



Background Briefing

CORRECTIONS

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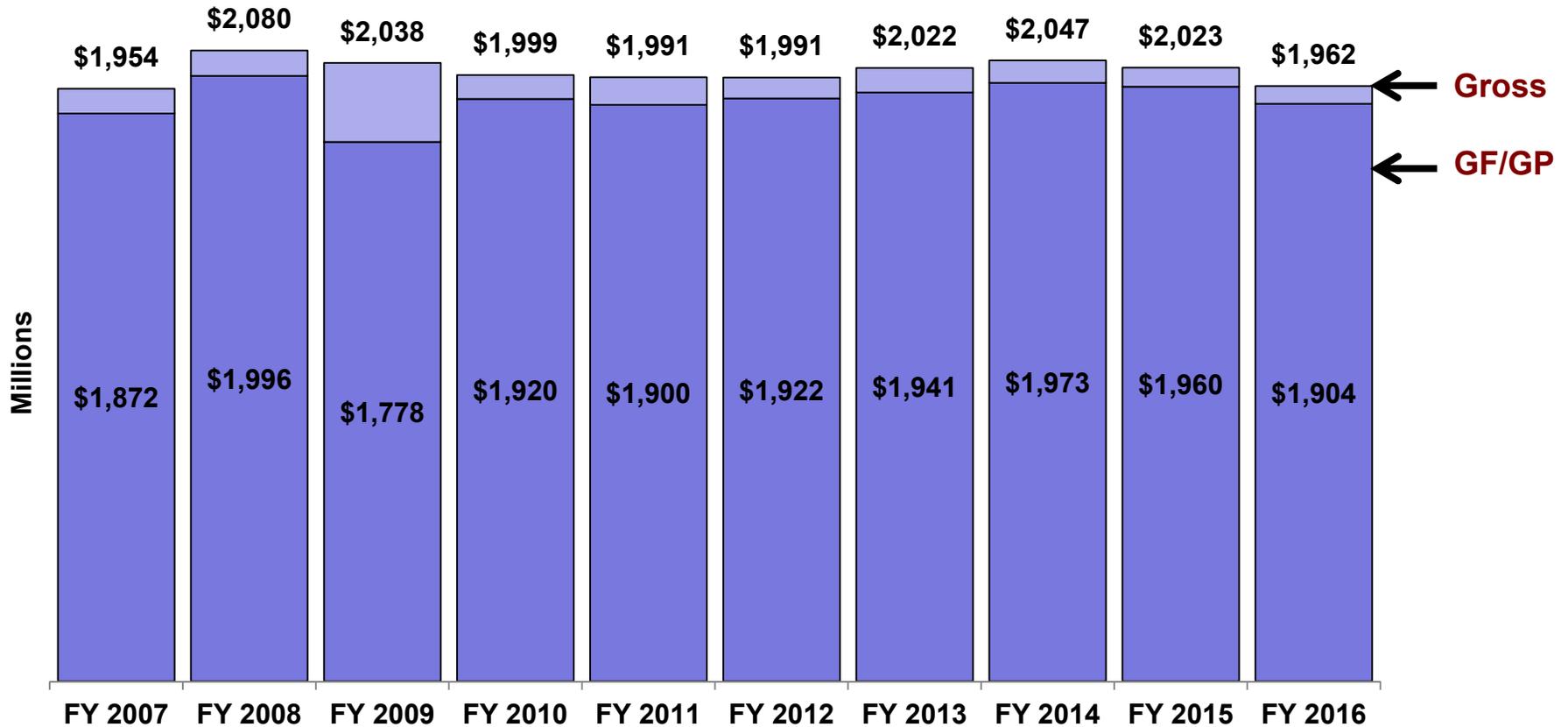
December 2015

Department of Corrections

- Mission of the department is to “create a safer Michigan by holding offenders accountable while promoting their success”
- Major departmental functions include:
 - Operation of all state correctional institutions under the department’s jurisdiction, including physical and mental health care, education, job training, and other programs for prisoners
 - Monitoring and supervision of all parolees and probationers under the department’s jurisdiction
 - Oversight over community corrections programs, prisoner reentry programs, and grant programs designed to encourage alternatives to prison placement for appropriate offenders

Corrections: Gross Appropriations

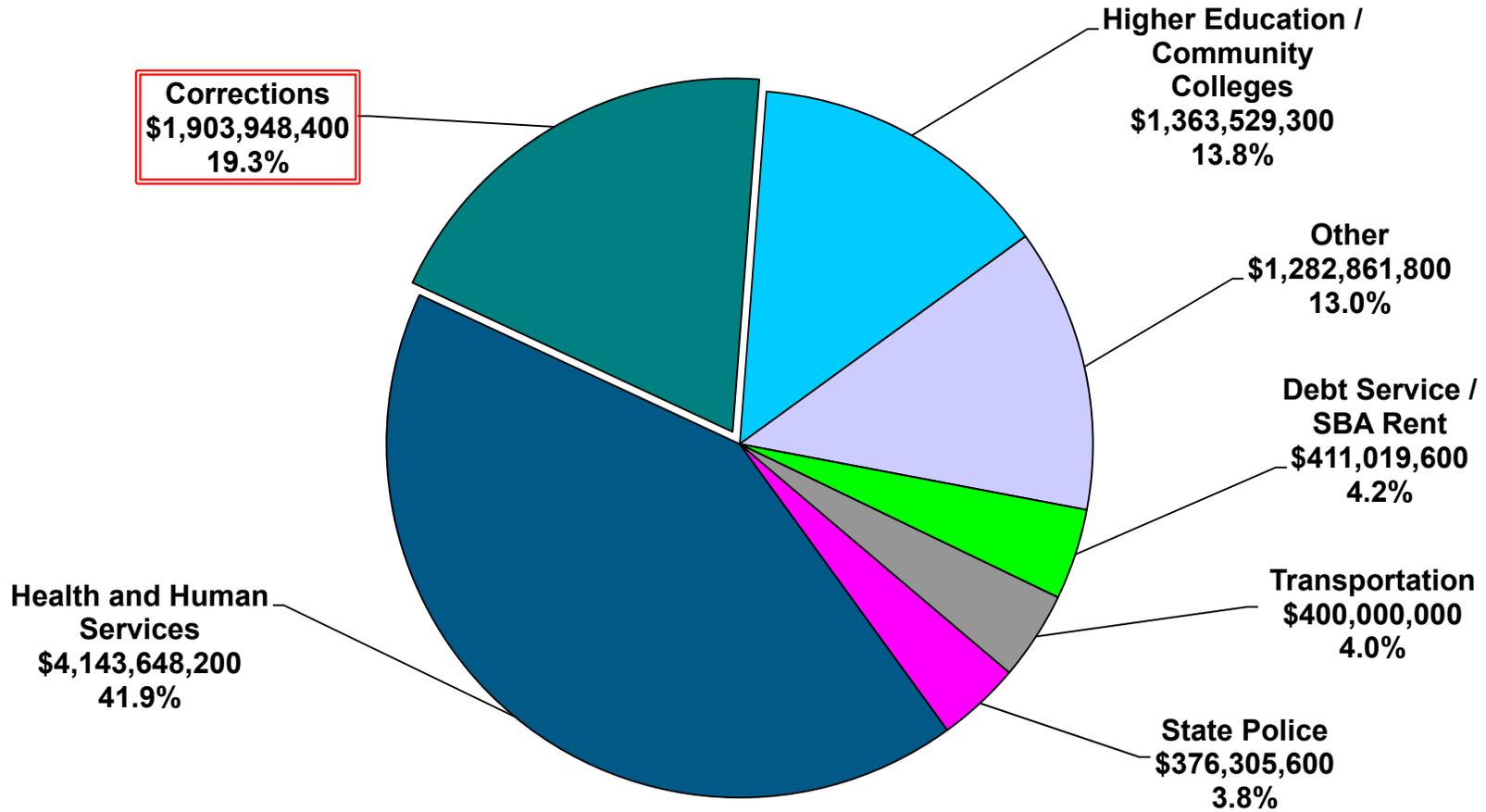
In FY 2016, total Corrections funding was reduced by \$61.0 million Gross (\$56.2 million GF/GP) from the prior year. The reduction is primarily reflective of facility operating efficiencies and cost controls, anticipated savings from a more unified approach to health care services, and removing one-time appropriations. Starting with FY 2012, appropriations to pre-fund “Other Post-Employment Benefits” (OPEB) are included. One-time appropriations of \$14.4 million Gross (\$14.0 million GF/GP), \$9.0 million Gross (\$9.0 million GF/GP), and \$27.1 million Gross (\$27.1 million GF/GP) are included in FY 2013, FY 2014, and FY 2015 respectively.



Corrections Share of State GF/GP

Corrections makes up 19.3% of the total state GF/GP budget, the second largest share.

FY 2015-16 GF/GP Total = \$9,881,312,900



SOURCES OF FUNDING

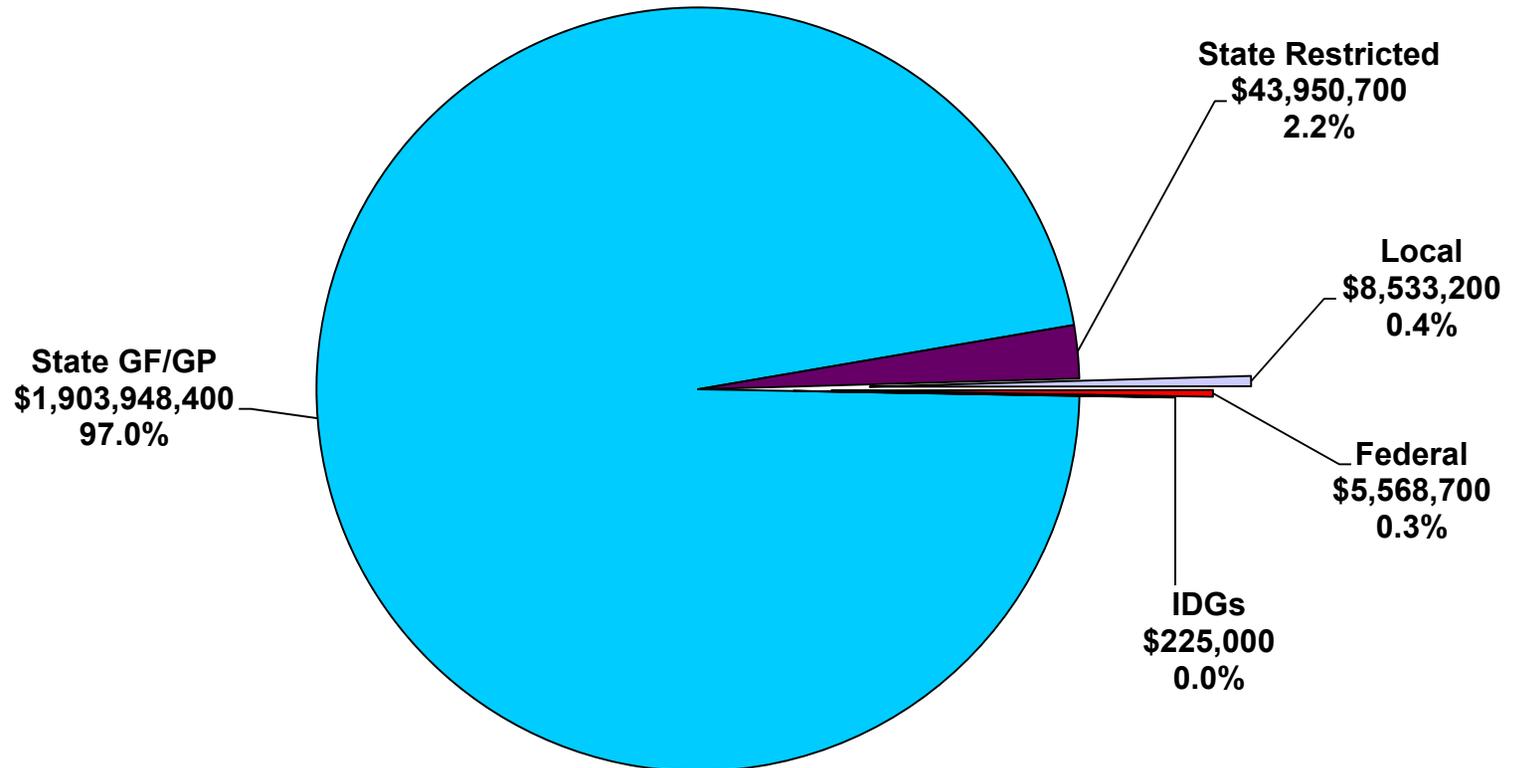
Corrections Funding Sources

- ***State general fund/general purpose:*** accounts for 97.0% of budget
- ***State restricted revenues:*** include Program and Special Equipment Fund revenues generated from prisoner telephone surcharges, offender fees/reimbursements, prison industries and prison store revenues, public works user fees, and civil infraction fee revenue earmarked to the County Jail Reimbursement Program
- ***Federal revenues:*** include grants for education, substance abuse treatment, and prisoner reintegration programs; payments under the school breakfast and lunch programs; and reimbursements for housing criminal aliens and federal prisoners
- ***Local revenues:*** represent funding received from the City of Detroit to pay for MDOC staffing at the City of Detroit Detention Center and fees paid by local units of government for rental of electronic monitoring equipment

Corrections Funding Sources

The Corrections budget is primarily financed with state general fund/general purpose revenue.

