

The Legislative Fiscal Division Presents an Agency Profile of: The Department of Corrections

Contact: Greg DeWitt, Senior Fiscal Analyst

Room 119, State Capitol Building

Phone: 444-5392

E-mail: gcdewitt@mt.gov

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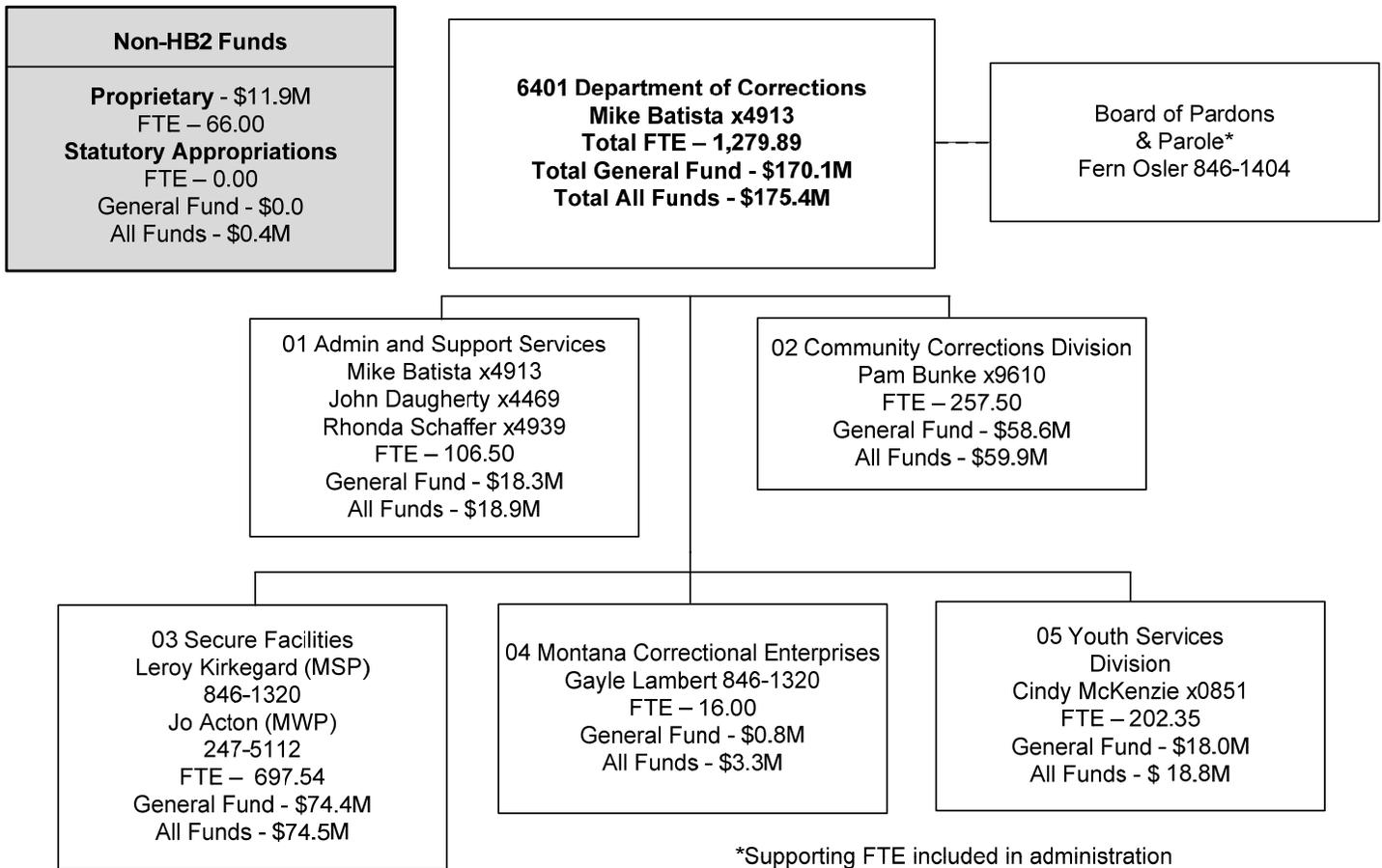
Definition of Terms

