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Interstate Commission for Adult Offender Supervision  
Ensuring Public Safety for the 21st Century

**FY 2013 Annual Report**





## **The Mission:**

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To guide the transfer of offenders in a manner that promotes effective supervision strategies consistent with public safety, offender accountability and victim's rights.

# Letter from the Chair

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The Commission's goals continue to focus on public safety and continuity of supervision for offenders transferring from state to state. To be successful it is critical that we do our best to reach out to the local judiciary who have infrequent interaction with the Compact.

Each member state and territory has the responsibility to educate the local authorities and to ensure compliance with the Interstate Compact for Adult Offender Supervision statute, rules and policies. Shrinking budgets and turnover are no longer an acceptable excuse for noncompliance. If you have not already done so, I urge each Commissioner to develop proactive strategies for assisting local officials with compliances issues.

In FY 2013, the ICAOS Training Committee along with the National Office put considerable effort into updating existing training materials and new programs used around the country. Up to date internet-based rule trainings (live and on-demand) make it possible for thousands of staff to regularly receive the latest information and materials. In addition to the existing rule based training, in May of 2013, the Commission added a new program to teach field staff the new procedures for processing offender violations in the Commission's Interstate Compact Offender Tracking System (ICOTS). I urge you to take advantage of these materials and programs to assist in your efforts to improve rule compliance.

Once again, I am pleased to report that the Commission continues to remain on solid financial footing without the need to increase fees. Treasurer Charles Lauterbach, along with the Finance Committee and the National Office continue to wisely manage our funds. The return on the long-term investment strategy approved by the full Commission exceeds expectations and continues to grow as the Commission increases its monthly investment to take advantage of the improved economic conditions. In the last year, the return on investment increased from 3.3 percent to 12.6 percent. This long-term investment provides the foundation needed to ensure that the organization can continue to grow without increasing member contributions.

The Commission's compliance audit program completed its third year and is an effective tool for measuring rules compliance. As of FY 2013, all member states and territories participated in two complete audits on all standards and the results are impressive. While there is more work to be done, the current level of rules compliance is much higher than some would have expected and continues to improve each year. The audit's importance to our goals for the future cannot be overstated and the continued improvement shown by the states demonstrates in a quantifiable manner how the hard work from each state office is paying dividends. Based on audit findings from previous years, the Commission's FY 2014 audit program will focus on the states and territories that underperformed in FY 2013 and on states that have shown a multi-year pattern of underperformance.

I want to thank everyone for their efforts to overcome obstacles, regardless of economic or statutory limitations. This record of accomplishment, success and continual improvement is only possible because of the dedication and hard work of all the professionals involved with the Interstate Compact. Because of these efforts, we look to continue on a path of sustained excellence in 2014.

Sincerely,

**Milt Gilliam, Chair**  
*Interstate Commission for Adult Offender Supervision*



*Milt Gilliam (OK)*  
Chair



*Sara Andrews (OH)*  
Vice-Chairman



*Charles Lauterbach (IA)*  
Treasurer

## Awards Presented

Executive Chair Award presented to Commissioner – Charles Lauterbach (IA)

Executive Director Award presented to Deputy Compact Administrator Matthew Charton (NY)

Peyton Tuthill Award presented to Victims' Advocate Colleen Jo Winston (WI)

It's been a good year for the Technology Committee, with the successful roll-out of the revamped Offender Violation Report and the continuing work on the automation of the victims notification function, which should be activated in August.

— Kathie Winckler (TX),  
Technology Committee Chair

# 2012 Annual Meeting Recap

At the 2012 Annual Business Meeting, the Commission took the opportunity to celebrate its 10th year anniversary. This was a time to reflect on a previous decade of growth and accomplishments and to look forward to expanding the Commission's engagement with others in the justice community. The meeting began with Commissioner Jule Cavanaugh (WI) welcoming the Commission to Madison, WI. She introduced Gary Hamblin, Wisconsin Department of Corrections Secretary, who provided an engaging welcome speech. Following Secretary Hamblin, each committee provided a report to the Commission.

The Technology Committee reported that the Commission successfully renegotiated a contract with Appriss, Inc. for the hosting and maintenance of ICOTS (Interstate Commission Offender Tracking System). Commissioner Kathie Winckler (TX), Technology Committee Chair also presented a proposal to redesign the violation report process in ICOTS for which the Commission voted in agreement. Prior to concluding her report, Commissioner K. Winckler polled the Commission's interest in developing a victims notification function in ICOTS. In a 39-9 vote the Commission authorized the National Office to determine the feasibility of implementing a victims' notification function in ICOTS utilizing the existing VINE application.

