

Q00D00
Patuxent Institution
Department of Public Safety and Correctional Services

Operating Budget Data

(\$ in Thousands)

	FY 02	FY 03	FY 04	FY 03 - 04	FY 03 - 04
	<u>Actual</u>	<u>Approp.</u>	<u>Allowance</u>	<u>Change</u>	<u>% Change</u>
General Funds	\$31,977	\$33,615	\$33,173	-\$442	-1.3%
FY 2003 Cost Containment	0	-110	0	110	-100.0%
Contingent & Back of Bill Reductions	0	-8	-43	-34	
Adjusted General Funds	\$31,977	\$33,497	\$33,131	-\$366	-1.1%
Special Funds	620	639	475	-164	-25.6%
Contingent & Back of Bill Reductions	0	0	0	0	
Adjusted Special Funds	\$620	\$639	\$475	-\$163	-25.6%
Reimbursable Funds	803	1,435	1,428	-7	-0.5%
Adjusted Grand Total	\$33,400	\$35,571	\$35,034	-\$537	-1.5%

Personnel Data

	FY 02	FY 03	FY 04	
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Regular Positions	523.50	525.50	510.50	-15.00
Contractual FTEs	21.10	54.30	49.30	-5.00
Total Personnel	544.60	579.80	559.80	-20.00

Vacancy Data: Regular Positions

Budgeted Turnover: FY 04	40.64	7.96%
Positions Vacant as of 12/31/02	30.00	5.71%

Note: Numbers may not sum to total due to rounding.

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Analysis in Brief

Major Trends

Average Daily Population and Expense Trends: The Patuxent Institution’s average daily population has decreased significantly over the last several years while its expenses have steadily increased.

Recommended Actions

	<u>Funds</u>
1. Reduce fuel and utility costs.	\$ 100,000
Total Reductions	\$ 100,000

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Operating Budget Analysis

Program Description

Patuxent Institution is a maximum security, treatment-oriented correctional facility that provides remediation services to male and female offenders. The institution also addresses the needs of mentally ill offenders throughout the correctional system. Patuxent Institution's remaining population is comprised of inmates from the Division of Correction. Additionally, the institution operates a Re-Entry Facility in Baltimore City to assist certain offenders' return to society.

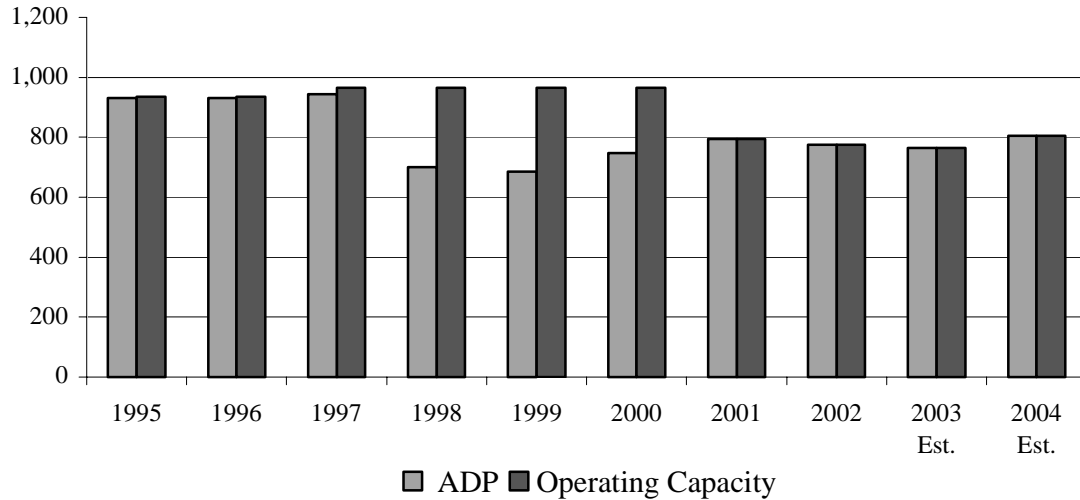
Performance Analysis: Managing for Results