FY 2015-16 Corrections Budget = \$1,962,226,000



APPROPRIATION AREAS

Corrections Appropriations

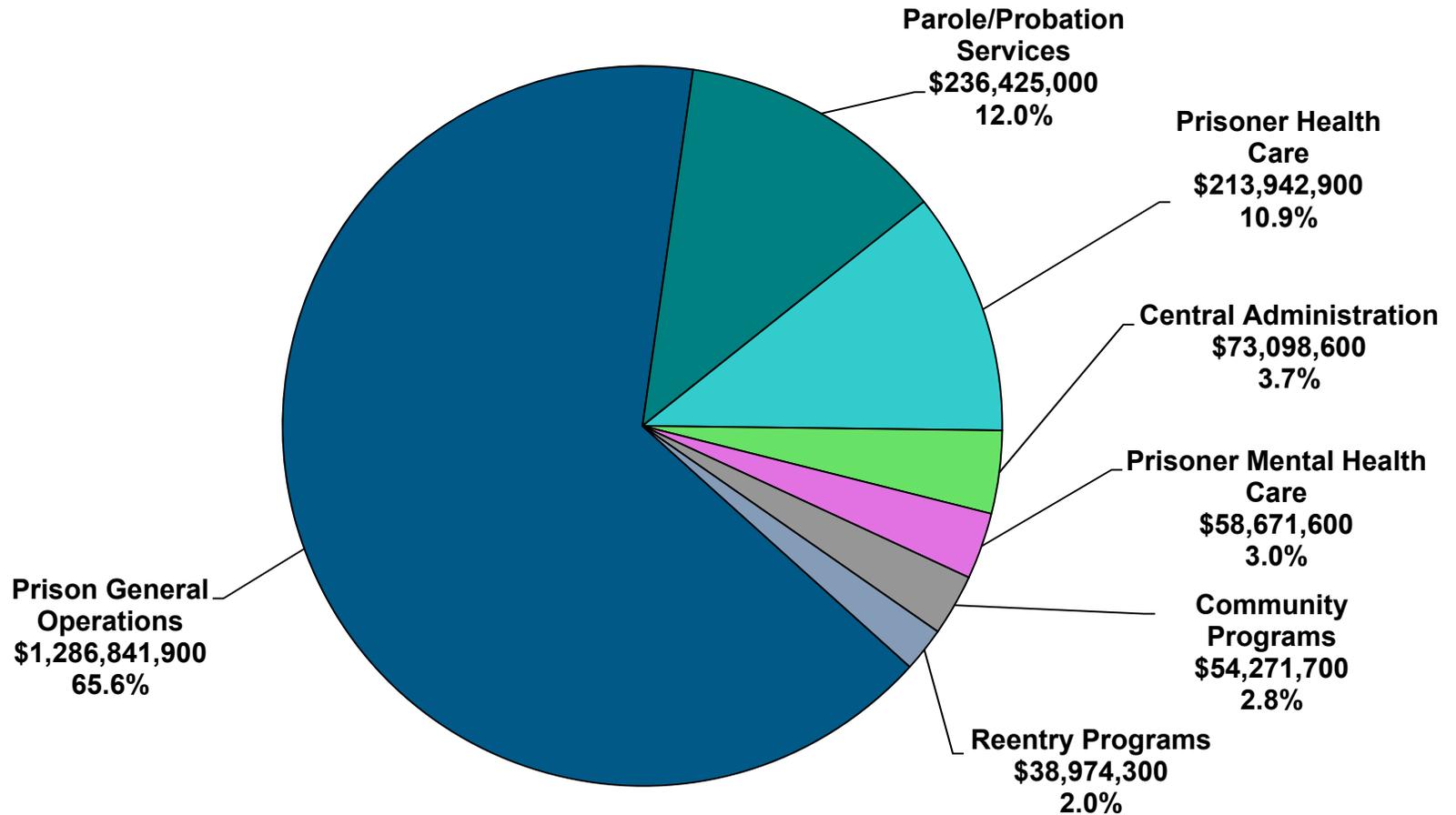
The Corrections budget is allocated into the following major spending areas:

- ***Prison Operations***: operations of the state's correctional facilities, including physical and mental health care for prisoners, prison food service, prisoner programming (including education and job training), and prisoner transportation
- ***Parole and Probation Services***: supervision and monitoring of parolees and probationers
- ***Prisoner Reentry Programs***: prisoner reintegration programs aimed at reducing recidivism through prisoner assessment, case management, and delivery of services
- ***Community Programs***: programs to provide alternatives to incarceration including community corrections programs, residential services, County Jail Reimbursement Program, and Felony Drunk Driver Jail Reduction Program
- ***Central Administration***: general administrative functions (e.g., Executive office, finance and accounting, information technology, legal affairs)

Corrections Appropriations

Almost 80% of the Corrections budget is allocated to prison operations, including physical and mental health care for prisoners.

FY 2015-16 Corrections Budget = \$1,962,226,000



MAJOR BUDGET TOPICS

OFFENDER POPULATION AND GROWTH

The Offender Population

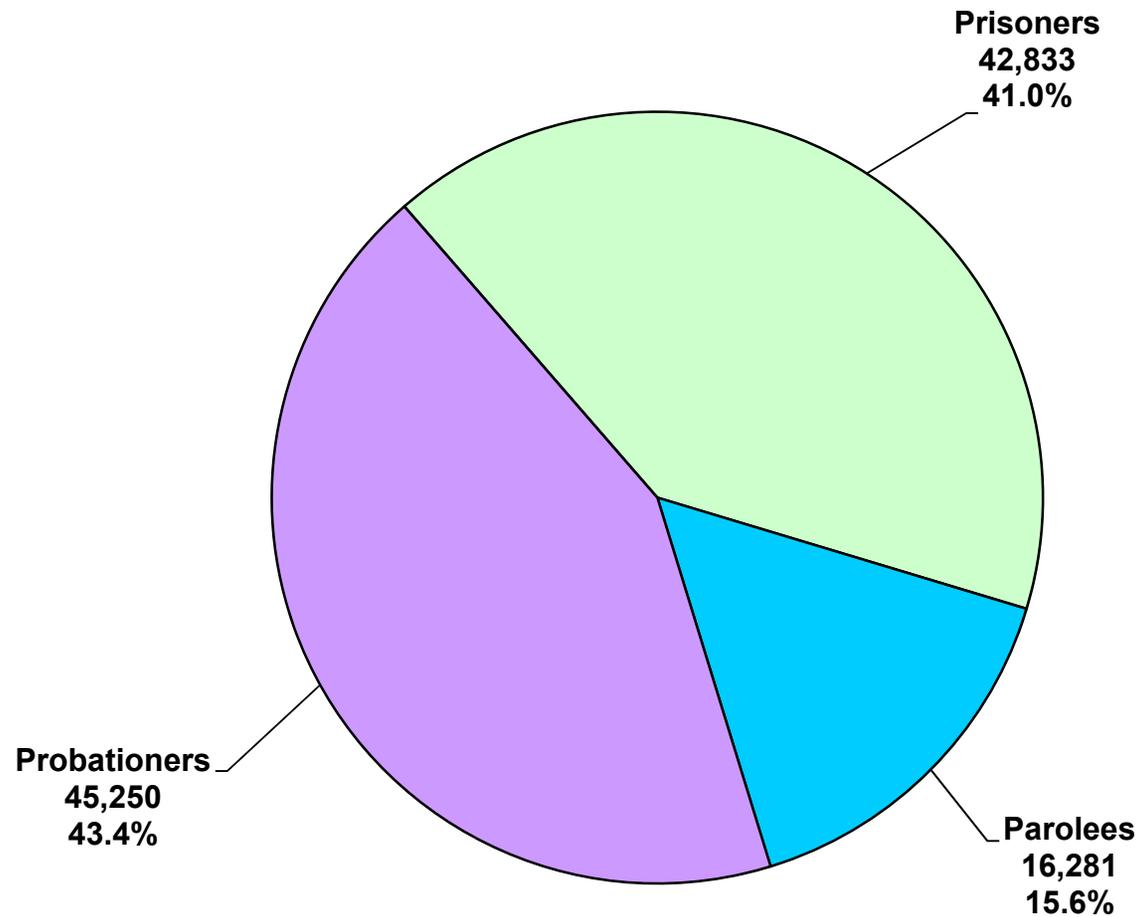
- ***Prisoners:***
 - Felony offenders committed to the jurisdiction of the MDOC
 - Housed in prisons and special alternative incarceration

- ***Probationers:***
 - Felony offenders sentenced to a probationary term of supervision in the community
 - Supervised by MDOC field agents

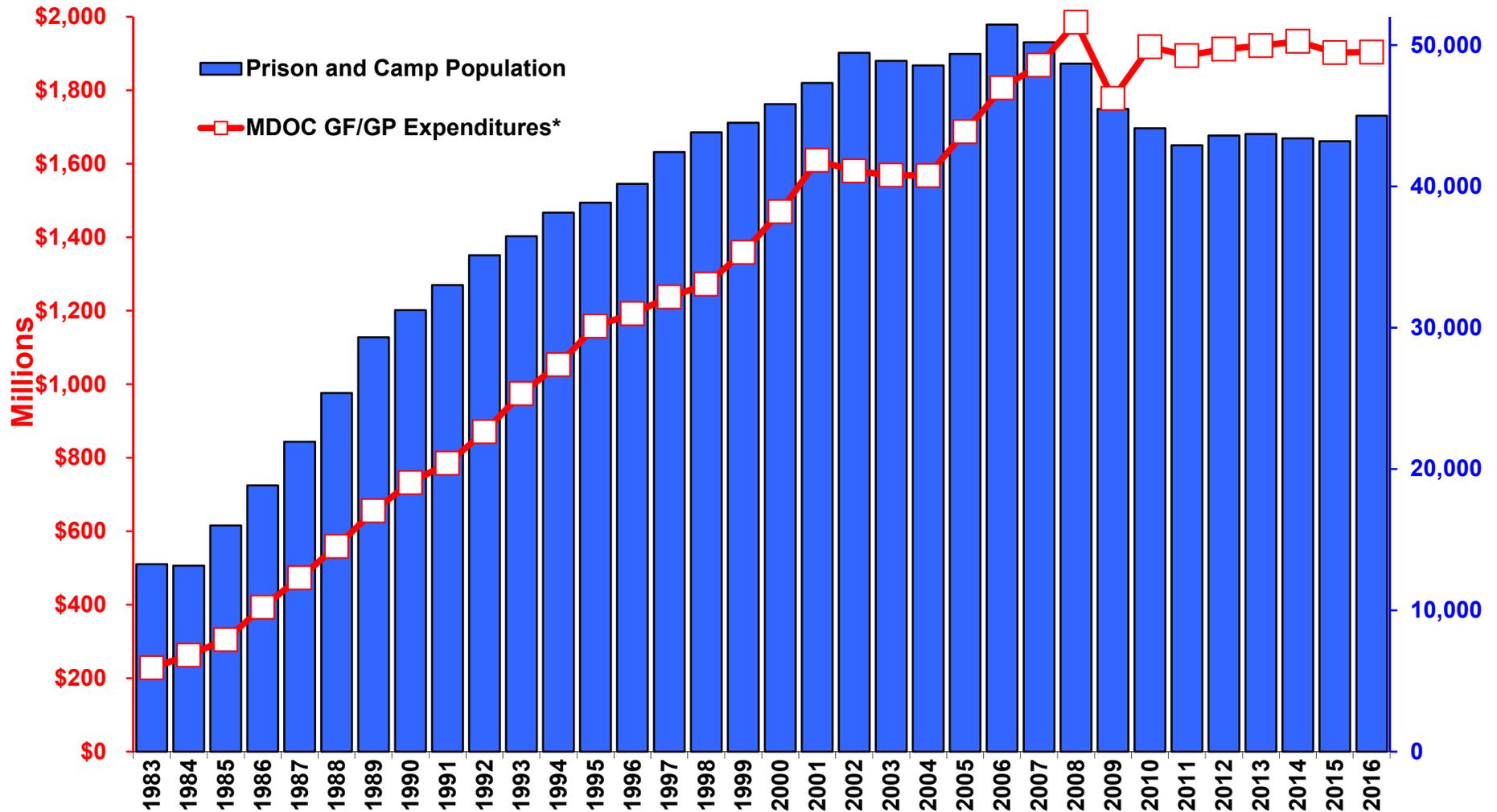
- ***Parolees:***
 - Prisoners who have served at least their minimum term and who have been released to a period of supervision in the community
 - Supervised by MDOC field agents

MDOC Supervised Population

December 1, 2015 Total = 104,364



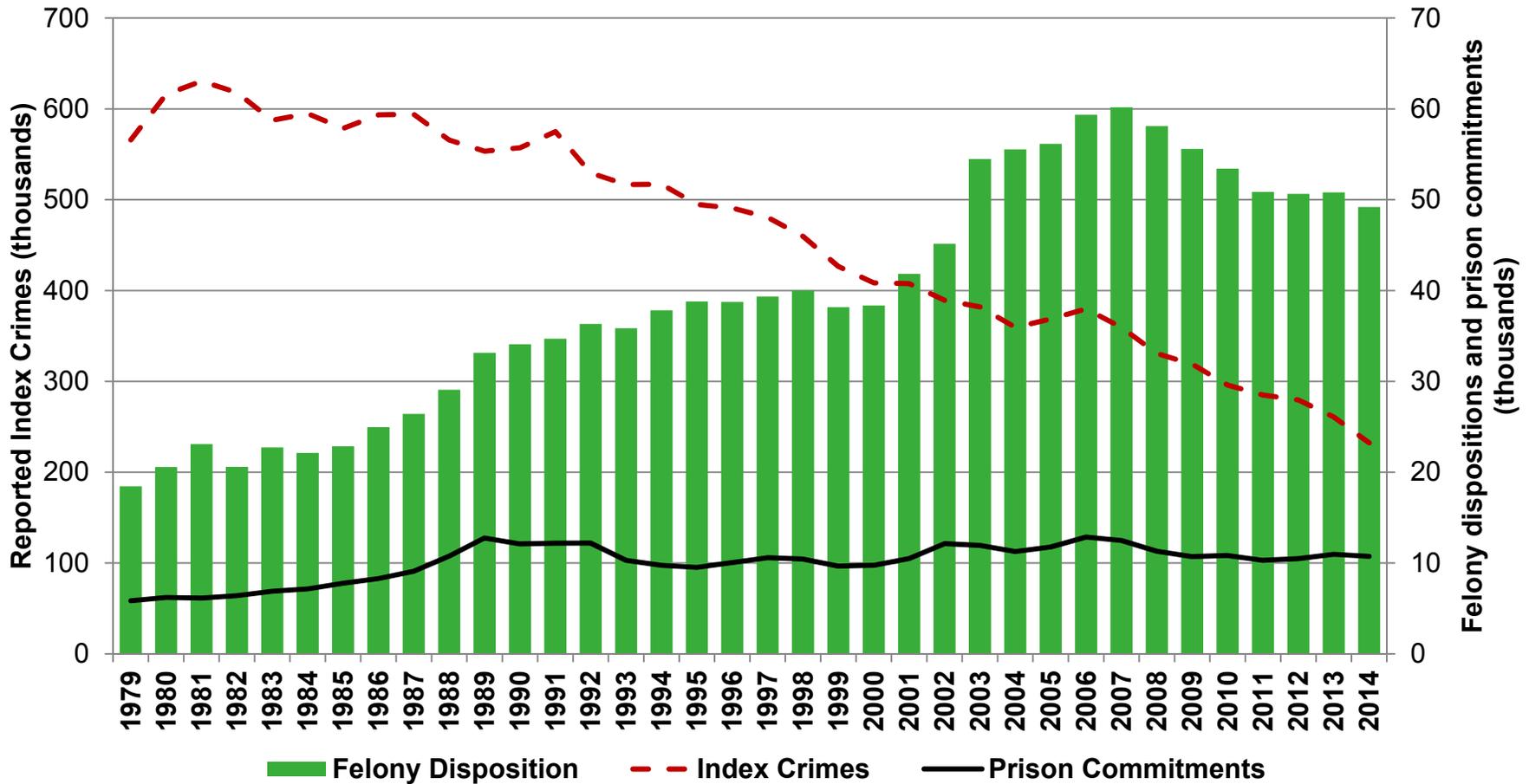
Growth in MDOC GF/GP Spending and the Prisoner Population