Agency Description

The Department of Corrections (DOC), authorized in section 2-15-2301, MCA, is directed in section 53-1-201, MCA, to "utilize at maximum efficiency the resources of state government in a coordinated effort to: 1) develop and maintain comprehensive services and programs in the field of adult and youth corrections; and 2) provide for the care, protection, and mental and physical development of youth alleged to be youth in need of supervision, or delinquent youth who are referred or committed to the department." The department's five programs are:

- Administration and support services including the Director's Office, Staff Services Division, Information Technology Division, Administrative Services Division, and the administratively attached Board of Pardons and Parole.
- Community Corrections Division including division administration; Treasure State Correctional Treatment Center (TSCTC); contracted pre-release centers, probation and parole; DUI Unit (Warm Springs Addictions Treatment and Change Program (WATCh)); Elkhorn and Nexus methamphetamine treatment centers, Missoula Assessment and Sanction Center (MASC); and the Sanction, Treatment, Assessment, Revocation, and Transition Center (START)
- Secure Custody including Montana State Prison (MSP), Montana Women's Prison (MWP), contract beds including regional prisons in Great Falls and Glendive, and a privately operated prison (Crossroads Correctional Center) in Shelby
- Montana Correctional Enterprises (MCE) including agriculture, ranching, industries, vocational education, food factory, license plate factory, fire crew, lumber processing, and inmate canteen
- Youth Services Division including statewide juvenile community corrections functions, Riverside Youth Correctional Facility, the Transition Center, and Pine Hills Youth Correctional Facility

On the following page is an organizational chart of the agency including full time-equivalent (FTE) numbers, general fund appropriations, statutory appropriations, proprietary funds, and total funds. Unless otherwise noted, all phone extensions are preceded by (406) 444

