

**Summary: Executive Budget Recommendation  
for Fiscal Years 2015-16 and 2016-17  
DEPARTMENT OF CORRECTIONS**



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	FY 2014-15 Year-to-Date as of 2/11/15	Proposed FY 2014-15 Adjustments	Adjusted FY 2014-15 Year-to-Date	FY 2015-16 Executive Recommendation	Change: FY 2015-16 vs. FY 2014-15 Adjusted	
					Amount	%
<b>IDG/IDT</b>	\$225,000	\$0	\$225,000	\$225,000	\$0	0.0
<b>Federal</b>	5,081,000	0	5,081,000	5,568,700	487,700	9.6
<b>Local</b>	8,547,700	0	8,547,700	8,533,200	(14,500)	(0.2)
<b>Private</b>	0	0	0	0	0	--
<b>Restricted</b>	45,869,600	2,900,000	48,769,600	42,950,700	(5,818,900)	(11.9)
<b>GF/GP</b>	1,980,798,400	(20,700,000)	1,960,098,400	1,918,948,400	(41,150,000)	(2.1)
<b>Gross</b>	<b>\$2,040,521,700</b>	<b>(\$17,800,000)</b>	<b>\$2,022,721,700</b>	<b>\$1,976,226,000</b>	<b>(\$46,495,700)</b>	<b>(2.3)</b>
<b>FTEs</b>	14,195.3	0.0	14,195.3	14,190.3	(5.0)	0.0

Notes: (1) FY 2014-15 year-to-date figures include mid-year budget adjustments through February 11, 2015. (2) Proposed FY 2014-15 adjustments include Executive Order 2015-5 and House Bill 4112 (H-1). (3) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Michigan Department of Corrections (MDOC) is responsible for the operation and maintenance of the state's 32 correctional facilities that house felony offenders sentenced to prison. This includes the provision of physical and mental health care, education, food service, transportation, and reintegration programs. The department is also responsible for the supervision of all parolees and probationers under department jurisdiction and has oversight over community corrections programs and other programs designed to encourage alternatives to prison placement for appropriate offenders. As of February 1, 2015, the department was responsible for 106,869 Michigan offenders: 43,283 prisoners, 46,812 probationers, and 16,774 parolees.

**Budget Changes From Adjusted FY 2014-15 Appropriations**

**1. Remove One-Time Funding**

Removes all one-time funding that was included in the FY 2014-15 budget:

- \$25.0 million for Neal, et al. Settlement Agreement
- \$1.0 million for Education Program one-time enhancement costs
- \$600,000 for 70 x 7 Life Recovery Muskegon Pilot program
- \$440,600 for Field Operations one-time mobilization costs.

	FY 2014-15 Adjusted Year-to-Date	FY 2015-16 Executive Change
<b>Gross</b>	<b>\$27,085,900</b>	<b>(\$27,085,900)</b>
GF/GP	\$27,085,900	(\$27,085,900)

**2. Continuation of FY 2014-15 Executive Order Reductions**

Reflects a savings from continuing, in the FY 2015-16 budget, various FY 2014-15 reductions that were included in Executive Order 2015-5:

- \$7.4 million and 5.0 FTE positions from correctional facility operating efficiencies
- \$4.0 million from the purchase of electronic monitoring devices versus leasing the devices
- \$1.8 million from recognizing typical year-end lapses in the County Jail Reimbursement Program line item (\$1.3 million) and the Prisoner Re-Entry Local Service Providers line item (\$500,000)
- \$1.0 million from a reduction in transportation costs resulting from increased usage of tele-medicine and video-conferencing between prisoners and courts.

FTE	NA	(5.0)
<b>Gross</b>	<b>NA</b>	<b>(\$14,100,000)</b>
GF/GP	NA	(\$14,100,000)

**3. Utilize Special Equipment Fund Revenue to Offset GF/GP**

Replaces portions of GF/GP funding in the Education Program line item (\$7.0 million) and the Prisoner Re-Entry MDOC Programs line item (\$2.0 million) with state restricted Special Equipment Fund revenue that is currently used to cover capital outlay, equipment, and special maintenance costs.

