



JANUARY 15, 2015

Cost Study of Youth Residential Centers for Juvenile Offenders

Pursuant to Senate Substitute for House Bill 2588

SUBMITTED BY
KANSAS DEPARTMENT OF CORRECTIONS

Ray Roberts, Secretary of Corrections

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Executive Summary

The Kansas Juvenile Justice System relies heavily upon Youth Residential Center II (YRCII) placements, spending in excess of \$16 million in Fiscal Year 2014 (FY14) on such services. Other than secure Juvenile Correctional Facilities (JCF), this is the most significant single expense in the Kansas Department of Corrections (KDOC) budget for youth programming. As such, examining the effectiveness of this investment is critical to assessing the overall performance of the juvenile justice system.

The 2014 Kansas Legislature requested a study of YRCIIs. The KDOC appreciates the interest in this important topic and looks forward to future opportunities to discuss improvements in the juvenile justice system based upon the findings in this report and best practice literature. Among the findings are:

- **Secure and non-secure placements are used in Kansas at a higher rate than in other states.** In 2011, Kansas ranked 9th highest nationally in placements for juvenile justice involved youth.
- **YRCII placements are costly - \$45,990 annually per bed.** Administrative costs are significant. The median of all YRCII administrative costs comprise 30.2% and 31.1% of all their reported expenditures in FY13 and FY14 respectively. Four of the YRCIIs had administrative costs 20% or higher than the median.
- **Most YRCII discharges are unsuccessful.** Using a uniform definition, YRCIIs successfully discharge youth only 46% of the time. The majority of youth (54%) discharge unsuccessfully.
- **YRCII placements do not appear to produce long term positive outcomes for youth.** The majority of discharges (51.2%) are still in an out-of-home placement six months later. Of those, only 14.1% are in a placement considered to be of a lower level of care.

In July of 2014, Kansas was selected by the Council of State Governments (CSG), in partnership with the MacArthur Foundation, Bureau of Justice Assistance and the Office of Juvenile Justice and Delinquency Prevention, to participate in a new initiative, the *Reducing Recidivism and Improving Other Key Outcomes for Youth in the Juvenile Justice System Pilot Project*. CSG and the KDOC will schedule CSG's next site visit, tentatively set for early March 2015. During the site visit, draft results will be presented to the KDOC, the Legislature and other key stakeholders with a final report anticipated for release in the summer of 2015.

In presenting the results of this YRCII study at the time specified by Senate Substitute for House Bill 2588, it is recommended that the KDOC and the Legislature seize the opportunity provided by CSG and their partners to examine **all aspects** of the Kansas system, not just YRCIIs. With this comprehensive assessment, the executive, legislative and judicial branches can then capitalize on the opportunity for potentially significant reforms to the juvenile justice system, including to YRCII, in the 2016 Legislative session.

In advance of any legislative reforms, the KDOC will:

- Through training and collaboration KDOC will encourage the use of risk levels in determining eligibility for YRCII and other placements, targeting high-moderate and high risk youth.
- Recommend legislative approval to reinvest the out of home placement savings beginning in FY15. Redirect the funds to add evidence-based programs that provide alternatives to YRCII/residential placements.
- Examine the feasibility of YRCII facilities serving populations of like risk.
- Use any remaining human services consensus caseload savings to fund contracts for community based services such as statewide sex offender treatment.
- Continue to measure and monitor performance of YRCII (and other placement types) and systematically report the findings to key stakeholders in the juvenile justice continuum.
- Based on the data provided and the methodology described in this report, recommend a rate adjustment from \$126.00 to \$127.78 per bed day to continue existing services. Any approved increase would need to be financed through the human services consensus caseload process.

Section 1 - Background

Legislative Purpose

The Kansas Legislature, through Senate Substitute for House Bill 2588, passed a package of juvenile justice improvements during the 2014 legislative session. In part, this bill required a study of the costs and services provided by Youth Residential Centers IIs (YRCII) for the juvenile justice population with results reported to the Legislature by the Secretary of the Kansas Department of Corrections (KDOC) by January 15, 2015.

Description and History of Youth Residential Center II (YRCII) Programs

YRCII is one of a number of home placement service types developed to meet the obligations of the State of Kansas when ordered by the court to assume the role of custodian, standing in place of the biological or adoptive parent(s). This may arise from action under either the Kansas code for the care of children (K.S.A. 38-2201 et. seq.) or the Kansas juvenile justice code (K.S.A. 38-2301 et. seq.). Additional service types include, Psychiatric Residential Treatment Facilities (PRTF), Transitional Living Programs (TLP), Juvenile Justice Foster Care (JJFC), Specialized Family Foster Homes (SFFH), Therapeutic Family Foster Homes (TFFH), Emergency Shelter (ES) and Community Integration Program (CIP). For the juvenile offender population, YRCIIs are the most frequently utilized service model type.

Development of the YRCII was part of an overhaul of the out-of-home placement continuum implemented on July 1, 2007. This was primarily necessitated by changes in the Kansas Medicaid program in response to federal audits which disallowed payments claimed by the Kansas Medicaid program under the prior out-of-home placement service types. As a result, the State could no longer receive Medicaid reimbursement for a portion of YRCII costs or include mental health or substance abuse services in the service definition and rate. Doing so would have resulted in the facility being classified as an Institution for Mental Disease (IMD), subjecting the YRCII providers and the State to an unnecessary set of regulations to meet the need. PRTFs are considered IMDs to meet that level of need for Kansas for youth. Mental health and substance abuse services needed by many YRCII participants are obtained through referral to external service providers (i.e., community mental health, private practice providers).

YRCIIs serve youth ages 10-22 with well-established patterns of behavior or conduct which is antisocial, oppositional, defiant, aggressive, abusive, impulsive or high risk in nature. Youth must not be currently suicidal, homicidal or requiring detoxification services that necessitate hospitalization. They also must not meet the standard for PRTF admission and not be appropriate for community-based services in the family home.

A YRCII facility is a 24-hour group home or residential facility that meets the licensing requirements of the Kansas Department of Health and Environment (KDHE) pursuant to K.A.R. 28-4-268-280.

YRCII programs provide a non-secure residential service with some expressed goals to:

- Provide an environment that will enhance the youth's ability to achieve a higher level of functioning,
- Avoid future placement in a more highly structured facility,
- Improve and teach the youth decision making, coping skills, social skills and
- Address any underlying problems which are affecting the youth in order to transition successfully back into their family or community.

Whether or not the current YRCII programs are meeting these goals and/or if the program design makes such goals attainable or reasonable will be addressed in this report.

Current YRCII Providers

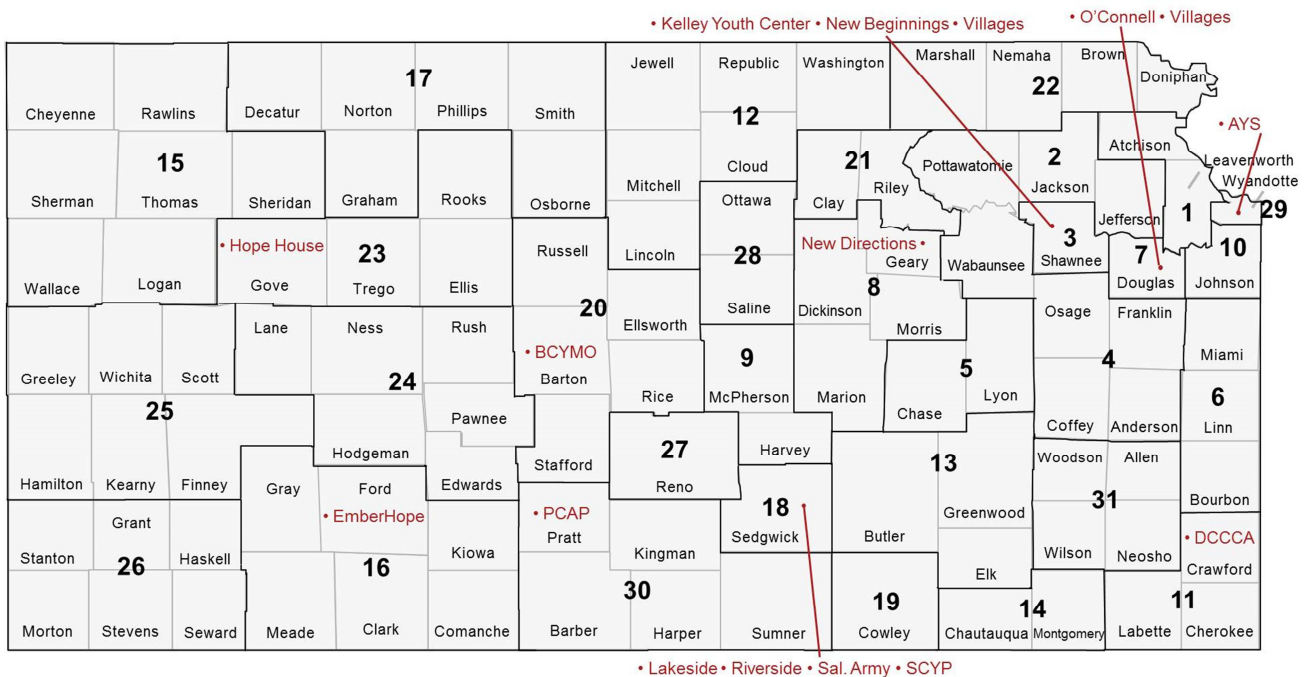
The KDOC currently contracts for 15 YRCII programs. The names and locations are listed below.

YRC II Providers				
Provider Name	Provider Type*	Contracted Capacity	Gender Served	KDOC Contract Revenue**
Associated Youth Services, Inc.	Non-Profit	10	Male	\$360,990
Barton County Young Men's Organization, Inc.	Non-Profit	7	Male	\$269,640
Kelley Youth Center	Profit	42	Male	\$1,548,162
DCCCA, Inc./ Elm Acres	Non-Profit	20	Male	\$1,340,010
EmberHope, Inc.	Non-Profit	14	Male	\$826,056
Hope House, Inc.	Non-Profit	10	Male	\$497,448
New Beginnings for Youth	Non-Profit	14	Male	\$314,748
New Directions	Profit	40	Male	\$518,238
O'Connell Youth Ranch	Non-Profit	16	Male	\$527,310
Pratt County Achievement Place, Inc.	Non-Profit	11	Male	\$485,352
Salvation Army	Non-Profit	30	Male	\$1,187,298
Sedgwick County Youth Program	Public	20	Male	\$562,716
Sequel of Kansas/ Lakeside	Profit	45	Male	\$2,020,914
Sequel of Kansas/ Riverside	Profit	14	Female	\$621,684
The Villages, Inc.	Non-Profit	70	Male/Female	\$1,986,642

* Information for Profit or Non-Profit was found on October 14, 2014 at the Kansas Secretary of State website: <https://www.kssos.org/business/business.html>

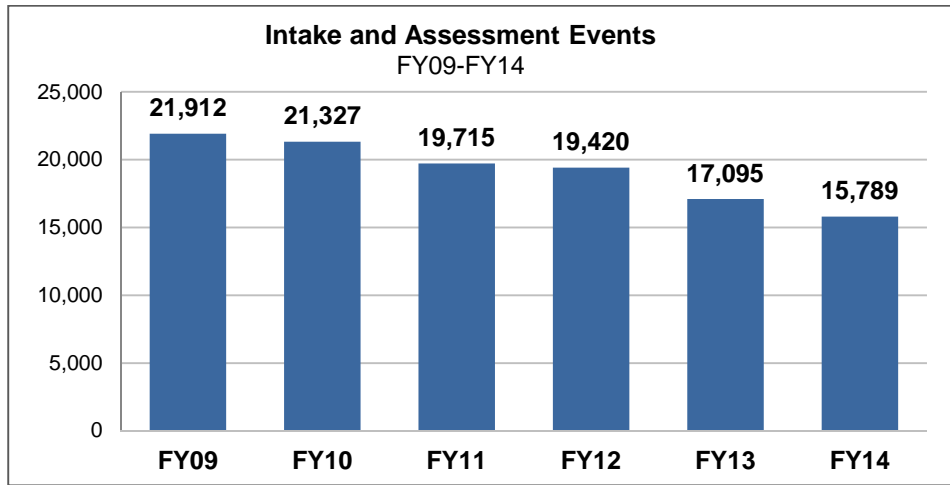
** Revenue is for YRCII contracted as of 8-1-14 and does not equal total expenditure for YRCII by KDOC-JS due to other YRCII's no longer under contract

KDOC YRCII Locations August 2014

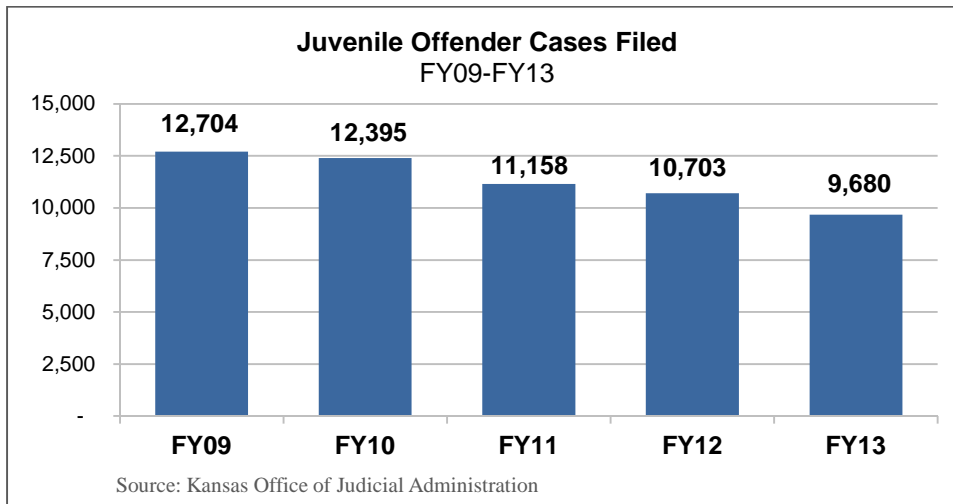


Juvenile Justice Trends in Kansas

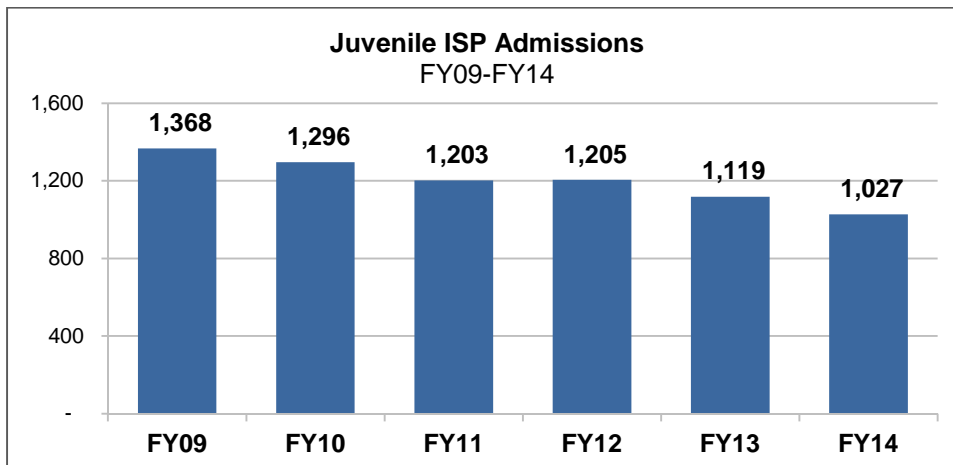
Kansas has experienced declines in virtually every point in the juvenile justice continuum. From FY09-FY14, there was a 23% decline in the number of youth presented to juvenile intake and assessment by law enforcement.



From FY09-FY13, there was a 24% decline in court filings.



From FY09-FY14, there was a 25% decline in admissions to juvenile intensive supervision probation.



Utilization and Cost of Placements

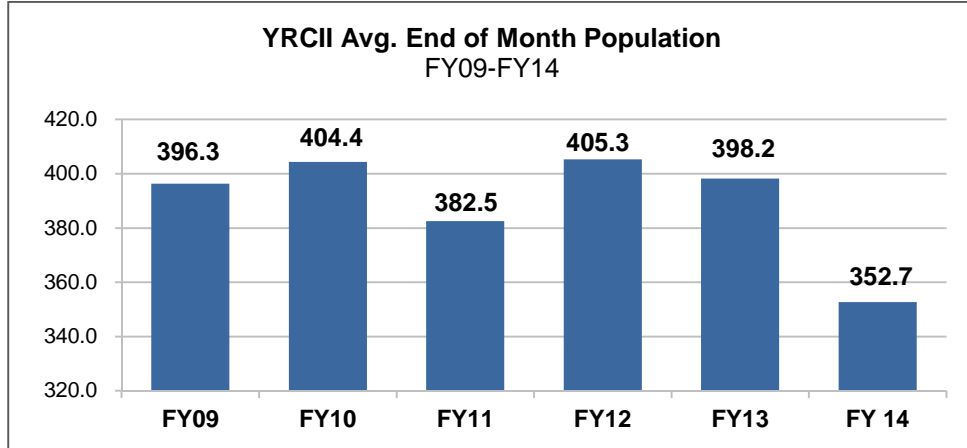
Despite these downward trends, **Kansas uses secure and non-secure placements at a higher rate than in other states.** *Kansas ranked 9th highest* in the nation, according to the Census of Juveniles in Residential Placement (CJRP), administered by the Bureau of the Census for the Office of Juvenile Justice and Delinquency Prevention (OJJDP).

CJRP data is reported by multiple sources including in the Kids Count Data Center of the Annie E. Casey Foundation. In 2011, the most recent data available, Kansas’ rate of 255 of every 100,000 youth was well above the national average of 196. Neighboring states, with the exception of Nebraska, perform better than Kansas on this measure. Data for all states and the District of Columbia is listed in Attachment 1 of this report.

	2003		2006		2007		2010		2011	
	Rate per 100,000	Rank	Rate per 100,000	Rank	Rate per 100,000	Rank	Rate per 100,000	Rank	Rate per 100,000	Rank
U.S.	306	NA	295	NA	278	NA	225	NA	196	NA
Colorado	345	12	397	5	341	11	287	9	234	13
Kansas	332	15	338	12	371	7	264	13	255	9
Missouri	243	35	225	37	217	36	214	27	202	23
Nebraska	327	16	370	7	360	8	378	4	337	4

Source: <http://datacenter.kidscount.org/data/tables/42-youth-residing-in-juvenile-detention-correctional-and-or-residential-acilities?loc=18&loct=2#detailed/2/7,18,27,29/true/867,133,18,17,14/any/319,320>

Part of Kansas’ high ranking can be attributed to the utilization trends of YRCII placements. YRCII population trends generally increased in FY09-FY12. Reductions in this population began in FY13.



YRCII placements are costly. The level of YRCII utilization comes at significant financial cost to Kansas taxpayers. As noted above, YRCII usage had been on the rise (peaking in FY12) despite reductions in virtually every other point in the juvenile justice continuum. One YRCII bed costs \$45,990 annually. **In FY12, YRCII placements cost nearly \$19 million**, representing 60% of the total out-of-home placement costs for juvenile offenders (\$31,764,290).

Strategies to respond to this utilization of placements began to be implemented in 2012. The KDOC (then the Juvenile Justice Authority) began to place an increased emphasis on maintaining youth in the community as an alternative to out-of-home placement or commitment to secure juvenile correctional facilities. This resulted in **reductions in expenditures of over \$4 million** from FY12 through FY14. Of those, roughly \$2.5 million are attributable to a reduction in YRCII bed usage (see table below).

