

Q00B00
Division of Correction
Department of Public Safety and Correctional Services

Operating Budget Data

(\$ in Thousands)

	<u>FY 08</u> <u>Actual</u>	<u>FY 09</u> <u>Working</u>	<u>FY 10</u> <u>Allowance</u>	<u>FY 09-10</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$677,686	\$701,550	\$720,816	\$19,266	2.7%
Contingent & Back of Bill Reductions	0	0	-12,529	-12,529	
Adjusted General Fund	\$677,686	\$701,550	\$708,287	\$6,737	1.0%
Special Fund	68,153	77,544	81,462	3,918	5.1%
Contingent & Back of Bill Reductions	0	0	-86	-86	
Adjusted Special Fund	\$68,153	\$77,544	\$81,376	\$3,832	4.9%
Federal Fund	12,195	14,592	14,431	-161	-1.1%
Adjusted Federal Fund	\$12,195	\$14,592	\$14,431	-\$161	-1.1%
Reimbursable Fund	4,949	4,785	3,973	-811	-17.0%
Adjusted Reimbursable Fund	\$4,949	\$4,785	\$3,973	-\$811	-17.0%
Adjusted Grand Total	\$762,983	\$798,471	\$808,066	\$9,595	1.2%

- Fiscal 2009 deficiency appropriations, totaling \$12.2 million, are needed to fund additional overtime expenditures, increased costs for raw food supplies, and fuel and utilities. Approximately \$115,000 is needed to fund a new reentry program that provides inmates with copies of their birth certificates at the time of release.
- The fiscal 2010 allowance increases approximately \$9.6 million, or 1.2%. The agency's budget growth is largely attributable to increases in personnel and inmate medical expenses. There is also approximately \$12.6 million in contingent reductions for local jail reimbursements, overtime expenditures, and the elimination of the deferred compensation match.

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

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Personnel Data

	FY 08 <u>Actual</u>	FY 09 <u>Working</u>	FY 10 <u>Allowance</u>	FY 09-10 <u>Change</u>
Regular Positions	7,437.50	7,496.50	7,514.50	18.00
Contractual FTEs	<u>46.45</u>	<u>93.16</u>	<u>91.16</u>	<u>-2.00</u>
Total Personnel	7,483.95	7,589.66	7,605.66	16.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	631.22	8.40%
Positions and Percentage Vacant as of 12/31/08	567.90	7.58%

- The division's regular personnel complement increases by 18 special fund positions for Maryland Correctional Enterprises. The additional officer, supervisor, and administrative support positions are needed to handle increases in production and the number of employed inmates based on increased sales and production demands.
- The fiscal 2010 allowance includes a reduction of two contractual full-time-equivalents. These include one data device operator at the Maryland Correctional Adjustment Center and one automotive mechanic at the Maryland Reception, Diagnostic, and Classification Center.
- The fiscal 2010 budget bill includes an across-the-board reduction of 400 vacant positions for the Department of Public Safety and Correctional Services. It is unclear at this time how the reduction will be allocated across the individual agencies. Given that the Division of Correction accounts for 64.5% of the department's personnel, it is likely that this agency will absorb a significant portion of the reduction.

Analysis in Brief

Issues

Local Jail Reimbursement Program: As the result of a change in statute in 1986, the State began reimbursing counties for housing offenders sentenced up to 18 months for each inmate day between day 91 and day 365. The fiscal 2010 budget bill includes a \$6 million reduction contingent on language in the Budget Reconciliation and Financing Act of 2009 which would alter for two years the reimbursement rates from the current 50 and 85% to 34 and 50%. This action, combined with actions taken since fiscal 2008, will generate unfunded liabilities of approximately \$13.5 million through fiscal 2010. Furthermore, the State has little control over local detention center expenditures, and it appears State resources would be more appropriately directed toward supporting inmates held between 12 and 18 months, since those inmates have the potential to be sentenced to either local or State jurisdiction, at the discretion of the courts. **The Department of Legislative Services (DLS) recommends rejecting the contingent reduction and language in the fiscal 2010 budget bill and the Budget Reconciliation and Financing Act of 2009. DLS further recommends, as of fiscal 2010, abolishing the current reimbursement program and creating a grant program to provide State assistance for housing inmates between 12 and 18 months at a rate of \$45 per day. This would require approximately \$12 million to support the program in fiscal 2010 and allow approximately \$12 million to cover unfunded liabilities through fiscal 2009.**

Impacting Overtime by Transferring to a 12-Hour Shift: The fiscal 2010 budget bill includes a \$6.2 million reduction to overtime expenses contingent on both the enactment of legislation which would alter the overtime calculation to be consistent with the federal Fair Labor Standards Act and also the successful negotiation with AFSCME-IBT for approval in changing the length of shifts from 8 to 12 hours. This action was proposed during the 2008 session but was unsuccessful. Enactment of the proposed law change would increase the number of days a correctional officer has off each year, but reducing the amount of overtime expenditures, would also effectively reduce the amount of earnings a correctional officer receives. To date, negotiations with the union have stalled and the resolution of issues surrounding the implementation of the 12-hour shift and the impact on correctional staff are unknown. **DLS recommends the adoption of a provision in the Budget Reconciliation and Financing Act of 2009 authorizing the department to implement a 12-hour shift pilot program at one Division of Correction facility for a total of 12 months. Participating employees should receive participation bonuses and the Division of Correction (DOC) should submit a report analyzing the fiscal and operational impact for the agency and for the employees.**

Correctional Education: Legislation passed during the 2008 session required the transfer of correctional education from the Maryland State Department of Education to the Department of Labor, Licensing, and Regulation (DLLR). The Workforce Creation and Adult Education Transition Council was created to oversee the transition. The council developed a report with 22 recommendations specific to correctional education. The recommendations require significant oversight by the Department of Public Safety and Correctional Services (DPSCS) and close coordination between DPSCS and DLLR to improve service provision. **DPSCS should comment on**

the progress of the transition of correctional education to DLLR and efforts to address the recommendations made by the council. DLS recommends adding language to restrict funding for correctional education included in the DOC budget to be used for that purpose only and be transferred to DLLR via budget amendment. DLS also recommends that future funding for correctional education be budgeted within one Executive Department beginning in fiscal 2011.

Adult Correctional Boot Camp: The Herman L. Toulson Boot Camp opened in 1990 with a mission to provide youthful, non-violent offenders a reduced period of confinement consisting of strict discipline, military skills, and increased programming in an effort to reduce recidivism. The boot camp operates at a cost significantly higher than other more standard pre-release and minimum security facilities in the State. Research over the past decade has shown that adult correctional boot camps do not have an impact on reducing recidivism. **DLS recommends that the Division of Correction cease operation of the boot camp program and convert the facility to a standard minimum security facility. The agency should identify savings generated from the conversion, to be not less than \$650,000, and language should be added restricting those funds for the purpose of covering fuel and utility expenses, which have been identified as underfunded in the fiscal 2010 allowance.**

Recommended Actions

1. Add language restricting funding for correctional education being transferred to the Department of Labor, Licensing, and Regulation and spent for that purpose only.
2. Add language prohibiting the Division of Correction from operating an adult correctional boot camp program and restrict generated savings for underfunded fuel and utility expenditures.

Updates

Provision of Reentry Services for Division of Corrections Inmates: A report was submitted to the budget committees in September 2008 providing information on the provision of reentry services to inmates since the conclusion of the Reentry Enforcement Services Targeting Addiction, Rehabilitation, and Treatment program. DOC has been focusing on providing staff training and developing mission specific institutions to better address offenders' needs. The agency has also increased coordination with community service providers and inmate participation in community-based projects. Finally, inmates are now being provided personal identification documents prior to release, and DOC has added this service as one of its performance measures.

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Division of Correction
Department of Public Safety and Correctional Services

Operating Budget Analysis

Program Description

The Division of Correction (DOC) supervises the operation of State correctional institutions in accordance with applicable State and federal law. The division provides public safety and victim services through information sharing and the supervision of defendants and offenders located in places of safe, secure, and humane confinement. DOC also administers the Canine Operations Unit, used to enhance institutional security by providing trained canine handlers and dogs for drug detection capabilities and to respond to institutional events at State facilities. An additional component of DOC is the Maryland Correctional Enterprises (MCE) which provides work and job training for incarcerated inmates through the production of goods and provision of services used by local, State, and federal agencies, in addition to a variety of nonprofit organizations.

