

COLORADO GENERAL ASSEMBLY

JOINT BUDGET COMMITTEE



FY 2007-08 SUPPLEMENTAL: DEPARTMENT OF CORRECTIONS PRIORITIZED AND NON-PRIORITIZED REQUESTS

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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**DEPARTMENT OF CORRECTIONS
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

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	FY 2006-07	FY 2007-08	Fiscal Year 2007-08 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
DEPARTMENT OF CORRECTIONS					
Executive Director: Aristedes W. Zavaras					
Supplemental #1 - Parole and Community GPS Increase					
<i>(5) Community Services</i>					
<i>(A) Parole</i>					
Contract Services	<u>543,323</u>	<u>712,252</u>	<u>68,438</u>	<u>68,625</u>	<u>780,877</u>
General Fund	543,323	712,252	68,438	68,625	780,877
<i>(C) Community ISP</i>					
Contract Services	<u>3,270,440</u>	<u>3,698,184</u>	<u>68,437</u>	<u>68,625</u>	<u>3,766,809</u>
General Fund	3,270,440	3,698,184	68,437	68,625	3,766,809
Total for Supplemental #1	<u>3,813,763</u>	<u>4,410,436</u>	<u>136,875</u>	<u>137,250</u>	<u>4,547,686</u>
General Fund	3,813,763	4,410,436	136,875	137,250	4,547,686
Supplemental #2 - Parole Board Administrative Support					
Total for Supplemental #2	4,267,659	8,901,890	48,820	48,820	8,950,710
FTE	<u>13.5</u>	<u>13.5</u>	<u>0.7</u>	<u>0.7</u>	<u>14.2</u>
General Fund	4,267,659	8,757,464	48,820	48,820	8,806,284
Cash Funds Exempt	0	144,426	0	0	144,426
This supplemental request affects 9 line items. For details, refer to the supplemental narrative.					

	FY 2006-07	FY 2007-08	Fiscal Year 2007-08 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Supplemental #3 - Miscellaneous Adjustments					
Total for Supplemental #3	24,973,471	28,194,907	15,365,440	15,365,440	43,560,347
FTE	<u>23.3</u>	<u>23.3</u>	<u>0.0</u>	<u>0.0</u>	<u>23.3</u>
General Fund	1,546,080	1,472,740	0	0	1,472,740
Cash Funds	660,663	1,238,985	320,000	320,000	1,558,985
Cash Funds Exempt	22,101,533	23,420,379	13,967,348	13,967,348	37,387,727
Federal Funds	665,195	2,062,803	1,078,092	1,078,092	3,140,895
This supplemental request affects 11 line items. For details, refer to the supplemental narrative.					
Supplemental #4 - Payments to District Attorneys					
<i>(1) Management</i>					
<i>(A) Executive Director</i>					
Personal Services	1,464,953	1,389,582	(101,697)	(101,697)	1,287,885
FTE	<u>16.2</u>	<u>22.3</u>	<u>0.0</u>	<u>0.0</u>	<u>22.3</u>
General Fund	1,362,812	1,282,315	(101,697)	(101,697)	1,180,618
Cash Funds Exempt	102,141	107,267	0	0	107,267
PAYMENTS TO DISTRICT ATTORNEYS					
(new line item) -- GF	N.A.	N.A.	290,819	290,819	290,819

	FY 2006-07	FY 2007-08	Fiscal Year 2007-08 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Total for Supplemental #4	1,464,953	1,389,582	189,122	189,122	1,578,704
FTE	<u>16.2</u>	<u>22.3</u>	<u>0.0</u>	<u>0.0</u>	<u>22.3</u>
General Fund	1,362,812	1,282,315	189,122	189,122	1,471,437
Cash Funds Exempt	102,141	107,267	0	0	107,267

**Supplemental Base Reduction #1 - DWCF
Female Bed Reduction**

Total for Supplemental Base Reduction #1	306,239,733	327,084,736	(2,396,159)	(2,396,159)	324,688,577
FTE	<u>4,044.7</u>	<u>4,472.0</u>	<u>(35.2)</u>	<u>(35.2)</u>	<u>4,436.8</u>
General Fund	302,881,214	322,929,110	(2,389,713)	(2,389,713)	320,539,397
Cash Funds	881,900	239,639	0	0	239,639
Cash Funds Exempt	1,702,237	3,179,249	(6,446)	(6,446)	3,172,803
Federal Funds	774,382	736,738	0	0	736,738

This supplemental request affects 35 line items. For details, refer to the supplemental narrative.

**Supplemental Base Reduction #2 - Community
Corrections Psychotropic Medication**

*(5) Community Services
(D) Community Supervision*

Psychotropic Medication	<u>6,872</u>	<u>1,346,880</u>	<u>(1,175,880)</u>	<u>(1,175,880)</u>	<u>171,000</u>
General Fund	6,872	1,346,880	(1,175,880)	(1,175,880)	171,000
Total for Supplemental Base Reduction #2	<u>6,872</u>	<u>1,346,880</u>	<u>(1,175,880)</u>	<u>(1,175,880)</u>	<u>171,000</u>
General Fund	6,872	1,346,880	(1,175,880)	(1,175,880)	171,000

	FY 2006-07	FY 2007-08	Fiscal Year 2007-08 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Supplemental Base Reduction #3 - External Capacity Caseload					
<i>(1) Management</i>					
<i>(B) External Capacity</i>					
<i>(2) Payments to House State Prisoners</i>					
Payments to Local Jails -- GF	11,340,364	6,885,991	1,684,242	1,684,242	8,570,233
Payments to In-State Private Prisons	<u>74,808,495</u>	<u>78,391,800</u>	<u>(299,524)</u>	<u>(299,524)</u>	<u>78,092,276</u>
General Fund	73,437,232	76,033,093	(3,155,889)	(3,155,889)	72,877,204
Cash Funds Exempt	1,371,263	2,358,707	2,856,365	2,856,365	5,215,072
Payments to Out-of-State Private Prisons -- GF	4,699,470	10,382,742	(3,087,558)	(3,087,558)	7,295,184
Payments to Pre-Release Parole Revocation Facilities -- GF	9,311,383	13,186,147	(2,041,632)	(2,041,632)	11,144,515
Community Corrections Programs -- GF	3,075,768	4,725,382	(658,768)	(658,768)	4,066,614
Total for Supplemental Base Reduction #3	<u>103,235,480</u>	<u>113,572,062</u>	<u>(4,403,240)</u>	<u>(4,403,240)</u>	<u>109,168,822</u>
General Fund	101,864,217	111,213,355	(7,259,605)	(7,259,605)	103,953,750
Cash Funds Exempt	1,371,263	2,358,707	2,856,365	2,856,365	5,215,072

	FY 2006-07	FY 2007-08	Fiscal Year 2007-08 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Supplemental Base Reduction #4 - Medical/ Pharmacy POPM					
<i>(2) Institutions</i>					
<i>(E) Medical Services</i>					
Purchase of Pharmaceuticals -- GF	9,626,416	10,647,119	(647,297)	(647,297)	9,999,822
Purchase of Medical Services from Other Medical Facilities -- GF	18,716,693	22,247,012	(3,104,826)	(3,104,826)	19,142,186
Purchase of Medical Services from State Hospital -- GF	1,006,681	1,093,116	435,332	435,331	1,528,447
Catastrophic Medical Expenses -- GF	6,033,095	6,546,300	2,954,664	2,954,663	9,500,963
Total for Supplemental Base Reduction #4	<u>35,382,885</u>	<u>40,533,547</u>	<u>(362,127)</u>	<u>(362,129)</u>	<u>40,171,418</u>
General Fund	35,382,885	40,533,547	(362,127)	(362,129)	40,171,418
Previously Approved 1331 Supplemental - Parole and Parole ISP					
Total for Previously Approved 1331 Supplemental	102,777,028	111,508,393	0	0	111,508,393
FTE	<u>203.9</u>	<u>242.6</u>	<u>5.5</u>	<u>5.5</u>	<u>248.1</u>
General Fund	102,777,028	111,508,393	0	0	111,508,393
This supplemental request affects 19 line items. For details, refer to the supplemental narrative.					

	FY 2006-07	FY 2007-08	Fiscal Year 2007-08 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Totals Excluding Pending Items					
DEPARTMENT OF CORRECTIONS					
TOTALS for ALL Departmental line items	587,190,719	639,136,087	7,402,851	7,403,224	646,539,311
FTE	<u>5,574.7</u>	<u>5,687.2</u>	(29.0)	(29.0)	<u>5,658.2</u>
General Fund	539,614,398	582,637,318	(10,812,508)	(10,812,135)	571,825,183
Cash Funds	1,892,192	2,057,041	320,000	320,000	2,377,041
Cash Funds Exempt	43,359,267	53,247,644	16,817,267	16,817,267	70,064,911
Federal Funds	2,324,862	1,194,084	1,078,092	1,078,092	2,272,176
Statewide Supplementals					
(see narrative for more detail)	<u>N.A.</u>	<u>N.A.</u>	(257,623)	<u>Pending</u>	<u>N.A.</u>
General Fund			(231,186)		
Cash Funds			0		
Cash Funds Exempt			(26,437)		
Federal Funds			0		
Totals Including Pending Items in Request					
DEPARTMENT OF CORRECTIONS					
TOTALS for ALL Departmental line items	587,190,719	639,136,087	7,145,228	7,403,224	646,539,311
FTE	<u>5,574.7</u>	<u>5,687.2</u>	(29.0)	(29.0)	<u>5,658.2</u>
General Fund	539,614,398	582,637,318	(11,043,694)	(10,812,135)	571,825,183
Cash Funds	1,892,192	2,057,041	320,000	320,000	2,377,041
Cash Funds Exempt	43,359,267	53,247,644	16,790,830	16,817,267	70,064,911
Federal Funds	2,324,862	1,194,084	1,078,092	1,078,092	2,272,176