	FY11	FY12	FY13	FY14
Youth Residential Center II Expenditures	\$16,867,217	\$18,913,444	\$18,810,414	\$16,408,879
Cost Difference	n/a	\$2,046,227	(\$103,030)	(\$2,401,535)
Percentage Change from Previous FY	n/a	+12.1%	-.55%	-12.8%

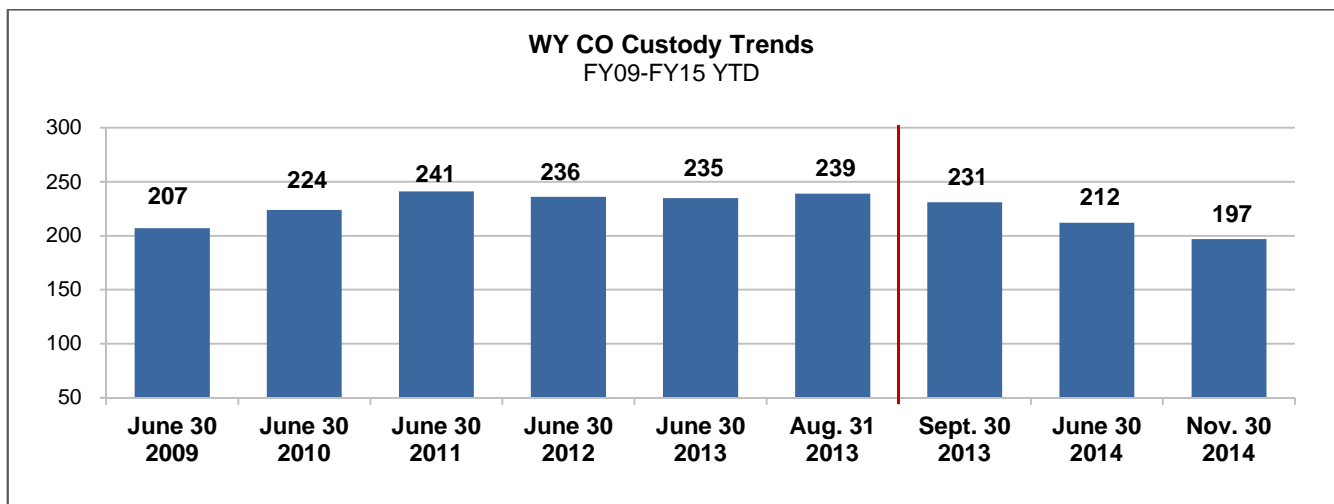
The reduction was achieved in large part through the following strategies:

- Changing the conversation among stakeholders and practitioners to focus on the benefits of maintaining and building upon the positives in a youth/family situation instead of the negative that often result in removal.
- Sharing of national data and research about the lack of effectiveness of out of home placements.
- Increasing training opportunities for county and contracted staff in effective supervision and practices.
- Collaboration by five of 31 Kansas judicial districts participating in the Annie E. Casey Foundation’s Juvenile Detention Alternatives Initiative (JDAI) since 2011. The participating counties are Douglas, Johnson, Sedgwick, Shawnee and Wyandotte. From December 31, 2011 to December 31, 2013 the JDAI sites achieved an 11.4% reduction in out-of-home placement and a 9.8% reduction in JCF populations.
- Implementation of monthly reviews of youth in various placements with the longest length of stay to assess progress by the local community in reintegrating the youth.
- Implementation of local pilot MST program in Wyandotte County.

In early 2013, KDOC launched a pilot project to invest state funding through a KDOC contract in Wyandotte County. This pilot seeks to serve youth and families in their home and community utilizing the evidence-based model of Multi-systemic Therapy (MST), in lieu of funding out-of-home placements or placement in a secure juvenile correctional facility.

The KDOC, in collaboration with Wyandotte County and representatives from their court, probation, schools and a community mental health center, partnered with the Annie E. Casey Foundation and National Council on Crime and Delinquency (NCCD) to develop and implement a Structured Decision Matrix (SDM). The SDM’s purpose is to inform system dispositional decisions and ensure an effective match of high- and moderate-risk (on the YLS/CMI) youth were provided MST. Wyandotte County began accepting youth into MST in mid-September of 2013.

As a result, Wyandotte County decreased the number of youth in custody (in various levels of service) by over 17% (from 239 to 197 youth) from 8-31-2013 to 11-30-2014.



In FY15, the out of home placement dollars slated for KDOC use is projected to be reduced by nearly \$1.5 million. Year-to-date expenditures for FY15 are on target with this projection. If this forecasted amount is reached, the total **reduced expenditures from FY12-FY15 will be in excess of \$5.5 million**. While the savings experienced in FY12-14 cannot be redirected, the \$1.5 million reduced expenditures for FY15 (and in future years) could be reinvested to increase funding to less costly and more effective programs such as MST or Functional Family Therapy (FFT). Currently only a handful of communities have access to such programming. Adding such programming will also likely result in further cost reductions for out-of-home placements.

Section 2 - Data Collection Processes and Findings

Data Collection Processes

As previously stated, out-of-home placements are a sizeable amount of the juvenile justice expenditures. Despite this, a lack of uniform data collection existed regarding placement performance and outcomes.

In the fall of 2012, the KDOC (then the Juvenile Justice Authority) initiated conversations with individual providers and the Children’s Alliance (the primary association representing Kansas organizations providing residential services). The discussions revolved around how best to meet the needs of juvenile offenders ordered to out-of-home placement by the courts. Readily apparent to all was the deficit of data upon which to evaluate performance or assess opportunity for improvement.

Building a data collection methodology required coordination between the State and providers, consideration of the capacity to obtain and track data, adoption of common definitions, determination of the data to track and development of a means to report it. To organize this work, the KDOC formed a five-member Provider Advisory Group (PAG) which first met in February 2013. The PAG is representative of a myriad of service types (i.e., YRCII, TLP and PRTF), large and small business structures, and the metro and rural regions of Kansas. The members of the PAG are noted below.

Provider Advisory Group		
Name/Provider Name	Levels of Service	Locations
Sylvia Crawford The Villages, Inc.	YRC II	Topeka, Lawrence
Kit Parks DCCCA, Inc.	YRC II, JJFC, Foster Care	Topeka, Lawrence, Jetmore, Larned, Atchison, Sublette, Pittsburg
Crystal Welborn FootPrints, LLC	TLP	Lawrence
Dennis Vanderpool Associated Youth Services	YRC II, JJFC, Foster Care	Kansas City, Garden City, Hutchinson, Larned, Pawnee Rock, Jetmore, Ottawa, Garfield
Dorothy Lloyd Ozanam Pathways	TLP/CIP	Kansas City, Wichita

Over the course of several months, testing was conducted to gauge the ability of providers to reliably extract data from individual case files, summarize the data using common definitions, and to report the data to the KDOC. In reviewing the initial results the need for more clarity on definitions, additional data elements and a monthly reporting process was identified. In December 2013, this process was finalized providing the first consistently collected data on the provider system. Additional data from existing systems was used to augment the provider data, allowing for analysis by gender, race, ethnicity and risk to reoffend.

Responses to forty-six (46) items for each youth was/is provided monthly, ranging from basic identifiers (provider name, youth name, DOB, etc.) to indicators of program participation (education, anger management, cognitive behavioral, etc.) and discharge (next placement and successful/unsuccessful completion) from placement. The data collection methodology, developed jointly by the PAG and the KDOC, is the foundation upon which this report to the Kansas Legislature is submitted.

While the KDOC has many years of expenditure data for YRCII services, the language of SSubHB2588 required a report "...[i]ncluding detailed analysis of allowable expense necessary to meet the minimum requirements for: (A) Licensure of a youth residential center by the department of health and environment; (B) service under contracts with the department of corrections; and (C) compliance with the prison rape elimination act." This necessitated obtaining specific expenditure data from each of the business providing YRCII services.

The PAG proved an invaluable resource in aiding the KDOC in the construction of a common data collection tool, common definitions of expenditures and the process to manage within widely variable business practices. This is necessary because YRCII providers range from small businesses in which YRCII is the only program, to large corporations with numerous programs and millions in annual revenues from multiple sources. In addition, there is one publically owned facility operated by a local government. Each of these has individualized respective recordkeeping practices and accounting procedures. Fourteen (14) of fifteen (15) providers under contact as of August 1, 2014 submitted their businesses financial information for this study. Provider expenditure data for the periods of state fiscal year 2013 and 2014 were requested and reported.

YRCII Youth Demographic Data

The data in this report include all 927 youth who were discharged from an YRCII program over a 12-month period (December 2013 through November 2014). Nearly 90% of all youth discharged were between the ages of 14-18, an age span consistent with other points in the juvenile justice continuum. Of all discharges, 161 (17.4%) were female and 766 (82.4%) were male. Of the 927 youth, 69.5% (644) were Caucasian, 28.3% (262) were African American, 1.7% (16) were Indian/Pacific Islander and the remaining 5 were other races or unknown. Of all 927 discharges, 20.7% (192) were noted as Hispanic and 735 (79.3%) non-Hispanic.

Risk Level

Youth are placed into YRCII as a result of action by Kansas courts in the disposition of a juvenile offender case. These youth have committed acts that, if committed by an adult, would constitute the commission of a felony or misdemeanor. However, the act itself is an inadequate illustration of the youth in the system when compared to their assessed risk to reoffend, utilizing a valid actuarial based risk tool.

It is then important to define "risk". The publication *Risk Assessment in Juvenile Justice: A Guidebook for Implementation*¹ offers the following explanation of risk to as guidance to the field of juvenile justice.

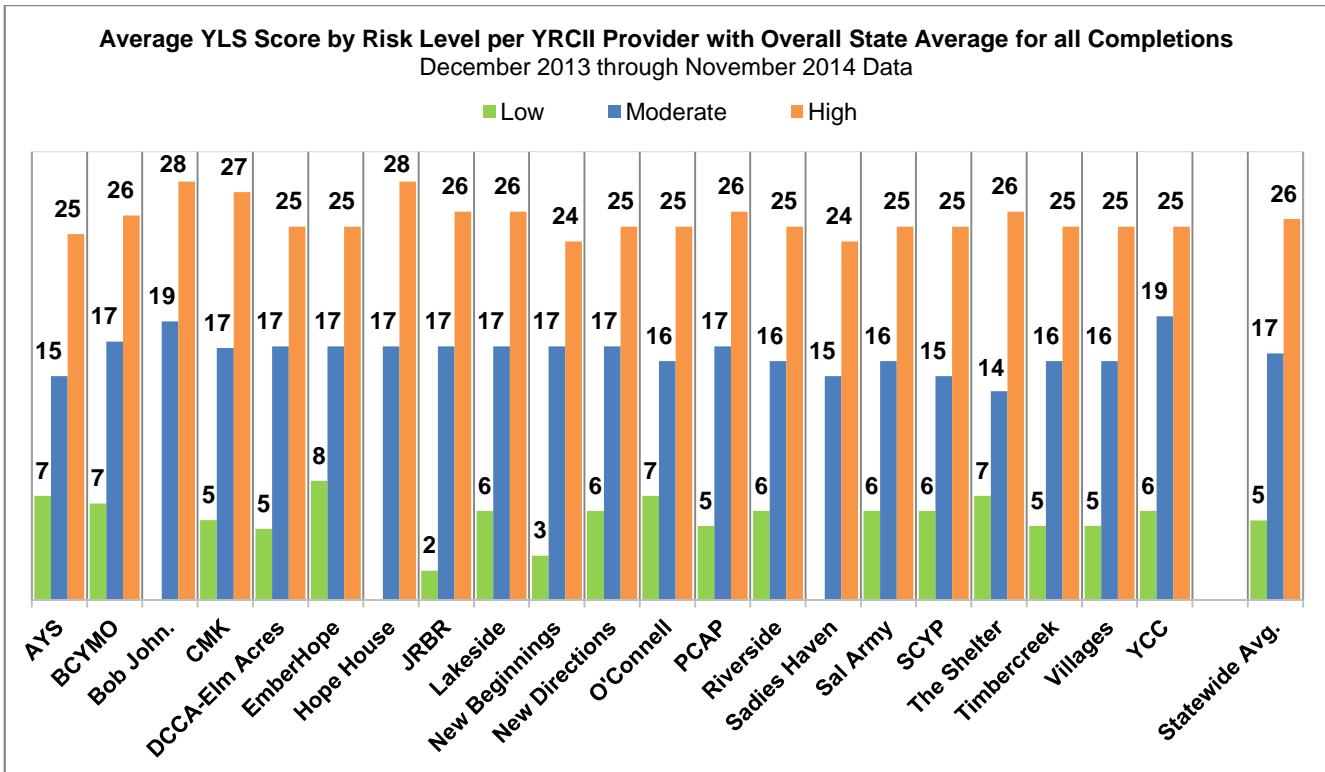
Low Risk: means simply that the individual is **unlikely** to commit an offense (or engage in delinquent behavior) in the near future.

High Risk: refers to individuals for whom there is a **greater likelihood** of committing an offense in the near future if they do not receive appropriate intervention and supervision.

Moderate Risk: is neither low nor high risk – youth for whom one might want to exercise caution, but for whom it is not as clear that they need interventions at the same level of intensity as those in the high risk category. Another way to look at moderate risk is that it is a group of youth whose re-offense rate is close to the average rate for young offenders.

In Kansas, each youth in a YRCII, who has been adjudicated and disposed as a juvenile offender is assessed using the Youthful Level of Service/Case Management Inventory (YLS/CMI), one of the most widely-used and well-regarded assessments for the juvenile offender population.

The below table reflects the average risk score for each level (low n=88, moderate n= 630, high n= 209) by individual YRCII and statewide.



Review of the risk level of YRCII discharged youth found that **similar risk youth are served by each YRCII** and that the challenges of addressing criminogenic needs is comparable among these facilities. Specifically:

- Discharged low-risk youth averaged an YLS/CMI score of 5 (on a range of 0-8 points) with a range among facilities from 2-8. The average low-risk youth is in the approximate middle of the low range.
- Moderate-risk youth averaged an YLS/CMI score of 17 (on a range of 9-22 points) and ranged among facilities from 15-19, varying no more than 2 points from the average of all facilities. The average moderate-risk youth is slightly above the mid-point of the moderate range.
- High-risk youth averaged an YLS/CMI score of 26 (on a range of 23-34 points) and ranged among facilities from 24-28, varying only 2 points from the average of all facilities. The average high-risk youth is at the low end of the high range.
- No very high-risk youth (35-42 points) were observed in the period.

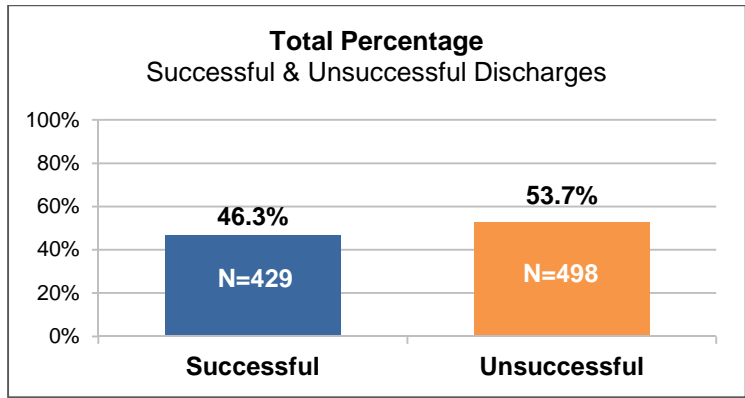
Findings

Successful vs. Unsuccessful Discharge Rates

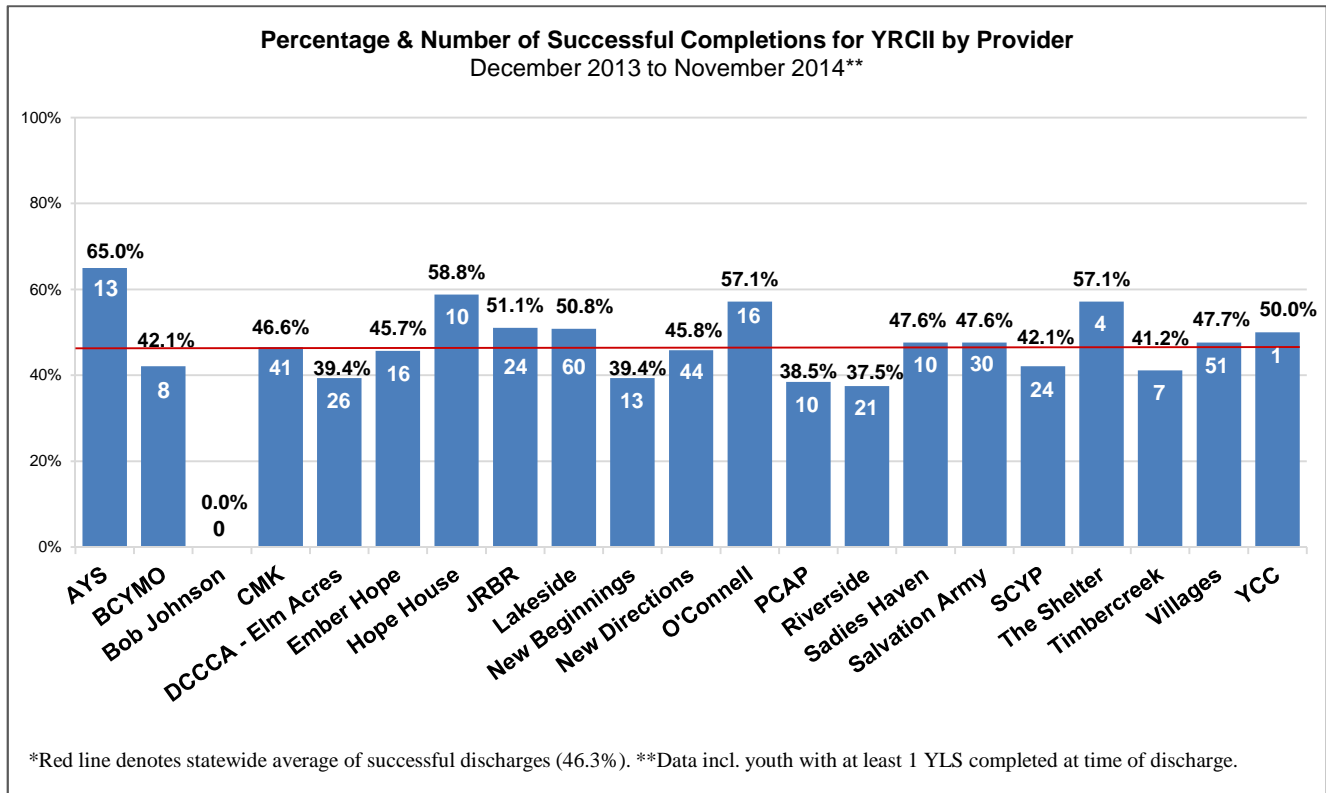
From the investment in YRCII services to the youth, the expectation would reasonably be that those receiving this service are more prepared to navigate life’s challenges, while ultimately remaining crime free. When reviewing the data, the results are mixed at best. **In fact, most of the discharges from YRCII placements are unsuccessful.**

The following table illustrates that **the overall rate of successful discharge from YRCII programs is 46.3%**. Uniform definitions were used in the data collection process. Successfully discharged youth are defined as those released from court supervision, to home or to a less intensive placement type. Unsuccessful discharges are youth discharged due to behavior problems, revocations, new charges, regulatory removals or leaving the

facility without permission (AWOL). This measure does not take into account behavior post discharge or re-offending.



The table below illustrates the **overall rate of success** upon discharge by each individual YRCII compared to the average of all. The results from all YRCIIs ranged from 37.5% to 65%.



