval signed assurances that the State of Nevada is working towards 100 percent compliance with PREA for all facilities under the purview of the Governor. Additionally, the agency indicates that the Social Services Chief in this budget is acting as the statewide PREA coordinator for the division. PREA consists of 52 main standards, with an additional 217 subsets within the main standards. According to the agency, the U.S. Department of Justice requires an audit of 41 of the 52 PREA standards, and 182 of the 217 subsets within the main standards. The agency indicates that a federal PREA audit was conducted at Nevada Youth Training Center (NYTC) in December 2014. The audit found that NYTC exceeded 3 standards, met 20 standards, did not meet 16 standards, and 2 standards did not apply; a six-month corrective action plan will be developed with technical assistance from the federal auditor. The agency indicates that Caliente Youth Center (CYC) is tentatively scheduled for its PREA audit in the spring of 2015, and Summit View is tentatively scheduled for the fall of 2015 or early 2016.

Through this decision unit, The Executive Budget recommends funding for Nevada Youth Training Center (NYTC) and Caliente Youth Center (CYC) in order to comply with PREA standards. The following table reflects the PREA compliance costs that are included in this decision unit:

Description	FY 2016	FY 2017	Total
Two video monitoring systems for NYTC and CYC	\$150,000	\$0	\$150,000
Two intercom systems for youth at NYTC and CYC	\$5,000	\$0	\$5,000
Twenty telephones for youth-occupied buildings at NYTC and CYC	\$2,000	\$0	\$2,000
Three fleet services vehicles	\$11,160	\$22,140	\$33,300
Vendor contracts for emergency assessment services at NYTC and CYC	\$10,000	\$10,000	\$20,000
EITS services for VPNs, phone lines, and voice mail	\$3,575	\$3,511	\$7,086
Totals	\$181,735	\$35,651	\$217,386

The agency testified at the February 26, 2015, budget hearing that this request would provide funding for the majority of PREA compliance costs, but that future PREA audits may reveal additional requirements. However, the division indicated that funds would be transferred from other juvenile justice accounts to cover any additional costs before requesting additional General Fund appropriations.

In response to Fiscal staff inquiries, the agency indicated that fleet vehicle costs of \$33,300 and a portion of the EITS services costs could be removed from this decision unit, as they are associated with new position requests that were not recommended by the Governor. According to the agency, existing positions will absorb the PREA compliance requirements. Fiscal staff has included these technical adjustments in this closing document.

Does the Subcommittee wish to approve the Governor's recommendation to fund costs associated with PREA compliance, with the adjustments noted by staff?

2. New Juvenile Justice Data Position (E-225, DHHS-DCFS-66-67): The Governor recommends General Fund appropriations of \$61,114 in FY 2017 to add a new Program Officer position and associated costs. Although The Executive Budget indicates that this position was eliminated during the 2011 Legislative Session, Fiscal staff would note that the 2009 Legislature approved the Governor's recommendation to eliminate the position.

The agency indicates that this position would collect statewide juvenile justice data from both state and county level juvenile facilities, as required by NRS 62H.200 through 62H.230. Per the provisions of these statutes, the division is required to collect information about each child referred to the juvenile justice system in Nevada, including basic demographic information, charges for which the child is referred, dates of detention, the disposition of each case, the dates of each release, and any period of parole.

In response to Fiscal staff inquiries, the agency indicated that the single position in this budget, the Social Services Chief, has performed these duties as time allowed. However, with the addition of the PREA data collection requirements, these statutory data collection and analysis tasks, at times, have not been completed. The agency further indicated that the data collected by this new position would be critical for the division to remain in compliance with federal standards, to drive decision making, and to track trends to implement system change based on data analysis.

Does the Subcommittee wish to approve a new Program Officer to collect statewide juvenile justice data, as recommended by the Governor?

Technical Adjustments

Fiscal staff requests authority to make other technical adjustments as needed.

Title: HHS-DCFS - JUVENILE CORRECTIONAL FACILITY
 Account: 101 - 3148

Budget Page: DHHS-DCFS-71, Volume II

	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
Revenues							
GENERAL FUND	3,466,062	4,629,350	33.56	5,633,396	21.69	5,609,354	(0.43)
OTHER FUND	58,816	200,359	240.65	208,203	3.91	208,203	
REVERSIONS	(486,847)						
Total Revenues	3,038,031	4,829,709	58.97	5,841,599	20.95	5,817,557	(0.41)
Total FTE		2.00		3.00		3.00	

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16 Gov Rec	2016-17 Gov Rec
Sub-total				0	0
Line Item Changes to Revenues				0	0

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16 Gov Rec	2016-17 Gov Rec
Sub-total				0	0
Line Item Changes to Expenditures				0	0
Total				0	0
Grand Total General Fund Impact of Closing Changes				0	0

Overview

Summit View Youth Correctional Center (Summit View) is a 96-bed, maximum-security, male youth correctional facility located in North Las Vegas that opened in June 2000. As a budget reduction measure and as a result of the decreased demand for juvenile correctional beds, the 26th Special Session (2010) approved the closure of Summit View, effective May 2010. The 2013 Legislature approved reopening the facility in FY 2014 with funding for 50 beds. A private contractor, Rite of Passage, operated the facility from December 2013 to March 10, 2015, when the contract was terminated. Funding is primarily provided through a General Fund appropriation.

Major Closing Issues

1. Budget Amendment - Reopen Summit View as a State-Operated Facility
2. New Maintenance/Repair Position

Discussion of Major Closing Issues

1. Reopen Summit View as a State-Operated Facility (New E-248): On April 9, 2015, the Interim Finance Committee (IFC) heard testimony from the Division of Child and Family Services (DCFS) regarding the termination of the Rite of Passage (ROP) vendor contract on March 10, 2015. The contract termination effectively closed the Summit View facility. The agency testified that of the 44 youth housed at the facility at the time of the closure, 10 were transferred to Caliente Youth Center (CYC), 16 were

transferred to Nevada Youth Training Center (NYTC), 17 were placed on supervised release to Youth Parole Services, and 1 was placed out of state.

On March 27, 2015, the Fiscal Analysis Division received Budget Amendment A150623148 from the Executive Budget Office. The budget amendment recommends additional General Fund appropriations of \$3.1 million over the 2015-17 biennium, for a total of \$14.4 million in General Fund appropriations over the 2015-17 biennium, to reopen Summit View as a state-operated facility. As proposed, the facility would reopen on or about September 1, 2015 (FY 2016), and be funded for 48 beds. Summit View is constructed with two housing pods that have 48 beds each; this proposal would utilize only one of the pods.

A summary of the Governor's total budget for the facility, comparing the original recommendation to the amended recommendation, is reflected in the following table:

Description	Governor Recommends			As Amended		
	FY 2016	FY 2017	Total Biennium	FY 2016	FY 2017	Total Biennium
Personnel Services	\$224,230	\$239,763	\$463,993	\$3,757,046	\$4,080,506	\$7,837,552
In-State Travel	\$1,500	\$1,500	\$3,000	\$11,622	\$11,622	\$23,244
Operating	\$15,887	\$14,192	\$30,079	\$696,269	\$722,940	\$1,419,209
Equipment	\$1,990	\$0	\$1,990	\$132,843	\$0	\$132,843
Maintenance of Buildings and Grounds	\$134,673	\$134,673	\$269,346	\$134,673	\$134,673	\$269,346
Transfer to Debt Service	\$1,338,238	\$1,341,875	\$2,680,113	\$1,338,238	\$1,341,875	\$2,680,113
Private Contracts - Summit View	\$3,438,204	\$3,428,810	\$6,867,014	\$0	\$0	\$0
Summit View Readiness	\$0	\$0	\$0	\$604,455	\$0	\$604,455
Clark County School District	\$0	\$0	\$0	\$33,000	\$33,000	\$66,000
Youth Transportation	\$0	\$0	\$0	\$4,618	\$4,618	\$9,236
Information Services	\$2,389	\$724	\$3,113	\$88,739	\$25,030	\$113,769
Uniform Allowance	\$0	\$0	\$0	\$0	\$15,561	\$15,561
Training	\$0	\$0	\$0	\$15,985	\$15,985	\$31,970
Utilities	\$208,203	\$208,203	\$416,406	\$133,983	\$133,984	\$267,967
Purchasing Assessment	\$243	\$525	\$768	\$243	\$525	\$768
Deferred Facilities Maintenance	\$476,042	\$447,292	\$923,334	\$476,042	\$447,292	\$923,334
Total Expenditures	\$5,841,599	\$5,817,557	\$11,659,156	\$7,427,756	\$6,967,611	\$14,395,367

Fiscal staff would note that as proposed, Summit View would be funded 100 percent with General Fund appropriations. However, the other two juvenile correctional facilities, CYC and NYTC, receive federal reimbursement through the National School Lunch Program (NSLP). Fiscal staff has estimated NSLP reimbursements at \$59,584 in FY 2016, based on a September 1, 2015, opening date, and \$85,848 in FY 2017, which would reduce General Fund appropriations by the same amount. The agency testified at the April 16, 2015, budget hearing that it concurs with the need to seek NSLP grant funding from the Nevada Department of Agriculture. However, the agency indicated to Fiscal staff that it would prefer to add NSLP funding in FY 2017, and not in FY 2016, to allow for the establishment of the federal funding for this facility. Fiscal staff recommends a technical adjustment to add NSLP grant funding of \$85,848 in FY 2017, and to reduce General Fund appropriations by the same amount.

