



Interstate Commission for
Adult Offender Supervision

Protecting Communities Ensuring Success Making a Difference

Annual Report FY2022



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Ex Officio Partners

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 of Public Defense (NAPD)

National Association of Attorney General (NAAG)

National Association of Police Organizations (NAPO)

National Conference of State Legislatures (NCSL)

National Criminal Justice Association (NCJA)

National District Attorneys Association (NDAA)

National Governors Association (NGA)

National Institute of Corrections (NIC)

National Organization for Victim Assistance (NOVA)

National Sheriffs' Association (NSA)

Commission Awards



Executive Chair Award,
Roberta Cohen (NM),
Commissioner



Executive Director Award,
Tracy Hudrlik (MN), *Deputy
Compact Administrator*



Peyton Tuthill Award,
Anna Nasset (VT),
Victim Representative

Letter from the Chair



Jeremiah Stromberg
(OR) Chair

When we look back over the last year and the last two decades, it is clear that our financial discipline, investment in innovation, and expansion of our resources have allowed us to persevere regardless of circumstance. ICAOS has pursued initiatives benefitting the Compact as well as the clients and communities we serve. For these reasons, I am pleased to share our recent accomplishments with you through this report.



Hope Cooper
(KS) Vice-Chair

This past year, we resolved a long-debated question over warrant issuance, adopting Rule revisions and technical enhancements to improve retaking and warrant procedures. Continuing our tradition of excellence, we created new training materials and dashboard reports to assist compact offices throughout the year. We also held roundtable discussions that allowed members to focus on common challenges. Moreover, we kept the commitment, discipline, and financial discretion that enabled a one-time dues reduction while maintaining operational success and efficiency.

When I began my term as chair, I knew we needed to take an objective look at our stated goals to evaluate our achievements and plan for the future. This prompted the Commission to consult with outside stakeholders to examine the Compact from a different point of view. To begin, we partnered with the University of Cincinnati's Corrections Institute to conduct a system-wide assessment. We asked critical questions of our compact offices, field staff, and clients. Next, we collaborated with the National Institute of Corrections to produce a documentary, offering a moving look at the Compact from the client's perspective.



Gary Roberge
(CT) Treasurer

I am eager for you to share the findings of our study as you continue to promote the Compact's purpose and intent. I also hope you will share my enthusiasm for the documentary film and circulate its powerful message to your stakeholders.

On behalf of the Executive Committee, I offer our profound gratitude and optimism for this organization. We are particularly impressed by the Commission's resilience, innovation, and impact. While serving as your chair is an honor, the most rewarding aspect of my term has been collaborating with such great colleagues and our talented National Office staff. Our progress is entirely dependent on the investment and abilities of our members, and I am ending my term as chair with confidence that we are prepared for whatever lies ahead.

Best Regards,

Jeremiah Stromberg
Chair

Executive Committee

Jeremiah Stromberg (OR), *Chair*

Hope Cooper (KS), *Vice Chair*

Gary Roberge (CT), *Treasurer and Finance Committee Chair*

Dale Crook (VT), *East Region Chair*

Sally Kreamer (IA), *Midwest Region Chair*

Julie Kempker (MO), *South Region Chair*

Mac Pevey (WA), *West Region Chair*

Allen Godfrey (MN), *Compliance Committee Chair*

Chris Moore (GA), *Information Technology Chair*

Mary Kay Hudson (IN), *Rules Committee Chair*

Joselyn López (WI), *Training, Education and Public Relations Committee Chair*

Suzanne Brooks (OH), *DCA Liaison Committee Chair*

John Gillis (NOVA), *National Victims' Representative*



FY 2022 in Review

Virtual ABM – Real Outcomes

The Commission's desire to convene in person to fulfill its obligations was again overshadowed by the lingering health concerns generated by the COVID-19 pandemic. Because of this, the Commission met virtually for a second consecutive year.