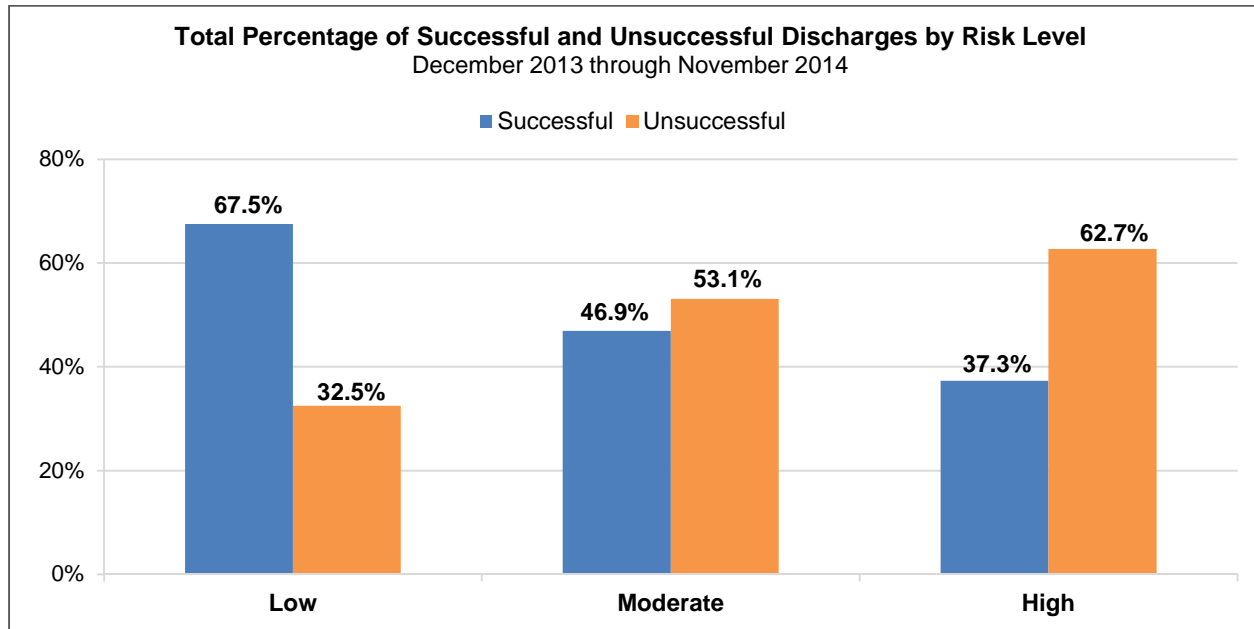
Research indicates that placing youth outside the home (e.g., group home or juvenile correctional facility) can often be counterproductive. A November 2012 brief from The National Academies on Science, Engineering and Medicine summarized findings from the National Research Councils, *Reforming Juvenile Justice: A Developmental Approach*ⁱⁱ and states that in 2008, 28% of delinquency cases that were adjudicated, resulted in youths being placed outside the home. The confining of youths away from their homes and communities interferes with three social conditions that contribute to adolescents’ healthy psychological development:

- The presence of a parent or parent figure who is involved with the adolescent and concerned about his or her successful development;
- Association with peers who value and model positive social behavior and academic success; and

- Activities that require autonomous decision making and critical thinking. Schools, extracurricular activities and work settings can provide opportunities for adolescents to learn to think for themselves, develop self-reliance and self-efficacy and improve reasoning skills.

Risk Level and Success Rates

Success rates also were reviewed by risk level to ascertain if differences existed. The findings below illustrate that low-risk youth comprised the highest successful discharge percentage, lower success rates with high-risk youth and moderate-risk youth falling in between.



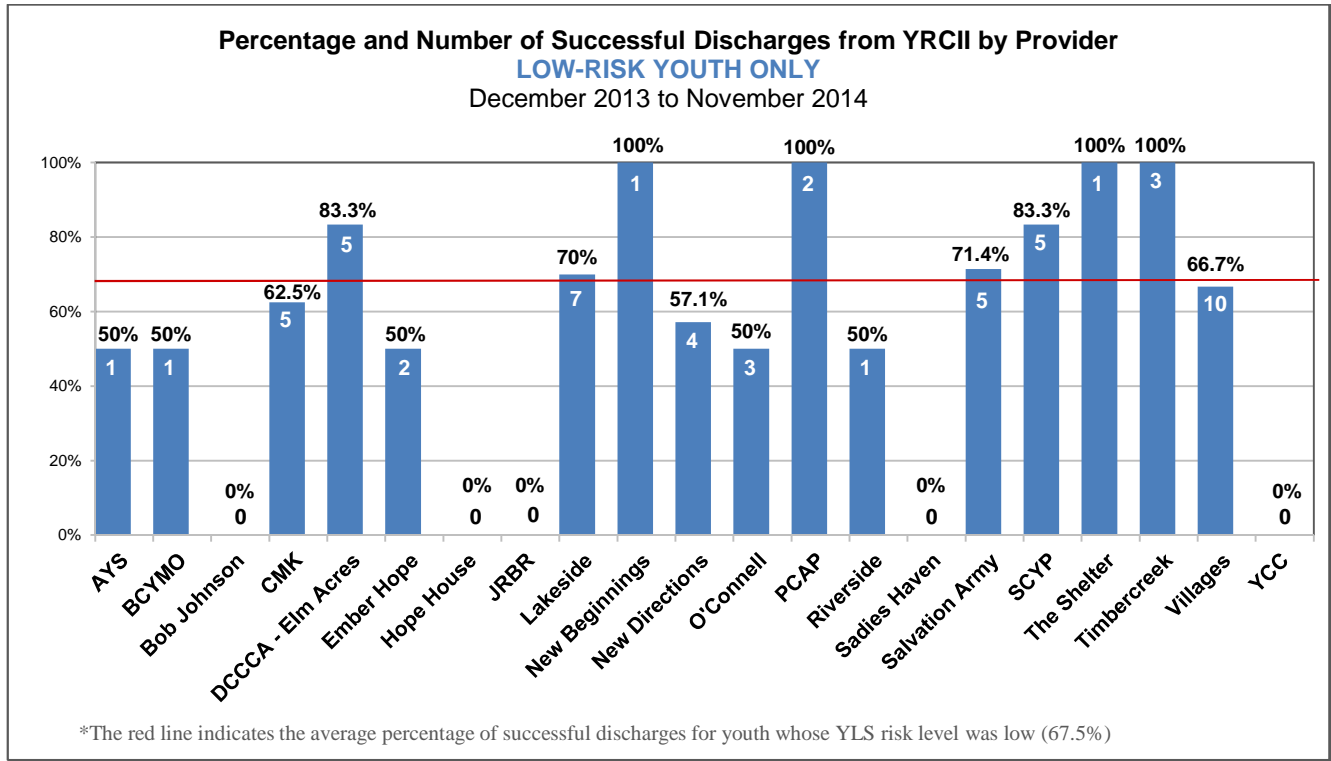
Elevating Risk Factors of Low Risk Youth

The average success rate for low-risk youth, at 67.5%, merits particular attention given the population is unlikely to reoffend. Exposing them to a placement, in lieu of them remaining in the community, causes them to be mixed with moderate and high-risk youth, and may remove positive influences in their life. *The literature strongly suggests that low-risk youth receive little, or even no, formal intervention.* By actively intervening with low-risk youth, justice systems can do more harm than goodⁱⁱⁱ. The likelihood exists that the current practice of court disposition to the Secretary of Corrections and out-of-home placements is actually elevating the risk level of low-risk youth (i.e., making them more likely to reoffend).

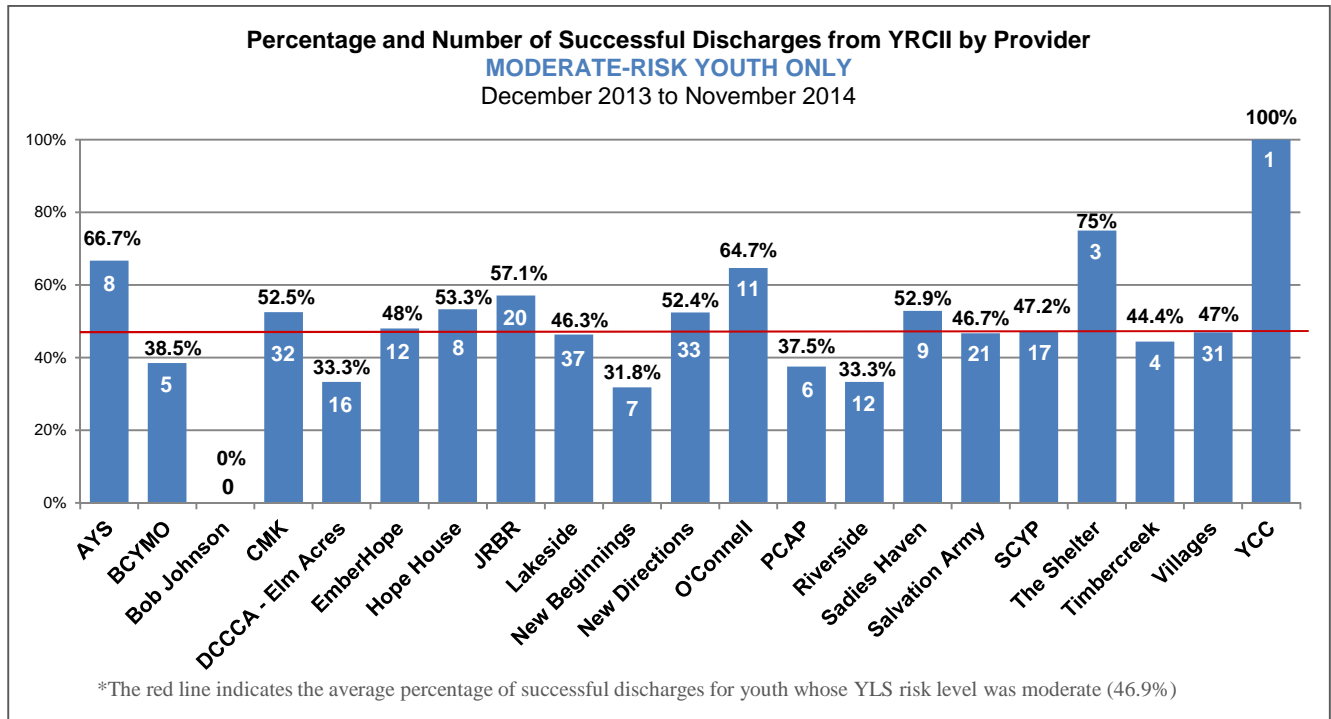
Discharge by Risk Level

Data was reviewed for each individual YRCII by YLS/CMI risk level. In the tables below, data for all available YRCIIs is provided. Some facilities ceased serving juvenile offender youth at a point in the year (Bob Johnson, JRBR, Sadie’s Haven, Timbercreek, The Shelter and YCC), so further examining the YRCIIs with a *minimum of 5 discharges* in a year is more representative of the results.

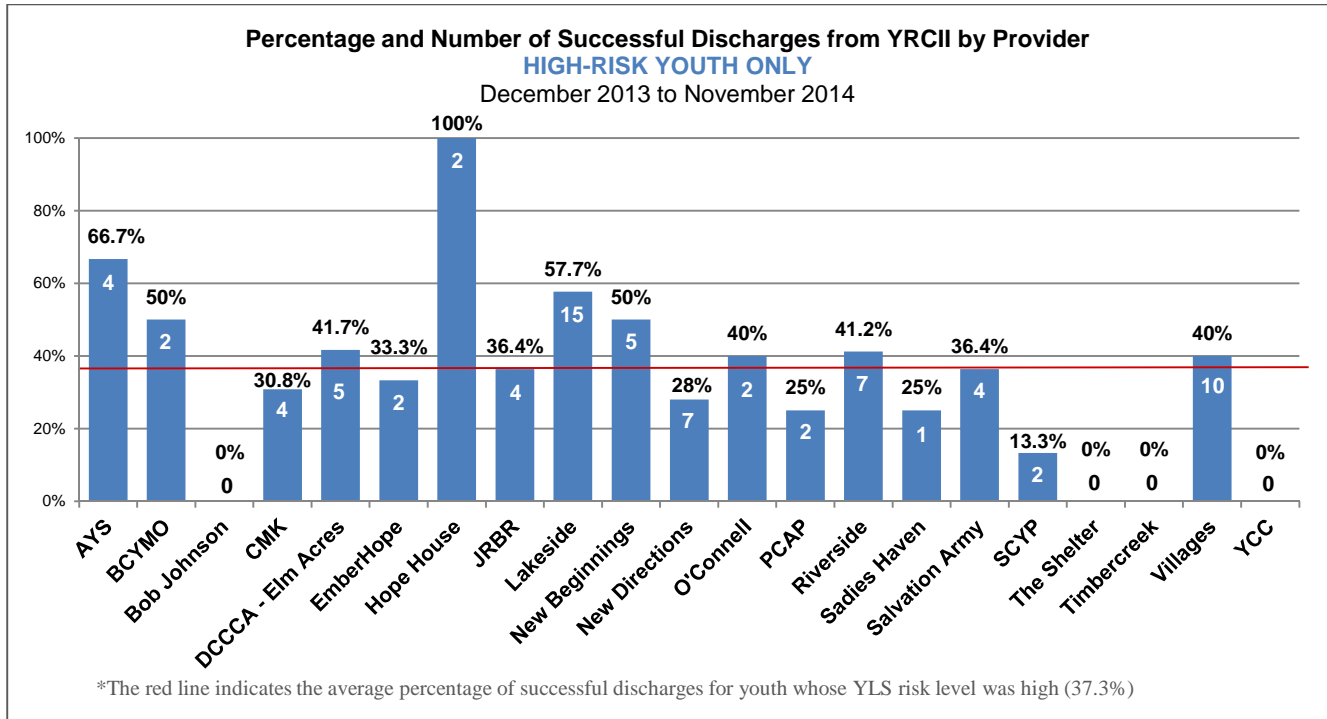
YRCII results with low-risk youth range from 62.5% to 83.3% and an average of 67.5%. At best, this shows which facilities may be causing less harm.



YRCII successful discharge rate results with moderate-risk youth range from 31.8% to 66.7% and an average of 46.9%.



YRCII successful discharge rate results with high risk youth range from 28% to 66.7% and an average of 37.3%.



Discharge Rates by Age, Gender and Ethnicity

With a 46% average success rate for all youth, we also examined the data to determine if there were any differences based upon gender, race/ethnicity and age.

- The likelihood of successful discharge is almost identical regardless of gender - male (46.6%) and female (47.1%).
- There was some difference between successful discharge rates by race (49.5% for white and 40.1% for black, 57.1% for other races) and ethnicity (45.4% Hispanic and 53.6% non-Hispanic) categories; the separation is not substantial.
- Success for ages 14-20, (roughly 90% of youth served), ranged from a low of 41.5% at age 18 to a high of 51.2% at age 14.

Discharge Rates by Facility Size

The data was also reviewed to determine how/if facility size factors into youth success. The small sample size of both low- and high-risk youth limits the accuracy of any conclusions as to if a facility is more or less successful than their peers with these groups.

With moderate-risk youth, for each of the groupings by size half of the facilities fall below the YRCII average and half rise above, apparently indicating facility size does not have a significant impact upon successful discharge. However, it is important to note that capacity indicates the total number of contracted beds. There are various physical plant arrangements that may make that number misleading. For instance, Villages has the largest contracted capacity at 70, though it is comprised of 7 separate family homes of 10 beds each. Similarly, Kelley Youth Center and Sequel of Kansas/Lakeside have youth distributed between two buildings. Only two facilities house more than 29 youth in single facilities (Salvation Army and New Directions).

YRCII Successful Discharge Rate									
Provider Name	Contracted Capacity	All		Low		Moderate Risk		High	
		%	N	%	N	%	N	%	N
Barton County Young Mens Organization, Inc.	7	42.1%	8	50.0%	1	38.5%	5	50.0%	2
Sadies Haven	8	47.6%	10	0.0%	0	52.9%	9	25.0%	1
Youth Crisis Center (YCC)	8	50.0%	1	0.0%	0	100.0%	1	0.0%	0
Associated Youth Services, Inc.	10	65.0%	13	50.0%	1	66.7%	8	66.7%	4
Hope House, Inc.	10	58.8%	10	N/A	0	53.3%	8	100.0%	2
Timber Creek	10	41.2%	7	100.0%	3	44.4%	4	0.0%	0
Pratt County Achievement Place, Inc.	11	38.5%	10	100.0%	2	37.5%	6	25.0%	2
EmberHope, Inc.	14	45.7%	16	50.0%	2	48.0%	12	33.3%	2
New Beginnings for Youth	14	39.4%	13	100.0%	1	31.8%	7	50.0%	5
Sequel of Kansas/ Riverside	14	37.5%	21	66.7%	2	33.3%	12	41.2%	7
The Shelter, Inc.	14	57.1%	4	100.0%	1	75.0%	3	0.0%	0
Bob Johnsons	16	0.0%	0	0.0%	0	0.0%	0	0.0%	0
O'Connell Youth Ranch	16	57.1%	16	50.0%	3	64.7%	11	40.0%	2
DCCCA, Inc./ Elm Acres	20	39.4%	26	83.3%	5	33.3%	16	41.7%	5
Sedgwick County Youth Program (SCYP)	20	42.1%	24	83.3%	5	47.2%	17	13.3%	2
Salvation Army	30	47.6%	30	71.4%	5	46.7%	21	36.4%	4
New Directions	40	45.8%	44	50.0%	4	52.4%	33	28.0%	7
Kelley Youth Center	42	46.6%	41	62.5%	5	52.5%	32	30.8%	4
Sequel of Kansas/Lakeside	45	50.8%	60	66.7%	8	46.3%	37	57.7%	15
JRBR	49	51.1%	24	0.0%	0	57.1%	20	36.4%	4
The Villages, Inc. *	70	47.7%	51	62.5%	10	47.0%	31	40.0%	10
All YRCII	468	46.2%	429	65.9%	58	46.9%	293	37.3%	78

*Villages has 70 beds in 7 different homes. However, data is reported under the single contract for all 70 beds.

Six Months – Post Discharge

Successful versus unsuccessful discharge represents only one outcome measure at a given point in time. Thus, examining the status of youth subsequent to release would presumably provide some additional information about any possible longer-term impact of YRCII programming.

Case file reviews were conducted 6 months post the discharge month (i.e., those released in December 2013 were reviewed for status on June 30, 2014). This included a total of 500 youth, 226 successful discharges and 274 unsuccessful discharges. The remaining 427 discharges were not reviewed because they had not been out for 6 months or more.

Successful Versus Unsuccessful Discharge Groups

Cases Closed or at Home

6 months post discharge, less than half (48.8%) of all discharges either had their cases closed or at home (if their case was still open).

Those who **successfully discharged** YRCII placements were:

- More than twice as likely to have their cases closed.
- More than twice as likely to be at home if their case was still open.

Youth Status 6 months after YRCII Discharge	# of Successful Discharges	% of Successful Discharges	# of Unsuccessful Discharges	% of Unsuccessful Discharges	Total	Total %
Case Closed	88	38.9%	48	17.5%	136	27.2%
Case open - current placement at home	68	30.1%	40	14.6%	108	21.6%
Case open – current placement outside of home	70	31.0%	186	67.9%	256	51.2%
Total	226	100%	274	100%	500	100%

Continued Out-of-home Placement

More than half (51.2%) of those discharged (regardless if successful or not) were still in an out-of-home placement 6 months post-discharge. Of all **successfully discharged** youth, 31% (70 out of 226) were still in an out-of-home placement 6 months post-release from YRCII. This group was:

- Much less likely to be at a juvenile correctional facility.
- Slightly more likely to be in Juvenile Detention or adult jail.
- Slightly more likely to be AWOL (absent without leave).
- Slightly less likely to be returned to another YRCII placement.

The youth who were placed outside of the home at 6 months were in the following types of placement.

Out-of-home Placement Type 6 Months Post YRCII Discharge	# of Successful Discharges	% of Successful Discharges	# of Unsuccessful Discharges	% of Unsuccessful Discharges	Total	Total %
JCF	7	10%	49	26.4%	56	21.9%
Juvenile Detention Center or Adult Jail	16	22.85%	41	22%	57	22.3%
AWOL	9	12.85%	21	11.3%	30	11.7%
YRCII	20	28.6%	57	30.6%	77	30%
PRTF or Inpatient Psychiatric Facility	2	2.9%	2	1.1%	4	1.6%
Transitional Living Placement	7	10%	4	2.2%	11	4.3%
Foster Home	8	11.4%	9	4.8%	17	6.6%
Relative	1	1.4%	2	1.1%	3	1.2%
Residential Maternity	0	-	1	.5%	1	.4%
Total	70	100%	186	100%	256	100%

Other notable data regarding the groups:

- 5.8% of **successfully discharged** youth had been committed to a juvenile correctional facility at some point in the 6 months compared to 17.9% of unsuccessful discharges.
- 10.2% of **successfully discharged** youth had committed a new offense after YRCII successful discharge that resulted in a new court adjudication compared to 15.0% of unsuccessful discharges

Of Youth with Open Case	# of Successful Discharges	% of Successful Discharges	# of Unsuccessful Discharges	% of Unsuccessful Discharges	Total	Total %
Have been committed to JCF at some point during 6 months	13	5.8%	49	17.9%	62	12.4%
Have new court adjudication (may or may not have been sent to JCF)	23	10.2%	41	15.0%	64	12.8%

Summary

As noted previously in this report, YRCIIs are non-secure residential placements with expressed goals to:

- Provide an environment that will enhance the youth's ability to achieve a higher level of functioning,
- Avoid future placement in a more highly structured facility,
- Improve and teach the youth decision making, coping skills, social skills and
- Address any underlying problems which are affecting the youth in order to transition successfully back into their family or community.