<b>Gross</b>	<b>\$46,429,900</b>	<b>(\$9,000,000)</b>
Federal	1,229,700	0
GF/GP	\$45,200,200	(\$9,000,000)

<b><u>Budget Changes From Adjusted FY 2014-15 Appropriations</u></b>		<b><u>FY 2014-15 Adjusted Year-to-Date</u></b>	<b><u>FY 2015-16 Executive Change</u></b>
<b>4. Eliminate Goodwill Flip the Script</b>	<b>Gross</b>	<b>\$2,500,000</b>	<b>(\$2,500,000)</b>
Eliminates funding appropriated in FY 2014-15 for Goodwill Flip the Script. Funding was granted to Goodwill Industries of Greater Detroit in Wayne County to provide education, job training, and mentoring to troubled 16-29 year-olds, in an effort to keep them out of prison.	GF/GP	\$2,500,000	(\$2,500,000)
<b>5. Eliminate IDG to DHS for Swift and Sure</b>	<b>Gross</b>	<b>\$1,000,000</b>	<b>(\$1,000,000)</b>
Eliminates funding appropriated in FY 2014-15 to be granted by the department to DHS to be used for expansion of the Swift and Sure Sanctions Probation Program through the Michigan Rehabilitative Services program.	GF/GP	\$1,000,000	(\$1,000,000)
<b>6. Closure of Kinross – Transfer Prisoners to Hiawatha</b>	<b>Gross</b>	<b>\$37,781,900</b>	<b>(\$2,000,000)</b>
Reflects partial year savings as a result of the decision to close the Kinross Correctional Facility and transfer prisoners to the former Hiawatha Correctional Facility. Due to the size and outdated physical plant, the department has determined it would be more cost effective to close the Kinross facility. The planned facility changes are currently scheduled for November 2015, yielding a partial year savings.	GF/GP	\$37,781,900	(\$2,000,000)
<b>7. Transfer Jail Mental Health Transition Pilot Program to DCH</b>	<b>Gross</b>	<b>\$1,000,000</b>	<b>(\$1,000,000)</b>
Reflects the transfer of the Jail Mental Health Transition Pilot Program to DCH in an effort to streamline mental health diversion services, programs, and projects.	GF/GP	\$1,000,000	(\$1,000,000)
<b>8. Program and Fund Source Adjustments</b>	<b>Gross</b>	<b>\$81,318,900</b>	<b>(\$2,356,900)</b>
Makes the following program and fund source adjustments. The adjustments have no GF/GP impact on the budget:	Federal	1,229,700	495,500
• Eliminates the Public Works Program due to non-utilization (\$1.0 million)	Restricted	13,321,300	(2,852,400)
• Eliminates the Parole and Probation Oversight Fees Set-Aside fund source included in the budget for the Community Re-Entry Centers line item (\$421,300)	GF/GP	\$66,767,900	\$0
• Increases authorization to receive additional federal Title I funding to be used for prisoner education programs (\$495,500)			
• Includes state restricted fund source authorization for the Information Technology Services and Projects line item (\$866,300)			
• Reduces funding for Prison Industries Operations as a result of eliminating some and downsizing some of the operations and reducing the administration (\$2.3 million).			
<b>9. Technical Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Makes internal funding adjustments and transfers throughout the budget. The adjustments have no overall Gross or GF/GP impact and are made in order to more accurately reflect where expenditures occur and to reflect reorganization within the department.	GF/GP	NA	\$0
<b>10. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>(\$5,252,900)</b>
Reflects a net cost reduction for negotiated salary and wage amounts (2.0% base increase), insurance rate increases, reductions in actuarially-determined retirement rates, private rent increases, reductions in building occupancy charges, and reductions in worker's compensation.	Federal	NA	(7,800)
	Local	NA	(14,500)
	Restricted	NA	(66,500)
	GF/GP	NA	(\$5,164,100)

### **Boilerplate Changes From FY 2014-15**

#### **Executive Boilerplate Deletions**

The Executive deletes the majority of boilerplate language included in the FY 2014-15 appropriations bill (58 sections and 1 subsection of 92 sections are deleted). Deletions include legislative reporting requirements, sections providing guidance and placing conditions on appropriations, earmarks of funding for specific purposes, sections which express legislative intent, sections which served a one-time purpose, and sections which are no longer applicable. Following is a list of boilerplate sections recommended for deletion: 204, 206, 207, 212, 214, 232, 238, 239, 247, 304, 305, 402, 403, 404, 406, 407, 409, 411, 412, 413, 417, 418, 420, 421, 431, 434, 435, 436, 437, 504, 505, 508, 509, 510, 511, 601, 608, 611, 612, 615, 802, 803, 804(2), 805, 812, 814, 816, 904, 907, 911, 912, 913, 915, 937, 938, 940, 1011, 1051, and 1201. (More detail on the deleted sections follows.)