The Training and DCA Liaison Committees reported on the programs offerings and attendance. Programs delivered in FY2013 focused on expanding on-demand offerings and updating existing training materials. In the past year, the Training Committee developed topic-based trainings on Violent Offenders, Eligibility for Reporting Instructions and Transfer and ICOTS Violation Reports. Trainers held on-site workshops for the American Probation and Parole Association, the North Dakota Prosecutors Association, the Arkansas Prosecutors Association, and the National Sheriff's Association.

The Compliance Committee reported that they met three times during the year to discuss complaints and issues referred to them by the Executive Committee. In the case of Texas vs. Ohio, based on an investigation submitted by Ohio, the Compliance Committee recommended to the Executive Committee that they find Ohio at fault and that they accept Ohio's corrective action plan. In the case of Washington v. Georgia, the Committee found Georgia at fault and recommended the Executive Committee require Georgia to submit a corrective action plan for the Commission's approval. The committee report closed by announcing its recommendation that the Executive Committee find the U.S. Virgin Islands and Puerto Rico in default for failing to establish and maintain a state council as required by statute.

Commissioner Charles Lauterbach (IA), Finance Committee Chair, presented the Finance Committee report stating that the effort to cut cost and not services is paying dividends. The Commission's goal to create a rainy day fund without increasing dues has become a reality and subsequently the Commission can continue on-going contributions to the reserve by maintaining strict spending controls. In FY 2012, the Commission finished the year 16.8 percent under budget.

Commissioner Lauterbach further reported that at the time of the meeting the long-term investment portfolio averaged a 4.5% rate of return. In the months following the meeting, the Finance and Executive Committees planned to determine whether to contribute and how much to contribute going forward.

At the conclusion of the committee reports, Chief Justice Gerald VandeWalle moderated a panel of judges consisting of Judge Warren Granville, Judge Michelle Ann Larkin and Judge Howard Harcha. The judges shared their thoughts and experiences with the Compact and addressed questions from commissioners.

Following the judicial panel, Chairman Milton Gilliam discussed the Commission's Best Practices Program. The Commission defines a best practice as a management idea which asserts that there is a technique, method, process, or activity more effective at delivering a particular outcome than any other. While each state is unique in structure, the mission and responsibilities concerning compact operations are similar. To exemplify what the Commission considers to be a best practice, the discussion included three programs; the (1) Northwest Shuttle Program (OR), (2) establishing a dedicated retaking fund (ND), and (3) compact specialized caseloads (IL). Dawn Persels represented Oregon, Charles Placek represented North Dakota and Michelle Buscher represented Illinois.



Following the Best Practices presentation, Chairman Gilliam introduced Idaho State Senator Denton Darrington who recapped the history of the Compact and the changes he's witnessed in the past ten years. Notable achievements included the adoption of the Compact by the first 35 states, the implementation of ICOTS and, the implementation of a compliance audit program. Following Sen. Darrington, David Guntharp, the first Chair of the Commission, highlighted the accomplishments of the Compact during his two terms in office – the appointment of Don Blackburn, the first Executive Director, reorganizing the old Compact, passing the legislation establishing the new Compact with states and territories, forming the standing committees, approving an operating budget, and the engineering of an electronic offender tracking system. Next, Warren Emmer, the Commission's second Chair, discussed the Compact's development during his term – implementing the electronic offender system in all member states and territories, appointing the Commission's second Executive Director Harry Hageman, establishing a DCA Liaison Committee, establishing a rainy day fund, and passing rule amendments that placed more regulation on the transfer of sex offenders. Ken Merz, the Commission's third Chair, shared the challenges he faced during his years including: ICOTS, cut backs in state budgets, and the tragic events of the Maurice Clemmons case.

In closing, Executive Director Hageman thanked the Commissioners for their leadership and support of the Compact and the National Office staff. The meeting concluded with executive officer elections where the Commission elected Milton Gilliam (OK), Chairman, Sara Andrews (OH), Vice Chair, and Charles Lauterbach (IA), Treasurer.



## National Office Staff

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## Committee and Region Chairs

**Scott McCaffery**, ME | *East Region Chair*

**Cathy Gibson-Beltz**, NE | *Midwest Region Chair*

**Chris Norman**, AL | *South Region Chair*

**Cheryl Marlow**, HI | *West Region Chair*

**Dori Ege**, AZ | *Training, Education and Public Relations Committee Chair*

**Kim Madris**, NV | *DCA Liaison Committee*

**Jane Seigel**, IN | *Rules Committee Chair*

**Kathie Winckler**, TX | *Information and Technology Committee Chair*

**Mike McAlister**, NH | *Compliance Committee Chair*

**Charles Lauterbach**, IA | *Finance Committee Chair*

## Ex Officio Representation:

National Conference of State Legislatures –  
**Senator Denton Darrington**

National Victims Organization – **Patricia Tuthill**

American Probation and Parole Association – **Carl Wicklund**

Association of Paroling Authorities International –  
**Keith Hardison**

Interstate Commission for Juveniles – **Dale Dodd**

Conference of State Court Administrators – **Sally Holewa**

National Organization of State Chief Justice –  
**Chief Justice G. VandeWalle**

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*The ICAOS rules define retaking as “the act of a sending state in physically removing an offender, or causing to have an offender removed from a receiving state.” In other words, when an offender is subject to retaking, the sending state is required to transport the offender in custody back to their jurisdiction.*