Data collected on the 927 YRCII discharges for the 12-month period of December 2013 through November 2014 would suggest that these goals are not systemically or uniformly reached.

While the 6-month post release outcomes for the successful discharge group are generally better than those of the unsuccessful group, a definitive causal relationship due to program exposure could not be drawn.

Despite the \$16-19 million dollars spent annually for YRCII placements, less than half are successfully discharged, and the majority of discharges (51.2%) are still in an out-of-home placement six months later. Of those, only 14.1% are in a placement considered to be of a lower level of care. **YRCII placements do not appear to produce long-term positive outcomes for youth.**

The promising news is that juvenile justice research, other states' experiences and pilot programs within Kansas show that it is possible to get better outcomes for youth, families and communities in a more cost-effective manner. A plan on how to achieve these more desirable outcomes is discussed further in Section 4.

Section 3 – Cost Study and Recommendations

Specific YRCH Costs

Fourteen of the 15 providers under contract as of August 1, 2014 submitted cost data for FY 2013 and FY 2014. Barton County Young Men’s Organization, Inc., failed to submit the requested information for inclusion in this report.

The data collection methodology developed for the cost study gathered information in 12 cost centers which focus on the provision of basic services, including Prison Rape Elimination Act (PREA) compliance and programs. Each cost center was broken down by salaries, fringes and other operating expenditures. Information was reported on revenue source(s), in-kind contributions, value of volunteer labor, population and staffing data. To support these figures, narrative descriptions of reported expenses, organizational charts and position descriptions were requested.

A brief discussion of each provider that submitted a cost report, to include staffing, organizational structure and revenue reported is included as Attachment 2. Also included are departures from the cost report instructions, variations in how expenditures were reported in relation to other providers and any other pertinent information that will help explain the data reported.

Cost Per Youth

The following tables compare reported expenditures by cost center for each provider. Expenditures are shown as a daily cost/youth as reported and adjusted for depreciation and capital improvements. This adjustment was made as there is no cash outlay on depreciation and a large capital improvement project would distort expenditures in the year in which the expenses were incurred.

The cost report format attempted to isolate certain costs to allow for accurate comparisons across all providers. However, each provider records expenses differently and, due to time constraints and the reporting periods covered, some providers were not able to break out some costs in the detail requested. Common expenses include:

- Transportation costs: Some providers were unable to distinguish between staff travel and youth transportation expenses. In such cases, all costs were reported in the transportation cost center.
- Communication costs: Expenditures related to cell phone service, landline phone service and Internet service could not be broken out from utility expenditures by some providers and as a result, were included in utilities under the physical plant cost center.
- PREA costs: Most providers were not able to isolate training, recording keeping, equipment and other PREA-related expenses from non-PREA expenses.
- Equipment costs: Some providers were unable to allocate equipment expenditures to the various cost centers. As such, these expenses were recorded in the cost center where expenditures would have most likely occurred.
- Laundry and Housekeeping costs: Most providers were not able to isolate the cost of laundry and housekeeping; as a result, these costs were reported in direct care.

Food service expenditures by provider varied greatly in both reporting periods. Some providers have dedicated food service staff while others use direct care staff to prepare and serve meals. Generally, the providers using the institutional model have dedicated staff while providers using the parent-home model utilize direct care staff. Likewise, some operating costs such as supplies and equipment could not be isolated by some providers. One provider relies heavily on food donations, driving their food service costs down. It was also noted that only two of the ten providers who are eligible for federal School Breakfast/School Lunch program participation do so (for-profit organizations may not participate in the program).

Many providers reported medical and dental expenditures. Some expenses were for staff TB testing, over the counter drugs and miscellaneous supplies. Some providers, however, reported expenses for on-site nursing staff, contract nurses and contract physicians. While on-site medical services provide some level of convenience and reduce transportation costs, all youth in an YRCII have access to a medical card for their medical expenses.

Education is another cost center in which most providers reported expenses even though the local school district is responsible for providing educational services. In most cases, these costs were minimal and for registration fees, school supplies and other similar expenses; however, some providers did report expenditures for tutors and instructors – in many cases these positions were financed by Title I grants the provider received.

FY 2013

The daily cost per youth for FY 2013 ranged from a low of \$86.09 (New Directions) to a high of \$161.16 (Salvation Army). The average cost was \$130.01 and the median cost was \$128.68. The majority of expenditures are incurred in administration and direct care services. Salaries and benefits account for the bulk of direct care expenditures. However, some providers were not able to separate laundry and housekeeping from direct care. There were also variations in where some positions were reported. Some reported case coordinators and supervisors in direct care as those positions are counted in the KDHE staffing ratio, while other reported these positions in administration or social services and counseling. This variation led to the high direct care costs reported by SCYP (\$121.72) and Salvation Army (\$82.75). The four providers reporting the lowest cost per youth in direct care (Kelley Youth Center, Hope House, New Beginnings and New Directions) do not provide health insurance to direct care staff.

Administration expenditures ranged from \$11.91 for SCYP to \$63.15 for New Beginnings. Where most providers reported positions responsible for case coordination in administration or social services and counseling, SCYP reported these expenses in direct care as these FTE count towards KDHE staffing ratios. In addition, SCYP shares administrative costs with the Sedgwick County Adult Residential Center, further driving administrative costs down. Of the seven providers whose administrative costs were above the median cost, three (Kelley Youth Center, EmberHope and Salvation Army) are part of a larger organization that allocates corporate overhead/indirect costs to the YRCII operations. Three providers have facility administrators whose salary exceeds the median salary (New Beginnings, the Villages and O'Connell Youth Ranch). The seventh provider, Hope House, employs a director and assistant director for an ADP of 7.2, resulting in a higher cost per youth.

FY 2014

New Directions reported the lowest cost per youth in in FY 2014 at \$102.23 while Elm Acres reported the highest cost per youth at \$186.78. The average cost was \$141.75 and the median cost was \$136.56. As in FY 2013, the majority of expenditures are incurred in direct care and administration. Direct care costs ranged from a low of \$33.50 (New Directions) to a high of \$89.70 (SCYP). SCYP's decrease from the \$121.72 reported in FY 2013 can be attributed to an increase in ADP. Administration costs ranged from a low of \$10.30 (SCYP) and a high of \$71.66 (Elm Acres).

Several factors contributed to the overall increase in the cost per youth. A decrease in the ADP impacted several providers, most notably Kelley Youth Center and the Villages, who experienced decreases of 10.9 and 8.3, respectively. SCYP experienced a 3.51 increase in the ADP, which resulted in increased costs but a lower cost per youth. Increased indirect rates for Elm Acres, Salvation Army and EmberHope resulted in higher administrative costs as compared to FY 2013. Of these three providers, Elm Acres experienced an ADP decrease of 7.1, Salvation Army a 1.0 decrease, and EmberHope a 1.86 decrease, which also contributed to the overall increase in the cost per youth.

Cost / Youth by Provider																	
FY13																	
Provider	Admin.	Physical Plant	Direct Care	Food Service	Medical & Dental	Education	Social Services & Counseling	Transportation	Youth Work Programs	Housekeeping	Laundry & PREA	Add-on	Depreciation	Capital Improvements	Total	Less Depreciation & Capital Improvements	
Associated Youth Services	\$ 31.97	\$ 5.15	\$ 76.24	\$ 3.99	\$ 1.28	\$ -	\$ -	\$ 3.97	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.31	\$ -	\$ 123.91	\$ 122.60
Kelley Youth Center	\$ 61.59	\$ 14.39	\$ 48.67	\$ 12.62	\$ 0.71	\$ -	\$ 6.83	\$ 1.15	\$ -	\$ -	\$ 0.04	\$ -	\$ -	\$ 0.76	\$ -	\$ 146.76	\$ 146.00
Elm Acres	\$ 34.64	\$ 6.98	\$ 60.57	\$ 13.06	\$ -	\$ -	\$ 10.74	\$ 3.27	\$ -	\$ 0.15	\$ -	\$ -	\$ -	\$ 0.97	\$ -	\$ 130.38	\$ 129.41
EmberHope	\$ 41.24	\$ 4.04	\$ 61.00	\$ 16.02	\$ 0.27	\$ 0.03	\$ -	\$ 1.19	\$ 0.16	\$ -	\$ -	\$ -	\$ -	\$ 2.52	\$ -	\$ 126.47	\$ 123.95
Hope House	\$ 46.76	\$ 7.43	\$ 47.77	\$ 7.63	\$ -	\$ 0.04	\$ -	\$ 1.99	\$ -	\$ 0.69	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112.31	\$ 112.31
Lakeside	\$ 29.26	\$ 23.40	\$ 59.70	\$ 5.07	\$ 4.28	\$ -	\$ 4.85	\$ 1.01	\$ -	\$ 0.37	\$ -	\$ -	\$ -	\$ 5.18	\$ -	\$ 133.12	\$ 127.94
New Beginnings	\$ 63.15	\$ 17.24	\$ 50.86	\$ 9.35	\$ 0.50	\$ 0.48	\$ 0.44	\$ 8.73	\$ -	\$ 0.21	\$ -	\$ 0.04	\$ 0.52	\$ -	\$ -	\$ 151.52	\$ 151.00
New Directions	\$ 30.80	\$ 7.09	\$ 23.73	\$ 9.77	\$ 1.74	\$ 5.15	\$ -	\$ 3.93	\$ 0.04	\$ 1.52	\$ -	\$ 2.32	\$ -	\$ -	\$ -	\$ 86.09	\$ 86.09
O'Connell Youth Ranch	\$ 48.60	\$ 14.70	\$ 64.81	\$ 9.78	\$ 0.12	\$ -	\$ -	\$ 3.42	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7.63	\$ -	\$ 149.06	\$ 141.43
PCAP	\$ 21.67	\$ 8.42	\$ 74.00	\$ 6.89	\$ 1.09	\$ 0.60	\$ -	\$ 2.52	\$ -	\$ 1.42	\$ -	\$ -	\$ -	\$ 5.28	\$ -	\$ 121.89	\$ 116.61
Riverside	\$ 15.28	\$ 26.02	\$ 63.53	\$ 11.85	\$ 3.81	\$ -	\$ 6.46	\$ 4.87	\$ -	\$ 1.96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 133.78	\$ 133.78
Salvation Army	\$ 57.29	\$ 7.35	\$ 82.75	\$ 6.42	\$ 0.53	\$ 2.79	\$ -	\$ 1.87	\$ -	\$ 2.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 161.16	\$ 161.16
SCYP	\$ 11.91	\$ 3.02	\$ 121.72	\$ 2.96	\$ 0.23	\$ 0.01	\$ -	\$ 0.34	\$ -	\$ 0.60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140.79	\$ 140.79
Villages	\$ 37.23	\$ 13.44	\$ 55.79	\$ 4.78	\$ 0.08	\$ 1.00	\$ 11.06	\$ 3.63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7.63	\$ -	\$ 134.64	\$ 127.01
Average	\$ 37.96	\$ 11.33	\$ 63.65	\$ 8.59	\$ 1.05	\$ 0.72	\$ 2.88	\$ 2.99	\$ 0.01	\$ 0.65	\$ 0.00	\$ 0.17	\$ 2.27	\$ -	\$ 132.28	\$ 130.01	
Median	\$ 35.94	\$ 7.93	\$ 60.79	\$ 8.49	\$ 0.52	\$ 0.02	\$ -	\$ 2.90	\$ -	\$ 0.29	\$ -	\$ -	\$ 0.87	\$ -	\$ 133.45	\$ 128.68	
Minimum	\$ 11.91	\$ 3.02	\$ 23.73	\$ 2.96	\$ -	\$ -	\$ -	\$ 0.34	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86.09	\$ 86.09	
Maximum	\$ 63.15	\$ 26.02	\$ 121.72	\$ 16.02	\$ 4.28	\$ 5.15	\$ 11.06	\$ 8.73	\$ 0.16	\$ 2.16	\$ 0.04	\$ 2.32	\$ 7.63	\$ -	\$ 161.16	\$ 161.16	

TABLE 2
Cost / Youth by Provider
FY14

Provider	Admin.	Physical Plant	Direct Care	Food Service	Medical & Dental	Education	Social Services & Counseling	Transportation	Youth Work Programs	Housekeeping	Laundry & PREA	Add-on	Depreciation	Capital Improvements	Total	Less Depreciation & Capital Improvements	
Associated Youth Services	\$ 33.70	\$ 6.34	\$ 84.09	\$ 2.95	\$ 2.66	\$ 0.12	\$ -	\$ 3.64	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.42	\$ -	\$ 134.92	\$ 133.50
Kelley Youth Center	\$ 52.52	\$ 19.30	\$ 55.39	\$ 16.20	\$ 0.58	\$ -	\$ 6.83	\$ 1.66	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.93	\$ -	\$ 153.41	\$ 152.48
Elm Acres	\$ 71.66	\$ 10.22	\$ 71.06	\$ 13.87	\$ -	\$ -	\$ 15.29	\$ 4.56	\$ -	\$ 0.12	\$ -	\$ -	\$ -	\$ 1.30	\$ -	\$ 188.08	\$ 186.78
EmberHope	\$ 68.01	\$ 4.69	\$ 85.17	\$ 16.39	\$ 0.08	\$ 0.42	\$ 0.07	\$ 0.52	\$ 0.22	\$ -	\$ -	\$ -	\$ -	\$ 2.63	\$ -	\$ 178.20	\$ 175.57
Hope House	\$ 57.41	\$ 7.76	\$ 60.66	\$ 7.97	\$ 0.01	\$ 0.07	\$ -	\$ 9.75	\$ -	\$ 0.47	\$ 0.20	\$ -	\$ -	\$ -	\$ -	\$ 144.30	\$ 144.30
Lakeside	\$ 26.87	\$ 24.59	\$ 59.68	\$ 6.02	\$ 5.24	\$ -	\$ 8.29	\$ 0.58	\$ -	\$ 0.34	\$ -	\$ -	\$ -	\$ 5.49	\$ -	\$ 137.10	\$ 131.61
New Beginnings	\$ 38.25	\$ 19.02	\$ 51.25	\$ 8.63	\$ 0.72	\$ 0.43	\$ -	\$ 5.93	\$ -	\$ -	\$ -	\$ 0.11	\$ 0.80	\$ -	\$ -	\$ 125.14	\$ 124.34
New Directions	\$ 36.24	\$ 5.68	\$ 33.50	\$ 10.16	\$ 2.27	\$ 8.16	\$ -	\$ 3.92	\$ 0.04	\$ 1.59	\$ 0.09	\$ 0.58	\$ -	\$ 1.14	\$ 103.37	\$ 102.23	
O'Connell Youth Ranch	\$ 52.77	\$ 16.84	\$ 75.44	\$ 10.08	\$ 0.15	\$ -	\$ -	\$ 4.74	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6.85	\$ -	\$ 166.87	\$ 160.02
PCAP	\$ 23.69	\$ 8.65	\$ 76.34	\$ 8.24	\$ 1.33	\$ 0.73	\$ -	\$ 5.41	\$ -	\$ 1.59	\$ -	\$ -	\$ -	\$ 3.54	\$ -	\$ 129.52	\$ 125.98
Riverside	\$ 11.24	\$ 29.46	\$ 72.37	\$ 10.18	\$ 3.54	\$ -	\$ 6.96	\$ 3.73	\$ -	\$ 2.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 139.62	\$ 139.62
Salvation Army	\$ 64.62	\$ 7.34	\$ 84.84	\$ 4.98	\$ 0.14	\$ 2.94	\$ -	\$ 2.54	\$ -	\$ 2.24	\$ 0.01	\$ -	\$ -	\$ 0.36	\$ -	\$ 170.01	\$ 169.65
SCYP	\$ 10.30	\$ 1.36	\$ 89.70	\$ 3.41	\$ 0.30	\$ 0.02	\$ -	\$ 0.45	\$ -	\$ 0.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105.87	\$ 105.87
Villages	\$ 32.57	\$ 15.97	\$ 59.65	\$ 5.33	\$ 0.07	\$ 1.34	\$ 12.86	\$ 4.76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8.29	\$ 10.92	\$ 151.76	\$ 132.55
Average	\$ 41.42	\$ 12.66	\$ 68.51	\$ 8.89	\$ 1.22	\$ 1.02	\$ 3.59	\$ 3.73	\$ 0.02	\$ 0.63	\$ 0.02	\$ 0.05	\$ 2.26	\$ 0.86	\$ 144.87	\$ 141.75	
Median	\$ 37.25	\$ 9.44	\$ 71.72	\$ 8.44	\$ 0.44	\$ 0.10	\$ -	\$ 3.83	\$ -	\$ 0.23	\$ -	\$ -	\$ 1.12	\$ -	\$ 141.96	\$ 136.56	
Minimum	\$ 10.30	\$ 1.36	\$ 33.50	\$ 2.95	\$ -	\$ -	\$ -	\$ 0.45	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103.37	\$ 102.23	
Maximum	\$ 71.66	\$ 29.46	\$ 89.70	\$ 16.39	\$ 5.24	\$ 8.16	\$ 15.29	\$ 9.75	\$ 0.22	\$ 2.24	\$ 0.20	\$ 0.58	\$ 8.29	\$ 10.92	\$ 188.08	\$ 186.78	

TABLE 3 Change in Average Daily Population by Provider FY13 to FY14			
Provider	FY 2013	FY 2014	Change
Associated Youth Services	8.5	8.1	-0.4
Kelley Youth Center	44.7	33.8	-10.9
Elm Acres	25	17.9	-7.1
EmberHope	12.9	11.0	-1.86
Hope House	7.22	5.72	-1.5
Lakeside	44.7	44.5	-0.2
New Beginnings	12.17	11	-1.17
New Directions	35.2	34.8	-0.4
O'Connell Youth Ranch	11.7	11.8	0.1
Pratt County Achievement Place	10.6	10.7	0.06
Riverside	13.8	13.4	-0.4
Salvation Army	26.8	25.8	-1
SCYP	9.16	12.67	3.51
Villages	52.1	43.8	-8.3

TABLE 4 Fringe Benefits by Provider								
	Retirement	Health Insurance	Life/Disability Insurance	Dental Insurance	Vision Insurance	Flexible Spending	Holiday Bonus	Staff Awards
Associated Youth Services	No	Yes	Yes	Yes	No	No	No	No
Kelley Youth Center	Yes	No	Yes	No	Yes	No	Yes	No
Elm Acres	Yes	Yes	Yes	No	No	Yes	No	No
EmberHope	Yes	Yes	Yes	No	No	No	No	Yes
Hope House	No	No	No	No	No	No	No	No
Lakeside	No	Yes	No	No	No	No	No	No
New Beginnings	No	Admin only	Admin only	No	No	No	No	No
New Directions	Yes	Admin. only	No	No	No	No	No	No
O'Connell Youth Ranch	No	Yes	No	No	No	No	No	No
Pratt County Achievement Place	No	Yes	No	No	No	No	No	No
Riverside	No	Yes	No	No	No	No	No	No
Salvation Army	Yes	Yes	No	No	No	No	No	No
SCYP	Yes	Yes	No	Yes	Yes	Yes	No	No
Villages	Yes	Yes	Yes	No	No	No	No	No

Holiday bonuses and staff awards were specifically itemized in the cost report under fringes. If other providers may incur these costs, they are not reported. Those providers indicated as not providing dental and/or vision coverage may include such coverage under their health insurance plan.