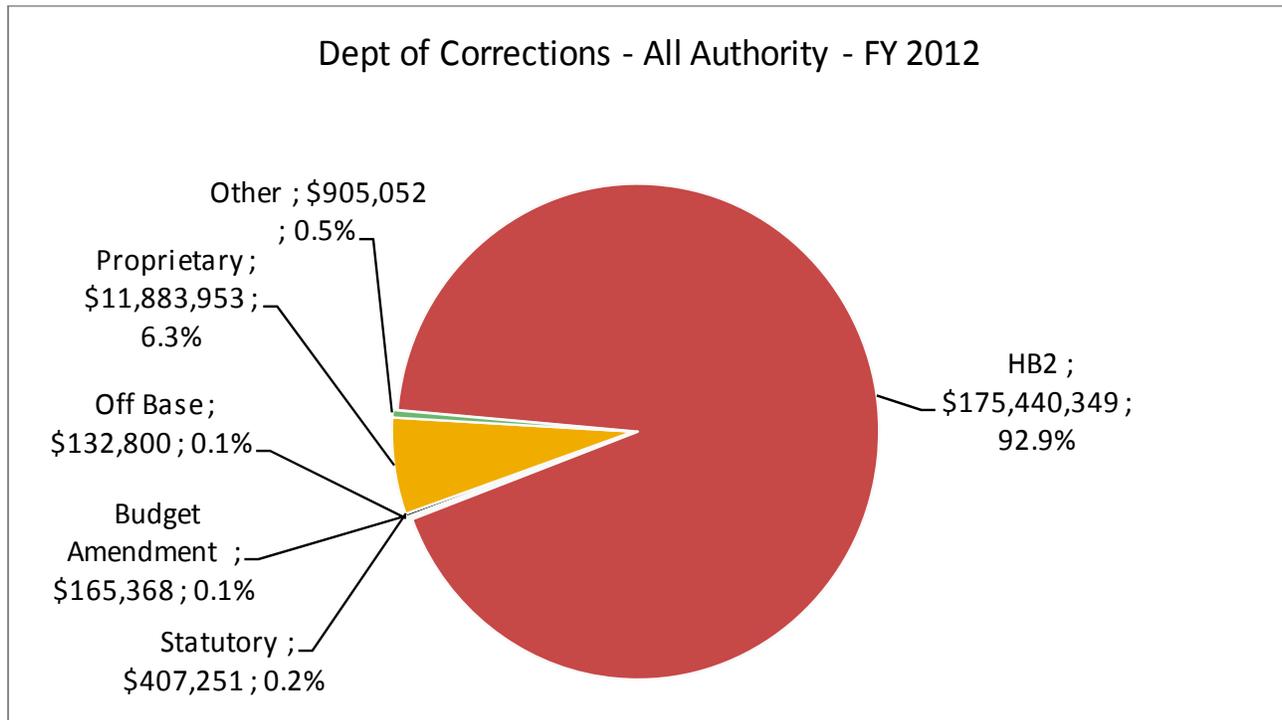


How Services are Provided

Services are provided through the following:

- Housing and attending to adult or youth offenders in Secure care facilities either owned and operated by the state or under contract with a private or local government entity that owns and operates the facility under contract with the state. Examples of state facilities for adults are the Montana State Prison and the Montana Women’s Prison. Examples of state facilities for youth are Pine Hills Youth Correctional Center or Riverside Youth Correctional Center
- Contracting with private not-for-profit entities for treatment and supervision in a treatment or community-based setting such as pre-release centers, transitional living centers, methamphetamine or alcohol treatment facilities
- Supervision adult offenders on probation or parole or youth on parole with state FTE probation and parole officers
- Providing job skills and training for offenders via a vocational education placement operated by state FTE. Examples of vocational education includes the prison ranch and dairy, prison license plate factory, prison furniture and upholstery factory
- Providing a military style program for addressing criminality and behavioral issues in younger adult offenders