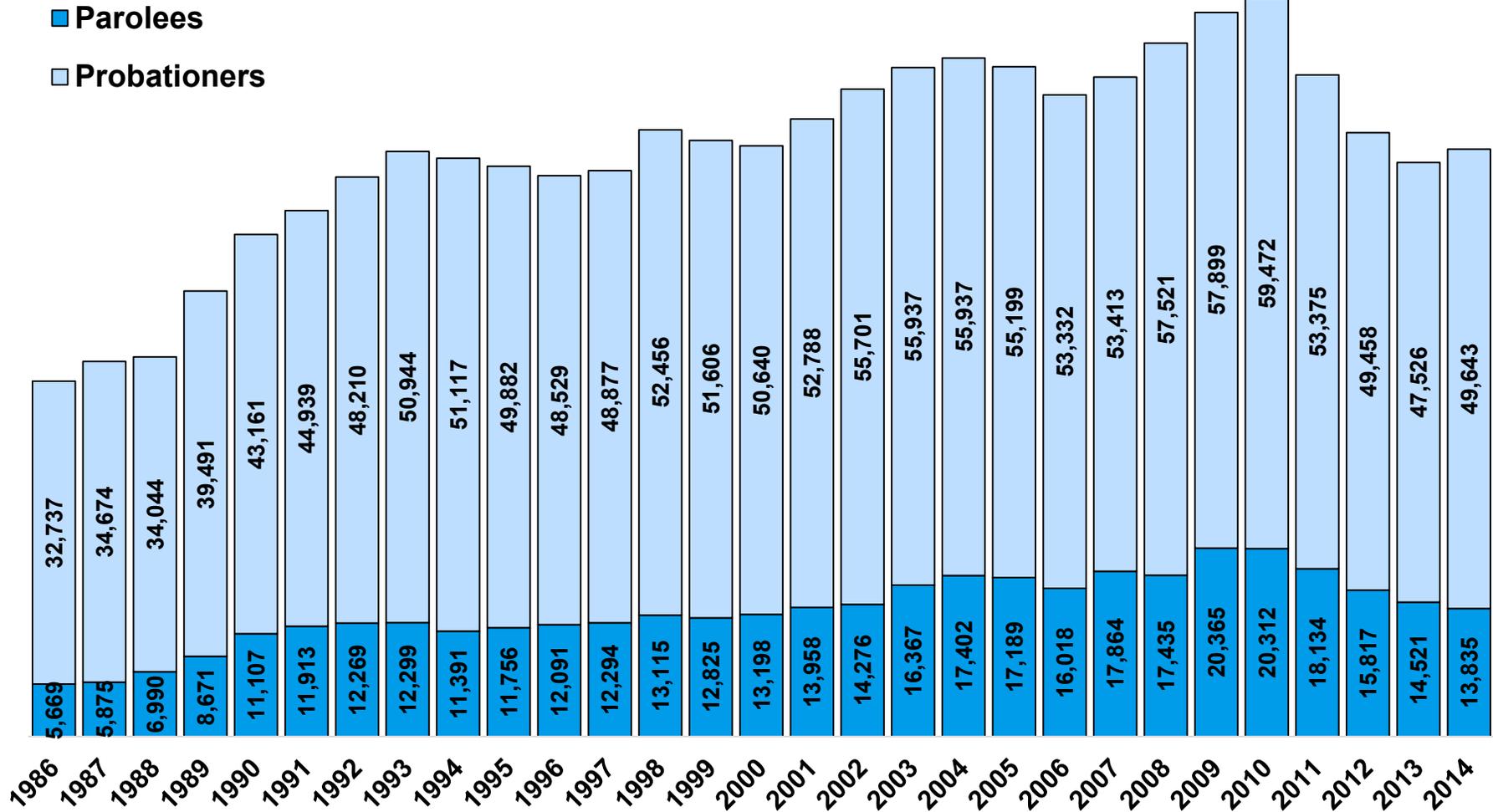
* FY 2016 based on year-to-date GF/GP appropriation and budgeted prisoner count.

Crime and Prison Commitments

While reported index crimes have decreased since around 1980, felony offender dispositions had increased steadily until 2007, at which time the trend reversed. Prison commitments increased during the 1980s and have fluctuated around a slightly steadier trend level since the late 1980s.



Parole and Probation Populations



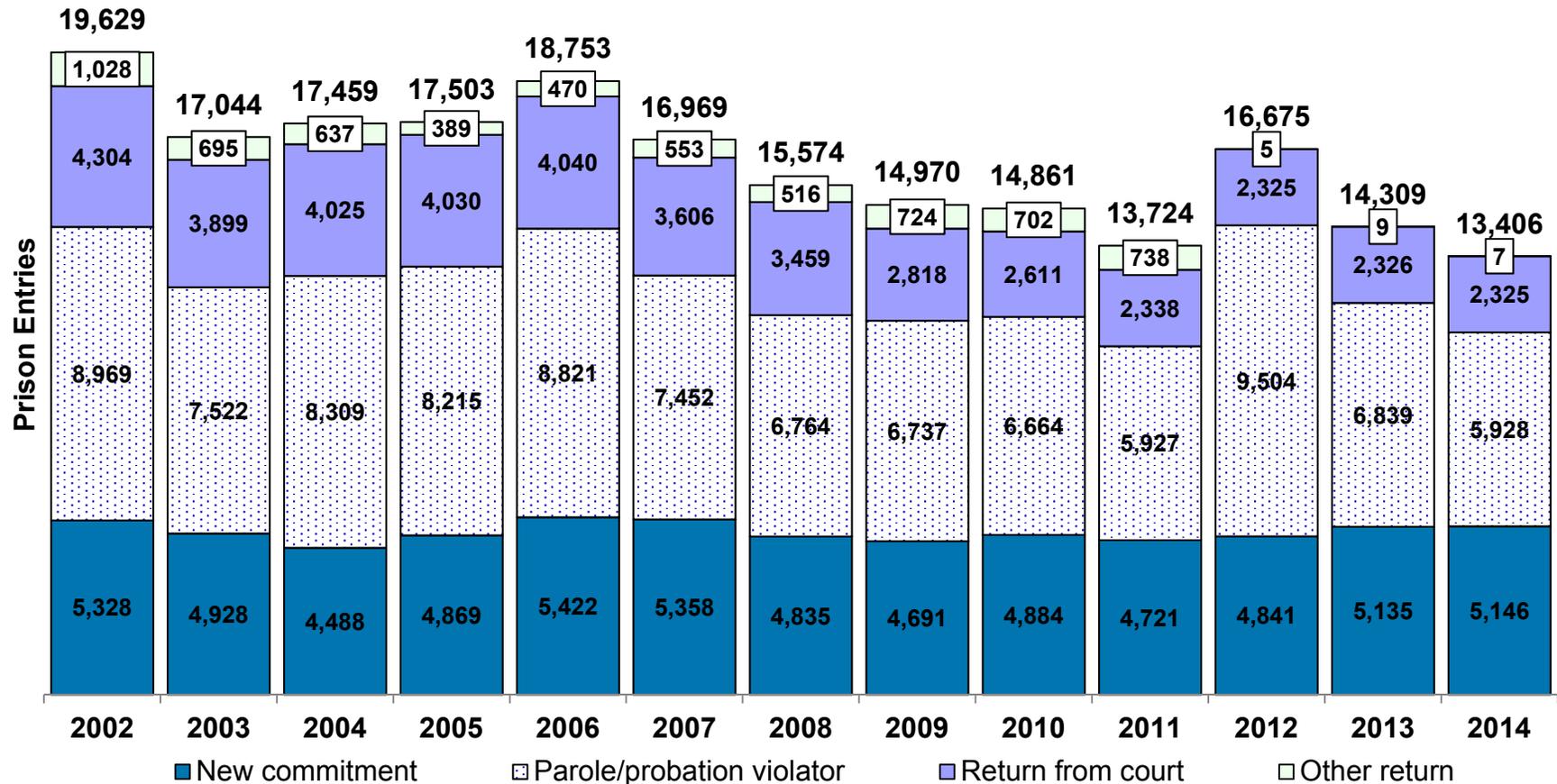
Source: MDOC Annual Statistical Reports

Recent Prison Population Changes

- Changes in the prison population are a function of the movement of offenders into and out of the system
- Entering the system:
 - New court commitments: felony offenders sentenced to prison
 - Parole/probation violators: sent to prison due to new sentences or technical violations
 - Court returns: prisoner returns from court (sometimes with additional sentence imposed)
 - Other returns: from community placement, from county jail, from mental health hospital, from escape of MDOC custody
- Exiting the system:
 - Parolees: granted parole by Michigan Parole Board
 - Released to court: for new trial or appeal
 - Community Residential Program: community supervision prior to truth-in-sentencing
 - Discharged at maximum sentence
 - Other exit: death, temporary county jail stay, release to mental health hospital, escape

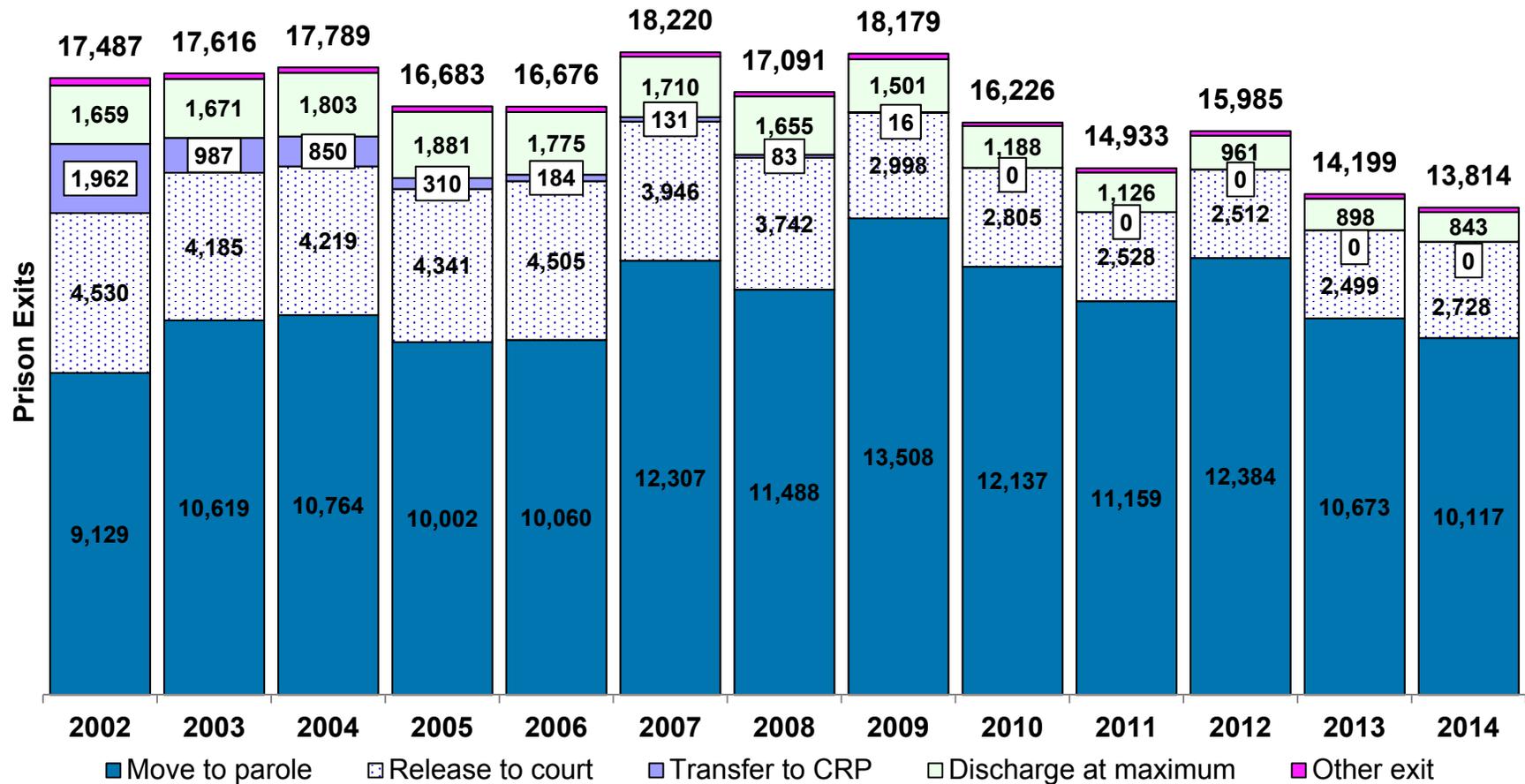
Entry into Prison System

Parole and probation violators continue to make up the largest group of people entering into the prison system. The numbers of people with new court commitments and those who are returned from court have fluctuated, but have held to trend.



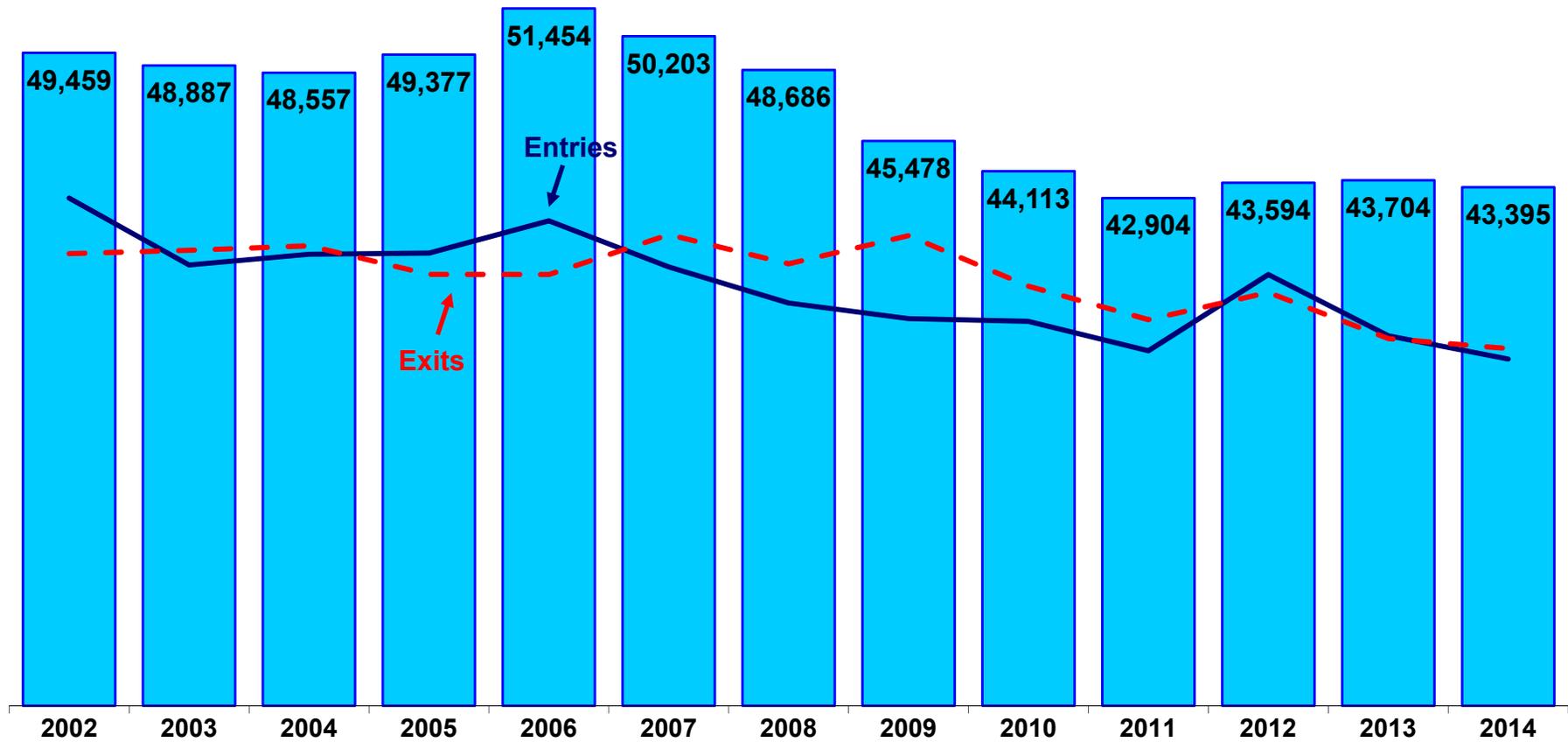
Exits from Prison System

The number of approved paroles has offset the reduction of transfers to community residential programs that have resulted from truth-in-sentencing.