Building on last year's success with virtual meeting technology, more than 224 attendees participated in the meeting's events, including regional meetings, training on Rule changes and ICOTS proposals, as well as the General Session, which concluded with the National District Attorneys Association (NDAA) approval as an ex-officio member. Notably, the Commission passed ICOTS enhancements related to warrant tracking and discretionary retaking and set a standard of 15 business days as the timeframe for issuing compact compliant warrants. They also approved Rule amendments defining residency and clarified revocation procedures within the probable cause Rule. Moreover, the Commission elected two new region chairs, Sally Kreamer (IA – Midwest) and Mac Pevey (WA – West).

Training for Success

The ICAOS references and training materials were brought up to date with the most recent Rule revisions by the National Office. These materials were made more user-friendly and interactive, including the Compact Online Reference Encyclopedia (CORE), ICAOS Benchbook for Judges, Training Materials on the ICAOS Support Site, and OnDemand Modules. The OnDemand modules relating to retaking and warrant requirements deserved special attention as they were condensed into three sections, making it easier for users to understand the material.

Well Warranted Changes

Under a grant from the Department of Justice, the National Office continued its partnership with the National Consortium for Justice Information and Statistics (SEARCH) and the Interstate Commission for Juveniles (ICJ). Partners proceeded with the development of an automated service that triggers a notification for subscribers when a warrant is issued through the NCIC Wanted Persons File or a state warrant system. Notification also occurs when an individual on a compact transfer triggers a wants and warrants check by a law enforcement official.

Improving warrant procedures, the Commission adopted Rule amendments to standardize warrant timeframes at 15 business days. This standardization was intended to improve stakeholder training efforts while ensuring timeframes support public safety and efficient case management. In conjunction with the Rule modifications, new ICOTS enhancements included a special status indicator for warrants, email notifications, and warrant status data fields.

Additional Rule changes better aligned the resident definition with those who have established residency in a receiving state. These changes addressed situations involving individuals who reside in a receiving state for an extended period of time between the commission of an offense and their placement on supervision, and they relieved the sending state of the burden of providing proof of residency. Further, a change to Rule 5.108 simplified waivers to probable cause hearings, clarifying that the offense committed justified revocation.

Leading Strategically

Since the Compact's passage in 2002, there has been no formal research or system-wide evaluation on the extent to which the interstate compact fulfills its mission and purpose. The Commission's objectives extend beyond tracking, transfers, and returns. It also has broader aims to promote public safety and protect victims. Consequently, the Commission has engaged the University of Cincinnati Corrections Institute to conduct a study, examining how compact offices, field staff, and clients interact with the Compact. Moreover, the research team is analyzing ICOTS data as part of a broader effort to uncover potentially relevant topics for future consideration and action.

Documenting Our Journey

Last year, the ICAOS National Office began collaborating with the National Institute of Corrections (NIC) on a documentary project. The film was designed to follow justice-involved individuals through the interstate compact transfer process.

Set for a September 2022 release, this 60-minute documentary provides a glimpse into a client's challenges and hopes of reuniting with their families or returning to their state of residence. Further, the filmmaker intends to show how ICAOS and NIC perform important roles in the American judicial system. Additionally, the film includes a historical primer and an examination of the pivotal 2002 Commission milestone from the standpoint of subject matter experts.

Staying Ahead of the Curve

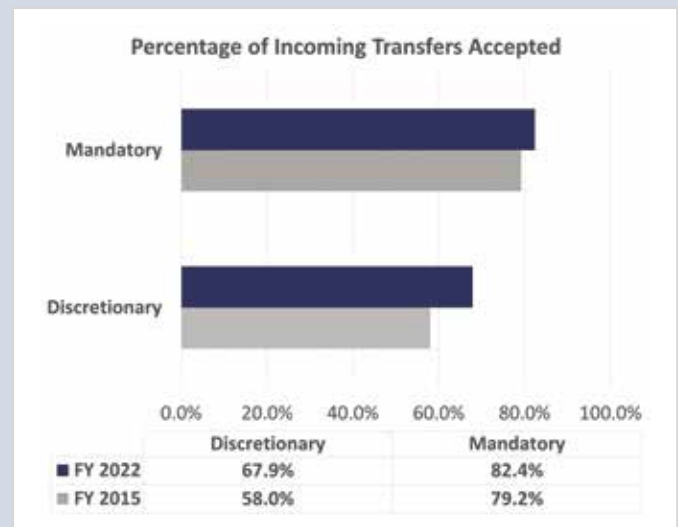
Over the years, the Commission developed numerous dashboard reports for monitoring and managing compliance. This year, the Compliance Committee reviewed recommendations for expanding quarterly emails sent to commissioners and decided to offer information on acceptance rates and retaking to help states manage their obligations.