Patuxent's Managing for Results data raises two areas of concern relating to its goal of good management. **Exhibit 1** shows that the average daily population (ADP) has decreased by 16.8%, or 156 inmates from fiscal 1995 to 2002. During that same time, **Exhibit 2** shows that Patuxent's actual expenses have increased by 36.1%, or \$8.9 million. This means that the State is paying approximately \$17,000, or 63.5% more per year per inmate in 2002 than it did in 1995. **Patuxent should be prepared to discuss the increase in expenditures during periods of decreased population. Patuxent should also be prepared to discuss the changes in operating capacity between 1995 and 2002. The department should be prepared to discuss the recidivism rate of offenders released from Patuxent.**

Although, the actual expenses trended upward, **Exhibit 3** shows that Patuxent has been able to reduce the amount of overtime used in spite of an increase in the number of sick hours used. While the reduction in overtime costs and hours may suggest efficient resource management, it also raises several areas of concern. The use of 71,000 sick leave hours in fiscal 2002 is equivalent to 34 staff members having the entire year off. Patuxent has found that some staff members use sick leave to get time off due to excessive overtime requirements. Additionally, if Patuxent is able to meet security needs with significant sick leave vacancies, its staffing plan may overestimate the actual need or it is designed with the sick leave vacancies already incorporated. Another possible concern is that staffing shortages due to sick leave require Patuxent to engage in operational changes that put staff and inmates at greater risk of harm. **DLS recommends that the committees instruct the Office of Legislative Audits to audit the staffing plan for Patuxent and report to the General Assembly by December 1, 2003.**

Exhibit 1

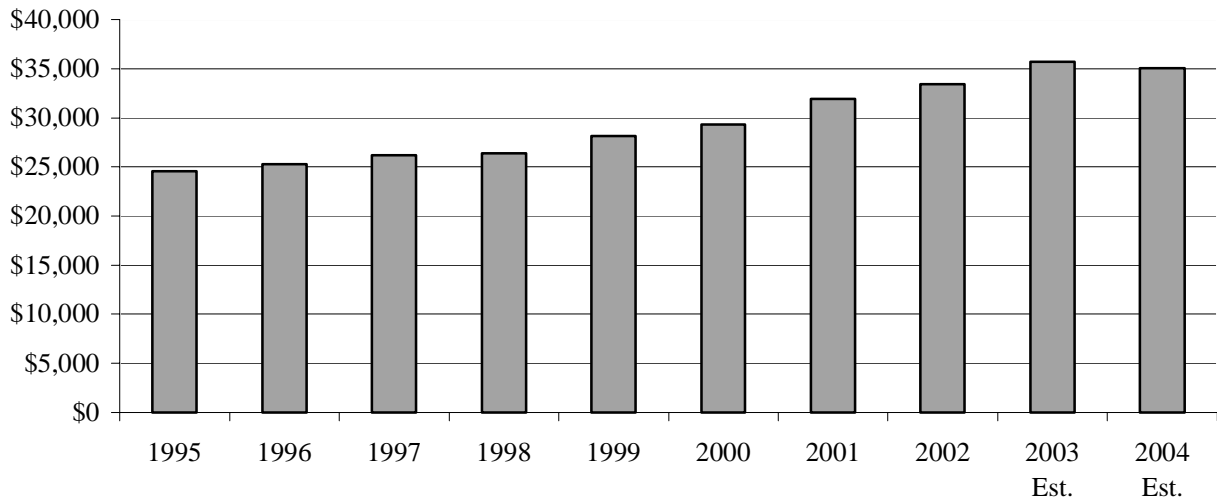
**Average Daily Population and Operating Capacity
Fiscal 1995 through 2004**



Source: Department of Public Safety and Correctional Services

Exhibit 2

**Actual Expenses
Fiscal 1995 through 2004
(\$ in Thousands)**



Source: Department of Public Safety and Correctional Services

Exhibit 3

**Use of Sick Leave Hours, Overtime Hours, and Overtime Expenditures
(\$ in Thousands)**

<u>Year</u>	<u>Sick Leave Hours</u>	<u>% Change</u>	<u>Overtime Hours</u>	<u>% Change</u>	<u>Overtime Expenses</u>	<u>% Change</u>
2000	50,149	-	16,288	-	\$1,966	-
2001	67,520	34.6%	15,303	-6.0%	\$1,763	-10.3%
2002	70,703	4.7%	10,526	-31.2%	\$1,865	5.8%

Source: Department of Public Safety and Correctional Services

Fiscal 2003 Actions

Impact of Cost Containment

On January 8, 2003, the Board of Public Works approved cost containment measures for the Patuxent Institution. The reductions of \$110,000 were in the categories of travel, fuel, and utilities.