Performance Analysis: Managing for Results

The provision of basic reentry services, at a minimum, to all DOC inmates, is a primary goal for the department. DOC added a new Managing for Results objective to help track the agency's performance with regard to providing these services to inmates released from DOC facilities. The goal is by fiscal 2012, to provide at least 90% of inmates released from DOC facilities with a release plan, a birth certificate, and a Social Security card prior to release. As shown in **Exhibit 1**, DOC provided 27 and 25% of inmates with release plans prior to their release, in fiscal 2007 and 2008, respectively. The provision of a birth certificate and Social Security card is a new service, in addition to being a new performance measure; therefore, data will not be available until fiscal 2009.

Exhibit 1
Division of Correction
Provision of Basic Reentry Services
Fiscal 2007-2010

	<u>2007</u>	<u>2008</u>	<u>2009 (Est.)</u>	<u>2010 (Est.)</u>
Number of Inmates Released	9,490	8,251	9,500	9,500
Prior to Release, Percent of Inmates:				
With a Release Plan	27%	25%	40%	60%
With a Birth Certificate and Social Security Card	*	*	40%	60%

*New service, data not available until fiscal 2009

Source: Governor's Budget Books, Fiscal 2010

Fiscal 2009 Actions

Proposed Deficiency

Fiscal 2009 deficiency appropriations for the Division of Correction total \$12.2 million.

- The largest portion, approximately \$6.0 million, is needed to cover underfunding for overtime in fiscal 2009. This increases the division's overtime appropriation to \$37.6 million, approximately 6.8% above fiscal 2008 actual spending and 26.3% above the fiscal 2010 allowance.
- An additional \$3.5 million is needed to fund additional fuel and utility expenses which were underfunded in the fiscal 2009 budget. This increases fuel and utility expenditures to \$47.2 million, approximately 6.2% above fiscal 2008 actual spending and 7.0% above the fiscal 2010 allowance.
- The fiscal 2009 budget for raw food purchases requires a deficiency appropriation of approximately \$2.5 million, increasing the working appropriation to \$21.3 million. This is approximately 3.1% above fiscal 2008 actual spending and 14.8% above the fiscal 2010 allowance.
- A \$115,000 fiscal 2009 deficiency is provided to fund a new reentry service that provides inmates with copies of their birth certificates at the time of release. Personal identification documents such as Motor Vehicle Administration identification cards, Social Security cards, and birth certificates provide offenders with access to health care, education, training, housing, and family services. The division began issuing personal identification documents to released inmates in October 2008. A memorandum of understanding with the Division of Vital Records (DVR) within the Department of Health and Mental Hygiene requires DOC to provide a \$12 fee for each birth certificate and funding to support an employee at DVR to support the increase in workload. DOC anticipates providing 5,834 inmates with birth certificates prior to release in fiscal 2009 and 10,068 inmates in fiscal 2010. Approximately \$166,000 is included in the fiscal 2010 allowance for this service.

Impact of Cost Containment

Fiscal 2009 cost containment actions total \$31.6 million. The majority, approximately \$20.0 million, was personnel-related reductions to health insurance and Other Post Employment Benefit payments but also included the abolishment of 84 vacant correctional officer positions. Reimbursements paid to local detention centers for housing inmates were reduced by \$6.0 million. A \$4.0 million general fund reduction was the result of an offsetting increase in additional federal fund revenue from increasing the amount of bed space dedicated to housing federal detainees at the Maryland Correctional Adjustment Center in Baltimore City. The agency generated approximately \$778,000 in savings from closing one cell block at the Metropolitan Transition Center. This cell block had been used for the segregation population; according to the department, there is no impact

on the inmate population or facility safety. The remaining savings are generated through energy performance savings, reducing out-of-state travel, and deferring the replacement of motor vehicles.

Proposed Budget

As shown in **Exhibit 2**, the Governor's fiscal 2010 adjusted allowance increases \$9.6 million, or 1.2% from the fiscal 2009 working appropriation. Accounting for fiscal 2009 deficiency appropriations, the fiscal 2010 allowance declines \$2.6 million, or 0.3%.

Personnel expenses increase by \$15.5 million. The majority of the increase is funding health insurance, workers' compensation, and retirement benefits. An additional \$769,000 in special funds is included to fund 18 new positions for MCE. These increases are offset by a \$1.8 million reduction to overtime expenses, an \$8.2 million reduction for budgeted turnover expectancy, and \$2.7 million to eliminate Other Post Employment Benefit payments in fiscal 2010. Fiscal 2010 overtime is funded at \$29.7 million. This is approximately 15.4% below actual spending on overtime in fiscal 2008. Accounting for the fiscal 2009 deficiency appropriation, the fiscal 2010 allowance is \$7.8 million, or 20.8%, below anticipated spending in the current fiscal year. DOC budgeted turnover expectancy is increased to 8.4% for fiscal 2010. This reduces funding for personnel expenses by \$8.2 million and requires the equivalent of 631.2 vacancies. Currently, the division has 567.9 positions vacant, a difference of 63.3 positions. The increased budgeted turnover limits the agency's ability to continue to fill positions. It also means that the agency will either require additional funding for salaries and wages or will need to hold positions open as they become vacant over the course of the fiscal year.

Outside of personnel expenses, funding for inmate medical costs increase \$1.1 million in the fiscal 2010 allowance. This 0.9% growth is smaller than prior years because additional funds were provided in the other custodial agency budgets in an attempt to more accurately budget inmate medical costs among the custodial agencies. This should reduce the need to realign funds throughout the department for this purpose via budget amendment. MCE also receives an additional \$575,000 to purchase raw materials and production supplies in relation to increased sales volume.

DOC receives a \$447,000 increase for fuel and utilities, providing a total of \$44.1 million for this purpose. It is believed that the fiscal 2010 allowance for fuel and utilities is underfunded, given that once the fiscal 2009 deficiency appropriation is accounted for, the fiscal 2010 allowance is 6.5% below anticipated fiscal 2009 spending.

These increases are offset by a \$1.5 million reduction for fitted stab vests for correctional officers. Approximately \$2.0 million was provided in fiscal 2009; the fiscal 2010 allowance includes \$500,000 for this purpose. Office and dietary equipment purchases are reduced by \$227,000, and funding for food supplies for inmate meals declines by \$195,000. This places the fiscal 2010 allowance for food purchases approximately 10.1% below fiscal 2008 actual spending and 12.9% below anticipated fiscal 2009 expenses, accounting for the deficiency appropriation.

**Exhibit 2
Proposed Budget
DPSCS – Division of Correction
(\$ in Thousands)**

How Much It Grows:	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
2009 Working Appropriation	\$701,550	\$77,544	\$14,592	\$4,785	\$798,471
2010 Allowance	<u>720,816</u>	<u>81,462</u>	<u>14,431</u>	<u>3,973</u>	<u>820,682</u>
Amount Change	\$19,266	\$3,918	-\$161	-\$811	\$22,211
Percent Change	2.7%	5.1%	-1.1%	-17.0%	2.8%
 Contingent Reduction	 -\$12,529	 -\$86	 \$0	 \$0	 -\$12,616
Adjusted Change	\$6,737	\$3,832	-\$161	-\$811	\$9,595
Adjusted Percent Change	1.0%	4.9%	-1.1%	-17.0%	1.2%

Where It Goes:

Personnel Expenses

New positions	\$769
Increments and other compensation	2,806
Overtime	-1,822
Employee and retiree health insurance	19,651
Other Post Employment Benefits	-2,677
Employees' Retirement System.....	3,690
Workers' compensation premium assessment.....	1,414
Turnover adjustments	-8,212
Across-the-board reduction to deferred compensation match	-446
Other fringe benefit adjustments	295

Other Changes

Inmate medical expenses	1,072
Maryland Correctional Enterprises raw materials and production supplies	575
Fuel and utilities	447
Reduction in funding for fitted stab vests.....	-1,500
Inmate food supplies.....	-195
Reduce office and dietary equipment purchases.....	-227
Other	125

Contingent Reductions

Contingent overtime reduction from transfer to 12-hour shifts	-6,170
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Total **\$9,595**

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

Fiscal Stimulus

Public safety related programs are estimated to receive \$49.0 million from the American Recovery and Reinvestment Plan economic stimulus package. According to the Department of Public Safety and Correctional Services (DPSCS), this could provide funding to support a variety of programs within the department. Possible programs eligible for funding include:

- inmate training and employment services;
- parole and probation supervision;
- gang data and information sharing;
- re-entry and community corrections, particularly in rural areas;
- victims' compensation;
- violence against women; and
- HIV, STD, and chronic diseases awareness, prevention and treatment services.

