

**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF CORRECTIONS  
DIVISION OF FIELD SERVICES**

**PERFORMANCE AUDIT REPORT  
DECEMBER 2003**



*To The Fiscal Committee Of The General Court:*

We have conducted an audit of the Department of Corrections division of field services to address the recommendation made to you by the joint Legislative Performance Audit and Oversight Committee. We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to provide a reasonable basis for our findings and conclusions. Accordingly, we have performed such procedures as we considered necessary in the circumstances.

The purpose of our audit was to determine if the department is effectively supervising probationers and parolees, and managing collections. The audit period includes State fiscal years 1998-2003.

This report is our evaluation of the information noted above and is intended solely for the information of the Department of Corrections and the Fiscal Committee of the General Court. This restriction is not intended to limit the distribution of this report, which upon acceptance by the Fiscal Committee is a matter of public record.

*Office Of Legislative Budget Assistant*  
Office Of Legislative Budget Assistant

December 2003

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**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF CORRECTIONS  
DIVISION OF FIELD SERVICES**

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## **ABBREVIATIONS**

AHC	Administrative Home Confinement
B-CAN	Bureau Of Computer Applications And Networking
Chronos	Chronological Narrative Summaries
CRO	Court Referral Officer
DFS	Division Of Field Services
DITM	Division Of Information Technology Management
DOC	Department Of Corrections
ISP	Intensive Supervision Probation/Parole
IT	Information Technology
LBA	Office Of Legislative Budget Assistant
LPAOC	Legislative Performance Audit And Oversight Committee
PPD	Policy And Procedure Directive
PPO	Probation/Parole Officer
PSI	Pre-Sentence Investigation
RSA	Revised Statutes Annotated
SFY	State Fiscal Year

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**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF CORRECTIONS  
DIVISION OF FIELD SERVICES**

**SUMMARY**

**Purpose And Scope Of Audit**

We performed this audit at the request of the Fiscal Committee of the General Court consistent with the recommendation of the joint Legislative Performance Audit and Oversight Committee. We conducted the audit in accordance with generally accepted government auditing standards. We examined the division of field services' (DFS) case management practices; compliance with relevant State laws, administrative rules, and division policies; and management controls for offender payment collection for State fiscal years 1998 through 2003.

**Background**

The Department of Corrections (DOC) was created when Chapter 461, Laws of 1983, combined the Probation Department, the Parole Department, and the State Prison under one administrative structure. Within the department, the DFS is responsible for supervising offenders placed in the community, collecting and disbursing offender payments, and conducting court- and parole board-ordered investigations. The DFS maintains district offices in all ten New Hampshire counties with two offices located in Hillsborough County. A division director runs the DFS with the aid of two assistant directors, and a chief probation/parole officer supervises each district office.

The DFS classifies offenders according to the risk they pose to society and the needs of the offender. The DFS recently adopted new supervision standards to allow probation/parole officers (PPOs) increased discretion in focusing their attention on offenders most in need of supervision. DFS policy continues to require closer supervision and more contact with high-risk offenders than low-risk offenders.

**Results In Brief**

Starting in December 1999 the DFS offender management system ceased functioning and its replacement could not track offenders or their fines, fees, and victim restitution obligations and payments. Initially, the DFS did a poor job addressing this major deficiency while waiting for a new system that never materialized. The division spent significant time and resources manually tracking offender payments and paying victims. Losing a fully functional system had additional negative consequences for administration, oversight, planning, reporting, and offender supervision. Because a new offender management system has never been completed:

- public safety has been put at greater risk;
- money collected from offenders has not been disbursed timely, if at all; and
- the division has been thrown into disarray as demonstrated in many of the observations presented in this report.

We present 20 observations with recommendations addressing offender supervision, collections, information technology controls, contract management, and program evaluation.

### Improve Offender Supervision

We found PPOs were less likely to meet supervision standards for high-risk offenders than low-risk offenders. In fact, PPOs were more likely to exceed supervision standards for low-risk offenders. In addition, PPOs were not consistently conducting required semi-annual and annual offender case reviews.

### Improve Collection And Disbursement Of Offender Payments

We found significant problems with collecting, tracking, and disbursing offender payments. For almost three years, victim restitution was manually tracked and inconsistently disbursed to victims using a labor-intensive process. Beginning May 2003, monthly payments were being disbursed through the partially completed offender management system. However, we estimate hundreds of victims were not receiving payment because some manually tracked information had not been entered in the system.

### Strengthen Management Of Information Technology

We found the DOC has a number of weaknesses related to general computer system controls. Specifically, the department had inadequate policies and procedures for disaster recovery, software development and change control, and system access controls. Additionally, some DOC policies were not aligned with the current offender management system's functionality.

### Improve Contract Management

We found the DOC mishandled the contract for a new offender management system, especially in response to missed deadlines and paying for incomplete deliverables. In addition, there were no personnel at the DOC with the technical knowledge to properly administer this contract.

### Evaluate DFS Activities

We found many DFS personnel and other stakeholders believe the DFS lacked adequate resources and staff. Chief PPOs reported needing additional PPOs, case technicians, secretaries, and court referral officers. However, the DFS did not measure its effectiveness based on its current resources or estimate what could be done with additional resources.

**STATE OF NEW HAMPSHIRE  
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DIVISION OF FIELD SERVICES**

**RECOMMENDATION SUMMARY**

<b>Observation Number</b>	<b>Page</b>	<b>Legislative Action Required</b>	<b>Recommendation</b>	<b>Agency Response</b>
1	29	NO	Improve supervision of high-risk offenders and implement a system to track compliance with supervision standards.	Concur
2	30	NO	Revise annual review and early termination policies so they are clear and consistent and conduct periodic supervisory review of case files.	Concur
3	32	NO	Review six-month reassessment requirement and conduct periodic supervisory review of case files.	Concur
4	33	NO	Reemphasize the PPOs' role in collections and review collections activities through assessments of PPOs' and chief PPOs' work.	Concur In Part
5	34	NO	Continue communication with superior and district courts in an effort to better provide court-ordered services.	Concur
6	35	NO	Create an administrative supervisor position to supervise district office secretaries, standardize procedures, and provide timely and accurate information to management.	Concur In Part
7	36	NO	Develop a plan to enter the case backlog into the offender management system with input from district office secretaries.	Concur In Part
8	37	NO	Develop a comprehensive plan for updating the offender management system with supervision fee data.	Concur
9	39	NO	Require all district office secretaries adopt the payment-processing practices currently used in Exeter and Manchester.	Concur

<b>Observation Number</b>	<b>Page</b>	<b>Legislative Action Required</b>	<b>Recommendation</b>	<b>Agency Response</b>
10	40	NO	Develop a plan to measure the division's effectiveness in carrying out its mission.	Concur
11	42	NO	Develop standards and compile data to measure, monitor, and report the effectiveness of court referral officer services.	Concur
12	43	NO	Review training needs and revamp the training program to best address the many needs of PPOs.	Concur In Part
13	45	NO	Develop a continuity and contingency plan, train employees in the operations of the plan, and critique the plan's effectiveness.	Concur
14	46	NO	Adopt formal policies and procedures for software development and change control procedures.	Concur
15	47	NO	Follow established procedures for disabling terminated employees from the network and adopt procedures for notifying bureau of computer applications and networking when personnel are terminated.	Concur
16	48	NO	Bureau of computer applications and networking personnel should assess the risks associated with their systems, revise policies and procedures, and implement an appropriate regime of password security.	Concur In Part
17	50	NO	Align policies with the current offender management system taking into account the likelihood of obtaining a new system. Analyze the impact of the new system on the division and update policies accordingly.	Concur
18	51	NO	Review and reassess policies and procedures regarding contract administration and hold vendors and management accountable to the terms of the contract.	Concur

<b>Observation Number</b>	<b>Page</b>	<b>Legislative Action Required</b>	<b>Recommendation</b>	<b>Agency Response</b>
19	53	NO	The director of administration should designate properly qualified personnel to monitor all future division computer-related contracts.	Concur
20	54	NO	Seek the approval of the Department of Administrative Services to create a restricted revenue DFS holding account.	Concur

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**STATE OF NEW HAMPSHIRE  
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**INTRODUCTORY SECTION**

**1.1 Overview**

In November 2001, the Fiscal Committee of the General Court adopted a recommendation by the joint Legislative Performance Audit and Oversight Committee (LPAOC) for a performance audit of the Department of Corrections (DOC) supervision of probationers and parolees, and its management of fines, fees, and restitution. An entrance conference with the DOC had already been held in October 2001 when we informed the department of our charge from the LPAOC. This audit was suspended in December 2001 in lieu of another audit of the DOC. The original audit topic was re-affirmed by the LPAOC in February 2003 and audit work resumed.

**1.2 Scope, Objectives, And Methodology**

*Scope And Objectives*

This report reflects our assessment of the division of field services' (DFS) efforts to effectively supervise offenders and manage collections. Our audit covers State fiscal years (SFY) 1998 through 2003.

We developed three audit objectives to guide our work:

1. Assess DFS case management policies and implementation of those policies.
2. Test DFS compliance with court and parole board orders and other relevant State laws, administrative rules, and division policies.
3. Assess management controls for fine, fee, and restitution collection.

*Methodology*

We obtained pertinent State laws, administrative rules, department policies and procedures, annual reports, management and utilization reports, audits of other states' probation and parole activities, relevant contracts, and news articles. We interviewed DOC officials and staff, members of the New Hampshire Legislature, knowledgeable individuals outside of the department, and surveyed district and superior court judges. We developed a logic model of the DFS to increase our understanding and facilitate our analysis of the division, its mission, and possible outputs and outcomes (Appendix B).

We conducted a file review to check the reliability of manual and electronic collection data and reviewed probation/parole officer (PPO) compliance with supervision standards. First, we compiled district caseload information to create a statewide list of active supervision and collection only cases for May 2003. While district offices shared information with local law enforcement, this was the first comprehensive list created in over three years. This list did not include other case types, such as bail and out-of-state, because of inconsistent reporting by district offices.

Second, from a population of 7,121 cases we randomly sampled 400 to examine collection data and were able to review 385 of them. The sample size provided for a 95 percent confidence level with a precision of plus or minus five percent.

Third, we reviewed case management activities between March and May of 2003 for 220 of the sampled cases to test PPO compliance with division supervision standards and offender participation in ordered treatments. We also obtained estimates from the PPOs for the time spent on each case over our three-month review period.

### **1.3 Division Of Field Services**

#### *Establishment Of The Division*

The DOC was created when Chapter 461, Laws of 1983, combined the Probation Department, the Parole Department, and the State Prison under one administrative structure. The DFS is primarily responsible for supervising offenders placed in the community. In addition, the DFS collects and distributes court-ordered payments and conducts court- and parole board-ordered investigations. As shown in Figure 1, the DFS maintains a district office in all ten New Hampshire counties with two offices located in Hillsborough County. There are additional sub offices located in Franklin, Lebanon, Portsmouth, and Salem.

#### *Community Corrections*

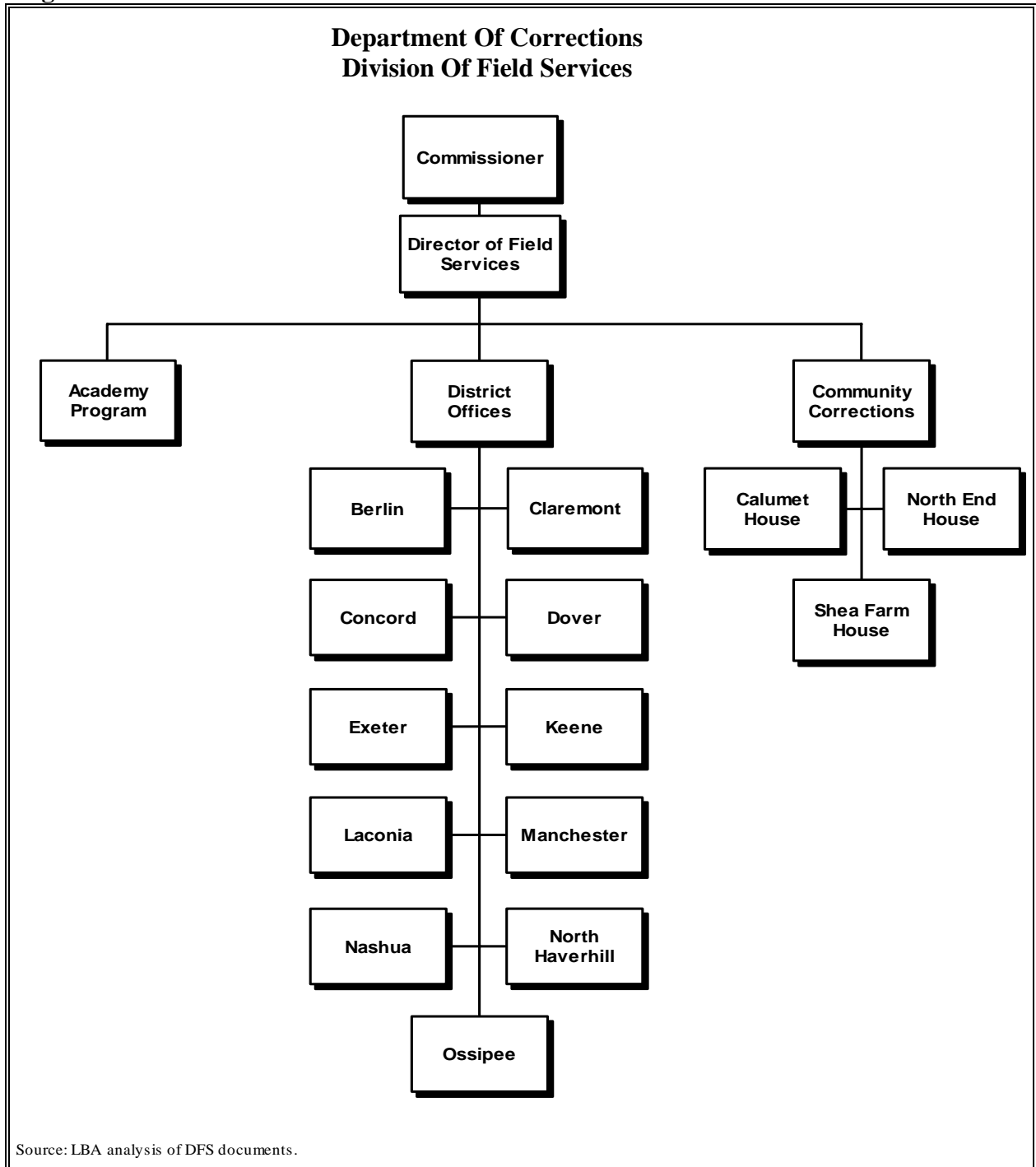
The bureau of community corrections, which merged with the DFS in SFY 2000, operates the three State community correction centers (i.e., halfway houses): Calumet House in Manchester, and North End House and Shea Farm House in Concord. These centers allow certain low-risk inmates to live and work outside of prison under less supervision, but greater supervision than probation or parole. In addition, parole violators may be sent to a community corrections center in lieu of prison. According to the DOC:

The centers function as testing situations to enable individuals to demonstrate that they are capable of leading responsible, law-abiding lifestyles. The halfway house gives the offender an opportunity to transition to the community, to put together a solid parole plan, and an opportunity to be reunited with their families. For offenders and communities, gradual transitions out of prison can improve the likelihood of success.

These facilities accommodate a total of 136 male and 16 female inmates. An average of 450 inmates are transferred from prison to the community correction centers each year. About one-third are returned to prison for violating rules. Inmates at the centers attend required programs and pay nine dollars a day for room and board. In addition, the DFS has started requiring inmates to make restitution and cost containment payments from their incomes.