The Governor recommends the addition of 59 new positions in Budget Amendment A150623148 to operate Summit View. When added to the two existing positions and the new maintenance position already recommended in The Executive Budget (E-225), the facility would have a total of 62 positions. The division proposes to add 17 new positions starting on July 1, 2015, and the remaining 43 new positions on August 1, 2015, in order to be ready for a September 1, 2015, opening date. The following table shows the 62 positions, and their proposed starting dates, to serve a population of 48 youth:

TABLE 2 - Recommended State Positions by Starting Date		
Class Description	Number	Starting Date
Assistant Superintendent	1	Existing
Facility Supervisor	1	Existing
Superintendent	1	July 2015
Director, Nursing Services	1	July 2015
Head Group Supervisor	1	July 2015
Assistant Head Group Supervisor	4	July 2015
Administrative Services Officer	1	July 2015
Accountant Technician	1	July 2015
Food Service Manager	1	July 2015
Food Service Cook	2	July 2015
Training Officer	1	July 2015
Maintenance Repair Specialist	3	July 2015
IT Technician	1	July 2015
Administrative Assistant	2	August 2015
Correctional Nurse	2	August 2015
Food Service Cook	2	August 2015
Group Supervisor	36	August 2015
Laundry Worker	1	August 2015
Total Positions	62	

The budget amendment recommends a total of 41 positions in the Group Supervisor series to provide supervision and treatment services to the youth committed to Summit View. The agency provided Fiscal staff with supporting documentation, included in this document as Attachment A, to illustrate the methodology used to determine the number of positions required. The attachment reflects the number of positions that would be assigned for every hour of the day in order to comply with Prison Rape Elimination Act (PREA) staffing ratios.

The division proposes to use a hybrid method for operating Summit View by utilizing state employees, as noted in Table 2 above, and contractors for other needed services. The Operating category includes funding totaling \$801,840 over the 2015-17 biennium for contract services for three Mental Health Counselors (\$440,125), one Substance Abuse Counselor (\$118,439), and mental health and medical services from psychologists, psychiatrists, and medical practitioners (\$243,276). The division testified during the budget hearing that utilizing contracted personnel, instead of state positions, would decrease delays in critical services needed for the youth due to vacancies.

During the April 16, 2015, budget hearing, the Subcommittee expressed concern that Group Supervisor positions would not provide adequate security for youth, who may require protection from other youth housed in this maximum-security facility. The Subcommittee asked the division to provide alternate staffing proposals, including the use of Category III peace officers. As defined in NRS 289.480, Category III means a peace officer whose authority is limited to correctional services. Fiscal staff consulted Legislative Counsel, and confirmed that Category III peace officers may be utilized in juvenile correctional facilities.

In response to the Subcommittee's concerns, the division developed three alternative options to the Governor's recommendation to utilize 41 Group Supervisors. A summary of the alternative options and their additional cost, is presented in the following table:

TABLE 3 - Summary of Alternative Options for Youth Supervision and Security					
Option Number and Attachment Reference	Description of Option	Total Number of Positions	2015-17 Biennium		
			Cost of Option	Governor Recommends Group Supervisors ONLY	Additional Cost for Option
Option 1 (Attachment B)	Add 6 correctional positions <u>in addition</u> to the 41 Group Supervisor positions recommended by the Governor	47	\$6,443,160	\$5,425,365	\$1,017,795
Option 2 (Attachment C)	Replace 10 Group Supervisor positions with 10 Correctional Officer positions, <u>and</u> add 6 correctional supervisory positions.	47	\$6,548,259	\$5,425,365	\$1,122,894
Option 3 (Attachment D)	Add 42 correctional positions, <u>and</u> retain 5 Group Supervisor positions for youth treatment services	47	\$6,699,506	\$5,425,365	\$1,274,141

Additional details and cost calculations for each of the three options are included in the attachments to this closing document, as referenced in Table 3. The division indicated to Fiscal staff that it continues to recommend the budget amendment as submitted, but if that option is not acceptable to the Subcommittee then the division rates Option 1 as the most favorable alternative, Option 2 as second, and Option 3 as least favorable.

The following table provides information for the Subcommittee about the Group Supervisor and Correctional Officer occupational groups:

TABLE 4 - Comparison of Occupational Groups		
	Group Supervisor	Correctional Officer
Series Concept	To supervise the care and custody of youth in a detention facility by: scheduling and planning work activities of "home life" staff; maintaining safety and security of facility, staff and youth; provide training; coordinating emergency situations; monitoring treatment plans; and performing related duties.	To maintain and supervise inmates in State correctional facilities in a controlled humane environment.
Peace Officer Authority	NRS 289.200: Officers and employees of the Nevada Youth Training Center, the Caliente Youth Center and any other state facility for the detention of children that is operated pursuant to title 5 of NRS have the powers of a peace officer so far as necessary to arrest children who have escaped from that facility.	NRS 289.480: "Category III peace officer" means a peace officer whose authority is limited to correctional services, including the superintendents and correctional officers of the Department of Corrections.
Training	DCFS provides 120 hours of initial training, and a minimum of 86 hours refresher training for Group Supervisors. Training subjects include, but are not limited to, Emergency Procedures, Suicide Prevention, Use of Force, Substance Abuse/Mental Health Issues, CPR/First Aid, Gang Awareness, Medication Management, PREA, Searches/Intake/Transports, and Civil Rights/Grievances.	NAC 289.160: The minimum standard of training for officers in training category III is successful completion of a basic course that includes 160 hours of training in legal subjects, procedures in the field, skills of officers, investigation, community relations, and miscellaneous subjects.

The division has indicated to Fiscal staff that the Nevada Department of Corrections (NDOC) provides an eight-week training academy for its Category III peace officer candidates that is POST-certified. In response to Fiscal staff inquiries, the NDOC indicated that it could provide the academy for DCFS personnel, with a cost of \$200 per student for training materials.

The division reports that the Supreme Court’s Commission on Statewide Juvenile Justice Reform (Commission) has studied the juvenile correctional system in Nevada since the Commission was formed in February 2011. The Commission recommended the use of the Missouri Model, and the division indicates that Nevada has been working for the past four years to implement its tenets. According to the Missouri Model: “Rather than trying to impose safety through coercive correctional practices, this model strives to create safety through constant supervision and staff leadership – by showing no tolerance for physical or emotional abuse, and by cultivating an enveloping atmosphere of healthy relationships and mutual respect.” According to the division, research indicates higher rates of recidivism with correctional models than therapeutic models, with higher rates of incidents including assaults on youth, assaults on staff, use of restraints, isolation, and damage to property.

As noted previously, the submitted budget amendment is predicated on opening Summit View on or about September 1, 2015. Certain costs in the Operating category are budgeted beginning July 1, 2015, but would not be required until the facility opens on September 1, 2015 (food, contracted medical and dental services), or until the majority of positions begin on August 1, 2015 (staff operating supplies). Fiscal staff estimated that operating expenditures could be reduced by \$97,435 in FY 2016 for this reason, and the agency concurred. Fiscal staff recommends a technical adjustment to reduce operating expenditures by \$97,435 in FY 2016. When combined with the previously mentioned \$85,848 NSLP adjustment, the total additional General Fund appropriations needed to support the proposed amendment would be \$2.96 million.

The Equipment category includes the expenditures reflected in the following table:

TABLE 5 - Equipment	
Description	FY 2016
One Office Furniture Unit (E-225)	\$1,990
Telephone System	\$48,344
Two Intermediate Sedans	\$35,896
One Maintenance Truck	\$24,129
One 12-Passenger Van	\$22,484
Total	\$132,843

Fiscal staff would also note that new computer equipment costs of \$64,360 in FY 2016 are recommended in the Information Services category.

The budget amendment includes Summit View readiness costs of \$604,455 in FY 2016 to restore the facility to an operational condition. A summary of the costs is reflected in the following table:

TABLE 6 - Summit View Readiness Costs	
Description	Amount
Janitorial contract to restore facility cleanliness	\$14,100
Replace three hot water heaters	\$19,473
Landscaping cleanup and repairs	\$28,590
Painting for entire facility (cover all ROP branding) and repairs	\$114,706
Rekey facility locks	\$22,175
Window replacement	\$47,000
Staff uniform and security equipment	\$41,698
Youth textiles (Clothing, Hygiene Products, Lines)	\$9,003
Fire System Control Panel in main control	\$6,000
Replace gymnasium floor	\$26,740
Cell house flooring repairs	\$176,847
Facility equipment (desks, chairs, tables, kitchenware, laundry)	\$98,123
Total Costs	\$604,455

On April 9, 2015, the IFC approved transferring the unspent balance of \$674,912 from the Private Contract category to the Summit View Readiness category in FY 2015. The division requested the transfer to begin preparing the facility in FY 2015 in order to ensure that Summit View would be ready for opening by September 1, 2015. The division testified that monies expended in FY 2015 would reduce the need for readiness funds in FY 2016 by a corresponding amount. The agency has indicated to Fiscal staff that appropriations for FY 2016 would be reverted to the General Fund in the amount of FY 2015 costs, as soon as FY 2015 actual expenditures are determined.