Additional funding for these services is beneficial to the department's operations; however, it does not necessarily provide funding for areas that have been identified as significantly underfunded in the fiscal 2010 allowance. These underfunded areas include inmate food supplies, fuel and utilities, overtime expenses, and staffing. **The department should comment on the intentions for utilizing fiscal stimulus funding and the impact the fiscal stimulus will have on the areas identified as underfunded in the fiscal 2010 allowance.**

Personnel

MCE receives an additional 18 positions to support a departmental initiative to increase the number of employed inmates. MCE sales continue to increase, especially in the textile, uniform, and graphics shops. MCE will be increasing inmate employment by running a night shift at the graphics plant. In addition to increasing shifts, MCE is expanding areas of service provision to include additional focus on agriculture and construction. The agriculture operation includes 30 acres of land to be farmed in the western region and the operation of greenhouses to grow bay grasses and trees for the Department of Natural Resources and the State Highway Administration. Legislation enacted in fiscal 2009 allows MCE inmates to work on construction projects for DOC with a value of \$500,000 or less. These expansions in both service provision and sales have generated a need for additional officers and supervisors to oversee the increased inmate workforce. The increase in sales has also created a need for two additional positions in the fiscal department.

Impact of Cost Containment

Fiscal 2010 cost containment actions total \$17.8 million. Fiscal 2009 cost containment actions to reduce 84 correctional positions generates approximately \$4.5 million in ongoing savings. Approximately \$5.3 million in savings is generated by eliminating hiring and retention bonuses and monitoring the use of special assignment posts to control overtime spending. An additional \$1.8 million was reduced for anticipated overtime savings from reducing roll call from 12 minutes to 6 minutes; however, this provision was not negotiated with the correctional officers' union prior to the reduction. This will require the division to find an alternate method for generating the savings.

DOC had also anticipated \$6.2 million in savings from transferring inmates from two pre-release facilities to larger institutions in order to consolidate services, improve efficiency of operations, and reduce overtime. The majority of inmates held at the Baltimore Pre-release Unit for Women and Poplar Hill Pre-release Unit were to be transferred to the Maryland Correctional Institution for Women in Jessup and the Eastern Correctional Institution in Westover, respectively. The intent of the plan was not to move inmates who are nearing release or would have their employment or programming services disrupted by the transfer. In looking more closely at how many inmates would be eligible for transfer under these provisions, the agency discovered the potential savings to be far less than it had originally anticipated. DOC has indicated that the majority of inmates will remain at the pre-release facilities, and the department will need to identify approximately \$5.0 million in savings from an alternate source.

Across-the-board reductions impacting the entire department abolish 400 vacant positions and reduce the general fund appropriation by at least \$14.2 million. Approximately \$9.3 million is lost with the 400 positions. In addition, there is a \$1.3 million reduction for contractual employees. Funding for contractual services is reduced by \$3.6 million, the result of savings to be generated from rebidding contracts in a weak economy. It is not yet known how these reductions will be allocated amongst the individual agencies. Given that DOC accounts for approximately 64.5% of the department's budget and personnel complement, it is likely that this agency will absorb a significant portion of these reductions. **The department should comment on how it intends to allocate these across-the-board reductions and the impact it will have on DOC operations.**

Fiscal 2010 Contingent Reductions

Fiscal 2010 contingent reductions for DOC total \$12.6 million. The elimination of the deferred compensation match reduces the allowance by \$445,758. There is a \$6.0 million reduction for reimbursements paid to local detention centers for housing inmates between 91 and 365 days. The fiscal 2010 budget bill also includes a \$6.2 million contingent reduction in overtime expenditures.

Issues

1. Local Jail Reimbursement Program

A 1986 statutory change altered the minimum period of time used for sentencing inmates to local correctional facilities. Prior to the change, inmates sentenced to a term of confinement of more than 90 days were incarcerated in a State correctional facility. Since the change, the law requires an inmate sentenced to a term of incarceration of less than 12 months to be placed in a local correctional facility. Inmates with sentences between 12 and 18 months can be placed in either a local correctional facility or a State facility, at the discretion of the courts.

To compensate the local jurisdictions for the statutory change in 1986, the legislation allowed the counties to choose one of two methods of reimbursement for operating expenses, which are paid through DOC's budget. Reimbursement is currently based on one of the following formulas: (1) for inmates sentenced on or after January 1, 1987, the State pays 50% of the per-diem rate per inmate for each day from day 91 to day 365 that the inmate is housed within the local facility; or (2) if a county can demonstrate that the average number of eligible inmate days for the previous fiscal year exceeds the average number of eligible inmate days for fiscal 1984 through 1986, the county receives 85% of the per-diem rate for each day in excess of the three-year average. Per diem rates are calculated based on the total annual operating costs reported by the local facilities.

The fiscal 2010 allowance includes \$24.0 million to support the reimbursement of local detention centers for housing inmates. The fiscal 2010 budget bill includes a \$6.0 million general fund reduction contingent on the enactment of the Budget Reconciliation and Financing Act of 2009 (BRFA) which would alter the rate of reimbursement the State pays to local detention centers for housing inmates. The BRFA would reduce the reimbursement rates to 34 and 50% of the per diem rates for two years and then return to the original 50 and 85%. A \$6.0 million reduction to the reimbursement program was also part of fiscal 2009 cost containment, but the BRFA does not absolve the State of that liability.

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A number of issues exist with the plan submitted in the fiscal 2010 budget bill. Primarily, underfunding in fiscal 2008, coupled with cost containment actions taken in fiscal 2009 and 2010 will create the need for at least a \$13.5 million deficiency, as demonstrated in **Exhibit 3**. Furthermore, the reduced rates of 34 and 50% are only in effect for two fiscal years. This results in an \$11.5 million increase between fiscal 2011 and 2012 in order to restore the program to its original reimbursement rates of 50 and 85%, based on the assumption that the per diem rates will only grow by a standard 4% inflation rate each year.