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## **Retaking through the Compact: Pursuing Solutions for an Evolving Problem**

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In 2009, the tragic events of the Maurice Clemmons case caused the Commission to rethink the mandatory retaking rules. The retaking process quickly moved to the forefront of the Commission’s agenda. In response to the Washington tragedies, the Commission appointed a special committee to study the problems associated with the retaking process and to recommend solutions to the full Commission.

The special committee subsequently proposed expanding the rules to include a rule for the mandatory retaking of violent offenders. At the 2010 Annual Business Meeting in San Antonio, Texas, the Commission voted to accept the special committee’s recommendation. As a result of the rule amendments, member states and territories can no longer order the voluntary return of offenders who are under compact supervision for a violent crime or commit a violent crime while under supervision in the receiving state. Instead, the sending state is required to issue a warrant so that the offender is in custody while transported back to the sending state. At the time of passage, states recognized that the rule amendments would increase the number of offender retakings and consequently the cost associated. While goals of improving public safety are apparent, unintended consequences arose. Anecdotal reports indicate some jurisdictions may be terminating an offender’s supervision early to avoid the cost of retaking. This is particularly troublesome given that sometimes these cases involve an offender with a violent history. Following these reports, the Commission directed the National Office to monitor early releases while it explored long-term solutions.

It soon became apparent that ICOTS lacked the business logic to enforce rule compliance and to collect the data needed to analyze the anomalies associated with retaking. As a result, at the 2012 Annual Business Meeting in Madison, Wisconsin, the Commission approved sweeping changes to the ICOTS to improve rule compliance and to collect the data necessary to make informed decisions. These changes were completed and implemented on May 22, 2013.

In addition to enhancing ICOTS, the Commission reached out to other organizations impacted by the retaking problem. The National Sheriff’s Association was the first to respond by passing a resolution in support of the Commission and by offering ICAOS the opportunity to train at the 2013 National Conference in Charlotte, NC. The Commission is also increasing its efforts to talk to prosecutors, judges and defense attorneys about the Commission and the compact rules that affect their offices. At the 2013 Annual Business Meeting in Boston, Massachusetts, the Commission will hold its second panel presentation involving perspectives from prosecutors and defense attorneys. The Commission has invited a number of prosecutors and defense attorneys from across the country to participate in a panel discussion about the affect the compact has had on their offices. The Commission will consider a number of rule amendments aimed at further improving the retaking process.



# Compliance Audits

In FY 2011, the Commission established a rigorous compliance audit program that began with an audit focused on rule compliance and involved all fifty-three member states and territories. In FY 2012, the Commission used the results of the FY 2011 to focus on the states and territories that did not meet the performance level established by the Commission. In FY 2013, the compliance audit program focused once again on a comprehensive audit of all member states and territories. The FY 2013 program differed from the one carried out in FY 2012 in that the audits were not announced prior to being scheduled.

The overall results of the FY 2013 audit were positive. Nationally, the states demonstrated significant progress toward reaching acceptable levels of compliance within the rules, with the exception of rule 4.106 – the requirement for the receiving state to provide an annual progress report for each case. The majority of states failed to reach the eighty-percent threshold, however many came close. To assist the states, the Commission offers a number of management reports to aid the field with compliance issues. With improved reporting, the Commission believes it will see improvement in future audits.

The FY 2014 compliance audit will target the fifteen states that failed to achieve satisfactory compliance in four or more standards in the FY 2013 audit. In addition, states that failed to show improvement in more than one audit will be required to participate in an on-site assessment of operations and will be required to submit a correction action plan to be approved and monitored by the Commission.

Description	Standard	FY 2011 % of States in Compliance	FY 2013 % of States in Compliance	Percentage Improvement from FY11 to FY13
2-day Investigations	3.101-1 (b), 3.101 -1(c), 3.103 (a)(2) & 3.106 (a)(2)(A)	90%	91.67%	+1.67%
45-day Investigations	3.104	69.77%	85.42%	+15.65%
10-day Case Closures	4.102 & 4.112 (a)(1)	–	56.25%	–
Departure Notice	4.105(a)	69%	89.58%	+20.58%
Arrival Notice	4.105(b)	57.5%	66.67%	+9.17%
Annual Progress Reports	4.106	–	20.83%	–
Violation Response	4.109(c)	–	56.25%	–
Duplicate File Maintenance	Misc. 1011	79.06%	87.5%	+8.44%
Signed User Agreements	Misc. 1021	93.02%	95.83%	+2.81%

<sup>1</sup>Compliance measured on a threshold basis, not percentage; a negative number indicates an INCREASE in compliance.

