

City Council Preliminary Budget Hearing
Testimony by John B. Mattingly
New York City Department of Juvenile Justice
March 9, 2010

Good afternoon Chair Gonzalez and members of the Juvenile Justice Committee. I am John B. Mattingly, Commissioner of the City's Department of Juvenile Justice (DJJ) and the Administration for Children's Services (ACS). Joining me today is Laurence Busching, Executive Deputy Commissioner for ACS's Division of Youth and Family Justice, and Jacqueline James, Deputy Commissioner for DJJ's Administration and Policy. Last month, I testified before the Juvenile Justice and General Welfare Committees about the City's plan to integrate DJJ with ACS. We are here today to discuss the Preliminary Budget for DJJ.

ACS/DJJ Integration

I would like to start by explaining the process that ACS and DJJ have underway to bring the operations and organization of these two agencies together. Let me first say that, in these difficult financial times, the very fact that this integration is happening is a strong statement of this administration's commitment to juvenile justice reform and to strengthening outcomes for young people in our custody. My testimony today will focus on DJJ's budget and the importance of making the most of funds invested into our City's juvenile justice system. But I want to

emphasize that our primary goals are to maintain public safety while reducing recidivism, and to provide the best care possible for court-involved youth while providing for better outcomes in their education, personal lives and careers.

This is an exciting time for all of us who have been working to transform our system over the past several years. At last month's hearing, I outlined the juvenile justice reforms currently in effect in New York City which include the development of: an evidence-based "Risk Assessment Instrument" to help judges make better decisions about detention, a continuum of alternative-to-detention programs, supportive programming within detention, efforts to prevent unnecessary detention while awaiting court appearances, and after care services. We have also worked collaboratively with the State to reduce the number of young people sent to upstate residential placements. Our progress to date makes me optimistic that we have the foundation in place in New York City to build upon our reform efforts and move our system to the next level with a more comprehensive array of services and supports.

On January 20, Mayor Bloomberg appointed me to serve as Commissioner for the Department of Juvenile Justice in addition to Commissioner of the Administration for Children's Services. Since this announcement, DJJ and ACS have been operating as two separate agencies under my management. In the coming months, we will work to bring the administrative and

executive functions of the agencies together. The operational areas of DJJ – namely the secure and non-secure detention facilities – will operate as a separate division within ACS, called the Division of Youth and Family Justice, under the leadership of Laurence Busching. Mr. Busching began in this new role on March 1. Prior to that, he served as Chief of the Family Court Division for the New York City Law Department. In addition to DJJ’s operations, Mr. Busching now also oversees ACS’ Juvenile Justice Initiative.

The combined expertise of the child welfare and juvenile justice agencies will help us to strengthen family-focused permanency planning for young people and their families as soon as they enter the juvenile justice system, and to develop a focused strategy for each young person to place him or her on the path toward school, work and successful adulthood. We also plan to increase collaboration and coordination between the juvenile justice system and child welfare providers in order to better serve the overlapping population of youth who have contact with both systems. The overarching goal is to decrease the rate of recidivism for court-involved youth.

FY11 Preliminary Budget

The Preliminary Budget for DJJ in Fiscal Year 2011 is approximately \$123 million, including \$91.4 million in City Tax Levy. In the January Plan, we have three PEG initiatives for the coming year totaling more than \$13.5 million in City Tax Levy. Approximately \$6 million of this savings will be

achieved through anticipated revenue from fringe benefits. The remaining two initiatives are designed to assist us in aligning the DJJ budget with our goals for the integration of juvenile justice and child welfare programs.

Our first step in integrating DJJ and Children's Services is to merge the administrative and executive functions of the agencies. We expect to reduce agency spending by more than \$2 million in the next fiscal year as a result of this. To identify these savings, we are currently undertaking a thorough functional analysis of the administrative functions at DJJ. Last year, we conducted a similar analysis of all of ACS's divisions. We will use this analysis to determine how to create efficiencies and best support the work of our new, integrated system.

To accomplish this, I have appointed a team to assess the functions and organizational structure of DJJ offices where there is overlap between the two agencies in areas such as fiscal, legal counsel, budget and administrative services. This involved interviews with leadership in these areas and a review of common tasks. Currently, the team is working to develop recommendations on how these offices can best be integrated under the ACS management structure to most efficiently and effectively serve the missions of both agencies. We expect this process to be completed in the coming weeks and for the administrative merger to be implemented by late June.

In addition, we expect to save approximately \$5 million in the coming years by reducing the City's use of detention for young people involved with the juvenile justice system. We will do this by working with our partners in the City to strengthen our assessment tools and expand community based alternatives, which are proven to be more cost-effective, and more important, provide better outcomes for young people and families. The City will reinvest \$1.8 million from the savings in the January Plan to expand the availability of alternative-to-detention programs. We are currently working to develop a strategy on how we can develop these services and achieve these savings as part of our efforts to create a comprehensive plan for the operations within the Division of Youth and Family Justice. We expect to announce the details of this plan by the end of June.

The decreased use of detention will mean that young people who otherwise might have lingered in detention facilities can be placed in alternative community-based settings that are more effective and less expensive. We will look to expand our continuum of support services by developing additional research-driven programs, like the models utilized in ACS's Juvenile Justice Initiative, where therapy is provided to family members in the home to strengthen the parent or caretaker's ability to provide structure and guidance for youth and improve problem solving of family members. We will also seek to develop specially trained foster family services for young people with no family able to supervise them so

that they can receive treatment in a home environment and develop long-term connections with a stable, caring adult.