Exhibit 3
Local Jail Reimbursement Unfunded Liability
Fiscal 2008-2012

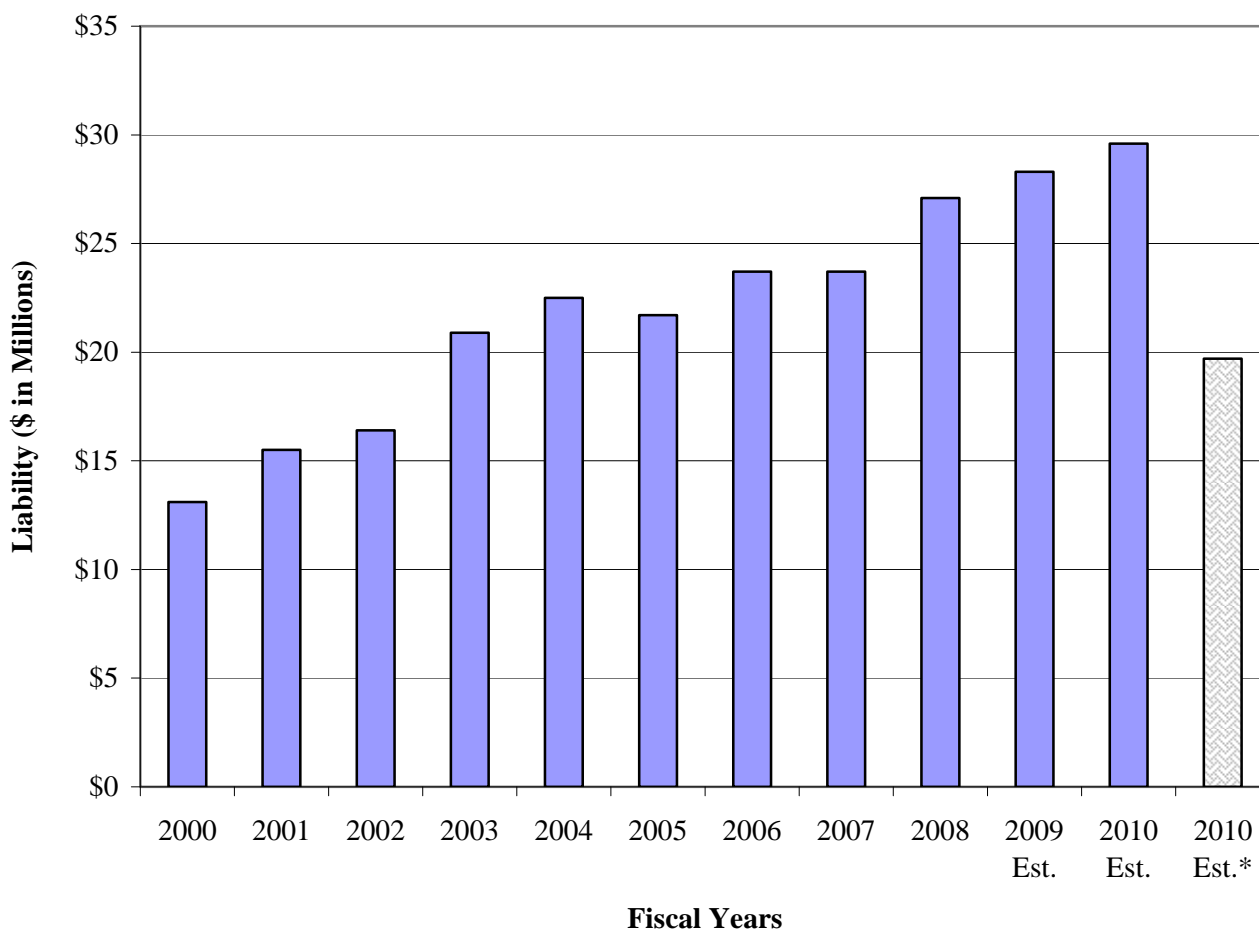
	<u>Liability</u>	<u>Appropriation</u>	<u>Carryforward/Required</u> <u>Deficiency</u>
2008	\$27,140,027	\$25,585,213	-\$1,554,814
2009	28,340,000	18,016,000	-10,324,000
2010*	19,652,447	18,016,000	-1,636,447
2011*	20,438,545		
2012	31,982,912		
Total			-\$13,515,261

*Reflects actions proposed in fiscal 2010 Budget Reconciliation and Financing Act of 2009.

Source: Department of Legislative Services

Significant issues also exist with the original reimbursement program. Under the current program, the State’s reimbursement liabilities continue to increase, but the State has no authority over the expenditures of county correctional facilities. **Exhibit 4** shows the growth of local correctional facility reimbursement liabilities since fiscal 2000. **Appendix 5** provides this detail by jurisdiction. The total payments made to local jurisdictions have increased nearly 107.0% between fiscal 2000 and 2008. Historically, actual year-to-year growth has been inconsistent, ranging from -3.5 to 27.0%. This has contributed to significant amounts of carried forward liability in prior years because the reimbursement process makes it difficult to estimate what actual liability will be at the time the budget is being formulated.

**Exhibit 4
Local Correctional Facility Reimbursement Program Liability
Fiscal 2000-2010**



*Reflects actions proposed in fiscal 2010 Budget Reconciliation and Financing Act of 2009

Source: Department of Public Safety and Correctional Services

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The State audits the counties' expenditures annually but does not have the authority to dictate how money is to be spent. **Exhibit 5** shows the compound annual growth rate for each jurisdiction from fiscal 2000 to 2008. The State does not have the authority to reduce the liability owed or control spending, as it would an Executive agency, during periods of fiscal constraint without altering the statute. Eleven counties have had average annual growth of 10% or more. Since personnel expenses are one of the largest expenditures for corrections, as an example, **Exhibit 6** shows the starting salary for a correctional officer (CO) in each of the local jurisdictions in comparison to the average starting salary for a State correctional officer. On average, county COs starting annual salary is \$2,567 higher than State COs.

Exhibit 5
Local Correctional Facility Reimbursement Program
Compound Annual Growth
Fiscal 2000-2008

<u>County</u>	<u>Percent Growth</u>	<u>County</u>	<u>Percent Growth</u>
Allegany	7.8%	Howard	7.7%
Anne Arundel	18.0%	Kent	9.4%
Baltimore County	7.7%	Montgomery	12.4%
Calvert	9.5%	Prince George's	10.2%
Caroline	7.4%	Queen Anne	16.1%
Carroll	9.3%	Somerset	4.0%
Cecil	24.0%	St. Mary's	10.6%
Charles	10.0%	Talbot	18.0%
Dorchester	7.6%	Washington	9.1%
Frederick	10.1%	Wicomico	13.2%
Garrett	17.9%	Worcester	0.2%
Harford	2.0%		
		Total	9.5%

Source: Department of Public Safety and Correctional Services

Exhibit 6
Correctional Officer Starting Salary by Jurisdiction

	<u>Minimum</u>		<u>Minimum</u>
Allegany*	\$30,130	Howard	\$37,086
Anne Arundel*	37,674	Kent	30,640
Baltimore County	38,889	Montgomery	40,538
Calvert	39,874	Prince George's	36,647
Caroline	29,291	Queen Anne's*	32,662
Carroll*	32,968	St. Mary's*	38,459
Cecil	32,469	Somerset*	22,804
Charles	41,277	Talbot	28,658
Dorchester	31,288	Washington*	32,310
Frederick	35,897	Wicomico*	36,261
Harford	39,166	Worcester	37,496
County Average	\$34,658		
State Correctional Officer I	\$32,091		
Difference	-\$2,567		

*Counties in which there are State-operated correctional facilities

Note: Data for Garrett County was not available

Source: Salary Survey of Maryland Governments, Fiscal 2008

The mandated reimbursement program was created over 20 years ago to aid local detention centers in making the transition to an increased population. The original reason for providing two formulas for reimbursement is no longer clear. **Exhibit 7** shows the fiscal 2008 liabilities paid to the four counties eligible to receive the 85% reimbursement rate. Reimbursing these counties at the 50% rate, along with all other counties, would have reduced the liability by \$1.8 million, slightly more than the amount carried forward for fiscal 2008.

Exhibit 7
Reimbursements for Counties at the 85% Rate

<u>County</u>	<u>Fiscal 2008 Liability</u>	<u>Reimbursement at the 50% Rate</u>	<u>Difference</u>
Charles	\$1,178,360	\$693,153	-\$485,207
Dorchester	351,873	206,984	-144,889
Harford	2,629,842	1,546,966	-1,082,876
Worcester	396,050	232,971	-163,079
Total	\$4,556,125	\$2,680,074	-\$1,876,051

Source: Department of Public Safety and Correctional Services

By law, an offender cannot be sentenced to State jurisdiction if the sentence is less than 12 months, with the exception of offenders sentenced in Baltimore City. Yet, the State is responsible for at least 50% of the per-diem costs of housing these offenders between the third and twelfth month of their sentences. State support would be more appropriately directed at offenders housed in local correctional facilities with sentences between 12 and 18 months, since these offenders have the potential to be placed under State jurisdiction, depending on the discretion of the courts.

The Department of Legislative Services (DLS) recommends rejecting the contingent reduction in the fiscal 2010 budget bill. DLS recommends, as of fiscal 2010, eliminating the current reimbursement program and providing a State assistance grant program for the operation of local correctional facilities. A per-diem rate of at least \$45 would be allocated to each county for each inmate day between 12 and 18 months based on actual data from the most recent fiscal year.

The DLS suggested actions would require approximately \$12 million to support the grant program in fiscal 2010. The remaining \$12 million in the fiscal 2010 allowance would be available toward the unfunded liability through fiscal 2009. Future costs for the program would only fluctuate based on the total number of eligible inmate days, not county expenditures. This makes it easier for the State to anticipate the total cost of the program and have more control over expenses.