Key:

"N.A." = Not Applicable

	FY 2005-06	FY 2006-07	Fiscal Year 2006-07 Supplemental		
	Actual	Appropriation	Requested Change	Approved Change	New Total with Approved Change
DEPARTMENT OF CORRECTIONS					
Executive Director: Aristedes W. Zavaras					
Previously Approved 1331 Supplemental - Refinance Public School Funding for FY 2006-07					
<i>(1) Management</i>					
<i>(A) Executive Director's Office Subprogram</i>					
Health, Life, and Dental	<u>15,525,203</u>	<u>20,905,682</u>	<u>(219,053)</u>	<u>(219,053)</u>	<u>20,686,629</u>
General Fund	15,482,080	20,293,442	(219,053)	(219,053)	20,074,389
Cash Funds Exempt	43,123	612,240	0	0	612,240
<i>(1) Management</i>					
<i>(A) Executive Director's Office Subprogram</i>					
Short-term Disability	<u>391,242</u>	<u>330,774</u>	<u>(4,366)</u>	<u>(4,366)</u>	<u>326,408</u>
General Fund	389,577	319,332	(4,366)	(4,366)	314,966
Cash Funds Exempt	1,665	11,442	0	0	11,442
<i>(2) Institutions</i>					
<i>(B) Maintenance Subprogram</i>					
Personal Services -- General Fund	15,491,075	16,341,986	(245,674)	(245,674)	16,096,312
FTE	281.6	294.5	0.0	0.0	0.0
<i>(2) Institutions</i>					
<i>(C) Housing and Security Subprogram</i>					
Personal Services -- General Fund	133,777,139	138,806,993	(850,000)	(850,000)	137,956,993
FTE	2,725.2	2,879.2	0.0	0.0	0.0

	FY 2005-06	FY 2006-07	Fiscal Year 2006-07 Supplemental		
	Actual	Appropriation	Requested Change	Approved Change	New Total with Approved Change
<i>(2) Institutions</i>					
<i>(D) Food Service Subprogram</i>					
Personal Services -- General Fund	12,714,813	13,201,313	(271,000)	(271,000)	12,930,313
FTE	248.4	255.6	0.0	0.0	0.0
<i>(2) Institutions</i>					
<i>(E) Medical Services Subprogram</i>					
Personal Services	23,282,999	24,546,320	(900,000)	(900,000)	23,646,320
FTE	<u>332.5</u>	<u>424.1</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	23,058,814	24,321,641	(900,000)	(900,000)	23,421,641
Cash Funds	224,185	224,679	0	0	224,679
<i>(2) Institutions</i>					
<i>(K) Mental Health Subprogram</i>					
Personal Services -- General Fund	4,656,671	5,371,878	(419,000)	(419,000)	4,952,878
FTE	53.2	75.7	0.0	0.0	0.0
<i>(3) Support Services</i>					
<i>(E) Transportation Subprogram</i>					
Personal Services -- General Fund	1,393,383	1,694,797	(143,000)	(143,000)	1,551,797
FTE	27.2	32.2	0.0	0.0	0.0
<i>(5) Community Services</i>					
<i>(B) Parole Intensive Supervision Subprogram</i>					
Personal Services -- General Fund	2,492,034	3,294,548	(200,000)	(200,000)	3,094,548
FTE	41.4	70.6	0.0	0.0	0.0

	FY 2005-06	FY 2006-07	Fiscal Year 2006-07 Supplemental		
	Actual	Appropriation	Requested Change	Approved Change	New Total with Approved Change
<i>(5) Community Services</i>					
<i>(C) Community Intensive Supervision Subprogram</i>					
Personal Services -- General Fund	2,587,817	2,869,840	(200,000)	(200,000)	2,669,840
FTE	44.1	53.3	0.0	0.0	0.0
Totals					
DEPARTMENT OF CORRECTIONS					
TOTALS for ALL Departmental line items	580,869,524	650,728,934	(3,452,093)	(3,452,093)	647,276,841
FTE	<u>5,574.7</u>	<u>6,098.1</u>	<u>0.0</u>	<u>0.0</u>	<u>6,098.1</u>
General Fund	532,855,473	584,748,410	(3,452,093)	(3,452,093)	581,296,317
Cash Funds	1,892,192	2,628,871	0	0	2,628,871
Cash Funds Exempt	43,657,823	60,986,913	0	0	60,986,913
Federal Funds	2,464,036	2,364,740	0	0	2,364,740

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Supplemental # 1 - Parole and Community GPS Increase

	Request	Recommendation
Total	\$136,875	\$137,250
FTE	<u>0.0</u>	<u>0.0</u>
General Fund	136,875	137,250
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	YES
<p>This request was submitted as "New Data" based on the fact that Global Positioning System (GPS) units have increased in price compared with the amount funded in the FY 2007-08 Long Bill. Staff concurs with this assessment and believes that this request meets the supplemental criteria.</p>	

Department Request: The Department requests a supplemental appropriation of \$136,875 General Fund in FY 2007-08 for the Parole and Community ISP Subprograms based on higher than anticipated costs for Global Positioning System (GPS) units. The Department also requests a corresponding amount (\$136,875) through a budget amendment for FY 2008-09. Specifically, the Department requests the following adjustments to the Long Bill.

Supplemental #1 – Parole and Community GPS Increase					
Subprogram	Line Item	Request FY 2007-08		FY 2008-09	
		General Fund	FTE	General Fund	FTE
Parole	Contract Services	68,438	0.0	68,438	0.0
Community ISP	Contract Services	68,437	0.0	68,437	0.0
Grand Total		136,875	0.0	136,875	0.0

Staff Analysis: Staff makes the following observations regarding this supplemental request:

1. *Supplemental Criteria Met.* Staff believes that the request meets supplemental criteria of "New Data". The Department indicates that the cost for GPS units has increased to \$15.50 per unit per day; however, the Department was only funded at a rate of \$13.00 per unit per

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day in the FY 2007-08 Long Bill. Therefore, the request for additional funding for the increased cost of GPS monitoring meets the supplemental criteria of "New Data".

2. *Parole Caseload Beyond DOC's Control.* The number of offenders placed on parole is beyond the Department's control. The number of offenders placed on parole is driven, in large part, by state law that requires a period of mandatory parole following an offenders' period of incarceration. This period of mandatory parole applies to all offenders sentenced to DOC for felonies committed on or after July 1, 1993 (Section 18-1.3-401, C.R.S.). The parole population is also controlled, to some extent, by the number of offenders granted discretionary parole by the Parole Board.
3. *Useful to Supervise Parolees with GPS Units.* It is staff's understanding that GPS units provide a useful mechanism for parole officers to monitor and supervise parolees. Without this technology, the Department would have to spend additional resources in order to obtain the same effect. As such, staff believes it is financially beneficial for the Department to utilize GPS units.
4. *Parole Funding Is Discretionary.* The Department of Corrections will manage to its appropriation, regardless of the amount of resources provided to supervise the parole population. As such, the JBC could reject this supplemental request, or it could approve an amount lower than the amount requested. In the long term, if the General Assembly prefers to reduce the costs associated with parole supervision, statutory changes could be considered. Given the current statutory requirements for mandatory parole, DOC is required to supervise the parole population. Reduced funding will reduce the level of supervision for the parole population.
5. *JBC Staff Calculations.* In 2007, 150 offenders (75 on Parole and 75 on Community ISP) were monitored using GPS units. Given that the costs per unit per day for the GPS have increased by \$2.50 (from \$13.00 to \$15.50), staff has calculated a funding need that is slightly higher than the Department's request based on an extra day of monitoring for the leap year (150 offenders x \$2.50 x 366 days = \$137,250).

Using these assumptions, the JBC staff recommendation is reflected in the following table.

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Supplemental #1 – Parole and Community GPS Increase JBC STAFF RECOMMENDATION					
Subprogram	Line Item	Recommendation FY 2007-08		FY 2008-09* Annualization	
		General Fund	FTE	General Fund	FTE
Parole	Contract Services	68,625	0.0	68,438	0.0
Community ISP	Contract Services	68,625	0.0	68,437	0.0
Grand Total		137,250	0.0	136,875	0.0

*The FY 2008-09 figure only reflects the costs associated with annualizing this supplemental recommendation. During figure setting, JBC staff will recommend annualizing any increase approved for this supplemental, PLUS any additional resources that may be justified based on the FY 2008-09 projected parole population.

Staff Recommendation: Staff recommends that the Committee approve a supplemental appropriation of \$137,250 General Fund in FY 2007-08 for the increased cost of GPS units within the Parole and Community ISP Subprograms.

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Supplemental # 2 - Parole Board Administrative Support

	Request	Recommendation
Total	\$48,820	\$48,820
FTE	<u>0.7</u>	<u>0.7</u>
General Fund	48,820	48,820
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **NO**
 [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]

This request was submitted as "New Data" based on increases in administrative workload within the Parole Board that have occurred since at least FY 2001-02. Because this request is based upon data that was known at the time the FY 2007-08 budget was established, staff does not concur with this assessment and believes that this request does not meet the supplemental criteria.

Department Request: The Department requests a supplemental appropriation of \$48,820 General Fund and 0.7 FTE in FY 2007-08 for administrative support in the Parole Board Subprogram. In addition, the Department requests a budget amendment of \$162,579 General Fund and 4.0 FTE for FY 2008-09. Specifically, the Department requests the following adjustments to the Long Bill.