Michigan's Prison and Camp Population

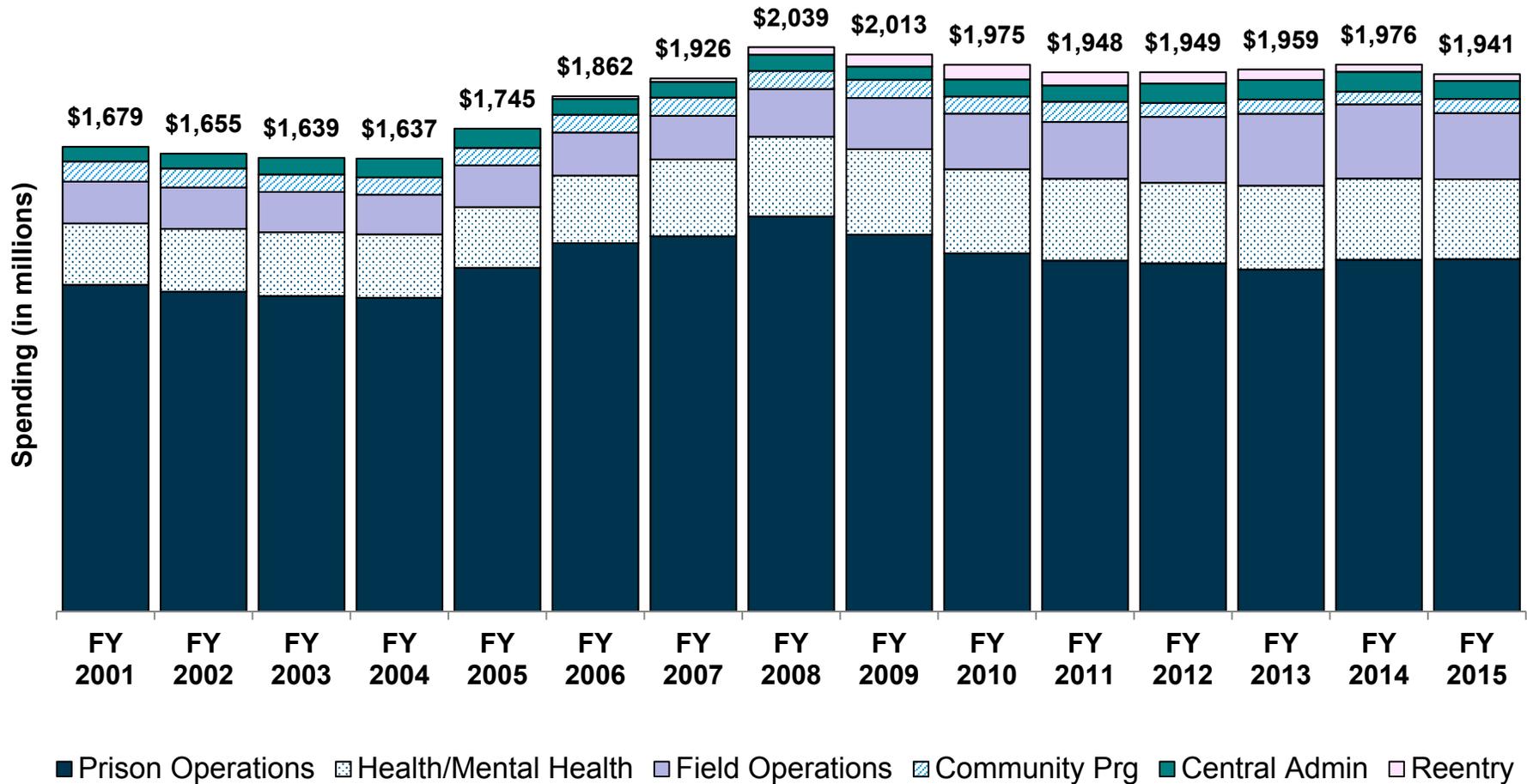
The drop in prisoner population from FY 2007 to FY 2011 was a result of a decline in prison entries, which largely resulted from the drop in returns due to parole/probation violations. Prison exits, however, also began to decline in 2010 with fewer moves to parole, which has slowed the population decline.



RECENT BUDGET GROWTH

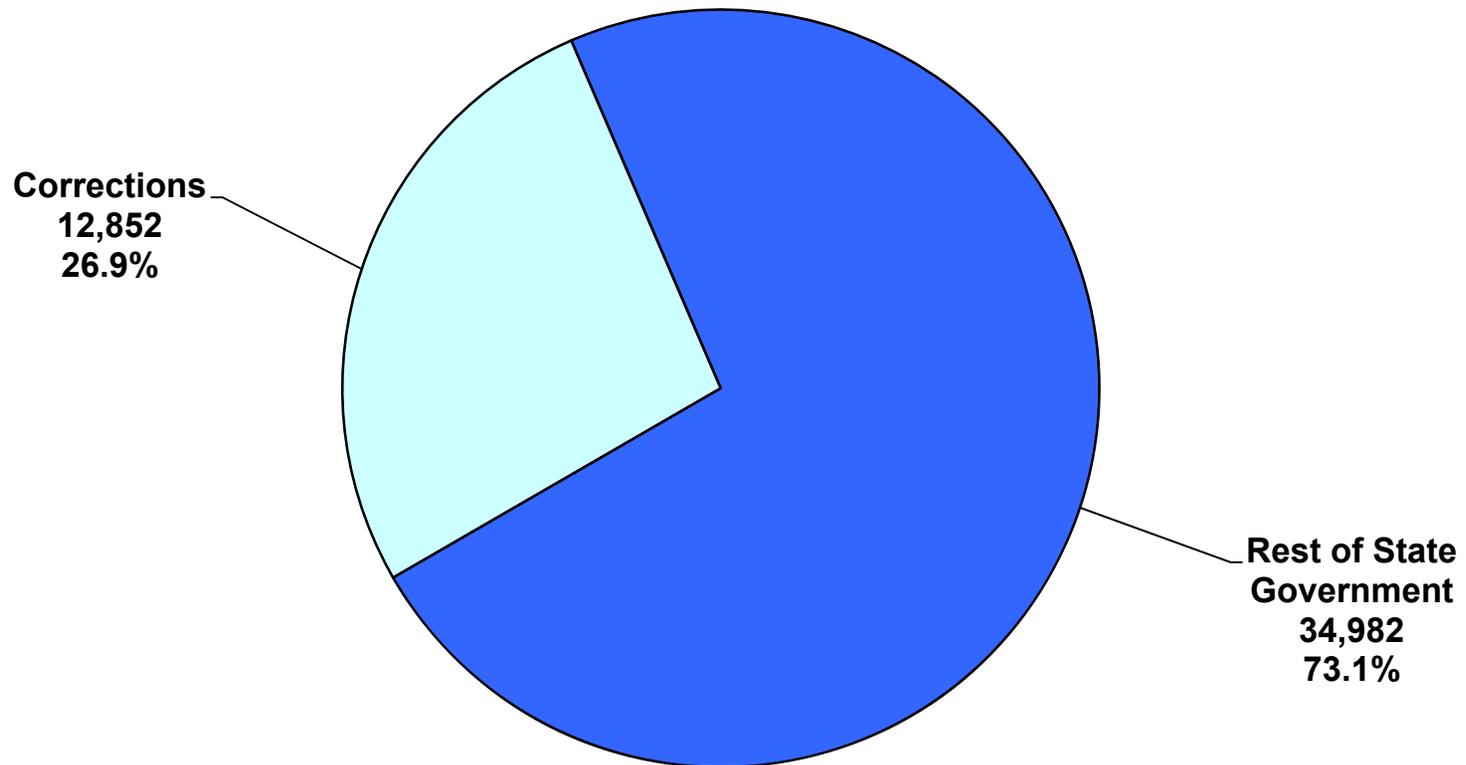
Corrections Spending Growth by Program

From FY 2001 to FY 2015, Corrections spending has grown at an average annual rate of 1.8%. Prisoner health and mental health care has grown at an average annual rate of 2.8% over this time. Spending on general prison operations has grown by 1.4% annually during this period.



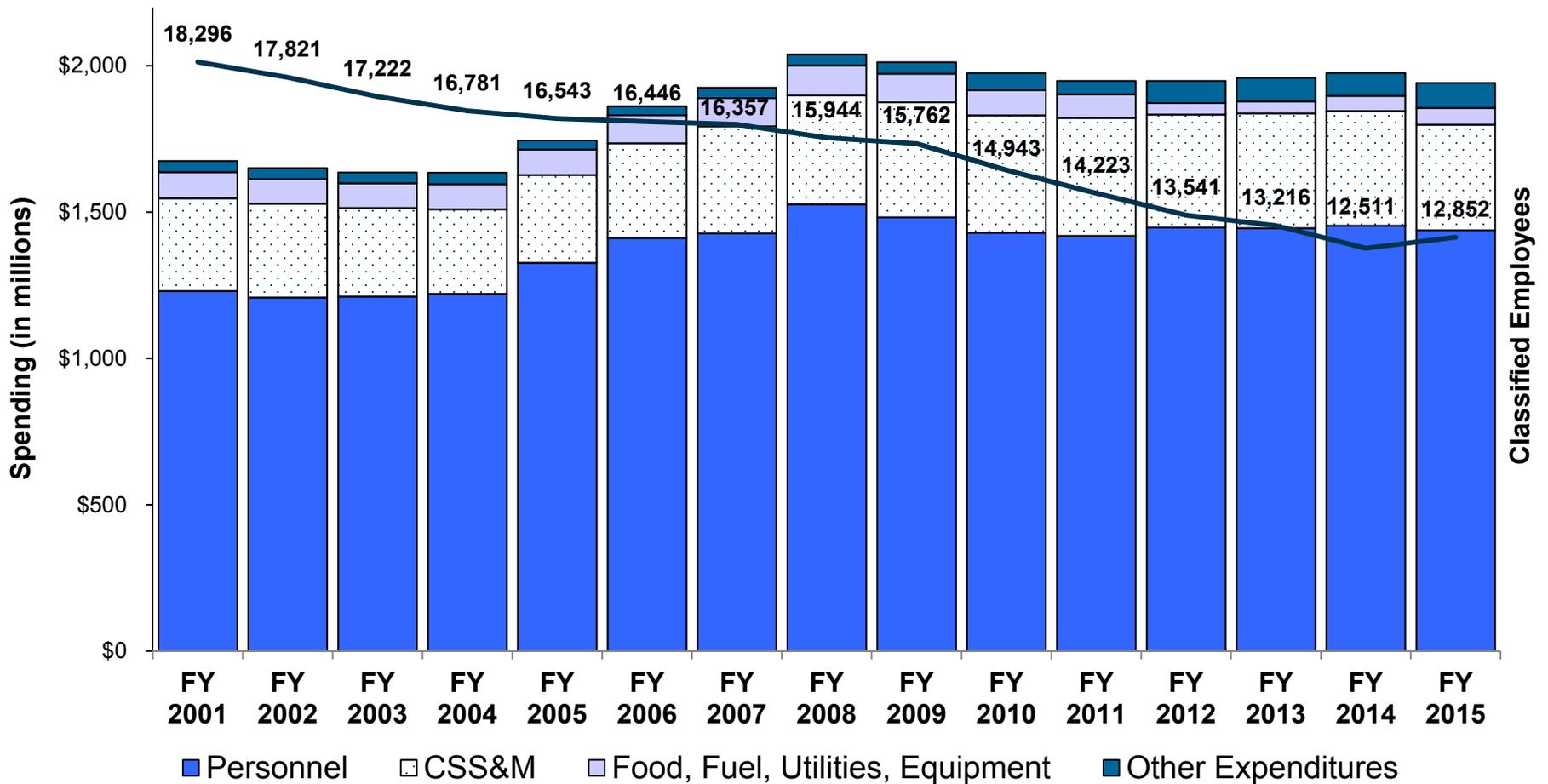
Corrections Share of Active State Classified Workforce

November 21, 2015 = 47,834 Total State Employees



Corrections Spending Growth by Purpose

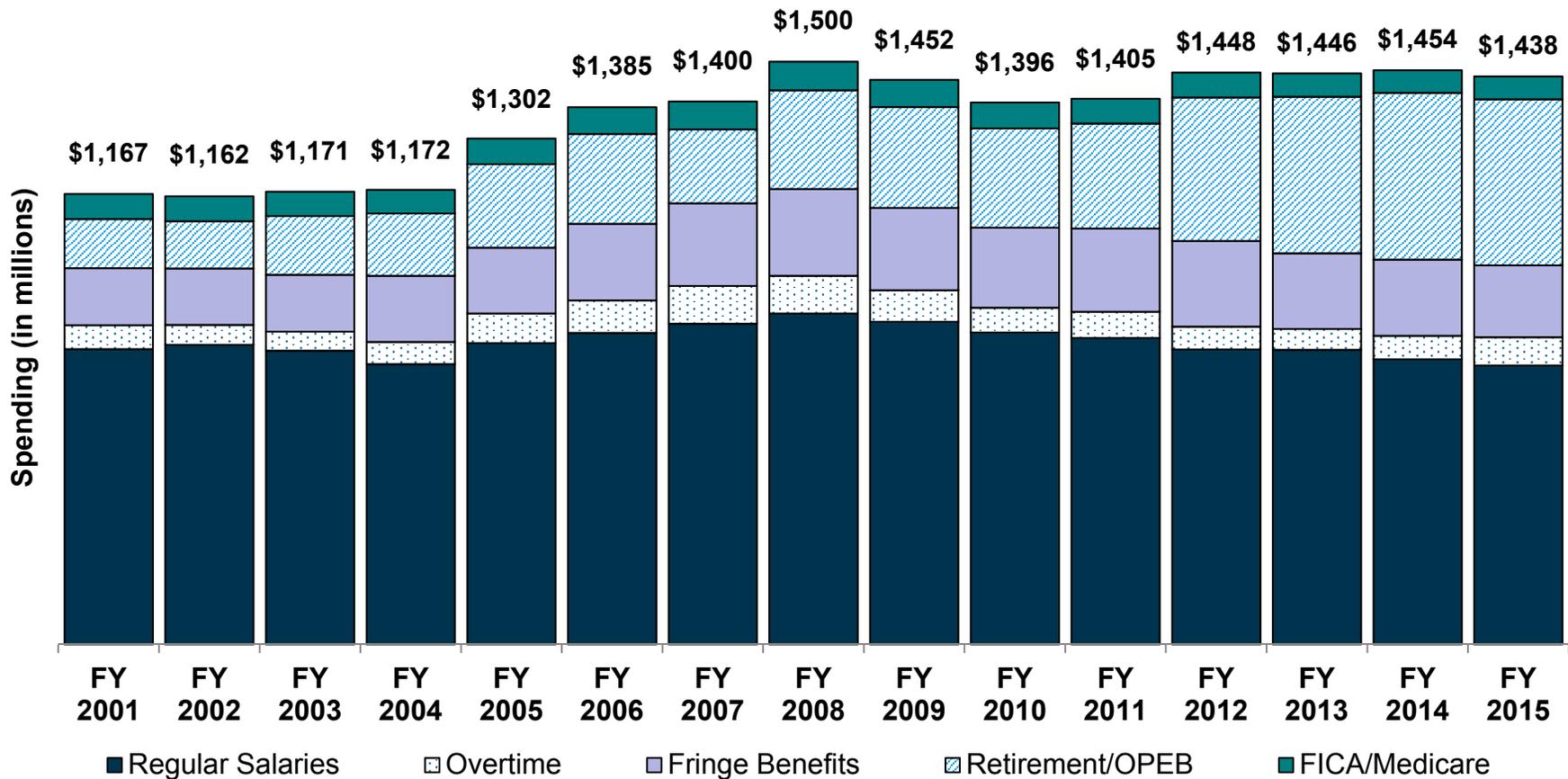
Personnel costs account for the majority of the budget and have risen at an average annual rate of 1.1% over the FY 2001 to FY 2015 period, consistent with overall budget growth. However, actual employment has fallen since FY 2001.