The agency testified at the budget hearing that Clark County School District has agreed to provide academic school services to Summit View. During the regular school year, funding for those services would be provided through the Distributive School Account (DSA). The budget amendment includes costs of \$66,000 over the 2015-17 biennium for Clark County School District to provide summer school services.

Does the Subcommittee wish to approve Budget Amendment A150623148, with technical adjustments noted by Fiscal staff, which would reopen Summit View as a state-operated facility and require additional General Fund appropriations of \$2.96 million over the 2015-17 biennium?

Alternatively, does the Subcommittee wish to consider one of the three options prepared by the agency at the direction of the Subcommittee?

The 2013 Legislature authorized back language in the Appropriations Act to allow the division to transfer General Fund appropriations between the three youth correctional facilities (Summit View, Caliente Youth Center, and Nevada Youth Training Center) with the approval of the IFC. The division requests the continuation of this back language in the Appropriations Act for the 2015-17 biennium, which would provide flexibility for the agency to open and close cottages in response to judicial requests for minimum, medium and maximum placements, or flexibility to move staff and resources.

Does the Subcommittee wish to authorize back language in the Appropriations Act that would allow the division to transfer General Fund appropriations between the three youth correctional facility budgets with the approval of the IFC?

2. New Maintenance/Repair Position (E-225, DHHS-DCFS-73): The Governor recommends General Fund appropriations of \$103,597 over the 2015-17 biennium to add one new Maintenance Repair Specialist position and associated costs. This would be the second maintenance position for Summit View, reporting to the existing Facility Supervisor. The agency indicates that the

existing Facility Supervisor is responsible for maintaining the entire Summit View facility, consisting of 5 buildings totaling approximately 70,000 square feet across 13 acres of land. According to the agency, the addition of the new position would allow a shifted work schedule, with a maintenance worker onsite every day of the week to help alleviate emergency and on-call issues. Additionally, two maintenance workers would be onsite at least one day a week to address projects that require multiple workers, and alleviate life-safety issues.

Fiscal staff would note that Budget Amendment A150623148, discussed in Major Issue 1, would also adjust the starting date of the Maintenance Repair Specialist position from October 1, 2015, to July 1, 2015, in order to assist with preparing Summit View for a projected opening date of September 1, 2015.

Does the Subcommittee wish to approve the Governor’s recommendation to add one new Maintenance Repair Specialist position, as amended?

Other Closing Item

Deferred Maintenance (M-425, DHHS-DCFS-72-73): The Governor recommends General Fund appropriations of \$923,334 for various deferred maintenance projects for Summit View, as reflected in the following table:

PROJECT DESCRIPTION	FY 2016	FY 2017
Exterior Solar Site Lighting Upgrade	\$81,250	\$81,250
Perimeter Fence Repairs	\$50,000	\$0
Slurry Seal Asphalt Paving	\$48,750	\$0
Water Heater Replacement - Everest/Charleston	\$0	\$3,000
Water Heater Replacement - Sierra	\$0	\$3,000
Clothes Dryer Replacement	\$30,000	\$0
Air Conditioning and Evaporative Cooler Unit Replacement	\$235,042	\$235,042
Security Door Replacement	\$6,000	\$0
Plumbing Repair	\$25,000	\$0
Facility Backup Generator Improvements	\$0	\$50,000
High Security Door Controls	\$0	\$75,000
Totals	\$476,042	\$447,292

The State Public Works Division conducted a survey of the facility, and issued its Facility Condition Analysis report in May 2014. The deferred maintenance projects recommended in The Executive Budget were based on this report. **This recommendation appears reasonable.**

Fiscal staff recommends that the Other Closing Item be closed as recommended by the Governor, and requests authority for staff to make other technical adjustments as needed.

ATTACHMENT (4 PAGES)

BA 3148 - Summit View Correctional Facility
 FY16/17 State Run Staffing Levels For PREA Standards

PREA RATIO	1:8	1:8	1:8	1:8	1:8	1:8	1:8	1:8	1:8	1:8	1:8	1:8	1:8	1:8	1:8	1:8	1:16	1:16	1:16	1:16	1:16	1:16	1:16	1:16	
TIME	6:00 AM	7:00 AM	8:00 AM	9:00 AM	10:00 AM	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM	5:00 PM	6:00 PM	7:00 PM	8:00 PM	9:00 PM	10:00 PM	11:00 PM	12:00 AM	1:00 AM	2:00 AM	3:00 AM	4:00 AM	5:00 AM	
STAFF (GS4)	A	A	A	A	A	A	A	A	A																
STAFF (GS3)	B	B	B	B	B	B	B	B	B																
STAFF (GS3)	C	C	C	C	C	C	C	C	C																
STAFF (GS3)	D	D	D	D	D	D	D	D	D																
STAFF (GS3)	E	E	E	E	E	E	E	E	E																
STAFF (GS3)	F	F	F	F	F	F	F	F	F																
STAFF (GS3)									G	G	G	G	G	G	G	G	G								
STAFF (GS2)									H	H	H	H	H	H	H	H	H								
STAFF (GS2)									I	I	I	I	I	I	I	I	I								
STAFF (GS2)									J	J	J	J	J	J	J	J	J								
STAFF (GS2)									K	K	K	K	K	K	K	K	K								
STAFF (GS2)									L	L	L	L	L	L	L	L	L								
STAFF (GS2)	M																M	M	M	M	M	M	M	M	M
STAFF (GS2)	N																N	N	N	N	N	N	N	N	N
STAFF (GS2)	O																O	O	O	O	O	O	O	O	O
STAFF (GS2)	P																P	P	P	P	P	P	P	P	P
MAIN CONTROL	Q	Q	Q	Q	Q	Q	Q	Q	Q																
MAIN CONTROL									R	R	R	R	R	R	R	R	R								
MAIN CONTROL																	S	S	S	S	S	S	S	S	S
MAIN CONTROL	S																								
STAFF HOURS	12	7	7	7	7	7	7	7	14	7	7	7	7	7	7	7	9	5	5	5	5	5	5	5	5

TOTAL DAILY STANDARD HOURS	168
DAYS PER YEAR	365
TOTAL ANNUAL STANDARD HOURS	61,320
TOTAL ANNUAL WORKING HOURS	1,760
STAFF NEED	34.8

ANNUAL WORKING HOURS	2,088
11 HOLIDAYS	88
ANNUAL LEAVE (3 Weeks)	120
SICK LEAVE (3 Weeks)	120
TOTAL ANNUAL WORKING HOURS	1,760

	FY08/09		FY16/17	
Head Group Supervisor	1		1	
Assistant Head Group Supervisor	4		4	
SUBTOTAL	5		5	
Group Supervisor 4	4	7.3%	2.5	(3)
Group Supervisor 3	21	38.2%	13.3	(14)
Group Supervisor 2	30	54.5%	19.0	(19)
SUBTOTAL	55	100%	34.8	(36)
TOTAL POSITIONS	60		39.8	(41)

- NOTE:
- (1) The PREA ratios are based on staff in the building, not just number of youth to staff in the facility. This facility has cell houses that are divided in two parts with 24 youth per side. Therefore the 1:16 shift must have 2 staff per side to meet PREA ratios.
 - (2) Overlap of positions is built in to ensure that staff ending their shift can systematically be replaced with staff starting their shift without leaving youth unattended.
 - (3) The main control room will be staffed with a group supervisor position.
 - (2) Per the formula detailed above, 34.8 positions are required (39.8 with supervisors). 41 positions are being requested to due to the inability to hire a fraction of a position.

OPTION 1

G07 - CURRENT GROUP SUPERVISOR OPTION								
POSITION	START	GRADE	STEP	FY16 COST	FY17 COST	# OF POSITIONS	FY16 COST	FY17 COST
Head Group Supervisor	July	39	5	\$88,009	\$90,475	1	\$88,009	\$90,475
Assistant Head Group Supervisor	July	36	5	\$78,095	\$80,269	4	\$312,380	\$321,076
Group Supervisor 4	August	34	5	\$65,942	\$74,048	3	\$197,826	\$222,144
Group Supervisor 3	August	32	5	\$61,177	\$68,657	14	\$856,478	\$961,198
Group Supervisor 2	August	31	5	\$58,885	\$66,156	19	\$1,118,815	\$1,256,964
CAT 01 (PERSONNEL SERVICES) TOTAL						41	\$2,573,508	\$2,851,857

OPTION #1:

Keep Group Supervisor Level staffing as submitted in G07 budget amendment plus add 6 new Correctional Level Positions to add Correctional Security Unit to the facility.