Supplemental #2 – Parole Board Administrative Support					
Subprogram	Line Item	Request FY 2007-08		FY 2008-09	
		General Fund	FTE	General Fund	FTE
Executive Director	AED	290	0.0	2,216	0.0
	SAED	112	0.0	927	0.0
Inspector General	Operating Expenses	100	0.0	100	0.0
Communications	Operating Expenses	1,800	0.0	1,800	0.0
Training	Operating Expenses	80	0.0	80	0.0
Information Systems	Operating Expenses	800	0.0	800	0.0
Parole Board	Personal Services	24,918	0.7	154,656	4.0
	Operating Expenses	500	0.0	2,000	0.0

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Supplemental #2 – Parole Board Administrative Support					
Subprogram	Line Item	Request FY 2007-08		FY 2008-09	
		General Fund	FTE	General Fund	FTE
	Start-up Costs	20,220	0.0	0	0.0
Grand Total		48,820	0.7	162,579	4.0

Staff Analysis: Staff makes the following observations regarding this supplemental request:

1. *Supplemental Criteria Not Met.* Although the Department projects an increase in Parole Board hearings for FY 2007-08, staff believes this supplemental request is attempting to alleviate workload pressures that have been accumulating for many years. However, staff also feels that while the request may not be entirely in line with supplemental criteria, there is a legitimate need within the Parole Board for additional administrative support.

2. *Current Staffing.* Currently, there are 7.0 FTE administrative staff to support seven Parole Board members, three administrative hearing officers, and four release hearing officers. Much like judges, these members and hearing officers rely upon administrative staff to do preparation and follow-up for parole, revocation, and rescission hearings. However, because administrative support staff have not increased since FY 2001-02, it is staff's understanding that many of the administrative functions fall on the members and/or hearing officers. As a result, those individuals are not able to dedicate their efforts towards a thoughtful decision-making process when preparing for and presiding over hearings

3. *Increase in Hearings.* The Department projects that the Parole Board will conduct 17.7 percent more hearings during FY 2007-08 than it did during FY 2006-07. Since FY 2000-01, the total number of hearings has increased by 65 percent. During this time frame, parole revocation hearings have increased 233 percent, rescission hearings have increased 226 percent, application hearings have increased 28 percent, and full board hearings have increased 27 percent. Staff notes that the majority of the increase can be attributed to a growth in parole revocation hearings. These hearings are somewhat discretionary, in contrast to application hearings, which are affected by mandatory parole. Parole revocation hearings are initiated by parole officers based on the actions of parolees, and significantly parole revocations account for approximately 25 percent of the inmate population.

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Supplemental #2 – Hearing Caseload Increases					
Fiscal Year	Parole Application	Full Board	Rescission	Parole Revocation	Total
00-01	15,821	524	105	3,512	19,962
01-02	16,294	509	112	5,681	22,596
02-03	16,784	572	153	6,189	23,698
03-04	16,695	511	250	6,997	24,453
04-05	16,412	253	296	9,305	26,266
05-06	18,094	444	280	10,620	29,438
06-07*	<u>20,247</u>	<u>663</u>	<u>342</u>	<u>11,699</u>	<u>32,951</u>
Total Increase	4,426	139	237	8,187	12,989
Percentage Increase	28.0%	26.5%	225.7%	233.1%	65.1%

* The FY 2006-07 numbers are interim figures.

4. *Increase in Administrative Workload.* The Department estimates that each hearing requires 0.75 hours of administrative support staff processing time. Therefore, based upon the figures above, the Department estimates that its administrative workload has increased 65.1 percent in conjunction with the increased percentage of hearings without any corresponding increase in administrative support staff.

5. *FY 2007-08 Projections.* The Department projects that there will be a total of 38,788 hearings in FY 2007-08. This equates to 29,091 hours of administrative support under the Department's assumption of 0.75 hours of administrative support staff processing time for each hearing. Assuming a 2,080 hour work year, the Department concludes that the administrative workload relates to 14.0 FTE, while the actual number of administrative staff is only 7.0 FTE. However, the Department is only requesting 4.0 FTE (annualized) to bring the administrative staff up to 11.0 FTE.

Staff Recommendation: Staff recommends that the Committee approve a supplemental appropriation of \$48,820 General Fund and 0.7 FTE in FY 2007-08 for additional administrative support staff in the Parole Board Subprogram .

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Supplemental # 3 - Miscellaneous Adjustments

	Request	Recommendation
Total	\$15,365,440	\$15,365,440
FTE	<u>0.0</u>	<u>0.0</u>
General Fund	0	0
Cash Funds	320,000	320,000
Cash Funds Exempt	13,967,348	13,967,348
Federal Funds	1,078,092	1,078,092

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
This request was submitted as "New Data" based on the fact that the Department has revised estimates of federal grants. Staff concurs that the changes in federal grant funds meets the supplemental criteria.	

Background – Miscellaneous Adjustments: The Department requests a supplemental appropriation of \$15,365,440 (\$320,000 cash funds, \$13,967,348 cash fund exempt, and \$1,078,092 federal funds) for FY 2007-08. In addition, the Department requests a budget amendment of \$15,336,820 (\$320,000 cash funds, \$13,938,728 cash funds exempt, and \$1,078,092 federal funds) for FY 2008-09. Each year, the Department submits a supplemental request to adjust dollar amounts and funding sources reflecting new data received during the course of the current fiscal year. Historically, this request has also been submitted to correct any technical errors that had been made with respect to the identification of fund sources.

The request seeks to make 10 adjustments, which are primarily technical adjustments for federal funds and cash funds exempt received by the Department. This year, the Department submitted adjustments affecting a total of 11 line items. This request (by line item) is summarized in the following table.

Supplemental #3 – Miscellaneous Adjustments					
Request # / Subprogram	Line Item	Cash Funds	Cash Funds Exempt	Federal Funds	Total Funds
#1 Executive Director's Office	Personal Services	\$0	\$40,058	\$0	\$40,058
	Operating Expenses	0	3,733	66,000	69,733

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Supplemental #3 – Miscellaneous Adjustments					
Request # / Subprogram	Line Item	Cash Funds	Cash Funds Exempt	Federal Funds	Total Funds
#2 Inspector General	Inspector General Grants	0	353,110	(42,566)	310,544
#3 Facility Services	FACILITY SERVICES GRANTS (new line item)	0	28,620	0	28,620
#4 Education	Operating Expenses	0	317,278	0	317,278
#5 Education	Education Grants	0	40,912	1,294,505	1,335,417
#6 Drug & Alcohol Treatment	Treatment Grants	0	(18,852)	(24,968)	(43,820)
#7 Sex Offender Treatment	Sex Offender Treatment Grants	0	(41,000)	(41,006)	(82,006)
#8 Parole	PAROLE GRANTS (new line item)	0	49,208	0	49,208
#9 Community Re-entry	Community Reintegration Grants	320,000	(105,719)	(173,873)	40,408
#10 Correctional Industries	Raw Materials	<u>0</u>	<u>13,300,000</u>	<u>0</u>	<u>13,300,000</u>
Total Request		\$320,000	\$13,967,348	\$1,078,092	\$15,365,440

Staff Analysis: Staff makes the following observations regarding these supplemental requests.

1. *Supplemental Criteria Met.* Each of the requests related to federal funds and transfers from other agencies meets the supplemental criteria of "New Data". Adjustments were also requested based on increased sales from the Department's Correctional Industries and vocational programs. These adjustments also meet the supplemental criteria of "New Data".
2. *Useful to Accurately Reflect Federal Funds.* Staff believes there is value in having the Long Bill accurately reflect the sources of federal funds used by the Department of Corrections.
3. *Useful to Allow Correctional Industries (CI) Increase for Sales Growth.* The Department receives appropriations for raw materials in order to meet projected CI sales volume. Based on increased sales projections, the Department requests an adjustment to the "Raw Materials" line item. JBC staff believes it is useful to authorize the Department to increase its spending authority based on higher than expected sales. Furthermore, the increase in sales were not projected when the budget for FY 2007-08 was established. As such, staff believes that this component of the request meets the supplemental criteria of "New Data".

Staff Recommendation: Staff recommends that the Committee approve the requested adjustments. A more detailed summary of the requested and recommended adjustments follows:

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Adjustment #1 — Change in VOCA Grant Funds. The Department requests an adjustment to the "Personal Services" and "Operating Expenses" line items in the Executive Director's Office based on funds received from the Victims of Crime Act (VOCA).

Adjustment #1 — Change in VOCA Grant Funds			
Line Item	FY 2007-08 Long Bill	Supplemental Request RECOMMENDED	Amended Figure
Personal Services	<u>1,389,552</u>	<u>40,058</u>	<u>1,429,610</u>
General Fund	1,282,285	0	1,282,285
Cash Funds Exempt	107,267	40,058	147,325
Operating Expenses	<u>205,898</u>	<u>69,733</u>	<u>275,631</u>
General Fund	190,455	0	190,455
Cash Funds Exempt	15,443	3,733	19,176
Federal Funds	0	66,000	66,000
Total	<u>1,595,450</u>	<u>109,791</u>	<u>1,705,241</u>
General Fund	1,472,740	0	1,472,740
Cash Funds Exempt	122,710	43,791	166,501
Federal Funds	0	66,000	66,000

Adjustment #2 – Inspector General Grants. The Inspector General is expected to receive grants for FY 2007-08 amounting to \$973,319 (see the following table).

Adjustment #2 — Inspector General Grants			
Fund Source	FY 2007-08 Long Bill	Supplemental Request RECOMMENDED	Amended Figure
Cash Funds Exempt*	144,591	353,110	497,701
Federal Funds**	<u>518,184</u>	<u>(42,566)</u>	<u>475,618</u>
Total Funds	<u>662,775</u>	<u>310,544</u>	<u>973,319</u>

* The source of cash funds exempt is a transfer of federal funds from the Division of Criminal Justice.

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** The federal funds are from the Protecting Inmates and Safeguarding Communities grant from the U.S. Department of Justice.

Adjustment #3 – Facility Services Grants (new line item). The Department was granted funds from The Colorado Historical Society for a Historical Structural Assessment of Officers Houses at the Fort Lyon Correctional Facility. This is a new line item added in FY 2007-08 (see the following table).

