

**Agency Budget Comparison**

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

Agency Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	1,279.89	1,279.89	1,309.89	1,309.89	1,279.89	1,309.89	30.00	2.34%
Personal Services	69,859,396	70,643,147	73,437,426	74,294,282	140,502,543	147,731,708	7,229,165	5.15%
Operating Expenses	99,536,893	98,970,190	109,379,576	111,748,553	198,507,083	221,128,129	22,621,046	11.40%
Equipment & Intangible Assets	100,851	81,681	376,851	141,551	182,532	518,402	335,870	184.01%
Benefits & Claims	2,330,087	2,940,542	2,330,087	2,330,087	5,270,629	4,660,174	(610,455)	(11.58%)
Transfers	3,526,709	2,916,469	3,519,259	3,515,659	6,443,178	7,034,918	591,740	9.18%
Debt Service	86,479	86,651	262,329	262,329	173,130	524,658	351,528	203.04%
<b>Total Costs</b>	<b>\$175,440,415</b>	<b>\$175,638,680</b>	<b>\$189,305,528</b>	<b>\$192,292,461</b>	<b>\$351,079,095</b>	<b>\$381,597,989</b>	<b>\$30,518,894</b>	<b>8.69%</b>
General Fund	170,077,589	170,089,157	183,035,457	186,022,149	340,166,746	369,057,606	28,890,860	8.49%
State Special	4,714,007	4,788,037	5,452,076	5,452,165	9,502,044	10,904,241	1,402,197	14.76%
Federal Special	16,005	25,739	16,005	16,005	41,744	32,010	(9,734)	(23.32%)
Other	632,814	735,747	801,990	802,142	1,368,561	1,604,132	235,571	17.21%
<b>Total Funds</b>	<b>\$175,440,415</b>	<b>\$175,638,680</b>	<b>\$189,305,528</b>	<b>\$192,292,461</b>	<b>\$351,079,095</b>	<b>\$381,597,989</b>	<b>\$30,518,894</b>	<b>8.69%</b>

**Mission Statement**

*Mission* - The Montana Department of Corrections enhances public safety, promotes positive change in offender behavior, reintegrates offenders into the community, and supports victims of crime.

For additional information, please refer to the agency profile.

## Agency Highlights

<b>Department of Corrections Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ Major factors contributing to the proposed funding increases are: <ul style="list-style-type: none"> <li>• Projected increase in total populations of 1% per year with female secure care populations growing the most at an average rate of 4.4% per year</li> <li>• Medical costs growing about 10% per year, which caused the executive to move funds from FY 2013 to FY 2012 to address the shortfall and contributed to the FY 2013 requested supplemental</li> <li>• Increases for providers and state employee career ladders</li> </ul> </li> <li>◆ The executive proposes to address the changes by: <ul style="list-style-type: none"> <li>• Annualizing contract beds to the full contracted level</li> <li>• Increasing female prerelease and transitional living beds</li> <li>• Using the remodeled Montana Mental Health Nursing Care Center in Lewistown to house inmates needing staff assistance for their daily care. This initiative began in FY 2013 and will free up space in the Montana State Prison to accommodate growth</li> <li>• Expanding the department's re-entry initiative, which is designed to enhance re-entry of offenders back into communities and subsequently reduce recidivism</li> </ul> </li> <li>◆ The Governor also proposes to add 30.00 FTE: <ul style="list-style-type: none"> <li>• 6.00 FTE to support the agency's re-entry initiative</li> <li>• 1.00 FTE attorney to address increasing legal workloads</li> <li>• 9.00 FTE for correctional relief factors at Montana State Prison and Montana Women's Prison</li> <li>• 7.00 FTE to replace the previously contracted health services function for the Montana Women's Prison</li> <li>• 5.00 FTE to provide security for inmates being moved to the Montana Mental Health Nursing Care Center in Lewistown under a contract with the Department of Public Health and Human Services</li> <li>• 2.00 FTE for the vocational education program</li> </ul> </li> </ul>
<b>Legislative Action Issues</b>
<ul style="list-style-type: none"> <li>◆ The department entered into a contract with the Department of Public Health and Human Services to receive services at the Montana Mental Health Nursing Care Center in Lewistown. The legislature has options for addressing the population of inmates needing assistance with daily personal needs</li> <li>◆ A portion of the funding to add FTE is one-time-only</li> <li>◆ A request for overtime for probation and parole is double the highest historical level since FY 2000</li> <li>◆ Fees for the license plate factory are not commensurate with costs</li> <li>◆ Revenue projections for the vocational education proprietary fund and the MSP institutional industries fund are questionable</li> </ul>

