

**Q00G00**  
**Police and Correctional Training Commissions**  
 Department of Public Safety and Correctional Services

***Operating Budget Data***

(\$ in Thousands)

	<u>FY 09</u> <u>Actual</u>	<u>FY 10</u> <u>Working</u>	<u>FY 11</u> <u>Allowance</u>	<u>FY 10-11</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$7,380	\$7,295	\$7,164	-\$132	-1.8%
Contingent & Back of Bill Reductions	0	0	-143	-143	
<b>Adjusted General Fund</b>	<b>\$7,380</b>	<b>\$7,295</b>	<b>\$7,021</b>	<b>-\$275</b>	<b>-3.8%</b>
Special Fund	356	312	352	40	12.8%
<b>Adjusted Special Fund</b>	<b>\$356</b>	<b>\$312</b>	<b>\$352</b>	<b>\$40</b>	<b>12.8%</b>
Federal Fund	1	66	42	-24	-35.9%
<b>Adjusted Federal Fund</b>	<b>\$1</b>	<b>\$66</b>	<b>\$42</b>	<b>-\$24</b>	<b>-35.9%</b>
Reimbursable Fund	616	652	583	-69	-10.6%
<b>Adjusted Reimbursable Fund</b>	<b>\$616</b>	<b>\$652</b>	<b>\$583</b>	<b>-\$69</b>	<b>-10.6%</b>
<b>Adjusted Grand Total</b>	<b>\$8,353</b>	<b>\$8,325</b>	<b>\$7,998</b>	<b>-\$327</b>	<b>-3.9%</b>

Note: For purposes of illustration, the Department of Legislative Services has estimated the distribution of selected across-the-board reductions. The actual allocations are to be developed by the Administration.

- The fiscal 2011 allowance decreases by approximately \$327,000, or 3.9%. This largely reflects reductions to employee and retiree health insurance and fuel and utility expenses for the Public Safety Education Training Center.

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

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***Personnel Data***

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	<b><u>FY 09 Actual</u></b>	<b><u>FY 10 Working</u></b>	<b><u>FY 11 Allowance</u></b>	<b><u>FY 10-11 Change</u></b>
Regular Positions	82.00	80.00	80.00	0.00
Contractual FTEs	<u>22.91</u>	<u>23.19</u>	<u>23.19</u>	<u>0.00</u>
<b>Total Personnel</b>	<b>104.91</b>	<b>103.19</b>	<b>103.19</b>	<b>0.00</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	4.80	6.00%
Positions and Percentage Vacant as of 12/31/09	10.20	12.75%

## *Analysis in Brief*

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### Major Trends

**Public Safety Education and Training Center Utilization:** Fiscal 2009 is the second year that classroom utilization data is available. In comparing fiscal 2008 to 2009, the Police and Correctional Training Commissions (PCTC) was able to increase overall classroom utilization, as well as use of PCTC nondedicated classrooms. During the same time period, however, utilization of the “Other” dedicated classrooms declined from 65% in fiscal 2008 to 62% in fiscal 2009. This reflects less use by the Maryland State Police (MSP) and Department of Public Safety and Correctional Services agencies, such as the Divisions of Correction and Parole and Probation. **PCTC and the department should explain the reason for the declining use of dedicated classroom space.**

### Issues

**Public Safety Education and Training Center Food Services Contract:** PCTC exercised the first of three one-year renewal options with Black Tie Catering for cafeteria and student store services in September 2009. By January 2010, the agency had entered into an emergency contract for food service at an increased rate because Black Tie Catering refused to provide food service and had not paid the State commissions from the revenue generating contract since fiscal 2008. The result is increased general fund spending by MSP and lost revenue for the State. **PCTC should provide an estimate of the total cost of damages and unpaid commissions. The agency should discuss why the decision was made to exercise the one-year renewal option, given the food service problems and why the current per-day price for MSP cadet meals is significantly higher under the emergency procurement. An estimated timeline for the procurement of a new vendor should be provided, and the agency should comment on the likelihood that food services for the MSP cadets will be continued at the higher cost level under the new contract. Finally, the agency should identify what changes will be made to ensure quality of service and receipt of revenue payments in the future.**

### Recommended Actions

	<u>Funds</u>
1. Reduce funding for the Professional Development Fund.	\$ 50,000
2. Delete funding for replacement equipment.	18,747
3. Eliminate funding for Annapolis office space.	33,150
4. Reduce funding for motor vehicle purchases.	45,942