Sources of Spending Authority

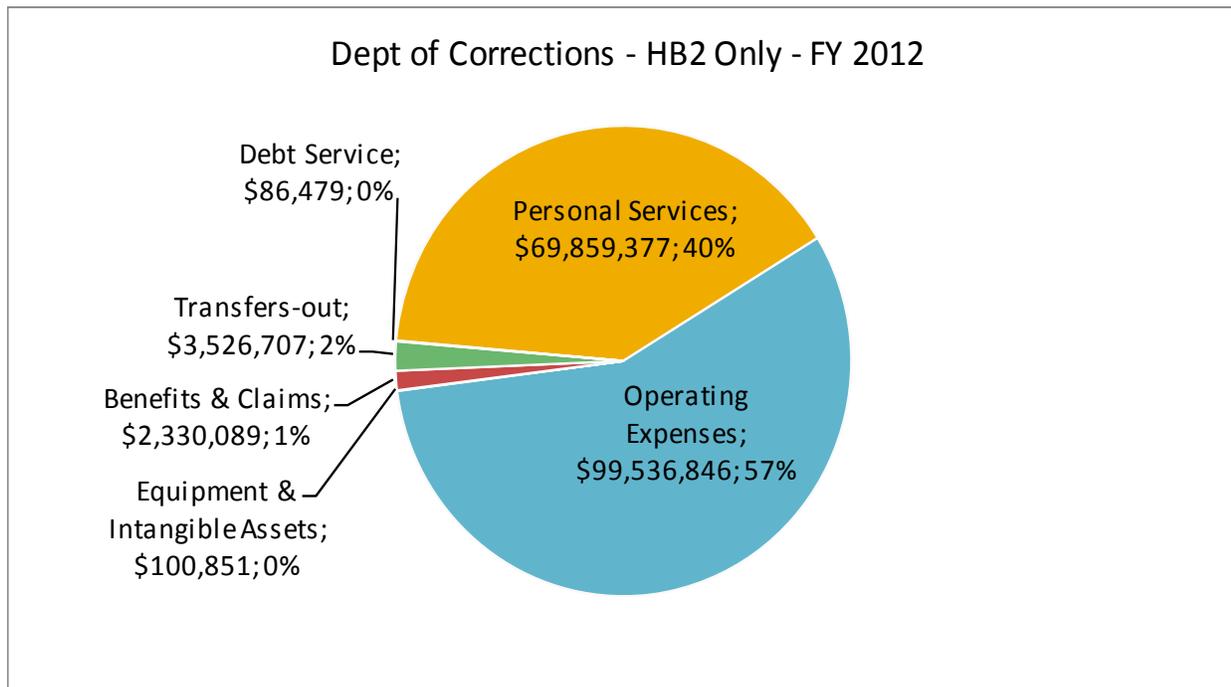


The above chart shows the sources of authority for the department. The accounting term “off base” refers to one-time-only spending and non-budgeted items like inventory adjustments. Other legislative appropriations (sometimes called cat and dog bills) are included in the above categories as appropriate. For a more detailed description of accounting terminology, please refer to the definition of terms.