## Agency Discussion

### *Agency Summary*

The Department of Corrections (DOC) is charged with efficiently utilizing state resources to develop and maintain comprehensive adult and youth corrections services. The primary responsibility of DOC is to house and/or provide services to adults and youth who are sentenced to DOC or one of the facilities it operates. DOC is also responsible for juvenile parole and adult probation and parole functions. However, juvenile probation services are part of the District Court Operations Program within the Judicial Branch.

The Department of Corrections provides services through the operation of state institutions, with state employees (such as probation and parole) and the purchase of incarceration and other services (such as community-based residential programs) via contracts with local governments and private not-for-profit and for-profit businesses throughout the state. The agency strives to place 80% of offenders under its supervision in community-based programs and 20% in secure facilities. The executive request maintains this 80/20 balance.

When compared to the 2013 biennium, the 2015 biennium budget is 8.7% (\$30.5 million) total funds higher. General fund increases 8.5% (\$28.9 million) during the same time period. This budget increase is driven by requests for increased funding to: 1) address medical cost growth; 2) annualize the funding for contracted beds, 3) fund a contract with the Department of Health and Human Services to house 25 inmates needing assistance providing for their daily personal needs; 4) provide provider rate increases for contracted providers; 5) fund the correctional officer career ladder; and 6) add 10 pre-release transitional living slots and 15 prerelease beds for women.

Costs and changes to those costs of the department are generally driven by several factors:

- Average daily population projections
- The level of supervision and/or treatment required and the availability of space in the appropriate settings
- Costs of contracts and state personnel
- Medical costs

### *Average Daily Population Projections*

When offenders are sentenced to either a facility or to the supervision of the department it assumes responsibility for placement of the offender within a facility most appropriate to that offender. Because the main mission of the department is to eventually return the offender back to the community as a law-abiding citizen, the department must have adequate capacity to place the offender in the most appropriate facility to address the issue of the offender's criminality. The first part of the figure below shows the population projections of the department, yearly changes, and the capacities for broad categories of placement options currently available to the department. The executive has requested funding to address the capacity issues facing the agency, including:

- Re-entry Initiative
- Expansion of female pre-release and transitional living
- Housing secure assisted living inmates in the refurbished Montana Mental Health Nursing Home in Lewistown

The executive has also requested Long-Range Building Program funding to replace the low risk offender housing units at the Montana State Prison and in doing so would add 100 beds to the capacity of the male prison. However, the earliest a facility could be constructed and begin housing inmates is the middle of the 2017 biennium, so they would not be available for addressing any capacity shortages in the 2015 biennium.

Summary of Department of Corrections Population Projections to Capacity										
Average Daily Population (ADP)										
Segment	Actual FY 2012	FY 2013			Department Projections FY 2014			FY 2015		
		Projection	Amount	Percentage	Projection	Amount	Percentage	Projection	Amount	Percentage
Projections:										
Male Prison	2,343	2,336	-7	-0.3%	2,372	36	1.5%	2,392	20	0.8%
Female Prison	203	200	-3	-1.5%	209	9	4.5%	218	9	4.3%
Alternatives to Prison	928	977	49	5.3%	1,011	34	3.5%	1,044	33	3.3%
Prerelease and Transitional Living	891	937	46	5.2%	950	13	1.4%	961	11	1.2%
Specialized Supervision Programs	343	426	83	24.2%	656	230	54.0%	656	0	0.0%
Probation and Parole	8,169	7,932	-237	-2.9%	7,728	-204	-2.6%	7,778	50	0.6%
Total ADP	12,877	12,808	-69	-0.5%	12,926	118	0.9%	13,049	123	1.0%
Current Capacity:										
Male Prison		2,379			2,383			2,383		
Female Prison		200			205			205		
Alternatives to Prison		968			982			982		
Prerelease and Transitional Living		945			945			945		
Specialized Supervision Programs		548			548			548		
Probation and Parole (at standard caseload)		7,848			7,848			7,848		
Total Current Capacity		12,888			12,911			12,911		
Available Capacity:										
Male Prison		43			11			-9		
Female Prison		0			-4			-13		
Alternatives to Prison		-9			-29			-62		
Prerelease and Transitional Living		8			-5			-16		
Specialized Supervision Programs		122			-108			-108		
Probation and Parole (at standard caseload)		-84			120			70		
Total Available Capacity		80			-15			-138		

The figure shows that during the 2015 biennium the department will see over capacity situations overall and in many of the placement options available to it.