2. Impacting Overtime by Transferring to a 12-Hour Shift

Fiscal 2010 overtime expenditures are reduced by approximately \$1.8 million. Once the fiscal 2009 deficiency appropriation is accounted for, the reduction is \$7.8 million. The \$6.2 million contingent reduction in overtime expenditures included in the fiscal 2010 budget bill further reduces DOC overtime spending to \$23.6 million. This is 33.0% below fiscal 2008 actual spending and 37.3% below anticipated fiscal 2009 expenditures.

The reduction in overtime is contingent upon both the enactment of legislation changing the overtime calculation to be consistent with the federal Fair Labor Standards Act (FLSA) and also the successful negotiation with AFSCME-IBT for approval in changing the length of shifts from 8 to 12 hours. According to the department, the adjustment to a 12-hour shift provides a number of benefits to employees including increased time off and more flexibility in scheduling leave, in addition to benefiting the management of the institution by providing diverse experience levels on all shifts and the potential for a reduction in sick leave usage.

The move to a 12-hour shift cannot occur without the approval of the labor union, and without the facilities operating on a 12-hour shift, conforming to the FLSA would be too costly. Currently, the department is responsible for paying overtime to correctional officers for every minute worked beyond 8 hours per work day. Movement to a 12-hour shift under the current overtime system would automatically award 4 hours of overtime for every shift worked. Under the FLSA, overtime is not awarded until after 171 hours have been worked per every 28-day period. Overtime savings is realized by not having to award overtime pay for the difference in hours worked between 160 and 171 hours per every 28-day period.

Enactment of the proposed law change would increase the number of days a correctional officer has off each year, from 104 to 182 relief days per year. Working 12-hour shifts requires officers to work 7 out of every 14 days, as opposed to working 10 out of 14 days when operating on 8-hour shifts. However, the proposed change would also have the impact of reducing overtime earnings per correctional officer. The proposed contingent reduction would significantly impact the amount of general fund overtime expenditures appropriated in the fiscal 2010 budget. To date, negotiations with the union have been stalled, and the legislation necessary to alter the overtime calculation has yet to be introduced. It is clear that a number of issues surround the implementation of a 12-hour shift and the true impact on correctional employees and potential for fiscal savings is largely unknown.

DLS recommends the adoption of a provision in the Budget Reconciliation and Financing Act authorizing DPSCS to implement a 12-hour shift pilot program in one DOC facility for a total of 12 months. Since the division estimates significant overtime savings from implementing the 12-hour shift, funds in the budget should be used to provide employees at the pilot facility with monetary participation bonuses. DOC should submit a report to the budget committees on the outcome of the pilot, including actual overtime savings generated and reaction of correctional employees participating in the pilot.

3. Correctional Education

There are more than 23,000 inmates in the Department of Public Safety and Correctional Services. Data upon entry into the institutions reveals:

- the average reading level of an offender ranges between sixth and eighth grade;
- most inmates were unemployed at the time of arrest and without a work history;
- fewer than half of the inmates have a high school diploma upon intake; and
- the current level of personnel does not permit the number of inmates needing services to receive services.

State law requires mandatory education for all inmates entering the system without a high school diploma or General Education Development certificate who have at least 18 months remaining on their sentences. Between 10,000 and 11,000 inmates meet requirements for mandatory inclusion in the Correctional Education program annually, but only approximately 9,700 inmates are receiving correctional education services. This also does not include inmates who might benefit from educational or occupational services, but do not qualify for the mandatory service provision under the law.

Legislation passed during the 2008 session required correctional education to be transferred from the Maryland State Department of Education (MSDE) to the Department of Labor, Licensing, and Regulation (DLLR). The transition is to be completed by the start of fiscal 2010. The Workforce Creation and Adult Education Transition Council was established to oversee the smooth transition of services and develop recommendations for improving service provision and program participation.

The council developed 22 recommendations specific to correctional education, listed in **Appendix 6**. The recommendations address how to improve the transition and coordination of the administrative functions between DPSCS and DLLR, how to improve coordination and capacity of service provision among all interested stakeholders, and how to increase program performance and oversight. The actions require significant oversight by DPSCS and coordination with DLLR to review and alter current policies, establish additional mechanisms for data collection, and conduct outreach to expand service opportunities with community and private sector partners. **DPSCS should comment on the progress made to transfer correctional education to DLLR, any changes to correctional education and occupational services as a result of the transition, and what steps it will be taking to address the recommendations made by the Workforce Creation and Adult Education Transition Council.**

Fiscal 2009 budget bill language directed all funding for correctional education in fiscal 2010 be budgeted within one department. DOC currently has \$ 1.2 million in general funds and \$1.2 million in special (inmate welfare) funds budgeted for inmate education in the fiscal 2010 allowance. **DLS again recommends language restricting \$2.4 million to be used for correctional education only, and to be transferred to DLLR via budget amendment. DLS also recommends that all funding for correctional education be budgeted within one department for fiscal 2011 onward.**

4. Adult Correctional Boot Camp

The Herman L. Toulson Boot Camp (TBC) was created in 1990. The program offers younger, non-violent offenders the opportunity to serve a reduced period of confinement by participating in increased programming. The facility's mission is to provide minimum and pre-release security inmates with strict discipline established through regimented physical training, military drill, and comprehensive rules and regulations.

TBC has bed capacity for 384 inmates and the fiscal 2010 allowance for the facility is \$12.5 million and 121 regular positions. TBC has the highest annual cost per capita, at \$34,362 per inmate per year, of all State operated pre-release facilities; it is even higher than some medium security institutions annual per capita costs. This is largely the result of the intense programming provided to TBC inmates.

Research as far back as 1995 has indicated that adult correctional boot camps have had negligible impact on recidivism, in comparison to being housed in a more cost-effective standard minimum or pre-release facility. A 2003 U.S. Department of Justice (DOJ) report analyzed a decade of data on adult boot camps. The results of the analysis were that boot camps can provide positive short-term changes in attitudes and behaviors but do not lead to reduced recidivism. The report indicated that in order for boot camps to have any impact on recidivism, they should provide intensive treatment services, longer periods of programming, and intensive post-release supervision. Even programs with these features, however, did not have success in reducing recidivism. An October 2006 report by the Washington State Institute for Public Policy confirmed the DOJ results when it conducted a systematic review of 22 adult boot camp program evaluations. The findings concluded, with statistical significance, that adult boot camp programs have a 0.0% impact on recidivism.

Given the significant cost associated with operating TBC, in comparison to other minimum and pre-release facilities in the State, **DLS recommends DOC cease operation of the boot camp program and convert TBC to a standard minimum security facility. The agency should conduct a line-by-line analysis of savings generated from the conversion, to be not less than \$650,000. The identified savings should be restricted for the purpose of funding fuel and utility expenditures in DOC facilities, which have been identified as underfunded in the fiscal 2010 allowance.**

Recommended Actions

1. Add the following language:

Provided that funds for correctional education services within this budget may not be expended by the division but may only be transferred via budget amendment to the Department of Labor, Licensing, and Regulation (DLLR) for the purposes of correctional education only.

Further provided that it is the intent of the General Assembly that all funding for correctional education purposes be appropriated within one agency, either entirely within the Department of Public Safety and Correctional Services and then accounted for as reimbursable funds within DLLR, or entirely within DLLR. The General Assembly is concerned that the practice of partially budgeting correctional education funds in more than one agency obscures the true level of spending for this purpose; therefore, all funds shall be budgeted within one agency beginning in the fiscal 2011 allowance.

Explanation: The General Assembly has expressed the intent that the Department of Public Safety and Correctional Services (DPSCS) not be responsible for providing educational services at correctional institutions. This language restricts DPSCS from expending funds for education programs at Division of Correction institutions. The language instead allows DPSCS to transfer education funding to the Department of Labor, Licensing, and Regulation for the provision of educational services at correctional institutions. This language also expresses the General Assembly's intent that future funding for correctional education be budgeted within one agency beginning in fiscal 2011, in order to eliminate the process of an annual budget amendment and to better assess the amount of resources annually appropriated for correctional education services.