Expenditures

The next chart explains how the HB2 authority is spent. Operating expenses makes up the largest expenditure with the major operating expenses for:

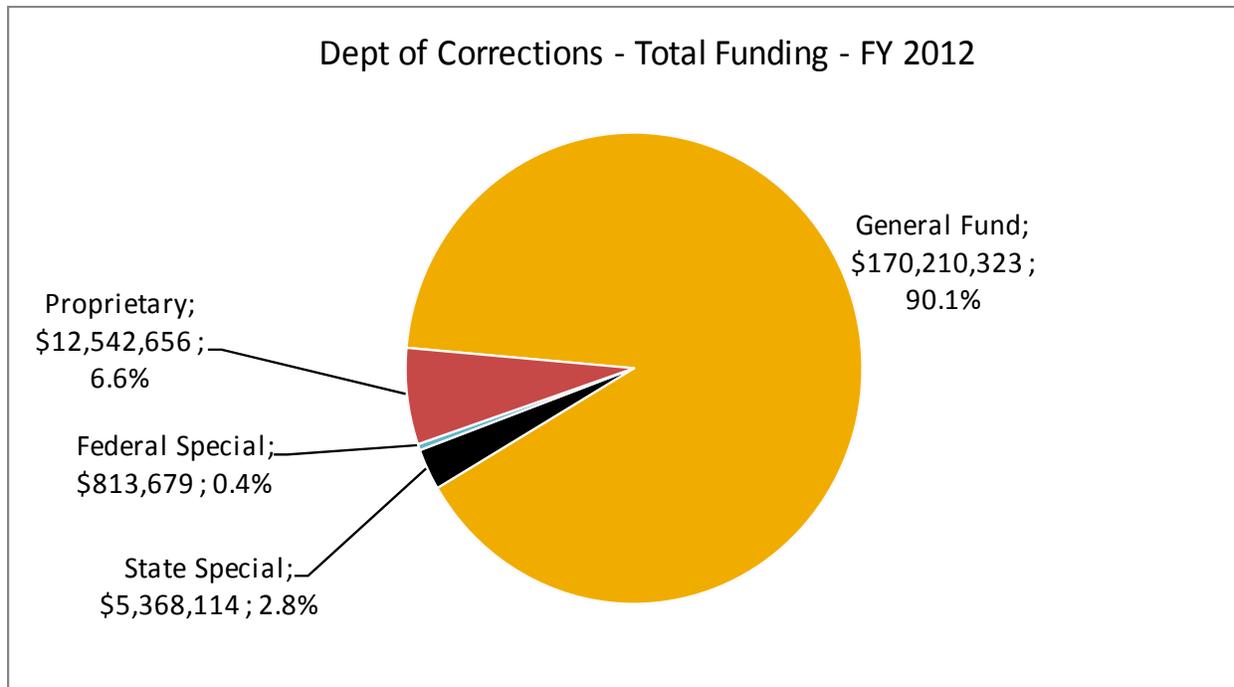
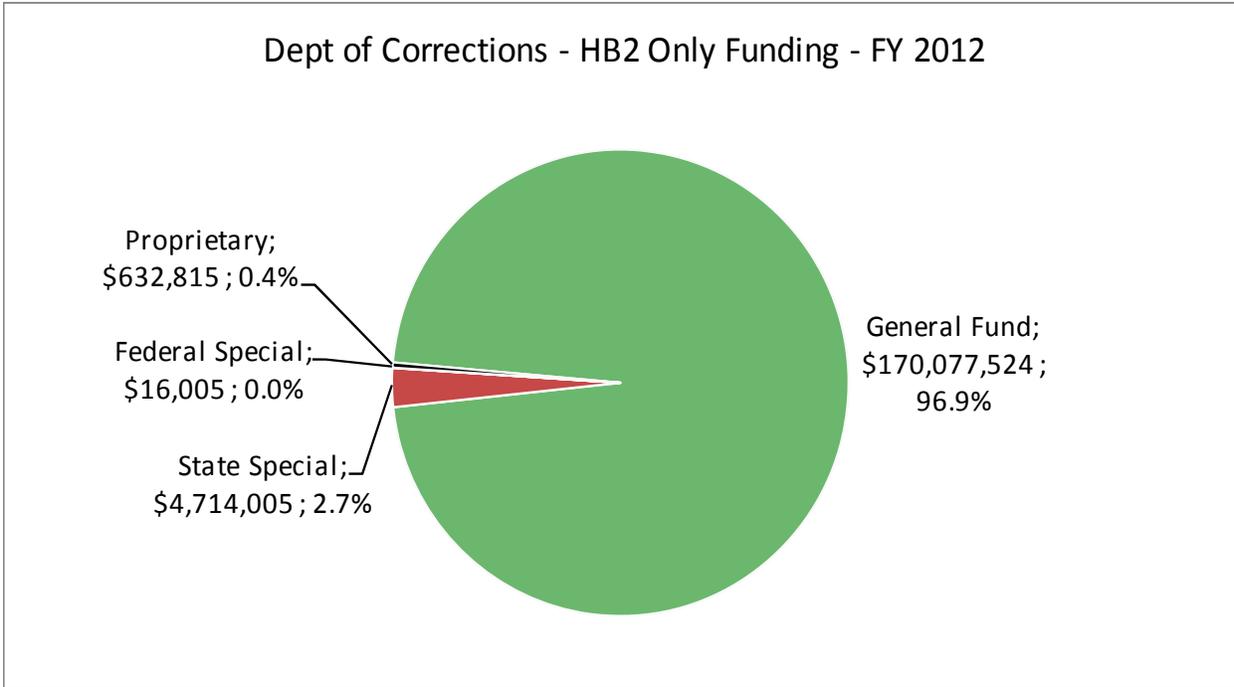
- Per diem rates paid for contracted beds, \$64.0 million
- Medical services, \$7.7 million
- Food related costs, \$5.5 million,
- Drugs, \$2.5 million
- Utilities, \$1.9 million.