Data note: Employee counts based on average number of active classified employees.
Source: Annual State Workforce Reports

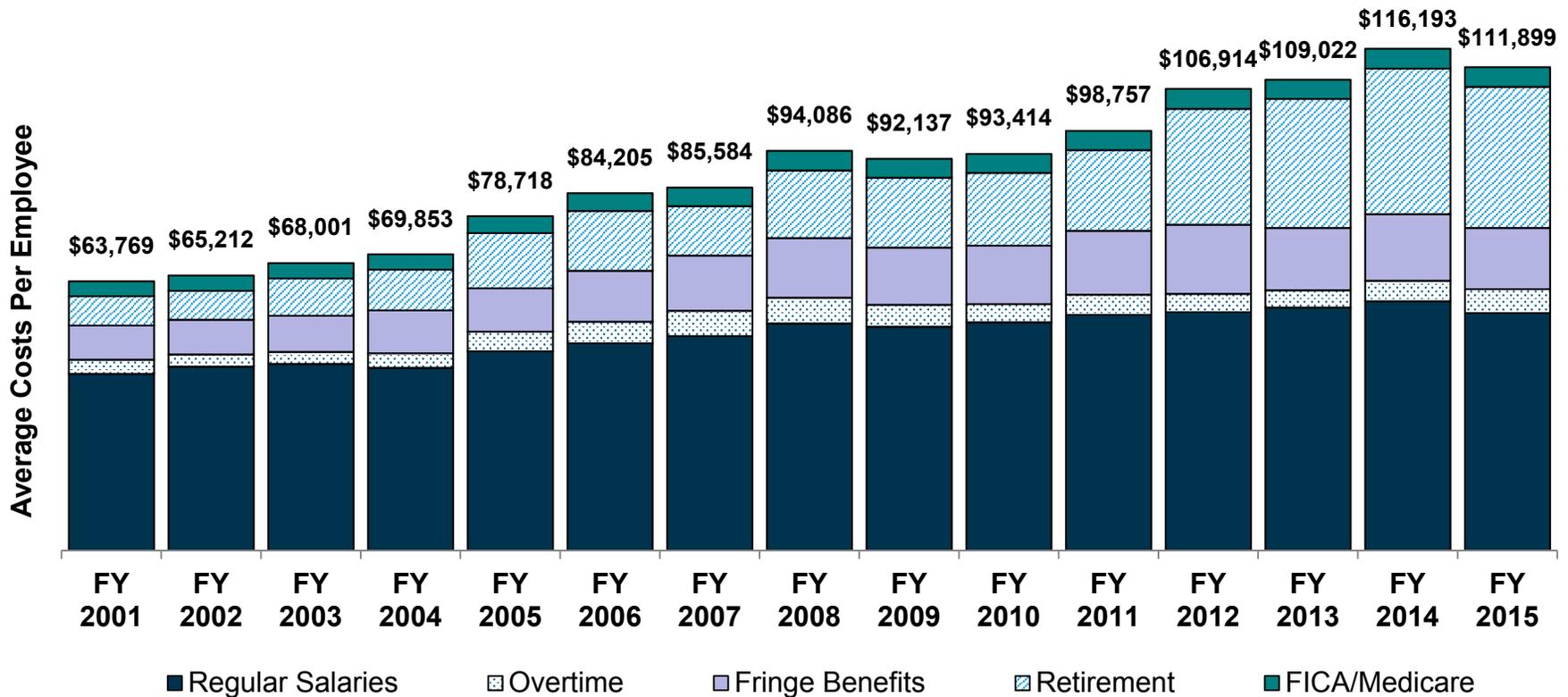
Corrections Personnel Costs

Since FY 2001, personnel costs for the MDOC have risen by an average of 2.2% annually. The largest drivers behind these cost increases have been fringe benefit and retirement costs. In FY 2015, these costs accounted for 41.9% of all personnel costs compared to 23.0% in FY 2001. Starting with FY 2012, costs also reflect the initiative to pre-fund OPEB.



Corrections Personnel Costs Per Employee

Personnel costs on a per employee basis for the department have risen by an average of 4.1% annually since FY 2001. Again, fringe benefit and retirement costs have played the largest role, with average annual per-employee increases of 8.6% across the period. Regular salary costs have increased by 2.1% annually. Most of the increase from FY 2011 to FY 2012 reflects the initiative to begin pre-funding OPEB costs.



**PRISON OPERATIONS:
CORRECTIONAL FACILITIES**

Prison Operations

- The Michigan Department of Corrections currently operates 31 correctional facilities located in 20 different counties
- In addition, the department began operating the City of Detroit Detention Center in June of 2013, which was the former Mound Correctional Facility (closed in December 2011)
- About \$1.6 billion, or almost 80%, of the Corrections budget is devoted to costs pertaining to prisoner custody and housing, health care, treatment programs, and academic and vocational programming
- As of December 1, 2015, 340 prisoners, primarily serving flat sentences, were housed in fourteen county jails under contract with the department; the participating counties have a total bed capacity of 391 beds; participating counties include Clinton, Midland, Montmorency, Ottawa, Alger, Benzie, Clare, Ingham, Iron, Jackson, Lenawee, Osceola, Roscommon, and Van Buren

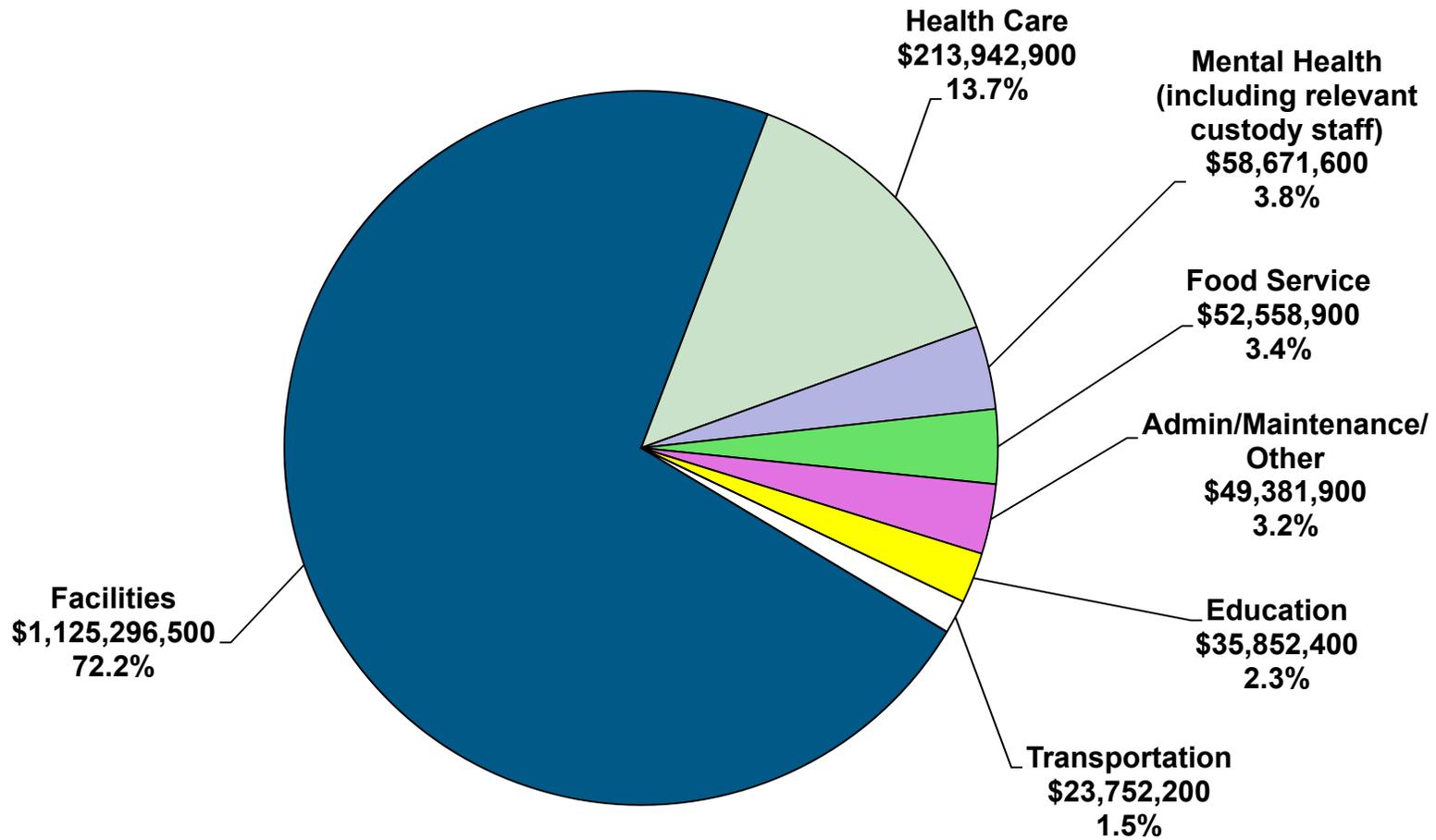
Facility Closures Since 2007

- Camp Manistique (Manistique) – March 2007
- Camp Brighton (Brighton) – April 2007
- Southern Michigan Correctional Facility (Jackson) – November 2007
- Riverside Correctional Facility (Ionia) – November 2007
- Camp Branch (Coldwater) – February 2009
- Deerfield Correctional Facility (Ionia) – March 2009
- Scott Correctional Facility (Plymouth) – May 2009
- Camp Cusino (Shingleton) – July 2009
- Camp Kitwen (Painesdale) – July 2009
- Camp Ottawa (Iron River) – July 2009
- Hiawatha Correctional Facility (Kincheloe) – August 2009
- Camp White Lake (White Lake) – September 2009
- Standish Correctional Facility (Standish) – October 2009
- Camp Lehman (Grayling) – October 2009
- Muskegon Correctional Facility (Muskegon) – May 2011
- Crane Correctional Facility (Coldwater) – May 2011
- Mound Correctional Facility (Detroit) – December 2011
- Ryan Correctional Facility (Detroit) – converted to reentry center in October 2012

Openings: Michigan Reformatory in Ionia (reopened November 2007), Maxey/Woodland Center in Whitmore Lake (opened April 2009), and Muskegon Correctional Facility (reopened October 2012 as part of Ryan conversion plan)

