

Program Budget Comparison

The following table summarizes the total Legislative budget by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Legislative Budget 2016	Legislative Budget 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	629.04	629.04	629.69	629.69	629.04	629.69	0.65	0.10 %
Personal Services	33,724,290	36,141,622	39,967,979	39,939,273	69,865,912	79,907,252	10,041,340	14.37 %
Operating Expenses	38,613,248	36,358,780	41,002,347	41,586,603	74,972,028	82,588,950	7,616,922	10.16 %
Equipment & Intangible Assets	87,605	115,351	87,605	87,605	202,956	175,210	(27,746)	(13.67)%
Capital Outlay	20,773	0	20,773	20,773	20,773	41,546	20,773	100.00 %
Transfers	53,100	49,500	53,100	53,100	102,600	106,200	3,600	3.51 %
Debt Service	173,888	170,341	217,578	217,578	344,229	435,156	90,927	26.41 %
Total Costs	\$72,672,904	\$72,835,594	\$81,349,382	\$81,904,932	\$145,508,498	\$163,254,314	\$17,745,816	12.20 %
General Fund	72,568,442	72,730,778	81,244,920	81,800,470	145,299,220	163,045,390	17,746,170	12.21 %
State/Other Special Rev. Funds	104,462	104,816	104,462	104,462	209,278	208,924	(354)	(0.17)%
Federal Spec. Rev. Funds	0	0	0	0	0	0	0	0.00 %
Total Funds	\$72,672,904	\$72,835,594	\$81,349,382	\$81,904,932	\$145,508,498	\$163,254,314	\$17,745,816	12.20 %

Program Description

The Secure Custody Facilities Program includes the Montana State Prison, Montana Women’s Prison, and contract bed facilities that include: Dawson County Correctional Facility, Cascade County Regional Prison, and Crossroads Correctional Center in Shelby. Approximately 2,300 male and 200 female inmates are incarcerated in these facilities.

Program Highlights

Secure Custody Facilities Program Major Budget Highlights
<ul style="list-style-type: none"> • Compared to the 2015 biennium legislative funding, budget changes are for: <ul style="list-style-type: none"> ◦ Funding for pay changes made at the agency's discretion during the 2015 biennium and for anticipated longevity pay in the 2017 biennium ◦ Funding reductions as the result of an agency reorganization during the 2015 biennium ◦ Annualization of funding for contracted facilities to the full contracted levels ◦ Pay increases for correctional officers ◦ An increase for overtime ◦ Funding to add 5.00 FTE for security at the Lewistown infirmary as one-time-only ◦ Funding to pay up to \$69.00 per bed-day at county jails ◦ A 2% annual provider rate increase ◦ A prevailing wage increase addressed in the contract for services at the Shelby prison • The legislature provided \$5.5 million in supplemental funding for FY 2015 to address projected budget shortfalls largely due to costs to house offenders in county jails

Funding

The following table shows program funding by source from all sources of authority.

Department of Corrections, 03-Secure Custody Facilities Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	163,045,390	0	0	163,045,390	99.36 %	
02339 Inmate Welfare/Inmate Pay	200,000	0	0	200,000	19.02 %	
02345 Inmate Welfare Fund	0	0	842,651	842,651	80.13 %	
02355 Miscellaneous Fines and Fees	8,924	0	0	8,924	0.85 %	
02689 Offender Restitution	0	0	0	0	0.00 %	
State Special Total	\$208,924	\$0	\$842,651	\$1,051,575	0.64 %	
03099 PHS-ESEA Title I	0	0	0	0	0.00 %	
03315 Misc Federal Grants	0	0	0	0	0.00 %	
Federal Special Total	\$0	\$0	\$0	\$0	0.00 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$163,254,314	\$0	\$842,651	\$164,096,965		

This division is funded almost entirely by the general fund. State special funds are from the sale of canteen items to inmates and support the cost of purchasing canteen items.

Budget Summary by Category

The following summarizes the total budget utilizing the FY 2015 legislative base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget
2015 Budget	82,776,210	82,776,210	165,552,420	101.54 %	82,881,026	82,881,026	165,762,052	101.54 %
PL Adjustments	(2,857,298)	(2,546,448)	(5,403,746)	(3.31)%	(2,857,652)	(2,546,802)	(5,404,454)	(3.31)%
New Proposals	1,326,008	1,570,708	2,896,716	1.78 %	1,326,008	1,570,708	2,896,716	1.77 %
Total Budget	\$81,244,920	\$81,800,470	\$163,045,390		\$81,349,382	\$81,904,932	\$163,254,314	

Present Law Adjustments

The "Present Law Adjustments" table shows the adopted changes from the FY 2015 legislative appropriation. Each is discussed in the narrative that follows.