Fiscal 2003 cost containment reflects the reversion of appropriations to support free transit ridership for State employees, contingent upon enactment of a provision in the Budget Reconciliation and Financing Act (BRFA) of 2003.

Governor's Proposed Budget

Exhibit 4 shows that the Governor's 2004 allowance represents a decrease of \$0.5 million below the 2003 working appropriation. Objects in the wages and salaries category were reduced a net \$0.8 million, which were offset by a net increase of \$0.3 million in other object categories. The most notable increase is in technical and special fees, which can be attributed to the projected lower turnover expectancy.

Exhibit 4

**Governor’s Proposed Budget
Patuxent Institution
(\$ in Thousands)**

	<u>FY 02 Actual</u>	<u>FY 03 Approp.</u>	<u>FY 04 Allowance</u>	<u>FY 03 - 04 Change</u>	<u>FY 03 - 04 % Change</u>
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Adjusted Grand Total	\$33,400	\$35,571	\$35,034	-\$537	-1.5%

Where It Goes:

Personnel Expenses

Abolished/transferred positions	-\$585
Retirement contribution	65
Employee and retiree health insurance	1,034
Cost containment and turnover adjustments	-699
Other fringe benefit adjustments	-569

Other Changes

Technical and special fees	446
Electricity.....	-131
Special payments payroll.....	-119
Miscellaneous adjustments.....	21

Total **-\$537**

Note: Numbers may not sum to total due to rounding.

Impact of Cost Containment

The fiscal 2004 allowance reflects the elimination of the appropriation for matching employee deferred compensation contributions up to \$600, contingent upon enactment of a provision in the BRFA of 2003.

Recommended Actions

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	<u>Amount Reduction</u>	
1. Reduce fuel and utility costs to fiscal 2002 levels.	\$ 100,000	GF
Total General Fund Reductions	\$ 100,000	

Current and Prior Year Budgets

**Current and Prior Year Budgets
Patuxent Institution
(\$ in Thousands)**

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2002					
Legislative Appropriation	\$32,496	\$596	\$0	\$0	\$33,092
Deficiency Appropriation	54	0	0	0	54
Budget Amendments	-573	65	0	1,420	912
Reversions and Cancellations	0	-41	0	-617	-658
Actual Expenditures	\$31,977	\$ 620	\$ 0	\$ 803	\$33,400
Fiscal 2003					
Legislative Appropriation	\$33,686	\$639	\$0	\$1,435	\$35,760
Budget Amendments	-189	0	0	0	-189
Working Appropriation	\$33,497	\$ 639	\$ 0	\$1,435	\$35,571

Note: Numbers may not sum to total due to rounding.

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Fiscal 2002

In fiscal 2002, \$1.4 million was transferred by budget amendment from the Division of Correction Headquarters for substance abuse treatment. At the end of the year, \$0.6 million in reimbursable funds were cancelled and carried forward to fiscal 2003.