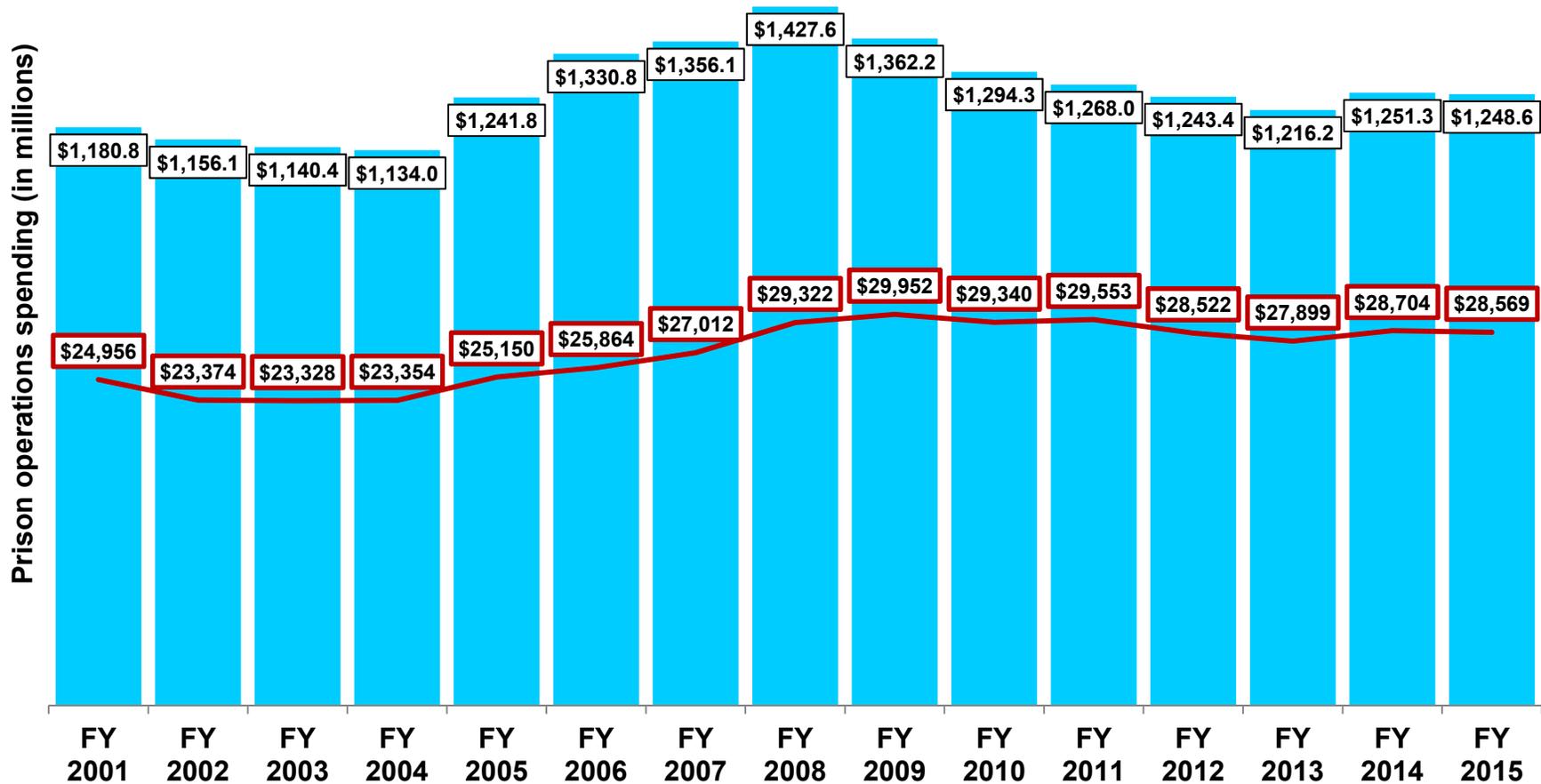
Prisoner Custody, Care, and Programs

FY 2015-16 Appropriation Total = \$1,559,456,400



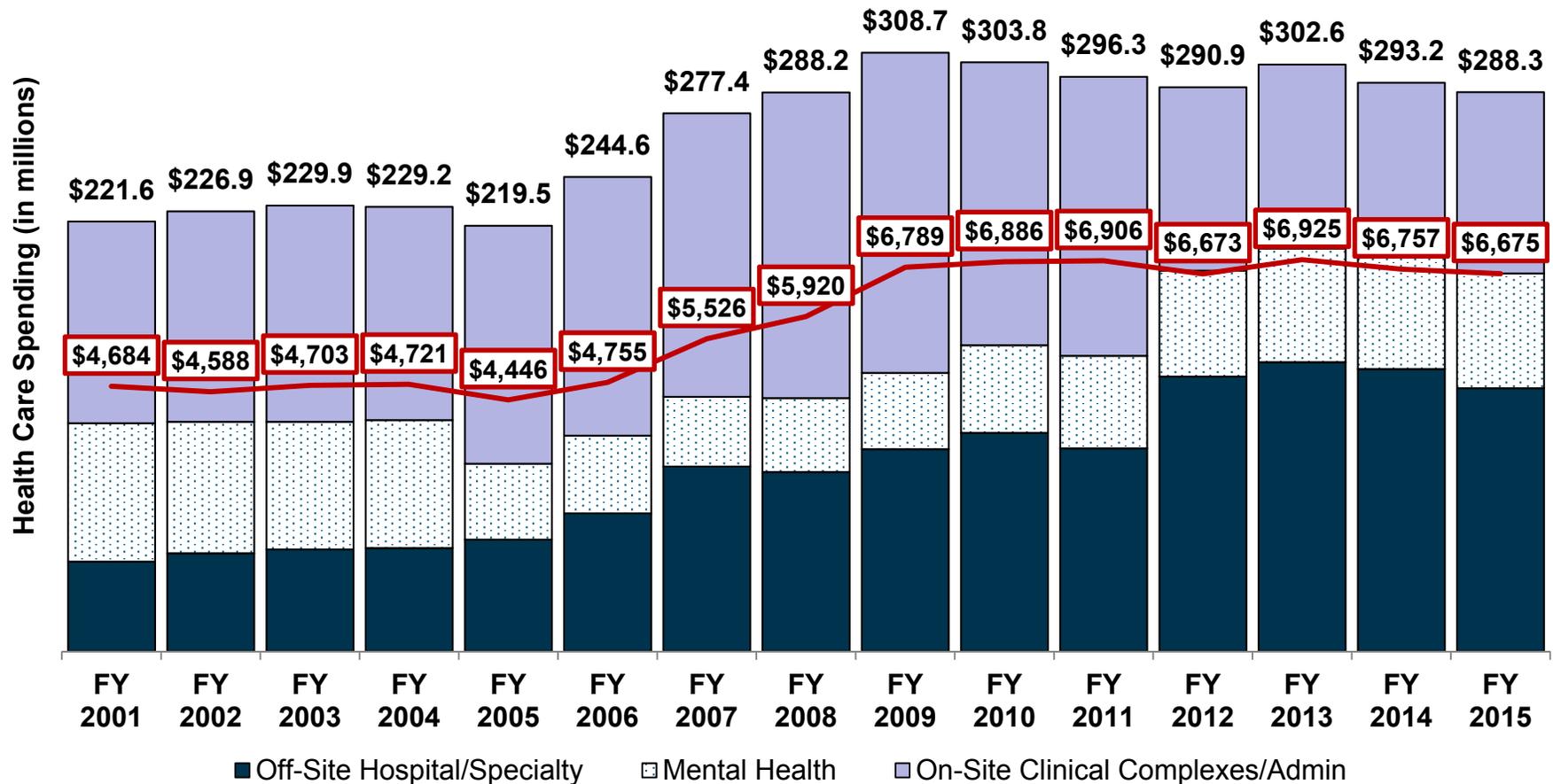
Prison Operations and Average Cost Per Prisoner

This chart reviews total prison operations spending excluding health care and direct mental health costs. The red line outlines average cost per prisoner for each fiscal year. Per-prisoner costs grew by an average of around 1.6% per year over this period.



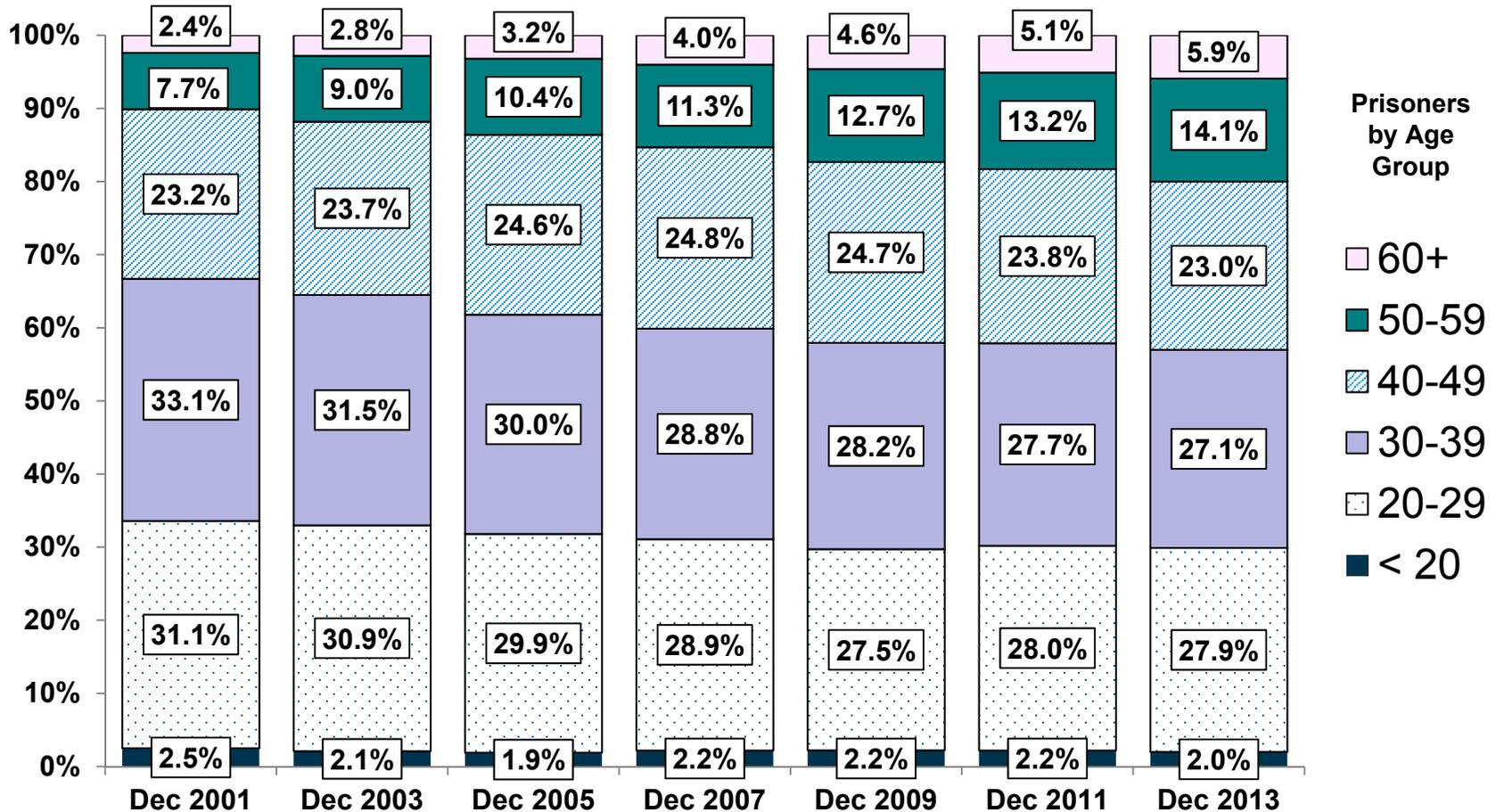
Prisoner Health Care and Mental Health and Average Cost Per Prisoner

Spending for prisoner health care and mental health care services increased significantly over the FY 2001 to FY 2015 time period. Per-prisoner costs, shown on the red line, increased by an average of 2.6% annually over the whole period. However, the rapid annual growth of 9.2%, seen between FY 2005 and FY 2010, has stopped with little growth since that time.



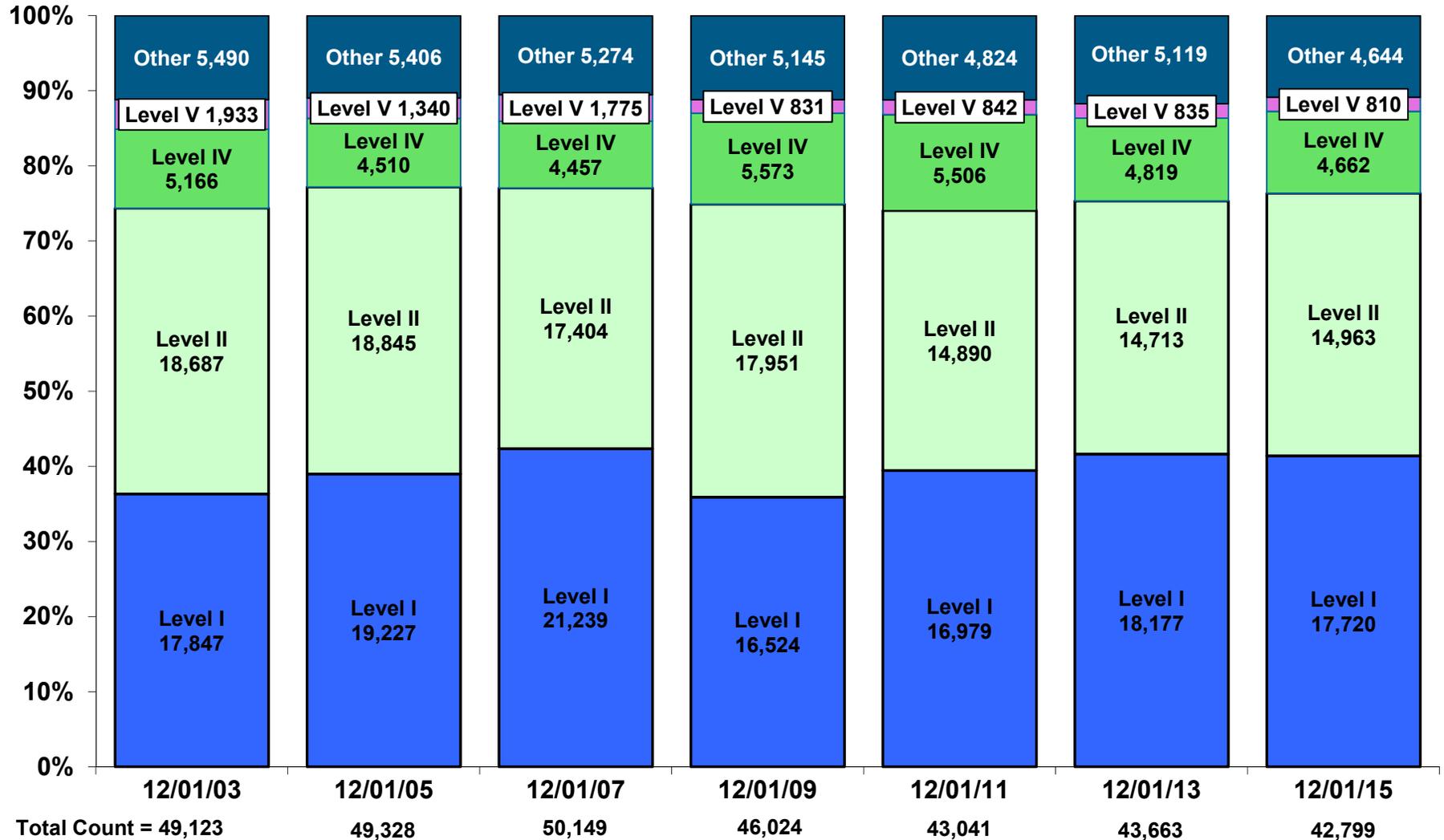
Prisoner Age Distribution and Health Care

One probable factor in the rise of per-prisoner health care costs is the aging of Michigan's prison population. In 2001, 33% of prisoners were over 40 years of age. By 2013, that percentage increased to 43%, with 20% of the population over age 50.



Prisoner Count by Security Level

The percentage of Level I prisoners has increased from 35.8% at the end of 2009 to 41.4% at the end of 2015. In the same time period, there was a decrease in the percentage of Level II, Level IV, and Level V prisoners.

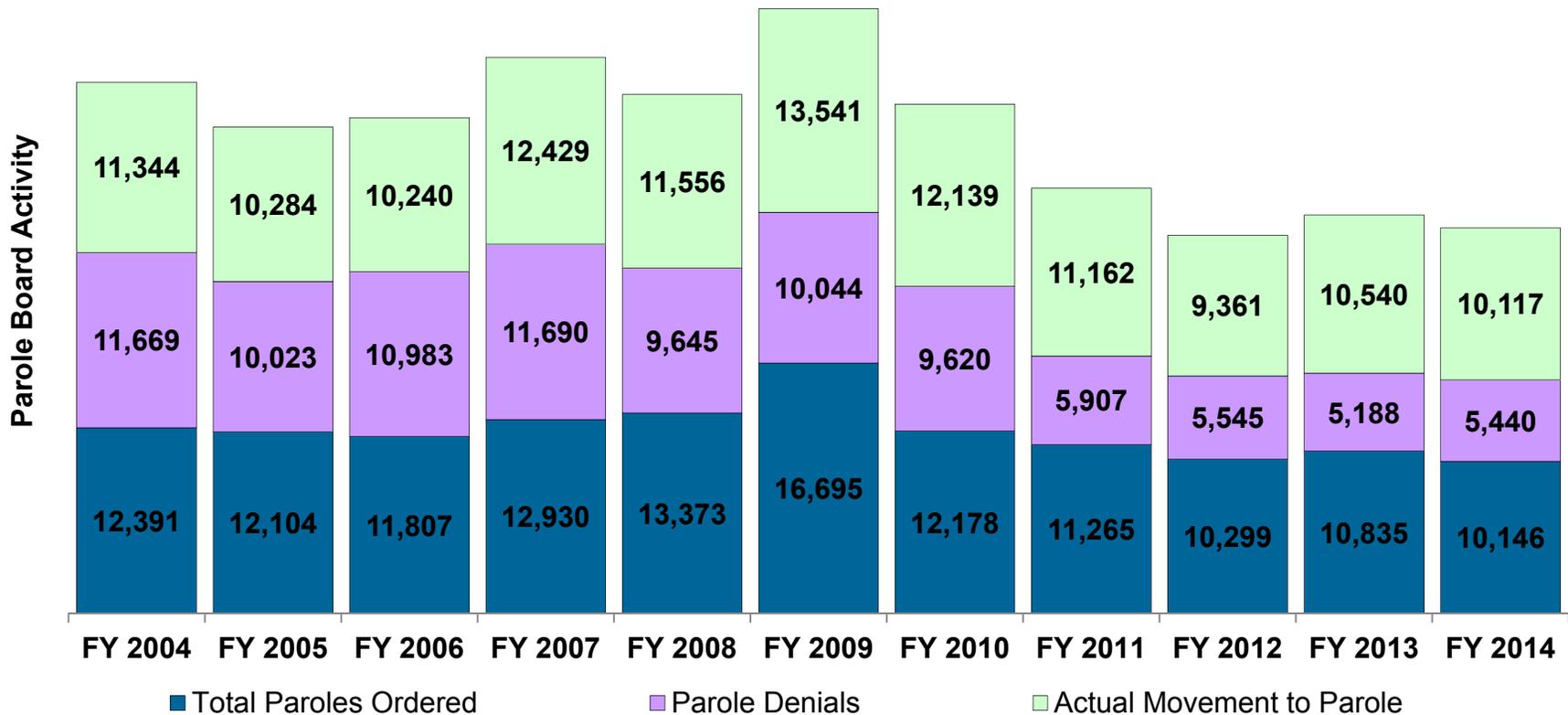


Costs Per Prisoner by Security Level

FY 2014 Actual	FY 2015 Projected	FY 2016 Appropriated
Level I \$29,131	Level I \$28,886	Level I \$28,758
Level II \$33,109	Level II \$33,062	Level II \$32,916
Level IV \$42,289	Level IV \$41,807	Level IV \$39,668
Multi-Level \$36,726	Multi-Level \$36,577	Multi-Level \$36,223
Level V \$48,676	Level V \$46,983	Level V \$42,369
Average Per Capita \$35,150	Average Per Capita \$34,982	Average Per Capita \$34,584

Parole Board Activity

Factors considered by the Parole Board in making parole decisions include nature of current offense, prisoner's criminal history, behavior while in prison, program performance, age, parole guidelines score, risk as determined by various validated assessment instruments, and information obtained during prisoner's interview. The Parole Board also considers information from crime victims and other relevant sources.