**Table 5
Highest Compensated YRCII Staff by Provider
FY13 to FY14**

Provider	Position	FTE	FY13 Salary	FY 13 ADP	FY14 Salary	FY 14 ADP
Associated Youth Services	Director	1.0	\$ 36,050.00	8.5	\$ 36,050.00	8.1
Kelley Youth Services	Facility Administrator	1.0	\$ 49,461.59	44.7	\$ 50,000.00	33.8
Elm Acres	Program Director	1.0	\$ 49,775.00	25.0	\$ 51,099.00	17.9
EmberHope	Facility Administrator	0.25	\$ 19,500.00	12.89	\$ 22,822.80	11.03
Hope House	Director	1.0	\$ 30,558.50	7.2	\$ 38,400.00	5.72
Lakeside	Executive Director	1.0	\$ 47,596.31	44.7	\$ 53,488.53	44.5
New Beginnings	Program Director	1.0	\$ 83,307.78	12.2	\$ 59,050.64	11
New Directions	Program Administrator	1.0	\$ 82,708.48	35.2	\$ 90,988.00	34.8
O'Connell Youth Ranch	Director	1.0	\$ 71,963.00	11.7	\$ 71,241.00	11.8
Pratt County Achievement Place	Administrator	1.0	\$ 51,750.26	10.6	\$ 56,988.36	10.68
Salvation Army	Program Director	1.0	\$ 60,093.54	26.8	\$ 61,098.66	25.8
SCYP	Res. Center Manager	0.25	\$ 13,557.61	9.16	\$ 14,097.76	12.67
Villages	Executive Director	1.0	\$ 94,000.00	52.1	\$ 94,050.08	43.8
Average			\$ 53,101.70	23.1	\$ 53,798.06	20.9
Median			\$ 49,775.00	12.9	\$ 53,488.53	12.7
Minimum			\$ 13,557.61	7.2	\$ 14,097.76	5.7
Maximum			\$ 94,000.00	52.1	\$ 94,050.08	44.5

- AYS allocated approx. 20% of the cost of the CEO, two VPs, and fiscal coordinator to the YRC for a total of \$35,289 annually.
- EmberHope's facility administrator also oversees the company's PRTF operation. 25% of salary is allocated to the YRC.
- New Beginnings reported program director salary as \$100,000 annually but paid only \$59,050.64 in FY14 due to revenue shortfall.
- Salvation Army allocates 50% of the Director of Youth Residential Service position to the YRC. The FY14 share was \$31,650.55.
- SCYP is responsible for 25% of the residential center manager position, the other 75% is allocated to the adult residential center.
- Lakeside and Riverside share an executive director, which is allocated 100% to Lakeside. Riverside not incl. in calculations.

**TABLE 6
Indirect/Corporate Rates**

Provider	FY13 Expenditures	Indirect Rate	FY14 Expenditures	Indirect Rate
Kelley Youth Center	\$ 8,566.27	0.36%	\$ 27,729.45	0.15%
Elm Acres	\$ 132,902.00	12.60%	\$ 241,248.00	24.45%
EmberHope	\$ 98,727.54	19.89%	\$ 172,674.65	31.69%
Lakeside	\$ 317,902.00	17.15%	\$ 268,350.17	13.70%
Riverside	\$ 48,547.00	7.75%	\$ 36,896.07	5.71%
Salvation Army	\$ 287,856.30	22.37%	\$ 320,830.17	25.13%

- Percent calculated by subtracting indirect cost from total expenditures and dividing adjusted total cost by indirect cost. Based on reported costs minus capital improvement and depreciation.

TABLE 7 Admin. Costs as a Percentage of Total Expenditures		
Provider	FY 2013	FY 2014
Associated Youth Services	25.8%	25.0%
Kelley Youth Center	42.0%	34.2%
Elm Acres	26.6%	38.1%
EmberHope	32.6%	38.2%
Hope House	41.6%	39.8%
Lakeside	22.0%	19.6%
New Beginnings	41.7%	30.6%
New Directions	35.8%	36.2%
O'Connell Youth Ranch	32.6%	31.6%
Pratt County Achievement Place	17.8%	18.3%
Riverside	11.4%	8.1%
Salvation Army	35.5%	38.0%
SCYP	8.5%	9.7%
Villages	27.7%	21.5%
Average	28.7%	27.8%
Median	30.2%	31.1%
Minimum	8.5%	8.1%
Maximum	42.0%	39.8%

TABLE 8 Food Service Costs by Provider FY14				
Provider	Expenditures	FY14 ADP	Cost/Meal	SL/SB Program?
Associated Youth Services	\$ 8,730.00	8.1	\$ 0.98	N
Kelley Youth Center	\$ 199,830.93	33.8	\$ 5.40	N
Elm Acres	\$ 90,597.00	17.9	\$ 4.62	Y
EmberHope	\$ 65,972.73	11.03	\$ 5.46	Y
Hope House	\$ 16,647.20	5.72	\$ 2.66	N
Lakeside	\$ 97,852.61	44.5	\$ 2.01	N
New Beginnings	\$ 34,637.52	11	\$ 2.88	N
New Directions	\$ 129,059.88	34.8	\$ 3.39	N
O'Connell Youth Ranch	\$ 43,218.29	11.8	\$ 3.34	N
Pratt County Achievement Place	\$ 31,195.36	10.68	\$ 2.67	N
Riverside	\$ 49,756.19	13.4	\$ 3.39	N
Salvation Army	\$ 46,777.86	25.8	\$ 1.66	N
SCYP	\$ 15,760.92	12.67	\$ 1.14	N
Villages	\$ 85,151.18	43.8	\$ 1.78	Y
Average	\$ 65,370.55	20.36	\$ 2.95	
Median	\$ 48,267.03	13.04	\$ 2.77	
Minimum	\$ 8,730.00	5.72	\$ 0.98	
Maximum	\$ 199,830.93	44.5	\$ 5.46	

• For-profit groups cannot participate in the federal School Lunch/School Breakfast (SL/SB) Program, which provides assistance for nutritious meals. Six non-profit groups (AYS, Hope House, New Beginnings, O'Connell Youth Ranch, Pratt County Achievement Place, Sal. Army) and the one publicly-operated YRC II (SCYP) do not participate in the

program.

Revenues

Tables 9 and 10 display all revenue reported during the reporting periods on a per youth **basis**. This includes KDOC payments as well as revenue received through federal grants, charitable donations, trusts, loans, the sale of assets and other miscellaneous income.

Table 11 compares the adjusted cost per youth to the revenue per youth for each provider. Six providers show higher costs per youth relative to revenue per youth in FY 2013; in FY 2014 the number of providers increased to eight. It should be noted that this information will not reconcile to the IRS 990 data later in this report due to differences in reporting periods and with regards to YRCIIIs which are part of a larger organization, only the costs and revenues related to the YRCII operation are reported in the following tables.

TABLE 9
Revenue / Youth by Provider
 FY13

Provider	KDOC Payments	Federal Funds	Private Pay	Local Funds	Charitable Donations	Bank or Corporate Loans	Trusts	Sale of Assets	Interest Income	Other	Total	Less Loans and Sale of Assets	Revenue Per Day Per Youth
Associated Youth Services	\$ 390,618	\$ 1,500	\$ -	\$ 7,400	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 399,818	\$ 399,818	\$128.87
Clarence Kelley	\$ 2,056,572	\$ -	\$ -	\$ -	\$ -	\$ 175,500	\$ -	\$ -	\$ -	\$ -	\$ 2,232,072	\$ 2,056,572	\$126.11
DCCCA	\$ 1,147,356	\$ 77,991	\$ 1,764	\$ 6,132	\$ 23,399	\$ -	\$ -	\$ -	\$ -	\$ 6,981	\$ 1,263,623	\$ 1,263,623	\$138.48
EmberHope	\$ 592,830	\$ 23,318	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (364)	\$ 615,784	\$ 615,784	\$130.88
Hope House	\$ 300,759	\$ -	\$ -	\$ -	\$ 2,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 303,415	\$ 303,415	\$115.13
Lakeside	\$ 2,054,682	\$ 26,039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,942	\$ 2,132,663	\$ 2,132,663	\$130.71
New Beginnings	\$ 641,494	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 641,494	\$ 641,494	\$144.41
New Directions	\$ 1,620,486	\$ 96,707	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 50,000	\$ 1,842,193	\$ 1,767,193	\$137.55
O'Connell Youth Ranch	\$ 539,502	\$ -	\$ -	\$ -	\$ 6,870	\$ -	\$ -	\$ -	\$ 1,672	\$ 5,187	\$ 553,231	\$ 553,231	\$129.55
PCAP	\$ 487,872	\$ -	\$ -	\$ -	\$ 3,084	\$ -	\$ -	\$ -	\$ 204	\$ 789	\$ 491,949	\$ 491,949	\$126.91
Riverside	\$ 635,408	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 635,408	\$ 635,408	\$126.15
Salvation Army	\$ 1,230,435	\$ -	\$ -	\$ -	\$ 5,475	\$ -	\$ -	\$ 5,669	\$ -	\$ 130,115	\$ 1,371,695	\$ 1,366,026	\$139.65
SCYP	\$ 429,030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 429,030	\$ 429,030	\$128.32
Villages	\$ 2,392,362	\$ 80,991	\$ -	\$ -	\$ 66,088	\$ -	\$ 1,236	\$ 110,943	\$ -	\$ 150	\$ 2,651,770	\$ 2,540,827	\$133.61
Total	\$ 14,519,406	\$ 306,546	\$ 1,764	\$ 13,532	\$ 107,871	\$ 250,500	\$ 1,236	\$ 116,612	\$ 1,876	\$ 244,801	\$ 15,564,144	\$ 15,197,032	
Average	\$ 1,037,100.42	\$ 21,896.12	\$ 126.00	\$ 966.57	\$ 7,705.10	\$ 17,892.86	\$ 88.29	\$ 8,329.43	\$ 134.02	\$ 17,485.75	\$ 1,111,724.55	\$ 1,111,724.51	\$131.17
Median	\$ 638,451.00	\$ -	\$ -	\$ -	\$ 150.00	\$ -	\$ -	\$ -	\$ -	\$ 75.00	\$ 638,451.00	\$ 638,451.00	\$130.13
Minimum	\$ 300,759.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (364.14)	\$ 303,414.52	\$ 303,414.52	\$115.13
Maximum	\$ 2,392,362.00	\$ 96,706.91	\$ 1,764.00	\$ 7,400.00	\$ 66,087.92	\$ 175,500.00	\$ 1,235.99	\$ 110,943.00	\$ 1,672.37	\$ 130,115.42	\$ 2,651,769.63	\$ 2,651,769.63	\$144.41

TABLE 10
Revenue / Youth by Provider
 FY14

Provider	KDOC Payments	Federal Funds	Private Pay	Local Funds	Charitable Donations	Bank or Corporate Loans	Trusts	Sale of Assets	Interest Income	Other	Total	Less Loans and Sale of Assets	Revenue Per Day Per Youth
Associated Youth Services	\$ 372,708	\$ 2,500	\$ -	\$ 15,931	\$ 980	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 392,119	\$ 392,119	\$132.63
Clarence Kelley	\$ 1,548,162	\$ -	\$ -	\$ -	\$ -	\$ 219,180	\$ -	\$ -	\$ -	\$ -	\$ 1,767,342	\$ 1,548,162	\$125.49
DCCCA	\$ 823,032	\$ 92,829	\$ 36,288	\$ 7,313	\$ 4,254	\$ -	\$ -	\$ -	\$ -	\$ 5,946	\$ 969,662	\$ 969,662	\$148.41
EmberHope	\$ 507,276	\$ 18,393	\$ -	\$ -	\$ 19,869	\$ -	\$ -	\$ -	\$ -	\$ 7	\$ 545,545	\$ 545,545	\$135.51
Hope House	\$ 269,010	\$ -	\$ -	\$ -	\$ 2,870	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 271,880	\$ 271,880	\$130.22
Lakeside	\$ 2,047,500	\$ 28,429	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,864	\$ -	\$ 102,742	\$ 2,183,535	\$ 2,178,672	\$134.13
New Beginnings	\$ 519,886	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ 4,950	\$ -	\$ -	\$ 534,836	\$ 519,886	\$129.49
New Directions	\$ 1,601,670	\$ 120,288	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 1,771,958	\$ 1,771,958	\$139.50
O'Connell Youth Ranch	\$ 526,914	\$ -	\$ -	\$ -	\$ 10,756	\$ -	\$ -	\$ -	\$ 778	\$ 4,931	\$ 543,379	\$ 543,379	\$126.16
PCAP	\$ 491,274	\$ -	\$ -	\$ -	\$ 846	\$ -	\$ -	\$ -	\$ 232	\$ 16,361	\$ 508,713	\$ 508,713	\$130.50
Riverside	\$ 616,014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 616,014	\$ 616,014	\$125.95
Salvation Army	\$ 1,182,509	\$ -	\$ -	\$ -	\$ 4,405	\$ -	\$ -	\$ -	\$ -	\$ 134,331	\$ 1,321,245	\$ 1,321,245	\$140.30
SCYP	\$ 562,716	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 562,716	\$ 562,716	\$121.68
Villages	\$ 2,014,992	\$ 76,340	\$ -	\$ -	\$ 32,203	\$ -	\$ 2,805	\$ -	\$ -	\$ 86,345	\$ 2,212,685	\$ 2,212,685	\$138.41
Total	\$ 13,083,663	\$ 338,780	\$ 36,288	\$ 23,244	\$ 76,182	\$ 229,180	\$ 2,805	\$ 9,814	\$ 1,009	\$ 400,663	\$ 14,201,628	\$ 13,962,634	
Average	\$ 934,547.36	\$ 24,198.56	\$ 2,592.00	\$ 1,660.29	\$ 5,441.58	\$ 16,370.00	\$ 200.34	\$ 700.97	\$ 72.10	\$ 28,618.82	\$ 1,014,402.00	\$ 997,331.03	\$132.74
Median	\$ 589,365.00	\$ -	\$ -	\$ -	\$ 912.91	\$ -	\$ -	\$ -	\$ -	\$ 2,468.92	\$ 589,365.00	\$ 589,365.00	\$131.56
Minimum	\$ 269,010.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 271,880.00	\$ 271,880.00	\$121.68
Maximum	\$ 2,047,500.00	\$ 120,288.00	\$ 36,288.00	\$ 15,931.00	\$ 32,202.77	\$ 219,180.00	\$ 2,804.71	\$ 4,950.00	\$ 777.86	\$ 134,330.88	\$ 2,212,684.94	\$ 2,212,684.94	\$148.41

TABLE 11
Expenditures versus Revenue
 Adjusted for Capital Improvements and Depreciation
 FY13 and FY14

Provider	FY 2013			FY 2014		
	Daily Cost/Youth	Daily Revenue/Youth	+/-	Daily Cost/Youth	Daily Revenue/Youth	+/-
Associated Youth Services	\$ 122.60	\$ 128.87	\$ 6.27	\$ 133.50	\$ 132.63	\$ (0.87)
Kelley Youth Center	\$ 146.00	\$ 126.11	\$ (19.89)	\$ 152.48	\$ 125.49	\$ (26.99)
Elm Acres	\$ 129.41	\$ 138.48	\$ 9.07	\$ 186.78	\$ 148.41	\$ (38.37)
EmberHope	\$ 123.95	\$ 130.88	\$ 6.93	\$ 175.57	\$ 135.51	\$ (40.06)
Hope House	\$ 112.31	\$ 115.13	\$ 2.82	\$ 144.30	\$ 130.22	\$ (14.08)
Lakeside	\$ 127.94	\$ 130.71	\$ 2.77	\$ 131.61	\$ 134.13	\$ 2.52
New Beginnings	\$ 151.00	\$ 144.41	\$ (6.59)	\$ 124.34	\$ 129.49	\$ 5.15
New Directions	\$ 86.09	\$ 137.55	\$ 51.46	\$ 102.23	\$ 139.50	\$ 37.27
O'Connell Youth Ranch	\$ 141.43	\$ 129.55	\$ (11.88)	\$ 160.02	\$ 126.16	\$ (33.86)
PCAP	\$ 116.61	\$ 126.91	\$ 10.30	\$ 125.98	\$ 130.50	\$ 4.52
Riverside	\$ 133.78	\$ 126.15	\$ (7.63)	\$ 139.62	\$ 125.95	\$ (13.67)
Salvation Army	\$ 161.16	\$ 139.65	\$ (21.51)	\$ 169.65	\$ 140.30	\$ (29.35)
SCYP	\$ 140.79	\$ 128.32	\$ (12.47)	\$ 105.87	\$ 121.68	\$ 15.81
Villages	\$ 127.01	\$ 133.61	\$ 6.60	\$ 132.55	\$ 138.41	\$ 5.86
Average	\$ 130.01	\$ 131.17	\$ 1.16	\$ 141.75	\$ 132.74	\$ (9.01)
Median	\$ 128.68	\$ 130.13	\$ 2.80	\$ 136.56	\$ 131.56	\$ (7.27)
Minimum	\$ 86.09	\$ 115.13	\$ (21.51)	\$ 102.23	\$ 121.68	\$ (40.06)
Maximum	\$ 161.16	\$ 144.41	\$ 51.46	\$ 186.78	\$ 148.41	\$ 37.27

Internal Revenue Service Data

A review of Internal Revenue Service (IRS) tax documents also was completed for those with a non-profit status. IRS Form 990s are available to the public for non-profit groups upon request or through sources such as GuideStar (www.guidestar.org). IRS Form 990s were obtained for all 10 of the non-profit status YRCIIs.

The most recent available tax year for each was reviewed, revealing that seven of the 10 reported a net gain. A review of the three most recent years, a total of 28 data points, revealed 17 of 28, or 60%, of the tax years resulted in a net gain.

IRS Form 990 Net Revenue Gain or Loss 2011 - 2013			
Provider	2011	2012	2013
Associated Youth Services	\$330,388	\$92,501	(\$106,152)
Barton County Young Mens	\$42,637	\$24,190	(\$21,056)
DCCCA/Elm Acres *	\$1,699,389	\$792,877	\$2,206,201
EmberHope	(\$1,028,625)	(\$1,457,373)	\$4,987,839
Hope House	\$39,047	(\$12,855)	\$13,323
New Beginnings	\$158,596	\$30,543	\$77,981
O'Connell Youth Ranch	(\$22,072)	(\$99,018)	(\$126,480)
Pratt County Achievement	(\$21,709)	(\$68,206)	\$18,924
Salvation Army **	none	none	\$83,019
Villages	\$32,616	(\$38,515)	\$230,239

*Denotes sum of two 990's for DCCCA and Elm Acres Foundation
 ** Exempt from 990 requirements as organization. In 2013, self-reported to KDOC.

IRS Form 990 Net Revenue Gain Percentage and Number 2011 - 2013								
	2011		2012		2013		3 Year Total	3 Year %
	#	%	#	%	#	%		
Number of Providers with Gain	6 of 9	66.7%	4 of 9	44.4%	7 of 10	70.0%	17 of 28	60.7%

Use of tax documents has two key limitations when used to assess the cost of providing YRCII services.

- 1) The tax year does not line up with state fiscal years, and in some cases are unique based upon the business fiscal year which varies by each business. So direct comparison to other costs in this report is not possible.
- 2) Some YRCIIs offer additional products beyond YRCII, as such the tax documents reflect gain/loss across all products offered.

Not with-standing the above, these tax documents provide additional assurances that the reported cost/revenue information is valid, verifies compensation levels of key executives that contribute to high administrative costs, and that overall the cost of providing YRCII is in fact profitable for several of these businesses.

Executive Director Reportable Compensation IRS form 990	
Provider	Compensation
Associated Youth Services	\$76,593
Barton County Young Mens	Unreported
DCCCA/Elm Acres *	\$285,813
EmberHope	\$208,927
Hope House	\$34,232
New Beginnings	\$128,058
O'Connell Youth Ranch	\$65,857
Pratt County Achievement	Unreported
Salvation Army **	\$54,027
Villages	\$92,500
Average	\$118,250.88
Median	\$92,500
Minimum	\$34,232
Maximum	\$285,813
*Denotes sum of two IRS Form 990's for DCCCA and Elm Acres Foundation ** Exempt from 990 requirements. In 2013, self-reported to KDOC.	