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5.	Delete two vacant positions.	96,762	2.0
6.	Reduce building and household supplies.	10,000	
	<b>Total Reductions</b>	<b>\$ 254,601</b>	<b>2.0</b>

**Q00G00**  
**Police and Correctional Training Commissions**  
**Department of Public Safety and Correctional Services**

***Operating Budget Analysis***

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**Program Description**

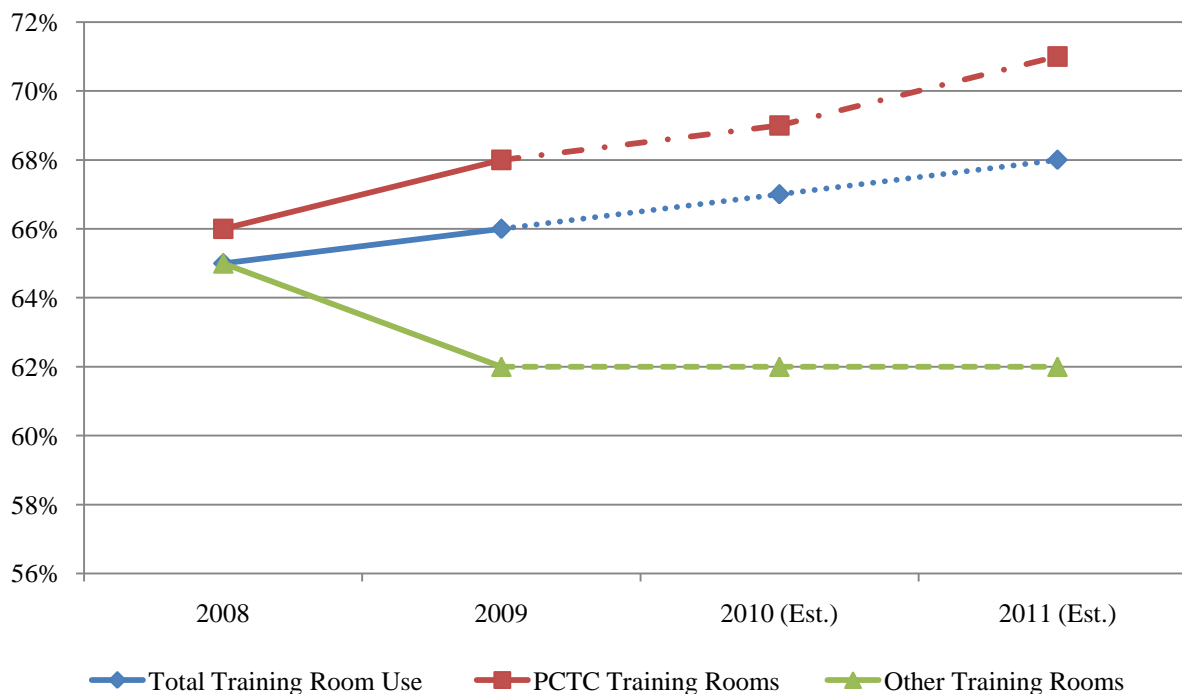
The Police and Correctional Training Commissions (PCTC) provide staffing and administrative services to two separate and distinct commissions. The Police Training Commission prescribes minimum police selection and training standards for entrance, in-service, and advanced levels for all police officers serving the State, county, and municipal agencies in Maryland. The Correctional Training Commission prescribes minimum selection and training standards for parole and probation, juvenile justice, and correctional personnel serving in State and county agencies. Both commissions also train police and correctional officers for the State, county, and municipal agencies. All State, county, municipal police, and correctional officers are certified by the agency to ensure that they meet the agency's specified standards. The agency also provides firearm safety, crime prevention, and drug resistance education programs to Maryland businesses, schools, and citizens. In addition, PCTC also operates the Public Safety Education and Training Center (PSETC), a facility designed to enhance the efforts of certified academies and in-service training programs for both State and local public safety officers by providing specialized training resources and curricula.

**Performance Analysis: Managing for Results**

PCTC began providing additional data as of the 2009 session to reflect classroom utilization of the PSETC. Training classrooms are delineated between PCTC (nondedicated) classrooms and "Other" (dedicated) training classrooms. PCTC classrooms are 15 classrooms that can be utilized by any other training organization when not in use by PCTC. Other classrooms are the 11 training classrooms in the PSETC that are controlled and scheduled directly by the Maryland State Police (MSP) or the Department of Public Safety and Correctional Services (DPSCS). **Exhibit 1** shows the total classroom utilization rate, as well as the delineation between PCTC and Other classrooms.

