

Q00D00
Patuxent Institution
Department of Public Safety and Correctional Services

Operating Budget Data

(\$ in Thousands)

	FY 04	FY 05	FY 06	FY 05-06	% Change
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>	<u>Prior Year</u>
General Fund	\$31,231	\$33,378	\$34,226	\$848	2.5%
Special Fund	413	470	464	-6	-1.3%
Reimbursable Fund	<u>715</u>	<u>1,321</u>	<u>890</u>	<u>-432</u>	<u>-32.7%</u>
Total Funds	\$32,359	\$35,169	\$35,580	\$410	1.2%
Contingent & Back of Bill Reductions			-43	-43	
Adjusted Total	\$32,359	\$35,169	\$35,537	\$367	1.0%

- The \$805,000 increase in general funds after adjusting for the contingent reductions is the net result of increases in increments, higher budgeted turnover expectancy, increased fuel and utility costs, and increases in contractual services.
- The \$432,000 decrease in reimbursable funds is largely due to higher budgeted contractual turnover expectancy, reductions in travel expenses, and reduced expenditures for contractual services.

Personnel Data

	FY 04	FY 05	FY 06	FY 05-06
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Regular Positions	490.50	494.50	494.50	0.00
Contractual FTEs	<u>15.99</u>	<u>40.35</u>	<u>40.35</u>	<u>0.00</u>
Total Personnel	506.49	534.85	534.85	0.00

Vacancy Data: Regular Positions

Turnover, Excluding New Positions	19.63	3.97%
Positions Vacant as of 12/31/04	21.00	4.25%

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

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Analysis in Brief

Issues

Reductions to Correctional Education Program at Patuxent: The Maryland State Department of Education intends to scale back the correctional education program at Patuxent as of July 1, 2005. **DPSCS should be prepared to comment on the impact of the redesigned educational program on Patuxent’s programs and goals.**

Recommended Actions

1. Concur with Governor’s allowance.

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Department of Public Safety and Correctional Services

Operating Budget Analysis

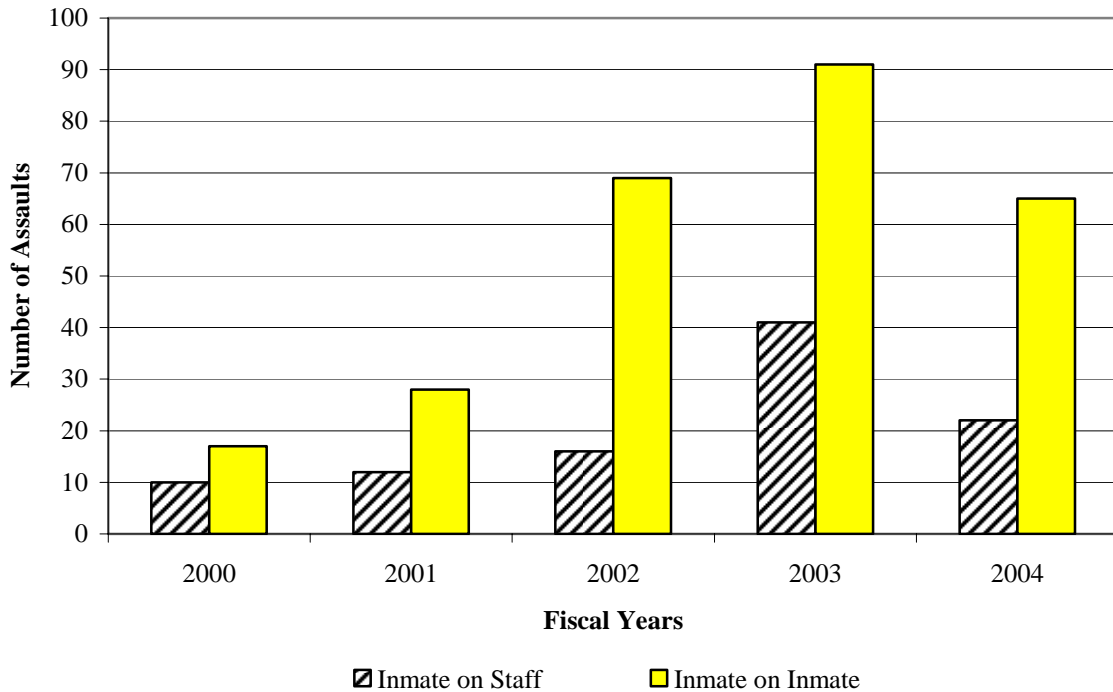
Program Description

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

The number of assaults at Patuxent on both staff and other inmates declined in 2004 after four years of increasing. **Exhibit 1** illustrates that the number of inmate-on-inmate assaults in fiscal 2004 dropped almost 29% from the high in fiscal 2003, while the number of inmate-on-staff assaults declined by 46% from the fiscal 2003 levels. **The department should be prepared to discuss what measures are being taken to further reduce the number of assaults on both inmates and staff.**

