



FY 2017 ANNUAL REPORT

Interstate Commission
for Adult Offender
Supervision

LETTER FROM CHAIR



Sara Andrews (OH)
Chair

When I consider the populations we serve and the serious challenges every state faces, I am continually encouraged by the ways the Interstate Commission for Adult Offender Supervision (ICAOS) works to address prevailing issues. Whether it is aligning justice reinvestment initiatives with supervision practices, addressing inconsistencies with violations and retaking, highlighting the importance of quality driven reporting, or emphasizing evidence-based practices to achieve better outcomes with offender rehabilitation and public safety, the solutions we provide are influential in meeting the most pressing corrections challenges of our time.



Jeremiah Stromberg
(OR) Vice-Chair

This year's accomplishments are due in large part to the highly effective and collaborative efforts of our members. Commissioners and Deputy Compact Administrators, along with the National Office staff, offered their time and talent to deliver training programs, launch ICOTS enhancements, explore self-registration for the ICOTS VINEWatch system, establish ICOTS' photo standards and review the quality of data being entered in our national system. I am grateful for these hard working professionals who believe in the importance of our mission and work to transform our goals into realities.

By implementing rules that employ a single standard of supervision, the Commission established an expectation for states to use evidence-based practices when supervising out of state offenders. States now have specific reporting requirements and the authority to impose incentives and graduated sanctions when an offender on Compact supervision violates the terms of their supervision. This new standard of supervision, which extends to all agencies within the states, reinforces correctional practices for violation hearings and revocations.



Charles Lauterbach (IA)
Treasurer

At the start of this fiscal year, we began the complex process of withdrawing from our long-standing affiliation with the Council of State Governments (CSG). Changes in the financial environment with CSG no longer made it fiscally responsible for the Commission to maintain its affiliation. Over the course of 6 months, the National Office successfully implemented the Commission's transition to an independent entity and generated over \$100,000 in annual savings as a result.

Perhaps the biggest change this year was our Executive Director's retirement. When Harry Hageman joined the National Office in 2007, he brought with him the commitment and drive we needed to put the Commission on a course for enduring success. Under Harry's leadership, ICOTS launched, as did the Commission's audit program and dashboard monitoring, in addition to positioning the Commission's financial security. Though he'll be missed, his retirement was well earned.

In January 2017, Ashley Lippert started as the new ICAOS Executive Director and I am confident the Commission will benefit from her talent and experience. Ashley is no stranger to ICAOS. She helped establish its National Office and served as its Assistant Director for 6 years, before becoming the Executive Director to the Juvenile Compact in 2009. Ashley is already pursuing the Commission's goals and building on our operations and services.

As you read this report, you will undoubtedly see that fiscal year 2017 was a year of change and enterprise. Knowing the years to come hold even more opportunity, I am honored to serve as Chair of such a distinguished group.

Best Regards,
Sara Andrews, Chair
Interstate Commission for Adult Offender Supervision

ANNUAL BUSINESS MEETING ENGAGES LEADERS

Anchored by messages from Ohio's prominent officials, the 2017 Annual Business Meeting took place on the waterfront of Lake Erie in Cleveland, Ohio. The event featured remarks from Ohio Senator, John Eklund, and Ohio Chief Justice, Maureen O'Connor, welcoming the Commission, and Senator Bill Seitz, who gave the keynote speech. Commission members also heard from the Director of the Ohio Supreme Court and co-author of "The Evolving Use and the Changing Role of Interstate Compacts: A Practitioner's Guide", Michael Buenger and the Director of Ohio's Department of Rehabilitation and Correction, Gary Mohr. In their remarks, each speaker reinforced the importance of effective supervision practices, promising initiatives, corrections system reform, and the challenges states are facing as a result of the opioid crisis.

In addition to hearing updates from the standing committees, Commission members also heard from Dr. Ed Latessa, Director and Professor at the University of Cincinnati, and Dr. Christopher Lowenkamp, Social Science Analyst for the Administrative Office of the US Courts, Probation and Pretrial Services Office, who continued the discussion on justice reinvestment. Their session focused on implementation science and sustaining effective offender management, recidivism trends, program evaluation and evidence-based decision making. The combination of speakers and training sessions provided two days of expert presentations.