Fiscal 2009 is only the second year that this data is available. In comparing fiscal 2008 to 2009, PCTC was able to increase overall classroom utilization, as well as use of PCTC nondedicated classrooms. Overall classroom utilization was 66% in fiscal 2009, which is only slightly below the national benchmark average of 67% for classroom utilization. During the same time period, however, utilization of the "Other" dedicated classrooms declined from 65% in fiscal 2008 to 62% in fiscal 2009. This reflects less use by MSP and DPSCS agencies, such as the Divisions of Correction and Parole and Probation. **PCTC and the department should explain the reason for the declining use of dedicated classroom space.**

**Exhibit 1**  
**Police and Correctional Training Commissions**  
**PSETC Training Room Utilization**  
**Fiscal 2008-2011 (Est.)**



PCTC: Police and Correctional Training Commissions  
PSETC: Public Safety Education and Training Center

Source: Department of Public Safety and Correctional Services

## Fiscal 2010 Actions

### Impact of Cost Containment

Cost containment actions reduced the fiscal 2010 budget by approximately \$263,000 in general funds. Approximately \$224,000 of the total reduction was related to personnel expenses, including employee furloughs and statewide reductions to health insurance. Additional actions reduced the appropriation for new vehicle purchases and travel expenses by \$39,000.

## **Proposed Budget**

As shown in **Exhibit 2**, the fiscal 2011 allowance decreases by approximately \$327,000, or 3.9%. The fiscal 2011 budget reflects several across-the-board actions to be allocated by the Administration. This includes a combination of employee furloughs and government shut-down days similar to the plan adopted in fiscal 2010; a reduction in overtime based on accident leave management; streamlining of State operations; hiring freeze and attrition savings; a change in the injured workers' settlement policy and administrative costs; and a savings in health insurance to reflect a balance in that account. For purposes of illustration, the Department of Legislative Services (DLS) has estimated the distribution of selected actions relating to employee furloughs, health insurance, and Injured Workers' Insurance cost savings. The estimated impact to PCTC is a general fund reduction of approximately \$143,000.

Personnel expenses are reduced by approximately \$158,000, including the estimated Back of the Bill reductions. Fuel and utility expenses for PSETC also decrease by approximately \$216,000. This is largely the result of reduced electricity rates across the State.

Offsetting these reductions is a \$50,000 increase for the Professional Development Fund (PDF). The fund is used to support the development and implementation of training initiatives, research, and program development in the field of criminal justice, helping to curb the costs for other agencies to provide and participate in training programs. The PDF was established in fiscal 2000, supported by the Law Enforcement and Correctional Training fund. Historically, it was funded at a level of \$100,000 annually. The fiscal 2010 budget included \$50,000 as a result of cost contained spending in previous years. The fiscal 2011 increase is based upon the fiscal 2009 actual expenditures.

**Exhibit 2  
Proposed Budget  
DPSCS – Police and Correctional Training Commissions  
(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
2010 Working Appropriation	\$7,295	\$312	\$66	\$652	\$8,325
2011 Allowance	<u>7,164</u>	<u>352</u>	<u>42</u>	<u>583</u>	<u>8,140</u>
Amount Change	-\$132	\$40	-\$24	-\$69	-\$184
Percent Change	-1.8%	12.8%	-35.9%	-10.6%	-2.2%
 Contingent Reduction	-\$143	\$0	\$0	\$0	-\$143
Adjusted Change	-\$275	\$40	-\$24	-\$69	-\$327
Adjusted Percent Change	-3.8%	12.8%	-35.9%	-10.6%	-3.9%
 <b>Where It Goes:</b>					
<b>Personnel Expenses</b>					
Employee and retiree health insurance .....					-\$305
Employee retirement system.....					71
Workers' compensation premium assessment.....					5
Unemployment compensation .....					7
Regular and contractual employee turnover adjustments net of furloughs.....					64
<b>Other Changes</b>					
Professional Development Fund.....					50
Fuel and utilities .....					-216
Elimination of funding for in-state and out-of-state conference travel.....					-6
Other .....					3
<b>Total</b>					<b>-\$327</b>

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

## ***Issues***

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### **1. Public Safety Education and Training Center Food Services Contract**

PCTC had a revenue generating contract with Black Tie Caterers since September 2007 to provide cafeteria and student store services at the PSETC. Three meals per person were provided to the MSP Cadets at a per day price of \$15, and all other users paid on an a la carte basis. DPSCS received a percentage of the sales, ranging from 1.5 to 8.5%, depending on the gross sales amount. The annual gross revenue under the contract had been approximately \$500,000.

