

**Q00A00**  
**Office of the Secretary**  
**Department of Public Safety and Correctional Services**

***Operating Budget Data***

(\$ in Thousands)

	<u>FY 04</u> <u>Actual</u>	<u>FY 05</u> <u>Working</u>	<u>FY 06</u> <u>Allowance</u>	<u>FY 05-06</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$46,488	\$49,914	\$53,310	\$3,396	6.8%
Special Fund	53,540	59,307	57,855	-1,452	-2.4%
Federal Fund	1,049	1,779	514	-1,265	-71.1%
Reimbursable Fund	<u>4,210</u>	<u>5,211</u>	<u>1,694</u>	<u>-3,517</u>	<u>-67.5%</u>
<b>Total Funds</b>	<b>\$105,287</b>	<b>\$116,211</b>	<b>\$113,373</b>	<b>-\$2,838</b>	<b>-2.4%</b>
Contingent & Back of Bill Reductions			-141	-141	
<b>Adjusted Total</b>	<b>\$105,287</b>	<b>\$116,211</b>	<b>\$113,232</b>	<b>-\$2,978</b>	<b>-2.6%</b>

- The approximately \$3.4 million general fund increase is largely attributable to increased salaries and wages, lower turnover, increased expenditures for management studies and consulting, and cuts to projects managed by the Information Technology and Communications Division (ITCD).
- The approximately \$3.5 million reimbursable fund decrease is attributable to decreased expenditures in the ITCD and the Major Information Technology Projects Division.

***Personnel Data***

	<u>FY 04</u> <u>Actual</u>	<u>FY 05</u> <u>Working</u>	<u>FY 06</u> <u>Allowance</u>	<u>FY 05-06</u> <u>Change</u>
Regular Positions	492.00	499.00	495.00	-4.00
Contractual FTEs	<u>80.82</u>	<u>141.63</u>	<u>133.23</u>	<u>-8.40</u>
<b>Total Personnel</b>	<b>572.82</b>	<b>640.63</b>	<b>628.23</b>	<b>-12.40</b>

***Vacancy Data: Regular Positions***

Turnover, Excluding New Positions	34.40	6.95%
Positions Vacant as of 12/31/04	64.50	12.93%

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

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- The office has decreased its staff by four regular positions in the Division of Capital Construction and Facilities Maintenance.
- The vacancy rate has consistently exceeded the budgeted turnover rate.

## ***Analysis in Brief***

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### **Issues**

***Inmate Medical Services:*** The existing Inmate Medical Services contracts expire June 30, 2005. The department released its Request for Proposals in November and expects to award the contracts in spring 2005. **The department should be prepared to comment on its plans to facilitate cooperation among various contractors and how the use of multiple contractors will impact the quality of care. The department should be prepared to discuss why the medical contract is funded below its own estimates and how it plans to address the underfunding. The department should be prepared to discuss the measures it is taking to address the health and safety violations and the impact of those measures on the cost of the medical contract.**

***Major Information Technology Projects:*** The Department of Public Safety and Correctional Services has five projects costing approximately \$18.2 million being funded from the Major Information Technology Development Project Fund. **The department should be prepared to discuss the level of involvement and cooperation of its client groups in the various stages of the Offender Case Management System (OCMS) development. The department should also be prepared to offer projections of the total cost of the OCMS project. The department should be prepared to comment on the role of these projects within its long-term information technology plans.**

### **Recommended Actions**

	<u>Funds</u>	<u>Positions</u>
1. Add budget language to restrict the ability of the department to enter into interagency agreements.		
2. Abolish 17 vacant PINs.	\$ 824,667	17.0
<b>Total Reductions</b>	<b>\$ 824,667</b>	<b>17.0</b>

**Q00A00**  
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**Department of Public Safety and Correctional Services**