YRCII Rate

Costs for KDHE Licensure and KDOC Contract

Senate Substitute for HB 2588 directs the Secretary to "...develop a fee schedule for youth residential services for juvenile offender to include daily payment rates for base services." Based on the data provided and the methodology described below, the KDOC recommends a daily rate of **\$127.78**. Developing a base rate for YRCII services is challenging due to the variations in the structure and organization of each YRCII, to include:

- The parent home model, which is structured like a typical home where youth care workers function as parents and youth assist in daily household duties, and the institutional model which features centralized support services and shift staff.
- Co-location with other residential programs, which allows for the distribution of costs over a larger pool, sharing of resources and minimization of redundancies.
- Independent operations which do not incur corporate overhead or indirect costs vs. operations that are assessed a share of corporate office expenditures.
- Costs unique to for-profit organizations, specifically property taxes and sales taxes.
- The ability for non-profit and publicly operated YRC IIs to participate in the School Lunch/School Breakfast program.
- Benefits offered.
- Economies of scale.
- Organizational decisions in areas such as staffing, administrative structure, medical services and educational services.

To arrive at a common base rate, the KDOC removed expenses that were not required to provide a base level of service that meets KDHE regulations and recalculated the cost per youth for each fiscal year. To account for the overall decreases in population from FY 2013 to FY 2014, the average and median cost over the two-year period was calculated. The results of these calculations can be found in Attachment 2. The expenses removed are as follows:

- Nursing contracts, physician contracts, salaries and wages for nursing staff and associated other operating costs. Medical expenses are covered by a youth's medical card. For undocumented youth and those who have passed their 21st birthday and therefore are not eligible for Medicaid, medical expenses are paid for by the KDOC (Kelley Youth Center, AYS, Lakeside, Riverside, New Beginnings).
- Tutors, instructors and other education staff. Providers who reported such expenses financed these positions with Title I funds provided by the local school district. Exclusion of these expenses in the rate calculation does not preclude providers from accessing these funds for on-site educational services (New Directions, Villages).
- Grounds maintenance provided by the county at no cost (SCYP).
- Sales taxes paid (Villages).
- Tablets (New Beginnings).
- Restaurants (O'Connell Youth Ranch, Villages).
- Staff uniforms (SCYP).
- Owner back wages (New Beginnings).
- Add-on services (New Beginnings, New Directions)
- Assistant directors/operations directors for facilities with low ADP (Elm Acres, Hope House, New Beginnings).
- FY 2014 indirect rates for providers who experienced an increase from FY 2013 were capped at the rates experienced in FY 2013 (EmberHope – FY 2014 rate of 31.7% capped at 19.9%; Elm Acres – 24.5% to 13.3%; Salvation Army – 25.1% to 22.4%).

It should be noted that while these expenses are not included in the rate calculation, this should not be construed as a KDOC directive prohibiting these expenses. Rather, the proposed rate is the amount that the KDOC has determined to be the amount the state is willing to pay for YRCII services. Any other expenses beyond those covered by the base rate are at the provider's discretion and are the provider's responsibility.

As illustrated in Attachment 2, there is a large spread between the minimum and maximum cost per youth in both years after making the adjustments described earlier. For FY 2013, the lowest cost per youth was \$78.77 while the highest was \$161.16. FY 2014 costs ranged from \$93.72 to \$165.90. These outliers distort the average cost per youth; therefore, the median cost per youth over the two reporting periods was selected as the recommended rate.

PREA Costs

Expenses to comply with the Prison Rape Elimination Act (PREA) audits are not included in the above rate proposal, as the KDOC was successful in obtaining federal grants to cover those costs. As discussed earlier, most YRCIIs were not able to isolate costs specific to PREA compliance. Whether costs were reported separately or included in other cost centers, these costs were included in the proposed rate.

YRCII Performance Based Incentive Payment

The data in this study shows that on average, YRCIIs are successful at engaging and providing services to youth toward a successful discharge less than 50% of the time (46.0% across all risk levels). A youth who is unsuccessful in the justice system ultimately is held accountable by the system in the form of additional sanctions, increased supervision (activities and duration) and extended or additional periods of incarceration. As adults, to be successful in changing youth behavior, we must recognize that how we act and respond to youth, our ability to engage with them and support their development and, ultimately, how effective the youth may be rests at least partially upon ourselves. In considering any performance based incentives, holding ourselves accountable to the youth should be a basis for any incentive payment.

As noted previously, whether or not a youth was successfully or unsuccessfully discharged from a placement does not paint the full picture of whether or not programs are effective. The 6-month post discharge data gives more data, but only for a short period of time.

In order to have more accurate and meaningful data, the recommendation is to continue to study the post-discharge data for a minimum of 12 months before finalizing any proposed incentive payments.

Section 4 - Proposed Path to Improving Results

At the end of the day, the Kansas Department of Corrections is charged with the challenging task of changing youth behavior. The behaviors we seek to change are most often typical of all teenagers, with additional challenges that manifest in each individual youth in different way and at different life stages. These challenges stem from numerous sources including: exposure to trauma, parents and/or family systems that are unable to support positive youth development, failed attempts to engage and receive services from any number of service systems (such as schools, social services, behavioral health), all of which can culminate in actions by the youth that place themselves and the public at risk.

Partnering with us in this task are the many private and public agencies providing services to youth, including the YRCIIs. It is unrealistic to expect behavior change with every youth. It is also unlikely that Kansas could have a system of community-based alternatives that is so robust that residential service would be unnecessary. So while some number of residential placements will always be necessary, the use of these should be targeted and purposeful. Further, savings from reducing these expensive services should be re-directed to increase evidence based community programming. **Juvenile justice research, other states' experiences, and pilot programs within Kansas show that it's possible to get better outcomes for youth, families and communities in a more cost-effective manner.**

To achieve better outcomes in a more cost-effective manner, collectively our efforts should concentrate upon the following recommendations:

- Through training and collaboration KDOC will encourage the use of risk levels in determining eligibility for YRCII and other placements, targeting high-moderate and high risk youth.
- Recommend legislative approval to reinvest the out of home placement savings beginning in FY15. Redirect the funds to add evidence-based programs that provide alternatives to YRCII/residential placements.
- Examine the feasibility of YRCII facilities serving populations of like risk.
- Use any remaining human services consensus caseload savings to fund contracts for community based services such as statewide sex offender treatment.
- Continue to measure and monitor performance of YRCII (and other placement types) and systematically report the findings to key stakeholders in the juvenile justice continuum.
 - The KDOC will continue to collect and collate the data for out of home placements.
 - The KDOC will continue to provide training opportunities and technical assistance to contracted group providers.
 - The KDOC will use the data on performance to help guide the need for various out-of-home placement slots and to target resource allocations.

Attachments

Attachment 1: Youth Residing in Juvenile Detention, Correctional and/or Residential Facilities

	2003		2006		2007		2010		2011		% Change in Rate from 2003 to 2011
	Rate per 100,000	Rank	Rate per 100,000	Rank	Rate per 100,000	Rank	Rate per 100,000	Rank	Rate per 100,000	Rank	
United States	306	NA	295	NA	278	NA	225	NA	196	NA	-35.95%
Alabama	350	11	342	11	323	16	212	28	198	26	-43.43%
Alaska	375	8	425	4	386	5	342	5	270	7	-28.00%
Arizona	291	23	247	34	208	37	152	40	130	41	-55.33%
Arkansas	217	39	260	32	259	30	230	22	224	17	3.23%
California	393	6	355	10	331	13	271	11	233	14	-40.71%
Colorado	345	12	397	5	341	11	287	9	234	13	-32.17%
Connecticut	209	42	171	45	149	45	92	49	75	48	-64.11%
Delaware	365	10	326	14	400	4	270	12	194	27	-46.85%
District of Columbia	562	2	668	1	583	1	428	3	618	1	9.96%
Florida	461	4	395	6	313	19	261	14	203	21	-55.97%
Georgia	269	29	277	27	286	24	220	26	184	28	-31.60%
Hawaii	97	50	95	50	101	50	90	50	75	49	-22.68%
Idaho	285	26	297	23	298	20	258	16	213	20	-25.26%
Illinois	212	41	207	41	205	39	178	37	171	33	-19.34%
Indiana	425	5	364	8	381	6	276	10	258	8	-39.29%
Iowa	291	24	325	15	295	21	227	24	225	16	-22.68%
Kansas	332	15	338	12	371	7	264	13	255	9	-23.19%
Kentucky	184	44	273	28	246	31	186	34	163	35	-11.41%
Louisiana	383	7	283	24	314	18	239	19	222	18	-42.04%
Maine	151	47	151	46	150	44	142	42	129	42	-14.57%
Maryland	181	45	173	44	148	46	143	41	153	36	-15.47%
Massachusetts	213	40	196	42	166	43	115	45	95	45	-55.40%
Michigan	256	33	268	30	275	26	208	30	221	19	-13.67%
Minnesota	255	34	280	26	231	33	159	38	145	39	-43.14%
Mississippi	151	48	128	49	131	48	105	47	77	46	-49.01%
Missouri	243	35	225	37	217	36	214	27	202	23	-16.87%
Montana	240	36	234	36	205	38	191	33	169	34	-29.58%
Nebraska	327	16	370	7	360	8	378	4	337	4	3.06%
Nevada	369	9	317	20	348	9	244	18	245	10	-33.60%
New Hampshire	150	49	148	47	125	49	97	48	76	47	-49.33%
New Jersey	202	43	177	43	177	41	123	43	106	44	-47.52%
New Mexico	262	31	210	39	171	42	250	17	229	15	-12.60%
New York	264	30	268	29	236	32	179	36	148	38	-43.94%
North Carolina	171	46	145	48	145	47	112	46	74	50	-56.73%
North Dakota	341	14	357	9	324	15	258	15	241	11	-29.33%
Ohio	316	19	320	17	339	12	227	23	200	24	-36.71%
Oklahoma	262	32	234	35	219	34	157	39	141	40	-46.18%
Oregon	323	17	319	18	331	14	319	6	281	5	-13.00%
Pennsylvania	314	20	319	19	342	10	316	7	238	12	-24.20%
Rhode Island	293	22	308	22	282	25	235	21	180	29	-38.57%
South Carolina	345	13	317	21	291	22	235	20	173	32	-49.86%
South Dakota	558	3	664	2	514	2	575	1	492	2	-11.83%
Tennessee	221	38	214	38	191	40	117	44	116	43	-47.51%
Texas	323	18	338	13	288	23	204	31	175	30	-45.82%
Utah	303	21	264	31	259	29	191	32	200	25	-33.99%
Vermont	72	51	81	51	70	51	53	51	59	51	-18.06%
Virginia	291	25	281	25	260	28	224	25	203	22	-30.24%
Washington	234	37	207	40	218	35	183	35	150	37	-35.90%
West Virginia	271	28	322	16	320	17	316	8	278	6	2.58%
Wisconsin	272	27	250	33	269	27	209	29	174	31	-36.03%
Wyoming	603	1	560	3	443	3	440	2	433	3	-28.19%

Source: <http://datacenter.kidscount.org/data/tables/42-youth-residing-in-juvenile-detention-correctional-and-or-residential-facilities?loc=1&loct=1#detailed/2/2-52/false/867,133,18,17,14/any/319,320>

Indicator Context: A change is underway in our nation's approach to dealing with young people who get in trouble with the law. Although the United States still leads the industrialized world in the rate at which it locks up young people, the youth confinement rate in the US is rapidly declining.

Read *Reducing Youth Incarceration in the United States* to learn more.

Definitions and Sources:

Definitions: Persons under age 21 detained, incarcerated, or placed in residential facilities.

To preserve the privacy of the juvenile residents, cell counts have been rounded to the nearest multiple of three. "State of Offense" refers to the State where the juvenile committed the offense for which they were being held. The rate is the number of juvenile offenders in residential placement per 100,000 juveniles ages 10 through the upper age of original juvenile court jurisdiction in each State.

Values include persons under age 21 who had been (1) charged with or adjudicated for an offense; (2) assigned a bed in a facility that can hold accused or convicted juvenile offenders; and (3) placed in the facility because of the offense. CJRP does not capture data on juveniles held in adult prisons or jails. Values include both pre-adjudicated and post-adjudicated individuals. CJRP does not include facilities exclusively intended for drug or mental health treatment even though such facilities may house some offenders. There may, however, be numerous juveniles in residential placement captured by CJRP that were receiving such treatment. State refers to the state where the offense occurred.

Methodology: The Census Bureau identifies juvenile residential facilities for court-involved offenders across the U.S. sending surveys to respondents representing nearly 4,000 public and private residential juvenile facilities. The CJRP asks juvenile residential custody facilities in the U.S. to describe each youth assigned a bed in the facility on the census reference date. The census is not sent to adult facilities, or facilities exclusively for drug or mental health treatment, or abused or neglected children.

Data Source: Sickmund, Melissa, Sladky, T.J., and Kang, Wei. (2005) "Census of Juveniles in Residential Placement Databook." Online Author's analysis of OJJDP's Census of Juveniles in Residential Placement 1997, 1999, 2001, 2003, 2006, 2007, and 2010 [machine-readable data files]. Available: <http://www.ojjdp.gov/ojstatbb/ezacjrp/>

Footnotes: Updated April 2014. N.A. - Data not available.

Attachment 2: Fiscal Narratives for each YRCII

Associated Youth Services

Associated Youth Services (AYS) operates as YRCII named Home Ties as well as a juvenile justice and CINC foster care, an ADAPT program, and a community health program. AYS is a non-profit organization in Kansas City, KS with a contract capacity of 10 male beds. The FY 2013 ADP was 8.5 and the FY 2014 ADP was 8.1. Staffing consisted of 8.8 FTE in both fiscal years. Of this, direct care staff account for 6.8 FTE. AYS also employs part-time, on-call youth workers to cover posts as necessary. These positions could not be quantified into an FTE by the provider. The administration cost center includes a full-time director/case coordinator is responsible for the day-to-day operations as well as salaries for four agency staff (the CEO, senior vice president, vice president of resource development, and fiscal coordinator). These positions are allocated to the YRCII at rate of 15% based on the percent of the total agency administrative expenses incurred by the YRC. AYS also employs a 0.2 FTE and a 0.25 FTE nurse. AYS does not charge an indirect rate or overhead to the YRC.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct care accounts for over 60% of the YRC’s costs, followed by administration at approximately 25%.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 31.97	25.8%	\$ 33.70	25.0%
Physical Plant	\$ 5.15	4.2%	\$ 6.34	4.7%
Direct Care	\$ 76.24	61.5%	\$ 84.09	62.3%
Food Service	\$ 3.99	3.2%	\$ 2.95	2.2%
Medical & Dental	\$ 1.28	1.0%	\$ 2.66	2.0%
Education	-	0.0%	\$ 0.12	0.1%
Social Services & Counseling	-	0.0%	-	0.0%
Transportation	\$ 3.97	3.2%	\$ 3.64	2.7%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	-	0.0%	-	0.0%
PREA	-	0.0%	-	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	\$ 1.31	1.1%	\$ 1.42	1.1%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 123.91	100.0%	\$ 134.93	100.0%

Direct care expenditures are primarily for direct care staff, which accounts for over 97% of the reported expenditures. Other operating expenditures include clothing, furniture and supplies, staff training and recreational opportunities. Laundry supplies are included in youth supplies and could not be broken out separately. Administration expenses include contractors for website and database management, administrative staff vehicle costs, office supplies and communication expenses. The largest expense in this cost center is the central office salaries charged to the YRC (\$34,289, or 34% of total administrative costs reported, annually).

The two part-time nurses deliver an add-on program called Life Choices as well as groups on health related topics. Expenditures reported for medical and dental services are entirely for these two positions. Medical expenses are covered by the youth’s medical card. Education expenses were for school supplies and depreciation was reported for the building. AYS also reports that they rely on food donations to help keep food service costs down. The value of donated food is not included in the reported costs. AYS does not employ dedicated food service staff. Meals are prepared and served by direct care staff.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 123.91	\$ 134.93
Less Depreciation & Capital Improvements	\$ 122.60	\$ 133.50

Revenues

Per diem payments from the KDOC account for the majority of revenue received during the reporting periods. AYS also received a small federal grant, local funds and charitable donations to supplement KDOC income. No School Lunch/School Breakfast program revenues were reported. The following table summarizes revenue attributed to the YRC operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 390,618	\$ 372,708
Grants	\$ 1,500	\$ 2,500
Local Funds	\$ 7,400	\$ 15,931
Charitable Donations	\$ 300	\$ 980
Total	\$ 399,818	\$ 392,119

Kelley Youth Center

Clarence M Kelley (CMK) is a for-profit organization which operates the Kelley Youth Center, a 42-bed male YRCII. The ADP in FY 2013 was 44.7 and the FY 2014 ADP was 33.8 (capacity during the reporting periods was 49 beds). Staffing consisted of 40.6 FTE in FY 2013 and 35.9 FTE in FY 2014. Of this, direct care staff account for 30.1 FTE in FY 2013 and 26.1 FTE in FY 2014. The facility employs a full-time administrator and deputy administrator, which are reported in the Administration cost center, and case coordinators, which are reported in the Social Services & Counseling cost center. Case coordinator and direct care staffing decreased due to the population decrease. Kelley Youth Center also employs an administrative assistant, a full-time maintenance technician, and 2.5 FTE food services staff. Indirect costs in the amounts of \$8,566 in FY 2013 and \$27,729 in FY 2014 were charged to the facility for corporate office space. The increase in FY 2014 is attributed to the cost to relocate to new office space during the reporting period. Corporate office staff expenses are allocated to all Kelley companies and are reported under contractors and consultants.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 61.59	42.0%	\$ 52.52	34.2%
Physical Plant	\$ 14.39	9.8%	\$ 19.30	12.6%
Direct Care	\$ 48.67	33.2%	\$ 55.39	36.1%
Food Service	\$ 12.62	8.6%	\$ 16.20	10.6%
Medical & Dental	\$ 0.71	0.5%	\$ 0.58	0.4%
Education	-	0.0%	-	0.0%
Social Services & Counseling	\$ 6.83	4.7%	\$ 6.83	4.5%
Transportation	\$ 1.15	0.8%	\$ 1.66	1.1%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	-	0.0%	-	0.0%
PREA	\$ 0.04	0.0%	-	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	\$ 0.76	0.5%	\$ 0.93	0.6%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 146.76	100.0%	\$ 153.41	100.0%

Direct care expenditures are primarily for direct care staff, which accounts for over 96% of the reported expenditures. Other operating expenditures include clothing, furniture and supplies, staff training, and recreational opportunities. Administration expenses include repayment of loans, which totaled \$543,460 in FY 2013 and \$182,184 in FY 2014. The next highest expenses were the YRC's share of corporate office staff. These costs were allocated to the facility based on percentage of time. FY 2013 expenditures totaled \$193,595 and FY 2014 expenditures totaled \$187,091.

CMK owns the building used for the YRC operation. Significant expenditures include utilities (\$80,960 in FY 2013 and \$93,463 in FY 2014), mortgage payments of \$37,805 annually, and property taxes (\$14,638 in FY 2013 and \$15,394 in FY 2014). Other expenses include a full-time maintenance technician, insurance, contract maintenance and supplies/materials.