Most notably, the Commission made a progressive shift to address violations and retaking on compact offenders. Employing a single standard of supervision, states voted to implement specific reporting requirements and the authority to impose incentives and graduated sanctions when an offender on Compact supervision violates the terms of their supervision. Before the meeting adjourned, the Commission elected new officers. Commissioner

Sara Andrews, OH as Chair, Commissioner Jeremiah Stromberg, OR as Vice-chair, and Commissioner Alison Morgan, CO as Treasurer. Unfortunately, Commissioner Morgan had to resign her position shortly after the election, and Charles Lauterbach, IA graciously stepped back into the role.

AWARDS PRESENTED:

Executive Chair Award presented to
Robert Maccarone, Commissioner, NY

Executive Director Award presented to
Jim Ingle, Deputy Compact Administrator, UT

Peyton Tuthill Award presented to
Anne Seymour, Victims' Advocate, FL

SPIRIT OF THE COMPACT RECOGNITION:

Tim Strickland, FL

Chad Woster, NV

Paula Soelle, AZ

Kimberly Gallegos, CA

Lucia Rodriguez, AZ

Richard Kinner, TN

Julie Iris, AZ

Leonel Valencia, NM

Peggy Hatch, NV



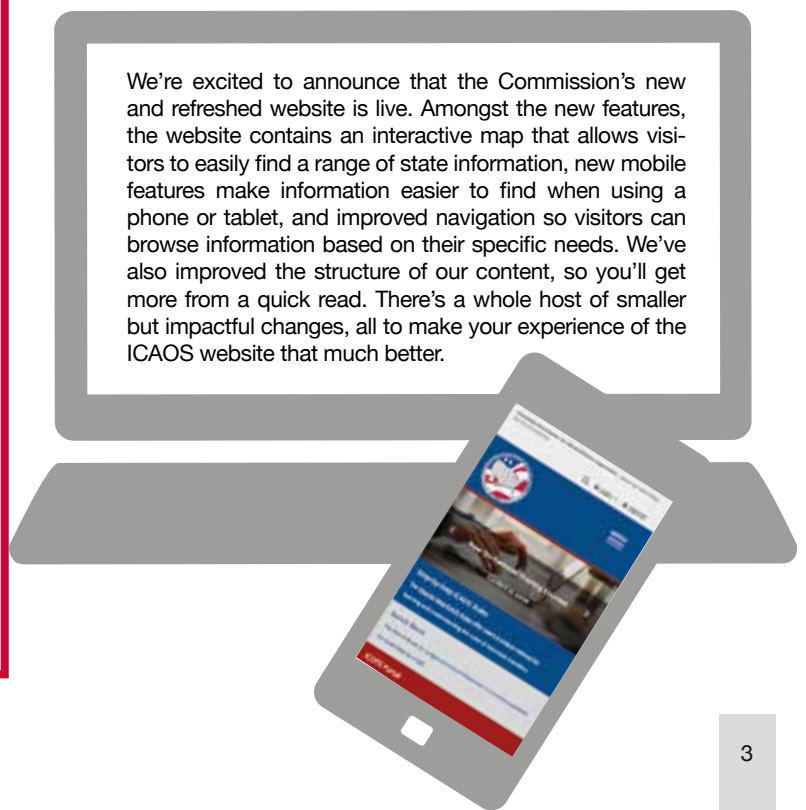
Ashley H. Lippert
Executive Director

Following an extensive national search, the Executive Committee selected a new Executive Director to lead the organization.