Adjustment #3 — Facility Services Grants			
Fund Source	FY 2007-08 Long Bill	Supplemental Request RECOMMENDED	Amended Figure
Cash Funds Exempt*	0	28,620	28,620

* The source of cash funds exempt is funds from The Colorado Historical Society.

Adjustment #4 – Education Subprogram – Operating Expenses. The Department receives an appropriation in the "Operating Expenses" line item in the Education Subprogram to reflect sales from the Department's vocational programs. Based on anticipated increased sales from the vocational programs, the Department has requested to adjust the appropriation to this line item.

Adjustment #4 — Education Subprogram – Operating Expenses			
Fund Source	FY 2007-08 Long Bill	Supplemental Request RECOMMENDED	Amended Figure
Canteen Funds	463,001	0	463,001
Vocational Sales to Govt. Agencies	<u>193,737</u>	<u>317,278</u>	<u>511,015</u>
Subtotal – Cash Funds Exempt	656,738	317,278	974,016
Cash Funds*	<u>1,238,985</u>	<u>0</u>	<u>1,238,985</u>
Total Funds	1,895,723	317,278	2,213,001

* The source of cash funds is from sales revenue earned by vocational programs.

Adjustment #5 – Education Subprogram – Education Grants. The Department is expected to receive educational grants in FY 2007-08 amounting to \$1,986,705 (see the following table).

Adjustment #5 — Education Subprogram — Education Grants			
Source of Funds	FY 2007-08 Long Bill	Supplemental Request RECOMMENDED	Amended Figure
CDPHE	16,142	(1,976)	14,166

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Colo. Dept. of Ed.	168,754	42,888	211,642
Gifts, Grants, Donations	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Subtotal CFE	194,896	40,912	235,808
Federal Funds	<u>456,392</u>	<u>1,294,505</u>	<u>1,750,897</u>
Total Funds	651,288	1,335,417	1,986,705

Adjustment #6 – Drug and Alcohol Subprogram – Treatment Grants. The Department is expected to receive treatment grants in FY 2007-08 amounting to \$468,884 (see the following table).

Adjustment #6 — Drug and Alcohol Treatment Grants			
Fund Source	FY 2007-08 Long Bill	Supplemental Request RECOMMENDED	Amended Figure
Cash Funds Exempt*	212,726	(18,852)	193,874
Federal Funds	<u>299,978</u>	<u>(24,968)</u>	<u>275,010</u>
Total Funds	512,704	(43,820)	468,884

* The source of cash funds exempt is a transfer of federal funds from the Division of Criminal Justice.

Adjustment #7 – Sex Offender Treatment Subprogram – Sex Offender Treatment Grants. The Department is expected to receive treatment grants in FY 2007-08 amounting to \$127,070 (see the following table).

Adjustment #7 — Sex Offender Treatment Grants			
Fund Source	FY 2007-08 Long Bill	Supplemental Request RECOMMENDED	Amended Figure
Cash Funds Exempt*	41,000	(41,000)	0
Federal Funds	<u>168,076</u>	<u>(41,006)</u>	<u>127,070</u>
Total Funds	209,076	(82,006)	127,070

* The source of cash funds exempt is a transfer of federal funds from the Division of Criminal Justice.

Adjustment #8 – Parole Subprogram – Parole Grants (new line item). The Department is expected to receive parole grants in FY 2007-08 amounting to \$49,208 (see the following table).

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Adjustment #8 — Parole Subprogram — Parole Grants			
Source of Funds	FY 2007-08 Long Bill	Supplemental Request RECOMMENDED	Amended Figure
Cash Funds Exempt*	0	49,208	49,208

* The source of cash funds exempt is a transfer of federal funds from the Division of Criminal Justice.

Adjustment #9 – Community Re-entry Subprogram – Community Reintegration Grants. The Department is expected to receive community reintegration grants in FY 2007-08 amounting to \$779,500 (see the following table).

Adjustment #9 — Community Reintegration Grants			
Fund Source	FY 2007-08 Long Bill	Supplemental Request RECOMMENDED	Amended Figure
Cash Funds	0	320,000	320,000
Cash Funds Exempt*	118,919	(105,719)	13,200
Federal Funds	<u>620,173</u>	<u>(173,873)</u>	<u>446,300</u>
Total Funds	739,092	40,408	779,500

* The source of cash funds exempt is a transfer of federal funds appropriated to the Colorado Department of Labor and Employment.

Adjustment #10 – Correctional Industries Subprogram – Raw Materials. The Department requests adjustments in FY 2007-08 based on greater than expected sales projections (see the following table).

Adjustment #10 — Correctional Industries Subprogram — Raw Materials			
Source of Funds	FY 2007-08 Long Bill	Supplemental Request RECOMMENDED	Amended Figure
Cash Funds Exempt*	21,928,799	13,300,000	35,228,799

* The source of cash funds exempt is from Correctional Industries revenue. Pursuant to Section 17-24-104, C.R.S., Correctional Industries is an enterprise. As such, these revenues are classified as cash funds exempt.

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Supplemental # 4 - Payments to District Attorneys

	Request	Recommendation
Total	\$189,122	\$189,122
FTE	<u>0.0</u>	<u>0.0</u>
General Fund	189,122	189,122
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	NO
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
This request was submitted as "New Data" based on the fact that the Department is anticipating a large increase in the payments to district attorneys, due primarily to two death penalty cases that are currently being prosecuted. Staff <u>does not</u> concur with this assessment that the increased expenditures meet the supplemental criteria because the Department knew about these death penalty cases when the FY 2007-08 budget was established.	

Department Request: The Department requests the establishment of a new line item within its Executive Director's Office, entitled "Payments to District Attorneys", to pay district attorney expenses for the prosecution of crimes that occur within DOC facilities.

For FY 2007-08, the Department requests a transfer of \$101,697 General Fund from the "Personal Services" line item within its Executive Director's Office to the newly created "Payments to District Attorneys" line item. In addition, the Department requests a supplemental appropriation of \$189,122 General Fund to this new line item. Therefore, the total amount requested for this new line item in FY 2007-08 is \$290,819.

The Department's request also includes a budget amendment for FY 2008-09 to continue the General Fund transfer from the "Personal Services" line item to the new "Payments to District Attorneys" line item in the amount of \$150,000.

Background: Section 16-18-101 (3), C.R.S., states that "The department of corrections, *from annual appropriations made by the general assembly*, shall reimburse the county or counties in a judicial district for the costs of prosecuting any crime alleged to have been committed by a person in the custody of the department (emphasis added)." That section also states that it "...shall apply to costs

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that are not otherwise paid by the state."¹ According to the Department, these expenses have historically been paid from the personal services appropriation within the Executive Director's Office, at an average rate of approximately \$150,000 per year. Expenses charged to the Department include professional services, witness fees, supplies, lodging, and per diem. In terms of rates, the counties charge the Department \$50 to \$60 per hour for attorney time, \$15 to \$25 for legal assistant/paralegal time, and \$35 for investigator time. The following table illustrates the historical expenditures for payments to district attorneys.

Historical Expenditures for Payments to District Attorneys				
FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08 (YTD)*
\$93,766	\$205,334	\$241,477	\$155,617	\$48,303

* This figure does not include year-to-date expenditures for death penalty cases.

The Department indicates that cases prosecuting homicide charges in which the district attorney seeks the death penalty are the most costly. Four death penalty cases are expected to be heard in FY 2007-08 and FY 2008-09. According to the Department, the supplemental request of \$189,122 is based upon the actual billings from districts attorneys for services rendered thus far in FY 2007-08 for two death penalty cases.

Specifically, the Bueno/Perez case has billed \$173,863 year-to-date and the Montour case has billed \$15,260. These cases involve inmates (Bueno, Perez, and Ramirez) who are accused of murdering another inmate (Herd). Staff's initial understanding was that the death penalty was being sought in these cases because these inmates were already serving life sentences without parole prior to this alleged offense; however, that is not correct. Bueno's current mandatory parole date is September 28, 2019, Perez has a current mandatory parole date of September 15, 2026, and Ramirez was paroled on October 27, 2004, before the current murder charge was filed against him. He is currently being held in county jail for the murder charge.

The remaining supplemental request for a \$101,697 transfer is based upon the average historical expenses of \$150,000 per year minus year-to-date expenditures of \$48,303. This transfer amount is increased to the historical average of \$150,000 through the requested budget amendment for FY 2008-09.

¹Section 16-18-101 (3), C.R.S., states that, "The department of corrections, from annual appropriations made by the general assembly, shall reimburse the county or counties in a judicial district for the costs of prosecuting any crime alleged to have been committed by a person in the custody of the department. The county or counties shall certify these costs to the department, and upon approval of the executive director of the department, the costs shall be paid. The provisions of this subsection (3) shall apply to costs that are not otherwise paid by the state." As defined in Section 16-1-104 (9), C.R.S., "custody" means the restraint of a person's freedom in any significant way.