ADD 6 CORRECTIONAL OFFICERS - OPTION #1								
POSITION	START	GRADE	STEP	FY16 COST	FY17 COST	# OF POSITIONS	FY16 COST	FY17 COST
Correctional Lieutenant	July	39	5	\$88,009	\$90,475	1	\$88,009	\$90,475
Correctional Sergeant	July	36	5	\$78,095	\$80,269	5	\$390,475	\$401,345
CAT 01 (PERSONNEL SERVICES) CORRECTIONAL TOTAL						6	\$478,484	\$491,820

STAFF NEEDS						
ITEM	FY16 COST PER FTE	FTE's	FY16 COST	FY17 COST PER FTE	FTE's	FY17 COST
Correctional Officer Needs	\$2,445	6	\$14,672	\$730	6	\$4,380
General Staff Needs	\$2,370	6	\$14,220	\$2,370	6	\$14,220

GROUP SUPERVISOR + CORRECTIONAL OFFICER SECURITY COMPARISON				
POSITION	FY16 COST	FY17 COST	BIENNIUM	# OF POSITIONS
Group Supervisor(s) ONLY	\$2,573,508	\$2,851,857	\$5,425,365	41
OPTION #1 (Add 6 Correctional)	\$3,080,884	\$3,362,277	\$6,443,160	6
BUDGET IMPACT	\$507,376	\$510,420	\$1,017,795	47

NOTE:

- (1) Additional Correctional Officer equipment is required in order to hire this type of position.**
- (2) Must consider both Correctional Officer needs and new staff needs to account for total cost of 6 new positions.**

OPTION 2

CURRENT GROUP SUPERVISOR OPTION								
POSITION	START	GRADE	STEP	FY16 COST	FY17 COST	# OF POSITIONS	FY16 COST	FY17 COST
Head Group Supervisor	July	39	5	\$88,009	\$90,475	1	\$88,009	\$90,475
Assistant Head Group Supervisor	July	36	5	\$78,095	\$80,269	4	\$312,380	\$321,076
Group Supervisor 4	August	34	5	\$65,942	\$74,048	3	\$197,826	\$222,144
Group Supervisor 3	August	32	5	\$61,177	\$68,657	14	\$856,478	\$961,198
Group Supervisor 2	August	31	5	\$58,885	\$66,156	19	\$1,118,815	\$1,256,964
CAT 01 (PERSONNEL SERVICES) TOTAL						41	\$2,573,508	\$2,851,857

OPTION #2:

Hybrid approach that utilizes both Group Supervisors and Correctional Officers in the same facility. This approach has never been done before so flexibility is critical. This option adds 6 Supervisory Correctional Officer positions and changes some Group Supervisor 2 and 3 positions to Correctional Officer positions.

HYBRID APPROACH - OPTION #2								
POSITION	START	GRADE	STEP	FY16 COST	FY17 COST	# OF POSITIONS	FY16 COST	FY17 COST
Correctional Lieutenant	July	39	5	\$88,009	\$90,475	1	\$88,009	\$90,475
Correctional Sergeant	July	36	5	\$78,095	\$80,269	5	\$390,475	\$401,345
Correctional Officer	August	33	5	\$63,512	\$71,260	10	\$635,120	\$712,600
Group Supervisor 3	August	32	5	\$61,177	\$68,657	(5)	(305,885)	(343,285)
Group Supervisor 2	August	31	5	\$58,885	\$66,156	(5)	(294,425)	(330,780)
CAT 01 (PERSONNEL SERVICES) TOTAL						6	\$513,294	\$530,355

STAFF NEEDS						
ITEM	FY16 COST PER FTE	FTE's	FY16 COST	FY17 COST PER FTE	FTE's	FY17 COST
Correctional Officer Needs	\$2,445	16	\$39,126	\$730	16	\$11,680
General Staff Needs	\$2,370	6	\$14,220	\$2,370	6	\$14,220

GROUP SUPERVISOR + CORRECTIONAL OFFICERS HYBRID COMPARISON				
POSITION	FY16 COST	FY17 COST	BIENNIUM	# OF POSITIONS
Group Supervisor	\$2,573,508	\$2,851,857	\$5,425,365	41
OPTION #2 (Correctional Officers)	\$3,140,148	\$3,408,112	\$6,548,259	6
BUDGET IMPACT	\$566,640	\$556,255	\$1,122,894	47

NOTE:

- (1) Six new staff were added to this budget, 1 Correctional Lieutenant and 5 Sergeants. Additionally, 5 Group Supervisor 3's and 5 Group Supervisor 2's were changed to 10 Correctional Officers.
- (2) Supervisory staff are needed for both Group Supervisors and Correctional Officers and therefore additional positions are required under this option.
- (3) Group Supervisors and Correctional Officers are not 100% interchangeable to meet Juvenile facility needs based on the duties outlined for each in the class series and therefore flexibility in scheduling and positions is needed in order to attempt this option. Although both GS and CO positions qualify for covering PREA requirements.
- (3) Additional Correctional Officer equipment is required in order to hire this type of position.

OPTION 3

CURRENT GROUP SUPERVISOR OPTION								
POSITION	START	GRADE	STEP	FY16 COST	FY17 COST	# OF POSITIONS	FY16 COST	FY17 COST
Head Group Supervisor	July	39	5	\$88,009	\$90,475	1	\$88,009	\$90,475
Assistant Head Group Supervisor	July	36	5	\$78,095	\$80,269	4	\$312,380	\$321,076
Group Supervisor 4	August	34	5	\$65,942	\$74,048	3	\$197,826	\$222,144
Group Supervisor 3	August	32	5	\$61,177	\$68,657	14	\$856,478	\$961,198
Group Supervisor 2	August	31	5	\$58,885	\$66,156	19	\$1,118,815	\$1,256,964
CAT 01 (PERSONNEL SERVICES) TOTAL						41	\$2,573,508	\$2,851,857

OPTION #3:
Changes all Group Supervisor positions to equivalent Correctional Officer positions. This option requires five Group Supervisor 4 positions to remain within the budget in order to meet education, employment, training, treatment, care and custody of juvenile offenders. This results in a total of five 1.0 FTE positions being added to the overall budget.

CHANGE TO ALL CORRECTIONAL OFFICERS - OPTION #3								
POSITION	START	GRADE	STEP	FY16 COST	FY17 COST	# OF POSITIONS	FY16 COST	FY17 COST
Correctional Lieutenant	July	39	5	\$88,009	\$90,475	1	\$88,009	\$90,475
Correctional Sergeant	July	36	5	\$78,095	\$80,269	5	\$390,475	\$401,345
Senior Correctional Officer	August	34	5	\$65,942	\$74,048	3	\$197,826	\$222,144
Correctional Officer	August	33	5	\$63,512	\$71,260	33	\$2,095,896	\$2,351,580
CAT 01 (PERSONNEL SERVICES) CORRECTIONAL TOTAL						42	\$2,772,206	\$3,065,544
Group Supervisor 4	August	34	5	\$65,942	\$74,048	5	\$329,710	\$370,240
CAT 01 (PERSONNEL SERVICES) TOTAL						47	\$3,101,916	\$3,435,784

STAFF NEEDS						
ITEM	FY16 COST PER FTE	FTE's	FY16 COST	FY17 COST PER FTE	FTE's	FY17 COST
Correctional Officer Needs	\$2,445	42	\$102,707	\$730	42	\$30,660
General Staff Needs	\$2,370	6	\$14,220	\$2,370	6	\$14,220

ORIGINAL GROUP SUPERVISOR VS 100% CORRECTIONAL COMPARISON				
POSITION	FY16 COST	FY17 COST	BIENNIUM	# OF POSITIONS
Group Supervisor	\$2,573,508	\$2,851,857	\$5,425,365	42
OPTION #3 (Correctional Officers)	\$3,218,842	\$3,480,664	\$6,699,506	5
BUDGET IMPACT	\$645,334	\$628,807	\$1,274,141	47

NOTE:

- (1) Due to the standard hierarchy, the Group Supervisor 2 and Group Supervisor 3 positions were merged into the Correctional Officer position.**
- (2) Under the 100% Correctional Officer Option, Group Supervisor 4 positions are required to meet education, employment, training, treatment, care and custody of juvenile offenders. Correctional Officers are not qualified positions to meet these needs.**
- (3) Additional Correctional Officer equipment is required in order to hire this type of position.**

Title: HHS-DCFS - NEVADA YOUTH TRAINING CENTER
 Account: 101 - 3259

Budget Page: DHHS-DCFS-80, Volume II

	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
Revenues							
BALANCE FORWARD		7,980					
GENERAL FUND	6,561,526	6,823,323	3.99	7,665,049	12.34	7,638,077	(0.35)
INTERAGENCY TRANSFER	317,588	379,908	19.62	291,478	(23.28)	291,184	(0.10)
OTHER FUND	9,993	35,600	256.25	6,000	(83.15)	36,200	503.33
REVERSIONS	(483,276)						
Total Revenues	6,405,831	7,246,811	13.13	7,962,527	9.88	7,965,461	0.04
Total FTE		85.00		86.00		86.00	

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16 Gov Rec	2016-17 Gov Rec
Sub-total				0	0
Line Item Changes to Revenues				0	0

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16 Gov Rec	2016-17 Gov Rec
Sub-total				0	0
Line Item Changes to Expenditures				0	0

Total 0 0

Grand Total General Fund Impact of Closing Changes 0 0

Overview

The Nevada Youth Training Center (NYTC) is a staff secure residential juvenile correctional facility currently staffed for 60 beds for male youth between 12 and 18 years of age, located in Elko, Nevada. The Center operates school programs that offer required and elective academic subjects, remedial programs, special education, and vocational education. The NYTC also provides counseling and treatment programs for anger management, substance abuse, problem solving and life-skills development. Funding for NYTC is provided primarily through a General Fund appropriation and transfers from the Nevada Department of Agriculture for the federal National School Lunch Program.