<sup>2</sup> FY 2012 audit was not a full national audit and was limited to states that did not reach the compliance threshold of less than five standards out of compliance. In addition, the re-audit focused only on the standards that they failed.

## FY 2013 Compliance Audit Quick Facts:

**12.6 days**

The average number of days between notice of departure and arrival notice has decreased by 12.6 days.

**7%**

The number of progress reports submitted increased by 7 percent.

**56%**

The average amount of time to respond to case closure notice decreased by 12.1 days or 56 percent.

**26 days**

The average time to complete the transfer process (from request to approval) is 26 days

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While the Interstate Compact legislation brought the states and territories together, the Deputy Compact Administrators keep us working together. The influence of a Deputy Compact Administrator is the foundation to successful leadership and cannot be underestimated.

— Sara Andrews (OH), Vice Chair

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### **Maximizing Efficiency Through the Use of ICOTS Data**

The Interstate Compact Offender Tracking System (ICOTS) captures an enormous amount of information about offenders and their supervision; however, it also captures business process and workload information that agencies may use to improve operations. All data entries have an audit trail that describes the data entered, who entered it and how long it took to make an entry. This type of data is a veritable treasure trove of information that managers can use to troubleshoot inefficiencies and bothersome business processes. Every key-stroke in ICOTS is time stamped and can be tracked.

Some of this information is readily accessible in the reports available in ICOTS and the ICOTS External Reports. The Interstate Compact is not immune to the rule of 80/20. Generally, twenty percent of the users are responsible for eighty percent of the errors in ICOTS. When ICOTS External Reports are properly used, they will give you the information needed to focus on those who would benefit from the training.

In addition to the reports that are currently available, the National Office has the capability to conduct custom queries and develop special reports to meet your state's individual needs. Used in many states, this service has produced some incredible results. For more information on specialized reports, contact Xavier Donnelly in the National Office.

### **Technical and Training Assistance Program: Take Advantage of a Helping Hand... for Free**

In 2008, the Commission created a Technical and Training Assistance Program with three goals in mind:

- (1) Provide training, technical assistance and support to member states, territories and other criminal justice professionals involved in Interstate Compact business;
- (2) Ensure effective training opportunities are available to interstate professionals, which will increase their knowledge of the Commission's rules, practices, technology, and compliance; and
- (3) Assist member states and territories in defining operational or programmatic problems specific to Interstate Compact and provide recommendations regarding solutions to these challenging issues. The Commission funds the program each year and there is no cost to member states and territories who take advantage of the program.

In years past, the program focused on conducting remote trainings, bringing in a national trainer to conduct on-site training and providing data analysis to identify problematic areas of compliance. If you are interested in participating, please refer to the guidelines outlined in the policy. All member states and territories are eligible to apply. Training and Technical Assistance Policy can be found under the legal tab at [www.interstatecompact.org](http://www.interstatecompact.org).



## Offender Demographics

Interstate Compact Offenders					
		Probation	Parole	Dual	TOTAL
Female	American Indian or Alaskan Native	319	54	36	409
	Asian or Pacific Islander	282	18	6	306
	Black	5,785	731	343	6,859
	Unknown	248	31	8	287
	White	16,340	2,098	977	19,415
<b>Female Totals:</b>		22,974	2,933	1,370	27,277
Male	American Indian or Alaskan Native	644	211	78	933
	Asian or Pacific Islander	1,029	201	58	1,288
	Black	20,017	9,116	2,445	31,578
	Unknown	974	393	76	1,443
	White	47,027	13,029	4,706	64,762
<b>Male Totals:</b>		69,691	22,950	7,363	100,004
<b>Grand Totals:</b>		92,665	25,883	8,733	127,281

### Gender

Male offenders on compact supervision are over-represented in both the probation and parole population. Of those offenders on Interstate Compact supervision (probation or parole), 78.6 percent are male and 21.4 percent are female. This is consistent with the general probation and parole population, according to the Bureau of Justice Statistics 2011 report.

### Acceptance and Rejection Rates

For the last three years, the average acceptance rate remains at slightly more than 72 percent. The number of transfer requests processed decreased by nearly 1 percent from last year and is 4.6 percent below the historic figure set in FY 2011. When analyzing offender transfers based on “reason for transfer”, the offenders that transferred to be closer to family comprised the largest group, 29,982. Consistent with previous years, offenders who were a resident of the receiving state constituted the group most likely to have its request approved and discretionary transfer requests are the least likely to be approved.