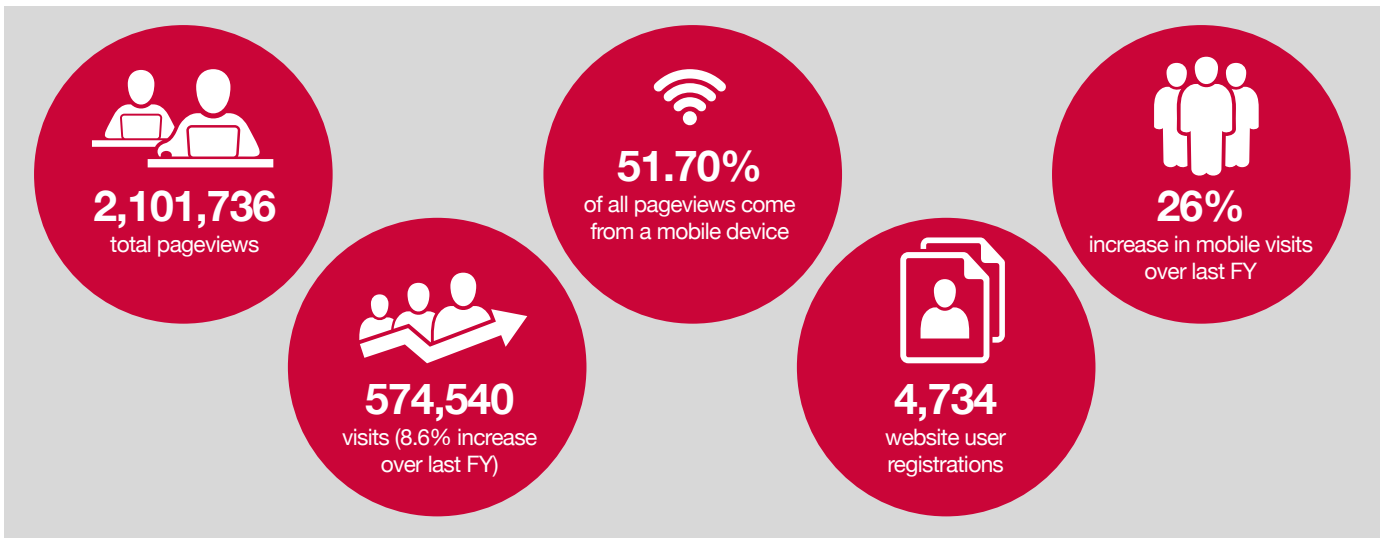
On January 15, 2017, Ashley Lippert took over the operations for the Interstate Commission for Adult Offender Supervision. The Search Committee worked diligently to ensure the values, principles and practices at the heart of our work continue, believing Ashley was the right person to fill this position. Ashley brings talent and experience, as well as the continuity needed as the Commission looks to the future. With over 13 years of Compact experience and previously serving as the Assistant Director for ICAOS, Ashley spent the last 7 years as the Executive Director to the Interstate Commission for Juveniles. Thank you for helping to welcome Ashley back to ICAOS. You can contact her at the Commission's National Offices.

DID YOU KNOW?...

We're excited to announce that the Commission's new and refreshed website is live. Amongst the new features, the website contains an interactive map that allows visitors to easily find a range of state information, new mobile features make information easier to find when using a phone or tablet, and improved navigation so visitors can browse information based on their specific needs. We've also improved the structure of our content, so you'll get more from a quick read. There's a whole host of smaller but impactful changes, all to make your experience of the ICAOS website that much better.



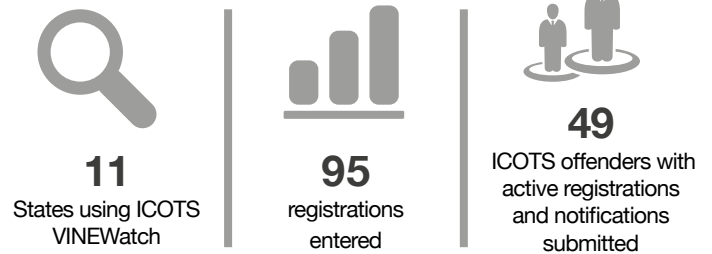
ICAOS WEBSITE BY THE NUMBERS



Notifying Victims

In 2014, the ICOTS VINEWatch application for interstate compact offenders became a reality. This victim notification system enables crime victims to obtain timely and reliable information about the status of offenders who are under supervision and are relocating from one state to another. Due to the system's low usage, Apriss added sms text messages to the list of victim notification options as an enhancement. In addition, the Commission approved adding functionality that will allow victims to self-register in an effort to increase its use.