***Operating Budget Analysis***

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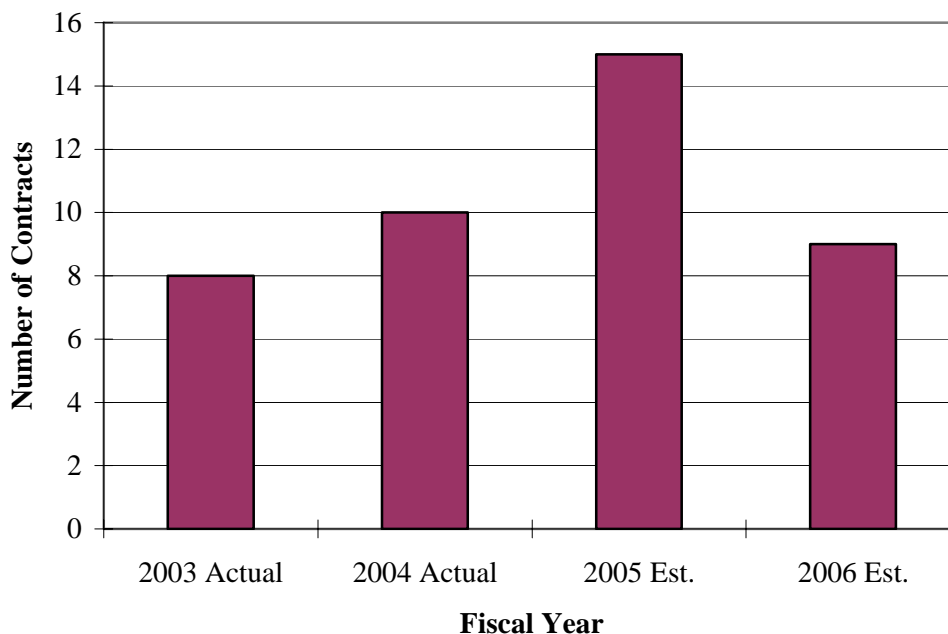
**Program Description**

The Office of the Secretary provides overall policy and operational direction and coordination for the activities of the operating units of the department. It establishes policy, sets priorities, and provides central support services and oversight for the constituent agencies. It further administers the State's emergency numbers program and plans, develops, and implements the capital program for the department's custody facilities. Additionally, it is responsible for maintaining the Criminal Justice Information System, which State, local, and federal law enforcement rely on for accurate and timely information.

**Performance Analysis: Managing for Results**

The Division of Capital Construction and Facilities Maintenance administers the construction of facilities, coordinates State funding for local jail capital improvements, and manages the Department's maintenance, recycling and emergency management programs. **Exhibit 1** shows the number of construction contracts being managed by the division. **The office should be prepared to discuss the impact of the staffing reductions in the Governor's allowance on its ability to successfully manage its active construction contracts.**

**Exhibit 1**  
**Active Construction Contracts**



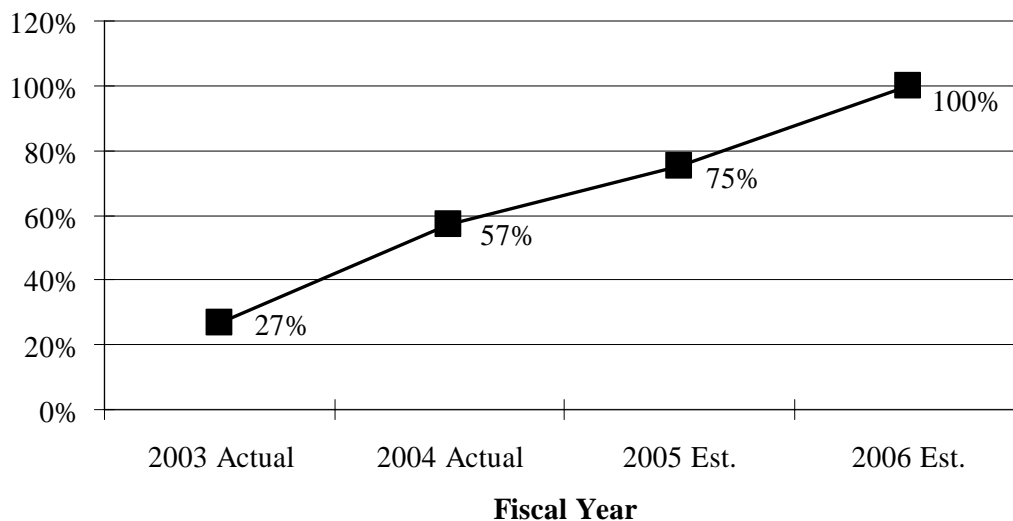
Source: Department of Public Safety and Correctional Services

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The Information Technology and Communications Division (ITCD) and the Major Information Technology Development Projects of the Office of the Secretary provide management information services and criminal history record information to the department. One of ITCD’s most important tasks is to improve criminal history record information and criminal justice records statewide.

