

CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION

Audit Highlights . . .

Our review of the California Department of Corrections and Rehabilitation's (department) intermediate sanction programs for parole violators revealed the following:

- Although the department had data regarding parole violators in the programs, it did not analyze the data or establish benchmarks that it could measure the programs' results against.*
- The department's savings were substantially less than anticipated because its savings estimates were based on unrealistic expectations and the programs were implemented late.*
- To minimize the risk to public safety, less dangerous parole violators were placed in the intermediate sanction programs; however, a small percentage of parole violators were convicted of new crimes during the time they otherwise would have been in prison.*
- Although implementation of the intermediate sanction programs was planned for January 1, 2004, the implementation was delayed due to labor negotiations, a department leadership change, and unanticipated contracting problems.*

The Intermediate Sanction Programs Lacked Performance Benchmarks and Were Plagued With Implementation Problems

REPORT NUMBER 2005-111, NOVEMBER 2005

California Department of Corrections and Rehabilitation's response as of November 2006

The Joint Legislative Audit Committee (audit committee) requested that the Bureau of State Audits review how the California Department of Corrections and Rehabilitation (department) handles parole violators under its New Parole Model policy. Specifically, the audit committee requested that we assess the steps used and the extent to which the department has implemented and monitored its new parole policy, focusing on the intermediate sanction programs, including electronic monitoring, substance abuse treatment control units, and community detention houses. In addition, the audit committee asked us to determine whether the department had established performance measures to measure the efficacy of its parole policy in lowering the recidivism rate.

On April 11, 2005, shortly after the audit committee approved the audit, the department secretary terminated the department's use of the intermediate sanction programs as an alternative to parole revocation and return to prison. The programs we were asked to audit had been operating for 14 months or less when they were canceled, so the data available for our analysis were limited.

Finding #1: The department could have established benchmarks and evaluated the intermediate sanction programs against them, but did not.

Although the department's Division of Adult Parole Operations (parole division) had gathered data about the intermediate sanction programs, it did not analyze the data to evaluate the programs' impact on public safety. In addition, the parole division did not establish benchmarks, such as acceptable return to custody rates for participants that it could measure the program against. Monitoring the programs' impact on public safety against established benchmarks would have provided

information relevant to the secretary's decision to terminate the programs, such as whether the percentages of parolees in the programs who were convicted of new crimes or who committed parole violations when they otherwise would have been in prison were within acceptable limits. In addition, had the parole division established benchmarks for what it considered success, such as a minimum number of parole violators completing the programs, and analyzed the available data—similar to what we did for our report—the secretary could have used the analyses in deciding whether terminating the intermediate sanction programs was the best choice. Finally, by defining benchmarks before implementing the programs, the parole division could have determined whether it needed additional data to measure against the established benchmarks.

We recommended when planning future intermediate sanction programs, that the parole division decide on appropriate benchmarks for monitoring performance, identify the data it will need to measure performance against those benchmarks, and ensure that reliable data collection mechanisms are in place before a program is implemented. After implementing a new intermediate sanction program, the parole division should analyze the data it has collected and, if relevant, use the data in its existing databases to monitor and evaluate the program's effectiveness on an ongoing basis.

Department's Action: Partial corrective action taken.

The parole division indicates it has established specific benchmarks for the outcomes that it expects to achieve for each of its seven parole programs and it is also beginning to review these benchmarks against the cost effectiveness of the programs. In the future, after it believes that participation levels in the programs are stable, the parole division states that it will develop additional benchmarks to measure the performance of the seven parole programs, such as program referrals, enrollments, occupancy rates, hours of capacity, and program placement. The parole division also states that it has designed a database to record this information and that program goals and actual numbers were posted on the parole division's internal Web site for management and staff to review. Finally, it states that the department's office of research completed a performance review of the parole programs in October 2006 to assess the reasonableness of the outcome goals.

Finding #2: Late implementation and unrealistic expectations prevented the intermediate sanction programs from achieving desired savings.

For various reasons, none of the intermediate sanction programs were implemented by January 1, 2004, as planned, so parole violators could not be placed in the programs as early as had been intended. Compounding the delayed implementation was the parole division's unrealistic expectation that the programs would be fully occupied by the first date of implementation. The parole division also did not take into account that there would be a ramping-up period during which occupancy in the programs would increase gradually, but instead, assumed full capacity from the beginning.

The parole division did not evaluate the data it had about the Halfway Back and Substance Abuse Treatment Control Units (SATCU) programs, so it was unable to calculate the savings achieved by the programs. It was apparent, however, that the savings were substantially less than anticipated because of the delays in implementing the programs and placing parole violators in them. Using the parole division's estimates and data about the programs and the participants, we estimated that for the 5,742 parole violators placed in the programs by December 31, 2004—2,567 in the

SATCU program and 3,175 in the Halfway Back program—the department saved \$14.5 million—\$7.4 million and \$7.1 million, respectively. The savings equates to an average \$1.2 million per month over a 12-month period, far short of the average \$8.4 million per month it would have had to save to achieve its planned savings of \$50.2 million for fiscal year 2003–04 and \$100.5 million for fiscal year 2004–05.

We recommended that the parole division ensure the savings estimates developed during program planning are based on reasonable assumptions, and if those assumptions change, update the savings estimates promptly.

Department's Action: Corrective action taken.

The parole division concurs with our recommendation and indicates it will ensure that any discussions with legislative staff or other researchers include reasonable projections or estimates, and that it updates and reassesses projected savings in a timely manner. Specifically, when developing its fiscal year 2006-07 budget, the parole division indicates adjusting the assumptions and savings estimates related to its parole programs based on current data.

Finding #3: The parole division could have established a performance baseline and used it to analyze the effect the intermediate sanction programs had on parolee behavior, but did not.

The parole division hoped that parole violators would benefit from services they received while in the SATCU and Halfway Back programs to help them integrate back into society and successfully complete their parole terms, resulting in a lower recidivism rate. Although the tradeoff may be difficult, achieving the desired benefits of using intermediate sanctions in lieu of returning eligible parole violators to prison requires a willingness to accept the additional risks associated with keeping individuals who are proven to be uncooperative in the community. The parole division minimized the risk to public safety by placing less-dangerous parole violators in the programs. However, depending on the program, this supervision or strict control occurred for between 30 days and an average of 45 days, which is significantly less than the average 153 days a parolee would have stayed in prison for parole violations.

Based on our data analysis, of the 2,567 parole violators placed in the SATCU program and 3,175 parole violators placed in the Halfway Back program by December 31, 2004, 128 (5 percent) and 114 (4 percent), respectively, were returned to prison for new convictions during the time they otherwise would have been in prison. Notwithstanding the significance of those crimes to their victims, the percentage of parolees participating in the two programs who were convicted of new crimes is small. An additional 1,732 parole violators placed in the Halfway Back and SATCU programs were returned to prison for committing parole violations during that time. However, the parole division had no benchmarks to determine whether these results were acceptable.

We recommend the parole division consider analyzing the effect programs have had on parolee behavior and use the knowledge it gains from the analyses to make future intermediate sanction programs more effective. The analysis should include the benefits of adding features to make these programs more effective.

Department's Action: Partial corrective action taken.

The parole division indicates that the department's office of research conducted a performance review of the seven parolee programs in October 2006. This review, which used data through June 2006, suggested adjustments to the outcome goals, which the parole division has accepted.