In fiscal year 2017:



Rule Amendment Update

On June 1, 2017, the 2016 ICAOS rule amendment proposal became effective. The changes promote a single standard of supervision for probationers and parolees on compact supervision. This was a big step for community and victim safety, as well as supervising probation and parole agencies. These rule changes also affirm the authority of the receiving/supervising state to impose conditions, supervise and sanction offenders with consistency and supports evidence-based practices while encouraging behavioral change.

Going from '3 significant violations' to 'behavior requiring retaking' compels supervising probation and parole officers to carefully document their work in providing incentives and graduated responses in the Interstate Compact Offender Tracking System (ICOTS). This documentation, along with aiding the supervision process in the supervising/receiving state, also keeps the sending state informed and assists in establishing probable cause should a hearing be necessary in the retaking process. As a result of these changes, the National Office is developing new reports to track the practices and procedures set forth by these rules.

A number of training sessions, discussions, and preparations were made in anticipation of these changes going into effect. Five sessions held from November 2016 to May 2017 had over 350 compact staff attendees from 48 states. In May 2017, the

National Office offered 6 topic-based sessions to over 200 attendees. Between the WebEx sessions, the 34 technical and training assistance sessions, and the 17 updated and reformatted On-Demand Training modules, over 4,000 people received training on the new rules before their effective date.

ICOTS Helpdesk Support

The ICOTS Helpdesk received approximately 1,045 ICOTS support tickets in fiscal year 2017. A slight (2%) decrease from the previous year.

External Reports

Over 16,000 individuals accessed the external reports in fiscal year 2017. A 26% decrease from fiscal year 2016

Compliance Dashboards

In fiscal year 2017, there were over 2,100 page views on the compliance dashboards. A 42% decrease from fiscal year 2016.

FBI NDex Data Sharing

The National Office successfully implemented a comprehensive data export to the FBI NDex data center last fiscal year. Each month, over 200,000 compact records, which include offender case and offense information, are exported to the FBI data center.

FIVE YEAR TREND IN COMPLIANCE Date range for All Progress Reports in FY 2017 is 7/1/2016-5/31/2017

Compliance Standard	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	5 Year Change	3 Year Change
Case Closure Notices	87.8%	89.1%	95.8%	96.6%	96.2%	9.57%	0.42%
Case Closure Replies	86.5%	85.8%	88.6%	89.9%	90.7%	4.86%	2.37%
All Progress Reports	75.8%	78.0%	84.0%	84.7%	84.8%	11.87%	0.95%
Violation Responses	79.0%	79.1%	83.5%	85.1%	86.8%	9.87%	3.95%
Transfer Request Replies	85.1%	86.7%	89.8%	90.4%	90.9%	6.82%	1.22%
RFRI Replies	95.1%	96.0%	97.1%	97.3%	97.0%	2.00%	-0.10%

DEMONSTRATED SOUND FISCAL MANAGEMENT

As part of its commitment to strong fiscal stewardship, the Commission annually engages an independent auditing firm to conduct an audit of the Commission's financial statements. ICAOS engaged Blue & Co, LLC and has again received an unmodified and clean opinion. In December 2016, the Commission officially ended its affiliation with the Council of State Governments and enlisted the services of agencies to provide accounting, payroll, insurance, and human resources. As a result, the Commission will see an annual savings of over \$120,000.



Balance in cash reserves: \$1,293,025
 Balance in long-term investments: \$1,513,510
 Total Revenue: \$1,700,860
 Total Expenses: \$1,573,447

AUDIT UPDATE

In recent years, the Commission launched ICOTS data exchanges with a number of local, state and federal law enforcement agencies. In addition, a number of states are building exchanges that import ICOTS Data in to their state's offender management application. Therefore, it is imperative that the Commission implement measures to assure its external partners that the data extracts contain data that is valid, reliable, accurate and timely. For these reasons, the National Office devoted its audit resources to reviewing key data elements and offender photos in ICOTS for the fiscal year 2017 audit.