One of the goals of ITCD is to provide or convert existing technology to connections running only Transmission Control Protocol/Internet Protocol (TCP/IP) at all 157 “external” locations across Department of Public Safety and Correctional Services (DPSCS) facilities. This project is necessary to meet Federal Bureau of Investigations (FBI) standards. **Exhibit 2** shows the percentage of “external” facilities that can communicate using TCP/IP through the dedicated National Crime Information Center (NCIC) 2000 switch. The department has exceeded earlier estimates and, therefore, revised its expectations to the current estimated figures. The project is not funded in the fiscal 2006 Major Information Technology Development Project (MITDP) budget because the department is still spending prior years’ appropriations. **The department should be prepared to discuss its progress on the NCIC 2000 project and explain what oversight measures are in place to guarantee successful delivery of the system.**

**Exhibit 2**  
**“External” Facilities That Can Communicate**  
**Using TCP/IP through the Dedicated NCIC 2000 Switch**



Source: Department of Public Safety and Correctional Services

### **Governor’s Proposed Budget**

As shown in **Exhibit 3**, the Governor’s fiscal 2006 allowance decreases approximately \$3.0 million, or 2.6%, from the fiscal 2005 working appropriation. Most of the decrease reflects the budgeting of major technology projects under the Department of Budget and Management (DBM) in fiscal 2006. Excluding the 9-1-1 Board and the information technology projects, the administrative component of DPSCS grows 1.47%, or approximately \$879,000 from fiscal 2005 to 2006. Between fiscal 2004 and 2005, the administrative component grows 11.1%, or approximately \$6 million.

Expenditures in the General Administration division increased by approximately \$913,000. The primary drivers of the increase are increased salaries and wages and lower budgeted turnover. The allowance also provides increased funds for management studies and consulting, including \$250,000 for Goodwill Industries and \$150,000 for a Central Booking study. The Goodwill program is a five-week employment readiness program for inmates currently based at the Metropolitan Transition Center called Supporting Ex-offenders in Employment Training and Transitional Services. The Central Booking study will examine the process at Central Booking in order to determine the level of efficiency and the sufficiency of the technology involved and to identify areas for improvement.

The Information Technology and Communications Division absorbed a \$305,000 decrease in its appropriation. This is attributable to lower budgeted turnover, decreased contractual payroll, and decreases in equipment expenditures. These decreases are offset slightly by increases in contractual services, including software systems maintenance, analysis, and programming. These increases occurred largely due to the rising cost of maintaining older systems.

**Exhibit 3  
Governor's Proposed Budget  
Office of the Secretary  
(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
2005 Working Appropriation	\$49,914	\$59,307	\$1,779	\$5,211	\$116,211
2006 Governor's Allowance	53,310	57,855	514	1,694	113,373
Contingent & Back of Bill Reductions	<u>-140</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-141</u>
<b>Adjusted Allowance</b>	<b>\$53,169</b>	<b>\$57,854</b>	<b>\$514</b>	<b>\$1,694</b>	<b>\$113,232</b>
Amount Change	\$3,256	-\$1,453	-\$1,265	-\$3,517	-\$2,978
Percent Change	6.5%	-2.4%	-71.1%	-67.5%	-2.6%

**Where It Goes:**

**Personnel Expenses**

Abolished positions in Capital Construction and Facilities Maintenance .....	-\$257
Increments and other compensation .....	603
Employee and retiree health insurance .....	-301
Retirement contribution rate change .....	216
Turnover adjustments .....	706
Other fringe benefit adjustments.....	29

**Other Changes**

ITCD and Major information technology projects budgeted in MITDP .....	-4,017
Management studies and consulting and other contractual services.....	465
Cuts in the Department of Budget and Management Paid Telecommunications .....	-523
Other .....	101

**Total** **-\$2,978**

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

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The Division of Capital Construction and Facilities Maintenance reduced its appropriation by approximately \$104,000 as a result of decreased salaries and wages stemming from the abolition of four positions.

There is approximately \$18.2 million in the Major Information Technology Development Fund budgeted under DBM that, if approved, can be moved to DPSCS through amendments. The fiscal 2005 working appropriation for DPSCS major information technology projects is \$3.7 million.

