

**Summary: Executive Budget Recommendation
for Fiscal Years 2013-14 and 2014-15
DEPARTMENT OF CORRECTIONS**



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	FY 2012-13 Year-to-Date as of 2/7/13	FY 2013-14 Executive	Difference: FY 2013-14 Vs. FY 2012-13		FY 2014-15 Executive	Difference: FY 2014-15 Vs. FY 2013-14	
			Amount	%		Amount	%
IDG/IDT	\$992,100	\$1,109,600	\$117,500	11.8	\$1,123,900	\$14,300	1.3
Federal	8,784,400	8,852,500	68,100	0.8	8,950,700	98,200	1.1
Local	264,300	266,200	1,900	0.7	268,200	2,000	0.8
Private	0	0	0	0.0	0	0	0.0
Restricted	66,989,500	56,026,100	(10,963,400)	(16.4)	56,593,300	567,200	1.0
GF/GP	1,941,485,600	1,963,053,600	21,568,000	1.1	1,982,080,100	19,026,500	1.0
Gross	\$2,018,515,900	\$2,029,308,000	\$10,792,100	0.5	\$2,049,016,200	\$19,708,200	1.0
FTEs	14,695.2	14,496.5	(198.7)	(1.4)	14,496.5	0.0	0.0

Notes: (1) FY 2012-13 year-to-date figures include mid-year budget adjustments through February 7, 2013. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time." (3) FY 2014-15 figures are projected budget amounts only and would not be legally binding appropriations. (4) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

Overview

The Michigan Department of Corrections (MDOC) is responsible for the operation and maintenance of the state's 31 correctional facilities that house felony offenders sentenced to prison. This includes the provision of physical and mental health care, education and other prisoner programs, and reintegration programs. The department is also responsible for the supervision of all parolees and probationers under department jurisdiction and has oversight over community corrections programs and other programs designed to encourage alternatives to prison placement for appropriate offenders. As of January 2013, the department was responsible for 110,988 Michigan offenders: 49,176 probationers, 43,594 prisoners, and 18,218 parolees.

	FY 2012-13 YTD (as of 2/7/13)	Executive Changes	
		FY 2012-13 to FY 2013-14	FY 2013-14 to FY 2014-15
Major Budget Changes From FY 2012-13 YTD Appropriations			
1. Medicaid Expansion	Gross	N/A	(\$24,212,200)
Reflects a savings to the state from the proposed expansion of Medicaid eligibility to low income individuals. Inpatient hospitalization for prisoners will become reimbursable with federal funds in the Department of Community Health budget, along with specific re-entry, substance abuse, and sex offender treatment for parolees. Eligibility is estimated at 80% for both prisoners and parolees.	GF/GP	N/A	(\$8,070,700)
2. One-Time Employee Training School Adjustment	Gross	\$8,672,300	\$9,032,500
Includes one-time funding to train an additional 400 corrections officers to meet projected attrition needs. Funding supports salary and payroll costs of new officers while they participate in training, as well as costs for uniforms, training materials, certifications, food, and travel and lodging (paid if participants are located away from the facilities to which they will be assigned).	GF/GP	\$8,672,300	(\$9,032,500)