**Figure 1**



*Academy Program*

The DFS oversees the Academy program run by local contracted agencies in each county. Offenders in the Academy program are required to satisfactorily complete a core curriculum of living skills courses such as stress management and money management. If employed, offenders must maintain employment at their job. If unemployed, offenders must complete a job search

workshop and make a required number of good faith job searches daily. The program's mandatory substance abuse component includes self-help meetings and random drug and alcohol screenings.

### *Purpose*

The DFS has a dual purpose – providing public safety by its supervision of offenders and assisting offenders in their rehabilitation. According to RSA 651-A:1, the Legislature intends “that the state parole system provide a means of supervising and rehabilitating offenders without continued incarceration and a means by which prisoners can be aided in the transition from prison to society.” Additionally, Legislative intent is for DOC policies to “emphasize the need to protect the public from criminal acts by parolees.” Reflecting this dualism, PPOs function as correctional officers and social workers. Since its inception, the DFS has shifted towards enforcement. As part of this shift, PPOs were given the authority and training to carry firearms in the mid-1980s and they eventually became eligible for group II retirement like other State law enforcement personnel.

PPOs have discretion in determining when to bring an offender back before the court or parole board. For example, when found with alcohol, an offender with a history of violence associated with drinking is more likely to be arrested than a nonviolent offender. Such reactions to offenders' technical violations illustrate the balance between rehabilitation and enforcement exercised by PPOs.

## **1.4 Personnel**

Between SFYs 1998 and 2003, the DOC and the division experienced numerous changes in management, including five commissioners and four division directors. Table 1 shows DFS staffing as of October 2003. According to a DOC official, staffing levels have been constant over the audit period, especially for PPOs. Most PPOs interviewed expressed great satisfaction with their jobs.

### *Commissioner*

The commissioner is responsible for managing all operations and administering the laws with which the department is charged. The DOC has had five commissioners during the six-year audit period. The first of these five left in August 1997 and the assistant commissioner was appointed interim commissioner. In January 1998, a new commissioner was hired from outside the State. Following his death in September 1999, the assistant commissioner became acting commissioner. The Governor and Council appointed a new commissioner in May 2000. This commissioner resigned effective October 31, 2003.

### *Division Director*

The division director works out of the central office in Concord and is responsible for the division's management of offenders placed on community supervision. There were four division directors during the audit period. The first director during the audit period was replaced at the

start of SFY 1999. The second director was promoted from assistant director and retired in July 2000. An assistant division director became acting director, until the current director was appointed in December 2000.

**Table 1**

<b>DFS Filled Positions By Location (As Of October 7, 2003)</b>								
<b>Location</b>	<b>Director</b>	<b>Chief PPO</b>	<b>Probation/ Parole Officer</b>	<b>Case Technician<sup>b</sup></b>	<b>Secretary</b>	<b>Court Referral Officer</b>	<b>Other<sup>c</sup></b>	<b>Total</b>
Berlin	–	1	2	–	1	–	–	<b>4</b>
Central Office	3 <sup>a</sup>	–	1	–	1	–	3	<b>8</b>
Claremont	–	1	3	.5	1	–	–	<b>5.5</b>
Concord	–	1	9	2	1	–	–	<b>13</b>
Dover	–	1	7	1	2	–	–	<b>11</b>
Exeter	–	2	8	1	3	1	–	<b>15</b>
Keene	–	1	3	.5	1	1	–	<b>6.5</b>
Laconia	–	1	3	.5	.5	–	–	<b>5</b>
Manchester	–	1	11	1	4	1	1	<b>19</b>
Nashua	–	1	6	1	2	–	–	<b>10</b>
North Haverhill	–	1	4.5	1	2	–	–	<b>8.5</b>
Ossipee	–	1	2	.5	1	–	–	<b>4.5</b>
<b>Totals</b>	<b>3</b>	<b>12</b>	<b>59.5</b>	<b>9</b>	<b>19.5</b>	<b>3</b>	<b>4</b>	<b>110</b>
Notes: <sup>a</sup> DFS has one division director and two assistant directors. <sup>b</sup> Case technicians are shared by Laconia/Ossipee and Keene/Claremont. <sup>c</sup> Deputy compact administrator, a data clerk, a program assistant, and a certified mental health counselor. Source: LBA analysis of DFS information.								

*Assistant Director (PPO IV)*

Assistant directors are responsible for supervising and evaluating probation and parole operations and services throughout the State, including the supervision of district offices, community corrections, and the Academy program. This includes conducting performance evaluations of supervisory staff assigned to each district office, coordinating and implementing policies and procedures, monitoring caseload and workload analysis, and supervising and coordinating divisional staff training and development programs.

*Chief Probation/Parole Officer (PPO III)*

Chief PPOs supervise district office operations and delegate casework and assignments to PPOs. This includes analyzing case management procedures, resolving administrative and personnel

problems, ensuring the execution of court orders and parole board directives, as well as coordinating field service operations with corrections administrators, the courts, the parole board, and other law enforcement agencies. In addition to these responsibilities, over half of the chief PPOs carry supervision caseloads.

#### *Probation/Parole Officer (PPO I/II)*

PPOs are responsible for monitoring behavior and activities to ensure probationers and parolees conduct themselves according to court sentencing and parole board requirements. This includes conducting investigations and making recommendations to the court and parole board, recording data to track offenders' progress towards compliance with court and parole board orders, and arresting probationers and parolees violating the terms of their release.

#### *Case Technician*

Case technicians retrieve, compile, and report relevant financial data. Case technicians are responsible for developing and supervising payment plans for offenders with court- or parole board-ordered payments. They also monitor and update case files and agreements as necessary.

#### *Secretary*

Secretaries perform general administrative duties in support of district office activities including receiving offender payments and maintaining offender payment cards. Secretaries are also primarily responsible for data entry associated with case activity such as opening and closing cases and posting offender payments to the offender management system.

#### *Court Referral Officer*

Court referral officers are responsible for evaluating offenders with substance abuse problems, diagnosing appropriate treatment needs, and referring to appropriate treatment or conducting treatment programs. Court referral officers also maintain case records to monitor treatment compliance and assist training PPOs in identifying substance abuse issues.

### **1.5 Expenditures**

DFS expenditures for its district offices increased 35 percent from SFY 1998 to 2003 (Table 2). This does not include the majority of costs associated with community corrections and the three halfway houses added to the division in SFY 2000.

**Table 2**

<b>DFS District Offices Expenditures By SFY</b>						
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Salaries & Benefits	\$ 4,326,801	\$ 4,762,958	\$ 5,306,367	\$ 5,571,365	\$ 5,582,988	\$ 5,889,659
Current Expenses	163,632	177,683	235,617	227,532	242,484	230,240
Travel	73,101	88,496	100,801	82,146	87,376	84,842
Rents/Leases & Maintenance	174,503	169,783	205,125	205,920	193,505	192,102
Equipment	–	134,096	8,036	–	14,956	9,542
Sheriff Reimbursement	1,500	1,500	1,500	750	1,500	1,500
Transfers to General Services	4,990	5,105	–	–	11,984	14,784
<b>Total</b>	<b>\$ 4,744,527</b>	<b>\$ 5,339,621</b>	<b>\$ 5,857,446</b>	<b>\$ 6,087,713</b>	<b>\$ 6,134,793</b>	<b>\$ 6,422,669</b>
Source: LBA analysis of Statements of Appropriation.						

## 1.6 Management Information Systems

The DFS has been without a fully functional offender management system for approximately four years. Specifically, there are no computer-based or manual systems to accurately and efficiently:

- track supervised offenders,
- track offender payment collections,
- track offender payment distributions, and
- manage PPO caseloads.

Prior to December 1999, the DFS had a computer system to perform these functions. However, Year 2000 compliance issues prompted the DOC to hire a vendor to develop a new system. The DOC sought and received bids for a new DFS offender management system in July 1998, entering into a \$580,000 contract with a company experienced in developing similar systems. The project was slated for completion in September 1999. However, the vendor was purchased by another company, causing delays when contracted personnel working on the DFS system left the new company.

While the September 1999 deadline was missed, the original vendor did provide a partial system, which was implemented immediately without formal testing. The DFS and the new vendor informally agreed to new timelines for deliverables and the new vendor continued to work on a complete system. For the following two years, DFS staff invested approximately 6,000 hours testing partial deliverables provided by the new vendor. Additionally, the DOC paid \$230,640 to the vendors – \$58,000 to the original vendor for a formally accepted deliverable and a \$172,640 good faith payment for partial deliverables to the second vendor. In April 2002, after the vendor continually failed to meet agreed upon deadlines or provide any complete deliverables, the DOC opted to discontinue working with the vendor and the DOC bureau of computer applications and

networking (B-CAN) immediately began developing in-house solutions to supplement the partial system.

The partial system delivered by the original vendor was considerably deficient. DFS personnel relied on manual processes to track restitution, fees, fines, and offenders under supervision. B-CAN personnel developed in-house solutions enabling the system to perform some DFS critical business functions. Specifically, in:

- November 2002, new victims could be added for compensation purposes;
- March 2003, old cases could be marked as closed;
- May 2003, monthly distribution of victim restitution began; and
- August 2003, offender supervision fees could be tracked.

Despite these functional improvements, the system remains considerably unreliable. For example, several years worth of manually tracked information such as victim restitution payments, have not been completely updated in the system.

An incomplete and unreliable computer system impacts the efficiency and effectiveness of work performed by the DFS. DFS district office personnel cannot rely on the system to accurately report restitution, fine, and fee information. Information about current offenders under supervision is also unreliable, as each district office maintains a separate database to track supervised cases, and reports are not distributed to other law enforcement agencies, as they were before December 1999. DFS management reports the information in these individually maintained databases is also not completely accurate. Finally, the DFS continues to operate without an automated case management system, which was to be included with the new system provided by the vendor.

Table 3 summarizes the contract requirements, deliverables provided by the vendor, and in-house adaptations developed by B-CAN staff. Despite in-house adaptations, all contracted system requirements remain incomplete.

**Table 3**

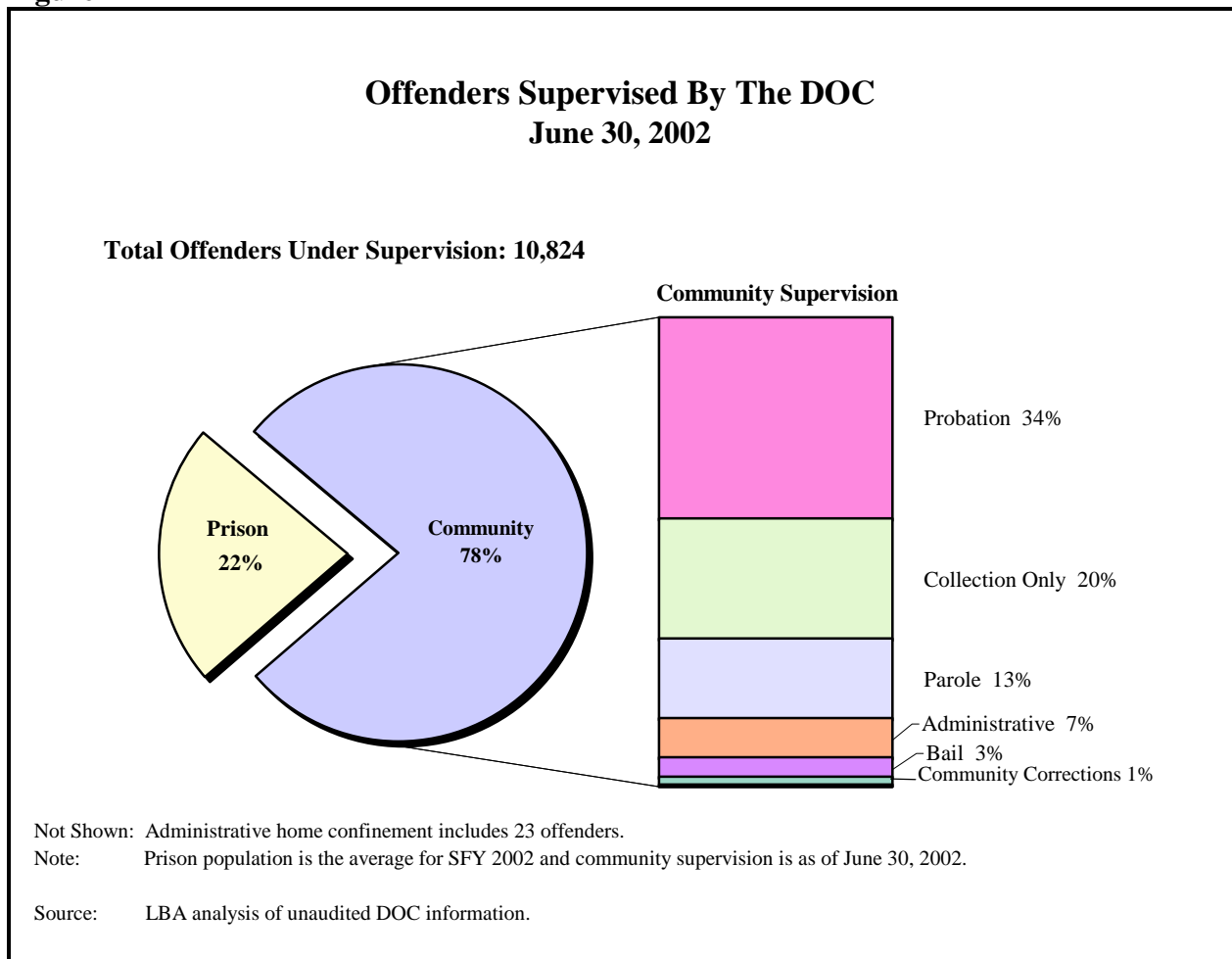
<b>DFS Offender Management System Current Capability Compared To Contract (As Of November 18, 2003)</b>		
<b>Contract Requirement</b>	<b>Received From Contractor</b>	<b>In-House Adaptation Developed</b>
<b>System Security</b>	Partial	✓
<b>System-Wide Features</b>	Partial	
<b>System Table Elements and Code</b>	Partial	✓
<b>Offender Processing</b>	Partial	
<b>Case Management</b>		
General	Partial	
Offender Tracking	Partial	
Out-of-State Compact	No	
Evaluation of Supervision Level	No	
Violation of Supervision	No	
Case Notes	No	
Request for Transfer	No	
Alert Codes	No	
Terms and Conditions of Supervision	No	
Electronic Monitoring	No	
Chronological Supervision Goals and Special Conditions	No	
Recording Offender-Related Contacts and Events	No	
Enforcement	No	
Out-of-State Travel	No	
Contacts	No	
Scheduling Events	No	
Additional Enforcement	No	
Documents	No	
<b>Offenses/Charges</b>		
Convicted Offenses	Partial	
Warrants/Wants	No	
<b>Investigations</b>		
<b>Pre-Sentence Investigations</b>	No	
<b>Offender Financial Data</b>		
<b>Collections</b>	No	
General	Partial	
Court-Ordered Collections and Collection Fees	No	✓
Other Fees	No	✓
Payment Plans and Arrearage Calculation	No	
Receipt Forms Management	Partial	
Receipt of Payment	Partial	
Disbursement of Money	Partial	✓
Collection Maintenance Functions	No	
<b>Reports</b>		
General	No	
Offender Tracking Reports	No	✓
Collection Reports	Partial	✓
Demand Reports	No	
Source: LBA analysis of DFS information.		

