

Q00D00
Patuxent Institution
Department of Public Safety and Correctional Services

Operating Budget Data

(\$ in Thousands)

	FY 06	FY 07	FY 08	FY 07-08	% Change
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>	<u>Prior Year</u>
General Fund	\$36,942	\$39,411	\$41,522	\$2,111	5.4%
Special Fund	463	463	500	37	8.1%
Reimbursable Fund	414	843	300	-543	-64.4%
Total Funds	\$37,819	\$40,717	\$42,322	\$1,605	3.9%

- Three fiscal 2007 deficiency appropriations, totaling approximately \$1.4 million, are for fuel and utilities, the inmate medical contract, and security equipment and supplies.
- The fiscal 2008 allowance increases approximately \$1.6 million, or 3.9%. Absent the decrease in health insurance costs due to one-time savings, the agency's budget increases by 7.6%, or \$3.0 million.

Personnel Data

	FY 06	FY 07	FY 08	FY 07-08
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Regular Positions	496.50	509.50	509.50	0.00
Contractual FTEs	<u>3.21</u>	<u>1.30</u>	<u>1.30</u>	<u>0.00</u>
Total Personnel	499.71	510.80	510.80	0.00

Vacancy Data: Regular Positions

Turnover, Excluding New Positions	22.83	4.48%
Positions Vacant as of 12/31/06	58.00	11.38%

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

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Analysis in Brief

Recommended Actions

	<u>Funds</u>	<u>Positions</u>
1. Increase turnover expectancy to better reflect current vacancies and historical trends.	\$ 401,412	
2. Delete one position (#069153) which has been vacant for over 12 months.	47,555	1.0
Total Reductions	\$ 448,967	1.0

Q00D00
Patuxent Institution
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 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 (DOC). For fiscal 2008, it is estimated that the institution's average daily population will be 776 inmates. Additionally, the institution operates a Re-Entry facility in Baltimore City to assist certain offenders' return to society.

Performance Analysis: Managing for Results

Offender management is a major component of the Patuxent Institution's mission. Similar to the maximum security facilities within the Division of Correction, Patuxent has had no inmate escapes, walk-offs, or incorrect releases since fiscal 2002. As **Exhibit 1** shows, the number of inmates granted community parole status or work releases who have that status revoked is fairly low as well. Since fiscal 2003, only seven inmates have had their community status revoked due to a positive drug test. Five of those inmates were work releasers and two were on community parole. Commission of a new criminal offense has only resulted in the revocation of community parole for one inmate since fiscal 2003. In fiscal 2004, and most recently in fiscal 2006, no inmates had their community status revoked for a positive drug test or commission of a new criminal offense. Given that there has been an average of 30 inmates released on community status each year since fiscal 2003, the low frequency of revocations suggests good and thorough oversight by the Institutional Review Board, which grants the community status approval.

Also similar to the DOC maximum security institutions, however, is the frequency of inmate assault rates on both staff and inmates at Patuxent. The department converted to a new system for reporting inmate assaults, which records every incidence of assault, as opposed to only guilty convictions. As a result, **Exhibit 2** only includes data from fiscal 2006, the first year of actual data.