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Staff Analysis: Staff makes the following observations regarding this supplemental request:

1. *Supplemental Criteria Not Met.* Staff believes that the Department knew about these upcoming death penalty cases when the FY 2007-08 budget was established, and at a minimum, could have anticipated that these cases would drive costs higher than the historical average of \$150,000. However, staff also feels that while the request may not be entirely in line with supplemental criteria, there is a legitimate need for these resources based upon the requests that have been received by the Department.
2. *Department Underestimated Need.* The Department requests a transfer to support its historical average expenses as well as the costs-to-date for the death penalty cases that are currently being prosecuted. However, the Department did not request additional funding for the death penalty cases for the remaining portion of the fiscal year. It is staff's understanding that the costs for the death penalty cases could be as high as \$500,000. Therefore, given the current statutory approach, staff anticipates an emergency supplemental request from the Department later in the fiscal year for the additional costs related to the death penalty cases.
3. *Statutory Flexibility.* Staff believes that by appropriating a specific amount to a line item dedicated to payments to district attorneys, the JBC can avoid a situation in which counties aggressively seek reimbursement from the Department of Corrections. Staff feels that the provision "from annual appropriations made by the general assembly" allows the State to appropriate a specific amount for payments to district attorneys as a cap without the concern that other reimbursements will be requested.
4. *Staff Concerns About Misuse.* It is staff's understanding that the statute regarding payments to district attorneys was intended to provide rural counties with assistance when prisons in the county drive prosecution costs that cannot be absorbed by the local community. However, staff has been informed that larger counties are starting to request reimbursement under this statute even for prosecuting alleged crimes against offenders in Community Corrections because they are technically still in the custody of the Department of Corrections. In addition, staff has concerns that the definition of "custody" may be broad enough to cover parolees, and thus these payments could increase dramatically.
5. *Statutory Change.* Another option for limiting the growth of payments to district attorneys would be to amend or repeal Section 16-18-101 (3), C.R.S. This would allow the General Assembly to set a policy that would provide some assistance to those counties that legitimately need it while limiting any abuses by other counties.

Staff Recommendation: Staff recommends that the Committee approve the request for a supplemental appropriation of \$189,122 General Fund and a transfer of \$101,697 General Fund in FY 2007-08 to the new line item entitled "Payments to District Attorneys". Staff also recommends

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that the Committee amend Section 16-18-101 (3), C.R.S. to limit the total county reimbursement amount if the Committee is not comfortable with staff's reading of the statute, specifically that the county reimbursement is limited by the annual appropriation made by the General Assembly (which will be \$290,819 in FY 2007-08 and \$150,000 each year thereafter).

Supplemental Base Reduction # 1 — DWCF Female Bed Reduction

	Request	Recommendation
Total	(\$2,396,159)	(\$2,396,159)
FTE	<u>(35.2)</u>	<u>(35.2)</u>
General Fund	(2,389,713)	(2,389,713)
Cash Funds	0	0
Cash Funds Exempt	(6,446)	(6,446)
Federal Funds	0	0

<p>Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?</p> <p>[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]</p> <p>This request was submitted as "New Data" based on the fact that the female caseload has decreased since the FY 2007-08 budget was established. Staff concurs with this assessment and believes that this request meets the supplemental criteria.</p>	YES
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Department Request: The Department requests a supplemental base reduction of \$2,396,159 (\$2,389,713 General Fund and \$6,446 cash funds exempt) and 35.2 FTE for FY 2007-08. This is a return of the original funding for the female double bunking at the Denver Women's Correctional Facility (DWCF) as well as a one-time reversion, with accompanying FTE, for the beds taken off-line during the Denver Reception and Diagnostic Center (DRDC) expansion for FY 2007-08. In addition, the Department requests a budget amendment base reduction of \$1,392,778 (\$1,390,650 General Fund and \$2,128 cash funds exempt) and 21.3 FTE based on the annualized costs of these beds in FY 2008-09.

The 2007 Long Bill (S.B. 07-239) included \$1,673,084 total funds and 17.6 FTE to double bunk an average daily population (ADP) of 53.7 female inmates (annualized to 76 ADP in FY 2008-09). Of the total funds appropriated for this purpose, \$522,115 were for one-time "Start-up Costs", and \$1,150,969 were for ongoing operating expenses associated with supervising the additional female

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inmates. Based on the Department's revised bed plan, the Department does not anticipate double bunking female inmates in FY 2007-08 and FY 2008-09.

The Department also requests a one-time reversion of funds based on female beds taken off-line at DWCF in order to accommodate the DRDC expansion. Due to the current construction, the Infirmary and the Intake Process have been temporarily moved from DRDC to DWCF. This has resulted in 76 beds being taken off-line at DWCF in FY 2007-08; however, the Department anticipates needing those beds in FY 2008-09 to accommodate the female growth once the DRDC expansion is complete. As a result, the budget amendment base reduction only includes the annualized costs of these beds rather than the full operating cost. The following table illustrates the Department's request and the JBC staff recommendation.

Supplemental Base Reduction #1 – DWCF Female Bed Reduction				
Subprogram / Line Item		FY 2007-08 Request (TF / FTE)	Recommendation (Total Funds* / FTE)	
			FY 2007-08	FY 2008-09 – Annualization
Executive Dir. Office	Health, Life, Dental	(268,344)	(268,344)	(134,172)
	Short-term Disability	(1,844)	(1,844)	(922)
	Amort. Eq. Disbursements	(17,016)	(17,016)	(8,508)
Inspector General	Operating Expenses	(2,686)	(2,686)	(1,900)
Utilities	Utilities	(30,020)	(30,020)	(18,012)
Maintenance	Personal Services	(216,548) (5.0)	(216,548) (5.0)	(129,929) (3.0)
	Operating Expenses	(29,536)	(29,536)	(20,900)
Housing and Security	Personal Services	(859,498) (20.0)	(859,498) (20.0)	(515,699) (12.0)
	Operating Expenses	(32,220)	(32,220)	(22,800)
Food Service	Personal Services	(72,182) (1.6)	(72,182) (1.6)	(43,310) (1.0)
	Operating Expenses	(117,066)	(117,066)	(82,840)
Medical Services	Personal Services	(197,028) (3.8)	(197,028) (3.8)	(118,217) (2.3)
	Operating Expenses	(23,736)	(23,736)	(16,796)
	Service Contracts	(20,406)	(20,406)	(14,440)
	Start-up Costs	(7,907)	(7,907)	0
Laundry	Operating Expenses	(16,110)	(16,110)	(11,400)
Superintendents	Operating Expenses	(37,376)	(37,376)	(26,448)

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Supplemental Base Reduction #1 – DWCF Female Bed Reduction							
Subprogram / Line Item		FY 2007-08 Request (TF / FTE)		Recommendation (Total Funds* / FTE)			
				FY 2007-08		FY 2008-09 – Annualization	
	Start-up Costs	(76,000)		(76,000)		0	
Case Management	Personal Services	(83,276)	(1.6)	(83,276)	(1.6)	(49,966)	(1.0)
	Operating Expenses	(10,740)		(10,740)		(7,600)	
	Start-up Costs	(3,438)		(3,438)		0	
Mental Health	Personal Services	(77,718)	(1.6)	(77,718)	(1.6)	(46,631)	(1.0)
	Operating Expenses	(1,396)		(1,396)		(988)	
	Medical Contract Services	(10,526)		(10,526)		(7,448)	
	Start-up Costs	(3,438)		(3,438)		0	
Inmate Pay	Inmate Pay	(16,754)		(16,754)		(11,856)	
Communications	Operating Expenses	(21,120)		(21,120)		(12,780)	
Training	Operating Expenses	(712)		(712)		(426)	
Information Systems	Operating Expenses	(7,040)		(7,040)		(4,260)	
Labor	Operating Expenses	(538)		(538)		(380)	
Education	Personal Services	(76,156)	(1.6)	(76,156)	(1.6)	(45,694)	(1.0)
	Operating Expenses*	(2,470)		(2,470)		(1,748)	
	Start-up Costs*	(3,438)		(3,438)		0	
Recreation	Operating Expenses*	(538)		(538)		(380)	
Drug and Alcohol	Contract Services	<u>(51,338)</u>	_____	<u>(51,338)</u>	_____	<u>(36,328)</u>	_____
Total		<u>(2,396,159)</u>	(35.2)	<u>(2,396,159)</u>	(35.2)	<u>(1,392,778)</u>	(21.3)
General Fund		(2,389,713)		(2,389,713)		(1,390,650)	
Cash Funds Exempt (Canteen Funds)		(6,446)		(6,446)		(2,128)	

* All funds are General Fund except the "Operating Expenses" and "Start-up Costs" line items for the Education Subprogram and the "Operating Expenses" line item in the Recreation Subprogram, which are funded with cash funds exempt (Canteen Funds).

Staff Analysis: Staff makes the following observations regarding this supplemental request.

1. *Supplemental Criteria Met.* Staff believes that the request meets supplemental criteria of "New Data". The estimated number of female inmates has decreased by 11.2 percent since

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the FY 2007-08 budget was established using the LCS December 2006 inmate population projections. The request for a reduction in funding based on these updated projections meets the supplemental criteria of "New Data".

2. *Useful to Save General Fund.* Given that the Department will not need its entire appropriation for additional female double bunking in FY 2007-08, staff believes that it is appropriate to adjust the appropriation to reflect the anticipated need for resources for this purpose. In addition, staff believes it is appropriate to adjust the appropriation based on the beds taken off-line due to the DRDC expansion.

Staff Recommendation: Staff recommends that the Committee approve the request for a supplemental base reduction related to female double bunking and the DRDC expansion. As such, staff recommends that the JBC approve *reducing* the appropriation in FY 2007-08 by \$2,396,159 total funds and 35.2 FTE. Of the recommended reduction, \$2,389,713 is General Fund and \$6,446 is cash funds exempt (Canteen Fund).

Supplemental Base Reduction # 2 — Community Corrections Psychotropic Medications

	Request	Recommendation
Total	(\$1,175,880)	(\$1,175,880)
FTE	<u>0.0</u>	<u>0.0</u>
General Fund	(1,175,880)	(1,175,880)
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

<p>Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?</p> <p>[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]</p> <p>This request was submitted as "New Data" based on the fact that fewer offenders are identified within community corrections as having mental health needs since the FY 2007-08 budget was established. Staff concurs with this assessment and believes that this request meets the supplemental criteria.</p>	YES
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Department Request: The Department requests a supplemental base reduction of \$1,175,880 General Fund in FY 2007-08, as well as a corresponding budget amendment in FY 2008-09 of the same amount. These reductions are the result of a smaller number of offenders within community

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corrections needing psychotropic medications as compared to the number approved for the FY 2007-08 budget.