This chart matches the agency chart found in the 2015 Budget Analysis. Some minor discrepancies may occur as a result of rounding.

Funding

The following charts show the agency's HB2 funding authority by fund type and all sources of its total funding authority.



How the 2013 Legislature Can Effect Change

In order to change expenditure levels and/or agency activity, the legislature must address one or more of the following basic elements that drive costs.

If the legislature wishes to affect correctional expenditures at the state level in significant ways, it must address the number of offenders and/or the cost to provide services. The legislature might impact these items by:

- Changing criminal statutes, including what offenses are considered a felony and the length and type of sentence imposed upon individuals guilty of committing a criminal act
- Reducing the costs of current services and incarceration options and/or pursuing the development of new options that may be less costly. In such cases, it is important to determine how “less costly” is defined or determined. Less costly may be cost per day, cost per offender for the course of treatment or incarceration, or cost over a longer time period and measured in terms of future impact on the correctional system and society

Major Cost Drivers

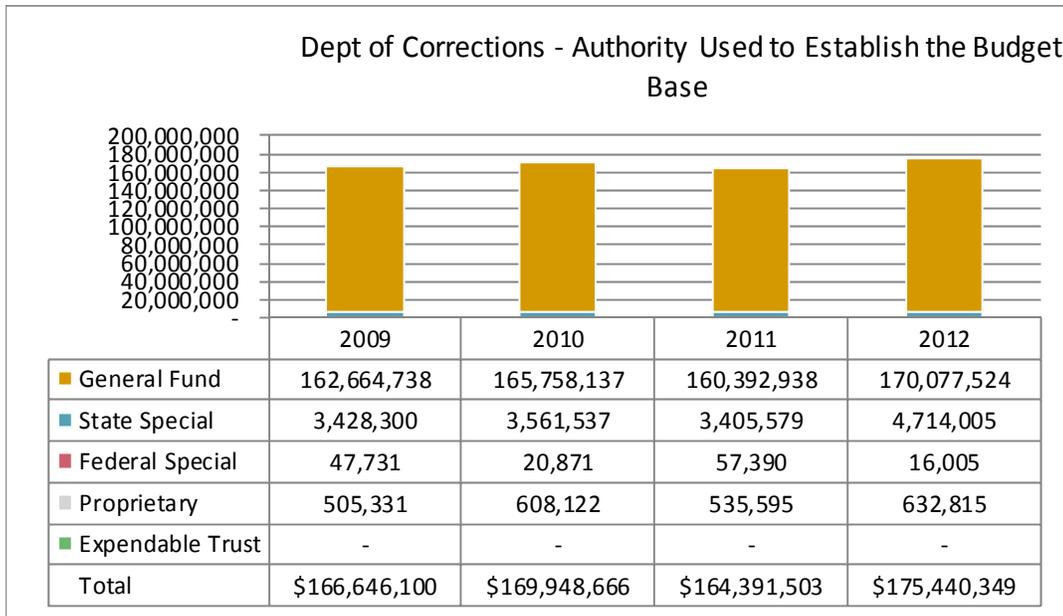
Driver	FY 2003	FY 2012	Significance of Data
ADP male secure facilities	1,949	2,343	Growth in ADP
ADP female secure facilities	144	203	Growth in ADP
ADP probation and parole	6,829	8,512	Growth in ADP
ADP Pine Hills (juvenile males)	107	64	Youth ADP is declining
ADP Riverside (juvenile females)	13	12	Youth ADP is declining
Number of offenders supervised - adults	14,420	17,531	Growth in people supervised by the department
Number of offenders supervised - juveniles	309	225	Youth being supervised are declining
Average age of male inmates	38.2	40.1	Older inmates typically means more in medical costs
Percent of male inmates 55 years of age or older	9.9%	14.8%	Older tier of inmates are growing as a percentage of populations
Average age of female inmates	36.6	37.0	Older inmates typically means more in medical costs
Percent of female inmates 55 years of age or older	4.2%	7.2%	Older tier of inmates are growing as a percentage of populations
Average length of stay for male inmates (months)	46.0	23.4	Offenders are moving more quickly to the communities
Average length of stay for female inmates (months)	22.3	17.5	Offenders are moving more quickly to the communities
Number of FTE	1,087	1,280	More staff means higher personal services costs
Total medical/dental/treatment expenditures	\$17.7 million	\$21.0 million	As inmates age the medical costs increase
ADP is average daily population			

The table above provides some cost drivers that can indirectly impact the operating costs of the department.

Funding/Expenditure History

The following figure shows how expenditures in HB 2 have been funded for the period from FY 2009 through FY 2012. Over the period, growth in expenditures is directly related to the growth in average daily populations ADP. Significant drivers of the growth in expenditures are:

- 25% increase in drug costs from FY 2010 to FY 2011 with a 4% increase from FY 2011 to FY 2012
- Average annual increases of 4% for per diem paid on contracted beds
- Average annual increases of 22% in medical services



Major Legislative Changes in the Last Ten Years

The following legislation impacts the department by adding imprisonment in sentencing:

- SB 547 in the 2007 Legislative Session - revised provisions related to sexual offenders and provide for a minimum 25 year mandatory minimum sentence in certain circumstances

For further information, you may wish to contact the agency at:

Montana Department of Corrections
 5 S. Last Chance Gulch
 P.O. Box 201301 Helena, MT 59620-1301
 406-444-3930 (Tel.)
 406-444-4920 (Fax)

web: <http://www.cor.mt.gov>