As a result, new management reporting emails will be sent biannually to commissioners. They will be available starting in January 2023.

Case Acceptance Audit: A Revealing Perspective

The Commission conducted a discretionary transfer assessment in FY2015 and discovered that nearly 80% of rejections resulted from a failure to verify transfer plans and provide adequate justification. Acceptance rates only slightly improved after the launch of a report on user acceptance rates in 2020. A follow-up assessment of transfer decisions in FY2021 continued to reflect limited improvement in acceptance rates as seen in the Percentage of Income Transfers Accepted graph. Like FY2015, more than 72% of case rejections in FY2022 ensued due to a failure to verify transfer plans and provide adequate justification for transfer requests.

The FY2022 audit included a self-assessment, asking states to provide feedback on how to improve acceptance rates. Generally, state respondents agreed that interstate clients should be treated in the same manner as in-state clients, including consideration of factors affecting a supervision plan. Other recommendations included minimum training requirements, verification and checklist procedures prior to transmission, and better communication with clients/involved parties as well as transfer states.



Good Data IN = Good Data OUT

The DCA Liaison Committee, in collaboration with the National Office, developed the DCA Dashboard Program last year to help states ensure data integrity and user compliance with the ICOTS Privacy Policy. This program included quarterly training sessions for compact staff to review resources, goals, and expectations for self-auditing on a regular basis. The Committee highlighted the significance of case management and the enforcement of the ICOTS Privacy Policy throughout the year, emphasizing the expectation to use the dashboards and correct deficiencies and unreliable data.

Despite program efforts, data errors persist. As a result, the Executive Committee has decided to focus the FY2023 audit on improving ICOTS data integrity.

As of June 30, 2022, bad records remain:

Rejected Cases Never Transferred – 1,338
Junk Records – 2,121
Possible Duplicates – 355

Financial Report

The Commission is now realizing the fiscal consequences of the ongoing global crises, which have resulted in significant inflationary pressures this year. However, the Commission has been able to maintain operations, reducing total expenses for two consecutive years and ending the year with a positive operating cash flow while reducing dues by 30 percent without having to withdraw funds from its long-term investment accounts. Still, the disparity between revenue and expenses has necessitated increased transfers from the cash reserve balance.

Since the last dues increase in 2009, the Commission's operating deficit has increased by approximately 33 percent due to cumulative inflationary growth. Despite strong financial management that resulted in the Commission finishing the last five fiscal years under budget, its total operating expenses are expected to exceed existing dues and interest income. To effectively plan for the Commission's future, the Finance Committee has proposed a minimal dues increase beginning in fiscal year 2024.