The fiscal 2006 allowance for the Office of Treatment Services is an increase of \$232,000 over the fiscal 2005 working appropriation. This increase can be attributed to increased salaries and wages and lower budgeted turnover, as well as increases in rent.

**Contingent Reductions**

The fiscal 2006 allowance reflects the elimination of \$140,750 (subobject 0172), the appropriation for matching employee deferred compensation contributions up to \$600, contingent upon enactment of a provision in budget reconciliation legislation.

## *Issues*

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### **1. Inmate Medical Services**

The existing Inmate Medical Services contracts expire June 30, 2005. The current contracts were originally three-year agreements that began July 1, 2000, with two one-year options that were both exercised.

Under the existing contracts, the State is divided into five regions – Eastern, Jessup, Hagerstown, Western, and Baltimore. Correctional Medical Services runs the Hagerstown region while Prison Health Services holds the contract for the other four regions. These companies are responsible for all medical care in the institutions they service – including general medical care, dental care, prescriptions, and mental health.

The Request for Proposals that was released on November 9, 2004, eliminated the regional format. Instead, the department hopes to foster competition among bidders by breaking the contract into service modules. The modules are medical, mental health, dental care, electronic patient health record/health management information system, pharmacy services, and utilization management. **Exhibit 4** details the modules. **The department should be prepared to comment on its plans to facilitate cooperation among various contractors and how the use of multiple contractors will impact the quality of care.**

The contract will be for a term of two years, with the State having the sole option to exercise up to three additional one-year renewals. The original contract will expire on June 30, 2007. If all three renewals were exercised, the contract would terminate on June 30, 2010. The contract amount will be evaluated on an annual basis and will be adjusted based on the consumer price index.

Costs are expected to go up significantly compared to the previous contract. Previous estimates suggested an increase of around \$30 million or more over the previous contract. The increases can be partially attributed to the fact that the current contractors underbid the value and to increasing costs in the healthcare industry at large – the result of nursing shortages, rising HIV and AIDS treatment costs, the increased cost of inhalers, a statutory requirement to provide methadone detoxification, Hepatitis C treatment costs, and the cost of procedures such as dialysis. Another issue having an impact on the cost is the department's plan to convert from paper to an electronic records system, which is expected to cost around \$3.5 million. However, despite previous department estimates, the medical contract is only funded at approximately \$85 million in the Governor's 2006 allowance, an increase of \$17 million over the current contract. **The department should be prepared to discuss why the medical contract is funded below its own estimates and its plans to address the potential underfunding.**

Other significant factors in the increase are the department's response to the 107 different violations of health and safety that the United States Department of Justice cited in August 2002 and the response to the ongoing consent decree. DPSCS attempted to terminate the 11-year-old consent decree in August 2004, but a federal judge denied the motion so that opposing attorneys could

**Exhibit 4**  
**Modules for Medical Contract**

Medical Care Services	Includes emergency care, dialysis, infectious disease care, infirmary care, medical, diet, vision, nursing, and radiology among other services. Contractor will use available telemedical services whenever possible to avoid transporting inmates. Contractor will provide comprehensive inmate health education to all inmates, including providing Occupational Safety and Health Administration (OSHA) training to inmate medical unit and laundry workers.
Mental Health Services	Includes all mental health services, such as infirmary care, evaluation of terminally ill patients, emergency mental health care, chronic care clinics, and prescribing of appropriate medications.
Dental Services	Includes all dental services, including conducting dental sick call clinics, providing oral hygiene education, providing all dental prosthetics and lab services, and preventive dentistry. In order to be accredited by the National Commission on Correctional Health Care, the Division of Pretrial Detention and Services must be under the consent decree, and DPSCS must offer preventive dentistry.
Pharmacy Services	The contractor will use the DPSCS Formulary as regards to the supply and dispensing of medication. This includes over-the-counter medications, prescription medications, controlled drugs, influenza and hepatitis vaccines, and other related items.
Utilization Management Services	The contractor will be responsible for maximizing utility of all clinical services. The contractor will ensure that inmates receive timely, appropriate, and coordinated health care services. The contractor will provide periodic administrative and clinical management meetings, in-service training for other contractor's staff, a comprehensive orientation for new staff, and periodic quality improvement audits, inspections and reporting programs. The contractor will pre-certify hospital and infirmary admissions, specialty and diagnostics and imaging services, as well as surgical procedures.
Electronic Patient Health Record/ Health Management Information System Services	The contractor will provide a commercial Health Management Information System that includes an electronic patient health records component and an automated electronic medication administration records system. The contractor will also provide telemedical equipment, maintenance and training. Currently, the department keeps paper records and expects that the move to electronic records will facilitate the medical staff's ability to provide appropriate care to inmates.