Staff Analysis: Staff makes the following observations regarding this supplemental request.

1. *Supplemental Criteria Met.* Staff believes that the request meets supplemental criteria of "New Data". The estimated number of inmates needing psychotropic medications has decreased by 90.2 percent since the FY 2007-08 budget was established. The request for a reduction in funding based on these updated estimates meets the supplemental criteria of "New Data".
2. *Budget History.* In FY 2006-07, the Department received a supplemental appropriation of \$552,000 General Fund to provide psychotropic medications to offenders in community corrections programs. Of that amount, \$545,128 (98.8 percent) was reverted. In FY 2007-08, an appropriation of \$1,346,880 General Fund was approved by the JBC to provide psychotropic medications to 368 offenders for 366 days at an average cost of \$10 per offender per day. In October, 2007, approximately 299 offenders were identified within community corrections as having mental health needs, but the average number receiving psychotropic medications was only 36. The discrepancy between the funded number (368) and the actual average (36) has caused a reversion of approximately 87.3 percent of the original appropriation.
3. *Difficulties Placing Offenders with Mental Health Needs.* The Department indicates that it has difficulty placing offenders who have been identified as having mental health needs because of the issues involved with housing these offenders. For example, these offenders often exhibit violent tendencies or other behavioral problems, which make them less desirable clients for community corrections providers. As a result, a smaller population of offenders needing psychotropic medications exists on community corrections, as those offenders are retained in prison or released on parole.

Supplemental Base Reduction #2 — Community Corrections Psychotropic Medications			
Month*	Monthly Cost	# of Prescriptions	# of Offenders
July, 2007	\$4,823	44	26
August, 2007	\$3,735	46	24
September, 2007	\$6,099	63	30
October, 2007	\$15,870	108	50
November, 2007	\$17,564	102	50

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December, 2007	\$17,564	73	36
January, 2008	\$17,564	73	36
February, 2008	\$17,564	73	36
March, 2008	\$17,564	73	36
April, 2008	\$17,564	73	36
May, 2008	\$17,564	73	36
June, 2008	<u>\$17,564</u>	<u>73</u>	<u>36</u>
Total	\$171,039	874	432

* The months of July, 2007, through November, 2007, represent actual data while the December, 2007, through June, 2008, months represent projected numbers based on the average over the previous five months.

Staff Recommendation: Staff recommends that the Committee approve the request for a supplemental base reduction related to psychotropic medications for community corrections offenders. As such, staff recommends that the JBC approve *reducing* the appropriation in FY 2007-08 to the "Psychotropic Medication" line item by \$1,175,880 General Fund.

Supplemental Base Reduction # 3 — External Capacity Caseload

	Request	Recommendation
Total	(\$4,403,240)	(\$4,403,165)
FTE	<u>0.0</u>	<u>0.0</u>
General Fund	(7,259,605)	(7,259,530)
Cash Funds	0	0
Cash Funds Exempt	2,856,365	2,856,365
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
This request was submitted as "New Data" based on the December 2007 LCS prison population forecast, which was not available when the FY 2007-08 budget was established. Staff concurs with this assessment and believes that this request meets the supplemental criteria.	

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Background – External Capacity Subprogram Adjustments: Each year, the JBC typically adjusts the line items used to pay for inmates in external capacity, based on the most recent inmate population projection figures. As was discussed during the briefing for the Department of Corrections, the majority of state-owned and state-operated prison beds are full. Accordingly, fluctuations in the number of inmates directly affects the number of inmates (and the amount of resources) needed to reimburse local jails, private prisons, and community corrections placements for DOC inmates whose parole has been revoked pursuant to the provisions of S.B. 03-252. For FY 2007-08, the Department's bed plan has included some double bunking options for male offenders housed in DOC facilities.

Department Request: The Department requests a supplemental base reduction of \$4,403,240 total funds in FY 2007-08, including a reduction of \$7,259,605 General Fund and an increase of \$2,358,707 cash funds exempt. In addition, the request includes a budget amendment base reduction for FY 2008-09 in the amount of \$392,841. Finally, the Department requests a Long Bill footnote authorizing the transfer of up to \$2,000,000 in caseload savings from the External Capacity Subprogram each fiscal year, or requiring the Department to offset up to \$2,000,000 in unfunded caseload need in the External Capacity Subprogram with its personal services appropriation. The request is summarized in the following table.

Supplemental Base Reduction #3 – External Capacity Caseload					
(1) Management (B) External Capacity Subprogram (2) Payments to House State Prisoners	FY 2007-08 Long Bill (Total Funds)	1331 Supplemental Approved	FY 2007-08 Approp.	Sup. Request	Amended Total (w/Supp.)
Payments to local jails at rate of \$49.69 per inmate per day	6,885,991	0	6,885,991	1,684,242	8,570,233
Payments to private prisons at a rate of \$52.69 per inmate per day*	79,291,738	(899,938)	78,391,800	(299,524)	78,092,276
Payments to out-of-state private prisons at a rate of \$54.00 per inmate per day	10,382,742	0	10,382,742	(3,087,558)	7,295,184
Payments to pre-release parole revocation facility at a rate of \$52.69 per inmate per day	13,186,147	0	13,186,147	(2,041,632)	11,144,515
Community Corrections Programs	<u>4,725,382</u>	<u>0</u>	<u>4,725,382</u>	<u>(658,768)</u>	<u>4,066,614</u>
Total Funds	114,472,000	(899,938)	113,572,062	(4,403,240)	109,168,822

* The Long Bill appropriation for "Payments to private prisons at a rate of \$52.69 per inmate per day" includes \$76,933,031 General Fund and \$2,358,707 cash funds (federal funds credited to the State Criminal Alien Assistance Cash Fund). All other figures in this table reflect General Fund adjustments.

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Staff Analysis: Staff makes the following observations regarding this supplemental request.

1. *Supplemental Criteria Met.* Given the changes in the Department's bed plan for FY 2007-08, and the updated projections from LCS, staff believes that the supplemental criteria of "New Data" has been met. In addition, the Department included actual data through December 2007 for its request, making the request as current as possible. Also, the JBC staff recommendation used the LCS December 2007 inmate population projections.
2. *Useful to Save General Fund.* The Department has identified potential savings in FY 2007-08, based on its revised bed plan. Staff believes that it is appropriate to adjust the appropriation to reflect the anticipated need for resources for the External Capacity Subprogram.
3. *Revised Bed Plan Submitted.* To justify the request for this supplemental, the Department has provided JBC staff with a revised bed plan to justify changes in the appropriation for the External Capacity Subprogram in FY 2007-08. Although this plan is different from the one used to prepare the original budget for FY 2007-08, JBC staff believes that the revised plan is reasonable. Furthermore, JBC staff utilized this revised plan for purposes of calculating the estimated need for medical expenses. These recommendations are discussed elsewhere in this document.

Staff Recommendation: Staff recommends that the Committee approve a supplemental base reduction of \$4,403,165 total funds (see the following table). In addition, staff recommends the Committee approve the request for a Long Bill footnote authorizing the transfer of up to \$2,000,000 in caseload savings from the External Capacity Subprogram each fiscal year, or requiring the Department to offset up to \$2,000,000 in unfunded caseload need in the External Capacity Subprogram with its personal services appropriation.

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Supplemental Base Reduction #3 – External Capacity Caseload			
(1) Management (B) External Capacity Subprogram (2) Payments to House State Prisoners	Sup. Request	JBC Staff Recommendation	Difference
Payments to local jails at rate of \$49.69 per inmate per day	1,684,242	1,684,242	0
Payments to private prisons at a rate of \$52.69 per inmate per day	(299,524)	(299,471)	53
Payments to out-of-state private prisons at a rate of \$54.00 per inmate per day	(3,087,558)	(3,087,558)	0
Payments to pre-release parole revocation facility at a rate of \$52.69 per inmate per day	(2,041,632)	(2,041,632)	0
Community Corrections Programs	<u>(658,768)</u>	<u>(658,746)</u>	<u>22</u>
Total Funds	(4,403,240)	(4,403,165)	75

The JBC staff calculations are summarized on the following three pages.

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Projected monthly growth -- based on LCS December 2007 Adult Prison Population Projections

	Males	Females	Total
June 2008 Total Population Projection	20,926	2,396	23,322
June 2007 Total Population Actual	(20,178)	(2,341)	(22,519)
Total Projected Growth	748	55	803
Minus Growth to Community Corrections (M=10%; F=25%)	(75)	(14)	(90)
Net Growth to External Capacity	673	41	713
Total Growth	673	41	713
Divided by 12 months	÷ 12	÷ 12	÷ 12

TOTAL PROJECTED MONTHLY GROWTH	56	3	59
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Male Bed Plan (grow @ 56 inmates per month)								
	Double Bunk	Jail Backlog	Community	Private Prisons	Pre-Release	Oklahoma	Projected	
	June-07 (Beginning Population)	200	178	201	3,763	500	479	Net Growth
Monthly Change in Population	July-07	0	(33)	6	22	(2)	0	-
	August-07	0	40	5	(54)	(1)	1	-
	September-07	0	(6)	4	82	3	(1)	-
	October-07	0	0	(5)	7	(3)	(1)	-
	November-07	109	43	6	(109)	22	0	-
	December-07	85	(78)	0	0	49	0	-
	January-08	85	(55)	0	120	26	(120)	56
	February-08	61	(30)	0	0	25	0	56
	March-08	0	16	0	120	40	(120)	56
	April-08	0	36	0	0	20	0	56
	May-08	0	6	0	150	20	(120)	56
	June-08	0	3	0	150	21	(118)	56
June-08 (Ending Population)	540	120	217	4,251	720	0		
Capacity	540	n/a	265	4,452	750	720		
Available Beds in FY 2007-08	0	n/a	48	201	30	720		