ICOTS Offender Photo Quality Review

The offender photo analysis identified inherent deficiencies with photos uploaded to the ICOTS system and concluded with the creation of photo standards for all states to follow. For safety and intelligence purposes, it is important that ICOTS photos meet certain criteria and quality standards.

Of the more than 114,000 offender photos, 15% (over 17,000) of the photos were deemed "bad" by testing standards set by the National Office. Based on the results of this review, the Commission added standards to the ICOTS Privacy Policy setting the following criteria for photos uploaded into ICOTS:



- The offender's face is recognizable and visible;
- The photo is displayed in 'portrait' view;
- The photo is in color and is sharp with no visible pixels or printer dots; and
- The background does not detract from the offender's face.

The fiscal year 2018 compliance audit will target the 47 states that had a rate of more than 5% "bad" photos in the fiscal year 2017 review. States that had fewer than 5% "bad" offender photos will not receive an audit in fiscal year 2018.

Demographic/Identifying Data Review

Overall, the results of the demographic review were positive. The data elements that include: name, sex, race, date of birth, social security number, and FBI number were reviewed in over 114,000 active cases. While not all the data elements reviewed are mandatory, the Commission encourages states to provide all data available.



- 100% of the reviewed cases had name and sex information entered.
- 4,878 (4.27%) of the reviewed cases had no race information entered.
- 5,046 (4.42%) of the reviewed cases had no social security information entered.
- 30,398 (26.62%) of the reviewed cases had no FBI number.
- 109 cases contained invalid dates of birth.
- 23 cases contained invalid social security numbers.

NATIONAL OFFICE STAFF

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EXECUTIVE COMMITTEE

Sara Andrews, OH | *Chair*

Jeremiah Stromberg, OR | *Vice-Chair*

Charles Lauterbach, IA | *Treasurer*

Dale Crook, VT | *East Region Chair*

Doug Clark, SD | *Midwest Region Chair*

Chris Moore, GA | *South Region Chair*

Shawn Arruti, NV | *West Region Chair*

Allen Godfrey, MN | *Compliance
Committee Chair*

Michael Potteiger, PA | *DCA Liaison
Committee Chair*

Gary Roberge, CT | *Information Technology
Committee Chair*

Jane Seigel, IN | *Rules Committee Chair*

Anne Precythe, MO | *Training, Education
and Public Relations Committee Chair*

Patricia Tuthill, FL | *Victims Ex-Officio*

EX-OFFICIO MEMBERS

American Jail Association (AJA)

American Probation and Parole
Association (APPA)

Association of Paroling Authorities
International (APAI)

Association of Prosecuting Attorneys (APA)

Conference of Chief Justices (CCJ)

Conference of State Court
Administrators (COSCA)

International Association of Chiefs
of Police (IACP)

Interstate Commission for Juveniles (ICJ)

National Association for Public
Defense (NAPD)

National Association of Attorney
General (NAAG)

National Association of Police
Organizations (NAPO)

National Conference of State
Legislatures (NCSL)

National Governors Association (NGA)

National Institute of Corrections (NIC)

National Organization for Victim
Assistance (NOVA)

National Sheriffs' Association (NSA)

AUDIT LETTER



CPAI ADVISORS

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REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the 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, the financial statements of The Council of State Governments (a nonprofit organization, the Council) which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 13, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blue & Co., LLC