Major Closing Issue

Implementation of Supreme Court Commission's Recommendations for NYTC

Discussion of Major Closing Issue

Implementation of Supreme Court Commission's Recommendations for NYTC: According to the agency, five enhancement decision units in this budget are in response to recommendations made by the Nevada Supreme Court's Commission on Statewide Juvenile Justice Reform (Commission) concerning operation of the NYTC. The Commission is co-chaired by Supreme Court Justices Hardesty and Saitta, and includes stakeholders from the Nevada Legislature, Attorney General, Nevada judicial system, county probation,

county juvenile services, district attorneys, county public defenders, school districts, and private juvenile care vendors. Justices Hardesty and Saitta conveyed the Commission's nine recommendations regarding NYTC to Governor Sandoval in a November 26, 2014, letter:

- 1) Designate NYTC in Elko as the juvenile commitment/rehabilitation facility for the Northern Nevada Region.
- 2) Evaluate Capital Improvement Projects (CIP) for NYTC and prioritize CIP funding based on a 60-bed population at NYTC, including needed upgrades of the facility for the life safety, health, and wellness of the residents and the staff who work there.
- 3) Reinstate the Nevada Interscholastic Athletics Association (NIAA) sports program at NYTC, including transportation, uniform, and equipment cost necessary to support a positive athletic experience.
- 4) Complete a full cost analysis of and implement a Family Systems Program. This would include transportation cost, cost to recruit and retain a psychologist (including any training), and programs to help families and youth transition back into their communities.
- 5) Provide a quality assurance component at NYTC, similar to the Red Rock Academy that reports directly to the Deputy Administrator of the Division of Child and Family Services (DCFS), to ensure compliance with all policies, procedures, and general health, safety, and welfare matters at the facility.
- 6) Provide CIP and program funding for China Spring Youth Camp and Spring Mountain Youth Camp.
- 7) Consider the needs and resources for front-end juvenile services and programs for all ten judicial districts, including the specific cost of the detailed front-end services and programs. Identify how front-end programs and services outcomes would be measured (e.g., evidence-based outcomes) in order to connect the outcomes to the funding (performance and accountability measures).
- 8) Work in collaboration with the Nevada Department of Corrections (NDOC) to exchange data on a quarterly basis on certified and direct filed youth entering NDOC.
- 9) Provide assistance to NDOC to evaluate and develop programs for juveniles housed in the state prison system.

The agency indicated in its response to questions from the January 22, 2015, Legislative Commission's Budget Subcommittee hearing that the commitment from the Supreme Court Commission and juvenile justice stakeholders to invest in NYTC was a key factor in building the budget. Of the nine Commission recommendations, the agency indicated that seven are supported in The Executive Budget; the two not included are numbers 6 and 7. Implemented recommendations made by the Commission are reflected in the following decision units.

- A. New Contracted Psychologist (E-245, DHHS-DCFS-82-83): The Governor recommends General Fund appropriations of \$78,402 in FY 2016 and \$106,709 in FY 2017 to fund a new contract with a licensed psychologist, in response to Commission recommendation number 4. Although this would be a contracted position, the amount budgeted represents the cost of a state Licensed Psychologist position. In response to Fiscal staff inquiries, the agency indicated the lower cost for FY 2016 is a result of its expectation that a three-month lead-time will be required to develop a new psychological contract.

The agency indicated that it is requesting these services be supplied by contract, as opposed to a new state position, because recruiting, hiring and retaining qualified staff in the rural areas has historically been difficult, especially for highly skilled positions with specialties.

Does the Subcommittee wish to approve a contracted psychologist, as recommended by the Governor?

- B. Family Transportation Program (E-246, DHHS-DCFS-83): The Governor recommends General Fund appropriations of \$76,000 over the 2015-17 biennium to fund travel expenses for families to visit their children at NYTC, in response to Commission recommendation number 4. In support of this request,

the agency provided documentation for travel scenarios from Reno, Carson City, and Las Vegas. The scenarios provided the costs for bus transportation, hotel rooms, per diem, and mileage reimbursement rates from these cities.

Fiscal staff would note that family visitation travel costs are not budgeted for the other two DCFS correctional facilities, Caliente Youth Center and Summit View, nor does the state pay for family visitation travel costs at any of its adult correctional facilities. Fiscal staff inquired whether other states pay travel costs for families to visit their children in correctional facilities, and the agency indicated that several states fund some level of travel expense.

During the February 26, 2015, budget hearing, the Subcommittee asked why the decision had been made to designate NYTC as the juvenile commitment center for the Northern Nevada region, when it was such a great distance from Washoe County. The division indicated that the Commission performed an analysis of building a new facility in the Carson City or Washoe County area, or expanding other existing facilities to keep the placement population closer to their homes. However, the cost analysis led to the conclusion that alternative options were too expensive. Therefore, the Commission recommended a family transportation program to increase family engagement with the youth committed to NYTC.

If the Subcommittee approves this decision unit, Fiscal staff would recommend budgeting the family transportation program costs in a separate category, in order to isolate these costs for transparency purposes.

Does the Subcommittee wish to approve the Governor's recommendation to fund a family transportation program for NYTC, including authority for Fiscal staff to budget these costs in a separate category?

- C. Reinstatement of Sports Program (E-247, DHHS-DCFS-83): The Governor recommends General Fund appropriations of \$78,000 over the 2015-17 biennium to reinstate the Nevada Interscholastic Athletics Association (NIAA) sanctioned sports programs to NYTC, in response to Commission recommendation number 3. The agency indicates that the previous NIAA football program was discontinued in FY 2009. The Executive Budget recommends start-up costs of \$18,000 in FY 2016 for repair of two buses and sports equipment replacement, including helmets, pads, shoes and uniforms. Also included are operating costs of \$30,000 in each year of the biennium, to fund coach and athletic director contracts; travel per diem; dues and registration; and equipment repair. Costs are based on the FY 2009 budgeted amount for the sports program, plus an inflation factor. For comparison, the agency reports that Caliente Youth Center has a well-established intramural sports program on campus.

The Subcommittee inquired at the budget hearing about the type of sports programs that were envisioned for NYTC, and the agency indicated that historically the program included basketball, track, and wrestling, in addition to football.

Does the Subcommittee wish to approve the Governor's recommendation to fund a sports program at NYTC?

- D. New Educational Materials (E-248, DHHS-DCFS-84): The Governor recommends General Fund appropriations of \$23,500 over the 2015-17 biennium to purchase educational programming materials, in response to Commission recommendation number 4. The recommendation includes various journal sets and facilitator guides pertaining to substance abuse counseling, domestic violence prevention, and parenting. The agency indicates that all materials would be delivered as curriculum to the youth, and are intended to enable staff to deliver evidence based programming.

Does the Subcommittee wish to approve the Governor's recommendation to purchase educational programming materials?

- E. New Assistant Superintendent Position (E-249, DHHS-DCFS-84): The Governor recommends General Fund appropriations of \$136,549 over the 2015-17 biennium to add a new Assistant Superintendent Youth Facility position and associated costs, in response to Commission recommendation number 5. Fiscal staff would note that this position was previously authorized for NYTC, but the 2013 Legislature approved the Governor's recommendation to transfer the vacant position to the Summit View Correctional Facility (Summit View). Agency testimony during the 2013 Legislative Session indicated that with the proposed reduction of NYTC beds from 110 to 60, this position would be better utilized for oversight of re-opening Summit View.

Fiscal staff would note that the previous Assistant Superintendent position was transferred in FY 2014 to Summit View to act as a contract monitor, since that facility would be operated by a vendor, rather than state employees. The placement of this DCFS employee at Summit View was part of the contract agreement, and considered necessary to observe vendor performance.