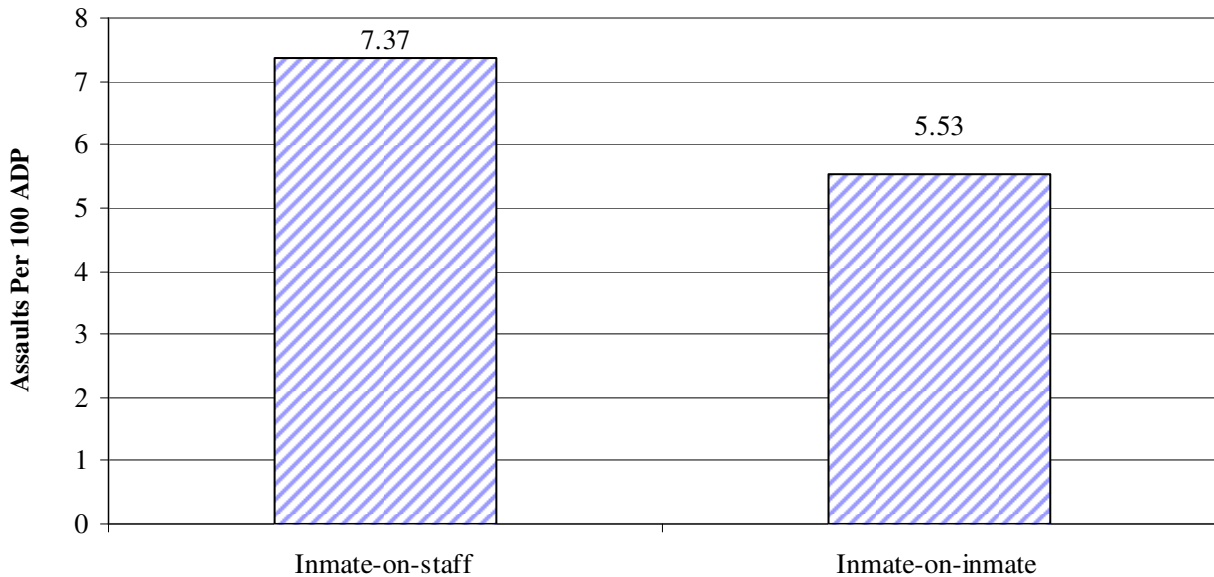
Within the Patuxent Institution, inmate-on-staff assaults occur slightly more frequently than inmate-on-inmate assaults, with 7.37 assaults on staff per every 100 inmates. Inmate-on-inmate assaults occur at a rate of 5.53 assaults per every 100 inmates. **The department should discuss what measures it is taking to address the high assault rates on both staff and inmates at the institution.**

Exhibit 1
Inmate Community Parole Status
Revocation for Commission of New Offense
Fiscal 2003-2008

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Est.</u> <u>2007</u>	<u>Est.</u> <u>2008</u>
Positive drug test	4	0	3	0	0	0
Commission of new offense	0	0	1	0	0	0

Source: Department of Public Safety and Correctional Services

Exhibit 2
Assault Rates Per 100 ADP
Fiscal 2006



ADP: average daily population

Source: Department of Public Safety and Correctional Services

Fiscal 2007 Actions

Proposed Deficiency

The fiscal 2008 allowance includes three deficiency appropriations for fiscal 2007 totaling approximately \$1.4 million. The largest deficiency – \$630,000 – is to supplement the inmate medical contract because the department misestimated pharmacy and secondary care costs. Approximately \$412,000 is included for fuel and utilities due to the increasing cost of electricity. Finally, a \$337,000 deficiency is included for security supplies and equipment.

Governor's Proposed Budget

As shown in **Exhibit 3**, the Governor's fiscal 2008 allowance increases by approximately \$1.6 million, or 3.9% from the fiscal 2007 working appropriation. General fund expenditures increase by approximately \$2.1 million, offset by an approximate \$500,000 decrease in reimbursable funds.

Salaries and wages account for a net increase of \$112,000. Significant increases in employee increments, retirement costs, and turnover are masked by decreases in health insurance due to one-time savings from a surplus in the health insurance account and decreased workers' compensation premiums.

Increases for contractual services for inmate medical and other treatment programs make up \$1.8 million, or 90% of the remaining \$2.0 million increase. Approximately \$657,000 is for increases in payments to contractors for the provision of inmate medical services. This escalation is largely due to higher secondary care, hospitalization, and pharmacy costs. A total of \$648,000 of the increase is for the realignment of funding to programs at Patuxent from DOC institutions. New contracts for the substance abuse programs were awarded in April 2006. Based on the new contracts, certain funds budgeted for substance abuse programs at the Maryland Correctional Training Center and the Maryland Correctional Institution for Women in fiscal 2007 are budgeted for the Regimented Offender Treatment Center and the Residential Substance Abuse Treatment Program (RSAT) at Patuxent in fiscal 2008. An additional \$498,000 in general funds is budgeted for RSAT to offset an equivalent decrease in reimbursable funds from a federal grant administered through the Governor's Office of Crime Control and Prevention.