### Agency's Re-entry Initiative

The agency has been working on an initiative to focus resources on efforts directed at re-entry of offenders back into their communities. The initiative is intended to reduce recidivism by enhancing re-entry in the community upon release from the agency's supervision. Reducing recidivism is intended to reduce future correctional system growth. Re-entry services include prerelease centers, drug treatment programs, vocational training, education, work programs, employment and housing assistance, and mentoring.

The impact of the re-entry initiative is to shift populations toward community-based programs such as treatment centers, pre-release, transitional living, and specialized supervision programs. Pre-release, transitional living, and specialized supervision programs are among the lowest cost placement programs while treatment centers for methamphetamines and alcohol are the highest cost.

The following decision packages include \$1.1 million and 8.00 FTE to fund requests associated with the agency's re-entry initiative:

- DP 201 – Re-entry Case Manager (Adult Community Corrections – Program 02), \$113,000 and 1.00 FTE
- DP 303 – Montana State Prison Re-entry Team (Secure Custody Facilities – Program 03), \$321,000 and 3.00 FTE
- DP 305 – MSP Inmate programming (Secure Custody Facilities – Program 03), \$120,000
- DP 402 – MCE Vocational Training FTE at MWP/MSP (Mont Correctional Enterprises – Program 4), \$275,000 and 2.00 FTE
- DP 701 – Re-Entry IT FTE (Administration and Support Services – Program 01), \$272,000 and 2.00 FTE

Male Secure Assisted Living Beds

Beginning in FY 2013, 25 inmates from the male prison will be moved to the Montana Mental Health Nursing Home in Lewistown under a contract with the Department of Public Health and Human Services. Movement of these 25 inmates will free up 35 beds at the male prison. The \$3.7 million funding request for these beds is in DP 320 – Lewistown Infirmary Beds in the Secure Custody Facilities program.

Agency Personal Services

The personal service budget for the 2015 biennium would increase over the base primarily due to the following factors and biennium amount:

- Requests to add 30.00 FTE, \$9.9 million
- Statewide present law adjustments net of applied vacancy savings (\$1.9 million) that are influenced by:
  - Achievement of 4.6% vacancy savings in FY 2012 when 4% was applied, \$0.8 million
  - Pay increases given to certain FTE for the following codes of the state human resources accounting system, \$2.2 million:
    - Career ladder (as a result of a case decided by the Montana Board of Personnel Appeals and discussed below), 497 adjustments averaging \$0.73 per hour
    - Competency, 8 adjustments averaging \$2.53 per hour
    - Market, 9 adjustments averaging \$3.89 per hour
    - Longevity, 156 adjustments averaging \$0.35 per hour
    - Performance, 5 adjustments averaging \$1.32 per hour
    - Reclassifications, 5 adjustments averaging \$1.91 per hour
    - Situational (net of 44 increases and 3 decreases when situational pay ended), 41 adjustments averaging \$0.91 per hour
    - Strategic, 2 adjustments averaging \$4.90 per hour
    - Training assignment progression, 2 adjustments averaging \$1.12 per hour
  - The removal of certain expenses from the base that must be presented in a decision package if they are to continue, including overtime, per diem, and retirement payouts, \$6.8 million

This agency has challenges filling various positions.

- For registered nurses, physicians, dentists and sex offender therapists and positions in the Pine Hills youth correctional facility in Miles City, it has had vacancies in several of these positions, and in correctional and probation and parole officer positions for an extended period during the base year
- The agency used vacancy savings to provide pay increases, primarily for career ladder adjustments, in the 2013 biennium for an average of all adjustments outside of longevity of \$0.84 per hour and costing \$198,000 in FY 2012. However, it did not target the positions furthest from market
  - Career ladder adjustments dominated the adjustments and were due to a decision made by the Montana Board of Personnel Appeals on an unfair labor practices case brought on behalf of unionized correctional officers (see below for a further discussion)
  - Other adjustments are listed above along with their associated average hourly increase with the majority made to retain key positions filled
- When compared to the 2012 market midpoint for similar positions in Montana and surrounding states, the overall agency market comparison is 87.1%

In addition, about 23.4% of the agency's FTE are eligible for full or early retirement in the 2015 biennium. The agency hasn't estimated how many it expects will actually retire, but has stated that several key management positions are expected to retire. The agency made \$863,000 in termination payouts during FY 2012 but has not requested funding for this purpose in the 2015 biennium.