The Commission recommended that a position be added to NYTC as a quality assurance component, similar to the position at Summit View, that reports directly to the Deputy Administrator of the division. However, in supporting documentation for this decision unit, the agency indicated that the Assistant Superintendent would report to the NYTC Superintendent, and be responsible for supervision of staff, facility operations and management.

In response to Fiscal staff inquiries about this apparent discrepancy, the agency indicated that although this position is designed to report to the Superintendent, the Juvenile Services Quality Assurance Team does report directly to the Deputy Administrator, and this position would serve on that team. With the Commission's recommendation to designate NYTC as the juvenile commitment/rehabilitation facility for the Northern Nevada Region, the agency indicates that the facility needs an Assistant Superintendent, and as a result The Executive Budget recommended the quality assurance function under one position in order to lower costs.

Does the Subcommittee wish to approve the Governor's recommendation to add an Assistant Superintendent position?

Other Closing Items

1. Agency-Specific Inflation (M-101, DHHS-DCFS-81): The Governor recommends General Funds of \$10,185 over the 2015-17 biennium for inflationary increases in medical services (2 percent in both years) and food (1.8 percent in FY 2016 and 1.7 percent in FY 2017). Increases are based on Consumer Price Index estimates for these specific items. **This recommendation appears reasonable.**
2. Deferred Maintenance (M-425, DHHS-DCFS-82): The Governor recommends General Funds of \$543,559 over the 2015-17 biennium for various deferred maintenance projects on the NYTC campus. The projects include interior and exterior painting of campus buildings; concrete step/walkway repairs and replacement; dormitory furniture refurbishment; sewer line replacement; water line repairs; and plumbing repairs. **This recommendation appears reasonable.**

Fiscal staff recommends that all Other Closing Items be closed as recommended by the Governor, and requests authority for staff to make technical adjustments as needed.

Title: HHS-DCFS - YOUTH PAROLE SERVICES
 Account: 101 - 3263

Budget Page: DHHS-DCFS-87, Volume II

	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
Revenues							
BALANCE FORWARD	(122,540)	616,719	(603.28)				
FEDERAL FUND							
GENERAL FUND	2,795,382	2,834,408	1.40	2,876,964	1.50	2,862,944	(0.49)
OTHER FUND	2,749,144	2,260,598	(17.77)	3,106,789	37.43	3,100,669	(0.20)
REVERSIONS	(204,688)						
Total Revenues	5,217,298	5,711,725	9.48	5,983,753	4.76	5,963,613	(0.34)
Total FTE		43.51		44.51		44.51	

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16	2016-17
E250	00	2501	Reduce General Fund to adjust telephone equipment and wiring cost to vendor quote	(4,400)	
E250	00	4103	Reduce county reimbursements to adjust telephone equipment and wiring cost to vendor quote	(4,400)	
Sub-total				(8,800)	0
Line Item Changes to Revenues				(8,800)	0

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16	2016-17
E250	04	7000	Adjust telephone equipment and wiring cost to vendor quote	(8,800)	
Sub-total				(8,800)	0
Line Item Changes to Expenditures				(8,800)	0
Total				0	0
Grand Total General Fund Impact of Closing Changes				(4,400)	0

Overview

The Nevada Youth Parole Bureau (Bureau) is charged with providing supervision and case management services to delinquent youth committed to the state correctional facilities. The Bureau also provides transitional services, treatment placement, and residential placement of youth that are transitioning from these correctional placements into the community. The Bureau's caseloads include delinquent youth committed to state youth institutions, youth on parole from such institutions, youth referred to Nevada for parole supervision from other states through the Interstate Compact, youth committed to the DCFS who require both correctional and mental health residential treatment, and youth under the age of 12 who are committed to the DCFS for correctional care but who cannot by law be placed in an institutional setting. This budget is funded with General Fund appropriations and assessments to each county in the state for the costs of the activities of the Bureau.

Major Closing Issue

Relocation of Las Vegas Office

Discussion of Major Closing Issue

Relocation of Las Vegas Office (E-250, DHHS-DCFS-90): The Governor recommends \$161,242 (\$80,621 General Fund) over the 2015-17 biennium to relocate the Bureau's Las Vegas office to Building No. 15 on the Southern Nevada Child and Adolescent Services (SNCAS) West Charleston campus. As recommended, the funding would be used as follows:

Description	FY 2016	FY 2017	Total
Additional building rent	\$36,732	\$36,794	\$73,526
Telephone equipment and cabling	\$61,600	\$0	\$61,600
Key card access system	\$26,116	\$0	\$26,116
Total	\$124,448	\$36,794	\$161,242

In response to Fiscal staff inquiries about the supporting documentation for this decision unit, the agency has agreed that the telephone system costs should be \$52,800, not \$61,600. Fiscal staff has included the technical adjustment in this closing document.

The current office location is on Belrose Street, and the agency indicates that a major Division of Welfare and Supportive Services office is located close to the Youth Parole office, which creates security concerns and does not allow for Youth Parole to grow as needed.

The agency indicates that Building No. 15 on the SNCAS campus, located on West Charleston Boulevard, will become available beginning July 2015. The SNCAS campus houses children's mental health programs, including Desert Willow Treatment Center, Oasis On-Campus Treatment Homes, and the West Neighborhood Family Services Center. Building No. 15 is a state-owned building that is currently leased to Clark County until June 30, 2015, and the agency reports that Clark County has confirmed its intention to vacate the building by that date. According to the agency, Building No. 15 was designed for, and used by, Clark County probation; therefore, is well suited for the Youth Parole Bureau, and allows for additional space requirements and increased security.

Does the Subcommittee wish to approve the Governor's recommendation, as adjusted, to relocate the Youth Parole Bureau's Las Vegas Office?

Other Closing Items

1. New Uniforms (E-228, DHHS-DCFS-89): The Governor recommends \$22,448 (\$11,224 General Fund) over the 2015-17 biennium to fund new uniforms for Youth Parole officers, including shirts, pants, jackets and hats. The jackets would be replaced every four years, and the shirts, pants, and hats would be replaced annually. The agency indicates that historically officers have worn civilian clothing, and have only been able to identify themselves with a Youth Parole badge. The new uniforms will include the Bureau's insignia, and are intended to ensure that all officers are easily identifiable in the community. **This recommendation appears reasonable.**
2. Position Transfer (E-505/E905, DHHS-DCFS-90 and 92): The Governor recommends transferring in a Management Analyst position and associated costs from the Children, Youth & Family Administration budget. The agency indicates that the transfer would provide support to the Administrative Services Officer, who is responsible for all of the juvenile justice budgets. The funding alignment would decrease General Fund support by \$52,245 over the 2015-17 biennium. **This recommendation appears reasonable.**

3. Replace Officer Safety Equipment (E-710, DHHS-DCFS-91): The Governor recommends \$20,482 (\$10,241 General Fund) over the 2015-17 biennium to replace safety equipment, such as body armor, handcuffs, duty bags, and flashlights. **This recommendation appears reasonable.**
4. Cost Allocations (M-800/E-800, DHHS-DCFS-89 and 91): The Governor recommends adjustments of \$534 (\$266 General Fund) over the 2015-17 biennium to the division's cost allocations for dispatch services, provided by the Department of Public Safety, General Services division. **This recommendation appears reasonable.**

Fiscal staff recommends that all Other Closing Items be closed as recommended by the Governor, and requests authority for staff to make other technical adjustments as needed.

Title: HHS-DCFS - NORTHERN NV CHILD & ADOLESCENT SERVICES
 Account: 101 - 3281

Budget Page: DHHS-DCFS-94, Volume II

	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
Revenues							
GENERAL FUND	3,197,801	3,201,867	0.13	3,383,422	5.67	3,677,573	8.69
INTERAGENCY TRANSFER	4,616,523	4,536,101	(1.74)	4,989,767	10.00	5,006,165	0.33
OTHER FUND	8,555	783,884	9062.88	773,662	(1.30)	773,662	
REVERSIONS	(363,287)						
Total Revenues	7,459,592	8,521,852	14.24	9,146,851	7.33	9,457,400	3.40
Total FTE		101.55		105.55		105.55	

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16	2016-17
B000	00	2501	Increase General Fund to reflect revised FMAP rates	13,315	10,627
B000	00	3860	Decrease federal Medicaid funding to reflect revised FMAP rates	(13,315)	(10,627)
M101	00	2501	Correction of medical and food inflation amounts	(15,688)	(15,688)
M425	00	2501	Remove duplicative ADA projects that are included in CIP project S02	(2,292)	(82,100)
E711	00	2501	Adjust telephone system replacement cost to vendor quote		(13,682)
Sub-total				(17,980)	(111,470)
Line Item Changes to Revenues				(17,980)	(111,470)

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16	2016-17
M101	04	7000	Correction of medical and food inflation amounts	(15,688)	(15,688)
M425	95	7000	Remove duplicative ADA projects that are included in CIP project S02	(2,292)	(82,100)
E711	05	8000	Adjust telephone system replacement cost to vendor quote		(13,682)
Sub-total				(17,980)	(111,470)
Line Item Changes to Expenditures				(17,980)	(111,470)

Total 0 0

Grand Total General Fund Impact of Closing Changes (4,665) (100,843)

Overview

Northern Nevada Child and Adolescent Services (NNCAS) budget provides a continuum of mental health services to emotionally disturbed children, adolescents and their families. Psychiatric services are provided for children in early childhood mental health, outpatient and residential services, with residential services offered at the Family Learning Homes and the Adolescent Treatment Center. The NNCAS also offers Wraparound in Nevada (WIN) services, which provide intensive targeted case management for youth with severe emotional disturbances who are in the custody of a public child welfare or juvenile justice service agency. For FY 2015, a Mobile Crisis Unit was established to provide immediate care and treatment to any child or adolescent with a psychiatric emergency.