The remainder of the increase may be attributed to an increase in fuel and utility costs offset by decreases in funding for radios and electronic equipment, motor vehicle purchases, and inmate food costs. Funding for radios and equipment was not included in the fiscal 2008 allowance because of the fiscal 2007 deficiency appropriation.

**Exhibit 3
Governor’s Proposed Budget
DPSCS – Patuxent Institution
(\$ in Thousands)**

How Much It Grows:	General Fund	Special Fund	Reimb. Fund	Total
2007 Working Appropriation	\$39,411	\$463	\$843	\$40,717
2008 Governor’s Allowance	<u>41,522</u>	<u>500</u>	<u>300</u>	<u>42,322</u>
Amount Change	\$2,111	\$37	-\$543	\$1,605
Percent Change	5.4%	8.1%	-64.4%	3.9%

Where It Goes:

Personnel Expenses

Increments and other compensation	\$565
Retirement	491
Health insurance costs decline due to one-time savings.....	-898
Workers’ compensation premium assessment.....	-393
Turnover adjustments	672
Other fringe benefit adjustments	-325

Other Changes

Realignment of funding based on new contract for Regimented Offender Treatment Center and Residential Offender Treatment Program	648
Inmate medical contract.....	657
Fuel and utilities	293
No allowance for radio/electronic equipment as a result of 2007 security equipment deficiency appropriation.....	-25
Other	-80

Total **\$1,605**

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

Recommended Actions

	<u>Amount Reduction</u>		<u>Position Reduction</u>
1. Increase turnover expectancy to better reflect current vacancies and historical trends. This increases the vacancy rate from 4.48 to 6.0%.	\$ 401,412	GF	
2. Delete one position (#069153) which has been vacant for over 12 months. There have been several unsuccessful recruitment attempts to fill this position. The agency has been able to maintain operations without it.	47,555	GF	1.0
Total General Fund Reductions	\$ 448,967		1.0

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 2006					
Legislative Appropriation	\$34,209	\$464	\$0	\$890	\$35,563
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	2,733	0	0	0	2,733
Reversions and Cancellations	0	-1	0	-476	-477
Actual Expenditures	\$36,942	\$463	\$0	\$414	\$37,819
Fiscal 2007					
Legislative Appropriation	\$37,819	\$463	\$0	\$843	\$39,125
Budget Amendments	1,592	0	0	0	1,592
Working Appropriation	\$39,411	\$463	\$0	\$843	\$40,717

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

Fiscal 2006

General fund spending for fiscal 2006 was approximately \$36.9 million.

- Budget amendments increased the appropriation by approximately \$2.7 million, of which \$2.4 million was due to the realignment of funds. This included adjustments for correctional officer pay incentives, employee and retiree health benefits, and the general realignment throughout the department to meet actual expenditures. In addition, the cost-of-living adjustment (COLA) increased the appropriation by \$319,000.

Reimbursable fund spending was approximately \$414,000. This includes the cancellation of approximately \$476,000 of unexpended grant funds.

Fiscal 2007

The general fund working appropriation for fiscal 2007 is approximately \$39.4 million. This includes an approximate \$1.6 million increase from the COLA and funding for correctional officer reclassifications and related salary adjustments as a result of the annual salary review.

Audit Findings

Audit Period for Last Audit:	July 1, 2002 – October 31, 2005
Issue Date:	March 2006
Number of Findings:	8
Number of Repeat Findings:	3
% of Repeat Findings:	38%
Rating: (if applicable)	n/a

The findings for this audit include the Patuxent Institution in addition to the Women’s Correctional facilities, Maryland Correctional Institution for Women in Jessup, and the Pre-Release Unit for Women in Baltimore.

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

Finding 2: The institutions did not adhere to State Procurement Regulations when obtaining temporary employee services.

Finding 3: The institutions has not established adequate control over corporate purchasing card usage.

Finding 4: Adequate segregation of duties was not established over the processing of employee payroll.

Finding 5: Equipment records and inventory results were not processed timely and adequately maintained.

Finding 6: There was no documentation to support the removal of certain equipment items from the detail equipment record.

Finding 7: The institutions did not reconcile inmate account balances with the State Comptroller’s Records.