## 1.7 Offender Management

The DOC reports 10,824 offenders were under supervision at the end of SFY 2002. Approximately 78 percent of these offenders, 8,394 offenders in all, were under community supervision by the DFS and the remaining 22 percent were incarcerated (Figure 2). The DFS handles several types of adult supervision cases including probation, parole, collections, bail supervision, and interstate compact supervision. The DFS also supervises minimum-security inmates incarcerated in community correction centers, individuals on administrative home confinement (AHC), and offenders taking part in the Academy program.

Probation constituted the largest block of DFS cases with 3,629 probationers under supervision, followed by 2,140 collection only cases, and 1,425 parole cases. Twelve hundred offenders, 14 percent of the total offenders supervised by the DFS, were under supervision for administrative cases, bail supervision, community corrections, and AHC cases combined.

**Figure 2**





### **1.7.1 Supervision Cases**

Based on May 2003 district supervision lists, PPOs were actively supervising an average of 77 offenders. This average includes only probation and parole cases and does not include cases managed by chief PPOs or PPOs primarily responsible for other functions, such as pre-sentence investigations. We note caseloads differ by district office; for example, two Berlin PPOs' caseloads were 57 and 63, whereas five Manchester PPOs supervised caseloads of 100 or more. DFS officials explained that PPOs in urban districts can supervise larger caseloads because they do not have to drive great distances to conduct field visits compared to PPOs in rural areas. The following is a description of the types of cases supervised by the DFS.

#### *Probation*

Probation is a common sanction for offenders involved in lesser crimes. With probation the offender remains in the community while under some degree of supervision by a PPO. The degree of supervision varies greatly and depends upon probationers' needs and the nature of the offense. According to DOC policy, "Probation is a legal status whereby an offender convicted of a Class A misdemeanor or felony is released by the Court into the community, following or in lieu of a period of incarceration."

#### *Parole*

According to the DOC, "Parole is a legal status whereby an offender convicted of a felony and sentenced to the State Prison System by the Superior Court is subsequently released by the Parole Board into the community prior to the termination of the offender's prison sentence." Parolees are supervised in the community by a PPO under the conditions and restrictions placed upon the offender by the parole board. As with probationers, the degree of supervision varies according to the needs of the offender and the nature of the offense.

#### *Bail Supervision*

Cases where individuals charged with a misdemeanor or felony are released by the court on bail under the supervision of the DFS. The PPO or case technician monitors and enforces the bail conditions authorized by the court, and immediately reports any violations of bail conditions to the prosecutor.

#### *Collection Only*

Cases not requiring routine face-to-face supervision between the offender and the assigned PPO or case technician other than for the purpose of collecting fines, fees, and restitution. Fines may be ordered in lieu of, or along with incarceration. Restitution is a sanction used to compensate victims for their losses. These cases fall under the category of administrative cases, but we have shown them separately in Figure 2.

### *Interstate Supervision*

New Hampshire offenders on probation or parole relocating to other states that are part of the Interstate Compact are subject to New Hampshire probation/parole rules and regulations, as well as those of the receiving state. These cases are set up the same as regular probation/parole supervision cases and are maintained for recording progress or incident reports forwarded from the receiving state. Once established, out-of-state parole cases are transferred to the central office for monitoring unless otherwise authorized by the director or his designee. These cases fall under the administrative case category.

Offenders on probation or parole relocating to New Hampshire from other states are subject to New Hampshire probation/parole rules and regulations as well as those imposed by the sending state. The standards and guidelines for supervising these cases are the same as those prescribed for offenders originating within New Hampshire.

### *Community Corrections*

Community corrections offers inmates an opportunity to transition back into the community while participating in work release, money management, counseling, goal setting, parole plan preparation, and increased family visits.

### *Academy Program*

The Academy program is an alternative sentencing option for non-violent, prison-bound offenders. The program is a one-year intensive and comprehensive program of punishment and rehabilitation designed to replace incarceration for first time offenders. These offenders are on probation while in the Academy program and for one additional year after. The assigned PPO and the local Academy provider enforce compliance with the requirements of the Academy program.

### *Administrative Home Confinement*

Offenders in AHC are inmates of the State who are transitioning back to the community. The AHC program allows selected low-risk offenders to serve a specific portion of their sentence in their own residences before becoming eligible for parole. These offenders are supervised by a PPO and are monitored electronically to verify compliance when established by the court or parole board as a condition of supervised release. Any offender under AHC who violates the conditions established shall be subject to immediate arrest by a PPO or any authorized law enforcement officer.

## **1.7.2 Investigations**

In addition to its supervision responsibilities, the DFS conducts a number of investigations for New Hampshire courts, the New Hampshire Adult Parole Board, and corrections agencies from other states. PPOs typically conduct the following four types of investigations.

### *Pre-Sentence Investigation*

Pre-sentence investigation (PSI) reports provide information to a superior or district court judge before sentencing, with the majority of PSIs conducted for felony superior court cases. The PPO contacts police, crime victims, the offender, and other community members regarding the offender. The report contains information such as a victim impact statement; a summary of the offender's family history, education, and employment; and prior record with the police and courts. The PPO also offers a sentencing recommendation. Some district offices have a PPO writing PSIs full-time, while other district offices assign PSIs so that all PPOs carry a supervision caseload and write PSIs.

### *Parole Plan*

Before inmates can be released on parole, they must submit a parole plan with information such as proposed residence and place of employment. This plan must be verified by a PPO through inspecting the proposed residence and contacting the employer to ensure they are appropriate. The PPO then submits a report recommending the plan be accepted or rejected by the parole board.

### *Annulment*

Certain individuals may petition the court to annul an arrest record, conviction, or sentencing for non-violent crimes. When this request is made, a case technician or PPO conducts an annulment investigation and reports any defendant arrests or convictions along with any information to aid the judge in determining if annulment will assist the defendant's rehabilitation without compromising public welfare.

### *Out-Of-State*

PPOs conduct investigations regarding offenders from other states who wish to come to New Hampshire to live and work. The division's deputy compact administrator approves all such proposals.

## **1.8 Supervision Levels**

Offender supervision involves risk management. DFS resources are focused on offenders posing the greatest risk, even though there is always a possibility of any probationer or parolee committing a crime. Until February 25, 2003, the DFS utilized a five-tiered classification system for supervising offenders (Table 4). The tiers, from highest to lowest supervision level, were intensive supervision probation/parole (ISP), maximum, close, medium, and minimum. Only a judge or the parole board may assign offenders to ISP, whereas all other supervision levels are based on the offender's risk/needs assessment and PPO discretion. Factors used to determine the offender's risk/needs assessment include, but are not limited to, substance abuse, criminal record, employment, and family history.

The DFS began phasing in a new set of supervision standards in February 2003. These standards eliminate the close supervision level, leaving the DFS with a four-tiered classification system. Furthermore, the standards provide PPOs with greater flexibility by recommending rather than mandating minimum contact requirements. According to DFS officials, the new standards allow PPOs discretion in focusing their attention on offenders most in need of supervision. The contact requirements and necessary risk/needs assessment scores for each supervision level are in Table 4, along with the corresponding requirements under the old supervision standards.

**Table 4**

<b>DFS Supervision Classifications</b>		
<b>Supervision Level</b>	<b>New Standards Minimum Contact Requirements (Effective February 25, 2003)</b>	<b>Old Standards Minimum Contact Requirements</b>
<b>ISP</b>	4 face-to-face contacts will be made per month, 2 of which should be field visits	1 field visit per week; 1 office visit per month; 2 collateral contacts per month; 2 law enforcement contacts per month; 1 employer contact per month
<b>Maximum</b>	2 face-to-face contacts should be made per month, at least 1 of which should be a field visit	4 face-to-face contacts will be made per month; 2 additional collateral contacts will be made per month
<b>Close</b>	N/A	2 face-to-face contacts will be made per month; 1 additional collateral contact will be made per month
<b>Medium</b>	1 face-to-face contact should be made per month	1 face-to-face will be made per month
<b>Minimum</b>	1 contact should be made every six months	No direct supervision except to report changes of status
Source: LBA analysis based on DFS policy and procedure directives.		

*Supervision Standards Compliance*

DOC policy requires PPOs to keep detailed records of all contacts and case activity for each offender in their chronological narrative summaries (chronos). We evaluated 220 cases over the three-month span to determine whether PPOs were complying with DFS’ new supervision standards. In total, we examined 581 case months of offender supervision (Table 5) and assigned every case one of the classifications listed below for each month based on case activity documented in PPOs’ chronos (Table 6).

- Above: Offender was supervised in excess of the minimum standards for the month. For example, if a medium supervision case requiring one monthly face-to-face contact received two contacts, it would be classified as above for the month. PPOs may supervise an offender above standards in response to behavior exhibited by the offender.

- **Met:** Offender was supervised according to the minimum standards for the month. For example, if a medium supervision case requiring one monthly face-to-face contact received exactly one face-to-face contact, it would be classified as met for the month.
- **Supplemented:** Offender received the required number of contacts, however, the contacts were not made according to standards. The supplemented category was developed by us to acknowledge other types of supervision action such as phone calls to the offender, collateral contacts, or additional office visits instead of a required field visit. For example, if a medium supervision case requiring one monthly face-to-face contact received only a telephone call from the PPO, it would be classified as supplemented for the month.
- **Below:** Offender received fewer than the required number of contacts for the month. For example, if a medium supervision case requiring one monthly face-to-face contact received no contact, it would be classified as below for the month.

**Table 5**

<b>DFS Supervision Cases Reviewed By Month (2003)</b>					
<b>Supervision Level</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>Total</b>	<b>Percent</b>
ISP	8	8	7	23	4%
Maximum	23	30	28	81	14
Close	21	11	9	41	7
Medium	126	138	132	396	68
Minimum	12	14	14	40	7
<b>Total</b>	<b>190</b>	<b>201</b>	<b>190</b>	<b>581</b>	<b>100%</b>

Source: LBA analysis of PPO files and chronos.

**Table 6**

<b>DFS Compliance With Supervision Standards During March, April, And May 2003</b>						
<b>Supervision Level</b>	<b>Above</b>	<b>Met</b>	<b>Above/Met</b>	<b>Supplemented</b>	<b>Below</b>	<b>Supplemented/ Below</b>
ISP	17.4%	17.4%	34.8%	17.4%	47.8%	65.2%
Maximum	37.0%	27.2%	64.2%	27.2%	8.6%	35.8%
Close	17.1%	19.5%	36.6%	12.2%	51.2%	63.4%
Medium	39.1%	50.5%	89.6%	3.3%	7.1%	10.4%
Minimum	60.0%	40.0%	100%	0.0%	0.0%	0.0%

Source: LBA analysis of PPO files and chronos.

*PPO Case Supervision Time*

During our case file review, we asked available PPOs to estimate the time they spent monthly on each case. We compiled this data to determine the average time spent on cases in each of the

supervision levels (Table 7). The data presented illustrates only the average estimated time spent by PPOs. It must be noted the actual time spent on supervision cases varies greatly by offender and by month. When an offender violates the conditions of probation or parole, the time spent by the PPO may increase significantly. During our audit, PPOs reported spending as little as no time on a case to as much as 16 hours on a case in one month.

In general, PPOs reported spending more time on high supervision cases than lower supervision cases. However, PPOs reported spending almost the same amount of time on medium supervision cases as they do minimum supervision cases. This coincides with our finding that minimum supervision cases are often supervised above standards.

**Table 7**

<b>PPO Self-Reported Case Time For March, April, And May 2003</b>			
<b>Supervision Level</b>	<b>Case Months</b>	<b>Total Minutes</b>	<b>Monthly Average (in Minutes)</b>
ISP	21	4,035	192
Maximum	79	6,895	87
Close	40	2,320	58
Medium	386	15,021	39
Minimum	41	1,422	35

Note: Estimates were not available for 14 case months.  
Source: LBA analysis of PPO interviews.

## **1.9 Compliance With Treatment Orders**

Many offenders require treatment or counseling while under the supervision of the DFS. Most treatment is court- or parole board-ordered, but PPOs have the discretion to require treatment for offenders under their supervision. Regardless of the origin of the treatment order, PPOs have been successful at ensuring offenders receive required treatment (Table 8). We found eight percent of the offenders receiving substance abuse treatment and five percent receiving domestic violence treatment required additional PPO enforcement efforts to prompt offender participation. We did not evaluate the effectiveness, appropriateness, timeliness, or quality of the treatment received by offenders. However, PPOs reported that affordable, available treatment programs are scarce and offenders often must wait for appropriate treatment to become available.

**Table 8**

<b>Offender Treatment Compliance</b>			
<b>Treatment Type</b>	<b>Total Ordered Treatments</b>	<b>Percent Receiving Treatment</b>	<b>Percent Not Receiving Treatment</b>
Substance Abuse	116	89%	11%
Sex Offender	21	86	14
Mental Health	17	100	0
Domestic Violence	19	79	21
Anger Management	16	94	6

Note: Based on a sample of 220 supervision cases.  
Source: LBA analysis of case files and PPO chronos.

### **1.10 Collection And Disbursement Of Offender Payments**

Managing offender payments has been problematic for the DFS. The DFS collects court-ordered fines, fees, and restitution from offenders in prison and on probation or parole. The DFS also oversees collections from offenders not under its supervision (known as collection only cases). According to the division director, beyond collecting offender payments and manually calculating restitution checks for victims, the division has been unable to determine the amounts due to other payees, including the court, the general fund, and the Police Standards and Training Council.

#### **1.10.1 Fines, Fees, And Restitution**

The court can require offenders to make restitution to victims, pay fines, and pay various fees. The DFS collects offender payments and allocates them to the victims, court, general fund, victims' assistance fund, the Police Standards and Training Council, and the division itself.

##### *Restitution*

Courts can order offenders to repay victims and assign the DFS to collect and distribute this money. State law views restitution as part of offenders' rehabilitation. According to RSA 651:61-a:

repayment, in whole or in part, by the offender to the victim can operate to rehabilitate the offender.... Restitution by the offender can serve to reinforce the offender's sense of responsibility for the offense, to provide the offender the opportunity to pay the offender's debt to society and to the victim in a constructive manner, and to ease the burden of the victim as a result of the criminal act.

Restitution is a statutory priority over all other offender payment allocations. According to RSA 651:63, VI:

Restitution, administrative fines and fees, and other fees collected, except for supervision fees... shall be allocated on a pro-rata basis by the commissioner of corrections or his or her designee when payments are insufficient to cover the full amount due for each of these balances, **except that restitution to victims shall have priority over all other allocations.** (emphasis added)

RSA 651:63, III further supports this priority, “The offender shall **reimburse** the victims' assistance fund for any payments made by the fund to the victim pursuant to RSA 21-M:8-h **after the restitution order is satisfied.** Refused or unclaimed restitution payments shall be made to the victims' assistance fund.”(emphasis added)

### *Fines*

RSA 651:2, IV outlines the amounts a court can impose as fines for different crimes and states, “A fine may be imposed in addition to any sentence of imprisonment, probation, or conditional discharge.” According to the New Hampshire Department of Corrections Judge’s Handbook (1996):

Fines are imposed as punishment most frequently in minor crimes or violations for offenders whose illegal conduct requires punishment, but who are not serious or high risk criminals.... Fines are also imposed to recover illegal gains from offenders when restitution to victims is not possible because individual victims cannot be identified or when restitution is inappropriate because the victim also came into possession of the funds or property illegally.... Fines in New Hampshire are paid to the state and are used to defray court costs and law enforcement training among others. The court may order fines to be paid directly to the court (usually through the court clerk) or through the Department of Corrections. The court should specify who is to collect the money and how it is to be paid, as well as, the exact amount.