2015 Biennium Budget Request for Career Ladder Funding

A case brought before the Montana Board of Personnel Appeals (MBPA) found in favor of unionized corrections officers of the agency that resulted in career ladder pay increases given during FY 2012. According to the decision, career ladder

schedules under a collective bargaining agreement must be given even after the end of the agreement while a successor agreement is being negotiated. In FY 2012, career ladder adjustments were given to 497 individuals for a total salary increase of \$96,000 in FY 2012. Since these adjustments were effective only part of the year, the full year equivalent would have been about \$878,000.

Because of this decision by the MBPA the executive is requesting funds for anticipated career ladder pay increases under the current collective bargaining agreement for correctional officers. The following decision packages include \$2.4 million to fund correctional officer career ladders in the 2015 biennium:

- DP 999 – Fund Career Ladder for Correctional Officers (Secure Custody Facilities – Program 03), \$1.6 million
- DP 999 – Fund Career Ladder for Correctional Officers (Youth Services – Program 05), \$0.8 million

#### *Other Agency Wide Decision Packages*

The executive budget for this agency includes one other request that is similar for multiple programs. The following multi-program theme is requested.

#### Annualize Contracted Beds

Several decision packages in the programs that contract with private entities for placement of offenders request to annualize funding for contracted services to fully utilize all contracted beds. The decision packages request the difference between what was spent for actual utilization during the base year and the funding needed for utilization at the full contracted level. The following decision packages request \$6.6 million to annualize contracted beds:

- DP 201 – Annualize Treatment Beds (Adult Community Corrections – Program 02), \$0.6 million
- DP 202 – Annualize Prerelease Beds (Adult Community Corrections – Program 02), \$3.2 million
- DP 203 – Annualize MASC Beds (Adult Community Corrections – Program 02), \$0.4 million
- DP 319 – Secure Care Contract Beds (Secure Custody Facilities – Program 03), \$2.4 million

#### *5% Reduction Plan*

Statute requires that agencies submit plans to reduce general fund and certain state special revenue funds by 5%. A summary of the entire 2015 biennium 5% plan submitted for this agency is in the appendix. For this agency the 5% plan would reduce general fund by nearly \$8.5 million and state special revenue by \$235,700.

#### *IT Systems*

State agencies have identified information technology (IT) systems that are critical to the state as a whole or to the agency. Further, state agencies have assessed the age of the systems to establish whether the system is:

- New
- Emerging
- Mature
- Declining
- Obsolete

The Legislative Finance Committee recommended that House Appropriations and Senate Finance and Claims Committee leadership direct the Long Range Planning Subcommittee to meet jointly with each of the appropriate joint appropriations subcommittees to discuss priorities related to critical IT systems, and that state agencies be prepared to discuss:

- Current plans to address obsolescence
- Costs to replace the system
- Costs of maintaining the current system
- Risks associated with both retaining the current system and replacing the system

LFD staff will be prepared to discuss issues related to those systems that have been determined to be either critical to the state as a whole or to the agency and either declining or obsolete. Issues include security, continuity of operations, and funding.

*Agency Goals and Objectives*

Goals and objectives for the agency can be found in the appendix.

*Long-range Planning*

The executive has included as its number one priority a request for Long-range Building Program funding of \$26.0 million to construct a building to house low-risk offenders at the Montana State Prison. This building would replace the existing low-side dormitories and add capacity of 100 beds. It would likely come online around FY 2017.

**Funding**

The following table shows agency funding by source of authority, as proposed by the executive. Funding for each program is discussed in detail in the individual program narratives that follow.