Discretionary transfer requests account for 18.8 percent of all requests (an increase of nearly 5 percent from FY 2012), but represent only 10 percent of the accepted transfer requests. The acceptance rate is consistent with FY 2012 at approximately 54 percent. States vary widely in their willingness to accept discretionary transfers, from a low of 29 percent to a high of 100 percent.

Acceptance and Rejection Rates			
Accepted Cases	Rejected Cases	Accepted %	Reason for Transfer
258	58	81.7%	Live with family who are military members
79	14	85%	Military member
29,982	12,056	71.3%	Resident family and employment or means of support
6,174	5,114	54.7%	Discretionary
391	211	65%	Employment transfer of the offender to another state
167	53	75.9%	Employment transfer of family member to another state
22,732	4,780	82.6%	Resident of receiving state within the meaning of the Compact
59,774	22,286	72.8%	Totals/Average Rate of Acceptance

The Compliance Committee is responsible for monitoring compliance of member states with the terms of the Compact and the Commission’s rules, and for developing appropriate enforcement procedures for the Commission’s consideration.

— Mike McAlister (NH),  
Compliance Committee Chair

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The Rules Committee was pleased to see draft rules submitted from all of the Regions, most of the standing committees, and also pleased with the numerous comments received from compact offices. The Committee believes that this level of participation is critical to developing new rules and improving existing rules.

— Jane Seigel (IN), Rules Committee Chair

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### The ICAOS rules define a sex offender as:

An adult placed under, or made subject to, supervision as a result of the commission of a criminal offense and released to the community under jurisdiction of the courts, paroling authorities, corrections, or other criminal justice agencies. In addition, the offender is required to register as a sex offender either in the sending or receiving state and is required to request a transfer of supervision under the provisions of the Interstate Compact for Adult Offender Supervision.

### Victim-Sensitive Cases

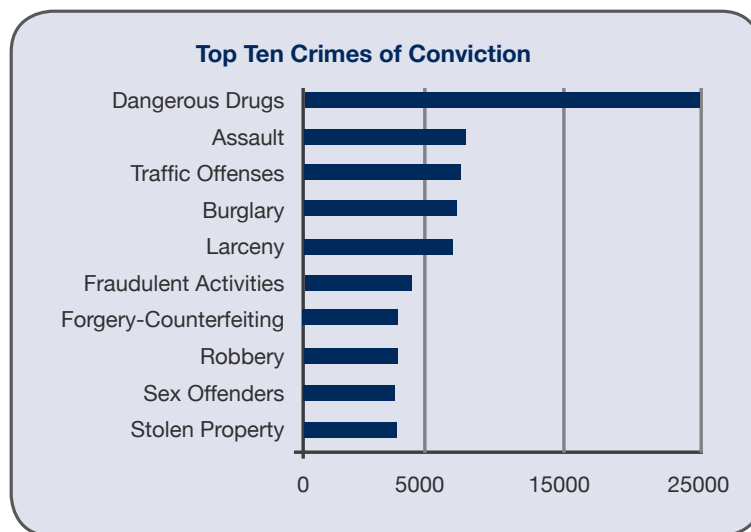
Transfer requests identified as victim-sensitive by the sending state, in accordance with the definition of “crime victim” in the sending state’s statutes, are approved at a slightly lower rate than those that are not victim-sensitive. Slightly over 11 percent of the offenders transferred in FY 2013 are victim-sensitive designated cases, a rate that has been consistent with previous years. Of the 9,349 transfer requests designated as victim sensitive, 71 percent received approval by the receiving state. The rate of acceptance for victim-sensitive cases remains relatively constant regardless of other trends in acceptance rates.

### Registered Sex Offenders

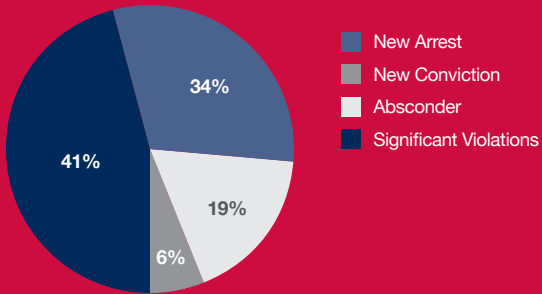
In FY 2013, 6,204 sex offenders applied for interstate transfer, a reduction of 3 percent compared to FY 2012. Member states and territories approved 49.5 percent, or 2,976 sex offender transfer requests. The sex offender request approval rate is well below the nearly 73 percent averages for non-sex offenders. Approved sex offender transfers comprised slightly less than 5 percent of the total number of transfers approved in FY 2013.