**Object/Fund Difference Report
DPSCS - Patuxent Institution**

<u>Object/Fund</u>	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 03 – FY 04</u>	<u>Percent</u>
	<u>Actual</u>	<u>Working Appropriation</u>	<u>Allowance</u>	<u>Amount Change</u>	<u>Change</u>
Positions					
01 Regular	523.50	525.50	510.50	-15.00	-2.9%
02 Contractual	21.10	54.30	49.30	-5.00	-9.2%
Total Positions	544.60	579.80	559.80	-20.00	-3.4%
Objects					
01 Salaries and Wages	\$ 26,571,191	\$ 28,312,495	\$ 27,592,445	-\$ 720,050	-2.5%
02 Technical & Spec Fees	766,042	1,089,728	1,535,463	445,735	40.9%
03 Communication	90,636	115,760	117,529	1,769	1.5%
04 Travel	22,245	15,240	16,600	1,360	8.9%
06 Fuel & Utilities	1,306,727	1,475,246	1,459,370	-15,876	-1.1%
07 Motor Vehicles	48,078	42,876	32,672	-10,204	-23.8%
08 Contractual Services	2,700,601	2,779,880	2,393,451	-386,429	-13.9%
09 Supplies & Materials	1,231,042	1,288,427	1,295,032	6,605	0.5%
10 Equip - Replacement	2,775	33,850	31,472	-2,378	-7.0%
11 Equip - Additional	97,382	0	12,454	12,454	N/A
12 Grants, Subsidies, Contr	505,277	482,943	528,634	45,691	9.5%
13 Fixed Charges	47,945	52,486	61,060	8,574	16.3%
14 Land & Structures	9,600	0	0	0	0.0%
Total Objects	\$ 33,399,541	\$ 35,688,931	\$ 35,076,182	-\$ 612,749	-1.7%
Funds					
01 General Fund	\$ 31,976,843	\$ 33,614,919	\$ 33,173,120	-\$ 441,799	-1.3%
03 Special Fund	619,657	638,727	475,217	-163,510	-25.6%
09 Reimbursable Fund	803,041	1,435,285	1,427,845	-7,440	-0.5%
Total Funds	\$ 33,399,541	\$ 35,688,931	\$ 35,076,182	-\$ 612,749	-1.7%

Note: Fiscal 2003 appropriations and fiscal 2004 allowance do not include cost containment and contingent reductions.

Q00D00 – DPSCS - Patuxent Institution

Fiscal Summary
DPSCS - Patuxent Institution

<u>Unit/Program</u>	<u>FY 02 Actual</u>	<u>FY 03</u>		<u>FY 02 – FY 03 % Change</u>	<u>FY 04 Allowance</u>	<u>FY 03 – FY 04 % Change</u>
		<u>Legislative Appropriation</u>	<u>Working Appropriation</u>			
4101 General Administration	\$ 3,405,530	\$ 3,070,916	\$ 3,962,614	16.4%	\$ 3,198,897	-19.3%
4102 Custodial Care	19,446,899	21,373,246	20,664,479	6.3%	20,928,007	1.3%
4103 Dietary Services	1,585,249	1,667,865	1,550,579	-2.2%	1,589,262	2.5%
4104 Plant Operation And Maintenance	2,422,435	2,745,385	2,696,350	11.3%	2,619,565	-2.8%
4105 Diagnostic, Classification And Treatment Services	5,492,251	5,256,773	4,995,171	-9.1%	4,697,130	-6.0%
4106 Unknown Title	28,077	50,600	50,600	80.2%	55,217	9.1%
4108 Outpatient Services	222,438	272,826	345,725	55.4%	321,476	-7.0%
4109 Unknown Title	796,662	1,322,833	1,423,413	78.7%	1,666,628	17.1%
Total Expenditures	\$ 33,399,541	\$ 35,760,444	\$ 35,688,931	6.9%	\$ 35,076,182	-1.7%
General Fund	\$ 31,976,843	\$ 33,686,432	\$ 33,614,919	5.1%	\$ 33,173,120	-1.3%
Special Fund	619,657	638,727	638,727	3.1%	475,217	-25.6%
Total Appropriations	\$ 32,596,500	\$ 34,325,159	\$ 34,253,646	5.1%	\$ 33,648,337	-1.8%
Reimbursable Fund	\$ 803,041	\$ 1,435,285	\$ 1,435,285	78.7%	\$ 1,427,845	-0.5%
Total Funds	\$ 33,399,541	\$ 35,760,444	\$ 35,688,931	6.9%	\$ 35,076,182	-1.7%

Note: Fiscal 2003 appropriations and fiscal 2004 allowance do not include cost containment and contingent reductions.