Total Department Of Corrections Funding by Source of Authority 2015 Biennium Budget					
Funds	HB 2	Non- Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	\$369,057,606	\$0	\$0	\$369,057,606	91.0%
State Special Total	10,904,241	-	706,163	11,610,404	2.9%
Federal Special Total	32,010	-	-	32,010	0.0%
Proprietary Total	1,604,132	23,341,291	-	24,945,423	6.1%
Current Unrestricted	-	-	-	-	0.0%
Other Total	-	-	-	-	0.0%
<b>Total All Funds</b>	<b>\$381,597,989</b>	<b>\$23,341,291</b>	<b>\$706,163</b>	<b>\$405,645,443</b>	
Percent - Total All Sources	94.1%	5.8%	0.2%		

The department receives most of its funding from the general fund, with a small amount coming from state special revenue. The four largest state special revenue funds are:

- The canteen revolving fund, which receives revenue from the sale of items (such as personal hygiene items) to inmates
- Probation and parole supervision fees collected from offenders under the supervision of the department
- Pine Hills donations, interest, and income funds that come mostly from the collection of interest and income on school trust lands
- Juvenile placement costs of care that comes from payments made by parents and other responsible parties toward the costs of care of juveniles under the supervision of juvenile parole (Corrections) or juvenile probation (Judicial Branch)

The department receives a small amount of federal funds for the Youth Services program from the Title IV-E Foster Care and Adoption Program.

The remainder of the department's funding comes from proprietary funds such as license plate manufacturing and prison ranch operations.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	170,077,589	170,077,589	340,155,178	92.17%	175,440,415	175,440,415	350,880,830	91.95%
Statewide PL Adjustments	(903,265)	(857,204)	(1,760,469)	(0.48%)	(803,886)	(757,584)	(1,561,470)	(0.41%)
Other PL Adjustments	9,705,246	11,628,818	21,334,064	5.78%	10,510,302	12,433,874	22,944,176	6.01%
New Proposals	4,155,887	5,172,946	9,328,833	2.53%	4,158,697	5,175,756	9,334,453	2.45%
<b>Total Budget</b>	<b>\$183,035,457</b>	<b>\$186,022,149</b>	<b>\$369,057,606</b>		<b>\$189,305,528</b>	<b>\$192,292,461</b>	<b>\$381,597,989</b>	

**Supplemental Appropriation**

The agency was given a biennial appropriation in the 2013 biennium to provide flexibility in its biennial funding levels. During FY 2012, the agency transferred funding it had originally assumed would be expended in FY 2013 to FY 2012 due to higher than anticipated expenditures in that year and to avoid a funding shortage. The major factors for the funding shortage were: 1) high cost growth in outside medical costs; and 2) low vacancy savings due to the predominance of positions that support 24x7 operations of secure custody facilities for adults and youth when 4% vacancy savings was applied. Using a portion of the funding allocated for FY 2013 in FY 2012 has reduced the total amount of funding available in FY 2013. In consequence the executive has requested supplemental funding of \$4.5 million general fund and \$0.5 million state special revenue in HB 3 (the supplemental appropriations bill) to address medical and pharmacy operating costs and vacancy savings the agency has not been able to mitigate at secure facilities.

In addition, the executive has requested funding to address the growth in outside medical costs in the 2015 biennium and recommended that the funding be restricted only for this use.

**Program Budget Comparison**

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

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	106.50	106.50	109.50	109.50	106.50	109.50	3.00	2.82%
Personal Services	6,355,494	6,637,121	7,043,584	7,042,150	12,992,615	14,085,734	1,093,119	8.41%
Operating Expenses	12,530,975	9,371,896	14,779,302	15,310,175	21,902,871	30,089,477	8,186,606	37.38%
<b>Total Costs</b>	<b>\$18,886,469</b>	<b>\$16,009,017</b>	<b>\$21,822,886</b>	<b>\$22,352,325</b>	<b>\$34,895,486</b>	<b>\$44,175,211</b>	<b>\$9,279,725</b>	<b>26.59%</b>
General Fund	18,302,311	15,401,225	21,035,543	21,564,493	33,703,536	42,600,036	8,896,500	26.40%
State Special	486,136	510,996	713,558	713,610	997,132	1,427,168	430,036	43.13%
Federal Special	0	0	0	0	0	0	0	n/a
Other	98,022	96,796	73,785	74,222	194,818	148,007	(46,811)	(24.03%)
<b>Total Funds</b>	<b>\$18,886,469</b>	<b>\$16,009,017</b>	<b>\$21,822,886</b>	<b>\$22,352,325</b>	<b>\$34,895,486</b>	<b>\$44,175,211</b>	<b>\$9,279,725</b>	<b>26.59%</b>