### *Fees And Service Charges*

Offenders may have to pay fees, a service charge, and penalty assessments in addition to victim restitution and court fines:

- RSA 651:63, V requires the court to add a 17 percent administrative fee to the offender’s total restitution payment. Statutorily, the administrative fee is paid “in addition to and when each restitution payment is made.” Fifteen percent goes into a special fund for the DFS “to maximize restitution collections.” However, the first \$22,500 of the DFS’ special fund lapses to the State’s general fund every quarter. Two percent of the 17 percent administrative fee goes to the victims’ assistance fund.
- RSA 504-A:13 requires the court or parole board to charge offenders under DFS care a supervision fee not less than \$40 a month. This one fee can be waived or reduced if it is deemed a hardship for the offender. The first five dollars of this fee goes to the Police Standards and Training Council and the remainder goes to the State’s general fund.



Additionally, the statute requires service charges for collecting fines and fees, other than supervision fees, in the amount of ten percent of the funds collected.

- RSA 188-F:31 requires the court to levy a penalty assessment of 20 percent on court fines, with 15 percent going to the Police Standards and Training Council and five percent to the victims' assistance fund.

State law also allows the court and the parole board to assess fees for DFS services. However, according to the division director, these types of fees are currently not assessed because of the division's "inability to work them through the computer system." It is the director's understanding these fees, if collected, would go to the general fund.

Table 9 summarizes the three major offender collection obligation categories, the associated fees and assessments, and disbursement.

**Table 9**

<b>DFS Collections</b>		
<b>Collection Categories</b>	<b>Obligation Breakdown</b>	<b>Disbursement</b>
Restitution	Restitution Amount	Crime Victim
	15% Administration Fee	General Fund & DFS <sup>1</sup>
	2% Administration Fee	Victims' Assistance Fund
Fine	Fine Amount	Court
	15% Penalty Assessment	Police Standards & Training Council
	10% Administration Fee	General Fund
	5% Penalty Assessment	Victims' Assistance Fund
Supervision Fee	First \$5.00	Police Standards & Training Council
	Balance	General Fund

Note: <sup>1</sup>First \$22,500 lapses to the general fund at the end of each quarter.  
Source: LBA analysis of RSAs and DFS information.

### **1.10.2 Disbursement Of Offender Payments**

DOC officials readily admit problems with allocating offender payments since the demise of the old mainframe-based computer system in December 1999. Earlier we discussed the division's failure to completely update the offender management system with manually tracked information. From December 1999 until November 2002, victim restitution payments were tracked and processed manually in each district office. These labor-intensive procedures were characterized by timeliness and accuracy problems. Meanwhile, four administrative personnel also used manual procedures to centrally process victim restitution. As a result, from December 1999 to April 2002, only seven check disbursements to victims were completed, totaling approximately 9,000 checks amounting to \$1.5 million. The SFY 2001 State Management Letter characterized the manual restitution payment process as being behind, quite involved, and appearing to lack formalized internal controls. The DOC responded additional measures would be implemented to strengthen controls; however, the labor-intensive manual system would remain until their vendor delivered a new system.

While the DOC has put a great deal of effort into processing restitution for victims, payments to other recipients also have been problematic. All collections from offenders (restricted and unrestricted revenue) are maintained in a single holding account and the current offender management system does not calculate the disbursement of these funds. The DOC estimated that account's activity for the past six fiscal years (Table 10). According to DOC officials, at one time the DOC had to make conservative estimated payments based on historic payment patterns to most all of the recipients, including the Police Standards and Training Council, the court, and victim assistance.

**Table 10**

<b>DOC Estimated Holding Account Activity SFY 1998 – 2003</b>							
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>Total</u>
<b>Balance July 1</b>	\$ 258,853	\$ 289,053	\$ 138,335	\$ 1,182,253	\$ 1,642,603	\$ 2,617,554	
Collections	<u>2,348,099</u>	<u>2,432,441</u>	<u>2,584,554</u>	<u>2,607,634</u>	<u>2,905,752</u>	<u>2,808,256</u>	\$ 15,686,736
<b>Subtotal</b>	<u>\$ 2,606,952</u>	<u>\$ 2,721,494</u>	<u>\$ 2,722,889</u>	<u>\$ 3,789,887</u>	<u>\$ 4,548,355</u>	<u>\$ 5,425,810</u>	
Victim Restitution	\$ 927,861	\$ 1,024,982	\$ 712,469	\$ 846,539	\$ 1,258,432	\$ 2,038,669	\$ 6,808,952
Supervision Fees (DOC)	811,754	791,377	446,882	739,651	280,719	460,228	3,530,611
Supervision Fees (Police Standards & Training Council)	117,905	124,181	65,694	107,867	57,497	83,603	556,747
Court Fines	215,296	384,639	146,617	193,077	(58,883) <sup>a</sup>	354,685	1,235,431
DFS Administrative Surcharge	101,358	127,946	90,672	126,752	233,313	337,598	1,017,639
Victim Assistance Surcharge	2,852	9,226	7,513	10,045	11,013	39,117	79,766
DFS Collection Fees	30,570	17,845	17,667	24,100	53,689	47,791	191,662
Annulment Fees	35,139	49,600	23,683	50,472	91,857	65,458	316,209
Lawyer Fees	71,593	52,336	27,769	46,426	-	25,990	224,114
Miscellaneous	<u>3,571</u>	<u>1,027</u>	<u>1,670</u>	<u>2,355</u>	<u>3,164</u>	<u>1,925</u>	<u>13,712</u>
<b>Total Expenditures</b>	<u>\$ 2,317,899</u>	<u>\$ 2,583,159</u>	<u>\$ 1,540,636</u>	<u>\$ 2,147,284</u>	<u>\$ 1,930,801</u>	<u>\$ 3,455,064</u>	<u>\$ 13,974,843</u>
<b>Balance June 30</b>	<u>\$ 289,053</u>	<u>\$ 138,335</u>	<u>\$ 1,182,253</u>	<u>\$ 1,642,603</u>	<u>\$ 2,617,554</u>	<u>\$ 1,970,746</u>	

Note: <sup>a</sup> According to a DOC official, the courts did not want estimated payments and returned them to DOC, resulting in a negative expenditure for that year.  
Source: LBA Analysis of unaudited DOC estimated financial data.

Starting in SFY 2000, a portion of holding account balances represent offender payments the offender management system was unable to link with a recipient. However, DOC enhancements to the offender management system have allowed the department to increase disbursements to victims and other recipients, which reduced the carryover balance from SFY 2002 to 2003.

### 1.10.3 Collections File Review

The offender management system (system) maintained the following collection data we used in our review:

- offender restitution and court fine original obligations;
- individual payments made by date; and
- payments distributed to victims or the court.

The system does not capture information regarding why individual payments were made or supervision fee account balances. Therefore, we reviewed offender payment cards and the case files to supplement system information. The offender payment cards are individual manual ledgers maintained in the district offices for each collection obligation. The cards include details about the offenders' original obligations, each payment made, and the balance outstanding. We found the payment cards contain the most complete collection information. We used the case file to verify restitution and court fine original obligations and to determine whether or not the PPO waived supervision fees.

From the May 2003 district office supervision lists, we gathered information on 385 randomly sampled cases. We found 128 cases or 33 percent of our sample contained one or more data collection errors. Our analysis of this information found 125 errors that we grouped into nine error categories and 18 miscellaneous errors. Table 11 summarizes our findings. We reported collection errors to the division as we found them. While division staff agreed to resolve most errors immediately, as of this report they continue to work on 32 errors, which are more complex in nature.

**Table 11**

<b>Collection Errors By Case And Type</b>		
<b>Error Type</b>	<b>Cases With Errors</b>	<b>Total Number Of Errors</b>
Collection case not in system	4	4
System missing victim or court fine account	38	46
System has payment but not payment card	13	17
Payment card calculation error	19	20
Original obligation documentation not in case file	9	9
Victim or court fine system information incorrect	12	13
Payment card missing	9	9
Case file missing	2	2
Case file in more than one office	5	5
Miscellaneous errors	17	18
<b>Total</b>	<b>128</b>	<b>143</b>

Source: LBA collections file review analysis.

Further analysis of the data collected revealed the following descriptive information about our sample:

- Thirty-eight percent of offenders on probation or parole had their supervision fees waived.
- Nine percent of offenders owed court fines, with an original obligation averaging \$1,473 including penalty assessments and fees.
- Fifty-four percent of offenders owed restitution, with an original obligation averaging \$7,502 and a median of \$1,193 including fees. Ninety-two percent of these offenders owed less than \$10,000 and 97 percent owed less than \$20,000.

In our sample of 385 cases, offenders owed a total of approximately \$1.5 million in restitution (half of which was owed by one offender) and \$50,000 in court fines. Additionally, we found these same offenders had paid approximately \$250,000 in restitution, fees, and fines.

**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF CORRECTIONS  
DIVISION OF FIELD SERVICES**

**OBSERVATIONS AND RECOMMENDATIONS**

**2.1 Offender Supervision**

Adequate offender supervision is critical for the division of field services (DFS) to accomplish its goals. Department of Corrections (DOC) policy establishes monthly supervision standards and case management practices designed to provide public safety and rehabilitate offenders. Our audit identified weaknesses in probation/parole officer (PPO) supervision and case management practices that need improvement for the division to operate with increased effectiveness and efficiency.

**Observation No. 1**

***Increase Supervision Of High-Risk Offenders***

PPOs are not meeting supervision standards for high-risk offenders. Offenders released on probation or parole are assigned to a particular supervision level depending upon the risk they pose to society. Each supervision level requires minimum monthly face-to-face contacts or attempted contacts with the offender, with high-risk offenders requiring more contact than low-risk offenders.

DOC policy states PPOs must first address the supervisory needs of high-risk offenders in accordance with the public safety mission of the agency. Many chief PPOs reported high-risk cases are receiving supervision priority. However, we found the opposite situation. PPOs are not making high-risk offenders a priority as believed by chief PPOs and called for by DOC policy.

Our file review of cases supervised between March and May 2003 found PPOs met supervision standards:

- 35 percent of the time for intensive supervision (ISP) cases;
- 64 percent of the time for maximum cases;
- 37 percent of the time for close cases;
- 90 percent of the time for medium cases; and
- 100 percent of the time for minimum cases.

PPOs are notably meeting supervision standards for medium and minimum cases. However, high-risk offenders requiring more supervision are not being supervised according to standards. This failure to meet supervision standards for high-risk offenders could endanger public safety.

Nine PPOs and chief PPOs informed us a weakness of the DFS is its inability to supervise offenders and conduct field visits, a requirement for supervising high-risk offenders. Division management noted this lack of field visits in high-risk cases when it conducted its own audit of case files in late 2001 and early 2002. Additionally, PPOs informed us they lacked the time to provide adequate supervision because of high caseloads. However, PPOs often supervise minimum and medium supervision cases above minimum supervision requirements. Specifically, medium cases were supervised in excess of standards 39 percent of the time and minimum case were supervised in excess of standards 60 percent of the time.

The new supervision standards are intended to increase officer flexibility in supervising offenders and PPOs are required to use their discretion in determining which offenders require the most attention at any given time. Some of the cases supervised in excess of standards merited the extra attention based on the offender's behavior. However, we examined cases in which there appears to be no clear reason for the offender to be supervised in excess of standards. Public safety requires high-risk cases be given priority and PPOs allocate their time to ensure compliance with the minimum supervision requirements of high-risk offenders rather than exceeding supervision standards for low-risk cases.

**Recommendation:**

**We recommend the DFS improve supervision of offenders assigned to ISP and maximum supervision levels. DFS management should implement a system to track compliance with supervision standards such as a regular supervisory review by chief PPOs or division management.**

**Auditee Response:**

*We concur. The Department recognizes the importance of maintaining public safety through appropriate supervision of high-risk offenders. The Chief PPOs are key in monitoring staff compliance with supervision standards. It is important to note that most Chief PPOs carry caseload and/or investigative responsibilities as well as cover staff absences, in addition to their administrative tasks due to current resources. This significantly impacts the time available to them for review of subordinate's work. Additionally, 4 District Chief PPOs supervise 10 people or more which exceeds the American Correctional Associations (ACA) standard for accreditation. The DFS process for collecting basic monthly statistics for reporting to Central Office is a manual process, which further impacts their time.*

*ISP is a court or parole board ordered status, which can only be changed, by official order of those entities. This observation illustrates a weakness in the alignment of our policies and procedures. ISP status requires certain contact standards whether their conduct at the time merits that level of scrutiny or not. PPOs have been encouraged to exercise reasonable discretion in supervising offenders to allow focus on high-risk cases based upon their crime type, history and present conduct in the community. It is clear that appropriate supervision efforts are being made by staff based on the number of violations, arrests and revocations that occur statewide on a monthly basis. Additionally, the number of successful terminations from supervision each month supports this.*

*PPD 5.6 has been updated to mandate supervisory reviews by Chief Probation/Parole Officers and Assistant Directors, to monitor compliance with all supervision standards. Emphasis is placed on the cases with the highest risk.*

**Observation No. 2**

**Clarify And Enforce Annual Reviews**

PPOs are not in compliance with DOC policy regarding annual reviews of supervision cases. Annual reviews are an essential caseload

management tool used to determine which offenders should be considered for early termination. DOC policy is to make maximum use of available resources in supervising offenders and rewarding deserving offenders through early termination. Failure to perform annual reviews of supervision cases may prevent realizing effective caseload management practices.

In 79 percent of the 220 cases reviewed, we found no documentation PPOs conducted annual reviews. This finding is similar to our 1992 LBA Prison Expansion audit that found annual reviews were not conducted 58 percent of the time. PPOs not completing annual reviews may be keeping some offenders on supervision longer than necessary resulting in higher caseloads. In a time of growing caseloads and static resources, it is imperative offenders remain on supervision only as long as necessary to ensure public safety and compliance with probation or parole conditions.

DOC policy language may be a contributing factor to this lack of compliance. DOC policy regarding annual reviews and early terminations contains seemingly conflicting directions in need of clarification. DOC Policy and Procedure Directive (PPD) 5.6, Supervision of Adult Offenders, states all supervision cases shall be reviewed annually by the supervising PPO to determine whether an offender's progress warrants an early termination recommendation. The PPD then proceeds to provide the following criteria for early termination:

- a. All legal sentencing requirements have been met.
- b. The offender has complied with all conditions of release.
- c. No other circumstances exist that would question Early Termination consideration.
- d. The offender's adjustment under supervision has been satisfactory.

However, DOC PPD 5.64, Early Termination from Probation/Parole Supervision, states:

Probation cases in the medium and minimum classification categories should be reviewed for early termination at the halfway point of supervision if:

- a. All sentencing requirements have been met to include a good faith effort toward satisfying all financial obligations. The petition shall indicate that the case be continued for collection purposes only if a balance remains.
- b. The offender has complied with all conditions of release.
- c. No other circumstances exist that would question early termination consideration.
- d. The offender's adjustment under supervision has been satisfactory.

If probationers have reached the halfway point of supervision and have met the above criteria and are not being considered for early termination, a written comment noted in the [chronological narrative

summaries (chronos)] as to the reasons early termination is not recommended.

According to PPOs, many of the cases for which early termination reviews were not conducted involved offenders with parole or probation violations; arrests for new charges; unpaid restitution, fines, or fees; parolees who had not reached the early discharge date; or offenders whose crimes were of a certain nature (e.g., sex offenders). While these are reasonable criteria for not granting an early termination under DOC policy, they are not consistent with instruction provided by PPD 5.6 that all supervision cases be reviewed annually and documented in the chronos.