### Crimes of Conviction

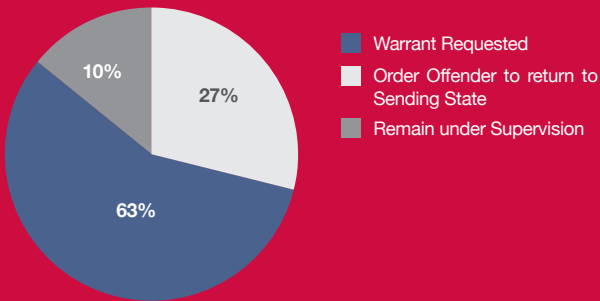
The crimes of conviction for compact offenders mirror the general population of probation and parole offenders. In the table shown, the top five crimes of conviction account for over half of the total.



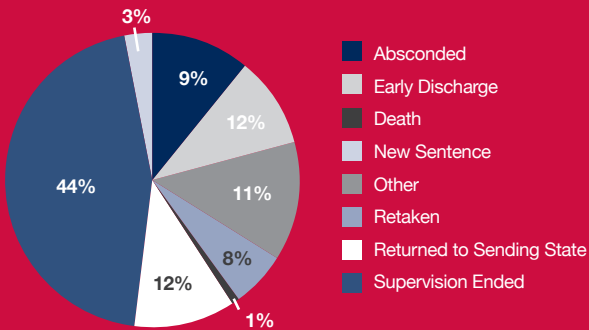
### Types of Violations



### Violation Report Recommendations



### Reasons for Case Closure



### Violations

The states reported 36,718 violations in FY 2013. This represents a 5.9 percent increase in the number of reports filed since FY 2012. Sustained efforts training to ensure that offenses are reported correctly attributed to the increase in reported violations.

Since the launch of ICOTS in 2008, the offender violation process has allowed users to submit recommendations and responses that could be inappropriate based on the action required by rule. The Commission used a robust training program to educate officers on the correct procedure for entering reports and as a result the data in ICOTS improved significantly. Since FY2012, the number of violation reports with the recommendation of “continue under supervision” decreased by 39.3 percent and inappropriate responses of ‘under review’ decreased by 11.7 percent.

In order to address the entry errors (and others), the Commission approved an ICOTS enhancement that drastically changed how the violation process is handled in ICOTS and limits an officers ability to make incorrect entries. On May 22, 2013, ICOTS users began using the new directed-process that adheres to the rule.

The distribution of the type of violations remains consistent with those reported in past years, where 41 percent involve the commission of a significant violation, 6 percent are the result of a new conviction, 18 percent are for absconding and 34 percent relate to a new arrest.

The number of violations associated with registered sex offenders and victim sensitive offenders remains consistent with previous years, 4 percent and 11 respectively. Both percentages are consistent with their proportion of the offender population.

*\* A significant violation is an offender's failure to comply with the terms or conditions of supervision that, if occurring in the receiving state, would result in a request for revocation of supervision.*

### Case Closures

The states closed supervision on 61,062 compact offenders, a drop of 4 percent, or 2,789 cases, from FY 2012. Despite the decrease in every other category, the number of cases closed with a reason of “retaken” or “early discharge” each increased by 3 percent from FY 2012 to FY 2013. There has been a 6 percent reduction in the cases closed since FY 2010 due to improved user training and a decrease in entry errors.





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The DCA Liaison Committee works to ensure that the DCA's have an active voice in the affairs of the Compact. With the implementation of the DCA Mentoring Program, the commitment by the Commission to provide quality mentoring to our new DCA's will ensure that the practitioners of the Compact will be highly skilled and proficient.

— *Kim Madris (NV), DCA Liaison Committee Chair*

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# Programs, Services and Accomplishments

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## Administration and Legal

- Implemented the FY 2013 compliance audit program and set the standards for the FY 2014 audit; including new on-site audits for states with low compliance rates.
- Published 183 newsletters, announcements and emergency notifications
- Surveyed the states on accreditation memberships
- Coordinated the 2012 Annual Business Meeting in Madison, Wisconsin, and 49 online region and committee meetings
- Conducted orientations for new Commissioners
- Published two advisory opinions
- Implemented the DCA Mentoring Program
- Operated within approved budget; 4 percent under budget expenses
- Increased contribution to long-term investment portfolio and a very good rate of return 12.6 percent.