CMK also contracts with St. Francis for a physician of record, as required by their insurance policy. The physician conducts examinations and follow-up appointments on-site to reduce off-site transports for routine visits. Transportation expenditures primarily represent the cost to transport youth, however, some staff vehicle expenses are included as those costs could not be isolated. PREA expenses incurred in FY 2013 were for travel and training.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 146.76	\$ 153.41
Less Depreciation & Capital Improvements	\$ 146.00	\$ 152.48

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. Loans were taken out in both years to cover revenue shortfalls. As a for-profit residential child care institution, Kelley Youth Center is not eligible to participate in the federal School Lunch/School Breakfast program. The following table summarizes revenue attributed to the YRC operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 2,056,572	\$ 1,548,162
Loans	\$ 175,500	\$ 219,180
Total	\$ 2,232,072	\$ 1,767,342

Elm Acres

DCCCA, Inc., is a nonprofit organization which operates, among adult and youth services, the Elm Acres YRCII in Pittsburg. Elm Acres is a 20-bed male YRCII with an ADP in FY 2013 of 25 and a FY 2014 ADP of 17.9 (capacity during the reporting periods was 30 beds). Staffing consisted of 27.6 FTE FY 2013 and 23.9 FTE in FY 2014. Of this, direct care staff accounted for 19.7 FTE in FY 2013 and 16.3 FTE in FY 2014. The facility employs a full-time program director and assistant director, which are reported in the Administration cost center, and two case managers, which are reported in the Social Services & Counseling cost center. Elm Acres also employs an administrative assistant, a part-time maintenance technician, and food services staff of 1.7 FTE in FY 2013 and 1.3 FTE in FY 2014. The facility also has a three-quarter time driver to conduct youth transports. Indirect costs of \$132,902 in FY 2013 and \$241,248 were charged to the facility. Indirect costs are for corporate and regional overhead as well as information technology expenses and are allocated to each DCCCA program based on FTE. Decreases in other programs resulted in Elm Acres bearing a larger share of these costs.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for 46.5% of the YRC’s costs in FY 2013 and 37.8% in FY 2014, followed by Administration at approximately 26.6% and 38.1%, respectively.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 34.64	26.6%	\$ 71.66	38.1%
Physical Plant	\$ 6.98	5.4%	\$ 10.22	5.4%
Direct Care	\$ 60.57	46.5%	\$ 71.06	37.8%
Food Service	\$ 13.06	10.0%	\$ 13.87	7.4%
Medical & Dental	-	0.0%	-	0.0%
Education	-	0.0%	-	0.0%
Social Services & Counseling	\$ 10.74	8.2%	\$ 15.29	8.1%
Transportation	\$ 3.27	2.5%	\$ 4.56	2.4%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	\$ 0.15	0.1%	\$ 0.12	0.1%
PREA	-	0.0%	-	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	\$ 0.97	0.7%	\$ 1.30	0.7%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 130.38	100.0%	\$ 188.08	100.0%

Direct care expenditures are primarily for direct care staff, which accounts for over 91% of the reported expenditures in FY 2013 and 93% of reported expenditures in FY 2014. Other operating expenditures include clothing, furniture and supplies, staff training, drug testing supplies, office supplies and recreational opportunities. Laundry supplies are included in youth supplies and could not be broken out separately. In addition to indirect costs, Administration expenses include liability and casualty insurance, background check expenses, communications and office equipment. Starting in FY 2014 information technology equipment, software and consultant expenses were allocated to all DCCCA programs.

All expenditures reported in Social Services & Counseling are for salaries and fringes of the two case managers. Operating costs for these positions are in the Direct Care and Transportation cost centers and could not be broken out separately. Transportation expenditures are primarily mileage reimbursements and the .75 FTE driver. Food service expenditures are for staff salaries and fringes, food and supplies. Elm Acres also received food donations during the reporting periods; the value of these donations is not included in the cost data.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 130.38	\$ 188.08
Less Depreciation & Capital Improvements	\$ 129.41	\$ 186.78

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. Federal funds include School Lunch/School Breakfast program reimbursement and a KDOT grant. The following table summarizes revenue attributed to the YRC operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 1,147,356	\$ 823,032
Federal Funds	\$ 77,991	\$ 92,829
Private Pay	\$ 1,764	\$ 36,288
Local Funds	\$ 6,132	\$ 7,313
Charitable Donations	\$ 23,399	\$ 4,254
Other	\$ 6,981	\$ 5,946
Total	\$ 1,263,623	\$ 969,662

EmberHope

EmberHope is a 14-bed YRCII for male offenders operated by Youthville, a nonprofit organization which also operates a foster care program, a psychiatric residential treatment facility, and a secure care facility. EmberHope provides 14 male beds. The ADP in FY 2013 was 12.9 and 11.0 in FY 2014. Staffing consisted of 12.8 FTE in both fiscal years. Of this, direct care staff accounted for 10.0 FTE. Youthville employs a facility administrator who oversees all residential programs; 25% of this position is allocated to EmberHope. The facility employs a full-time supervisor, and half-time case manager, who performs the case coordinator duties. All these positions are allocated to the Administration cost center. Finally, EmberHope employs one full-time cook. Indirect costs were for corporate expenses and overhead are allocated to each Youthville program based on FTE. Indirect costs were \$98,728 in FY 2013 and \$172,675 in FY 2014. Decreases in other programs resulted in EmberHope bearing a larger share of these costs.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for approximately 48% of the YRC’s costs. Administration accounted for 33% of FY 2013 expenditures and 38% of FY 2014 expenditures.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 41.24	32.6%	\$ 68.01	38.2%
Physical Plant	\$ 4.04	3.2%	\$ 4.69	2.6%
Direct Care	\$ 61.00	48.2%	\$ 85.17	47.8%
Food Service	\$ 16.02	12.7%	\$ 16.39	9.2%
Medical & Dental	\$ 0.27	0.2%	\$ 0.08	0.0%
Education	\$ 0.03	0.0%	\$ 0.42	0.2%
Social Services & Counseling	-	0.0%	\$ 0.07	0.0%
Transportation	\$ 1.19	0.9%	\$ 0.52	0.3%
Youth Work Programs	\$ 0.16	0.1%	\$ 0.22	0.1%
Laundry & Housekeeping	-	0.0%	-	0.0%
PREA	-	0.0%	-	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	\$ 2.52	2.0%	\$ 2.63	1.5%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 126.47	100.0%	\$ 178.20	100.0%

Direct care expenditures are primarily for direct care staff, which accounts for over 98% of the reported expenditures in FY 2013 and 99% of reported expenditures in FY 2014. Other operating expenditures include clothing, staff training, allowances, gifts and recreational opportunities. Laundry supplies are included in the indirect rate and could not be broken out separately. Medical expenditures are for over-the-counter drugs and drug screens. Transportation expenses are employee reimbursement for fuel, meals and incidentals incurred while transporting youth.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 126.47	\$ 178.20
Less Depreciation & Capital Improvements	\$ 123.95	\$ 175.57

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. Federal funds include School Lunch/School Breakfast program reimbursement. Other revenue consists of contractual write-offs. The following table summarizes revenue attributed to the YRC operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 592,830	\$ 507,276
Federal Funds	\$ 23,318	\$ 18,393
Charitable Donations	-	\$ 19,869
Other	\$ (364)	\$ 7
Total	\$ 615,784	\$ 545,545

Hope House

Hope House is a non-profit, 10-bed YRCII for male offenders with a FY 2013 ADP of 7.2 and an FY 2014 ADP of 5.7. Staffing consisted of 8.0 FTE in FY 2013 and 7.0 FTE in FY 2014. Direct care staff accounted for 5.0 FTE. Administrative staff consists of a director, assistant director, and administrative assistant (FY 2013 only). As an independently operated YRCII, there are no indirect costs or corporate overhead.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for approximately 42% of the YRC's costs. Administration accounted for over 41% of FY 2013 expenditures and nearly 40% of FY 2014 expenditures. Hope House does not track fringe benefits for direct care staff separate from administrative staff; as such, fringe benefits for direct care staff are included in the Administration cost center.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 46.76	41.6%	\$ 57.41	39.8%
Physical Plant	\$ 7.43	6.6%	\$ 7.76	5.4%
Direct Care	\$ 47.77	42.5%	\$ 60.66	42.0%
Food Service	\$ 7.63	6.8%	\$ 7.97	5.5%
Medical & Dental	-	0.0%	\$ 0.01	0.0%
Education	\$ 0.04	0.0%	\$ 0.07	0.0%
Social Services & Counseling	-	0.0%	-	0.0%
Transportation	\$ 1.99	1.8%	\$ 9.75	6.8%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	\$ 0.69	0.6%	\$ 0.47	0.3%
PREA	-	0.0%	\$ 0.20	0.1%
Add-On	-	0.0%	-	0.0%
Depreciation	-	0.0%	-	0.0%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 112.31	100.0%	\$ 144.30	100.0%

Direct care expenditures are primarily for direct care staff salaries, which accounts for approximately 96% of reported expenditures. Other operating expenditures include clothing, furniture and supplies, linens, allowances, gifts, travel, and recreational opportunities. In addition to staff salaries and fringes, expenditures in the Administration cost center include liability and casualty insurance, accountant services, website management, offices supplies, background check expenses and office equipment. No communication expenditures were reported as phone and internet costs are incorporated with utilities and could not be broken out by the provider. Physical plant expenditures include property taxes, utilities, property insurance, and contract maintenance. Hope House does not employ maintenance staff and relies on contractors for upkeep, repairs and inspections. Transportation expenditures increased in FY 2014 to the purchase of a bus. Other transportation costs include private mileage for staff transporting youth with their personal vehicles, insurance, taxes and registration, and annual safety checks. Food service expenses are for food, supplies and equipment. Direct care personnel are responsible for preparing and serving meals.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation. Hope House reported no capital improvements or depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 112.31	\$ 144.30
Less Depreciation & Capital Improvements	\$ 112.31	\$ 144.30

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. Hope House does not participate in the School Lunch/School Breakfast program. The following table summarizes revenue attributed to the YRC operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 300,759	\$ 269,010
Charitable Donations	\$ 2,656	\$ 2,870
Total	\$ 303,415	\$ 271,880

Lakeside

Lakeside is a 45-bed YRCII for male offenders operated by Sequel of Kansas, a for-profit organization which also operates Riverside, which consists of a 14-bed female YRCII, a psychiatric residential treatment facility, an YRCII for children in need of care. Lakeside's ADP was 44.7 in FY 2013 and the FY 2014 ADP was 44.5. Staffing consisted of 40.0 FTE in FY 2013 and 38.9 FTE in FY 2014. Direct care staff accounted for 32.8 FTE in FY 2013 and 38.7 FTE in FY 2014. Lakeside and Riverside share an executive director, who functions as the facility administrator. Other administrative staff include an administrative assistant, office manager, and in FY 2014, a 0.1 FTE admissions and training coordinator. Lakeside also employs a full-time registered nurse and 2.6 FTE case managers, who perform case coordinator duties. In FY 2014 Lakeside added a 0.9 FTE therapist. Sequel charged \$278,840 in corporate overhead and indirect costs in FY 2013 and \$228,141 in FY 2014. This is in addition to corporate accounting expenses recoded as salary expense. Corporate accounting expenditures were \$39,062 in FY 2013 and \$40,209 in FY 2014.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for 45% of the total cost in FY 2013 and 43.5% in FY 2014. Administration accounted for 22% of FY 2013 expenditures and 19.6% of FY 2014 expenditures.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 29.26	22.0%	\$ 26.87	19.6%
Physical Plant	\$ 23.40	17.6%	\$ 24.59	17.9%
Direct Care	\$ 59.70	44.8%	\$ 59.68	43.5%
Food Service	\$ 5.07	3.8%	\$ 6.02	4.4%
Medical & Dental	\$ 4.28	3.2%	\$ 5.24	3.8%
Education	-	0.0%	-	0.0%
Social Services & Counseling	\$ 4.85	3.6%	\$ 8.29	6.0%
Transportation	\$ 1.01	0.8%	\$ 0.58	0.4%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	\$ 0.37	0.3%	\$ 0.34	0.2%
PREA	-	0.0%	-	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	\$ 5.18	3.9%	\$ 5.49	4.0%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 133.12	100.0%	\$ 137.10	100.0%

Direct care expenditures are primarily for direct care staff salaries, which accounts for approximately 98% of the reported expenditures. Other operating expenditures include clothing, furniture and supplies, travel, and recreational opportunities. In addition to staff salaries and fringes, corporate overhead, and indirect costs, expenditures in the Administration cost center include liability and casualty insurance, communications, offices supplies, travel and training. Building rent accounts for most physical plant expenditures at \$264,000 in FY 2013 and \$263,500 in FY 2014. Other expenditures include property taxes, utilities, property insurance, and maintenance supplies and materials. While youth placed in an YRCII are covered by Medicaid, Lakeside employs a full-time nurse and contracts for physician services. Over 92% of FY 2013 and 93% of FY 2014 expenditures can be attributed to nursing and physician services. Social Services & Counseling expenditures consist of case managers, a therapist in FY 2014, and contracted social workers. Food service expenditures include 0.7 FTE in FY 2013 and 0.5 FTE in FY 2014 and food costs.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on

depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 133.12	\$ 137.10
Less Depreciation & Capital Improvements	\$ 127.94	\$ 131.61

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. As a for-profit residential child care institution, Lakeside is not eligible to participate in the federal School Lunch/School Breakfast program. Federal funds received are Title I education funds. The following table summarizes revenue attributed to the YRC operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 2,054,682	\$ 2,047,500
Federal Funds	\$ 26,039	\$ 28,429
Sale of Assets	-	\$ 4,864
Other	\$ 51,942	\$ 102,742
Total	\$ 2,132,663	\$ 2,183,535

New Beginnings

New Beginnings is a non-profit organization which operates a 14-bed male YRCII in Topeka with an ADP was 12.2 in FY 2013 and 11.0 in FY 2014. Staffing consisted of 17.5 FTE in both fiscal years, with 13.0 FTE dedicated to direct care. Administrative staff includes the owner/program director, who also functions as the case coordinator, a director of operations, and a full-time and part-time administrative assistant. New Beginnings also employs a full-time maintenance position. As an independent non-profit organization, no indirect costs or corporate overhead expenses are incurred.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for 33.6% of the total cost in FY 2013 and 41.0% in FY 2014. Administration accounted for 41.7% of FY 2013 expenditures and 30.6% of FY 2014 expenditures.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 63.15	41.7%	\$ 38.25	30.6%
Physical Plant	\$ 17.24	11.4%	\$ 19.02	15.2%
Direct Care	\$ 50.86	33.6%	\$ 51.25	41.0%
Food Service	\$ 9.35	6.2%	\$ 8.63	6.9%
Medical & Dental	\$ 0.50	0.3%	\$ 0.72	0.6%
Education	\$ 0.48	0.3%	\$ 0.43	0.3%
Social Services & Counseling	\$ 0.44	0.3%	-	0.0%
Transportation	\$ 8.73	5.8%	\$ 5.93	4.7%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	\$ 0.21	0.1%	-	0.0%
PREA	-	0.0%	-	0.0%
Add-On	\$ 0.04	0.0%	\$ 0.11	0.1%
Depreciation	\$ 0.52	0.3%	\$ 0.80	0.6%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 151.52	100.0%	\$ 125.14	100.0%

Direct care expenditures are primarily for direct care staff salaries, which accounts for 76% of FY 2013 expenditures and 71% of the FY 2014 expenditures. Other operating expenditures include clothing, allowances, youth supplies and furniture, travel, gifts, other supplies, and recreational opportunities. In addition to staff salaries and fringes, expenditures in the Administration cost center include liability and casualty insurance, accounting services, communications, offices supplies, travel, and training. FY 2013 expenses were significantly higher due to back wages paid to the owner. Building rent and utilities account for most physical plant expenditures. Food services expenditures represent the cost of food only; direct care staff are responsible for the preparation of meals. A new laundry and dryer was purchased in FY 2013 and recorded in Laundry & Housekeeping; all laundry supplies are reported in the Direct Care cost center. Add-on expenditures are fees to participate in the Topeka Youth Project and other community programs.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation. Hope House reported no capital improvements or depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 151.52	\$ 125.14
Less Depreciation & Capital Improvements	\$ 151.00	\$ 124.34

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. New Beginnings does not participate in the School Lunch/School Breakfast program. The following table summarizes revenue attributed to the YRC operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 641,494	\$ 519,886
Loans	-	\$ 10,000
Sale of Assets	-	\$ 4,950
Total	\$ 641,494	\$ 534,836

New Directions

New Directions is a 40-bed, for-profit YRCII for male offenders in Junction City with an ADP of 35.2 in FY 2013 and 34.8 in FY 2014. Staffing consisted of 46.0 FTE in FY 2013 and 48.0 FTE in FY 2014. Direct care staff account for 34.0 FTE. Administrative staff includes the program administrator, a human resources position, and three case coordinators. In FY 2014 a program support worker was added. New Directions also employs a full-time maintenance position, a full-time driver, a full-time appointments coordinator and four education instructors. As an independent for-profit organization, no indirect costs or corporate overhead expenses are incurred.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for 27.6% of the total cost in FY 2013 and 32.4% of the total cost in FY 2014. Administration accounted for 35.8% of FY 2013 expenditures and 35.1% of FY 2014 expenditures. New Directions employs three case coordinators, which are recorded in Administration. Many YRCIIs with dedicated case coordinators reported this expense in Social Services & Counseling.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 30.80	35.8%	\$ 36.24	35.1%
Physical Plant	\$ 7.09	8.2%	\$ 5.68	5.5%
Direct Care	\$ 23.73	27.6%	\$ 33.50	32.4%
Food Service	\$ 9.77	11.3%	\$ 10.16	9.8%
Medical & Dental	\$ 1.74	2.0%	\$ 2.27	2.2%
Education	\$ 5.15	6.0%	\$ 8.16	7.9%
Social Services & Counseling	-	0.0%	-	0.0%
Transportation	\$ 3.93	4.6%	\$ 3.92	3.8%
Youth Work Programs	\$ 0.04	0.0%	\$ 0.04	0.0%
Laundry & Housekeeping	\$ 1.52	1.8%	\$ 1.59	1.5%
PREA	-	0.0%	\$ 0.09	0.1%
Add-On	\$ 2.32	2.7%	\$ 0.58	0.6%
Depreciation	-	0.0%	-	0.0%
Capital Improvements	-	0.0%	\$ 1.14	1.1%
Total Cost / Youth	\$ 86.09	100.0%	\$ 103.37	100.0%

Direct care expenditures are primarily for direct care staff salaries, which accounts for 95% of FY 2013 expenditures and 97% of the FY 2014 expenditures. Other operating expenditures include clothing, recreational opportunities, and drug screens. Housekeeping supplies are tracked separately by New Directions and were reported in Laundry & Housekeeping rather than Direct Care. In addition to staff salaries and fringes, expenditures in the Administration cost center include liability and casualty insurance, accounting and legal services, communications, offices supplies, travel and training. Expenses for vehicles used by administrative staff are tracked separate from youth transport vehicle expenses are reported in Administration. New Directions also expended \$37,891 in loan repayments in FY 2013.

Food services expenditures represent the cost of food only; direct care personnel are responsible for the preparation of meals. Education expenditures are for instructors paid for with a Title I grant, youth education supplies, school fees and GED testing fees. Add-on expenditures are salaries and benefits for a life skills/parenting instructor and donations to community organizations. PREA expenditures in FY 2014 were for two replacement security cameras.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on

depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 86.09	\$ 103.37
Less Depreciation & Capital Improvements	\$ 86.09	\$ 102.23

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. As a for-profit residential child care institution, New Directions is not eligible to participate in the federal School Lunch/School Breakfast program. The following table summarizes revenue attributed to the YRC operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 1,620,486	\$ 1,601,670
Federal Funds	\$ 96,707	\$ 120,288
Loans	\$ 75,000	-
Revolving Line of Credit	\$ 50,000	\$ 50,000
Total	\$ 1,842,193	\$ 1,771,958

O'Connell Youth Ranch

O'Connell Youth Ranch is a 16-bed, non-profit YRCII for male offenders with an ADP of 11.7 in FY 2013 and 11.8 in FY 2014. Staffing consisted of 12.0 FTE in both fiscal years; direct care staff account for 9.0 FTE. O'Connell Youth Ranch also employs part-time staff which could not be quantified as FTE by the provider. Administrative staff includes a director, an administrative assistant, and a case coordinator. As an independent profit organization, no indirect costs or corporate overhead expenses are incurred.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for 43.5% of the total cost in FY 2013 and 45.2% of the total cost in FY 2014. Administration accounted for 32.6% of FY 2013 expenditures and 31.6% of FY 2014 expenditures.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 48.60	32.6%	\$ 52.77	31.6%
Physical Plant	\$ 14.70	9.9%	\$ 16.84	10.1%
Direct Care	\$ 64.81	43.5%	\$ 75.44	45.2%
Food Service	\$ 9.78	6.6%	\$ 10.08	6.0%
Medical & Dental	\$ 0.12	0.1%	\$ 0.15	0.1%
Education	-	0.0%	-	0.0%
Social Services & Counseling	-	0.0%	-	0.0%
Transportation	\$ 3.42	2.3%	\$ 4.74	2.8%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	-	0.0%	-	0.0%
PREA	-	0.0%	-	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	\$ 7.63	5.1%	\$ 6.85	4.1%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 149.06	100.0%	\$ 166.87	100.0%

Direct care expenditures are primarily for direct care staff salaries, which accounts for 92% of FY 2013 expenditures and 94% of the FY 2014 expenditures. Other operating expenditures include clothing, allowances, recreational opportunities, youth furniture and supplies and travel. In addition to staff salaries and fringes, expenditures in the Administration cost center include liability and casualty insurance, accounting services, a consultant to provide training and assistance to staff, communications, offices supplies and travel. Physical plant expenditures include grounds maintenance, repairs, utilities, property taxes and insurance.