2. Add the following language:

Provided that the Division of Correction (DOC) is prohibited from expending any funds for the purpose of operating the Herman L. Toulson Boot Camp as an adult correctional boot camp program. The facility shall be converted to a standard operating minimum security facility. Further provided that at least \$650,000 in general funds, generated from the conversion, may not be spent for any purpose in the budget of the Herman L. Toulson Boot Camp but may only be spent for the purpose of funding fuel and utility expenditures in other DOC facilities. A report of all identified savings shall be submitted to the budget committees no later than December 1, 2009.

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Explanation: This action prohibits the Division of Correction from spending funds to operate an adult correctional boot camp, and instead restricts the identified savings for the purpose of funding fuel and utility expenditures, which have been identified as underfunded in the fiscal 2010 allowance. More than a decade worth of research has indicated that adult correctional boot camps have no effect on reducing recidivism among participating offenders. In addition, these programs operate at a significantly higher cost than other minimum and pre-release facilities. The Herman L. Toulson Boot Camp has one of the highest annual per capita costs of any minimum or pre-release security facility operated by the State. Future State resources targeting a reduction in recidivism would be better directed toward providing evidence-based practices, and current State resources would be better utilized by funding fuel and utility expenses.

Information Request	Author	Due Date
Report on Savings Generated from Conversion of Toulson Boot Camp	DOC	December 1, 2009

Updates

1. Provision of Reentry Services for Division of Correction Inmates

A report was submitted to the budget committees in September 2008 providing information on the provision of reentry services to inmates since the conclusion of the Reentry Enforcement Services Targeting Addiction, Rehabilitation, and Treatment program. The report identified four major reentry focused initiatives.

Mission-specific Institutions

In February 2008, DOC issued a new case management manual to help implement a mission-specific institution concept. Inmates are categorized into three behavioral categories. Certain facilities will be designated to handle “acting-out” inmates, certain facilities will handle short-term inmates, and certain facilities will be reentry focused. Inmates will be assigned to a facility based on an assessment of program needs, security level, behavior, and an individual’s motivation to participate in programming. Assessment will occur at intake at the Maryland Reception, Diagnostic, and Classification Center (MRDCC). This will help the DOC allocate resources and target services to certain subsets of the inmate population more effectively.

Training

As of December 2007, all DOC case managers are using motivational interviewing techniques when working with inmates to identify needs and develop treatment plans. Motivational interviewing uses informal conversation to help an inmate self-evaluate his behavior. The agency has also broadened training for cognitive based programming to include volunteer activity coordinators, chaplains, as well as case managers. DOC is also conducting regular meetings within each facility of all programming department heads to increase the coordination of program and service provision.

Community-based Projects and Providers

In April 2008, DOC expanded work release opportunities for inmates, placing an increased emphasis on community-based projects. Some of the new initiatives include tree planting, construction of oyster floats, city neighborhood cleaning, veterans’ cemeteries cleaning, and work detail in government buildings. DOC is also trying to increase coordination with community service providers to further expand the opportunities for inmates to be involved in the community.

Provision of Personal Identification Documents

As of February 2008, DOC conducts an assessment of reentry needs at intake at MRDCC, regardless of the length of sentence. The agency has altered the inmate identification card to make it an acceptable secondary source of identification in order to help inmates get a Motor Vehicle Administration (MVA) identification card. DOC has entered into an agreement with MVA to provide a mobile MVA service vehicle monthly to visit the Brockbridge Correctional Facility, which serves as a central point for inmate release from the pre-release system, and provide inmates with MVA identification cards. The agency hopes to expand to two additional locations in calendar 2009. DOC has also entered into agreements with the Division of Vital Records, and the Social Security Administration in order to provide inmates with birth certificates and Social Security cards. The agency has begun reporting the percent of released inmates provided with a release plan, birth certificate, and Social Security card as part of the annual Managing for Results measures.

Current and Prior Year Budgets

Current and Prior Year Budgets Division of Correction (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2008					
Legislative Appropriation	\$686,293	\$67,240	\$7,587	\$4,729	\$765,849
Deficiency Appropriation	5,947	0	0	0	5,947
Budget Amendments	-3,553	6,190	4,886	506	8,029
Cost Containment	-11,000	0	0	0	-11,000
Reversions and Cancellations	0	-5,276	-278	-286	-5,840
Actual Expenditures	\$677,687	\$68,154	\$12,195	\$4,949	\$762,985
Fiscal 2009					
Legislative Appropriation	\$724,357	\$77,384	\$10,592	\$4,785	\$817,118
Cost Containment	-31,586	-108	0	0	-31,694
Budget Amendments	8,779	268	4,000	0	13,047
Working Appropriation	\$701,550	\$77,544	\$14,592	\$4,785	\$798,471

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

Fiscal 2008

General fund expenditures for fiscal 2008 totaled approximately \$677.7 million. This was a reduction of \$8.6 million from the legislative appropriation.

- The division received two deficiency appropriations for slightly more than \$5.9 million. The majority, approximately \$5.7 million, was used to fund additional overtime expenditures. The remaining funds were required to cover the additional cost of housing inmates in other jurisdictions due to the closing of the Maryland House of Correction.
- Budget amendments reduced the legislative appropriation by a net of approximately \$3.5 million. Increases to the legislative appropriation included \$6.9 million for cost-of-living adjustments (COLA) and \$3.3 million for the general realignment of funds due to under budgeting for local jail reimbursements, employee overtime, and fuel and utility costs. These increases were offset by the realignment of funds throughout the department for a variety of reasons. Reorganization within the department resulted in the transfer of \$7.0 million, including \$6.3 million to the Division of Parole and Probation (DPP) which assumed responsibility of the Home Detention Unit, and \$700,000 to the Office of the Secretary whose Professional Development and Training Division assumed responsibility for correctional officer training. The realignment of funds throughout the department for inmate medical expenditures, employee health insurance costs, and the closure of the Maryland House of Correction resulted in a net reduction of nearly \$5.5 million. Finally, approximately \$1.2 million was transferred from the division to the Maryland State Department of Education for the provision of inmate education services.
- Cost containment actions taken by the Board of Public Works in July 2007 further reduced the legislative appropriation by \$11 million. Approximately \$8 million of the total reduction was savings generated by closing the Maryland House of Correction, and the other \$3 million was a reduction based on a related increase in federal funding due to a renegotiation of the per diem rate for housing federal offenders.

Special fund spending for fiscal 2008 was approximately \$68.2 million, an increase of \$914,000 over the legislative appropriation.

- Budget amendments increase the appropriation by approximately \$6.2 million. The majority of the increase, \$5.0 million, was the result of increased sales and related supply purchases for Maryland Correctional Enterprises. Additional increases included \$1.7 million in inmate welfare funds used to support commissary, institutional operations, and inmate work crews, and approximately \$253,000 for COLAs. These increases were slightly offset by a combined \$753,000 reduction resulting from the transfer of funds to MSDE in support of inmate education; the Office of the Secretary in support of a contract to provide inmate legal services; and to DPP in support of the transfer of responsibility for the Home Detention Unit.

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- The division cancelled a total of \$5.3 million in special funds. Lower than anticipated revenues from inmate work crews and work release earnings account for nearly \$409,000 of the total cancelled funds. Approximately \$2.1 million was cancelled due to lower than anticipated expenditures of inmate welfare funds for commissary and other institutional operations. Finally, an additional \$2.8 million in funds for Maryland Correctional Enterprises was cancelled due to lower than anticipated sales and related expenditures.

Federal fund expenditures for fiscal 2008 totaled nearly \$12.2 million, approximately \$4.6 million more than the legislative appropriation. Additional funding for housing federal offenders increased the appropriation through budget amendments by nearly \$4.9 million; however this increase was slightly offset by the cancellation of \$278,000 because of lower than anticipated expenditures for federal grant projects, particularly the Offender Reentry project. The end date for this grant project has been extended to the end of fiscal 2009.

Reimbursable fund spending for fiscal 2008 was approximately \$4.9 million, an increase of \$220,000 from the legislative appropriation.

- Two budget amendments increased the appropriation by \$506,000. Approximately \$206,000 was received from the Department of Health and Mental Hygiene to provide HIV testing kits for inmates and the remaining \$300,000 was from the State Highway Administration to fund inmate work crews.