## Technology

- Introduced two ICOTS maintenance releases
- Implemented the ICOTS OVR/RVR enhancement
- Piloted a data sharing project with the New York State Fusion Center
- Initiated a data sharing project with the FBI N-DEx program
- Began the development of an ICOTS initiated victim notification application
- Implemented a major upgrade to the ICAOS website software platform
- Expanded the number of ICOTS external reports available to compact offices
- Migrated the National Office email and document storage to new vendors reducing the cost by 50%
- Renegotiated WebEx contract annual savings of \$9,000
- ICAOS received \$2,500 for ICOTS data provided to JusticeXchange

## Training

- Updated the Judicial Bench Book, the Commissioner Handbook, and the field officer training curriculums
- Expanded training topics and the number of online modules
- Conducted trainings at APPA and National Sheriffs' Association Annual Conferences
- Thirteen states offered continuing legal education credit to those who participate in ICAOS training programs
- Conducted forty-seven rule training sessions for field personnel
- Introduced a new training module on the Eligibility for Transfer and Reporting Instructions
- Trained 3,679 field users on the new ICOTS violation process
- Trained 285 compact office staff on the new violation process in ICOTS
- Over 2,000 individuals participated in the on-demand training sessions
- Three states received training assistance through the Technical and Training Assistance Policy
- 200+ prosecutors attended training in Arkansas facilitated by General Counsel, Rick Masters in April 2013
- 31 Judges in North Dakota attended a judicial training in North Dakota facilitated by General Counsel, Rick Masters in November 2012
- Published 2 new training guides and on-demand modules for Jail Administrators and Parole Board members

# FY 2013 Advisory Opinions

**5-2012 (published 10.11.2012)** – At issue: Whether ICAOS Rule 5.108(d) permits the use of 2-way video closed circuit television during probable cause hearings where determined by the hearing officer to be necessary to protect a witness from harm which might result from testifying in person.

**4-2012 (published 10.11.2012)** – At issue: Whether or not the definition of the term ‘Relocate’ in ICAOS Rule 1.101 and as applicable in ICAOS Rule 2.110, should be interpreted to mean that an offender may not proceed and remain in another state for a cumulative period exceeding 45 days in any 12 month period without being in violation of ICAOS Rule 2.110.

*\*The full text of the advisory opinions can be found in the legal section of the Commission’s website.*

## Ex Officio Organizations:

- .....
- National Conference of State Legislatures
- National Victims Organization
- American Probation and Parole Association
- Association of Paroling Authorities International
- Interstate Commission for Juveniles
- Conference of State Court Administrators
- National Governors Association
- National Organization of State Chief Justices
- National Institute of Corrections
- National Association of Attorneys General



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The Commission continues to invest its reserve funds in the Council of State Government long term investment portfolio, which, provides an outstanding rate of return. The Commission's financial position remains healthy with no changes in the dues structure anticipated for the foreseeable future.

— *Charles Lauterbach (IA),  
Treasurer & Finance  
Committee Chair*

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## Looking Ahead to Fiscal Year 2014

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Enforcing rule compliance and the retaking process are two topics that will take center stage in FY 2014. The Commission has the authority to enforce its rules and after ten years of operation under the new Compact, states that have not shown improvement are poised to be taken to task. The topic of retaking offenders who violate supervision, is and will continue to be a source of concern. The ongoing promotion of the published Jail Administrator Curriculum and expanded contact with local jails, the National Sheriffs Association and the American Jail Association aim to reduce instances of bail release for Compact offenders.

The Commission plans to continue pursuing opportunities to improve public safety through data sharing initiatives with local and national criminal justice agencies such as the FBI and the State Fusion Centers. Sharing data with the nation's fusion centers and the FBI's N-Dex program will come to fruition in FY 2014 and have the potential to change how law enforcement engages the compact offender population. In addition to the law enforcement data sharing, the Commission will implement an automatic victim notification in FY 2014. Using triggers from within the business process in ICOTS, email and phone victim notifications will be delivered to any victim that chooses to register. These notifications are powered by the VINE system and are available to all states regardless if they use VINE for other victim notifications within their state.

The next scheduled Annual Business Meeting is August 29, 2013, in Boston Massachusetts. This venue provides an exciting location to energize the Commission's membership and to tackle the difficult issues that lie ahead.

## Financial Outlook

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The Commission's operating budget remains on sound footing. Projects such as the ICOTS Violation Report enhancement and the long-term investment program required a significant withdraw from the reserve fund, however the reserve remains well funded and will provide the means to fund the future expansion of programs and the system without increasing the dues paid by member states and territories.

In accordance with the Council of State Governments recommendations, the Commission maintains a reserve fund. The current balance of the reserve fund is \$2,157,972.30. The Commission also maintains a separate legal reserve of \$50,000 to cover any litigation expenses. Beginning in 2011, the Commission began to pursue a long-term investment strategy to improve the rate of return on our reserve fund. In November 2012, the Commission decided to increase the monthly contribution to this fund from \$20,000 to \$30,000 per month. The Commission's long-term investment portfolio has a balance of \$532,468.35 and achieved a 12.6 percent rate of return during FY 2013.