The term of the contract was from September 2007 through September 2009, with three one-year renewal options. PCTC exercised the first of the three one-year renewal options with an August 26, 2009, Board of Public Works (BPW) item, stating that the agency was satisfied with the performance of Black Tie Catering. In January 2010, however, the agency returned to BPW with an emergency procurement to contract with Crystal Enterprises for the provision of meal services to MSP cadets only. According to the BPW item, approximately one month after renewal of the contract with Black Tie Catering, the vendor refused to appear at the PSETC to provide food service, and it was discovered that commissions to the State had not been paid since fiscal 2008. DPSCS is currently pursuing collection actions against the vendor for the unpaid commissions and damages resulting from the breach of contract.

Under the emergency procurement contract, MSP must pay an increased price of \$27 per person per day for cadets receiving training at the PSETC, as compared to the \$15 in the original contract. The new contract is fully funded using MSP general funds, and the student store and a la carte cafeteria services are currently not operational. DPSCS is in the process of formulating a request for proposals for the start of fiscal 2011.

According to PCTC, food-related issues had been an ongoing problem with the vendor prior to the complete lack of service experienced in October 2009. The emergency procurement has resulted in increased costs for the MSP and a loss of revenue for the State.

#### **PCTC should provide the following:**

- **an estimate of the total cost of damages and unpaid commissions;**
- **an explanation for why the decision was made to exercise the one-year renewal option, given the food service problems;**
- **an explanation of why the current per-day price for MSP cadet meals is significantly higher under the emergency procurement;**
- **an estimated timeline for the procurement of a new vendor;**

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- **comments on the likelihood that food services for the MSP cadets will be continued at the higher cost level under the new contract; and**
- **what monitoring process changes will be made to ensure quality of service delivery and receipt of revenue payments in the future.**

## ***Recommended Actions***

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	<b><u>Amount Reduction</u></b>		<b><u>Position Reduction</u></b>
1. Reduce funding for the Professional Development Fund. This action would level-fund the fiscal 2011 allowance in line with the fiscal 2010 appropriation and still allows \$50,000 for providing training grants to criminal justice professionals.	\$ 50,000	GF	
2. Delete funding for replacement equipment. Funds appropriated for this purpose were not spent in both fiscal 2008 and 2009.	18,747	GF	
3. Eliminate funding for Annapolis office space. The purpose of the Public Safety and Training Center (PSETC) in Sykesville was to consolidate training in one central location. The Advanced and Specialized Training Unit, currently using the Annapolis space, should be relocated to the PSETC.	33,150	GF	
4. Reduce funding for motor vehicle purchases. This would still allow a \$5,000 increase over fiscal 2009 actual expenditures.	45,942	GF	
5. Delete 2.0 vacant positions. The agency only needs 4.8 vacant positions to meet budgeted turnover for fiscal 2011 but currently has 10.2 vacancies. This reduction is reflective of the average salary and fringe benefits for the current vacancy pool.	96,762	GF	2.0
6. Reduce building and household supplies in line with fiscal 2009 actual expenditures.	10,000	GF	
<b>Total General Fund Reductions</b>	<b>\$ 254,601</b>		<b>2.0</b>

## ***Current and Prior Year Budgets***

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### **Current and Prior Year Budgets DPSCS – Police and Correctional Training Commissions (\$ in Thousands)**

	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
<b>Fiscal 2009</b>					
Legislative Appropriation	\$7,529	\$300	\$0	\$602	\$8,431
Deficiency Appropriation	0	0	33	0	33
Budget Amendments	146	60	0	51	257
Cost Containment	-295	0	0	0	-295
Reversions and Cancellations	0	-4	-32	-37	-73
<b>Actual Expenditures</b>	<b>\$7,380</b>	<b>\$356</b>	<b>\$1</b>	<b>\$616</b>	<b>\$8,353</b>
<b>Fiscal 2010</b>					
Legislative Appropriation	\$7,558	\$312	\$66	\$652	\$8,588
Cost Containment	-263	0	0	0	-263
Budget Amendments	0	0	0	0	0
<b>Working Appropriation</b>	<b>\$7,295</b>	<b>\$312</b>	<b>\$66</b>	<b>\$652</b>	<b>\$8,325</b>

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

## **Fiscal 2009**

General fund spending in fiscal 2009 was approximately \$7.4 million.