The division cancelled approximately \$286,000 in reimbursable funds. Cancelled funds include \$170,000 from the expiration of the Continuum of Care grant through the Governor's Office of Crime Control and Prevention and the remainder from lower than anticipated revenues for inmate work crews and MCE utility reimbursements.

Fiscal 2009

The general fund working appropriation in the Division of Correction for fiscal 2009 is approximately \$701.6 million.

- Cost containment actions reduce the legislative appropriation by nearly \$31.6 million. The majority of the reduction, approximately \$19.9 million, was personnel related, with the loss of 84 regular positions and across-the-board reductions to health insurance and Other Post Employment Benefit payments. Additional reductions included a \$4.0 million fund swap resulting from an offsetting increase in federal fund revenue for housing federal detainees and \$6.0 million reduction for reimbursements to local detention centers. DOC also generated savings by deferring motor vehicle purchases, reducing out-of-state travel, and closing one cell block at the Metropolitan Transition Center.

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- Budget amendments provided an \$8.8 million increase, of which \$6.8 million was from the COLA. The additional \$2.0 million was to provide funding for correctional officer stab vests. Funds had originally been appropriated in the Department of Budget and Management budget.

The fiscal 2009 special fund working appropriation is approximately \$77.5 million, an increase of \$160,000. The COLA increased the appropriation by \$268,000; this was slightly offset by a \$108,000 cost containment reduction to employee health insurance payments.

The fiscal 2009 federal fund working appropriation is \$14.6 million. This reflects a \$4.0 million increase in federal fund revenue generated by increasing the number of beds dedicated to housing federal detainees at the Maryland Correctional Adjustment Center. An offsetting general fund reduction was also taken as a part of fiscal 2009 cost containment actions.

Audit Findings

Audit Period for Last Audit:	October 1, 2005 – July 15, 2008
Issue Date:	December 2008
Number of Findings:	4
Number of Repeat Findings:	3
% of Repeat Findings:	75%
Rating: (if applicable)	n/a

Eastern Shore Region

- Finding 1:** Proper controls had not been established over certain disbursement transactions.
- Finding 2:** Reconciliations of inmate account balances with the State’s Comptroller records were not always prepared.
- Finding 3:** Internal control and record keeping deficiencies were noted.
- Finding 4:** Equipment acquisitions were not always properly recorded in the detail records.

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

**Object/Fund Difference Report
DPSCS – Division of Correction**

<u>Object/Fund</u>	<u>FY08 Actual</u>	<u>FY09 Working Appropriation</u>	<u>FY10 Allowance</u>	<u>FY09 - FY10 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	7,437.50	7,496.50	7,514.50	18.00	0.2%
02 Contractual	46.45	93.16	91.16	-2.00	-2.1%
Total Positions	7,483.95	7,589.66	7,605.66	16.00	0.2%
Objects					
01 Salaries and Wages	\$ 464,282,171	\$ 489,175,423	\$ 505,089,376	\$ 15,913,953	3.3%
02 Technical and Spec. Fees	1,490,461	1,702,120	1,699,247	-2,873	-0.2%
03 Communication	2,128,370	2,102,124	2,027,038	-75,086	-3.6%
04 Travel	322,012	290,187	308,726	18,539	6.4%
06 Fuel and Utilities	44,430,423	43,648,907	44,096,067	447,160	1.0%
07 Motor Vehicles	3,467,412	3,392,717	3,309,367	-83,350	-2.5%
08 Contractual Services	133,143,518	148,105,720	149,056,023	950,303	0.6%
09 Supplies and Materials	64,450,682	65,490,759	65,608,149	117,390	0.2%
10 Equipment – Replacement	1,231,467	1,314,125	1,691,224	377,099	28.7%
11 Equipment – Additional	1,045,217	2,865,674	681,804	-2,183,870	-76.2%
12 Grants, Subsidies, and Contributions	44,381,431	38,311,025	45,029,070	6,718,045	17.5%
13 Fixed Charges	2,423,211	2,071,961	2,085,891	13,930	0.7%
14 Land and Structures	186,415	0	0	0	0.0%
Total Objects	\$ 762,982,790	\$ 798,470,742	\$ 820,681,982	\$ 22,211,240	2.8%
Funds					
01 General Fund	\$ 677,686,195	\$ 701,550,237	\$ 720,816,261	\$ 19,266,024	2.7%
03 Special Fund	68,153,233	77,543,820	81,461,894	3,918,074	5.1%
05 Federal Fund	12,194,817	14,591,988	14,430,524	-161,464	-1.1%
09 Reimbursable Fund	4,948,545	4,784,697	3,973,303	-811,394	-17.0%
Total Funds	\$ 762,982,790	\$ 798,470,742	\$ 820,681,982	\$ 22,211,240	2.8%

Note: The fiscal 2009 appropriation does not include deficiencies. The fiscal 2010 allowance does not include contingent reductions.

**Fiscal Summary
DPSCS – Division of Correction**

<u>Program/Unit</u>	<u>FY08 Actual</u>	<u>FY09 Wrk Approp</u>	<u>FY10 Allowance</u>	<u>Change</u>	<u>FY09 - FY10 % Change</u>
01 General Administration	\$ 9,351,037	\$ 12,081,178	\$ 11,312,857	-\$ 768,321	-6.4%
02 Classification, Education, and Religious Services	33,016,538	26,004,337	31,909,816	5,905,479	22.7%
03 Canine Operations	1,656,103	1,667,307	1,823,735	156,428	9.4%
02 Jessup Correctional Institution	59,938,523	60,511,299	61,585,288	1,073,989	1.8%
03 Maryland Correctional Institution – Jessup	36,108,757	36,923,688	39,427,331	2,503,643	6.8%
01 Metropolitan Transition Center	50,511,116	48,721,833	53,865,398	5,143,565	10.6%
03 Maryland Correctional Adjustment Center	21,410,893	21,555,441	22,971,031	1,415,590	6.6%
04 MD Reception, Diagnostic, and Classification Center	37,172,886	39,757,181	43,278,173	3,520,992	8.9%
05 Baltimore Pre-release Unit	4,781,166	4,910,075	5,175,081	265,006	5.4%
07 Baltimore City Correctional Center	11,499,207	12,215,835	12,767,069	551,234	4.5%
01 Maryland Correctional Institution – Hagerstown	60,126,854	61,314,620	61,807,905	493,285	0.8%
02 Maryland Correctional Training Center	62,777,632	67,465,258	66,147,792	-1,317,466	-2.0%
03 Roxbury Correctional Institution	43,367,385	46,235,030	44,535,949	-1,699,081	-3.7%
01 Maryland Correctional Institution for Women	30,024,640	30,780,257	36,541,233	5,760,976	18.7%
02 Pre-release Unit for Women	5,255,409	5,504,514	0	-5,504,514	-100.0%
01 General Administration	7,991,255	7,436,985	7,521,411	84,426	1.1%
02 Brockbridge Correctional Facility	18,218,115	18,172,359	20,357,297	2,184,938	12.0%
03 Jessup Pre-release Unit	15,653,299	16,557,557	17,252,743	695,186	4.2%
05 Southern Maryland Pre-release Unit	4,571,102	4,537,730	4,797,413	259,683	5.7%
06 Eastern Pre-release Unit	4,789,305	4,826,271	5,009,720	183,449	3.8%
11 Central Laundry Facility	13,998,775	13,624,668	14,683,266	1,058,598	7.8%
12 Toulson Boot Camp	10,625,484	11,321,971	12,542,041	1,220,070	10.8%
01 Eastern Correctional Institution	91,478,678	95,000,742	94,482,466	-518,276	-0.5%
02 Poplar Hill Pre-release Unit	4,491,801	4,616,273	0	-4,616,273	-100.0%
01 Western Correctional Institution	49,724,212	49,634,010	50,709,294	1,075,284	2.2%
02 North Branch Correctional Institution	24,944,524	40,152,023	40,621,169	469,146	1.2%
01 Maryland Correctional Enterprises	49,498,094	56,942,300	59,556,504	2,614,204	4.6%
Total Expenditures	\$ 762,982,790	\$ 798,470,742	\$ 820,681,982	\$ 22,211,240	2.8%
General Fund	\$ 677,686,195	\$ 701,550,237	\$ 720,816,261	\$ 19,266,024	2.7%
Special Fund	68,153,233	77,543,820	81,461,894	3,918,074	5.1%
Federal Fund	12,194,817	14,591,988	14,430,524	-161,464	-1.1%
Total Appropriations	\$ 758,034,245	\$ 793,686,045	\$ 816,708,679	\$ 23,022,634	2.9%
Reimbursable Fund	\$ 4,948,545	\$ 4,784,697	\$ 3,973,303	-\$ 811,394	-17.0%
Total Funds	\$ 762,982,790	\$ 798,470,742	\$ 820,681,982	\$ 22,211,240	2.8%

Note: The fiscal 2009 appropriation does not include deficiencies. The fiscal 2010 allowance does not include contingent reductions.