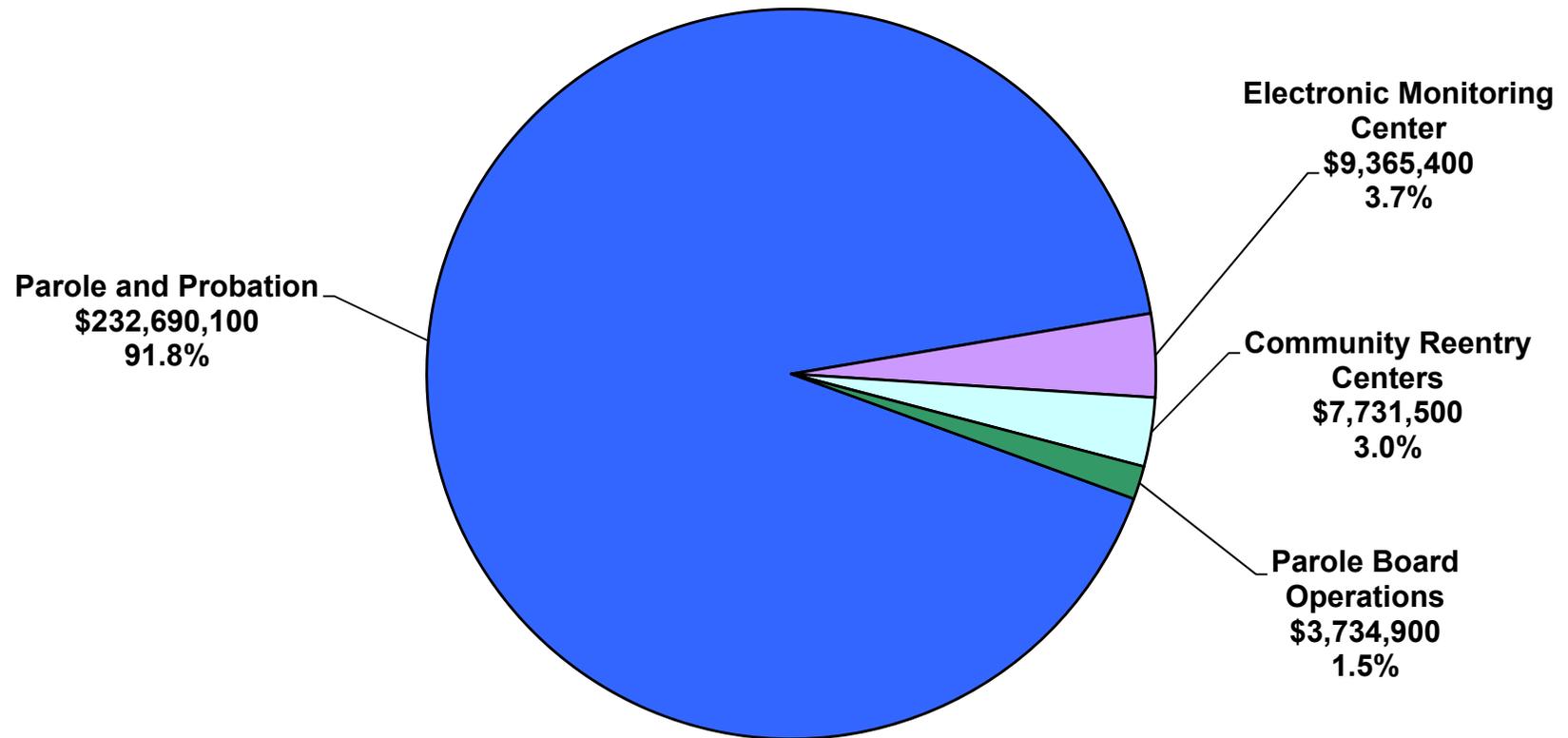
**FIELD OPERATIONS:
PAROLE AND PROBATION**

Field Operations

- Field Operations Administration is responsible for state parole and probation supervision, as well as for other methods of specialized supervision
- The largest component of Field Operations is parole and probation; as of November 1, 2015, the MDOC employed 1,250 active parole and probation agents charged with supervising 60,589 offenders
- Community reentry centers provide structured housing for parolees placed in the program as a condition of their parole, or placed in the program as a sanction for violating their parole (non-compliance violations or new misdemeanor or non-assaultive felony charges)
- Electronic tether, substance abuse testing and treatment services, residential services, and felony drunk driver jail reduction and community treatment program are all programs available to offenders who meet certain eligibility requirements, as alternatives to incarceration

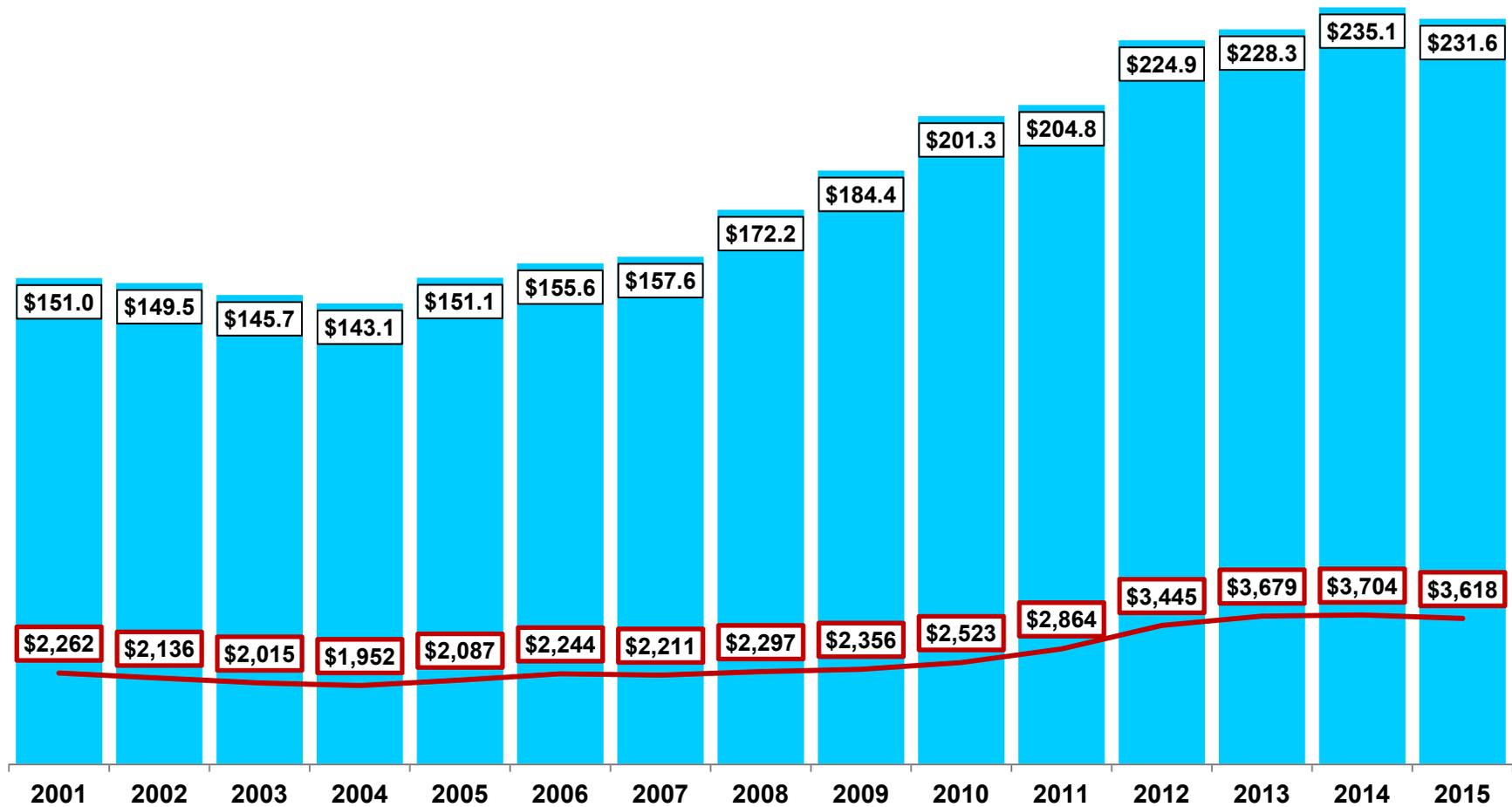
Field Operations

FY 2015-16 Total = \$253,521,900



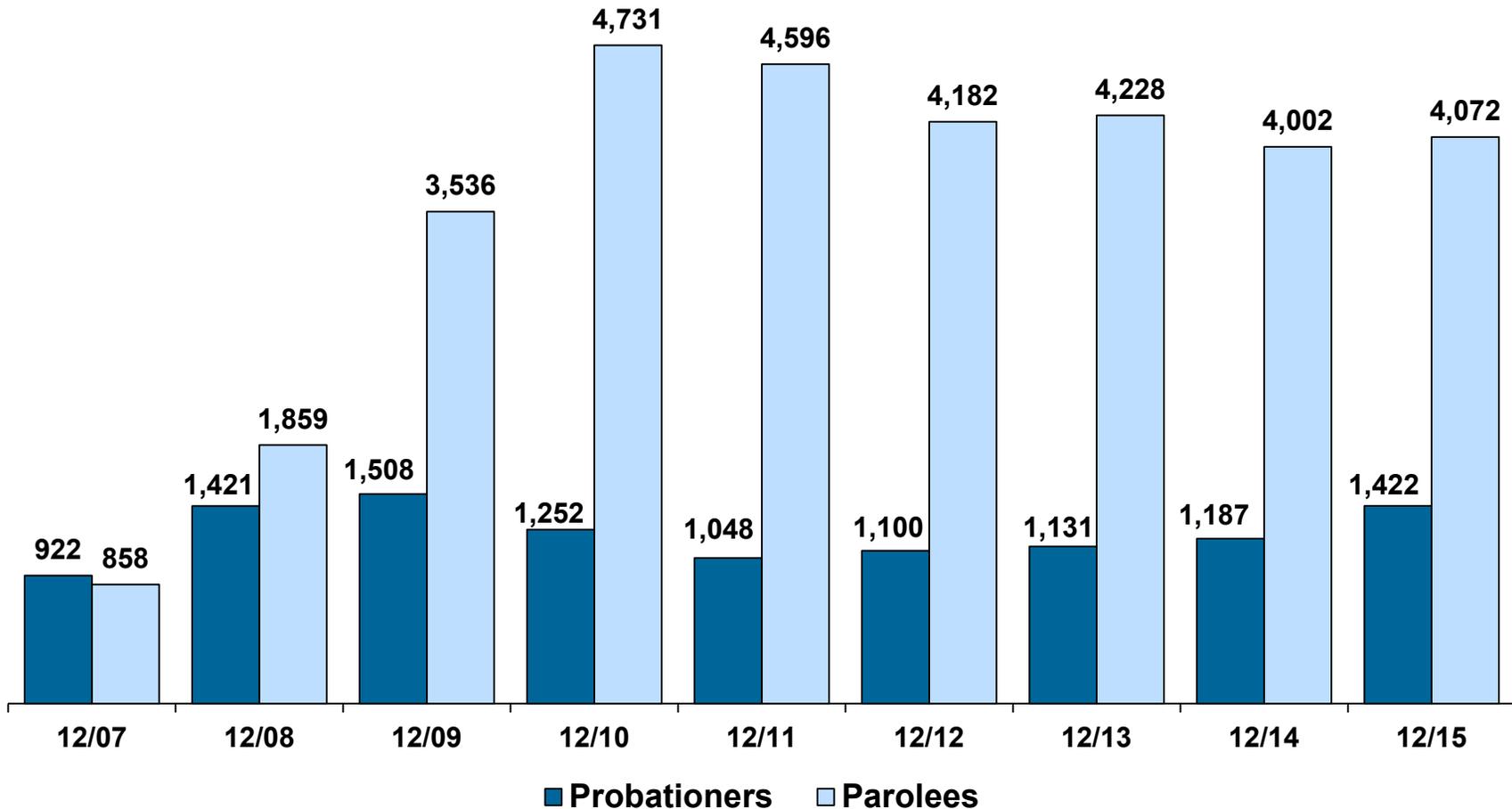
Parole/Probation Services & Average Cost Per Offender

Field Operations spending has increased by an average of 3.4% over the FY 2001 to FY 2015 time period. Recent growth since FY 2010 has been more significant (7.5% per year). This partially reflects the increased use of electronic monitoring techniques. The red line shows these costs on a per-offender basis.



Electronic Monitoring Population

Due to increased use of global positioning system (GPS) tethers for parolees, the number of parolees on tether has more than quadrupled since 2007, although usage has declined since 2010. The overall number of supervised offenders has declined by about 1.7% since the population peaked during 2010.



**COMMUNITY PROGRAMS:
ALTERNATIVES TO
INCARCERATION**

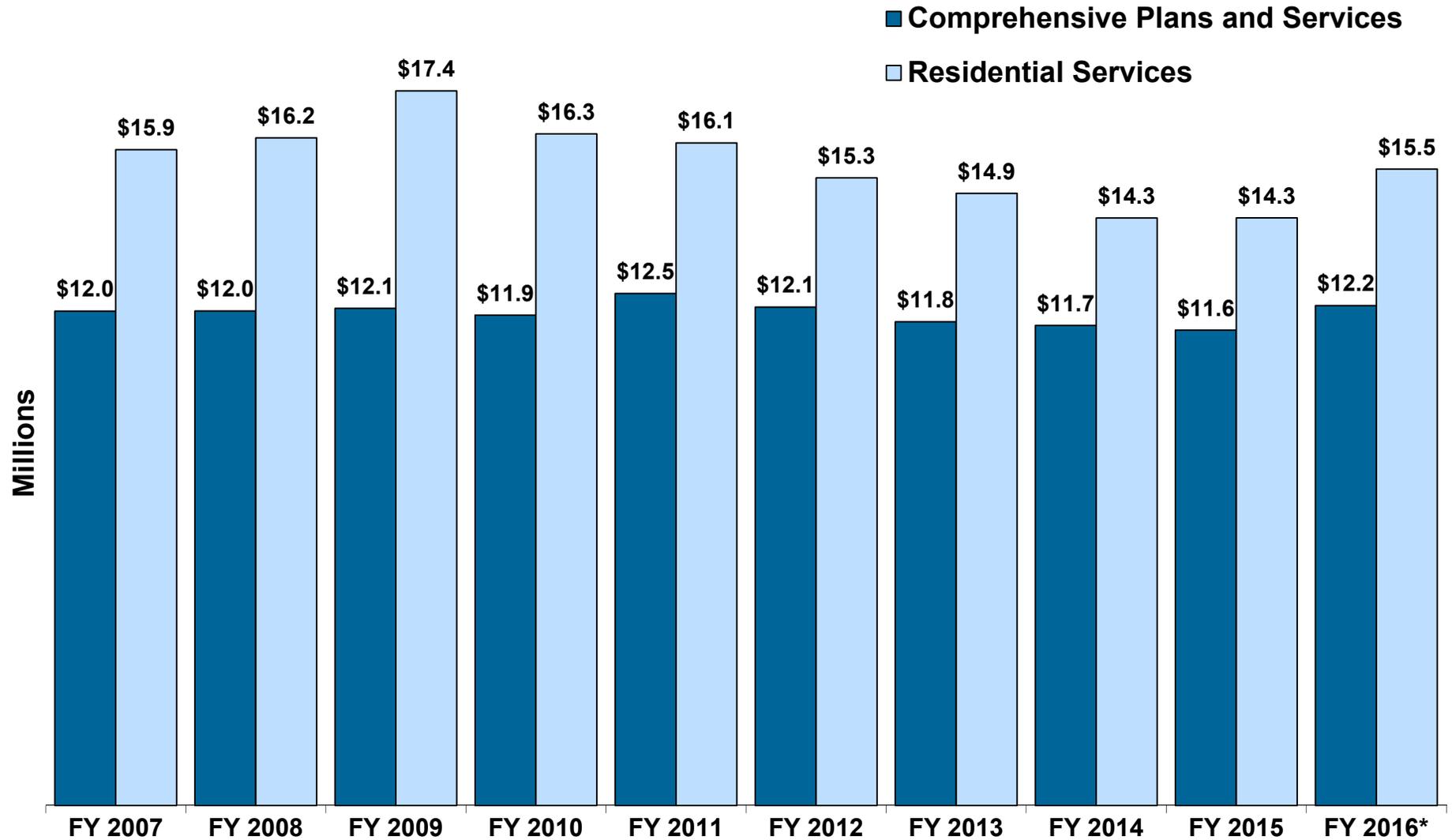
Community Corrections Program

- Established by the Community Corrections Act, Public Act 511 of 1988, and aimed at minimizing the numbers of nonviolent offenders sentenced to prison