Female Bed Plan (grow @ 3 inmates per month)						
	DWCF	Jail Backlog	Community	Private Prisons	Projected	
	June-07 (Beginning Population)	0	22	34	207	Net Growth
Monthly Change in Population	July-07	0	(13)	4	29	-
	August-07	0	9	0	7	-
	September-07	0	4	4	(12)	-
	October-07	0	8	3	4	-
	November-07	0	27	(1)	(3)	-
	December-07	0	(6)	0	9	-
	January-08	5	(10)	0	8	3
	February-08	5	(2)	0	0	3
	March-08	5	(2)	0	0	3
	April-08	5	(2)	0	0	3
	May-08	5	(2)	0	0	3
	June-08	5	(2)	0	0	3
June-08 (Ending Population)	30	31	44	249		
Capacity	160	n/a	35	272		
Available Beds in FY 2007-08	130	n/a	(9)	23		

(1) Male Bed Days						
	Double Bunk	Jail Backlog	Community	Private Prisons	Pre-Release	Okalahoma
July-07	6,200	5,007	6,324	116,994	15,469	14,849
August-07	6,200	5,115	6,495	116,498	15,423	14,865
September-07	6,000	5,460	6,420	113,160	14,955	14,385
October-07	6,200	5,549	6,619	118,312	15,454	14,834
November-07	7,635	6,015	6,420	112,965	15,240	14,340
December-07	10,897	5,673	6,727	115,041	16,849	14,818
January-08	13,532	3,612	6,727	116,901	18,011	12,958
February-08	14,776	2,146	6,293	111,099	17,589	10,382
March-08	16,740	2,077	6,727	120,621	19,809	9,238
April-08	16,200	2,790	6,510	118,530	20,070	7,140
May-08	16,740	3,534	6,727	124,806	21,359	5,518
June-08	16,200	3,555	6,510	125,280	21,285	1,770
Total Bed Days	137,319	50,532	78,498	1,410,207	211,511	135,096
Average Daily Population (ADP)	376	138	215	3,864	579	370

(2) Female Bed Days				
	DWCF	Jail Backlog	Community	Private Prisons
July-07	0	481	1,116	6,867
August-07	0	419	1,178	7,425
September-07	0	600	1,200	7,110
October-07	0	806	1,349	7,223
November-07	0	1,305	1,335	7,005
December-07	0	1,674	1,364	7,332
January-08	78	1,426	1,364	7,595
February-08	218	1,160	1,276	7,221
March-08	388	1,178	1,364	7,719
April-08	525	1,080	1,320	7,470
May-08	698	1,054	1,364	7,719
June-08	825	960	1,320	7,470
Total Bed Days	2,730	12,142	15,550	88,155

(1) Summary of Estimated Bed Days in External Capacity Subprogram (by Long Bill Line Item)						
	Bed Days			Plus Jail Regressions*	Total Bed Days	ADP
	Male	Female	Total			
Local Jails	50,532	12,142	62,674	109,800	172,474	471
In-State Private Prisons	1,410,207	88,155	1,498,362	0	1,498,362	4,094
Out-of-State Private Prisons	135,096	0	135,096	0	135,096	369
Pre-release Parole Revocation Facilities	211,511	0	211,511	0	211,511	578
Community RTC (S.B. 03-252 Beds)	78,498	15,550	94,048	0	94,048	257

* Based on the assumption that an average of 300 inmates per day are in local jails awaiting a parole revocation hearing.

(2) Summary of External Capacity Funding Recommendations				
	Daily Rate	General Fund	Cash Funds Exempt	Total Funds
Payments to Local Jails	\$49.69	\$8,570,233	\$0	\$8,570,233
Payments to In-State Private Prisons	\$52.69	\$76,589,987	\$2,358,707	\$78,948,694
Payments to Out-of-State Private Prisons	\$54.00	\$7,295,184	\$0	\$7,295,184
Payments to Pre-release Parole Revocation Facilities	\$52.69	\$11,144,515	\$0	\$11,144,515
Payments to Community RTC (S.B. 03-252 Beds)	\$43.24	\$4,066,636	\$0	\$4,066,636
Total		\$107,666,555	\$2,358,707	\$110,025,262

* The source of cash funds exempt is federal funds credited to the the State Criminal Alien Assistance Program Fund.

(3) Recommended Supplemental Appropriation			
	Current Appropriation	Estimated Need	Difference (Gen. Fund)
Payments to Local Jails	\$6,885,991	\$8,570,233	\$1,684,242
Payments to Private Prisons	\$78,391,800	\$78,092,329	(\$299,471)
Payments to Out-of-State Private Prisons	\$10,382,742	\$7,295,184	(\$3,087,558)
Payments to Pre-release Parole Revocation Facilities	\$13,186,147	\$11,144,515	(\$2,041,632)
Payments to Community RTC (S.B. 03-252 Beds)	\$4,725,382	\$4,066,636	(\$658,746)
Total	\$113,572,062	\$109,168,897	(\$4,403,165)

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Community Corrections Impact in Division of Criminal Justice: The appropriation to the "Transition Programs" line item within the Division of Criminal Justice (DCJ) is based upon the assumption that a certain percentage of the DOC inmate population will be placed in community corrections. For FY 2007-08, the JBC approved a policy of placing 11.25 percent of the inmate population in community corrections (6.75 percent in residential community placements and 4.5 percent in non-residential community placements).

The appropriation to the "Transition Programs" line item was based upon the LCS December 2006 prison population forecast. Accordingly, the line item was set for a average daily population (ADP) of 23,659 total inmates. Under the assumption that 6.75 percent of the inmate population will be in community corrections, the appropriation was set for an ADP in residential community corrections of 1,597. However, based upon the LCS December 2007 prison population forecast there will be an ADP of only 22,825 total inmates in FY 2007-08. Therefore, under the 6.75 percent assumption, only 1,540 inmates will be in community corrections - a difference of 57 inmates from the appropriated level (see the following table).

Community Corrections Residential ADP			
	Dec. LCS Projection	Comm. Corr. ADP	Percent
June 30, 2007	22,519		
June 30, 2008	23,322		
Avg. Daily Pop. (ADP)	22,921	1,547	6.75%
Minus Recidivism Reduction Package Bed Savings	<u>(96)</u>	<u>(7)</u>	6.75%
Recommended ADP	22,825	1,540	6.75%
Minus Current Allocation	<u>(23,659)</u>	<u>(1,597)</u>	
Net Change	(835)	(57)	

Statutory Flexibility: The appropriations for transition and diversion community corrections beds can statutorily be transferred between the "Transition Programs" line item and the "Diversion Programs" line item. Pursuant to Section 17-27-108 (5), C.R.S., the Division of Criminal Justice may transfer up to 10 percent of the appropriations among line items for community corrections programs. This section reads as follows:

(5) The division of criminal justice is authorized to transfer up to ten percent of annual appropriations among or between

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line items for community corrections program services. Advance notice of such transfers shall be provided to the general assembly, the governor, the executive director of the department of corrections, and the chief justice of the supreme court.

Therefore, although DCJ may be over-appropriated in the "Transition Programs" line item, the Division is provided the flexibility to transfer that over-appropriation to the "Diversion Programs" line item to fund additional diversion community corrections beds. Generally, each year the Division transfers some moneys to fund additional diversion community corrections beds because there is a much higher demand for those beds.

Options: Staff believes there are three options for the JBC to consider with regard to community corrections appropriations:

1. Reduce the appropriation to the Division of Criminal Justice by \$775,648 General Fund (see the following table). This option would provide additional General Fund for other priorities in the State. However, staff has concerns that reducing the Division's appropriation will limit its ability to fund additional diversion community corrections beds. Given that community corrections beds are less costly than prison beds, staff does not believe that a reduction is warranted.

(4) Division of Criminal Justice – (D) Community Corrections Transition Programs (Residential Placements)						
Type of Placement	Long Bill			Revised		
	Beds/Slots	Daily Rate	Approp.	Beds/Slots	Daily Rate	Cost
Continuation Beds	1,523	\$37.18	20,724,801	1,597	\$37.18	21,731,784
Add'l Beds for Caseload	74	\$37.18	1,006,983	(57)	\$37.18	(775,649)
Sub-total Beds	1,597		21,731,784	1,540		20,956,135
Parole Beds	80	\$37.18	1,088,630	80	\$37.18	1,088,630
Sex Offender Beds	10	\$37.18	136,079	10	\$37.18	136,079
CIRT Slots (diff. rate)	98	\$17.52	628,407	98	\$17.52	628,407
Total	1,687		23,584,899	1,630		22,809,251
Difference						(775,648)

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2. Transfer the over-appropriation (\$775,648 General Fund) from the "Transition Programs" line item to the "Diversion Programs" line item. This would "true up" the "Transition Programs" line item appropriation with the LCS December 2007 prison population forecast and would also provide additional funding for diversion community corrections beds. Although this option may provide better integrity among the Long Bill line items, it would have no impact on the Division's spending because DCJ is already provided the flexibility to transfer up to 10 percent of the community corrections appropriations. Because the Division does not usually transfer the maximum amount allowed, this over-appropriated amount would simply become a part of their typical transfer process.
3. Increase the assumed percentage for residential transition community corrections beds. The current funded percentage is 6.75 percent. Based on a projected inmate ADP of 23,659, the current appropriation for transition beds assumes an ADP of 1,597. Because the LCS December 2007 prison population forecast has revised the projected inmate ADP to 22,825, the appropriated ADP of 1,597 would result in a new assumed percentage in residential transition community corrections beds of 7.0 percent.

Staff Recommendation: Staff recommends the Committee approve increasing the assumed percentage of the DOC inmate population in community corrections from 11.25 percent (6.75 percent in residential community placements and 4.5 percent in non-residential community placements) to 11.5 percent (7.0 percent in residential community placements and 4.5 percent in non-residential community placements).