## **Boilerplate Changes From FY 2014-15**

### **Sec. 204. Investment of Budgetary Savings – DELETED**

Expresses legislative intent that budgetary savings achieved are to be invested in early childhood education, K-12 education, higher education, local law enforcement entities through revenue sharing, and roads, in an effort to reduce high crime rates in the state.

### **Sec. 206. Disciplinary Action Against State Employees – DELETED**

Prohibits MDOC from taking disciplinary action against employees for communicating with legislators or their staff.

### **Sec. 207. State Employees and Competitive Bidding – DELETED**

Authorizes state employees to competitively bid on contracts for services that are or were provided by state employees; requires state employment to cease if bids are successful.

### **Sec. 212. FTE Positions and Long-Term Vacancy Report – DELETED**

Requires MDOC to report on number of FTE positions in pay status, to include an accounting of long-term vacancies.

### **Sec. 214. Receipt and Retention of Required Reports – DELETED**

Requires MDOC to receive and retain copies of all reports required; requires federal and state guidelines to be followed for short-term and long-term retention of records; authorizes MDOC to electronically retain copies of reports unless otherwise required by federal and state guidelines.

### **Sec. 232. Security Levels of Prisoners Past Earliest Release Dates – DELETED**

Requires MDOC to report on security levels of all prisoners who were classified as past their earliest release date.

### **Sec. 238. Repurposing of Closed Correctional Facilities – DELETED**

Expresses legislative intent that MDOC make additional efforts to sell, rent, or otherwise repurpose closed correctional facilities.

### **Sec. 239. Management-to-Staff Ratio – DELETED**

Expresses legislative intent that MDOC maintain a management-to-staff ratio of 1 supervisor to 8 employees at Lansing central and at northern and southern regional administration offices.

### **Sec. 247. Performance Measures – DELETED**

Requires MDOC to report a list of specific benchmarks intended to measure performance or return on taxpayer investment for each new program or program expansion for which funds in excess of \$500,000 are appropriated; requires report on progress of program and status of expenditures as measured by benchmarks.

### **Sec. 304. Staff Suggestions – DELETED**

Requires MDOC to maintain a staff savings initiative program to invite staff to suggest cost savings for the department.

### **Sec. 305. Report on Prisoner Suicides – DELETED**

Requires MDOC to report on prisoner suicides, including information on circumstances of each suicide and MDOC's response.

### **Sec. 402. Prisoner Re-Entry and Expenditures – DELETED**

Expresses legislative intent that re-entry appropriations be expended for reducing victimization by reducing offender recidivism through specified programs and services; requires MDOC to report on actual prior-year and planned current-year expenditures and allocations.

### **Sec. 403. LEAN Process to Reduce Program Backlog – DELETED**

Requires MDOC to issue a request for proposal (RFP) to institute a LEAN process to determine ways to reduce the backlog for programming for prisoners who are within six months of their earliest release date; requires report on outcomes of LEAN process.

### **Sec. 404. Staff Associated With LEAN Process – DELETED**

Authorizes MDOC to hire additional staff on a temporary basis to assist with instituting LEAN process principles and to provide programming to prisoners who are past their earliest release dates.

### **Sec. 406. Expansion of Swift and Sure Sanctions Program – DELETED**

Requires MDOC to provide \$1.0 million in IDG funding to DHS to expand the Swift and Sure Sanctions program through the Michigan Rehabilitative Services program.

### **Sec. 407. Annual Statistical Reports – DELETED**

Requires MDOC to place statistical reports with court disposition, prison commitment, prison population, and other corrections data and information online.

### **Sec. 409. Workforce Development – DELETED**

Requires MDOC to work with state agencies and local entities to coordinate re-entry and vocational education programs for prisoners to encourage employment of prisoners upon release from prison.

### **Sec. 411. Community Corrections Comprehensive Plans – DELETED**

Establishes further requirements for community corrections comprehensive plans.

## **Boilerplate Changes From FY 2014-15**

### **Sec. 412. *Community Corrections Biannual Report* – DELETED**

Specifies details to be included in biannual report required by Community Corrections Act, 1988 PA 511.

### **Sec. 413. *Community Corrections and Jail Data* – DELETED**

Requires development of certain databases on local correctional trends and jail utilization; requires county cooperation in providing necessary jail data.

### **Sec. 417. *Reports on Community Programs* – DELETED**

Requires MDOC to report on program expenditures, program details, and program results for the Felony Drunk Driver and County Jail Reimbursement Programs, and on new initiatives aimed at controlling prison population growth.