- Budget amendments increased the appropriation by \$146,000. The agency received an \$84,000 increase for the cost-of-living adjustment that was centrally budgeted in the Department of Budget and Management and a \$62,000 increase as a result of a realignment of funds throughout the department in accordance with actual expenditures.
- Cost containment actions reduced the appropriation for personnel expenses by approximately \$295,000. This was largely achieved through an across-the-board reduction to employee health insurance, employee furloughs, and the abolition of 2 vacant positions.

Special fund spending in fiscal 2009 was approximately \$356,000. The agency had one budget amendment reflecting additional revenue received as a result of an increase in the amount of training fees collected from local jurisdictions. The department cancelled approximately \$4,000 due to lower than anticipated revenues from local governments' use of PCTC training services.

PCTC received a \$33,000 federal fund deficiency appropriation as part of a Community Gang Awareness and Prevention grant. The program was to be used for development of a model gang-related training program for community leaders, citizens, and law enforcement agencies. Approximately \$32,000 of the grant was cancelled at the end of fiscal 2009.

Reimbursable fund spending was approximately \$616,000. The agency had one budget amendment, totaling approximately \$51,000 to reflect funding from the Governor's Office of Crime Control and Prevention for various training programs conducted by PCTC. The agency cancelled approximately \$37,000 due to lower than anticipated revenue collections from State customers for participation fees.

## **Fiscal 2010**

The fiscal 2010 general fund working appropriation is approximately \$7.3 million, a reduction of \$263,000 from the legislative appropriation. The reduction is due to a variety of cost containment actions, the majority of which, approximately \$224,000, were related to personnel expenses. These included statewide employee furloughs and across-the-board reductions to health insurance. Nonpersonnel related cost containment actions reduced the appropriation for new vehicle purchases and travel expenses by \$39,000.

**Object/Fund Difference Report  
DPSCS – Police and Correctional Training Commissions**

<u>Object/Fund</u>	<u>FY09 Actual</u>	<u>FY10 Working Appropriation</u>	<u>FY11 Allowance</u>	<u>FY10 - FY11 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	82.00	80.00	80.00	0	0%
02 Contractual	22.91	23.19	23.19	0	0%
<b>Total Positions</b>	<b>104.91</b>	<b>103.19</b>	<b>103.19</b>	<b>0</b>	<b>0%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 5,331,826	\$ 5,214,851	\$ 5,140,518	-\$ 74,333	-1.4%
02 Technical and Spec. Fees	939,171	768,246	868,240	99,994	13.0%
03 Communication	85,724	101,395	89,660	-11,735	-11.6%
04 Travel	68,287	44,800	40,000	-4,800	-10.7%
06 Fuel and Utilities	775,141	936,400	720,400	-216,000	-23.1%
07 Motor Vehicles	97,622	131,850	149,272	17,422	13.2%
08 Contractual Services	576,854	669,016	654,960	-14,056	-2.1%
09 Supplies and Materials	270,871	295,200	279,400	-15,800	-5.4%
10 Equipment – Replacement	905	42,611	18,747	-23,864	-56.0%
11 Equipment – Additional	38,237	0	0	0	0.0%
12 Grants, Subsidies, and Contributions	98,557	50,000	100,000	50,000	100.0%
13 Fixed Charges	69,385	70,285	79,012	8,727	12.4%
<b>Total Objects</b>	<b>\$ 8,352,580</b>	<b>\$ 8,324,654</b>	<b>\$ 8,140,209</b>	<b>-\$ 184,445</b>	<b>-2.2%</b>
<b>Funds</b>					
01 General Fund	\$ 7,379,866	\$ 7,295,473	\$ 7,163,519	-\$ 131,954	-1.8%
03 Special Fund	355,653	312,000	352,000	40,000	12.8%
05 Federal Fund	1,111	65,675	42,089	-23,586	-35.9%
09 Reimbursable Fund	615,950	651,506	582,601	-68,905	-10.6%
<b>Total Funds</b>	<b>\$ 8,352,580</b>	<b>\$ 8,324,654</b>	<b>\$ 8,140,209</b>	<b>-\$ 184,445</b>	<b>-2.2%</b>

Note: The fiscal 2010 appropriation does not include deficiencies.