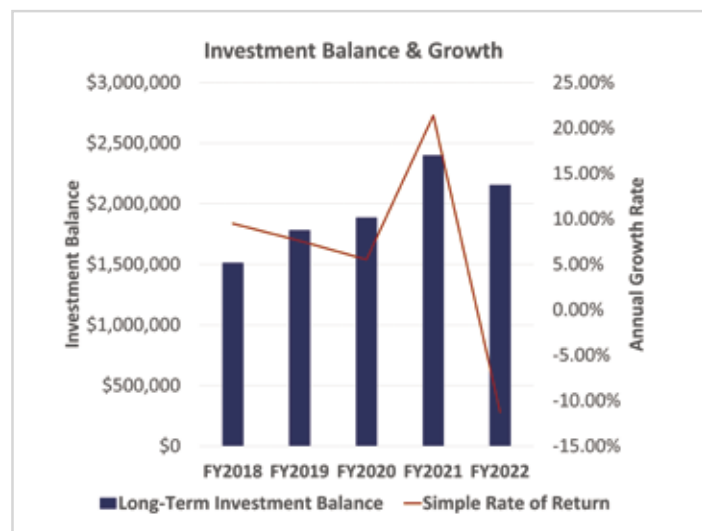
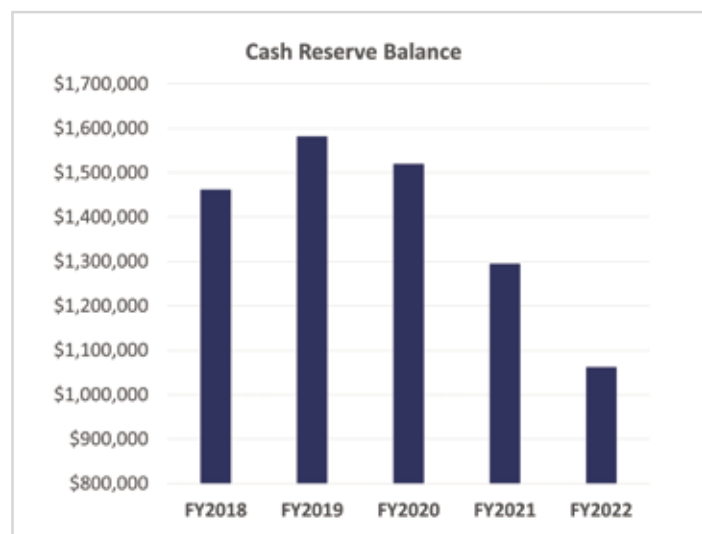
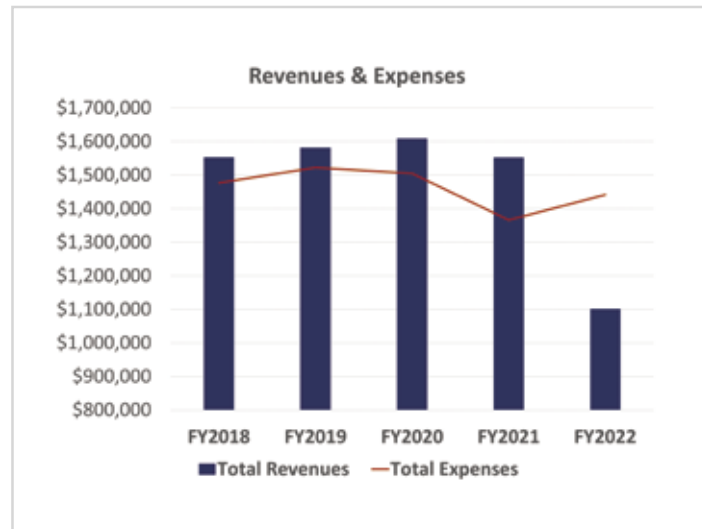
The Decennial Census review also occurred this fiscal year, resulting in a Commission vote to maintain the six-tiered dues structure and formula. Total dues revenue increased by slightly more than one percent.

Revenue: \$1,101,430

Expenses: \$1,441,409

Cash Reserve Balance: \$1,061,778

Investment Balance: \$2,156,721



Hicks & Associates CPAs

CERTIFIED PUBLIC ACCOUNTANTS

INTERSTATE COMMISSION FOR ADULT OFFENDER SUPERVISION
(ICAOS)
LEXINGTON, KENTUCKY
YEAR ENDED JUNE 30, 2022

SERVICES PROVIDED BY HICKS & ASSOCIATES CPAS:

- a. AUDIT OF THE FINANCIAL STATEMENTS - UNMODIFIED OPINION¹
- b. REPORT TO MANAGEMENT²
- c. AVAILABLE FOR ROUTINE ACCOUNTING AND TAX ADVICE AS REQUESTED BY MANAGEMENT

FINANCIAL HIGHLIGHTS FOR ICAOS:

