

DEPARTMENT OF CORRECTION (480)

FISCAL YEAR 2016

As Enacted by Act 1071 of 2015

I) AGENCY SUMMARY & REVENUE SOURCES

The Department is responsible for the custody, control, and management of the state penitentiary, to execute the orders of the criminal courts of the state, and to provide for the custody, treatment, rehabilitation and restoration of adult offenders as useful law-abiding citizens.

TOTAL APPROPRIATION

The total appropriation is \$460,327,764.

FUNDING SOURCES

The Department of Correction is funded primarily from general revenues, remaining revenue sources include special revenues generated by the sale of products to public agencies and nonprofits; cash funds generated from commissary sales, work release programs and farm operations; Federal grant funds; and available fund balances.

II) CHANGE LEVEL REQUESTS

Inmate Care & Custody total appropriation is \$362,485,628 with change levels totaling \$34,765,201 in support of the following: Regular Salary and Personal Services Matching increases totaling \$20,912,968, which provide for payments of unfunded salary liabilities of \$7,006,500 for holiday pay and \$3,114,000 for straight time; \$5,627,884 to open 356 general population beds at the Ester unit, formerly the diagnostic unit and \$522,333 to open 24 special program beds at Tucker; the remaining unfunded appropriation provides 47 flex positions (\$1,909,386) and (\$2,732,865) for restoration of 111 positions to continue operations for newly opened beds approved during the fiscal and extra ordinary session; Operating Expense increases totaling \$7,748,356 include \$4,100,000 for food purchases, \$1,113,768 for unit utilities & fuel, \$400,000 for IT upgrades and off-site recovery, and \$490,000 for general maintenance, the remaining unfunded appropriation totaling \$1,644,588 is in support of opening new beds at Ester and Tucker; Professional Fee change levels total \$3,368,857 and provide incremental increases in the medical contract of \$1,939,834 and \$1,429,023 to cover medical costs for new beds at Ester; and Capital Outlay of \$2,735,020 for building equipment repairs and replacement.

County Jail Reimbursement – total appropriation of \$40,184,970 for a net

increase of \$26,840,999.

Prison Industry has a total appropriation of \$11,549,948 with change levels totaling \$794,937, including operating expense of \$500,000 for utility rate increases and capital outlay of \$283,948 for the purchase of equipment.

Farm Operations has a total appropriation of \$21,149,683 with change levels totaling \$3,007,853, which include operating expense of \$750,000 for utility rate increases, \$10,989 for extra help, and capital outlay of \$2,246,864 for the purchase of and replacement of equipment.

Inmate Welfare has a total appropriation of \$13,408,965 with change levels totaling \$1,286,537, which provide operating expense of \$750,000 for the purchase of merchandise for resale, regular salaries and personal services matching of \$36,537 for one Commissary Manager position, and \$500,000 for capital outlay to purchase equipment.

Non Tax Revenue – Non Tax Revenue Receipts has a total appropriation of \$3,972,500 with change levels totaling \$1,200,000, which include operating expense of \$750,000, professional fees of \$150,000, and capital outlay of \$300,000 for various operational and construction projects.

Paws in Prison – appropriation established in FY2014 by cash letter, new appropriation to the appropriation bill for \$150,000.

Work Release – Work Release Program has a total appropriation of \$7,376,070 with increases totaling \$2,206,510, which include operating expense increase of \$388,760 for utilities, mileage, food purchases, firearms and building maintenance, and capital outlay of \$1,817,750 for vehicles and equipment.

Act 539 of 2015 (HB1517) - provides appropriation for operating expenses and professional fees associated with leasing bed space from out-of-state facilities totaling \$2,851,200 for FY2015 and FY2016.

Act 822 of 2015 (HB1520) - Prison Expansion and Public Safety Act authorizes seventy-seven (77) additional positions and the following appropriations for FY2016: Ester Unit personal services and operating expenses for \$6,968,256; female work release - Pine Bluff Unit for personal services and operating expenses for \$1,286,909; Ouachita River Unit for operating expenses of \$574,113; Tucker Unit for operating expenses for \$534,853; reimbursements to Regional County Detention Facilities housing state inmates for \$4,380,000; and for maintenance, replacement, repair, expansion, construction, equipping, renovation, purchase, improvement and upgrade of existing facilities \$10 million.

Act 287 of 2015 (HB1316) - provides a supplemental appropriation to Act

284 of 2014 for \$10,000,000 and funding transfer of \$6,000,000 from the General Revenue Allotment Reserve Fund to the County Jail Reimbursement Fund for payment of reimbursement to counties housing state inmates.

III) ADDITIONAL POSITIONS – (Total FY2015 Authorized Positions: 4,546)

Total Authorized Positions FY2016: 4,717

Total Base Level Positions: 4,470

Increase / (Decrease) Over Base Level: 247 positions, including 171 new positions, 47 flex positions and restoration of 29 positions.