**Recommendation:**

**We recommend DFS management examine the costs and benefits of its current annual review requirement and revise policies so they are clear and consistent. DFS management should determine whether there are instances in which an annual review is unnecessary and clearly outline these circumstances within policy to prevent PPOs from engaging in needless case management activity. We also recommend chief PPOs conduct periodic supervisory review of case files and chronos.**

*Auditee Response:*

*We concur. We believe that officers complete the annual reviews and ascertain the appropriateness of an early termination based upon offender conduct, violations or new arrests but fail to document that determination. PPD 5.6 and 5.64 have been modified and are now consistent. The policies require officers conduct annual reviews and Chief Probation/Parole Officers and Assistant Directors conduct supervisory reviews to verify compliance and documentation. ACA requires annual reviews for accreditation.*

**Observation No. 3**

***Review And Enforce Reassessment Policy***

PPOs are not in compliance with DOC policy regarding reassessing offenders. DOC policy requires PPOs to reassess each offender they supervise every six months to determine whether the offender's behavior merits a change in supervision level. PPOs use this reassessment to determine when offender behaviors warrant increases or decreases in supervision level.

In 50 percent of the 220 cases reviewed, we found no documentation PPOs conducted the six-month reassessment. This finding is similar to our 1992 LBA Prison Expansion audit that found PPOs failed to complete reassessments 41 percent of the time. PPOs informed us reassessment was often not done for a variety of reasons, including the nature of the offender's crime (e.g., sex offense), violations of probation or parole, or new charges being brought against the offender. However, these reasons do not exclude conducting a reassessment under department policy. When division officials conducted case file reviews in late 2001 and early 2002 they encountered a PPO who was unaware the six-month reassessment was required for all cases. PPOs not conducting the semiannual reassessment may be supervising offenders at an inappropriate



supervision level. Supervising offenders at a higher supervision level than necessary results in inefficient allocation of PPO time and efforts while supervising offenders at too low a supervision level could compromise public safety.

**Recommendation:**

**We recommend DFS management examine the costs and benefits of its current six-month reassessment requirement and confirm PPOs understand expectations regarding this policy. DFS management should determine whether there are instances where reassessment is unnecessary and clearly outline those circumstances in policy to prevent PPOs from engaging in needless case management activity. Furthermore, we recommend the DOC ensure PPO compliance with the policy through periodic supervisory review of case files and chronos by chief PPOs.**

*Auditee Response:*

*We concur. The Department is in the process of implementing the LSI (Level of Service Inventory), a validated assessment/reassessment tool. Twenty-six officers have been trained and are implementing this tool. Ten of those officers will be trained as trainers for the rest of the division within 12 months. Further the PPO Certification Training includes a segment specifically on Assessments and Reassessments. Corrections research shows reassessing cases every 6 months is a worthwhile use of officer time; further it is an ACA requirement for accreditation. PPD 5.6 clearly states all cases will be reassessed every 6 months. Recent modifications to PPD 5.6 will verify not only that assessments are being done but will be documented through supervisory reviews.*

**Observation No. 4**

***Reemphasize PPOs' Role In Collections***

PPOs have a significant responsibility enforcing collection of victim restitution, court fines, and supervision fees. RSA 504-A:12, VI requires

PPOs “To collect or to supervise the collection of any fees, fines, or restitution payments ordered and to administratively process these funds under rules adopted under RSA 541-A by the commissioner.” DOC supervision fee collection policy requires offenders be responsible for making payments, while PPOs are responsible for encouraging, motivating, and monitoring that offenders keep their payments current.

Both the American Probation and Parole Association and RSA 651:61-a emphasize the therapeutic and rehabilitative effects of restitution payments for offenders. They also cite the importance of restitution in helping ease the victims’ burden and reconstruct their lives. The association also states probation and parole agencies stipulating restitution as the first priority in the order of collection are more likely to see favorable results.

Not all PPOs aggressively enforce collections. During our interviews, 13 of 63 chiefs and PPOs expressed concern collections are a low priority and the collections process in general is weak. PPOs do not have direct access to collection data maintained in the offender management system. We found some PPOs did not know which of their offenders had been making payments.

However, we noted a few PPOs made their own lists of offenders not making payments based on a manual review of payment cards.

**Recommendation:**

**We recommend the DFS reemphasize the PPOs' role in collections. Management should review collections activities as part of its assessment of PPOs' and chief PPOs' work.**

*Auditee Response:*

*We concur in part. The Department has always recognized our statutory obligations and the importance of collections. The Division has been working toward obtaining an automated offender management system which will allow staff to have immediate access to information regarding offender payments. However, in the meantime, each Probation/Parole Officer has access to offender payment cards, which are maintained manually for each case that reflects all payments made. The Probation/Parole Officers' obligation towards collections will be re-enforced through supervisory reviews. Chief Probation/Parole Officers and Assistant Directors will be required to complete case reviews, including a focus on collections, in accordance with modifications that have been made to PPD 5.6.*

*It should be noted that while collection is important, public safety is the first priority.*

**Observation No. 5**

***Improve Service To The Courts***

In our 1992 Prison Expansion performance audit, we asked superior and district court judges to rate the quality of services provided to their courts by the DFS and their confidence in various community supervision programs. A majority of the judges rated the services provided by the DFS highly but noted some suggestions for improvement. During this performance audit, we again surveyed judges regarding the quality of services provided by the DFS and their confidence in various community service programs. We found superior and district court judges are still generally satisfied with services they receive from the DFS, but the level of satisfaction has declined since 1992. This decrease in satisfaction of judges is significant considering approximately 75 percent of the offenders supervised by the DFS are probationers sentenced directly by the courts.

Judges in the recent survey reiterated some of the suggestions made in 1992. In both surveys, judges suggested the DFS improve its timeliness of reports submitted to the courts and provide the courts with more information regarding offenders under supervision. Also, judges most commonly cited increased staffing as the manner to improve DFS services.

**Recommendation:**

**We recommend DFS management continue communication with superior and district courts in an effort to better provide court-ordered services.**

Auditee Response:

*We concur. The Department recognizes its obligation to provide services to District and Superior Courts and the importance of regular communication. Each county has a county team consisting of Judges, court personnel, prosecutors, defense counsel, Academy providers, probation officers, and other stakeholders that meet at least three times a year to discuss matters of mutual concern.*

*Complaints of untimely or unsatisfactory reports from the Courts are rare, and are addressed immediately.*

*We feel that the communication with the court is good and that concerns from the Judges have been regarding a general reduction or slow down in services due to a lack of resources within DFS and have heard nothing to contradict this.*

*We will continue to meet with Judges on a local and statewide basis and will strive to enhance services as resources allow.*

## **2.2 Collections Management**

We found collections policy and procedures require standardization and oversight by someone familiar with the system and management needs. District offices have implemented disparate restitution and supervision collection procedures, causing data entry inefficiencies and a backlog which management was not aware of at the time of our audit. Additionally, we found a best practice employed in two district offices should be used in the remaining nine offices to strengthen payment-processing controls.

### **Observation No. 6**

***Create An Administrative Supervisor Position***

DFS management reported clear direction concerning the method for manually tracking offender payment information was not provided to district office staff after the offender management system became unavailable in December 1999. We found central management's lack of familiarity with the responsibilities of district office secretaries may be partially responsible. While the DFS director and assistant directors are intimately familiar with the responsibilities of PPOs, having worked as PPOs themselves before becoming managers, the same cannot be said of the secretaries' collections and data entry functions. When district office secretaries did not receive clear and consistent direction, disparate procedures for manually tracking offender payment information were used, creating some data management issues DFS management was unaware of at the time of our audit (Observations Nos. 7, 8, and 9).

Management decisions require accurate and timely information. Management is responsible for implementing controls, including policies and procedures, to reasonably ensure information reliability and validity. Absent accurate information concerning the data entry procedures in each district office, DFS management cannot make informed decisions when setting priorities for district office secretaries.

At the time of our audit there were no supervisory personnel familiar with secretarial functions in district offices or responsible for summarizing data, preparing reports, and making recommendations. Secretaries are currently directly supervised by chief PPOs in their districts, most of whom have not worked as secretaries. Secretaries also receive direction from multiple central office staff who lack formal supervisory authority, which prevents them from holding secretaries accountable.

**Recommendation:**

**We recommend DFS management create an administrative supervisor position to supervise district office secretaries, standardize procedures, and provide timely and accurate information to management for improved decision making. An administrative supervisor familiar with secretarial responsibilities is more likely to quickly identify issues and recommend viable solutions. This position could be a new position or an upgrade of an existing position.**

**Auditee Response:**

*We concur in part. The Department provided clear, written methods to manually track offender payments when the computer system was terminated in 1999. Since then, the Director and Program Assistant II (a former long term secretary in the district office) have provided written instructions to the district office secretaries for implementing various aspects of data entry as the interim system developed. However, the district office secretaries' supervisors (Chief Probation/Parole Officers) were not often as knowledgeable regarding computer issues and the Program Assistant II had no supervisory authority in the district offices. We concur a supervisor with responsibility over district office secretaries would be beneficial and enhance standardization.*

**Observation No. 7**

***Develop A Plan For Entering Case Backlog***

RSA 651:61-a states restitution is meant to “ease the burden of the victim as a result of the criminal act.” Restitution is paid by offenders to

compensate victims for the economic loss of items such as damaged property and medical, rehabilitation, or mental health services. Consequently, timely repayment to victims can be crucial. County victim advocates reported victims have not received restitution even though the associated offenders have paid the DOC and some of these victims desperately need their restitution money.

From December 1999 until November 2002 the DFS offender management system was unable to accept additional cases including new crime victim accounts. Without an account in the offender management system a victim will not receive restitution payments made by the associated offender. In November 2002, DOC programmers enhanced the capability of the offender management system enabling new victims to be entered. District office secretaries were then asked to send victim profiles to the DFS central office for data entry to expedite the process of entering almost three years of data. Reportedly, between 7,000 and 8,000 victim profiles were

sent to central office for data entry. A staff member from central office reported as of August 2003 there were 211 outstanding victim accounts to be entered.

We question whether the 211 victim accounts identified by central office staff represents all the victims currently not accounted for on the system. In our file review of 385 collection only and supervision cases, we found 38 cases (approximately ten percent) containing 46 victims not accounted for on the system. Based upon our analysis from our sample finding, we believe approximately 700 cases may have victims not entered into the system for payment. This represents ten percent of the 7,121 statewide supervised and collection only cases reported by the division.

District office secretaries may not have sent all relevant victim profiles for data entry to central office when the offender management system became capable of accepting new victim accounts. Secretaries from five district offices reported having an estimated backlog of 1,150 cases left over from the period when additional cases could not be entered into the system. Central office staff reported the backlog of cases should not have victims associated with them. However, some secretaries reported finding victims without accounts in the system in the process of entering the backlog.

**Recommendation:**

**We recommend DFS management develop a plan to enter the case backlog into the offender management system. Secretaries from each district office should be consulted to gather specific information about the backlog in the different district offices to help prioritize various aspects of the plan. The plan should include a strategy for delegating work associated with implementing the plan, which will still enable secretaries to carry out their daily duties.**

**Auditee Response:**

*We concur in part. Cases that have not been entered into the interim system that have no money attached and have been closed successfully will not be entered into the system. The basic information will be accessible by researching the files. The entry of backlog data is a resource issue that each district chief is working with staff on. They have been instructed to develop a plan with a timeline for approval by the Director.*

*Chief Probation/Parole Officers have been directed to review their case files in districts where no mechanism was put in place previously to ensure that victims are not excluded from our collection/reimbursement process. In some cases this may require a manual review of each file opened from January 2000 through November 2002. Central Office responds to calls from victims to identify and correct deficiencies as they are reported.*

**Observation No. 8**

***Develop A Plan For Adding Supervision Fee Data To The System***

Probationers and parolees are charged a supervision fee payable to the DOC, which according to RSA 504-A:13, "shall not be less

than \$40 a month, unless waived in whole or in part by the court, board or commissioner, and may be any greater amount as established by the court or board.” The statute allocates five dollars of each payment to the Police Standards and Training Council training fund, with the balance credited to the general fund.

From December 1999 through July 2003, the offender management system did not have accounts for tracking supervision fees. Because the offender management system could not track supervision fees, looking at cases individually was the only way to determine how much offenders owe and have paid in the aggregate. As a result, the division will only know how much it owes the general fund and Police Standards and Training Council at some as yet undefined point in the future when all supervision account information is entered into the offender management system. According to DOC management, historical data were used to estimate conservative payments to the Police Standards and Training Council, and the general fund.

In August 2003, programming staff enhanced the capability of the offender management system enabling supervision accounts to be entered. The division estimates approximately 6,000 supervision fee accounts need to be set-up or updated. District office secretaries are now tasked with entering nearly four years of data in addition to their regular duties. While secretaries received a list of data entry priorities, central office management acknowledged there is no larger plan for updating the offender management system.

A comprehensive data entry plan may be necessary given the diverse data entry workload facing different district offices. Since December 1999, district offices have tracked supervision fees differently, especially for closed cases. While some district offices maintained separate comprehensive supervision collections files for closed cases, at least two offices filed this information within the closed case files, some of which are now in archives. Consequently, assembling comprehensive data for supervision data entry will involve different procedures and levels of effort for district offices.

**Recommendation:**

**We recommend DFS management develop a comprehensive plan for updating the offender management system. Secretaries from each district office should be consulted to gather specific information about how supervision fee data have been maintained to help prioritize various aspects of the plan. The plan should include a strategy for delegating work associated with implementing the plan to enable secretaries to perform their daily duties.**

**Auditee Response:**

*We concur. A plan for updating the offender management system was implemented with Chief Probation/Parole Officers and support staff several months ago. During the monthly Chiefs’ meetings lists were provided by the bureau of computer applications and networking to each district office of cases that were active prior to 1/1/2000 that needed to be updated. Following completion of the updates, districts were instructed to enter cases that are currently active utilizing the data from their supervision fee cards. Once this is completed, the bureau of applications and networking will be able to identify all remaining offenders that have payments*

*that need to be disbursed. The report will identify whether the undisbursed funds are for supervision fees, restitution or state accounts. The entry of backlog data is a process, not an event.*

*DFS does not have the resources to delegate this responsibility to personnel other than existing secretarial positions in each district.*

*The Chief Probation/Parole Officers have been tasked to formulate and implement plans to prioritize this matter with their support staff to complete data entry, and to provide a time line for approval by the Director.*

#### **Observation No. 9**

##### ***Improve Payment-Processing Practices***

DOC payments and collections administrative rules and policy require individual ledgers (offender payment cards) be maintained to accurately reflect the balance due and any and all payments credited to the offender. In addition to compliance issues with departmental administrative rules and policy, maintaining accurate and complete offender payment cards is essential for reconciling payments because the offender payment cards are the only source of up-to-date payment information. The offender management system does not consistently include up-to-date restitution balances, and at the time of our audit it did not maintain supervision balances.

Most district office secretaries and case technicians reported noting discrepancies between the offender payment cards and the offender management system in the course of performing their regular duties. Our review of the payment cards associated with the 385 cases in our sample found 13 cases with a total of 17 instances where a payment was posted to the offender management system but not included on the associated payment card. We also found 19 cases with a total of 20 addition errors on the payment cards.