### **Sec. 418. *State Identification/Birth Certificates/Military Documents for Returning Prisoners* – DELETED**

Requires MDOC to collaborate with other state entities to develop processes to assist prisoners in obtaining state identification, birth certificates, and military documents if applicable.

### **Sec. 420. *Report on Department Efficiencies* – DELETED**

Requires MDOC to report on performance data and efforts to improve efficiencies relative to departmental staffing, health care services, food service, prisoner transportation, mental health care services, and pharmaceutical costs.

### **Sec. 421. *Mental Health Diversion Council* – DELETED**

Expresses legislative intent that the \$1.0 million appropriation for Jail Mental Health Transition Pilot Program is to be used to address recommendations of the Mental Health Diversion Council.

### **Sec. 431. *Clothing for Exiting Prisoners* – DELETED**

Requires MDOC to ensure each exiting prisoner has a set of clothing suitable for job interviews, if requested by the prisoner.

### **Sec. 434. *Programs to Employ Parolees in Agricultural Settings* – DELETED**

Requires MDOC to explore opportunities to collaborate with Michigan colleges and universities on establishing programs that will employ parolees in agricultural settings.

### **Sec. 435. *Prisoner Re-Entry Legal Services* – DELETED**

Requires MDOC to contract with Kent and Oakland Counties to establish pilot projects to provide outreach, education, and legal representation to former offenders in areas such as employment, housing, income stability, and child custody and other domestic matters; requires Oakland County to provide services to former offenders in Wayne County.

### **Sec. 436. *Genesee County Jail Backlog* – DELETED**

Requires MDOC to establish a workgroup with Genesee County Sheriff's Department and City of Flint Police Department to develop and implement a long-term strategic plan to ease county jail backlog and to reduce need for department intervention.

### **Sec. 437. *Goodwill Flip the Script* – DELETED**

Requires MDOC to contract with a nonprofit entity in a county with greater than 1.5 million people to provide persons aged 16-30 with education, job training, and mentoring in an effort to keep them out of prison.

### **Sec. 504. *Consolidation of Transportation Services* – DELETED**

Requires MDOC to work with DCH, MDOT, DHS, and MSF to determine if the state can maximize its services and funding for transportation for low-income, elderly, and disabled individuals through consolidation of transportation services.

### **Sec. 505. *Mental Health Awareness Training* – DELETED**

Requires mental health awareness training for new custody staff and ongoing training for all custody staff dealing with prisoners with mental illness.

### **Sec. 508. *Analysis of Physical Structure of Facilities* – DELETED**

Requires MDOC to analyze the structural integrity and overall quality of correctional facilities it owns or operates; requires report on findings.

### **Sec. 509. *Study on Michigan State Industries Program* – DELETED**

Requires MDOC to conduct a study on Michigan State Industries program that focuses on determining which industries have the maximum benefit to prisoners in providing marketable skills and leading to employment; requires report on production, operating budget, number of prisoners participating, and purchasers of products.

### **Sec. 510. *Administration of Healthy Michigan Plan* – DELETED**

Requires MDOC to work with DCH to establish an accounting structure that will allow expenditures associated with administration of the Healthy Michigan Plan to be identified.

## **Boilerplate Changes From FY 2014-15**

### **Sec. 511. Strategic Plan Reporting – DELETED**

Requires MDOC to report on strategies to decrease recidivism rates, strategies to increase rehabilitative function of correctional facilities, metrics to track and ensure prisoner readiness to re-enter society, and constructive actions for providing prisoners with life skills development.

### **Sec. 601. Parole and Probation Agent Caseload Audits – DELETED**

Requires caseload audits of field agents to evaluate their ability to complete their professional duties.

### **Sec. 608. Electronic Monitoring Report – DELETED**

Requires MDOC to report on electronic monitoring program, particularly on use of global positioning system (GPS) tethers.

### **Sec. 611. Annual Program Reports – DELETED**

Specifies content to be included in reports by MDOC on community re-entry, electronic tether, and special alternative incarceration programs.

### **Sec. 612. Violators of Parole and Probation – DELETED**

Requires MDOC to develop proposals for alternatives to prison for technical violators of parole and probation, and to report on certain program impacts on probationers and parolees.

### **Sec. 615. Parole Board Review of Inmates Sentenced to Life with Possibility of Parole – DELETED**

Requires MDOC to report on number of prisoners who have received life sentences with possibility of parole and on number of prisoners who are currently eligible for parole.