Local Correctional Facility Reimbursement Program Liability Fiscal 2000-2010

	<u>2000 Liability</u>	<u>2001 Liability</u>	<u>2002 Liability</u>	<u>2003 Liability</u>	<u>2004 Liability</u>	<u>2005 Liability</u>	<u>2006 Liability</u>	<u>2007 Liability</u>	<u>2008 Liability</u>	<u>Est. 2009 Liability</u>	<u>Est. 2010 Liability</u>	<u>Est. 2010 Liability w/ Contingent Reduction</u>
Allegany	\$159,402	\$116,997	\$202,329	\$222,105	\$356,793	\$289,044	\$273,161	\$218,094	\$290,165	\$310,000	\$330,000	\$224,400
Anne Arundel	957,092	1,845,694	1,451,570	3,328,167	3,934,234	3,882,596	3,742,625	4,067,232	3,585,927	3,730,000	3,880,000	2,638,400
Baltimore Co.	1,733,174	1,948,677	2,175,253	2,254,498	2,441,513	2,296,714	2,458,424	2,668,382	3,138,810	3,270,000	3,410,000	2,318,800
Calvert	351,484	562,568	425,314	561,676	624,468	567,475	634,439	692,438	723,890	760,000	800,000	544,000
Caroline	85,190	87,953	155,993	163,376	204,151	200,848	221,568	202,348	151,041	160,000	170,000	115,600
Carroll	396,506	343,540	273,649	302,410	505,646	490,909	778,949	731,609	808,373	850,000	890,000	605,200
Cecil	15,216	32,756	27,414	32,943	40,027	76,005	42,262	59,677	85,173	90,000	100,000	68,000
Charles	549,120	650,483	664,524	822,738	967,154	943,004	863,838	880,496	1,178,360	1,230,000	1,280,000	752,941
Dorchester	195,637	251,635	285,017	298,902	201,212	255,779	303,747	298,541	351,873	370,000	390,000	229,412
Frederick	951,613	1,219,493	1,256,470	1,340,539	1,105,258	1,606,418	2,122,326	2,082,940	2,054,419	2,140,000	2,230,000	1,516,400
Garrett	33,584	65,909	99,922	94,396	84,916	127,474	61,177	130,607	125,105	140,000	150,000	102,000
Harford	2,247,132	2,395,751	2,205,085	2,572,651	2,812,674	2,402,418	2,600,649	2,414,042	2,629,842	2,740,000	2,850,000	1,676,471
Howard	526,557	651,407	569,669	574,172	709,018	689,323	859,010	718,204	953,886	1,000,000	1,040,000	707,200
Kent	91,059	123,751	101,844	147,378	162,463	179,002	148,744	148,727	186,721	200,000	210,000	142,800
Montgomery	1,836,823	1,401,024	2,380,092	3,967,280	3,669,582	3,286,962	3,676,182	3,391,812	4,680,399	4,870,000	5,070,000	3,447,600
Prince George's	1,242,916	1,825,415	2,229,477	2,216,097	2,494,167	1,891,075	1,823,743	2,002,153	2,703,845	2,820,000	2,940,000	1,999,200
Queen Anne	112,788	132,960	166,176	180,987	189,872	263,683	335,098	394,249	373,184	390,000	410,000	278,800
Somerset	155,863	156,964	176,826	178,491	194,721	189,460	159,134	136,091	213,611	230,000	240,000	163,200
St. Mary's	386,202	461,120	484,273	509,449	499,403	538,514	700,154	580,592	863,386	900,000	940,000	639,200
Talbot	45,956	49,966	68,787	83,754	121,627	121,994	139,841	169,462	172,196	180,000	190,000	129,200
Washington	413,354	529,294	511,904	550,616	552,507	566,524	590,796	703,395	826,774	860,000	900,000	612,000
Wicomico	240,608	275,648	259,625	181,377	240,333	543,947	707,563	684,341	646,997	680,000	710,000	482,800
Worcester	390,068	399,460	270,400	299,794	404,349	309,777	472,552	324,944	396,050	420,000	440,000	258,824
Total	\$13,117,344	\$15,528,466	\$16,441,614	\$20,883,795	\$22,516,088	\$21,718,945	\$23,715,982	\$23,700,376	\$27,140,027	\$28,340,000	\$29,570,000	\$19,652,447
Year to Year Increase		18.4%	5.9%	27.0%	7.8%	-3.5%	9.2%	-0.1%	14.5%	4.4%	4.3%	-33.5%

Source: Department of Public Safety and Correctional Services

**Workforce Creation and Adult Education Transition Council
Correctional Education Recommendations**

Administrative Transition

- (1) Develop a new Memorandum of Understanding (MOU) between the Department of Labor, Licensing, and Regulation (DLLR) and the Department of Public Safety and Correctional Services (DPSCS) using the existing MOU as a model.
- (2) Continue to contract with community colleges to provide supplementary staff to augment the State-funded and staffed Correctional Education (CE) program.
- (3) Continue the current organizational structure of one director for correctional education.
- (4) Ensure that all programs transferred from the Maryland State Department of Education (MSDE) have high visibility within the organizational structure of DLLR and access at the highest level within the organization.

Services Coordination

- (5) Develop a joint interagency coordinated and comprehensive plan that details an inmate's service and program needs from entry into the correctional system to reentry into the community, including reviewing the current policies related to case management and the pending Offender Case Management System. DLLR and DPSCS leadership must meet regularly to review program delivery needs.
- (6) Establish formal, regular communication and coordination at the following levels: facility, school, and administration; Headquarter administrative levels of DLLR, the Division of Correction (DOC) and the Division of Parole and Probation, and the Education Workforce Training Coordinating Council for Correctional Institutions (EWTCCCI).
- (7) Amend DPSCS policies to ensure education services are a priority for the inmate population and the facilities.
- (8) Charge DPSCS with evaluating policies regarding incentives related to education and occupational program participation and completion.
- (9) Establish a State level reentry policy council under the leadership of DPSCS.
- (10) Develop a comprehensive strategy to improve coordination between correctional education services, public safety services, and provisions as well as critical community partners providing reentry and employment support services.

- (11) Improve data tracking and sharing among all stakeholders, allowing DLLR and other partners to have input into DPSCS data management systems.
- (12) Establish a consistent, sustainable and adequate funding stream for CE services; and a simplified procurement process for supplemental CE reentry services and programming.
- (13) Expand existing employer engagement strategies to increase the pool of job orders that skilled individuals who have been incarcerated can fill.
- (14) Implement an integrated services model that includes workforce services, academic education, special education (where appropriate), occupational education, and transitional services with a goal toward offender reentry into the community.

Program Improvement

- (15) Restructure the EWTCCCI to serve as an oversight board for correctional education under DLLR.
- (16) Continue and expand annual professional development planning.
- (17) Expand program accreditation for academic and occupational programs.
- (18) Continue MSDE certification of correctional education teaching, library, and administrative staff.
- (19) Include correctional education program services in each local Workforce Investment Act Plan, and involve community colleges, businesses, and industries in the planning and training of offenders in order to improve employability upon release.
- (20) Continue quality program services including Academic, Special Education and Accommodations, Transition, Occupation, Advanced/Postsecondary Education and Library Programs.
- (21) Increase coordination of program services, specifically by preserving the liaison position between DOC and CE and establishing industry-driven apprenticeship programs offered behind the fence.
- (22) Develop data collection systems to track relevant education and occupation data in order to assess outcomes

Source: Workforce Creation and Adult Education Transition Council, Final Report