Exhibit 1
Number of Assaults at Patuxent Institution
Fiscal 2000 – 2004



Source: Department of Public Safety and Correctional Services

Governor's Proposed Budget

As seen in **Exhibit 2**, the Governor's fiscal 2006 allowance increases by approximately \$367,000, or 1.0%.

Personnel expenses increase by approximately \$433,000 which is the net result of increases in increments, retirement contributions, workers' compensation premiums, and decreases in overtime, employee and retiree health insurance, and higher budgeted turnover expectancy.

Other expenditures decrease by approximately \$66,000. This is the net result of higher budgeted contractual turnover expectancy, reductions in expenditures for travel, supplies, and office equipment, as well as increased expenditures for fuel and utilities, contractual services (specifically, equipment repairs and medical care), and motor vehicle purchase (replacement of an inoperable van for use on perimeter security) and maintenance.

Contingent Actions

The fiscal 2006 allowance reflects the elimination of \$42,644 (subobject 0172), the appropriation for matching employee deferred compensation contributions up to \$600, contingent upon enactment of a provision in budget reconciliation legislation.

**Exhibit 2
Governor's Proposed Budget
DPSCS Patuxent Institution
(\$ in Thousands)**

How Much It Grows:	General Fund	Special Fund	Reimbursable Fund	Total
2005 Working Appropriation	\$33,378	\$470	\$1,321	\$35,169
2006 Governor's Allowance	34,226	464	890	35,580
Contingent & Back of Bill Reductions	<u>-43</u>	<u>0</u>	<u>0</u>	<u>-43</u>
Adjusted Allowance	34,183	464	890	35,537
Amount Change	\$805	-\$6	-\$432	\$367
Percent Change	2.4%	-1.3%	-32.7%	1.0%

Where It Goes:

Personnel Expenses

Overtime.....	-\$265
Increments and other compensation.....	499
Employee and retiree health insurance	-234
Retirement contribution cost increase.....	183
Turnover adjustments.....	-205
Workers' Compensation premium assessment	352
Other fringe benefit adjustments.....	103

Other Changes

Increased contractual turnover expectancy	-282
Fuel and utilities (electricity, natural gas).....	129
Contractual services (equipment repairs and maintenance, medical care)	129
Motor vehicles (purchase new vehicle, gas and oil, maintenance).....	47
Travel costs	-36
Supplies and materials (office supplies, uniforms).....	-36
Replacement and additional office equipment.....	-25
Other.....	8

Total **\$367**

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

Issues

1. Reductions to Correctional Education Program at Patuxent

The Maryland State Department of Education (MSDE) has provided educational services to incarcerated populations in Maryland for over twenty-five years. The Correctional Education (CE) Program is held to performance standards set by the Educational Coordinating Council for Correctional Institutions (ECCCI). The performance standards for the CE program include student attendance; dropout rates; basic, intermediate, and advanced literacy completions; occupational completions; high school completions; and GED pass rates. According to MSDE, the educational program at Patuxent has failed to meet most of those standards for many years.

As part of the Governor's Strategic Budgeting evaluation, MSDE reviewed the performance of all CE schools. MSDE concluded that the resources dedicated to CE at Patuxent were not being put to their best use. As a result of this evaluation, MSDE decided to scale back the CE at Patuxent as of July 1, 2005. The redesigned educational program will affect seven current MSDE employees. These employees received notification in January that their positions are scheduled to be abolished at the close of this fiscal year.

The education program at Patuxent will continue unchanged through June 30, 2005. The redesigned program will be implemented as of July 1 and will result in a scaled-back day program. According to MSDE, they will retain three employees on site (a librarian, a special education teacher, and an academic instructor) and will continue to provide library services, special education, and general education. MSDE will offer remedial/developmental instructional offerings through contractual arrangements. MSDE will also continue to offer a distance-learning post-secondary program and occupational education through computer resource labs already in place at Patuxent.