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Supplemental Base Reduction #4 - Medical/Pharmacy POPM Adjustments

	Request	Recommendation
Total	(\$362,127)	(\$362,129)
FTE	<u>0.0</u>	<u>0.0</u>
General Fund	(362,127)	(362,129)
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

<p>Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]</p> <p>This request was submitted as "New Data" based on revised estimates of costs per offender for the provision of medical services to the inmate population. Changes in the bed plan have also occurred. Staff concurs with this assessment and believes that this request meets the supplemental criteria.</p>
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Department Request: The Department requests a supplemental base reduction of \$362,127 General Fund in FY 2007-08 for various line items in the Medical Services Subprogram. These adjustments are requested to reflect two sources of new information:

1. Updated per offender per month (POPM) costs for the line items; and
2. Updated information regarding the number of eligible inmates covered by the respective line items.

See the following tables for a summary of the requested adjustments.

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Supplemental Base Reduction #4 — Medical/Pharmacy POPM Adjustments			
Line Item	FY 2007-08 Long Bill	Supplemental Request	Amended Request
Purchase of Pharmaceuticals	10,647,119	(647,297)	9,999,822
Purchase of Medical Services from Other Medical Facilities	22,247,012	(3,104,826)	19,142,186
Purchase of Medical Services from State Hospital	1,093,116	435,332	1,528,448
Catastrophic Medical Expenses	<u>6,546,300</u>	<u>2,954,664</u>	<u>9,500,964</u>
Total Funds	40,533,547	(362,127)	40,171,420

Supplemental Base Reduction #4 — Medical/Pharmacy POPM Adjustments Summary of Requested Changes							
Line Item	Long Bill		Supplemental Request		Difference		Change Requested
	Per Offender Per Month	Eligible Inmates	Per Offender Per Month	Eligible Inmates	Per Offender Per Month	Eligible Inmates	
Pharmaceuticals	\$58.12	15,266	\$56.50	14,749	(\$1.62)	(517)	(\$647,297)
Other Medical Facilities							
Base Cost	\$77.84		\$67.45		(\$10.39)		
Administrative Fee*	\$7.74		\$7.74		\$0.00		
Security Fee	<u>\$2.76</u>		<u>\$2.76</u>	20,090	<u>\$0.00</u>		
Other Med. Subtotal	\$88.34	20,656	\$77.95	20,090	(\$10.39)	(566)	(\$3,104,826)
State Hospital	\$4.41	20,656	\$6.34	20,090	\$1.93	(566)	\$435,332
Catastrophic Expenses	\$26.41	20,656	\$39.41	20,090	\$13.00	(566)	\$2,954,664
Total General Fund Change Requested							(\$362,127)

* The appropriation includes \$350,000 for a managed care incentive payment.

Staff Analysis: Staff makes the following observations regarding this supplemental base reduction.

1. *Supplemental Criteria Met.* Two factors contribute to the estimated change in funding needs for the provision of medical services to the inmate population - POPM rate changes and population changes. Each of these factors meets the supplemental criteria.

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- a. *POPM Rate Changes.* The Department's requested supplemental appropriation reflects the per offender per month (POPM) costs as of November 2007. These POPM figures were used to calculate the staff recommended adjustments for the respective line items. Staff believes this portion of the request meets supplemental criteria of "New Data". **Staff recommends that the JBC utilize the adjusted POPM estimates provided by the Department.**
 - b. *Population Changes.* The original appropriation was based on the December 2006 LCS population projections and the Department's March 2007 bed plan. Based on the revised bed plan and the December 2007 LCS population changes, the number of inmates eligible to receive medical care from the Department has changed. As such, staff believes this portion of the request meets supplemental criteria of "New Data". **Staff recommends that the JBC use the adjusted estimates for the eligible population** (see detailed calculations in Bullet Point #2).
2. *Eligible Population.* Based on the Department's revised bed plan and the LCS December 2007 population projections, staff estimates that the caseload of eligible offenders has changed. The change is reflected in the following table.

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Summary of Inmate Population Estimates Used for Line Items in the Medical Services Subprogram			
	Long Bill	Revised Estimates	Difference
LCS June 2006 Projections	23,065	22,519	(546)
LCS June 2007 Projection	24,448	23,322	(1,126)
Avg. Daily Population (w/o YOS)	23,757	22,921	(836)
Plus Y.O.S. Population	<u>168</u>	<u>176</u>	<u>8</u>
DOC Jurisdictional Population	23,925	23,097	(828)
Jail Population	(211)	(171)	40
S.B. 03-252 Population	(300)	(257)	43
Minus Projected Cost Avoidance for Governor's Recidivism Reduction Package	(85)		
Community Corrections Population (11.25%)	<u>(2,673)</u>	<u>(2,579)</u>	<u>94</u>
Medical Services Population	20,656	20,090	(566)
In-State Private Prison Population	(4,181)	(4,094)	87
Out-of-State Private Prison Population	(525)	(369)	156
Pre-release Parole Revocation Population	<u>(684)</u>	<u>(878)</u>	<u>(194)</u>
Pharmaceutical Population	15,266	14,749	(517)

Staff Recommendation: Staff recommends that the committee approve a supplemental base reduction of \$362,129 General Fund (see the following table). The calculations for this recommendation are based on the Department's revised bed plan, the LCS December 2007 population projections, and the Department's revised cost estimates for the provision of medical services to the inmate population.

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Supplemental Base Reduction #4 — Medical/Pharmacy POPM Adjustments Summary of Recommended Changes							
Line Item	Total Recommendation					Long Bill General Fund	Recommended Change
	POPM	Eligible Inmates	Base Need	Managed Care	Total		
Pharmaceuticals	\$56.50	14,749	\$9,999,822	\$0	\$9,999,822	\$10,647,119	(\$647,297)
Other Medical Facilities							
Base Cost	\$67.45						
Administrative Fee	\$7.74						
Security Fee*	<u>\$2.76</u>						
Other Med. Subtotal	\$77.95	20,090	\$18,792,186	\$350,000	\$19,142,186	\$22,247,012	(\$3,104,826)
State Hospital	\$6.34	20,090	\$1,528,447	\$0	\$1,528,447	\$1,093,116	\$435,331
Catastrophic Expenses	\$39.41	20,090	\$9,500,963	\$0	\$9,500,963	\$6,546,300	\$2,954,663
Total General Fund Change Recommended							(\$362,129)

Previously Approved 1331 Supplemental — Parole and Parole ISP

	Request	Recommendation
Total	\$0	\$0
FTE	<u>5.5</u>	<u>5.5</u>
General Fund	0	0
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

Department Request: On August 9, 2007, the Department requested an appropriation of \$899,938 General Fund and 7.3 FTE for the Parole and Parole ISP Subprograms based on higher than anticipated caseload with a corresponding reduction of \$899,938 General Fund in the External Capacity Subprogram based on lower than anticipated caseload.

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The Department's supplemental request included funding for six months but an FTE level for eight months. This was a technical error that occurred during the request process. Therefore, staff recommended and the Committee approved 5.5 FTE, rather than the 7.3 FTE that were requested.

Staff Recommendation: Staff recommends that 5.5 FTE be included in the FY 2007-08 supplemental bill for the Department of Corrections, as previously approved by the JBC.

Statewide Common Policy Supplemental Requests

These requests are not prioritized and are not analyzed in this packet . These items will be acted on separately by the JBC when it makes a decision regarding common policies.

Department of Correction's Portion of Statewide Supplemental Requests	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	Total	FTE
1. ALJ Adjustments	(\$1,141)	\$0	\$0	\$0	(\$1,141)	0.0
2. Capitol Complex Leased Space	54,976	0	(20,041)	0	34,935	0.0
3. Communication Services	55,620	0	0	0	55,620	0.0
4. Multiuse Network Payments	116,398	0	6,606	0	123,004	0.0
5. Risk Management	165,699	0	5,672	0	171,371	0.0
6. Workers' Compensation	(545,508)	0	(18,674)	0	(564,182)	0.0
7 GGCC	155,043	0	0	0	155,043	0.0
8. Vehicle Lease Payments	(232,273)	0	0	0	(232,273)	0.0
Total Statewide Supplemental Requests for Department of Corrections	(231,186)	0	(26,437)	0	(257,623)	0.0

Staff Recommendation: The staff recommendation for these requests is pending Committee approval of common policy supplementals. Staff asks permission to include the corresponding appropriations in the Department's supplemental bill when the Committee approves this common policy supplemental. If staff believes there is reason to deviate from the common policy, staff will appear before the Committee later to present the relevant analysis.

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Previously Approved 1331 Supplemental – Refinance Public School Funding for FY 2006-07

	Previously Approved for FY 2006-07	Changes That Will Be Reflected in Supplemental
Total	(\$3,452,093)	(\$3,452,093)
FTE	<u>0.0</u>	<u>0.0</u>
General Fund	(3,452,093)	(3,452,093)
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

Description of Supplemental: In June 2007, the Joint Budget Committee approved a number of supplemental requests for *FY 2006-07*. The Committee also approved a request to offset other approved changes in General Fund appropriations by adjusting the fund sources for the State Share of Districts' Total Program Funding. Specifically, the Committee approved a \$8,848,844 net increase in the General Fund appropriation for the State Share, and a \$8,848,844 decrease in the cash funds exempt appropriation from the State Education Fund for the State Share. This adjustment included: (1) a reduction of \$64,692 General Fund (to offset the approved increase in the General Fund appropriation to the Department of Education for risk management); (2) an increase of \$3,452,093 General Fund (to offset approved reductions in various appropriations to the Department of Corrections based on anticipated reversions); and (3) an increase of \$5,461,443 General Fund (to offset approved reductions in various appropriations to the Department of Human Services based on anticipated reversions).

Staff Recommendation: Staff recommends that a reduction of \$3,452,093 General Fund be included as an "add-on" to the FY 2007-08 supplemental bill for the Department of Corrections, as previously approved by the JBC.