Source: Department of Public Safety and Correctional Services

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conduct discovery. DPSCS is appealing the ruling. **The department should be prepared to discuss the measures it is taking to address the health and safety violations and the impact of those measures on the cost of the medical contract.**

## **2. Major Information Technology Projects**

DPSCS has five projects costing a total of \$18,236,848 million being funded from the Major Information Technology Development Project Fund. MITDP are those projects that are expected to cost more than \$1 million or those that support a critical business function associated with the public health, education, safety, or financial well-being of the citizens of Maryland. These funds will be transferred by the Office of Information Technology to DPSCS in accordance with the oversight responsibilities of the Department of Budget and Management.

The most significant of these projects is the Maryland Automated Fingerprint Information System (MAFIS), which is budgeted at \$12.5 million in fiscal 2006. The current system was originally implemented in 1990 and was upgraded in 1997. The system is now obsolete and parts are no longer manufactured, meaning that replacement parts must be purchased used. As such, simply replacing components is not a feasible option. The department plans to purchase “off-the-shelf” software, suggesting that this will be a stable, low-risk system. The software should require only slight modifications to allow it to interface with existing systems. The Request for Proposals is expected to be released in May with plans to go before the Board of Public Works in late summer.

The second largest MITDP project is the Offender Case Management System (OCMS), which is budgeted for \$3.5 million. This system, when complete, should provide the department with the capability to manage an inmate from pre-trial through release. OCMS will provide services to four distinct client groups: the court system (including the Judiciary, the Public Defender, and the State’s Attorneys); the law enforcement community (including local sheriffs and police and the Maryland State Police); DPSCS; and the general public (including victims of crime, public information, etc.). OCMS will replace the now-defunct Maryland Integrated Offender Management System.

**The department should be prepared to discuss the level of involvement and cooperation of its client groups in the various stages of the OCMS development. The department should also be prepared to offer projections of the total cost of the OCMS project.**

The Stabilization of Mission Critical Systems – Infrastructure project is funded at \$1.3 million in the fiscal 2006 allowance. The goal is to provide statewide availability and stability of the network, digital communications, and criminal justice systems in an effort to ensure business continuity. The project was also funded in fiscal 2005 (at \$1.2 million).

The Network Live Scan project, which was initiated in fiscal 2005, has \$936,848 in the fiscal 2006 allowance. This initiative will provide the ability to process electronic submission of fingerprint images, mug shots, and demographic data from the Live Scan devices and Card Scanner workstations that can then be submitted to the State’s MAFIS and FBI’s databases.

The final project in the MITDP Fund is the National Crime Information Center 2000 – Roll Out and Deployment (Phase III). This project is not funded in fiscal 2006 as the department is still spending money from prior appropriations. NCIC is an on-line information service maintained jointly by the FBI and criminal justice agencies in the United States.

**The department should be prepared to comment on the role of these projects within its long-term IT plans.**

## Recommended Actions

1. Add the following language:

Provided that the Department of Public Safety and Correctional Services may not enter into an interagency agreement or expend funds to support an interagency agreement, unless:

- (1) the agreement prohibits the use of subcontractors that are not selected through a competitive bid process;
- (2) the agreement is submitted to and approved by the Board of Public Works; and
- (3) copies of the approved agreement are submitted to the budget committees and the Department of Legislative Services.