Present Law Adjustments										
-----Fiscal 2016-----						-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 402 - Montana Correctional Enterprises Rate Changes	0.00	521,036	0	0	521,036	0.00	595,439	0	0	595,439
DP 515 - State Share Health Insurance	0.00	303,599	0	0	303,599	0.00	303,599	0	0	303,599
DP 516 - Correct State Share Health Insurance	0.00	2,095	0	0	2,095	0.00	2,095	0	0	2,095
DP 520 - Fully Fund 2015 Legislatively Authorized FTE	0.00	128,734	0	0	128,734	0.00	128,734	0	0	128,734
DP 527 - Inflation\Deflation Adjustment	0.00	(17,501)	0	0	(17,501)	0.00	(14,095)	0	0	(14,095)
DP 530 - Reorganizations	0.00	(8,930,105)	0	0	(8,930,105)	0.00	(8,930,105)	0	0	(8,930,105)
DP 535 - Program Transfers	0.00	204,673	0	0	204,673	0.00	204,673	0	0	204,673
DP 536 - Other 2015 Biennium Budget Adjustments	0.00	(497,625)	(354)	0	(497,979)	0.00	(494,115)	(354)	0	(494,469)
DP 550 - Motor Pool Rate Adjustment	0.00	(6,919)	0	0	(6,919)	0.00	(6,786)	0	0	(6,786)
DP 600 - 2015 Biennium Career Increment Pay Increases	0.00	544,606	0	0	544,606	0.00	544,606	0	0	544,606
DP 601 - Longevity Pay Increases	0.00	136,081	0	0	136,081	0.00	136,081	0	0	136,081
DP 602 - 2015 Biennium Other Pay Increases	0.00	126,208	0	0	126,208	0.00	126,208	0	0	126,208
DP 603 - Correctional Officer and Market Pay Adjustments	0.00	821,129	0	0	821,129	0.00	821,129	0	0	821,129
DP 300008 - Overtime and Inmate Pay	0.00	301,649	0	0	301,649	0.00	301,649	0	0	301,649
DP 300015 - Lewistown Infirmary Staff (OTO)	5.00	273,761	0	0	273,761	5.00	273,100	0	0	273,100
DP 300016 - Annualize Secure Care Contract Beds (Biennial)	0.00	3,648,061	0	0	3,648,061	0.00	3,878,120	0	0	3,878,120
DP 300018 - Shelby Prison Prevailing Wage Increase (Biennial)	0.00	386,200	0	0	386,200	0.00	386,200	0	0	386,200
DP 300020 - County Jail Hold Rate Reduction	0.00	(802,980)	0	0	(802,980)	0.00	(802,980)	0	0	(802,980)
DP 300444 - Statewide 4% FTE Reduction	(4.35)	0	0	0	0	(4.35)	0	0	0	0
Grand Total All Present Law Adjustments	0.65	(\$2,857,298)	(\$354)	\$0	(\$2,857,652)	0.65	(\$2,546,448)	(\$354)	\$0	(\$2,546,802)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 402 - Montana Correctional Enterprises Rate Changes -

The legislature approved funding to address rate changes for food and laundry services purchased from Montana Correctional Enterprises.

DP 515 - State Share Health Insurance -

The legislature provided appropriation authority for the state share of health insurance, as adopted by the 2013 Legislature.

DP 516 - Correct State Share Health Insurance -

The legislature approved an adjustment to the state share for health insurance to correct for an error in calculating the initial amounts.

DP 520 - Fully Fund 2015 Legislatively Authorized FTE -

The legislature provided appropriation authority to restore personal services funding to create a vacancy savings rate of zero.

DP 527 - Inflation\Deflation Adjustment -

The legislature adopted inflation/deflation factors for budgeted expenditures such as food or electricity. The legislature concurred with the executive on the factors with the exception of gasoline, aviation gasoline, diesel fuel, and jet fuel. For these factors the legislature further deflated costs to align the budget with more current information on declining prices of oil and gas projected to continue into the 2017 biennium.