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>
• MEMBER DUES ³	\$ 1,061,778	\$ 1,487,602	\$ 1,549,407
• INVESTMENT INCOME ⁴	\$ -243,187	\$ 512,805	\$ 104,480
• TOTAL REVENUES	\$ 819,255	\$ 2,003,472	\$ 1,673,363
• PERCENTAGE CHANGE IN TOTAL REVENUES	-59.11%	+19.73%	+0.34%
• TOTAL EXPENSES	\$ 1,361,074	\$ 1,393,102	\$ 1,529,235
• PERCENTAGE CHANGE IN TOTAL EXPENSES	-2.30%	-8.90%	-1.41%
• CHANGES IN NET ASSETS	\$ -541,819	\$ 610,370	\$ 144,128
• TOTAL NET ASSETS	\$ 2,846,667	\$ 3,388,486	\$ 2,778,116
• TOTAL ASSETS	\$ 3,701,113	\$ 3,883,931	\$ 3,636,900
• PERCENTAGE CHANGE IN TOTAL ASSETS	-4.71%	+6.79%	+0.59%
• TOTAL LIABILITIES ³	\$ 854,446	\$ 495,445	\$ 858,784
• PERCENTAGE CHANGE IN TOTAL LIABILITIES	72.46%	-42.31%	-12.52%
• OPERATING CASH FLOWS	\$ 72,399	\$ -274,566	\$ -72,873
• TOTAL CASH FLOWS	\$ -38,105	\$ -274,566	\$ -72,873

1. AN "UNMODIFIED OPINION" IS THE TERMINOLOGY THAT REPRESENTS A GOOD, CLEAN AUDIT. ALL THE INFORMATION WE REQUESTED TO SUPPORT OUR OPINION WAS PROVIDED BY MANAGEMENT DURING OUR AUDIT. THERE WERE NO INSTANCES OF FRAUD, ABUSE, OR UNSUPPORTED TRANSACTIONS OBSERVED DURING OUR TESTING. OUR OPINION ON THE FINANCIAL STATEMENTS RELATES TO THE FINANCIAL STATEMENTS BEING PREPARED ON THE MODIFIED ACCRUAL BASIS OF ACCOUNTING, WHICH IS A BASIS OF ACCOUNTING OTHER THAN U.S. GAAP.
2. THE REPORT TO MANAGEMENT DESCRIBES (1) THE RESPONSIBILITIES OF MANAGEMENT AND THE EXECUTIVE COMMITTEE; (2) THE OVERALL AUDIT PROCESS, AND (3) ANY RECOMMENDATIONS DURING THE CURRENT YEAR AND UPDATES TO ANY ITEMS THAT MAY HAVE BEEN MENTIONED IN THE PRIOR YEAR. WE DID NOT HAVE ANY RECOMMENDATIONS FOR THE YEAR ENDED JUNE 30, 2022.
3. ICAOS REDUCED MEMBER DUES BY 30% DURING THE YEAR ENDED JUNE 30, 2022. DEFERRED REVENUES INCREASED DURING THE YEAR ENDED JUNE 30, 2022 DUE TO AN INCREASE IN MEMBER DUES FOR THE YEAR ENDING JUNE 30, 2023.
4. INTEREST AND DIVIDENDS OF \$38,497; NET REALIZED GAINS OF \$124,695; AND NET UNREALIZED LOSSES OF (\$406,379) FOR THE YEAR ENDED JUNE 30, 2022.

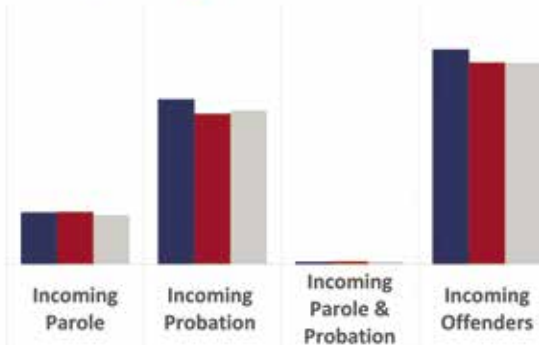
* THE INFORMATION PRESENTED ABOVE HAS BEEN SUMMARIZED FOR MANAGEMENT'S PURPOSES AND DOES NOT INCLUDE ALL INFORMATION FROM THE AUDIT REPORTS ISSUED FOR THE YEARS ENDED JUNE 30, 2022, 2021, AND 2020. PLEASE REFER TO THE FULL AUDIT REPORTS FOR ADDITIONAL INFORMATION AND DISCLOSURE.