**Explanation:** This language modifies the process by which the Department of Public Safety and Correctional Services (DPSCS) can enter into an agreement with another State agency. It was initially adopted in the fiscal 2005 budget in response to audit issues that found the office had circumvented competitive bid requirements.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Interagency agreement approved by the Board of Public Works	DPSCS	Prior to agreement

	<b><u>Amount Reduction</u></b>		<b><u>Position Reduction</u></b>
2. Abolish 17 vacant PINs. The office has a number of vacancies in the Information Technology and Communications Division, Human Resources, and the Internal Investigations Unit. The Department of Legislative Services recommends abolishing a total of 17 vacant PINs. The office needs only 34 vacancies to make their budgeted turnover for fiscal 2006 but currently has 65 vacancies. Since fiscal 1999 the fewest vacancies the office has had is 48.	\$ 824,667	GF	17.0
<b>Total General Fund Reductions</b>	<b>\$ 824,667</b>		<b>17.0</b>

## *Current and Prior Year Budgets*

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	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
<b>Fiscal 2004</b>					
Legislative Appropriation	\$43,770	\$40,279	\$939	\$2,093	\$87,081
Deficiency Appropriation	399	0	0	0	399
Budget Amendments	2,919	14,331	918	3,286	21,454
Cost Containment	-81	0	0	0	-81
Reversions and Cancellations	-519	-1,070	-808	-3,268	-5,665
<b>Actual Expenditures</b>	<b>\$46,488</b>	<b>\$53,540</b>	<b>\$1,049</b>	<b>\$2,110</b>	<b>\$103,187</b>
<b>Fiscal 2005</b>					
Legislative Appropriation	\$49,544	\$49,546	\$908	\$1,943	\$101,940
Budget Amendments	370	9,761	871	3,268	14,270
<b>Working Appropriation</b>	<b>\$49,914</b>	<b>\$59,307</b>	<b>\$1,779</b>	<b>\$5,211</b>	<b>\$116,210</b>

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

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## **Fiscal 2004**

General fund spending for fiscal 2004 was approximately \$46.5 million, which was approximately \$2.7 million higher than the legislative appropriation. This difference was the net result of:

- a deficiency appropriation of approximately \$399,000 for IT projects;
- budget amendments increasing the appropriation by approximately \$2.9 million. Of that, approximately \$452,000 was moved from the Division of Correction to help fund the newly created Office of Treatment Services. An additional \$213,000 was moved from the Judiciary to DPSCS based on estimated fiscal 2004 telecommunications expenditures. Approximately \$2.2 million was redistributed to the Office of the Secretary from other agencies within DPSCS, including the Division of Correction and the Division of Parole and Probation, in order to align the general fund appropriation with actual expenditures;
- a decrease by approximately \$81,000 due to cost containment actions under the provisions of Section 7-213(a) of the State Finance and Procurement Article (Budget Amendment No. 37-04); and
- a reversion of approximately \$519,000, which is attributable to mandatory reversions for unspent employee and retiree health insurance that was overbudgeted.

Special fund spending for fiscal 2004 was approximately \$53.5 million, an increase of approximately \$13.3 million over the legislative appropriation. The difference was the net result of:

- budget amendments increasing the appropriation by approximately \$14.3 million. Of that, approximately \$11.7 million was available from the increase in the 9-1-1 fee. Part of the funds (\$3.4 million) was sent directly to local jurisdictions to support their emergency systems, and the remainder (\$8.2 million) was used by the Emergency Numbers Systems Board to enhance local jurisdictions' projects and assist in deploying the enhanced wireless 9-1-1 services. Approximately \$535,000 was transferred to the Office of the Secretary from the MITDP Fund for the NCIC 2000 major IT project. And approximately \$2 million was carryover funding from fiscal 2003 for the NCIC 2000 major IT project; and
- the cancellation of approximately \$1.1 million. Of that, approximately \$740,000 was cancelled when 9-1-1 fees were not received as expected. The remaining \$330,000 was cancelled when Information Technology and Communications Division revenue was not received as appropriated.

Federal fund spending for fiscal 2004 was approximately \$1 million, an increase of approximately \$110,000 from the legislative appropriation. The difference was the net result of:

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- the office increased the federal fund appropriation for the Information Technology and Communications Division by approximately \$918,000 for contract services for the Maryland National Criminal History Improvement Program; and
- the cancellation of approximately \$808,000 is attributable to a federal grant that was not authorized until late in the fiscal year.