The Department of Public Safety and Correctional Services (DPSCS) has expressed concerns about the reduction in the education program at Patuxent. The department argues that the failure of the Patuxent program to achieve MSDE standards is not a result of inmates failing to gain an education, but rather a result of their limited ability to move through the program fast enough. DPSCS further argues that Patuxent inmates participating in the education program are generally serving long sentences, so the speed with which they complete the program is not relevant to the inmate's ultimate remediation.

The department should be prepared to comment on the impact of the redesigned educational program on Patuxent's programs and goals.

Recommended Actions

1. Concur with Governor's allowance.

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 2004					
Legislative Appropriation	\$32,891	\$475	\$0	\$1,428	\$34,794
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	-350	0	0	0	-350
Cost Containment	-500	0	0	0	-500
Reversions and Cancellations	-810	-62	0	-713	-1,585
Actual Expenditures	\$31,231	\$413	\$0	\$715	\$35,358
Fiscal 2005					
Legislative Appropriation	\$32,975	\$470	\$0	\$1,321	\$34,766
Budget Amendments	403	0	0	0	403
Working Appropriation	\$33,378	\$470	\$0	\$1,321	\$35,169

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

Fiscal 2004

- General fund spending was reduced by approximately \$350,000 through an amendment that redistributed the funds to other agencies within DPSCS, in order to align the general fund

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appropriation with actual expenditures. The reductions were taken from salaries, wages and fringe benefits.

- The department reverted approximately \$810,000 of general funds that were appropriated for Health Insurance and went unused.
- The cancellation of approximately \$713,000 of reimbursable funds occurred when a grant from the Governor’s Office of Crime Control and Prevention was not spent as originally anticipated.

Fiscal 2005

- The general fund spending was increased by approximately \$403,000 through the Cost-of-Living-Adjustment Amendment. Funds had been budgeted for all agencies in the Department of Budget and Management and were subsequently reallocated.

Audit Findings

Audit Period for Last Audit:	November 8, 1999 – June 30, 2002
Issue Date:	December 2002
Number of Findings:	6
Number of Repeat Findings:	3
% of Repeat Findings:	50%

Finding 1: Proper internal controls were not established over certain purchasing and disbursement transactions.

Finding 2: Adequate controls were not established to ensure that all recorded cash receipts were subsequently deposited. In addition, access to certain collections was not properly restricted.

Finding 3: The institutions lacked adequate controls and record keeping procedures over dietary and maintenance supplies inventories.

Finding 4: Equipment records were not adequately maintained and physical inventories of equipment were not properly completed.

Finding 5: Access to blank checks used to process inmate fund disbursements was not adequately restricted. In addition, account balances were not properly reconciled with the State Comptroller’s records.

Finding 6: Adjustments to the institutions’ payrolls were not adequately verified.

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

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

<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>
Positions					
01 Regular	490.50	494.50	494.50	0	0%
02 Contractual	15.99	40.35	40.35	0	0%
Total Positions	506.49	534.85	534.85	0	0%
Objects					
01 Salaries and Wages	\$ 25,707,030	\$ 27,484,832	\$ 27,960,204	\$ 475,372	1.7%
02 Technical & Spec Fees	685,313	1,386,639	1,103,249	-283,390	-20.4%
03 Communication	96,283	98,587	94,052	-4,535	-4.6%
04 Travel	18,121	60,300	23,900	-36,400	-60.4%
06 Fuel & Utilities	1,574,295	1,442,398	1,571,347	128,949	8.9%
07 Motor Vehicles	65,518	39,230	86,654	47,424	120.9%
08 Contractual Services	2,310,082	2,667,603	2,796,229	128,626	4.8%
09 Supplies & Materials	1,257,354	1,320,911	1,285,411	-35,500	-2.7%
10 Equip - Replacement	35,567	34,580	24,580	-10,000	-28.9%
11 Equip - Additional	4,340	15,000	0	-15,000	-100.0%
12 Grants, Subsidies, and Contributions	548,340	546,100	561,100	15,000	2.7%
13 Fixed Charges	56,690	73,302	72,835	-467	-0.6%
Total Objects	\$ 32,358,933	\$ 35,169,482	\$ 35,579,561	\$ 410,079	1.2%
Funds					
01 General Fund	\$ 31,231,369	\$ 33,378,142	\$ 34,226,024	\$ 847,882	2.5%
03 Special Fund	412,834	469,977	463,876	-6,101	-1.3%
09 Reimbursable Fund	714,730	1,321,363	889,661	-431,702	-32.7%
Total Funds	\$ 32,358,933	\$ 35,169,482	\$ 35,579,561	\$ 410,079	1.2%

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