Major Closing Issue

New Positions for Mobile Crisis Unit

Discussion of Major Closing Issue

New Positions for Mobile Crisis Unit (E-229, DHHS-DCFS-97): The Governor recommends tobacco settlement funds of \$226,273 over the 2015-17 biennium to add a new Clinical Program Manager position and a new Administrative Assistant position, and associated costs, to the Mobile Crisis Unit (MCU). As background for the Subcommittee, for FY 2015, the Interim Finance Committee approved eight new positions to establish a MCU in Northern Nevada, including four Mental Health Counselor positions, and four Psychiatric Caseworker positions, utilizing tobacco settlement funds. The agency has previously indicated that the mobile crisis response is organized into teams that include one Psychiatric Caseworker and one Mental Health Counselor, and each case is assigned two teams. The first team provides the immediate response to the crisis, performing a crisis assessment, developing a safety plan, and obtaining immediate needed services; this team works with the family for up to 72 hours following the crisis. The second team provides crisis stabilization services if the family chooses to participate, including Brief Strategic Therapy and wraparound services for 30 to 60 days.

According to the agency, MCUs are designed to reduce unnecessary psychiatric hospitalizations and placement disruptions of children and youth, and to reduce the need for youth to go to emergency rooms or detention centers to have their mental and behavioral health needs addressed. At the February 26, 2015, budget hearing, the agency indicated that the hospital diversion rate for the Northern Nevada MCU was 76.5 percent since inception of the program. The agency indicated to Fiscal staff that the Northern Nevada MCU became operational on November 1, 2014, after the hiring and training of employees during October 2014. Fiscal staff asked the agency for an updated number of children served by the Northern Nevada MCU, and the agency provided the following information:

Month	Number of Calls
November 2014	22
December 2014	31
January 2015	34
February 2015	48
March 2015	42
Total	177

Fiscal staff would note that the agency provided the number of calls received by the MCU, which does not necessarily equal the number of children served. The agency testified at the budget hearing that although the MCU may not provide direct treatment for all calls, the team ensured that all callers were connected with the appropriate resources.

In response to Fiscal staff inquiries about the need for the Clinical Program Manager position, the agency indicated that national standards for mental health clinical supervision is 1:8. The current supervisor for the eight existing MCU staff also has responsibility for six Mental Health Counselors in the out-patient department, or a supervision ratio of 1:14. According to the agency, the new Clinical Program Manager would supervise the eight MCU positions, as well as the new Administrative Assistant included in this request. The agency testified at the budget hearing that a number of the MCU cases involved significant safety risks, and that proper supervision was important to oversee the response team and provide guidance on treatment and safety issues. The agency further testified that the Clinical Program Manager would provide direct care to children.

The agency indicates that the Administrative Assistant position is needed for maintenance of client records, assisting with incoming calls, greeting clients or visitors, and inputting data. According to the agency, caseworkers currently spend approximately 25 percent of their time performing these administrative duties, when 100 percent of their time should be spent on client services.

Does the Subcommittee wish to approve the Governor's recommendation to add one new Clinical Program Manager and one new Administrative Assistant to the NNCAS mobile crisis unit?

Other Closing Items

1. Agency Specific Inflation (M-101, DHHS-DCFS-96): The Governor recommends General Fund appropriations of \$37,489 over the 2015-17 biennium for inflationary increases in medical services (2 percent) and food (1.8 percent in FY 2016 and 1.7 percent in FY 2017). Inflationary increases are based on Consumer Price Index estimates for these specific items. In response to Fiscal staff questions about the inflation calculations, the agency concurred that the request should total \$6,113 over the 2015-17 biennium. Fiscal staff has included the technical adjustment in this closing document. **With the technical adjustment, this recommendation appears reasonable.**
2. Deferred Maintenance (M-425, DHHS-DCFS-96-97): The Governor recommends General Fund appropriations of \$187,600 over the 2015-17 biennium for various deferred maintenance projects on The NNCAS campus. The projects include kitchen cabinet and window replacements in the Family Learning Homes; lighting upgrades; plumbing repairs; concrete repairs; and ADA compliance projects.

During review of this budget, Fiscal staff noted that ADA compliance projects were included in both the agency's budget and the State Public Works Division Capital Improvement Program (CIP) budget. The agency has agreed to remove the ADA compliance projects from this budget, resulting in a revised request of \$103,208 over the 2015-17 biennium. Fiscal staff has included the technical adjustment in this closing document. **With the technical adjustment, this recommendation appears reasonable.**

3. Phone System Replacement (E-711, DHHS-DCFS-98): The Governor recommends General Fund appropriations of \$136,512 in FY 2017 to replace a phone system for the NNCAS main campus. The agency indicates that the current system is 20 years old; repair parts and new phones are no longer available; and staff has experienced dropped calls and complete outages. Additionally, a new phone system would enable the agency to be on the EITS statewide network, which is less expensive than utilizing an outside vendor. In response to Fiscal staff inquiries about the supporting documentation for this decision unit, the agency has agreed that the total amount should be \$122,830. Fiscal staff has included the technical adjustment in this closing document. **With the technical adjustment, this recommendation appears reasonable.**
4. Maintenance of Buildings and Grounds (E-730, DHHS-DCFS-98): The Governor recommends \$6,480 (\$5,899 General Fund appropriations) in FY 2016 for ongoing maintenance costs, including replacement of doors, window blinds, and landscaping materials. **This recommendation appears reasonable.**
5. Position Transfer (E-904, DHHS-DCFS-99): The Governor recommends transferring in two Psychiatric Caseworker positions and associated costs from Southern Nevada Child and Adolescent Services. The agency indicates that the Wraparound in Nevada program for NNCAS has a high caseload and a long waitlist, so the positions would be better utilized in this budget. **This recommendation appears reasonable.**
6. Federal Medical Assistance Percentage (FMAP) Technical Adjustment: The division provided Fiscal staff with updated calculations regarding the FMAP. The calculations corrected the blended FMAP rate for FY 2016 that was used in error for The Executive Budget from 65.125 percent to 64.79 percent, and revised the blended FMAP rate for FY 2017 from 65.52 percent to 65.25 percent. The technical adjustments increase General Fund appropriations by \$13,315 in FY 2016 and \$10,627 in FY 2017. Fiscal staff has included the technical adjustment in this closing document.

Fiscal staff recommends that all Other Closing Items be closed as recommended by the Governor with the technical adjustments noted by staff and with authority to make other technical adjustments as needed.

Title: HHS-DCFS - SOUTHERN NV CHILD & ADOLESCENT SERVICES
 Account: 101 - 3646

Budget Page: DHHS-DCFS-101, Volume II

Revenues	2013-14 Actual	2014-15 WP	% Chg	2015-16 GOV REC	% Chg	2016-17 GOV REC	% Chg
GENERAL FUND	9,873,709	9,905,365	0.32	10,279,713	3.78	10,289,507	0.10
INTERAGENCY TRANSFER	13,321,901	13,951,629	4.73	14,906,793	6.85	14,897,259	(0.06)
OTHER FUND	658,694	2,309,927	250.68	2,345,669	1.55	2,354,778	0.39
REVERSIONS	(2,447,339)						
Total Revenues	21,406,965	26,166,921	22.24	27,532,175	5.22	27,541,544	0.03
Total FTE		312.71		309.71		309.71	

Adjustments to Revenue

Dec Unit	Cat	GL	Description	2015-16	2016-17
B000	00	2501	Increase General Fund to reflect revised FMAP rates	55,924	44,438
B000	00	3860	Decrease federal Medicaid funding to reflect revised FMAP rates	(55,924)	(44,438)
Sub-total				0	0
Line Item Changes to Revenues				0	0

Adjustments to Expenditures

Dec Unit	Cat	GL	Description	2015-16 Gov Rec	2016-17 Gov Rec
Sub-total				0	0
Line Item Changes to Expenditures				0	0

Total	0	0
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Grand Total General Fund Impact of Closing Changes	55,924	44,438
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Overview

Southern Nevada Child and Adolescent Services (SNCAS) provides a comprehensive continuum of behavioral healthcare services for emotionally disturbed children and adolescents from birth through 18 years of age. Services include early childhood mental health services and outpatient children’s clinical services providing individual, group and family therapies; intensive clinical case management; and early childhood day treatment. Services are provided in five Neighborhood Family Service Centers in the Las Vegas valley, the division’s West Charleston campus, and in residential settings. Residential services are provided at the West Charleston campus and include the Oasis On-Campus Treatment Homes for intensive treatment home services, and Desert Willow Treatment Center, which provides inpatient acute psychiatric and residential treatment center services. The SNCAS also offers Wraparound in Nevada (WIN) services, which provide intensive targeted case management for youth with severe emotional disturbances who are in the custody of a public child welfare or juvenile justice service agency. The 2013 Legislature approved the implementation of a Mobile Crisis Unit to provide immediate care and treatment to any child or adolescent with a psychiatric emergency.