Food services expenditures are for represent the cost of food and meals out. Direct care personnel are responsible for preparing and serving meals. Eating out is encouraged so youth can learn and practice social skills and may also occur when away from the facility for appointments. Raw food expenditures were \$31,648 in FY 2013 and \$35,298 in FY 2014; meals out totaled \$10,030 and \$7,920, respectively.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 149.06	\$ 166.87
Less Depreciation & Capital Improvements	\$ 141.43	\$ 160.02

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. O’Connell Youth Ranch does not participate in the federal School Lunch/School Breakfast program. The following table summarizes revenue attributed to the YRCII operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 539,502	\$ 526,914
Charitable Donations	\$ 6,870	\$ 10,756
Interest Income	\$ 1,672	\$ 778
Other	\$ 5,187	\$ 4,931
Total	\$ 553,231	\$ 543,379

Pratt County Achievement Place

Pratt County Achievement Place is an 11-bed, non-profit YRCII for male offenders with an ADP of 10.6 in FY 2013 and 10.7 in FY 2014. Staffing consisted of 9.0 FTE in both fiscal years; direct care staff account for 8.0 FTE. The remaining 1.0 FTE is the facility administrator, which also performs the duties of the case coordinator. As an independent profit organization, no indirect costs or corporate overhead expenses are incurred.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for 60.7% of the total cost in FY 2013 and 58.9% of the total cost in FY 2014. Administration accounted for 17.8% of FY 2013 expenditures and 18.3% of FY 2014 expenditures.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 21.67	17.8%	\$ 23.69	18.3%
Physical Plant	\$ 8.42	6.9%	\$ 8.65	6.7%
Direct Care	\$ 74.00	60.7%	\$ 76.34	58.9%
Food Service	\$ 6.89	5.7%	\$ 8.24	6.4%
Medical & Dental	\$ 1.09	0.9%	\$ 1.33	1.0%
Education	\$ 0.60	0.5%	\$ 0.73	0.6%
Social Services & Counseling	-	0.0%	-	0.0%
Transportation	\$ 2.52	2.1%	\$ 5.41	4.2%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	\$ 1.42	1.2%	\$ 1.59	1.2%
PREA	-	0.0%	-	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	\$ 5.28	4.3%	\$ 3.54	2.7%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 121.89	100.0%	\$ 129.52	100.0%

Direct care expenditures are primarily for staff salaries, which accounts for 91% of FY 2013 expenditures and 92% of the FY 2014 expenditures. Other operating expenditures include clothing, allowances, recreational opportunities, youth furniture and supplies and training. In addition to staff salaries and fringes, expenditures in the Administration cost center include liability and casualty insurance, accounting services, communications, offices supplies and travel. Physical plant expenditures include building rent, utilities, building and equipment repairs, and supplies and materials.

Food services expenditures are for represent the cost of food, supplies, and in FY 2014, a stove. Direct care personnel are responsible for preparing and serving meals. Expenditures in the Medical & Dental Services cost center are primarily for drug testing. Education expenses include school fees, supplies and fees to participate in athletics. Transportation expenses went up in FY 2014 due to the acquisition of a new vehicle.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 121.89	\$ 129.52
Less Depreciation & Capital Improvements	\$ 116.61	\$ 125.98

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. Pratt County Achievement Place does not participate in the federal School Lunch/School Breakfast program. Other income in FY 2014 is derived from the insurance proceeds received for a wrecked vehicle. The following table summarizes revenue attributed to the YRCII operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 487,872	\$ 491,274
Charitable Donations	\$ 3,084	\$ 846
Interest Income	\$ 204	\$ 232
Other	\$ 789	\$ 16,361
Total	\$ 491,949	\$ 508,713

Riverside

Riverside is a 14-bed YRCII for female offenders operated by Sequel of Kansas, a for-profit organization which also operates Lakeside, a 45-bed male YRCII. Riverside also operates a psychiatric residential treatment facility and an YRCII for children in need of care. Riverside’s ADP was 13.8 in FY 2013 and 13.4 in FY 2014. Staffing consisted of 8.0 FTE, with 6.0 FTE dedicated to direct care. Lakeside and Riverside share an executive director, who functions as the facility administrator. Riverside also employs a full-time case manager, who performs case coordinator duties, a 0.5 FTE cook, and a 0.5 FTE maintenance employee. Sequel charged \$25,159 in corporate overhead in FY 2013 and \$20,180 in FY 2014. This is in addition to corporate accounting expenses recoded as salary expense. Corporate accounting expenditures were \$23,388 in FY 2013 and \$16,716 in FY 2014.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for 47.5% of the total cost in FY 2013 and 51.8% in FY 2014. Administration accounted for 11.4% of FY 2013 expenditures and 8.1% of FY 2014 expenditures.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 15.28	11.4%	\$ 11.24	8.1%
Physical Plant	\$ 26.02	19.4%	\$ 29.46	21.1%
Direct Care	\$ 63.53	47.5%	\$ 72.37	51.8%
Food Service	\$ 11.85	8.9%	\$ 10.18	7.3%
Medical & Dental	\$ 3.81	2.8%	\$ 3.54	2.5%
Education	-	0.0%	-	0.0%
Social Services & Counseling	\$ 6.46	4.8%	\$ 6.96	5.0%
Transportation	\$ 4.87	3.6%	\$ 3.73	2.7%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	\$ 1.96	1.5%	\$ 2.14	1.5%
PREA	-	0.0%	-	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	-	0.0%	-	0.0%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 133.78	100.0%	\$ 139.62	100.0%

Direct care expenditures are primarily for staff salaries, which accounts for approximately 92% of the reported expenditures in FY 2013 and 87.8% of FY 2014 expenditures. In addition to staff salaries and fringes, corporate overhead, and accounting expenses, expenditures in the Administration cost center include liability and casualty insurance, a contract with Kansas University for ARNPs, and communications. Physical plant account for approximately 20% of total expenditures and includes building rent, utilities, property taxes, and supplies and materials in addition to one 0.5 FTE maintenance staff. While youth placed in an YRCII are covered by Medicaid, Riverside contracts for physician services and nursing staff. Contract ARNPs are reported in the Administration cost center while physician expenses are reported in Medical & Dental Services. Social Services & Counseling expenditures consists one case manager and contracted social workers. Food service includes salaries and benefits for a 0.5 FTE cook and food.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 133.78	\$ 139.62
Less Depreciation & Capital Improvements	\$ 133.78	\$ 139.62

Revenues

Per diem payments from the KDOC accounts for all revenue received during the reporting periods. As a for-profit residential child care institution, Riverside is not eligible to participate in the federal School Lunch/School Breakfast program.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 635,408	\$ 616,014
Total	\$ 635,408	\$ 616,014

Salvation Army

The Salvation Army operates a 30-bed male YRCII in Wichita. In FY 2013 the facility ADP was 26.8; in FY 2014 the ADP was 25.8. Staffing consisted of 27.3 FTE in both fiscal years; direct care staff account for 21.4 FTE. Three case coordinators are included in the direct care staffing and are used to meet KDHE staffing ratios. A total of 4.7 FTE are reported in the Administration cost center, including a 0.5 FTE director of youth residential services, 1.0 FTE program director, 0.8 FTE compliance manager, a 0.5 FTE trainer, a 0.5 FTE accountant, and a 1.0 FTE receptionist. Those positions which are less than 1.0 FTE also perform duties related to the foster care operation. A 1.0 FTE residential program coordinator is allocated 50% to Administration and 50% to Educational Services. Indirect costs of \$287,856 in FY 2013 and \$320,830 are charged to the YRCII operation.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for 51.3% of the total cost in FY 2013 and 49.9% of the total cost in FY 2014. Administration accounted for 35.5% of FY 2013 expenditures and 38.0% of FY 2014 expenditures.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 57.29	35.5%	\$ 64.62	38.0%
Physical Plant	\$ 7.35	4.6%	\$ 7.34	4.3%
Direct Care	\$ 82.75	51.3%	\$ 84.84	49.9%
Food Service	\$ 6.42	4.0%	\$ 4.98	2.9%
Medical & Dental	\$ 0.53	0.3%	\$ 0.14	0.1%
Education	\$ 2.79	1.7%	\$ 2.94	1.7%
Social Services & Counseling	-	0.0%	-	0.0%
Transportation	\$ 1.87	1.2%	\$ 2.54	1.5%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	\$ 2.16	1.3%	\$ 2.24	1.3%
PREA	-	0.0%	\$ 0.01	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	-	0.0%	\$ 0.36	0.2%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 161.16	100.0%	\$ 170.01	100.0%

Direct care expenditures are primarily for staff salaries, which accounts for 99% of FY 2013 expenditures and 98% of the FY 2014 expenditures. Other operating expenditures include clothing, recreational opportunities, youth furniture and supplies, and training. In addition to staff salaries and fringes and indirect costs, expenditures in the Administration cost center include information technology consultants, communications, offices supplies, background checks and travel. Physical plant expenditures include a 0.3 FTE maintenance technician, utilities, insurance, contracted maintenance, building and equipment repairs, building security, and supplies and materials.

Food services expenditures are for represent the cost of food and supplies only. Direct care personnel are responsible for preparing and serving meals. Expenditures in the Medical & Dental Services cost center are for over the counter drugs. Unlike most YRCIIs, housekeeping is tracked separately from direct care. Expenditures in Laundry & Housekeeping are for a 0.5 FTE housekeeper.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 161.16	\$ 170.01
Less Depreciation & Capital Improvements	\$ 161.16	\$ 169.65

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. Salvation Army does not participate in the federal School Lunch/School Breakfast program. The following table summarizes revenue attributed to the YRCII operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 1,230,435	\$ 1,182,509
Charitable Donations	\$ 5,475	\$ 4,405
Sale of Assets	\$ 5,669	-
Other	\$ 130,115	\$ 134,331
Total	\$ 1,371,694	\$ 1,321,245

Sedgwick County Youth Program

The Sedgwick County Youth Program (SCYP) is a 20-bed male YRCH in Wichita operated by Sedgwick County. SCYP is co-located with the Sedgwick County Adult Residential Center (ARES). Operational costs were split 18% SCYP and 82% ARES in FY 2013 and 25% SCYP/75% ARES in FY 2014. Cost allocation was based on capacity. In FY 2013 the facility ADP was 9.2 and in FY 2014 the ADP was 12.7. Staffing consisted of 9.0 FTE in FY 2013 and 9.25 FTE in FY 2014; direct care staff account for 8.5 FTE. Direct care personnel consist of 6.0 FTE corrections workers, 1.3 FTE intensive supervision officers, a 0.3 FTE corrections coordinator, and a 1.0 FTE senior corrections worker. The intensive supervision officers and corrections coordinator perform the case coordinator functions. All positions listed under Direct Care are counted towards the KDHE staffing ratios. A total of 0.75 FTE are reported in the Administration cost center, including a 0.25 FTE manager, a 0.25 FTE administrative specialist, and a 0.25 FTE office specialist (FY 2014 only).

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for 86.5% of the total cost in FY 2013 and 84.7% of the total cost in FY 2014. Administration accounted for 8.5% of FY 2013 expenditures and 9.7% of FY 2014 expenditures.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 11.91	8.5%	\$ 10.30	9.7%
Physical Plant	\$ 3.02	2.1%	\$ 1.36	1.3%
Direct Care	\$ 121.72	86.5%	\$ 89.70	84.7%
Food Service	\$ 2.96	2.1%	\$ 3.41	3.2%
Medical & Dental	\$ 0.23	0.2%	\$ 0.30	0.3%
Education	\$ 0.01	0.0%	\$ 0.02	0.0%
Social Services & Counseling	-	0.0%	-	0.0%
Transportation	\$ 0.34	0.2%	\$ 0.45	0.4%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	\$ 0.60	0.4%	\$ 0.33	0.3%
PREA	-	0.0%	-	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	-	0.0%	-	0.0%
Capital Improvements	-	0.0%	-	0.0%
Total Cost / Youth	\$ 140.79	100.0%	\$ 105.87	100.0%

Direct care expenditures are primarily for staff salaries, which accounts for 99% of FY 2013 expenditures and 98% of the FY 2014 expenditures. Other operating expenditures include clothing, recreational opportunities, youth furniture and supplies, linens, youth incentives, drug testing and staff uniforms. Staff salaries and fringes account for the bulk of expenditures in the Administration cost center, with a minimal amount for office supplies, software, background checks and communications. Physical plant expenditures include utilities in FY 2013 and the cost for county facilities maintenance department to provide grounds maintenance in FY 2014.

Food services are provided by a contract vendor. A small amount of food and supplies were purchased outside the contract for incentives and special events. Expenditures in Laundry & Housekeeping are for supplies and equipment. Youth residents are responsible for laundry and housekeeping duties.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 140.79	\$ 105.87
Less Depreciation & Capital Improvements	\$ 140.79	\$ 105.87

Revenues

Per diem payments from the KDOC accounts for all revenue received during the reporting periods. SCYP does not participate in the federal School Lunch/School Breakfast program. The following table summarizes revenue attributed to the YRCII operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 429,030	\$ 562,716
Total	\$ 429,030	\$ 562,716

The Villages, Inc.

The Villages is a non-profit, 70-bed YRCII in Topeka for male and female offenders. In FY 2013 the facility ADP was 52.1 and in FY 2014 the ADP was 43.8. Staffing consisted of 50.0 FTE in FY 2013 and 48.5 FTE in FY 2014; direct care staff account for 36.5 FTE. Four social workers are responsible for case coordination; these positions are reported in Social Services & Counseling. A total of 8.0 FTE are reported in the Administration cost center, including a 1.0 executive director, 1.0 FTE operations director, 0.5 FTE human resources director, 3.0 FTE house managers, and a 1.0 FTE administrative assistant. In FY 2013 the Villages also employed a 0.5 FTE bookkeeper and a 1.0 FTE communications director. As an independent non-profit organization, the Villages incurs no corporate overhead or indirect costs.

Daily Cost/Youth

The following table shows expenses as reported by the provider for each cost center on a daily cost per youth basis. Direct Care accounted for 41.4% of the total cost in FY 2013 and 39.3% of the total cost in FY 2014. Administration accounted for 27.7% of FY 2013 expenditures and 21.5% of FY 2014 expenditures.

Daily Cost / Youth by Cost Center				
	FY 2013		FY 2014	
	Cost / Youth	% of Total	Cost / Youth	% of Total
Administration	\$ 37.23	27.7%	\$ 32.57	21.5%
Physical Plant	\$ 13.44	10.0%	\$ 15.97	10.5%
Direct Care	\$ 55.79	41.4%	\$ 59.65	39.3%
Food Service	\$ 4.78	3.6%	\$ 5.33	3.5%
Medical & Dental	\$ 0.08	0.1%	\$ 0.07	0.0%
Education	\$ 1.00	0.7%	\$ 1.34	0.9%
Social Services & Counseling	\$ 11.06	8.2%	\$ 12.86	8.5%
Transportation	\$ 3.63	2.7%	\$ 4.76	3.1%
Youth Work Programs	-	0.0%	-	0.0%
Laundry & Housekeeping	-	0.0%	-	0.0%
PREA	-	0.0%	-	0.0%
Add-On	-	0.0%	-	0.0%
Depreciation	\$ 7.63	5.7%	\$ 8.29	5.5%
Capital Improvements	-	0.0%	\$ 10.92	7.2%
Total Cost / Youth	\$ 134.64	100.0%	\$ 151.76	100.0%

Direct care expenditures are primarily for staff salaries, which accounts for 92% of FY 2013 expenditures and 91% of the FY 2014 expenditures. Other operating expenditures include clothing, allowances, recreational opportunities, youth furniture and supplies, training, supplies and restaurants. In addition to staff salaries and fringes, expenditures in the Administration cost center include legal fees, accounting services, liability and casualty insurance, office equipment, administrative staff vehicle expenses, background checks and training. Communication expenditures are included in utilities and postage and could not be broken out separately by the provider. Physical plant expenses are largely in utilities, insurance, equipment, maintenance supplies and materials and a full-time maintenance manager.

Food service expenses are solely for food. In FY 2013 food expenditures totaled \$90,753; in FY 2014 the amount expended was \$85,151. This does include expenditures on restaurants if meals at the facility are missed (\$10,255 in FY 2013 and \$12,079 in FY 2014; these expenses are reported in Direct Care). Direct care personnel prepare and serve meals. Social Service & Counseling expenditures are solely for the four social workers. Laundry & Housekeeping expenses are reported in Direct Care as these cannot be broken out separately.

Capital improvement can distort expenditures when a large project is undertaken in a given year. In addition, while depreciation does impact organizations in terms of the decreasing value of an asset, no cash is expended on

depreciation. As such, these expenses were removed to calculate a revised cost per youth. The table below summarizes the unadjusted cost per youth and cost per youth less capital improvements and depreciation.

Total Daily Cost / Youth		
	FY 2013	FY 2014
Unadjusted Cost / Youth	\$ 134.64	\$ 151.76
Less Depreciation & Capital Improvements	\$ 127.01	\$ 132.55

Revenues

Per diem payments from the KDOC accounts for the majority of revenue received during the reporting periods. The Villages participates in the federal School Lunch/School Breakfast program. The following table summarizes revenue attributed to the YRCII operation.

Revenue		
	FY 2013	FY 2014
KDOC Payments	\$ 2,392,362	\$ 2,014,992
Federal Funds	\$ 80,991	\$ 76,340
Charitable Donations	\$ 66,088	\$ 32,203
Trusts	\$ 1,236	\$ 2,805
Sale of Assets	\$ 110,943	-
Other	\$ 150	\$ 134,331
Total	\$ 2,651,770	\$ 2,260,671

ⁱⁱ Risk Assessment in Juvenile Justice: A Guidebook for Implementation, Gina M Vincent, Ph.D., Laura S. Guy Ph.D., Thomas Grisso, Ph.D. , National Youth Screening Project Models for Change, Supported by the John D. and Catherine T. MacArthur Foundation. Chapter 2 pages 29-30. Published November 2012.

ⁱⁱ Law and Justice at The National Research Council, Report Brief, November 2012, Reforming Juvenile Justice: A Developmental Approach. http://sites.nationalacademies.org/DBASSE/CLAJ/Reforming_Juvenile_Justice/index.htm

ⁱⁱⁱ Edward P. Mulvey et al., “Trajectories of Desistance and Continuity in Antisocial Behavior Following Court Adjudication Among Serious Adolescent Offenders”. *Development and Psychopathology* 22, no. 2 (2010): 453-75; Thomas A. Loughran et al., “Estimating a Dose-Response Relationship Between Length of Stay and Future Recidivism in Serious Juvenile Offenders,” *Criminology* 47, no. 3 (2009): 699-739; Uberto Gatti, Richard E. Tremblay, and Frank Vitaro, “Iatrogenic Effect of Juvenile Justice,” *Journal of Child Psychology and Psychiatry* 50, no. 8 (2009): 991-98; Bonta and Andrews, *Risk-Need-Resonsivity Model for Offender Assessment and Rehabilitation*.