- Two main grant programs:
 - **Comprehensive Grants and Services:** grants to 54 local community corrections advisory boards, covering 74 counties, for development and implementation of local comprehensive corrections plans (e.g., case management, cognitive behavioral programs, community service, day reporting, electronic monitoring, education, mental health, and substance abuse services)

 - **Residential Services:** grants to provide per diem payments of up to \$48.50 per day to service providers who house eligible felony offenders; offenders include felony probationers, as well as felony parole and probation violators, who might otherwise be committed or returned to state prison

Community Corrections Grant Payments



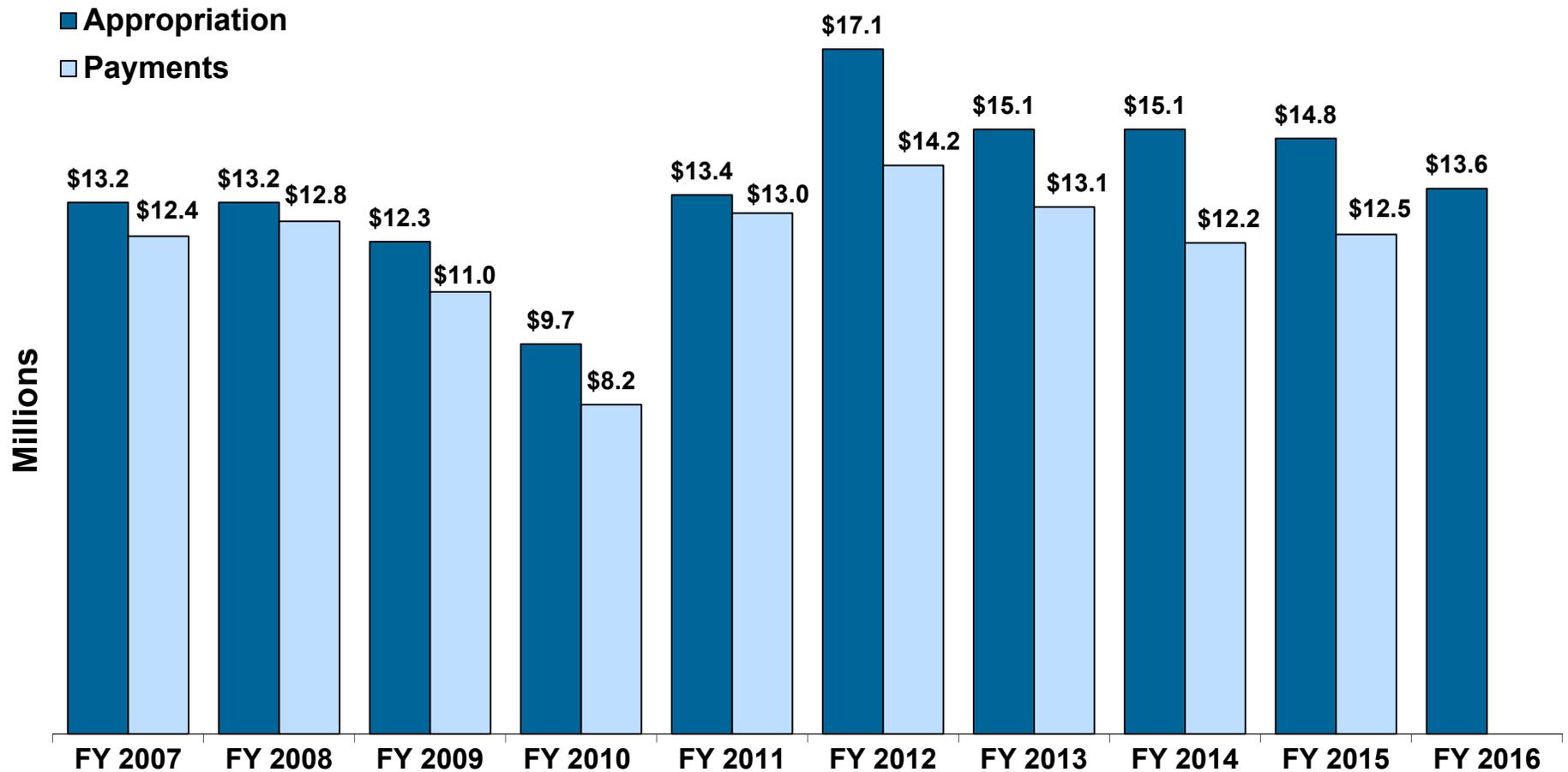
*FY 2016 reflects year-to-date appropriations.

County Jail Reimbursement Program (CJRP)

- Provides counties with per diem payments for housing felons in jails, who otherwise would have been sentenced to prison; instituted in FY 1989 appropriations act and established in statute by Public Act 317 of 1998
- Reimbursement criteria and per diem rates set by annual appropriations act
 - In FY 2004, criteria narrowed to condition reimbursement on sentencing guidelines scores, and a portion of CJRP funding was diverted to a new program for felony drunk drivers
 - Current boilerplate for FY 2016 provides counties with a 3-tiered reimbursement rate structure which is tied to the sentencing guidelines score of the housed offender; reimbursement rates vary from \$35 to \$60 per day
- Beginning with FY 2009, CJRP has been funded partially with civil infraction fee revenues dedicated to the program in statute; however, these revenues have been declining
- Distribution has traditionally been capped at the appropriation level, which caused some counties to have unreimbursed bed days during FY 2008 and FY 2009

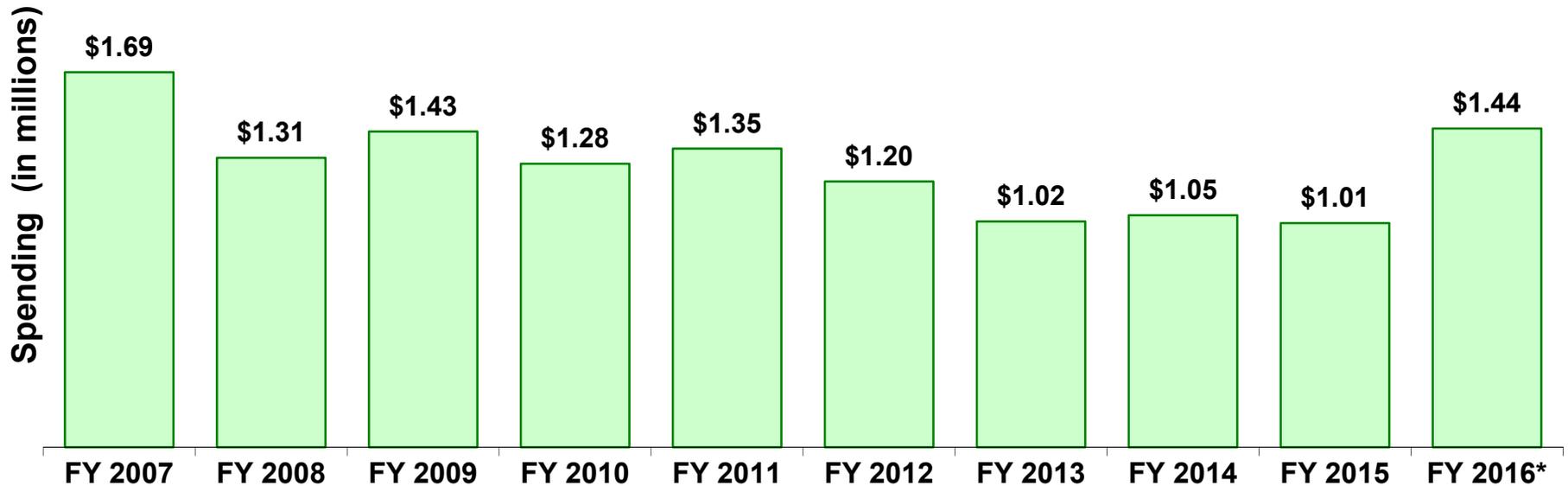
County Jail Reimbursement Program

The Legislature boosted funding for the program in FY 2012. However, claims from counties have come in below the appropriated level, so spending has not kept pace. The appropriation for the program was first adjusted in FY 2013, and adjusted again in fiscal years 2015 and 2016. A veto in FY 2010 eliminated funding for the program during the first fiscal quarter.



Felony Drunk Driver Jail Reduction and Community Treatment Program

Established in FY 2004, the program provides grants for the assessments, treatment, and housing of persons convicted on felony drunk driving charges. The goal of the program is to free up local jail beds that could be used to house felons who otherwise may have gone to a state prison.



* FY 2016 figure represents year-to-date appropriation for the program.

**PRISONER
REENTRY INITIATIVE**

Prisoner Reentry

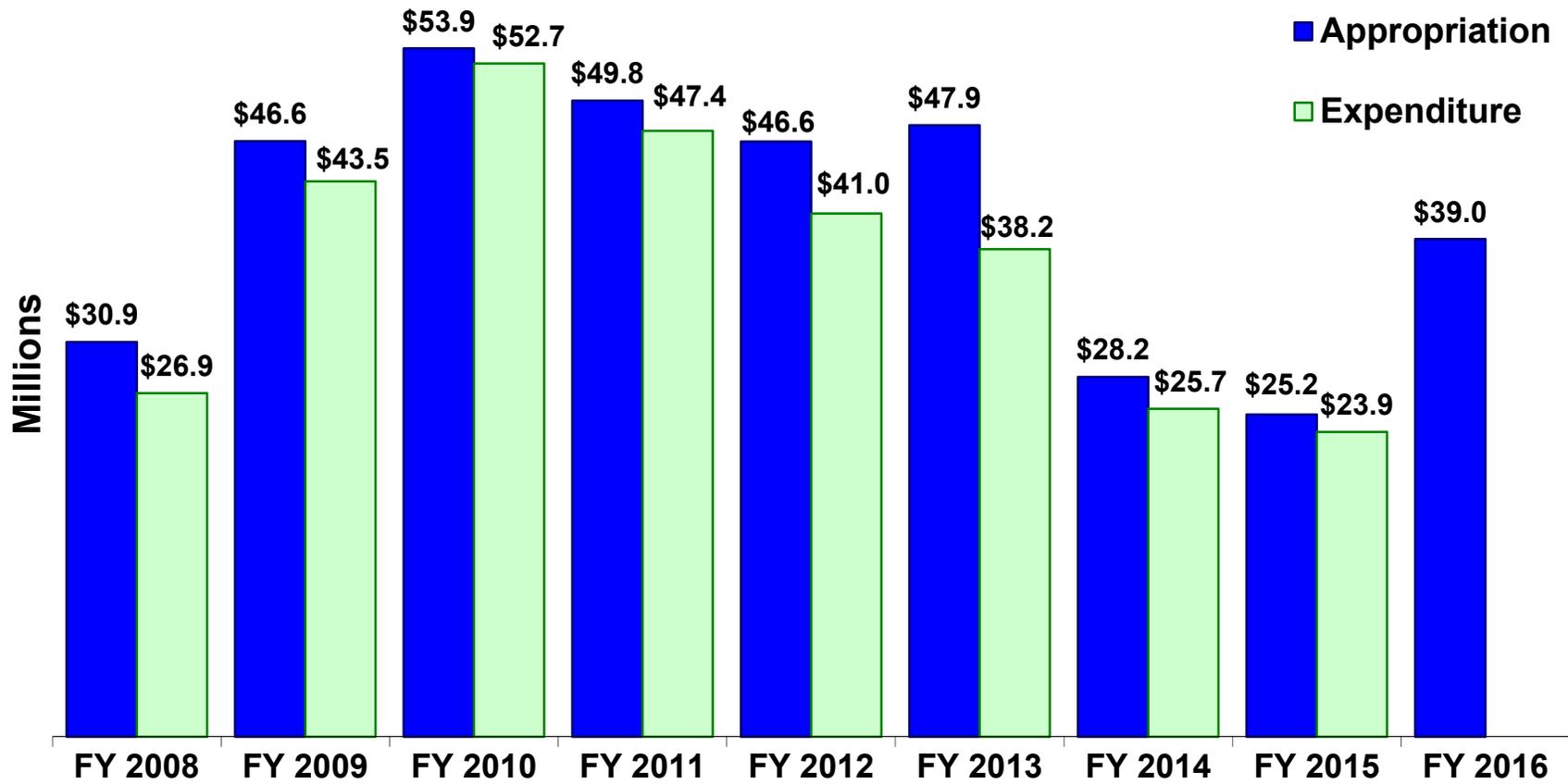
- Aims to reduce recidivism through prisoner assessment, case planning and management, and coordinated services from the time of entry into prison through aftercare in the community
- Involves interagency and state/local collaboration: state departments, local law enforcement, crime victims' advocates, faith-based organizations
- Case management starts at prison entry:
 - Phase 1: Getting ready – prisoner assessment and classification; development of case management plan
 - Phase 2: Going home (starts 2 months prior to release) – creation of reentry plan; prison in-reach by transition team members
 - Phase 3: Staying home – discharge plan and parole supervision
- Program originally implemented as Michigan Prisoner Reentry Initiative:
 - First six community pilot sites developed in FY 2005 and funded in FY 2006
 - Additional seven sites developed in FY 2006 and funded in FY 2007
 - Statewide implementation commenced in FY 2008

Prisoner Reentry Funding

- FY 2016 funding: \$39.0 million appropriation, plus utilization of education resources while incarcerated
- The primary prisoner reentry line items support:
 - Community-based and prison-based prisoner reentry planning, case management, and community in-reach to paroling prisoners
 - Employment services and job training, education programs, transitional housing, day reporting, other planning and support services for parolees
 - Demonstration project to develop strategies for improving success of parolees with mental illness
 - Specialized programming for prisoners with mental health issues and other special needs
 - Local prisoner reentry plan administrative costs and program evaluation

Prisoner Reentry Funding

Appropriations for community-based reentry programs and services increased dramatically as implementation spread statewide. In FY 2014, appropriations for community-based reentry programs were reduced and the funding reallocated to correctional facilities for more reentry programming to occur before inmates are released from prison. In FY 2016, all reentry-related positions and funding throughout the budget were reorganized into one area, leading to the appearance of a major increase in reentry funding.



**For more information about the
Corrections budget, contact:**

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