Major Closing Issues

1. New Positions for Outpatient Medication Clinic
2. New Position for Mobile Crisis Unit

Discussion of Major Closing Issues

1. New Positions for Outpatient Medication Clinic (E-225, DHHS-DCFS-104): The Governor recommends \$251,941 (\$230,001 General Fund) to add one Psychiatric Nurse (PN) position and one Administrative Assistant position, and associated costs, to the outpatient medication clinic. In response to Fiscal staff inquiries, the agency indicated that the clinic currently has a part-time Psychiatrist and a part-time PN assigned to serve over 100 patients of the clinic.

According to the agency, a full-time PN is needed to assist patients with medication questions, prescription refills, and health concerns when the Psychiatrist is not available. If this new position is approved, the current part-time PN would be reassigned to the Oasis On-Campus Treatment Homes (Oasis) to oversee the medication administration and health issues of the Oasis clients. The agency indicates that an Administrative Assistant position is recommended to provide clerical support for the outpatient medication clinic, including creation and maintenance of client records; scheduling; greeting clients; and answering phones. The agency testified at the February 26, 2015, budget hearing that the support functions were currently performed by part-time temporary staff, but the workload at the outpatient medication clinic necessitated a full-time position.

Does the Subcommittee wish to approve the Governor’s recommendation to add one new Psychiatric Nurse and one new Administrative Assistant for the outpatient medication clinic?

2. New Position for Mobile Crisis Unit (E-229, DHHS-DCFS-105): The Governor recommends tobacco settlement funds of \$139,407 over the 2015-17 biennium to add a new Clinical Program Manager position, and associated costs, to the Mobile Crisis Unit (MCU). As background for the Subcommittee, the 2013 Legislature approved 4 full-time and 1 half-time contracted positions to establish a MCU in Southern Nevada. During FY 2015, the Interim Finance Committee approved 19 new positions to expand the MCU, including 1 Clinical Program Manager, 8 Mental Health Counselors, 8 Psychiatric Caseworkers, 1 Business Process Analyst, and 1 Administrative Assistant.

The agency indicated at the budget hearing that the hospital diversion rate for the Southern Nevada MCU was 90.8 percent since inception of the program. Fiscal staff asked the agency for an updated number of children served by the Southern Nevada MCU, and the agency provided the following information:

Month	Number of Calls
January 2014	19
February 2014	32
March 2014	41
April 2014	37
May 2014	22
June 2014	12
July 2014	15
August 2014	20
September 2014	32
October 2014	37
November 2014	44
December 2014	57
January 2015	60
February 2015	71
March 2015	95
Totals	594

Fiscal staff would note that the agency provided the number of calls received by the MCU, which does not necessarily equal the number of children served. The agency testified at the budget hearing that although the MCU may not provide direct treatment for all calls, the team ensured that all callers were connected with the appropriate resources.

In response to Fiscal staff inquiries about the need for a second Clinical Program Manager position, the agency indicated that national standards for mental health clinical supervision is 1:8. The existing Clinical Program Manager supervises the eight Psychiatric Caseworkers and eight Mental Health Counselors, or a supervision ratio of 1:16. The addition of a second Clinical Program Manager would result in a 1:8 supervision ratio for the Southern Nevada MCU. The agency testified at the budget hearing that a number of the MCU cases involved significant safety risks, and that proper supervision was important to oversee the response team and provide guidance on treatment and safety issues. The agency further testified that the Clinical Program Manager would provide direct care to children.

Does the Subcommittee wish to approve the Governor's recommendation to add one new Clinical Program Manager to the SNCAS mobile crisis unit?

Other Closing Items

1. Agency Specific Inflation (M-101, DHHS-DCFS-103): The Governor recommends \$21,859 (\$10,040 General Fund) over the 2015-17 biennium for inflationary increases in medical services (2 percent) and food (1.8 percent in FY 2016 and 1.7 percent in FY 2017). Inflationary increases are based on Consumer Price Index estimates for these specific items. **This recommendation appears reasonable.**
2. Deferred Maintenance (M-425, DHHS-DCFS-104): The Governor recommends General Fund appropriations of \$423,864 over the 2015-17 biennium for various deferred maintenance projects on the SNCAS campus. The projects include re-carpeting and flooring; exterior painting; Oasis kitchen remodel; HVAC maintenance; site drainage upgrades; asphalt paving; ceiling system replacement; concrete repairs; and ADA compliance projects. **This recommendation appears reasonable.**
3. Furniture and Telephone Replacement (E-710, DHHS-DCFS-106): The Governor recommends General Fund appropriations of \$220,178 in FY 2016 to replace furniture and telephones at the Desert Willow Treatment Center (DWTC). The agency indicates that the existing furniture at the DWTC is original to the building, which opened in 1999. This recommendation, with a total cost of \$209,958, would replace all of the furniture in each of the day rooms in each unit; all furniture in each patient room, including wardrobe, desk, and bed; and furniture in the lobby area. In response to Fiscal staff inquiries, the agency indicated that behavioral healthcare furniture includes suicide prevention features, are easy to clean, tamper proof, and resistant to chemicals and fluids.

This decision unit also includes the replacement of 70 telephones, with a total cost of \$10,220, which represents a portion of the total telephones on the SNCAS campus. The agency indicates that most of the phones are less than five years old, but that phones at the hospital are replaced more often due to physical property damage by the clients at the hospital. **This recommendation appears reasonable.**

4. New Computers for Treatment Homes (E-721, DHHS-DCFS-106): The Governor recommends General Fund appropriations of \$4,937 in FY 2016 to purchase three desktop computers and one printer for use by youth in the Oasis On-Campus Treatment Homes. In response to Fiscal staff inquiries, the agency indicated that youth do not currently have access to computers while residing in the treatment homes. According to the agency, most schools now require that students complete research, produce typed papers, and create PowerPoint presentations as part of their classwork; consequently, Oasis client access to computers is necessary for academic success. **This recommendation appears reasonable.**

5. Position Transfers: The Governor recommends the following position transfers between other DCFS budgets:
- a. Accounting Assistant Transfer (E-901, DHHS-DCFS-106-107): Transferring out an Accounting Assistant and associated costs of \$95,721 to the Children, Youth and Family Administration budget. The agency indicates this position's duties support the Personnel/Payroll function, which is located in the Administration budget.
 - b. Personnel Analyst Transfer (E-902, DHHS-DCFS-107): Transferring out a Personnel Analyst and associated costs of \$170,142 to the Children, Youth and Family Administration budget. The agency indicates this position's duties support the Personnel/Payroll function, which is located in the Administration budget.
 - c. Personnel Technician Transfer (E-903, DHHS-DCFS-107-108): Transferring out a Personnel Technician and associated costs of \$102,359 to the Children, Youth and Family Administration budget. The agency indicates this position's duties support the Personnel/Payroll function, which is located in the Administration budget.
 - d. Psychiatric Caseworker Transfer (E-904, DHHS-DCFS-108): Transferring out two Psychiatric Caseworkers and associated costs of \$258,829 to the Northern NV Child & Adolescent Services (NNCAS) budget. The agency indicates that the Wraparound in Nevada program for NNCAS has a high caseload and a long waitlist, so the positions would be better utilized in that budget.
 - e. Business Process Analyst Transfer (E-906, DHHS-DCFS-108-109): Transferring out a Business Process Analyst and associated costs of \$148,907 to the UNITY/SACWIS budget. The agency indicates that this information technology position would be better suited in the UNITY/SACWIS budget, with better access to the technical staff that support Avatar.

These position transfer recommendations appear reasonable.

6. Federal Medical Assistance Percentage (FMAP) Technical Adjustment: The division provided Fiscal staff with updated calculations regarding the FMAP. The calculations corrected the blended FMAP rate for FY 2016 that was used in error for The Executive Budget from 65.125 percent to 64.79 percent, and revised the blended FMAP rate for FY 2017 from 65.52 percent to 65.25 percent. The technical adjustments increase General Fund appropriations by \$55,924 in FY 2016 and \$44,438 in FY 2017. Fiscal staff has included the technical adjustment in this closing document.

Fiscal staff recommends that all Other Closing Items be closed as recommended by the Governor with the technical adjustments noted by staff and with authority to make other technical adjustments as needed.