DP 530 - Reorganizations -

The legislature adopted the reorganization of the management for medical services from the Director's Office, Probation and Parole Division, Secure Custody Facilities Program, and Youth Services Program to for the Clinical Services Division within the department. This included transfers of \$8.9 million in general fund and 79.50 FTE in each FY 2016 and FY 2017 from this program.

DP 535 - Program Transfers -

The legislature adopted program transfers made by the department in the interim. This includes transfers of \$204,673 in general fund in each FY 2016 and FY 2017 from the Youth Services Program to this program.

DP 536 - Other 2015 Biennium Budget Adjustments -

The legislature approved various unspecified budget adjustments to move operating expenses to the FY 2015 legislative base.

DP 550 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to the motor pool rates.

DP 600 - 2015 Biennium Career Increment Pay Increases -

The legislature approved funding to annualize career increment pay increases provided by the agency during the 2015 biennium.

DP 601 - Longevity Pay Increases -

The legislature funded longevity pay adjustments.

DP 602 - 2015 Biennium Other Pay Increases -

The legislature approved funding to annualize various pay increases that were not for correctional officer or probation officer market movement, market adjustment to move employees to the entry level for the pay band, career increment movement, or longevity that were provided by the agency during the 2015 biennium.

DP 603 - Correctional Officer and Market Pay Adjustments -

The legislature funded pay adjustments given in the 2015 biennium for correctional and probation officer increments and adjustment to raise employees to 80% of market.

DP 300008 - Overtime and Inmate Pay -

The legislature funded increases to overtime and inmate pay.

DP 300015 - Lewistown Infirmary Staff (OTO) -

The legislature funded the addition of 5.00 FTE correctional officer positions located at the Lewistown Infirmary. This funding was designated as one-time-only.

DP 300016 - Annualize Secure Care Contract Beds (Biennial) -

The legislature annualized for contracted beds. Funding for holding offenders in county jails was provided for a per bed per day rate of \$69.00, but language was provided that would allow the agency to request additional funds from the Governor's budget director to pay up to \$72.50 per bed. If the agency is unable to obtain an adequate number of beds at the \$69.00 bed rate it may request the additional budget authority.

The legislature designated this funding as biennial.

DP 300018 - Shelby Prison Prevailing Wage Increase (Biennial) -

The legislature funded costs associated with the prevailing wage clause in the contract for the Shelby prison. The legislature designated the funding as biennial.

DP 300020 - County Jail Hold Rate Reduction -

The legislature reduced funding for holding offenders in county jails and stated its intent that the Department of Corrections may reimburse counties for holding offenders at a rate up to \$69 per bed per day. In addition, the legislature provided language that would allow the department to seek additional budget authority should it not be able to secure enough beds at the \$69 rate, but that would state the legislatures intent to not pay more than \$72.50 per bed per day.

DP 300444 - Statewide 4% FTE Reduction -

The 2015 biennium budget included a 4% vacancy savings reduction. Language included in the boilerplate of HB 2 passed by the 2013 Legislature, indicated legislative intent that the 4% vacancy savings be made permanent as an FTE reduction for the 2017 biennium. This change package includes a reduction of 4.35 FTE each year.

New Proposals

The "New Proposals" table shows the adopted changes from the FY 2015 legislative appropriation. Each is discussed in the narrative that follows.

New Proposals	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 300017 - Shelby Prison Per Diem Rate Increase (Biennial)	0.00	250,174	0	0	250,174	0.00	498,981	0	0	498,981
DP 300019 - Correctional Officer Pay Adjustment (Restricted)	0.00	1,075,834	0	0	1,075,834	0.00	1,071,727	0	0	1,071,727
Total	0.00	\$1,326,008	\$0	\$0	\$1,326,008	0.00	\$1,570,708	\$0	\$0	\$1,570,708

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 300017 - Shelby Prison Per Diem Rate Increase (Biennial) -

The legislature approved funding to provide a 2% provider rate increase in FY 2016 and an additional 2% (4% total) rate increase for FY 2017 for the contracted provider at the Shelby prison. The legislature designated funding as biennial.

DP 300019 - Correctional Officer Pay Adjustment (Restricted) -

The legislature funded pay adjustments for all pay band 3 and 4 correctional officers. The legislature designated the funding as restricted only for providing the correctional officer pay adjustments.