# Audit Report



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## REPORT OF INDEPENDENT AUDITORS

To the Governing Board  
The Council of State Governments  
Lexington, Kentucky

We have audited the accompanying statement of financial position of The Council of State Governments (a nonprofit organization, the Council) as of June 30, 2012 and 2011, and the related statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Council as of June 30, 2012 and 2011 and the results of its operations, its changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2012 on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic consolidated financial statements or to the basic consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Blue & Co., LLC

December 11, 2012



# Offenders on Compact Supervision as of the close of FY 2013

States	Incoming				Outgoing				Total Offenders
	Probation Only	Parole Only	Probation and Parole	Total Incoming	Probation Only	Parole Only	Probation and Parole	Total Outgoing	
Alabama	3,097	718	270	4,085	1,342	433	40	1,815	5,899
Alaska	139	60	10	209	176	31	66	273	482
Arizona	1,347	529	68	1,944	2,338	214	60	2,612	4,556
Arkansas	1,859	738	144	2,741	1,286	1,425	105	2,816	5,557
California	4,121	1,204	164	5,489	2,050	572	21	2,643	8,132
Colorado	1,126	281	76	1,483	2,312	709	58	3,079	4,562
Connecticut	768	152	32	952	907	129	102	1,138	2,090
Delaware	587	125	52	764	343	31	36	410	1,172
District of Columbia	717	98	87	902	496	3	-	499	1,401
Florida	5,007	1,707	373	7,087	6,366	226	48	6,640	13,725
Georgia	3,597	937	129	4,663	7,893	1,290	938	10,121	14,783
Hawaii	170	40	2	212	263	119	6	388	600
Idaho	392	131	35	558	1,213	449	31	1,693	2,251
Illinois	3,510	1,182	257	4,949	2,068	852	56	2,976	7,925
Indiana	2,396	710	109	3,215	2,191	365	63	2,619	5,834
Iowa	1,130	301	68	1,499	989	298	51	1,338	2,837
Kansas	1,138	394	90	1,622	1,076	447	93	1,616	3,236
Kentucky	1,866	426	100	2,392	2,427	780	170	3,377	5,769
Louisiana	2,142	805	129	3,076	1,746	1,035	242	3,023	6,099
Maine	267	63	19	349	199	2	3	204	553
Maryland	2,876	452	131	3,459	1,021	243	265	1,529	4,987
Massachusetts	1,258	210	50	1,518	895	76	59	1,030	2,548
Michigan	1,816	569	103	2,488	1,280	629	48	1,957	4,444
Minnesota	1,294	311	101	1,706	2,071	291	65	2,427	4,132
Mississippi	1,718	573	109	2,400	1,682	492	263	2,437	4,837
Missouri	2,265	867	163	3,295	3,622	1,215	367	5,204	8,498
Montana	295	86	23	404	603	181	177	961	1,365
Nebraska	577	198	32	807	333	99	6	438	1,245
Nevada	714	227	23	964	1,053	339	22	1,414	2,378
New Hampshire	485	72	23	580	310	207	23	540	1,120
New Jersey	2,022	515	104	2,641	2,239	829	64	3,132	5,773
New Mexico	926	246	29	1,201	622	87	202	911	2,112
New York	3,720	762	147	4,629	1,849	1,256	40	3,145	7,774
North Carolina	3,618	848	220	4,686	1,301	141	45	1,487	6,173
North Dakota	619	89	41	749	451	22	85	558	1,306
Ohio	2,897	921	173	3,991	1,775	671	56	2,502	6,493
Oklahoma	1,906	851	121	2,878	1,181	225	28	1,434	4,312
Oregon	897	269	58	1,224	1,115	518	87	1,720	2,944
Pennsylvania	2,358	574	117	3,049	3,491	1,348	277	5,116	8,164
Puerto Rico	210	136	15	361	71	26	1	98	459
Rhode Island	406	51	14	471	705	32	65	802	1,272
South Carolina	2,088	500	170	2,758	1,076	236	47	1,359	4,117
South Dakota	377	76	27	480	461	307	30	798	1,278
Tennessee	3,625	974	311	4,910	2,209	544	67	2,820	7,729
Texas	4,282	1,912	404	6,598	7,136	3,190	300	10,626	17,223
Utah	554	134	23	711	340	122	7	469	1,180
Vermont	207	55	6	268	268	74	4	346	614
Virginia	1,684	487	126	2,297	5,491	187	172	5,850	8,147
Virgin Islands	32	11	2	45	5	4	-	9	54
Washington	1,522	481	113	2,116	477	122	27	626	2,742
West Virginia	910	169	49	1,128	300	245	38	583	1,711
Wisconsin	1,278	257	48	1,583	1,774	1,173	257	3,204	4,787
Wyoming	328	105	25	458	445	75	23	543	1,001
<b>TOTAL:</b>	<b>85,140</b>	<b>24,589</b>	<b>5,315</b>	<b>115,044</b>	<b>85,333</b>	<b>24,616</b>	<b>5,406</b>	<b>115,355</b>	<b>230,382</b>