We will take a close look at the continuum of services and supports that we have available for young people who do come into detention to ensure that we are providing the best care and interventions possible during the short time that they are in our custody. We will re-evaluate our risk assessment tools to identify opportunities to move young people who enter detention more quickly to community-based settings. We will also assess the programming within detention to ensure that young people are receiving appropriate educational, mental health and recreational services.

In addition, we will look at the services available to youth and their families to prepare for their re-entry into the community and support them in making what can be a very difficult transition with success. To do this, we will leverage our experience with the City's Collaborative Family Initiative to build upon existing supports and services that address the individual needs of young people – including their mental health needs – to help them integrate back into the community.

The Council has been a critical ally in the Collaborative Family Initiative pilot over the past several years. In fact, as the Committee is aware, the Collaborative Family Initiative is funded by the Council in the current year. Thanks to this funding, we have been able to provide continuity of care

and ongoing mental health, psychiatric and family-focused supports to 118 young people with mental health issues upon returning to the community from detention in the past two years. The Research and Evaluation Center at John Jay College of Criminal Justice will release a report on the Collaborative Family Initiative in the coming weeks. We will share this report with the Council as soon as it is made public and we look forward to discussing lessons learned with Chair Gonzalez and members of the Juvenile Justice Committee and identifying ways that we can use this information to build upon our system of supports for young people leaving detention.

In developing our strategic reform plan for the Division of Youth and Family Justice, we will work in close consultation with our sister agencies in the City and we will be asking representatives from these agencies and other key stakeholders to serve on an advisory board throughout this process. We will also work with Deputy Mayor for Health and Human Services Linda Gibbs to develop a comprehensive list of outcomes and indicators to monitor the progress of our reform efforts. We expect that implementation of the operational plan will take place over the following 12 months. As we move forward, we will keep the Council and our various stakeholders abreast of our progress and will solicit their input at every step of our integration process.

State Budget Issues

As I just described, as New York City moves to integrate the juvenile justice system with child welfare programs, it is our goal to expand the availability and use of family-centered work and gradually bring down the use of residential placements. While we plan to reinvest any funding made available through the City's reform efforts into community-based alternatives and aftercare, the City is not alone in its obligation to maximize resource. We must have partnership from the State to realize savings made possible by the efforts that we all have underway to expand the use of placement alternatives.

We have been working closely with the State Office of Children and Family Services (OCFS) as part of Governor Paterson's Task Force to Transform the Juvenile Justice System to provide oversight of juvenile justice placements with the goal of shortening lengths of stay. Our collaborative efforts have helped us to significantly reduce the number of youth sent to OCFS facilities, as well as private placements.

As the City has worked with the State to reduce the number of young people sent to OCFS' direct-operated facilities, the State has failed to reduce its expenses in these facilities – and New York City shares the burden of these expenses by 50 percent. To illustrate this point – In 2005, there were more than 1,100 youth in OCFS direct-operated facilities. Today, there are approximately 650 youth in these placements. One would think

that we would have realized tremendous savings here due to the alternative-to-placement efforts that we have underway. However, the annual amount billed to New York City was \$47 million in 2005 and \$59 million in 2009. The cost is rising even as New York City has worked to divert more youth into alternatives.

In addition, the Governor's proposed budget for the coming fiscal year presents a number of concerns for the City's juvenile justice system. The budget includes cuts to alternative-to-detention and incarceration programs, PINS programming, and the Summer Youth Employment Program, all of which have an impact on our ability to expand opportunities for community-based alternatives and after-care services. At the same time, the State budget proposes to reinvest \$18.2 million from closing facilities into efforts to improve staff ratios, and health and mental health services for youth in facilities. While we support the efforts made by the State to provide better care to young people in OCFS' residential facilities, we all acknowledge that community-based and family-focused alternatives, in many cases, are better for young people and produce stronger results. We must find ways to reduce expenses paid by New York City for these State operated facilities so that we may realize sufficient savings to invest in the critical services I outlined today.

In the coming weeks, ACS plans to meet with OCFS to discuss these changes in detail. We will seek to find out more about their plans to

implement the reductions identified in the State budget. We will also seek to better understand how rates for placements in OCFS-operated facilities are determined. Our goal will be to develop a new method of billing for State placements based on the number of young people being served in these facilities, and to identify new opportunities for investing in alternatives-to-detention and placement programs. We will keep the Council apprised of our progress on these discussions and we hope to have your continued support as we work with the State to identify a funding solution that helps New York City maximize our resources.

Conclusion

Before I close I would like to say that, as the new commissioner of DJJ, I have been remarkably inspired by the support expressed by all of our stakeholders as we embark on this enormous effort to integrate the work of ACS and DJJ. I truly believe that our efforts in the coming months will greatly enhance our abilities to provide for better outcomes for the young people we serve. We are committed to collaborating with all of our partners to provide better care and treatment to young people involved with our juvenile justice system, and to strengthen outcomes for these young people and reduce recidivism.

I would like to thank Chair Gonzalez for her ongoing commitment to the work of DJJ and the young people we serve. As I said at the last hearing, we are fortunate to have such a dedicated and strong advocate for young

people working with us to move our system to the next level. I would also like to thank the entire Juvenile Justice Committee for allowing me to discuss the proposed DJJ budget for Fiscal Year 2011 with you today, and to explain how this budget will help us to align our funding with our integration goals. I look forward to partnering with you all in the coming months to continue to build upon our City's juvenile justice system. I will now take your questions.