Lexington, Kentucky
December 13, 2016

INCOMING AND OUTGOING CASES INVOLVING OFFENDERS ON COMPACT SUPERVISION AS OF THE CLOSE OF FY 2017

States	Incoming Cases			Incoming Offenders	Outgoing Cases			Outgoing Offenders	Total Offenders
	Parole Only	Probation Only	Probation and Parole		Parole Only	Probation Only	Probation and Parole		
Alabama	651	3,002	18	3,609	477	1,349	3	1,816	5,425
Alaska	57	129	6	190	25	92	47	161	351
Arizona	618	1,476	-	2,049	228	2,558	-	2,768	4,817
Arkansas	631	1,574	9	2,188	1,724	1,345	16	3,077	5,265
California	1,368	4,083	62	5,465	638	2,268	1	2,899	8,364
Colorado	343	1,245	4	1,562	868	2,396	-	3,221	4,783
Connecticut	151	777	-	915	142	1,033	-	1,172	2,087
Delaware	211	623	16	817	8	305	9	322	1,139
District of Columbia	160	871	18	968	-	457	-	455	1,423
Florida	1,924	5,649	68	7,500	181	5,721	7	5,877	13,377
Georgia	1,174	3,697	5	4,799	1,183	7,944	38	9,022	13,821
Hawaii	33	119	-	151	117	217	-	332	483
Idaho	149	409	24	577	571	1,251	5	1,824	2,401
Illinois	1,178	3,369	-	4,487	1,002	2,152	-	3,129	7,616
Indiana	702	2,209	1	2,877	295	2,044	-	2,314	5,191
Iowa	295	1,071	11	1,351	457	944	6	1,396	2,747
Kansas	455	1,128	1	1,557	454	1,308	1	1,744	3,301
Kentucky	423	1,909	5	2,307	913	2,549	3	3,446	5,753
Louisiana	801	1,855	11	2,639	1,237	1,596	13	2,780	5,419
Maine	89	303	1	386	3	256	-	259	645
Maryland	484	3,014	19	3,436	464	1,414	56	1,756	5,192
Massachusetts	190	1,334	-	1,504	93	1,033	-	1,109	2,613
Michigan	669	2,022	23	2,661	565	1,095	1	1,655	4,316
Minnesota	343	1,330	41	1,690	392	2,444	3	2,771	4,461
Mississippi	697	1,515	13	2,195	482	1,522	7	2,005	4,200
Missouri	910	2,440	20	3,327	1,323	3,289	1	4,510	7,837
Montana	105	351	16	465	168	618	222	1,005	1,470
Nebraska	266	601	-	849	74	369	-	442	1,291
Nevada	223	781	12	1,006	438	1,111	4	1,547	2,553
New Hampshire	89	553	-	636	198	267	-	462	1,098
New Jersey	608	2,007	-	2,572	947	2,288	5	3,178	5,750
New Mexico	225	855	3	1,071	179	734	6	845	1,916
New York	838	4,150	3	4,847	1,538	1,803	-	3,325	8,172
North Carolina	1,047	3,677	47	4,684	303	1,204	21	1,497	6,181
North Dakota	120	693	21	817	44	605	107	744	1,561
Ohio	1,028	3,053	15	4,042	765	1,909	2	2,650	6,692
Oklahoma	867	1,698	16	2,554	197	1,543	2	1,739	4,293
Oregon	291	964	42	1,291	526	758	38	1,315	2,606
Pennsylvania	628	2,344	10	2,939	1,707	4,238	7	5,849	8,788
Puerto Rico	127	146	-	272	20	109	-	129	401
Rhode Island	45	442	-	485	31	852	-	875	1,360
South Carolina	580	2,200	13	2,750	129	784	3	911	3,661
South Dakota	96	439	-	516	238	463	-	698	1,214
Tennessee	938	3,779	30	4,668	450	2,420	17	2,882	7,550
Texas	2,292	4,587	1	6,757	2,831	6,532	5	9,284	16,041
Utah	170	552	6	722	147	310	3	458	1,180
Vermont	72	191	1	262	104	279	1	384	646
Virgin Islands	10	29	-	39	7	5	-	12	51
Virginia	617	1,692	29	2,293	275	6,532	41	6,686	8,979
Washington	506	1,455	90	2,034	114	537	5	655	2,689
West Virginia	200	1,133	4	1,306	372	317	1	687	1,993
Wisconsin	333	1,476	14	1,787	1,317	1,575	56	2,932	4,719
Wyoming	91	306	16	406	157	563	2	719	1,125
Total	27,118	87,307	765	113,277	27,118	87,307	765	113,730	227,007



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