		<u>Executive Changes</u>			
<u>Major Budget Changes From FY 2012-13 YTD Appropriations</u>		<u>FY 2012-13 YTD (as of 2/7/13)</u>	<u>FY 2012-13 to FY 2013-14</u>	<u>FY 2013-14 to FY 2014-15</u>	
3. Special Equipment Fund		Gross	\$5,800,000	\$6,000,000	\$0
Includes additional revenue from prisoner phone charges to finance replacement of personal protection systems at several facilities. Investment in these systems is intended to reduce serious assaults on staff and improve safety within the prisons.		Restricted	5,800,000	6,000,000	0
4. Detroit Re-Entry Center Adjustment		FTE	201.4	8.8	0.0
Includes 8.8 FTE positions and additional funding to correct the adjustment made in the FY 2012-13 budget for the staffing complement of the Detroit Re-Entry Center. The Ryan Correctional Facility was re-purposed in the FY 2012-13 budget as the Detroit Re-Entry Center to house parolees and parole violators. The original staffing chart estimated that 187.4 FTE positions would be needed to operate the facility. As planning and development progressed, it was realized that 196.2 positions would be needed.		Gross	\$30,224,200	\$881,400	\$0
		Restricted	413,500	0	0
		GF/GP	\$29,810,700	\$881,400	\$0
5. Maintenance Costs at Closed Facilities		Gross	\$6,725,500	\$634,100	\$0
Includes additional funding for maintenance and upkeep costs at the following facilities which have been closed: Camp Kitwen, Camp Manistique, Camp Ottawa, and Standish Correctional Facility. Funding is used for air handling and water systems, lawn care, snow removal, and security in order to keep facilities ready to use in case of future need.		Restricted	5,800,000	0	0
		GF/GP	\$925,500	\$634,100	\$0
6. Alger Housing Unit Conversion		Gross	N/A	\$506,200	\$0
Includes additional funding to correct the adjustment made in the FY 2012-13 budget for the conversion of housing units at Alger Correctional Facility. Level IV housing units were converted to Level II, and a single-bunked administrative segregation unit was converted to double-bunked, which resulted in the addition of 88 beds. This funding will cover operational costs for the 88 additional beds, including food service and health care.		GF/GP	N/A	\$506,200	\$0
7. Economic Adjustments		Gross	N/A	\$48,876,700	\$36,811,400
Includes additional funding for salary and wages, insurance, retirement, building occupancy, worker's compensation, and food and fuel.		IDG	N/A	21,700	14,300
		Federal	N/A	151,500	98,200
		Local	N/A	3,200	2,000
		Restricted	N/A	876,900	567,200
		GF/GP	N/A	\$47,823,400	\$36,129,700
8. Eliminate One-Time FY 2012-13 Funding		Gross	\$31,955,400	(\$31,955,400)	\$0
Eliminates one-time funding that was included in the FY 2012-13 budget for employee lump sum payments (\$13.2 million Gross), information technology projects (\$1.1 million Gross), and special equipment funds (\$17.6 million Gross).		IDG	3,900	(3,900)	0
		Federal	83,400	(83,400)	0
		Local	1,300	(1,300)	0
		Restricted	17,863,500	(17,863,500)	0
		GF/GP	\$14,003,300	(\$14,003,300)	\$0
9. Food Service at Maxey/Green Oaks Center		Gross	N/A	\$219,700	\$0
Authorizes the department to receive IDG funding from DHS to fund food service which is provided by DOC to DHS staff and resident clients at the Maxey/Green Oaks Center.		IDG	N/A	219,700	0
10. Food Service at DCH Forensic Center		Gross	\$660,000	(\$120,000)	\$0
Reduces authorization for IDG funding received from DCH in order to reflect the actual cost of food service provided by DOC to DCH at the Forensic Center.		IDG	660,000	(120,000)	0

Executive Changes

<u>Major Budget Changes From FY 2012-13 YTD Appropriations</u>		<u>FY 2012-13 YTD (as of 2/7/13)</u>	<u>FY 2012-13 to FY 2013-14</u>	<u>FY 2013-14 to FY 2014-15</u>
11. Information Technology Adjustments	Gross	\$24,403,600	\$929,100	\$0
Includes additional funding to cover rate increases and DOC's share of the following statewide information technology-related projects/services:	Restricted	830,200	23,200	0
	GF/GP	\$23,573,400	\$905,900	\$0
<ul style="list-style-type: none"> • Expansion of internet bandwidth \$379,800 Gross • Expansion of wireless services \$298,400 Gross • Licensing costs under the Microsoft Enterprise Agreement \$216,300 Gross • Costs for the Mi.gov gateway \$34,600 Gross 				
12. Re-Entry FTE Adjustment	FTE	N/A	18.0	0.0
Includes authorization for a total of 18.0 additional FTE positions. These positions will be located at seven of the correctional facilities and will focus on violence prevention programming. Funding for these positions is already included in the budget.	Gross	N/A	\$0	\$0
	GF/GP	N/A	\$0	\$0
13. Eliminate FTE Position Authorization	FTE	N/A	(225.5)	0.0
Eliminates authorization for 225.5 unfunded FTE positions as part of the realignment of department resources.	Gross	N/A	\$0	\$0
	GF/GP	N/A	\$0	\$0

Major Boilerplate Changes From FY 2012-13

NOTE: No boilerplate language proposed specific to FY 2014-15.

Executive Boilerplate Deletions

The Executive Budget deletes a large majority of boilerplate language included in the FY 2012-13 appropriations bill (78 sections and 9 subsections). Deletions include many legislative reporting requirements, sections providing guidance and placing conditions on appropriations, and earmarks of funding for specific purposes. Below is a listing of new sections of language recommended by the Executive for the department.

Sec. 230. Use of Funding for Legal Services – NEW

Prohibits use of appropriations for hiring a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 231. Website for Performance Scorecard – NEW

Requires the department to maintain, on a publicly accessible website, a scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 1001. Carry Forward of Capital Outlay Appropriations – NEW

Requires unspent capital outlay appropriations to be carried forward consistent with provisions of the Management and Budget Act.

Supplemental Recommendations for FY 2012-13 Appropriations

**FY 2012-13
Recommendation**

None