District office secretaries have no formal method of reconciling offender payments. DFS staff reported they have not received a financial status report since November 1999, when the old offender management system was shut down. This report was used by district office secretaries to reconcile payment cards with information entered into the offender management system. However, we found the Exeter and Manchester district offices had implemented a practice to help ensure entries made on the offender payment cards match payments posted to the offender management system and reduce calculation errors on the payment cards. Specifically, in addition to comparing receipts to payments posted to the offender management system, these two offices also compare the latter to payments posted on the offender payment cards. Our file review of 385 cases did not find discrepancies between payments posted to the offender management system and the offender payment cards associated with Exeter or Manchester. We also only found one offender payment card calculation error associated with Manchester and none associated with Exeter.

**Recommendation:**

**We recommend DFS management require all district office secretaries adopt the payment-processing practices currently used in Exeter and Manchester until financial status reports become available.**

**Auditee Response:**

We concur. The lack of an automated accounting system has impacted the DFS in many ways. As the backlog of offender, victim and account information is entered, the current interim system will reconcile the payments to accounts. The division will make an effort to employ the methods described in this observation. It should be noted that this process is labor intensive and we do not have the resources to accomplish this process in every district.

**2.3 Program Effectiveness**

We found the lack of a data collection system impedes division management from measuring the effectiveness of their programs and personnel. An organization must be able to collect and analyze data for management to make informed decisions concerning priority setting and efficient and effective allocation of resources and personnel. The division is currently hampered by the lack of an offender management computer system; however, the division must begin planning methodology for future data collection and analysis.

**Observation No. 10**

***Measure Division's Effectiveness***

Currently, DFS management is not measuring division effectiveness. DFS management is responsible for ensuring it uses State resources in an efficient, effective, and economical manner to fulfill the division's mission. Without a well-planned methodology and a data collection system to measure the activities and outcomes of the division, management cannot meaningfully assess how effectively it is functioning. Information resulting from such ongoing program performance measures could be used by management to reallocate resources to improve the division's efficiency and effectiveness. In addition, with reliable performance information DFS management could provide the Legislature with an assessment of the impact current resources have and how changes in resources might affect outcomes.

DFS management is aware of the importance of outcome measurements, especially in connection with implementing its new offender risk/needs assessment tool. According to the division director, the division is committed to developing, collecting, and analyzing outcome data to improve how it manages offenders.

One starting point for management interested in measuring the effectiveness of programs is to develop a logic model showing linkages between mission and resources to performance measurements such as outputs and outcomes (Appendix B). While simple in theory, creating a logic model can be very challenging. Literature suggests a performance measure be clear, cost effective, relevant, significant, practical, verifiable, funding-related, results-based, and linked to



a mission and goal. Developing these measures should include input from relevant staff at all levels of an agency, as well as customers and policy makers. In addition, management information systems play an important part in collecting performance measures.

Good measures, particularly outcome measures, are often difficult for agencies to identify. It takes time to develop measures accurately reflecting agency performance while at the same time providing decision makers with reliable, valid, and meaningful information. More specifically, outcome measures describe a program's intended impact. Output measures link resources to observable changes, or outcomes, thus providing the necessary information for redistributing resources and increasing effectiveness. To appreciate the cause and effect linkage, it is essential to discern how much each output contributes to outcomes and how each outcome impacts the mission and goals.

**Recommendation:**

**We recommend the DFS work with the department's administrator of research and planning to develop a plan to measure the effectiveness of the division in carrying out its mission. This plan should consider the division's:**

- **missions,**
- **goals,**
- **resources,**
- **activities,**
- **outcomes,**
- **data collection capabilities, and**
- **future offender management system.**

**Because of the nature of the division's work, some outcome measurements may be captured by other entities such as the courts, prisons, jails, and the parole board. With this in mind, DFS may have to work with these other entities to collect relevant performance measures to assess its outcomes.**

**Auditee Response:**

*We concur. Only basic rudimentary information can be collected at this time due to lack of technology and the limitations of manual data collection and reporting.*

*The DFS currently collects the following information monthly by district office.*

1. *Number of administrative home confinement cases*
2. *Number of parole cases*
3. *Number of district court probation cases*
4. *Number of superior court probation cases*
5. *Number of bail cases*
6. *Number of collection only cases*
7. *Number of administrative cases*

8. *PSI's assigned/completed*
9. *Annulments assigned/completed*

*We do not currently have the technology to collect necessary data, nor the resources to evaluate such data as it pertains to measuring outcomes.*

#### **Observation No. 11**

##### ***Measure Court Referral Officers' Effectiveness***

Court referral officers (CROs) are responsible for evaluating offenders with substance abuse problems, diagnosing treatment needs, referring offenders to appropriate treatment, and conducting treatment programs. The substance abuse evaluations they provide are free of charge to offenders, saving the offenders between \$150 and \$300. The treatment groups conducted by CROs are also free for offenders who cannot afford outside treatment.

The district offices with CROs cite the importance of the position while district offices without CROs desire to have the resource made available to them. Additionally, the Chief Justice of the New Hampshire Superior Court and the Administrative Judge of the District Court believe CROs are an important and useful position.

CROs are a convenient resource for PPOs, often allowing offenders to receive a substance abuse evaluation the same day they report for their initial visit with the PPO. Furthermore, CROs may help reduce recidivism through the substance abuse evaluations and treatment they provide. However, the DOC has performed no analysis to determine the effectiveness of CRO services.

Based on our review of 220 cases, 53 percent of offenders supervised by the DFS require substance abuse treatment. The New Hampshire Center for Public Policy Studies estimates 80 percent of State prisoners, many of whom will become parolees, have drug and alcohol problems. More than half of all felons paroled are sent back to prison for violating their parole, with 60 percent of those violations related to drug and alcohol abuse. National studies show offenders who receive treatment have a lower recidivism rate than untreated offenders. However, most PPOs have limited experience in social work, counseling, and rehabilitation. The services provided by CROs may supplement the lack of PPO expertise in this area.

#### **Recommendation:**

**We recommend DFS management develop standards and compile data to measure, monitor, and report the effectiveness of CRO services. This information may provide DFS management with a better understanding of the impact of CRO services and may help determine the need for additional CRO positions. The DOC may task its administrator of research and planning to assist the DFS in this endeavor.**

#### **Auditee Response:**

*We concur. The Department places a high value on the work done by the CROs. The CRO positions continue to fill an integral role in the identification and treatment of offenders with*

*substance abuse problems. They serve as a resource to the courts, parole board and Probation/Parole Officers.*

*Evaluating the efficiency of CROs would require additional personnel resources and data collection capabilities.*

## **Observation No. 12**

### ***Reassess Training Program***

PPO training is heavily oriented towards the law enforcement aspect of the position. PPOs are authorized to carry firearms and, subsequently, RSA 504-A:12-a requires PPOs meet education and training standards established by the Police Standards and Training Council. DOC policy requires PPOs complete 20 hours of annual firearms related training, including weapons safety, weapons qualifications, and night range. PPOs are also required to participate in four hours of defensive tactics training annually and four hours of pepper spray training biannually. An additional eight hours of annual training is devoted to sexual harassment, CPR/First Aid, and suicide prevention combined. Therefore, of the 40 hours of required annual training, only four or eight hours remain for elective training each year.

When PPOs were asked about the training they receive, 38 percent (the largest response) indicated their training is generally good. However, it appears additional training needs go unmet. Substance abuse counseling, sex offender counseling, mental health counseling, courtroom procedure training, and training on changes in the law were most often cited by PPOs as areas additional training was needed. All of these topics are relevant and important to PPO job functions. For example, 53 percent of the cases we reviewed required substance abuse treatment. In addition, the American Probation and Parole Association position on substance abuse treatment states, "Probation and parole professionals must be provided training in the most efficacious procedures and treatment theory to reduce substance abuse and facilitate staff/community safety." Ten percent of the cases we reviewed involved offenders needing sex offender counseling and eight percent needing mental health counseling. Furthermore, PPOs must often appear in court and before the parole board to provide information on offender violations.

The PPO job description includes the following work traits officers should possess.

- Knowledge of sociology, anti-social and human behavior, and criminal trends.
- Knowledge of investigatory methods, practices and procedures, and ability to submit clear, concise written reports.
- Knowledge of rules of evidence, criminal statutes, court practices and procedures.
- Knowledge of abusable substances and substance abusers.
- Ability to work effectively with problematic individuals and make independent decisions in the field relative to client adjustment.
- Ability to analyze and interpret information gathered.
- Ability to recognize anti-social behavior and to analyze and identify motivating factors underlying criminal behavior for the purpose of developing corrective action.

Officer safety should not be compromised by reducing current firearms or defensive tactics training requirements. However, training in the above-mentioned subjects is germane to PPO work traits and beneficial to PPOs, the offenders they supervise, and the general public.

**Recommendation:**

**We recommend DFS management review training needs and revamp the training program to best address the many needs of PPOs. Management should decide if PPO training needs warrant additional hours.**

*Auditee Response:*

*We concur in part. The Department of Corrections Training Policy/Program (PPD 4.01) requires the following training annually:*

*Weapons safety – 4 hours  
Weapons qualifications – 8 hours  
Night range – 8 hours  
Defensive tactics – 4 hours  
O.C. (Pepper spray) 4 hours bi-annually  
CPR/First Aid – 2 hours  
Sexual Harassment – 3 hours  
Suicide prevention (recognizing mental illness) 3 hours  
Total 32 – 36 hours*

*Department policy requires a minimum of 40 hours per year and additional training is supported. Police Standards and Training Council, American Correction Association and the NH State Policy on Sexual Harassment also have training standards we must comply with.*

*The Department recognizes additional trainings are needed and many are offered. Five full days of substance abuse training were offered in 2002 and an additional 5 days were offered in 2003. For example, the following substance abuse training has been scheduled for fall 2003:*

- Biological Aspects of Addiction;*
- HIV and AIDS;*
- Rational Emotive Behavior Therapy and Self-Management and Recovery Training;*
- Attachment Concepts and Addiction; and*
- Street Drugs.*

*Probation/Parole certification classes are offered, at a minimum, once a year, are open to all staff and include courtroom demeanor and testimony, caselaw, supervision of sex offenders, domestic violence and presentence investigations. A full day of prosecuting probation violations was offered and attended by many Probation/Parole Officers in 2000 and is scheduled for January 8, 2004 in addition to certification training which every officer receives.*

*Numerous trainings have been arranged through the National Institute of Corrections (Post Traumatic Stress, Offender re-entry) and the Employee Assistance Program has scheduled several offerings between October 2003 and January 2004 including constructive confrontation for supervisors. All supervisors have recently attended or are scheduled for a weeklong supervisors training initiated by the Department of Corrections.*

*In July 2003, the Department of Corrections decentralized training and DFS will be responsible for its own training.*

*The DFS agrees a variety of training needs to be offered and will continue to do so. The DFS will reassess all mandatory training requirements for additions/deletions.*

## **2.4 Information Technology Management**

We found general information technology (IT) system controls need strengthening. The DOC lacks a continuity and contingency plan for the prison and offender management system. Consequently, the DFS had no consistent manual procedures for its critical functions when the offender management system became unavailable. The DOC also has no formal policy for system software development or change control procedures, which work to prevent malfunctions during processing runs and ensure personnel making future changes understand previous changes. With respect to password security, both the network and application access controls need strengthening to prevent inappropriate access and protect data integrity. Additionally, the DOC has not consistently followed its procedures for disabling terminated staff from its network.

We also found the DOC needs to align its policies with the offender management system to avoid compliance issues and inefficient practices. We found the current system distributes money to victims proportionately by restitution amount, instead of by court date as required in policy. With a new system coming, the division should commit resources to analyzing the impact of the new system on business practices and update policies accordingly.

### **Observation No. 13**

#### ***Develop A Continuity And Contingency Plan***

According to IT management at the DOC, the department has not undertaken continuity and contingency planning for the prison or the offender management systems to allow continuous operations in the event of an unforeseen disaster or disruption. An agency's ability to accomplish its mission can be significantly compromised if it loses its capability to process, retrieve, and protect information maintained electronically. Had there been a contingency and continuity plan in place when the offender management system became unavailable, the DFS may have been able to immediately put into action well planned manual procedures to manage critical functions. Instead, the DFS' ability to account for supervision payments, pay crime victims restitution in a timely manner, and track offenders under supervision was compromised when the offender management system became disabled.

The State chief information officer reported agencies should develop procedures to protect information resources and minimize the risk of unplanned interruptions in addition to

maintaining a plan to recover critical operations should interruptions occur. In general, the primary objectives of a continuity and contingency plan are to:

- provide the agency with a tested process which when executed, will permit an efficient, timely resumption of the interrupted operations;
- ensure the continuity of the organization's functions;
- minimize the inconvenience and potential disruption to customers and clients; and
- minimize the impact to the agency's public image.

As it is not cost-effective to provide the same level of protection for all operations and because some operations are more important than others, management should prioritize the criticality and sensitivity of various data and operations when developing a continuity and contingency plan. Finally, to ensure the continuity and contingency plan works as intended, it should be tested periodically in disaster simulation exercises.

**Recommendation:**

**The DOC should develop a continuity and contingency plan that is regularly tested and updated. Employees should receive training in the operations of the plan and critique the plan's effectiveness.**

*Auditee Response:*

*We concur. The Department of Corrections backs up all data on tape nightly. It is recognized, however that depending upon the system problem we may have the data but may not be able to operate. This is a resource issue that would require a "mirror" system with additional servers in the event of a severe hardware failure. This is a resource issue that the department is fully aware of, but does not have the funds to support at this time. The development of the Probation/Parole Offender management system for DFS includes a failover plan at the present time.*

*The department will work toward the development of a comprehensive plan to address how we will conduct critical operations in the event of an unforeseen disruption.*

**Observation No. 14**

***Develop And Implement Software Development And Change Control Procedures***

The DOC does not have a formal policy for system software development or change control procedures. Development and change control procedures are meant to ensure changes are made

in a controlled environment to protect system software integrity. System software modifications should be authorized and properly tested for adequate system parameters to prevent unauthorized changes to applications or data and to prevent malfunctions during processing runs. Further, documentation is important to ensure personnel making future changes will understand all aspects of previous changes.

According to the State chief information officer, agencies should have a standard procedure for identifying, selecting, installing, and modifying system software to meet operational needs.

Additionally, a written standard should exist for testing new versions, products, and changes to system software before implementation.

The current offender management system used by the DFS is not adequately documented, and was not formally tested before being implemented. Part of the current offender management system was provided by a contractor without formal testing and without the source code, impeding system maintenance. Additionally, the bureau of computer applications and networking (B-CAN) staff have supplemented the system received from the contractor with in-house adaptations, which were not all documented or formally tested before implementation.

Significant time constraints created an environment where implementing the offender management system was perceived as more important than controlled testing and documenting of systems and system modifications. Because many of the in-house adaptations and modifications made to the system are understood by a single IT staff member, several features of the system could not be maintained if this IT staff member left the DOC.

**Recommendation:**

**We recommend the DOC adopt formal policies and procedures for software development and change control procedures so only authorized, tested, and documented modifications are implemented.**

**Auditee Response:**

*We concur. The Department of Corrections recognizes that testing and documentation of these systems is important. The current DFS system is the result of DOC staff programming and development of patches that allow a system that was never intended to be used for anything more than testing of functionality, to operate as an interim system. Due to the lack of personnel resources, the priority for this interim system was to account for and distribute restitution to crime victims with additional functionality to be developed once that goal was met. Internal system testing was conducted prior to implementation and each development piece is tested.*

*The planned DFS system will be fully documented and training will be provided for staff prior to implementation with policy modifications to be identified and made.*

**Observation No. 15**

***Ensure Former Employees' Network Access Is Disabled***

The DOC does not follow its own procedures for disabling access to its network by terminated staff. The DOC information systems management policy requires an access authorization form be sent to the B-CAN to gain, change, or delete access to DOC databases. One B-CAN staff member reported notification is not forwarded to B-CAN when DOC personnel are terminated, although B-CAN staff have requested notification of terminations from human resources. As a result, B-CAN staff disable network access on an ad-hoc basis. Specifically, the size of e-mail accounts is continually monitored and when accounts become very large inquiries about employees' status are sent to human resources, and network access is disabled accordingly.