Extra Help Positions FY2016: 170 (FY2015 Extra Help Positions: 170)

IV) SPECIAL LANGUAGE –

- **Holiday Compensation** provision authorizes the payment of banked employee holidays contingent on approval by the CFO of the State after the director has verified sufficient revenues are available, with the exception that employees may choose to accrue banked holiday hours not to exceed one-hundred fifty (150) hours;
- **Employee Compensation Report** provision requiring the Office of Budget to prepare and submit a report to ALC/JBC the amount of appropriation and funding necessary for the Department to sufficiently budget for the expenditure of payments to employees for Holiday Liability, Straight Time Liability, Overtime, and Hazardous Duty Compensation including current liabilities during the biennial budget process;
- **Use of Marketing and Redistribution Proceeds from Sale of State Property** - authorizes cash funds not to exceed \$100K to be used for Paws in Prison;
- Regular Salaries - Contingent Positions**, establishes non-classified contingent positions for Medical Services, not to exceed 462 employees;
- Medical/Mental Health Services Contingency**: authorizes use of contingent positions and necessary appropriation transfers to provide inmate medical services;
- **County Reimbursement Rate Restriction**: the Board of Corrections shall not increase any reimbursement rate made to any county for the care and custody of state inmates, without the approval of the Governor and CFO;
- **County Jail Reimbursement**: in the event the Department cannot accept inmates from county jails due to insufficient bed space, counties shall be reimbursed until the appropriation and funding are exhausted and shall include county's cost of transporting the inmates to the department;
- Transfer of Appropriation within Capital Improvement Projects**: Authorizes transfer of appropriation within capital improvement projects authorized by the General Assembly, upon approval of the Governor and ALC/JBC;
- Reallocation of Resources**: provides for two reallocation of resources requests each fiscal year by the Board, within or between each Department. Requires prior review and approval and is limited to no more than 5% of the total general revenue and special revenue appropriation, funding, and positions specific to each agency. There are no transfers to or from the CJR Fund;
- Juvenile Sex Offender Assessment** - Authorizes Department to contract with a qualified state treatment and assessment agency to conduct juvenile sex or child offender assessments as required by ACA 12-12-901;

-Inmate Cost Reporting - State Facilities: Within 90 days of each fiscal year, the DOC shall submit to the ALC a report of all direct and indirect costs incurred for the housing and caring for all inmates;

-County Jail Reimbursement Fund Year-End Fund Balance Carry Forward: Any funds remaining at the end of each fiscal year shall remain and made available to fund appropriations for the following fiscal year;

-Refund to Expenditure: Proceeds from the sale of feeder cattle shall be deposited into the State Treasury as a refund to expenditure to the credit of appropriation for the "Purchase Cattle/Meat" line item;

-Use of Maintenance and Operation Appropriation and Salvaged Materials Construction - may be used to implement construction projects, with a Method of Finance and prior review & approval by ALC/JBC and DFA and ABA;

-Utility Rate Increase Transfer: Line Item appropriation transfer authority to M&O, In the event of a 10% increase in utility rates and fuel rates;

-Mental Health Services - authority to transfer appropriation from salaries and match to fund a professional contract for mental health services;

-Special Revenue/Cash Funds Transfer - with Board and CFO approval, prior review and approval of ALC/JBC, authorizes transfer of special revenues/cash funds to ICC/510 in order to adjust to budget needs;

-New Facilities: upon review & approval, allows transfer of appropriation into Professional Fees/ICC to operate new facilities opened;

-Appropriation Transfer for Construction & Equipping: authorizes line item appropriation transfer to finance construction or equipping;

-*LANGUAGE TO BE DELETED* Food Service Contract: line item appropriation transfer authority in the event the dept. contracts with a private provider for food services;

-County Jail Invoice Summary: requires Depts. to prepare and post a monthly summary of the county jail reimbursement invoices sent to each county submitted for payment, the amounts paid, and any balances owed, shall be posted for no less than three years;

-Motor Vehicle Purchase Provision: authorizes purchase of motor vehicles for the purpose of adding new beds from Capital Outlay;

-Transfer of Appropriation to the County Jail Reimbursement Fund: with review and approval, provides for a transfer of any line item appropriation from ICC to County Jail Reimbursement Fund in order to meet obligations to counties housing state inmates;

-Local Government Inmate Cost Report - each calendar year, the Ass of AR Counties shall compile and submit to ALC/JBC, a report of all costs incurred by local government units housing state inmates;

- Essential Services Stipend- authorizes additional compensation to exempt employees who are members of the emergency response unit. Allows up to 3% per hour for the actual number hours spent on emergency response.

Revised, May 2015.