

DEPARTMENT OF CORRECTION (480)
FISCAL YEAR 2014 & 2015 - ACT 1207 OF 2013

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

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 for the Department of Correction is \$403,917,132 the first year and \$401,538,700 the second fiscal year.

FUNDING SOURCES

Department Operations is funded primarily from general revenues, with remaining funds including 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; and the remaining from federal funds, grant programs and fund balances.

II) APPROPRIATIONS/CHANGES:

Work Release - change level requests total \$2,718,247 FY14 and \$2,357,356 FY15 provide for:
operating \$1,437,567/\$1,336,676 (bulk fuel, propane, insurance, food) 3 vans; conf/travel \$20,680 each year; capital outlay \$1,260,000/\$1,000,000 (equipment)

Inmate Care & Custody - additional appropriation totaling \$19,297,609 FY14 and \$14,499,359 FY15 provide regular salaries and match for unfunded Holiday and Straight Time appropriation, Career Service, and the restoration of 48 unfunded flex positions; capital outlay of \$2,177,663/\$1,057,608 respectively for building equipment repair and replacement.

Prison Industry Program - additional appropriation of \$1,021,743 FY14 and \$809,883 FY15 provide (6) new positions, and (1) restoration including: two (2) Program Managers, one (1) Industry Supervisor II, four (4) Industry Supervisor I. Operating expense line item increase of \$427,105/\$427,665 for supplies and Capital Outlay of \$278,300 FY14 and \$64K FY15 for equip.

Farm Operations - change level requests total \$7,904,257 FY14 and \$7,044,048 FY15 provide for (3) new positions and (2) restorations; salary & match of \$241,182 each year; operating expense line item increase of \$4.2M each year to purchase inventory for resale, debt service; conf & travel of \$4,700 each year; and capital outlay of \$3,383,955/\$2,542,755 for equipment

Inmate Welfare - \$1.5M each year for operations of \$1M and capital outlay of \$500K for equipment, provides for expanded commissary

operations

Non Tax Revenue Receipts - \$2,650,000 each year in operations and capital outlay for various operational and construction projects

Act 263 (HB1430) Supplemental to Act 266 of 201, Straight time compensation supplemental appropriation totaling \$4,531,043.

Establishes a separate account within Department of Correction Inmate Care and Custody Fund Account to be known as the "Straight Time Compensation Account" to be used exclusively for straight time compensation. Allows for the transfer of funds between said account and the Holiday Compensation Account of the Department of Correction Inmate Care and Custody Fund Account, with prior review and approval of the Chief Fiscal Officer.

III) ADDITIONAL POSITIONS: 60, including: 48 unfunded flex positions, twelve additional positions (9 new and 3 restorations) as detailed above.

Total Positions for FY 2015: 4,489

Total Positions for FY 2014: 4,489

Total Budgeted Positions for FY 2013: 4,429

Extra Help Positions: 170

IV) SPECIAL LANGUAGE -

NEW LANGUAGE - 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 operation expenses

-Regular Salaries - Contingent Positions, establishes non-classified contingent positions for Medical Services, not to exceed 462 employees;

-Medical/Mental Health Services Contingency: If the Department cannot continue a medical contract with a private entity and the Board deems it necessary, authorizes use of contingent positions and necessary appropriation transfers to provide inmate medical services, upon notification of the Chief Fiscal Officer and review by the Legislative Council;

- 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 the Chief Fiscal Officer of the State;

- 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. The reimbursement rate 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 of Correction and Department of Community Correction. 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 County Jail Reimbursement Fund;

-Holiday Compensation: Authorizes the department to pay employees for up to 150

hours of unused holidays exceeding a balance of 96 hours following the end of each calendar year. Payments must be processed on or before June 1st each fiscal year;

-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 and to pay for services upon receipt of invoice;

-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 - said appropriation may be used to implement construction projects, a Method of Finance must be submitted for prior review & approval by the ALC/JBC and DFA and ABA;

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

-Mental Health Services - provides authority to transfer appropriation from salaries and match to fund a professional contract for mental health services, upon review & approval;

-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 Inmate Care and Custody Fund Account 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: upon prior review and approval, authorizes appropriation transfer between any line item to finance construction or equipping;

-Food Service Contract: upon prior review & approval, provides 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. Each fiscal year report 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: upon prior review and approval, provides for a transfer request 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 Association of AR Counties shall compile and submit to ALC/JBC, a report of all costs incurred by local government units housing state inmates. Report shall be a representative of all counties housing inmates and exclude construction costs;

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