Reimbursable fund spending for fiscal 2004 was approximately \$2.1 million, an increase of approximately \$17,000 over the legislative appropriation. The difference was the net result of:

- budget amendments increasing the appropriation by approximately \$3.3 million. The Office of the Secretary received approximately \$2.8 million of reimbursable funds from the Maryland State Police for the purchase of information technology for disaster recovery and to upgrade the MILES system. The office received \$456,000 from the Governor’s Office on Crime Control and Prevention (GOCCP) for improvements to the email system; and
- the cancellation of approximately \$3.3 million attributable to the following:
  - the cancellation of an “inmate transition” program to be funded by GOCCP in the amount of \$199,000;
  - the cancellation of other GOCCP grants totaling approximately \$61,000;
  - services provided to the Department of Juvenile Services at a lower level than originally budgeted, creating an underattainment of approximately \$85,000;
  - receipts for criminal records checks were not attained at the appropriation level, leaving a difference of approximately \$262,000;
  - receipts for network billings were not attained at the appropriation level, resulting in a difference of \$145,000;
  - multi-year grants from the Maryland State Police that were not awarded until mid-year, resulting in a difference of approximately \$2.3 million; and
  - lower than expected expenditures of grants from the Department of Health and Mental Hygiene (cancellation of approximately \$147,000) and the AIDS Administration (cancellation of approximately \$132,000).

**Fiscal 2005**

- The general fund spending was increased by approximately \$370,000 through the Cost-of-Living Adjustment Amendment. Funds were budgeted in the Department of Budget and Management and were subsequently distributed to each agency by budget amendment.
- The special fund spending was increased by amendment by approximately \$1.5 million to complete the NCIC 2000 MITDP. The fiscal 2005 special fund working appropriation also includes an approximately \$8.3 million pending amendment relating to 9-1-1 fees.
- The federal fund spending was increased by amendment by approximately \$871,000 for the ITCD to carry forward unexpended grant funds from the prior fiscal year for the Maryland National Criminal History Improvement Program.
- The reimbursable fund spending was increased by amendment by approximately \$1.1 million for IT projects.

## ***Audit Findings***

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Audit Period for Last Audit:	March 27, 2000 – May 27, 2003
Issue Date:	February 2004
Number of Findings:	7
Number of Repeat Findings:	1
% of Repeat Findings:	14%

**Finding 1:** The office made payments totaling approximately \$1.8 million to the University of Maryland, College Park, which violated legislative intent.

**Finding 2:** Certain interagency agreements with the university allowed the office to circumvent the competitive bid requirements of the State Procurement Regulations.

**Finding 3:** The office’s recordkeeping and monitoring procedures relating to the interagency agreements were inadequate.

**Finding 4:** The office did not ensure that required monthly reports of health services provided to inmates were submitted by one vendor and did not assess certain related liquidated damages totaling \$6.4 million allowed under the contract.

**Finding 5:** The office did not adequately monitor vendor invoices for propriety resulting in payments of approximately \$246,000 for inmate health services that had not been substantiated.

**Finding 6:** **The office had not established procedures to ensure that 9-1-1 Trust Fund fees were remitted by all telephone service carriers operating in the State.**

**Finding 7:** The office did not reconcile the results of physical inventories of equipment items to related detail equipment records and could not locate certain computer equipment items originally costing approximately \$1.5 million.

\* Bold denotes item repeated in full or part from preceding audit report.