### **Sec. 802. Health Care Timeliness and Expenditures – DELETED**

Requires MDOC to report on expenditures, allocations, and projected expenditures from accounts for prisoner health care; requires MDOC to provide regular updates on progress of health care requests for proposals.

### **Sec. 803. Standard Medical Release Form – DELETED**

Requires MDOC to establish a standard medical release form for all prisoners, and to give all prisoners the opportunity to sign a release form, effective for one year, designating a family member or other individual to whom the department is authorized to release information.

### **Sec. 804(2). Report on Prisoners Receiving Off-Site Medical Care – DELETED**

Requires MDOC to report on prisoners receiving off-site, in-patient medical care that would have been provided on-site if beds were available.

### **Sec. 805. Health Care Coverage for Dependents – DELETED**

Requires MDOC to determine eligibility of prisoners aged 26 years and under for dependent health care coverage.

### **Sec. 812. Medicaid Utilization by Prisoners – DELETED**

Requires MDOC and DHS to exchange information regarding newly-committed prisoners who may be Medicaid-eligible; requires MDOC to assist outgoing prisoners with Medicaid enrollment; requires report on Medicaid utilization by prisoners.

### **Sec. 814. Psychotropic Medications for Prisoners – DELETED**

Requires MDOC to assure psychotropic medications are available, when deemed medically necessary by licensed medical service providers, to prisoners with diagnosed mental illness but not enrolled in mental health services.

### **Sec. 816. Pharmaceutical Expenditures and Prescribing Practices – DELETED**

Requires MDOC to report on expenditures for antipsychotic medications and changes to prescription drug formularies.

### **Sec. 904. Cost Per Prisoner Per Day – DELETED**

Requires MDOC to report on per diem costs for each custody level, specifying actual direct and indirect costs for previous fiscal year, including allocation of statewide legacy costs.

### **Sec. 907. Educational Programs for Prisoners – DELETED**

Requires MDOC to report on academic and vocational programs, and lists specific information to be reported.

### **Sec. 911. Critical Incidents and Assaults in Prisons – DELETED**

Requires MDOC to report on number of critical incidents, assaults, and escape attempts at each prison facility by month.

### **Sec. 912. Institutional Staffing – DELETED**

Requires MDOC to report on ratios of corrections officers to prisoners, shift command staff to line custody staff, and non-custody institutional staff to prisoners for each correctional institution.

## **Boilerplate Changes From FY 2014-15**

### ***Sec. 913. Enrollment and Completion of Sex Offender and Assaultive Offender Programming – DELETED***

Expresses legislative intent that prisoners who are required to complete sex offender, assaultive offender, violent offender, and Thinking for Change programming as a condition of parole be transferred to facilities where programming is available; requires MDOC to report on enrollment and completion of sex offender, assaultive offender, violent offender, and Thinking for Change programming and on plans to address waiting lists for these programs.

### ***Sec. 915. Program to Allow Graduate Students to Teach Programming – DELETED***

Requires MDOC to explore opportunities to collaborate with Michigan universities to establish programs that will allow graduate students to work in correctional facilities teaching programming that is a condition of parole.

### ***Sec. 937. Competitive Bidding – DELETED***

Prohibits MDOC from issuing a RFP for a contract in excess of \$5.0 million unless MDOC has first considered a request for information (RFI) or a request for qualification (RFQ) relative to that contract.

### ***Sec. 938. Skilled Nursing Facility for Geriatric and Medically Fragile – DELETED***

Requires MDOC, in consultation with DTMB and DCH, to issue an RFI for a contract to provide beds in a skilled nursing facility for placement of geriatric and medically fragile prisoners, so that these prisoners are eligible for Medicaid reimbursement.

### ***Sec. 940. Use of State-Owned Facilities – DELETED***

Requires any for-profit entities using state-owned facilities to pay fair market value for use of facilities and to make payments in lieu of taxes to local jurisdictions equivalent to what local units would receive if facilities were privately-owned.

### ***Sec. 1011. Religious Cable Programming – DELETED***

Requires MDOC to accept in-kind services and equipment donations to facilitate addition of a cable network that provides religious programming for prisoners; prohibits addition of channels from costing the state.

### ***Sec. 1051. Capital Outlay Appropriations – DELETED***

Authorizes carry forward of capital outlay appropriations.

### ***Sec. 1201. Anticipated FY 2015-16 Appropriations – DELETED***

Expresses legislative intent that FY 2015-16 appropriations will be funded at same level as FY 2014-15 appropriations, adjusting for caseloads, federal fund match rates, economic factors, and available revenue.