We compared a list of personnel with access to the DOC network to a list of former DOC personnel terminated during the last three and a half years and found six former employees maintained access to the DOC network in error. The longest an account was left open in error was eight months. Further, upon inquiring whether or not the accounts were accessed after personnel were terminated, B-CAN staff reported one of the six accounts was accessed for known reasons and one account was accessed for unknown reasons.

By leaving accounts open after personnel have left service, the DOC is increasing the risk of data being compromised by former employees or current employees with knowledge of coworkers' passwords. According to the *Federal Information Systems Controls Audit Manual*, "Terminated employees who continue to have access to critical or sensitive resources pose a major threat, especially those individuals who may have left under acrimonious circumstances. Compliance with access authorizations should be monitored by periodically comparing authorizations to actual access activity."

**Recommendation:**

**We recommend the DOC follow its procedures for disabling terminated employees from the network. As an additional control, human resources should adopt procedures notifying B-CAN when personnel are terminated. Further, if current employees need to maintain access to a terminated employee's account, separate passwords should be maintained for each user to maintain user accountability.**

**Auditee Response:**

*We concur. The Department of Corrections has recently enacted a practice whereby the personnel section will provide B-CAN a list of employee terminations each month which will be compared against the list of employees with active information accounts in order to remove them from the system. B-CAN is presently working on a list of terminations over the past 18 months in order to purge the system. This is a resource issue. The list is being reviewed as time permits.*

**Observation No. 16**

***Strengthen Computer Password Controls***

Personnel at the DFS maintain up to three passwords for the DOC computer system to access the network, the offender management system, and an in-house adaptation. We found the in-house adaptation had appropriate password control, while the network and offender management password security need strengthening. In addition, we noted some staff are not practicing good password security.

A B-CAN staff member reported recently implementing a procedure to routinely force end-users to change their network logon passwords. Despite this initiative, we found network password security was inconsistent. Specifically, personnel from six district offices stated there is a regular forced password change, while personnel from other district offices stated they have never encountered a forced password change.



We found offender management system password security to be particularly weak. Staff reported personal passwords are not guarded and are generally known by other DFS staff. The administrative password for the application also became widely known when many DFS field staff took part in updating the system. A B-CAN staff member reported the administrative password for the offender management system cannot be changed and there is no forced password change for end-users because B-CAN does not have the source code to update the application. End-users may be able to change their passwords without an application update, although a B-CAN staff member reported the current application password change function has never been tested.

Weak and inconsistent password security could allow inappropriate or unauthorized system access, which may compromise data integrity. The Department of Administrative Services' Division of Information Technology Management (DITM) encourages agency administrators to assess the risk of their systems and implement password protection accordingly. The DITM policy states, "common user [identifications] and passwords... should never be allowed when financial or confidential data is involved," both of which exist on the DOC's computer system. The DITM provides guidance in their computer password standard with details about the age, length, retention, and other requirements for passwords. Finally, the DITM and the DOC information systems management policy and procedure directive instruct end-users to never share passwords.

#### **Recommendation:**

**We recommend B-CAN personnel assess the risks associated with their systems, revise policies and procedures, and implement an appropriate regime of password security. Training on this policy should be provided to end-users, including information about the risks related to weak password security.**

#### **Auditee Response:**

*We concur in part. Password controls are set into every system within the Department of Corrections except for the DFS offender management system. We do not have source code, nor the expertise even if we did, to modify this interim system. Password security is critical to the protection of confidential information. This will be addressed within the pending, new DFS system with forced password changes being required. DFS will re-emphasize the importance of password security with all staff pending implementation of a new system. Policies will be reviewed and modified as an ongoing process by the Department.*

*The bureau of computer applications and networking will assess the security of our systems and implement corrections with the appropriate staff training as time and resources allow.*

#### **Rejoinder:**

**Effective controls are not set into every system. We found password security was inconsistently applied to the network with some end-users subjected to a forced password change while others are not.**

## Observation No. 17

### *Align Policies With Computer System*

The current offender management system does not distribute offender payments to crime victims according to DOC policy. DOC policy requires restitution payments be applied in full to the first or earliest court date until that obligation is paid in full. This policy was developed for use with the former DFS offender management system. However, when the system was replaced with a partial system enhanced by B-CAN personnel, some business rules were changed.

The current offender management system does not distribute payments to victims according to court date. Instead, payments are proportionately split among victims according to restitution amount. For example, when an offender with two or more victims makes a restitution payment, the victim who is owed the larger amount receives a proportionately larger share than other victims, regardless of court date.

Reportedly, certain business rules used by the previous system were not programmed into the subsequent system due to time constraints. B-CAN staff added a simplified method of distributing restitution payments to multiple victims not taking into account current DOC policy requirements. The DOC commissioner and other management personnel approved the simplified payment distribution method before its implementation.

By not programming the current offender management system with pre-existing business rules and policy requirements, B-CAN personnel created a system that is noncompliant, as well as inefficient for DFS district office personnel. Secretaries in the district offices reportedly track offender restitution payments manually by court date to match the old system and the policy requirements. As a result, this manual tracking system is inconsistent with the current offender management system and reliable only for tracking total restitution amounts paid but not the amounts owed to each victim.

### **Recommendation:**

**We recommend DFS management align its policies and business practices with the offender management system. However, management may determine the time and effort required to update policies with the current system unjustified given the likelihood of obtaining a new system. Regardless, resources should be committed to analyzing the impact of the new system on the way the division conducts business; and policies should be updated accordingly in time for the new system.**

### *Auditee Response:*

*We concur. The present system was developed in-house by DOC I.T. personnel in conjunction with DFS staff as an interim system. The Department concluded the time investment to align PPD's with this interim system was not time well spent. A decision was made in early 2002 to stop work with the current system vendor as no clear progress was being made. This allowed resources to focus on, in priority order:*

1. *Restitution payments to crime victims*
2. *The ability to enter and close cases on the system*
3. *The payment of monies to state accounts*
4. *The monitoring and disbursement of supervision fees.*
5. *The monitoring and disbursement of annulment investigation fees*
6. *The development of management reports for staff and supervisors*

*Department I.T. staff, through a series of programming patches have been able to develop an interim system to allow most of the preceding to occur. The backlog of data is currently being entered to resolve this. Due to lack of source code for the interim system, modifications such as paying victims of the oldest cases first cannot be effected. The replacement system will provide for this.*

*Simultaneous with this process, the Department has been working to implement a new offender management system. Currently plans are to have a system in place by late 2004, which will require the review and modification of certain Policy and Procedure Directives.*

## **2.5 Contract Management**

We found the DOC mismanaged the contract for an offender management system. Provisions protecting the department were not invoked in a timely manner and a substantial payment was made for incomplete deliverables. Management may not have fully understood the technical aspects of the contract. DOC has not implemented any policies and procedures to prevent this from happening in the future.

### **Observation No. 18**

#### ***Improve Contract Administration***

DFS and DOC management is partly responsible for the DFS not having a fully functioning offender management system. The department did not take advantage of safeguards built into the contract for the replacement system. Past and present commissioners, division directors, and the director of administration decided to continue working with and making payments to the vendor despite missed deadlines and failure to meet agreed upon objectives. In addition, DOC staff did not formally document subsequent changes to the contract.

There were at least two provisions in the contract the DOC could have invoked by January 2000. One provision specified in the event the system was not running by September 30, 1999, the current system and data could be run on a similar mainframe leased from a third-party at the expense of the vendor. According to the contract:

Time is of the essence. [The vendor] must have the project up and functionally operating in the time agreed upon. Should [the vendor] fail to do so, and the failure was not caused by the acts of omissions of NHDOC, [the vendor] will be liable for all additional costs to NHDOC to assure that the project is up and operating. This includes the addition and replacement of equipment, additional

personnel, and additional costs to NHDOC for its day to day operation over and above the anticipated cost had the project been up and operating as planned.

To ensure continuity of operation, the Department of Corrections has solicited quotes for outsourcing the application, if necessary. The estimated cost is \$16,000 a month with a minimum contract period of twelve (12) months.

This option was considered by DOC management but not invoked because of the perceived cost and effort to transfer the program and data to an off-site computer. According to a DOC IT professional, this provision was never invoked because at the time it seemed unreasonable since hundreds of hours of programming was required to transfer the data. This same person suggested that in hindsight, invoking this provision would have been a good idea.

Another provision allowed the DOC to invoke a bond the vendor was required to obtain in order to accept the work. According to the contract:

Within 10 days following Bid award, [the vendor] must submit a performance bond with a termination date of January 1, 2000, in the value of 100% of the contract. An award of the bond shall be made to the State in the event [the vendor] does not complete the project in the time frame indicated in the Statement of Work.

Triggering the performance bond allows for several resolutions to be considered. The DOC is currently exploring its options with the advice of the New Hampshire Attorney General's Office and the Office of Information Technology.

We found two other examples of the DOC not following the contract. First, management made a payment outside the terms of the contract. Two payments were made on the contract; the first one for \$58,000 was associated with a completed performance objective, while a second payment for \$172,640 was made for incomplete objectives. Approximately three years following the first payment, DOC and DFS management decided to make the second payment to demonstrate good faith. Second, contract changes reportedly were not well documented. There was a great deal of contact between the DOC and the vendor resulting in informal changes in deliverables and time schedules.

DOC and DFS management apparently took a chance the vendor would provide the system at the same cost if given more time. In September 2001, the division director told a legislative study committee everything would stop and a new request for proposal would have to be developed and issued if the division pulled out of the contract at that time. This would guarantee an extended period without a fully functioning computer system. By April 2002, management decided to stop working with the vendor. According to a DOC official, the DOC IT staff was becoming increasingly frustrated with the vendor and there was a sense of relief when the division director called off the contract.

**Recommendation:**

**We recommend DOC management review and reassess its policies and procedures regarding contract administration. Management should hold vendors and themselves accountable to the terms of the contract.**

**Auditee Response:**

*We concur. The Department has responded to Observation and Recommendation No. 19 regarding having the technical expertise available as well as someone skilled in contract management available to monitor projects. Agreements were made with the vendor to extend implementation dates in the belief that the goals of the contract would be met and litigation would tie up existing resources further delaying the project. DOC Administration consistently consulted with the Attorney General's Office on these issues, as part of the decision making process.*

*The Department will review its policies and procedures regarding Contract Administration for future endeavors.*

**Observation No. 19**

***Appoint A Qualified Monitor For Computer Contracts***

Responsibility for the new offender management system was diffused within the agency. RSA 21-H:4, I (a)(3) states the DOC's director of administration is responsible for all department contracts. However, according to the division director and the director of administration, DFS personnel were largely responsible for monitoring the offender management system contract. The DFS director said decisions regarding the contract were always made by committee. The division director was essentially in charge of the contract, with the director of administration assisting with the business end of the contract. In addition, a chief PPO and a DOC IT professional were the project managers. The IT project manager reportedly spent a lot of time on this contract, in addition to other duties, but was unfamiliar with the system language and the version of database software being used.

While management is ultimately responsible for the contract and makes decisions on continuing or stopping work with a problem contractor, it is unclear how knowledgeable management was of the technical nature of the contractor's work. For example, DOC management made the second payment to the vendor without consulting IT staff and without receiving a completed deliverable. While DFS personnel understand the needs of the division, they do not possess the computer expertise to effectively manage the development and implementation of a computer system. Effective management practices require contract monitoring by personnel with technical expertise in the area of contract service. A qualified person should have been designated as the contract monitor and then held responsible for ensuring the vendor provides satisfactory performance and full value to the State.

**Recommendation:**

**The director of administration should designate a properly qualified person to be responsible for monitoring all future DFS computer-related contracts. In addition to technical expertise, this person should have contract management training and the time to properly monitor the contracts. The DOC should consult with the Office of Information Technology to identify the monitor.**

*Auditee Response:*

*We concur with the recommendation in as much as oversight of any project should be done by qualified personnel with contract management experience and current I.T. knowledge. During development of the current project in 1997, the best available resources i.e. State I.T., DOC I.T. and DOC end users of the proposed system were involved in the establishment and monitoring of the project. Our on-site expertise and outside resources were limited but the Department attempted to utilize the best available resources. The current work in bringing this project to a useful resolution includes involvement by State I.T., The Attorney General's Office, the State Department of Administration and our own DOC resources. Contract management is in the forefront of our discussions.*

**Observation No. 20**

***Create A Restricted Revenue Holding Account***

The DOC uses an unrestricted revenue account to record all amounts collected from offenders at DFS district offices. This type of account typically is used to record revenue collected by the State to fund its general operations. However, the DFS uses this account as a holding account for multiple types of receipts collected from offenders, including restitution collected on behalf of victims. The DFS holding account is unique in that both restricted and unrestricted revenue are collected at the district offices and commingled into this one account. The old offender management system used to calculate the distribution of the funds to a number of recipients including:

- victims,
- the courts,
- the Police Standards and Training Council,
- the victims' assistance fund,
- the DOC, and
- the general fund.

Since December 1999, the department has not had a computer system to properly calculate and distribute all the funds from this account. As a result, the DOC has accumulated and carried over a significant balance since SFY 2000 (Table 12).

**Table 12**

<b>DFS Holding Account Balance As Of July 1</b>					
	<u><b>1999</b></u>	<u><b>2000</b></u>	<u><b>2001</b></u>	<u><b>200</b></u>	<u><b>2003</b></u>
Balance	\$138,335	\$1,182,253	\$1,642,603	\$2,617,554	\$1,970,746
Source: DOC division of administration (unaudited).					

The problem with depositing all offender payments into an unrestricted revenue account is that for most of the year, it appears as if the account balance is general fund unrestricted revenue. However, at the end of the year these funds remain in this account and become the starting balance for the next fiscal year.

**Recommendation:**

**We recommend the DOC seek the approval of Department of Administrative Services to create a restricted revenue holding account for DFS to reduce the confusion over expected State general fund revenue. Only funds that are going to be deposited to the general fund will eventually be transferred to an unrestricted revenue account.**

**Auditee Response:**

*We concur with this recommendation and will work with the Department of Administrative Services to implement this recommendation.*

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**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF CORRECTIONS  
DIVISION OF FIELD SERVICES**

**OTHER ISSUES AND CONCERNS**

In this section we present issues and concerns we encountered during our audit not developed into formal observations, yet we consider noteworthy. The Department of Corrections (DOC) and the Legislature may consider these issues and concerns deserving of further study or action.

*Equipment Budget Warrants Further Consideration*

The department's original budget request for division of Field Services (DFS) equipment for State fiscal years (SFY) 2002 and 2003 was \$103,179 and \$18,179 respectively. Equipment appropriations for each of those years totaled \$15,149. Executive order 2003-1 dated January 9, 2003 required a freeze on equipment spending. Accordingly, only \$9,542 of the \$15,149 appropriated for SFY 2003 was actually expended. However, a DOC official reports other DOC accounts with State and federal funding sources are sometimes used to purchase DFS equipment. We note the DFS equipment budget is \$65,149 for each of the next two years. In addition, the division recently sought and received a \$300,000 federal grant to purchase 85 portable digital radios and 28 mobile radios. While the department has demonstrated the ability to obtain other funding, we question how a division of 110 people, 12 offices, and a fleet of 24 cars can adequately function given its history of insufficient equipment budgets and reliance on occasional funding from other sources.