Finding 8: The institutions had not properly controlled petty cash.

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

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

<u>Object/Fund</u>	<u>FY06 Actual</u>	<u>FY07 Working Appropriation</u>	<u>FY08 Allowance</u>	<u>FY07-FY08 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	496.50	509.50	509.50	0	0%
02 Contractual	3.21	1.30	1.30	0	0%
Total Positions	499.71	510.80	510.80	0	0%
Objects					
01 Salaries and Wages	\$ 29,026,411	\$ 31,765,820	\$ 31,878,167	\$ 112,347	0.4%
02 Technical and Spec. Fees	138,101	65,823	62,984	-2,839	-4.3%
03 Communication	103,079	64,952	83,952	19,000	29.3%
04 Travel	26,931	7,000	7,000	0	0%
06 Fuel and Utilities	2,075,387	1,919,803	2,213,166	293,363	15.3%
07 Motor Vehicles	57,971	127,808	63,713	-64,095	-50.1%
08 Contractual Services	4,418,110	4,794,022	6,086,641	1,292,619	27.0%
09 Supplies and Materials	1,256,815	1,313,631	1,271,067	-42,564	-3.2%
10 Equipment – Replacement	23,356	24,580	0	-24,580	-100.0%
11 Equipment – Additional	46,350	0	0	0	0.0%
12 Grants, Subsidies, and Contributions	566,836	555,800	607,000	51,200	9.2%
13 Fixed Charges	79,228	77,407	48,218	-29,189	-37.7%
Total Objects	\$ 37,818,575	\$ 40,716,646	\$ 42,321,908	\$ 1,605,262	3.9%
Funds					
01 General Fund	\$ 36,941,767	\$ 39,410,733	\$ 41,521,924	\$ 2,111,191	5.4%
03 Special Fund	462,786	462,692	499,984	37,292	8.1%
09 Reimbursable Fund	414,022	843,221	300,000	-543,221	-64.4%
Total Funds	\$ 37,818,575	\$ 40,716,646	\$ 42,321,908	\$ 1,605,262	3.9%

Note: The fiscal 2007 appropriation does not include deficiencies, and the fiscal 2008 allowance does not reflect contingent reductions.

**Fiscal Summary
DPSCS – Patuxent Institution**

<u>Program/Unit</u>	<u>FY06 Actual</u>	<u>FY07 Wrk Approp</u>	<u>FY08 Allowance</u>	<u>Change</u>	<u>FY07-FY08 % Change</u>
4101 General Administration	\$ 3,907,614	\$ 4,067,494	\$ 3,775,788	-\$ 291,706	-7.2%
4102 Custodial Care	21,317,923	23,855,798	24,094,276	238,478	1.0%
4103 Dietary Services	1,605,628	1,679,491	1,680,589	1,098	0.1%
4104 Plant Operation And Maintenance	3,365,835	3,323,449	3,576,991	253,542	7.6%
4105 Diagnostic, Classification And Treatment Services	6,623,548	6,271,725	7,053,652	781,927	12.5%
4106 Classification, Education and Religious Services	21,454	47,823	44,984	-2,839	-5.9%
4108 Outpatient Services	358,469	377,645	399,308	21,663	5.7%
4109 Substance Abuse Treatment Services	618,104	1,093,221	1,696,320	603,099	55.2%
Total Expenditures	\$ 37,818,575	\$ 40,716,646	\$ 42,321,908	\$ 1,605,262	3.9%
General Fund	\$ 36,941,767	\$ 39,410,733	\$ 41,521,924	\$ 2,111,191	5.4%
Special Fund	462,786	462,692	499,984	37,292	8.1%
Total Appropriations	\$ 37,404,553	\$ 39,873,425	\$ 42,021,908	\$ 2,148,483	5.4%
Reimbursable Fund	\$ 414,022	\$ 843,221	\$ 300,000	-\$ 543,221	-64.4%
Total Funds	\$ 37,818,575	\$ 40,716,646	\$ 42,321,908	\$ 1,605,262	3.9%

Note: The fiscal 2007 appropriation does not include deficiencies, and the fiscal 2008 allowance does not reflect contingent reductions.