**Object/Fund Difference Report  
DPSCS – Office of the Secretary**

<u>Object/Fund</u>	<u>FY04 Actual</u>	<u>FY05 Working Appropriation</u>	<u>FY06 Allowance</u>	<u>FY05 - FY06 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	492.00	499.00	495.00	-4.00	-0.8%
02 Contractual	80.82	141.63	133.23	-8.40	-5.9%
<b>Total Positions</b>	<b>572.82</b>	<b>640.63</b>	<b>628.23</b>	<b>-12.40</b>	<b>-1.9%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 26,931,598	\$ 28,759,207	\$ 29,896,013	\$ 1,136,806	4.0%
02 Technical & Spec Fees	3,228,679	4,622,617	4,011,228	-611,389	-13.2%
03 Communication	3,529,432	3,500,114	2,653,836	-846,278	-24.2%
04 Travel	137,735	156,076	172,034	15,958	10.2%
06 Fuel & Utilities	76,265	124,800	79,300	-45,500	-36.5%
07 Motor Vehicles	125,903	103,505	182,725	79,220	76.5%
08 Contractual Services	14,346,420	16,606,710	15,863,691	-743,019	-4.5%
09 Supplies & Materials	1,401,504	1,616,827	1,251,500	-365,327	-22.6%
10 Equip - Replacement	1,114,435	1,226,315	2,673,746	1,447,431	118.0%
11 Equip - Additional	4,159,832	4,990,989	1,979,730	-3,011,259	-60.3%
12 Grants, Subsidies, and Contributions	46,726,060	52,980,640	53,025,290	44,650	0.1%
13 Fixed Charges	1,409,413	1,522,837	1,583,871	61,034	4.0%
<b>Total Objects</b>	<b>\$ 103,187,276</b>	<b>\$ 116,210,637</b>	<b>\$ 113,372,964</b>	<b>-\$ 2,837,673</b>	<b>-2.4%</b>
<b>Funds</b>					
01 General Fund	\$ 46,487,820	\$ 49,913,732	\$ 53,309,892	\$ 3,396,160	6.8%
03 Special Fund	53,540,395	59,307,084	57,854,666	-1,452,418	-2.4%
05 Federal Fund	1,048,716	1,778,851	514,100	-1,264,751	-71.1%
09 Reimbursable Fund	2,110,345	5,210,970	1,694,306	-3,516,664	-67.5%
<b>Total Funds</b>	<b>\$ 103,187,276</b>	<b>\$ 116,210,637</b>	<b>\$ 113,372,964</b>	<b>-\$ 2,837,673</b>	<b>-2.4%</b>

Note: The fiscal 2005 appropriation does not include deficiencies, and the fiscal 2006 allowance does not reflect contingent reductions.

**Fiscal Summary  
DPSCS – Office of the Secretary**

<u>Program/Unit</u>	<u>FY04 Actual</u>	<u>FY05 Wrk Approp</u>	<u>FY06 Allowance</u>	<u>Change</u>	<u>FY05 - FY06 % Change</u>
01 General Administration	\$ 14,274,212	\$ 14,839,630	\$ 15,796,090	\$ 956,460	6.4%
02 Information Technology and Communications Div.	32,566,063	37,440,325	37,135,325	-305,000	-0.8%
03 Internal Investigation Unit	1,501,654	1,665,489	1,764,557	99,068	5.9%
04 911 Emergency Number Systems	46,545,096	52,882,259	52,877,524	-4,735	0%
06 Division of Capital Construction and Facilities	2,229,542	2,015,250	1,911,350	-103,900	-5.2%
07 Major Information Technology Development Projects	2,981,610	3,711,672	0	-3,711,672	-100.0%
08 Office of Treatment Services	3,089,099	3,656,012	3,888,118	232,106	6.3%
<b>Total Expenditures</b>	<b>\$ 103,187,276</b>	<b>\$ 116,210,637</b>	<b>\$ 113,372,964</b>	<b>-\$ 2,837,673</b>	<b>-2.4%</b>
General Fund	\$ 46,487,820	\$ 49,913,732	\$ 53,309,892	\$ 3,396,160	6.8%
Special Fund	53,540,395	59,307,084	57,854,666	-1,452,418	-2.4%
Federal Fund	1,048,716	1,778,851	514,100	-1,264,751	-71.1%
<b>Total Appropriations</b>	<b>\$ 101,076,931</b>	<b>\$ 110,999,667</b>	<b>\$ 111,678,658</b>	<b>\$ 678,991</b>	<b>0.6%</b>
Reimbursable Fund	\$ 2,110,345	\$ 5,210,970	\$ 1,694,306	-\$ 3,516,664	-67.5%
<b>Total Funds</b>	<b>\$ 103,187,276</b>	<b>\$ 116,210,637</b>	<b>\$ 113,372,964</b>	<b>-\$ 2,837,673</b>	<b>-2.4%</b>

Note: The fiscal 2005 appropriation does not include deficiencies, and the fiscal 2006 allowance does not reflect contingent reductions.

**Fiscal 2006 Cost Containment Actions  
As Submitted by the Agency**

**Estimated Fiscal 2006 Savings  
Compared to Fiscal 2005**

<u>Cost Saving Action/Efficiency Measure</u>	<u>Program Code</u>	<u>Total Funds</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Positions Reduced</u>	<u>Impact of Action</u>
None						

Source: Department of Public Safety and Correctional Services