The DOC should seek adequate resources for DFS staff to perform their duties efficiently, effectively, and safely. The DFS and the Legislature should review future equipment requests and consider the needs of the division in providing public safety and the safety of its employees. When asked about DFS weaknesses, DFS staff's most frequent response was a general lack of resources at the division. When asked directly about what additional resources are needed, staff mentioned cars, computers and printers, radios, and equipment in general. Some probation/parole officers (PPOs) commented on the poor quality of their equipment.

DFS generally obtains used cars from State surplus. According to one PPO, while the Department of Safety had new [unused] cars sitting in a parking lot; his district's most recent car was purchased with over 100,000 miles on it. Our analysis of DFS vehicle mileage at the end of SFY 2003 found an average mileage of about 75,000 miles with four vehicles having over 120,000 miles. Five vehicles are at least six years old, of which two are nine years old.

DFS management reports they are unable to fully equip PPOs; they do not provide new PPOs with a holster, handcuff holder, magazine holder, search gloves, or a flashlight. We noted in our 1992 LBA Prison Expansion audit, "Many PPOs lack basic safety equipment and essential supply items." These items include two-way radios, flashlights, cabinets, and computer disks. According to one chief PPO, PPOs have had to buy items that should be supplied by the division. We also learned of one chief PPO who bought a desk and conference table for the district office with his own money. One case technician's request for a calculator was denied because of the budget situation. Based on our visits to all the district offices, we found the quality and adequacy of office space and equipment varied.

### *Acceptance Of Credit Card Payments*

The DOC should consider accepting credit card payments from offenders for court-ordered fines, fees, and restitution. Other public entities have utilized this option effectively, including the New Hampshire courts which currently accept credit card payments for fines, and Stearns County, Minnesota which accepts credit card payments for court-ordered fines, fees, and restitution. The acceptance of credit card payments may improve DOC collection efforts and reduce the length of time victims have to wait for restitution to be collected on their behalf.

### *Implement A Workload Formula*

Since December 1999, the DFS has not utilized a workload formula to plan and manage PPO caseloads. DFS management should consider updating their old workload formula or creating a new workload formula that accurately represents PPO time constraints. A workload formula is a valuable management tool for ensuring offender supervision responsibilities are equally distributed among PPOs throughout each district office and may serve to provide valuable insight into the staffing needs of the division. DFS management may utilize the self-reported PPO case time found in Table 7 to help determine the time that should be allocated for each supervision level. DFS management may also conduct a time study to determine the appropriate amount of time allocated for each PPO duty (e.g., supervision, pre-sentence investigation, parole plan investigation). DFS management could administer the workload formula manually until the new offender management system becomes operational. Management should consider the incorporation of the workload formula into the new offender management system to efficiently provide a fair and equitable distribution of PPO caseloads.

**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF CORRECTIONS  
DIVISION OF FIELD SERVICES**

**CONCLUSION**

We found the division of field services (DFS) generally needs to improve its operations in several areas. These areas include offender supervision, collecting and disbursing offender payments, and maintaining necessary management information for evaluating its effectiveness. We also found the Department of Corrections (DOC) and DFS poorly managed the contract for and transition to a new offender management system.

The loss of a computer system, an unreliable vendor, poor contract management, as well as DFS management's inadequate response to the resulting situation put public safety at greater risk, delayed disbursement of offender payments to victims, and placed the division into administrative disorder. Unfortunately, the DFS provides a textbook example of the damaging consequences of an agency losing the use of a critical computer system and not having a business continuity and contingency plan.

The lack of a reliable offender management system has affected management as well as frontline staff. Without reliable information, DFS management is unable to easily compile data to make informed decisions about resource distribution, trends affecting programs, or comparisons between district offices. Partly as a result of the loss of an automated system, the Legislature became concerned with the accuracy of probation/parole officer (PPO) caseloads and delays in victim restitution payments. We devised three audit objectives to address these concerns.

First, we assessed DFS case management policies and found a lack of basic program data. For over three years, DFS management did not have a unified database of all cases until we combined 11 district office lists into one statewide list for our case file review. We were asked to determine if PPOs were padding caseloads with "ghost cases." While we found no direct evidence of PPOs intentionally carrying unauthentic cases, we did identify problems with cases not being considered for reduced supervision or early termination as required by department policy. The potential exists for some cases to be unnecessarily supervised. In addition, we note there are certain types of administrative cases, which could be thought of as ghost cases if counted as active supervision cases. We also found the division is not utilizing a workload formula to better allocate cases among PPOs. Increased oversight by chief PPOs of officers' caseloads would greatly reduce any risk of supervising unnecessary cases. Equally important, our file review found PPOs were less likely to be meeting minimum supervision requirements for higher risk offenders than for medium and minimum offenders.

Second, we assessed management controls for offender collections and found the loss of a fully functional computer system put the tracking and disbursement of offender payments at a greater risk for errors because it was being done manually and inconsistently among the 11 district offices. The department dedicated significant resources to improve the timeliness and accuracy of victim payments. However, we estimate hundreds of victims are still not identified in the system and may not be receiving payments. We also found a number of general computer control weaknesses surrounding the current offender management system.

Third, we tested DFS compliance with court and parole board orders and other relevant policies and found the vast majority of all such treatments were being provided, including treatment for substance abuse, anger management, and mental health. We note the DFS has changed its offender supervision standards. In some respects, it has lowered the minimum standards; in other respects, it allows PPOs to use greater discretion in supervising offenders. According to a DFS official, the new standards are a reflection of a different approach to case management. If New Hampshire continues this approach, simply meeting with offenders for compliance sake will be replaced by assessing supervision outcomes. DFS actions and resources should be focused on promoting the most beneficial outcomes.

Just as PPO oversight of probationers and parolees is intended to provide public safety, the same may be said of offender rehabilitation. While the DFS ensures offenders are provided treatment, it cannot assess the adequacy of treatment because it does not collect program outcome data. Failure to provide effective treatment wastes resources and ultimately provides little benefit to society. Any additional treatment expenditures should be tied to efforts to collect outcome data regarding treatment effectiveness. If demonstrated to be effective, treatment activities could be viewed as an investment towards controlling the long-range cost of corrections and improving public safety.

## APPENDIX A

### Department Response To Audit



**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF CORRECTIONS  
DIVISION OF FIELD SERVICES**

**Mrs. Les Dolecal  
Acting Commissioner**

**Larry Blaisdell  
Director**

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December 03, 2003

Fiscal Committee of the General Court:

The performance audit of the Division of Field Services (DFS) which was recently completed by the Legislative Budget Assistant is very thorough and contains many suggestions for improvement. We would like to recognize Senior Auditor Jay Henry and his audit team of B. Erin Campbell and David Sikes for the tremendous amount of time invested in the compilation of this report. They truly strove for accuracy and worked hard to develop an understanding of our operations as well as the difficulties we have undergone in the past several years.

The Division is pleased to report that, through the efforts of our Information Technology staff as well as our DFS team, that we have overcome many of the issues surrounding the collection and disbursement of restitution to crime victims as well as state accounts. While there is much work still ahead we have shown tremendous gains in the past year. We are in the process of negotiating with a sub-contractor, for the installation of an offender management system that will address many of the issues outlined in this report. One of the most important will be the ability to collect and report on outcomes of our operation for evaluation and future budget purposes. Automation will also enhance the ability of our line staff to be as efficient and effective as possible and will improve communication state-wide.

The Division is in the beginning stages of strategic planning. We have recently undergone a "peer review" conducted with the financial support of the National Institute of Corrections in an effort to generate internal discussions regarding mission, direction and efficiency. Our goal is to work quickly toward becoming a "What Works" agency. This means that our work will be outcome based and results oriented. Program evaluation will be critical to this process.

We have recently implemented a change in our risk/needs assessment tool for offenders to the Level of Services Inventory or LSI. This tool assesses the dynamic risk factors of an offender as they relate to criminogenic needs. We expect that this tool will help us focus time and resources where they need to be. Roughly one third of our staff have been trained in the utilization of this tool and the remainder will be trained by mid 2004 if funds are available. The first round was paid for through a Technical Assistance Grant from the National Institute of Corrections.

We will continue to look for ways to improve the efficiency and effectiveness of our operation and appreciate the LBA's efforts in providing us with a sample logic model to use as we move toward implementation of our automated, offender management system.

Fiscal Committee of the General Court  
December 03, 2003  
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Resources remain an issue for the division as supported by this audit report. It needs to be recognized that if the current efforts to reduce the prison populations are successful, Community Corrections, Field Services, and community resources will be greatly impacted and in need of support.

In closing, this process has been informative and instructional. The Division of Field Services intends to continue internal process reviews in order to become as efficient and effective as it can. Our excellent staff are clearly up to the task and ready to move forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Les Dolecal", written over a light blue horizontal line.

Mrs. Les Dolecal  
Acting Commissioner

## **APPENDIX B**

### **Logic Model**

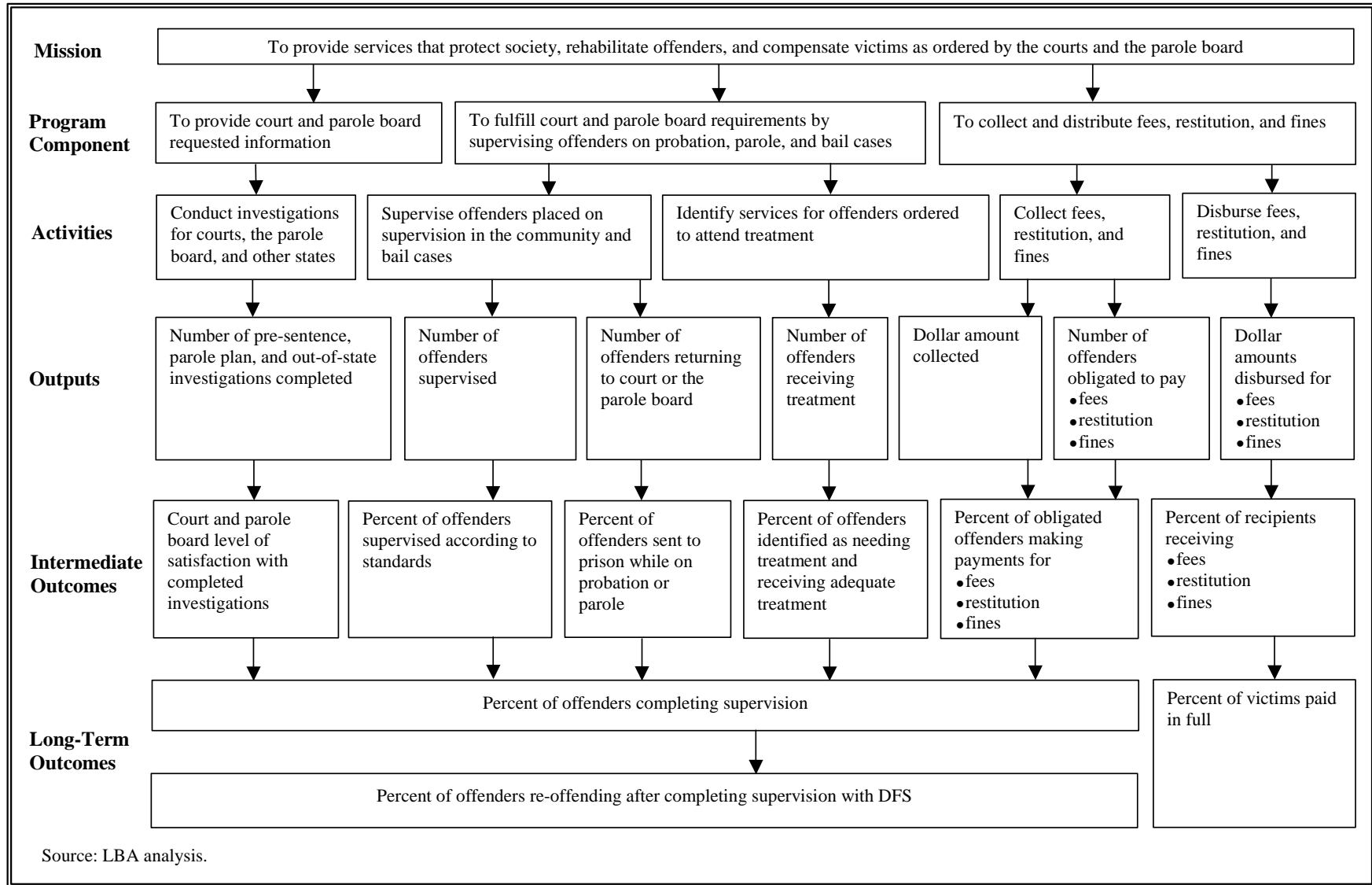
When measuring the performance of a program, one of the more difficult questions to answer is what contribution the program made to the outcomes. In fact, in most cases there are many factors influencing outcomes in addition to the impact of a program's efforts. Determining the absolute extent to which a government program contributes to a particular outcome is not usually possible. Instead, the aim of performance measurement is to acquire insight and provide some evidence the program is actually having an impact. A key tool for determining attribution is a logic model, which illustrates intended relationships.

Logic models are presented as flow charts describing programs in a way that facilitates developing relevant measures by portraying intended causal relationships between activities, outputs, and outcomes. The flow chart thus illustrates how a program intends to solve identified problems. Individual program activities, outputs, and outcomes are arranged in rows. Relationships between the various activities, outputs, and outcomes are arranged vertically on the page according to the sequential flow of program logic. The arrows linking the program elements signify the intended flow of the program.

The program's mission and goals are included at the top of the page as reference points to show the rationale of the program. The activities describe what the program does to produce outputs. The outcomes are what the program hopes to change. Therefore, program outcomes, or the intended impact of the program, should be linked to the goal and mission.

We present suggested key program measures in the following logic model as an example for division of field services (DFS) to consider should management decide to develop one for its own purposes. However, identifying measures to monitor program performance is difficult in nature and should therefore include participation from various officials within the DFS. Collecting and analyzing output and outcome data will likely occur only after the division has implemented a new offender management system to efficiently collect such information.

## LBA's Logic Model Of DFS Operations





## APPENDIX C

### Current Status Of Prior Audit Findings

The following is a summary of the status of the observations related to the Department of Corrections division of field services found in the 1992 audit report of the State of New Hampshire Prison Expansion Performance Audit. A copy of the prior audit can be obtained from the Office of Legislative Budget Assistant, Audit Division, 107 North Main Street, State House Room 102, Concord, NH 03301-4906.

<u>Prior LBA Observations</u>	<u>Status</u>		
18. Probation and Parole Caseload Management (see Observation Nos. 2, 3)	●	○	○
19. Probation and Parole Supervision Standards (see Observation No. 1)	●	○	○
20. Quality of Probation and Parole Supervision Chronological Narrative Summaries	●	●	○
22. Probation and Parole Administrative Practices	●	○	○
24. Community Services Sanctions	●	●	○
25. Planning for Probation and Parole Services	●	●	●
26. Probation and Parole Officers Equipment and Supplies (see Other Issues And Concerns)	●	○	○
27. Drug Testing Capabilities	●	●	●
28. Probation and Parole Risk/Needs Assessment Form	●	●	○
29. Field Services' Training Program (see Observation No. 12)	●	●	○
30. Administrative Home Confinement	●	●	●
31. Judicial Assessment of Probation and Parole Officers' Performance (see Observation No. 5)	●	●	○

**Status Key**

Fully Resolved	●	●	●
Substantially Resolved	●	●	○
Partially Resolved	●	○	○
Unresolved	○	○	○

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