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Incoming Offender Population

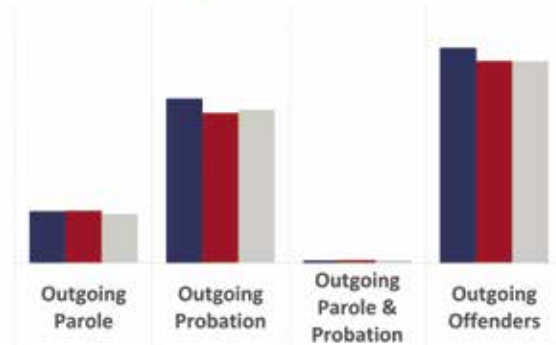
■ FY2020 ■ FY2021 ■ FY2022



■ FY2020	27,695	88,249	1,374	114,922
■ FY2021	28,093	80,596	1,521	107,965
■ FY2022	26,345	82,190	1,488	107,748

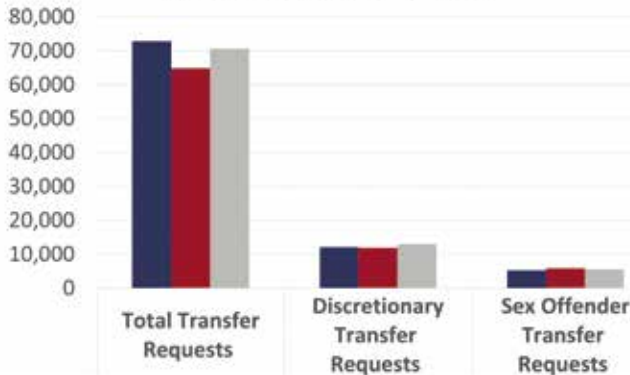
Outgoing Offender Population

■ FY2020 ■ FY2021 ■ FY2022



■ FY2020	27,695	88,249	1,374	115,452
■ FY2021	28,093	80,596	1,521	108,407
■ FY2022	26,345	82,190	1,488	108,150

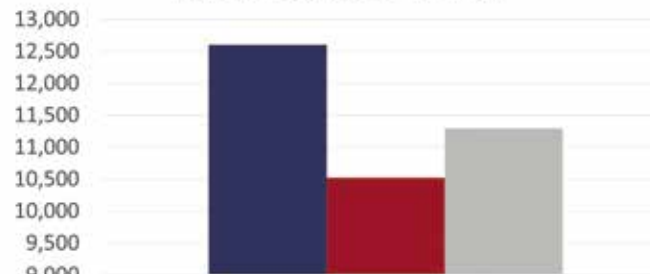
Transfer Requests Over Time



■ FY 2020	72,797	12,090	5,236
■ FY 2021	64,873	11,890	5,874
■ FY 2022	70,625	13,035	5,580

■ FY 2020 ■ FY 2021 ■ FY 2022

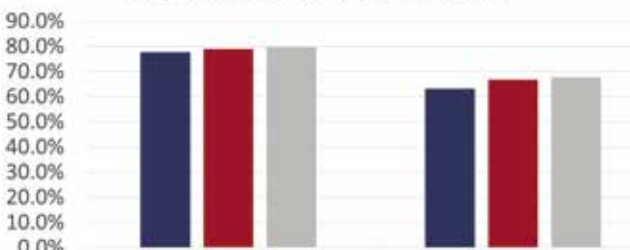
Violation Reports Over Time



■ FY2020	12,601
■ FY2021	10,523
■ FY2022	11,292

■ FY2020 ■ FY2021 ■ FY2022

Case Acceptance Rates Over Time



■ FY2020	77.7%	63.1%
■ FY2021	79.0%	66.8%
■ FY2022	79.7%	67.7%

■ FY2020 ■ FY2021 ■ FY2022



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