**Program Description**

The Administration and Support Services Program includes the Director’s Office, Outside Medical, Information Services Division, Staff Services Division, Administrative and Financial Services Division, and the administratively attached Board of Pardons and Parole. This program provides services to the department, governmental entities, and the public in the areas of: public and victim information, human resource management, staff development and training, American Indian liaison services, policy management, information technology, legal information, technical correctional services, research and statistics, medical services management, project management, payroll, budgeting and program planning, contract development, federal grants management, victim restitution, supervision fee collection, accounting, and various administrative and management support functions.

**Program Highlights**

<b>Administration and Support Services Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ Major factors contributing to the proposed funding increases are:                             <ul style="list-style-type: none"> <li>● Inflationary growth for medical costs that arises when an inmate is treated outside the prison system</li> <li>● Statewide present law adjustments</li> </ul> </li> <li>◆ The Governor also proposes:                             <ul style="list-style-type: none"> <li>● 2.00 FTE be added for information technology staff to support the agency’s re-entry initiative</li> <li>● 1.00 FTE attorney be added to address increasing legal workloads</li> </ul> </li> </ul>
<b>Major LFD Issues</b>
<ul style="list-style-type: none"> <li>◆ A portion of the funding to add FTE is one-time-only</li> </ul>

**Funding**

The following table shows program funding, by source for the 2015 biennium as recommended by the Governor.

Total Department Of Corrections Funding by Source of Authority 2015 Biennium Budget - Admin And Support Services							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$42,600,036	\$0	\$0	\$42,600,036	96.4%		
State Special Total	\$1,427,168	\$0	\$0	\$1,427,168	3.2%		
02355 Miscellaneous Fines And Fees	\$17,412	\$0	\$0	\$17,412	0.0%		
02689 Offender Restitution	\$1,402,571	\$0	\$0	\$1,402,571	3.2%		
02917 Msp Canteen Revolving Acct	\$7,185	\$0	\$0	\$7,185	0.0%		
Proprietary Total	\$148,007	\$0	\$0	\$148,007	0.3%		
06033 Prison Ranch	\$46,278	\$0	\$0	\$46,278	0.1%		
06034 Msp Institutional Industries	\$43,451	\$0	\$0	\$43,451	0.1%		
06545 Prison Indust. Training Prog	\$8,350	\$0	\$0	\$8,350	0.0%		
06572 Mce License Plate Production	\$5,522	\$0	\$0	\$5,522	0.0%		
06573 Msp - Cook Chill	\$44,406	\$0	\$0	\$44,406	0.1%		
Total All Funds	\$44,175,211	\$0	\$0	\$44,175,211	100.0%		
<b>Percent - Total All Sources</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>				

The bulk of the funding for this program comes from the general fund. A small amount of the program’s funding comes from state special revenue, primarily from fees charged for the collection of restitution from offenders. The remainder of the program’s funding comes from proprietary funds such as the prison ranch, industries program, and cook chill operation.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	18,302,311	18,302,311	36,604,622	85.93%	18,886,469	18,886,469	37,772,938	85.51%
Statewide PL Adjustments	550,828	450,735	1,001,563	2.35%	708,147	608,543	1,316,690	2.98%
Other PL Adjustments	1,932,818	2,586,427	4,519,245	10.61%	1,975,874	2,629,483	4,605,357	10.43%
New Proposals	249,586	225,020	474,606	1.11%	252,396	227,830	480,226	1.09%
<b>Total Budget</b>	<b>\$21,035,543</b>	<b>\$21,564,493</b>	<b>\$42,600,036</b>		<b>\$21,822,886</b>	<b>\$22,352,325</b>	<b>\$44,175,211</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2014-----						-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					740,141					745,227
Vacancy Savings					(282,495)					(282,699)
Inflation/Deflation					(2,798)					(1,174)
Fixed Costs					253,299					147,189
<b>Total Statewide Present Law Adjustments</b>		<b>\$550,828</b>	<b>\$183,985</b>	<b>\$0</b>	<b>\$708,147*</b>		<b>\$450,735</b>	<b>\$184,037</b>	<b>\$0</b>	<b>\$608,543*</b>
DP 101 - Outside Medical Inflationary Increase (BIEN/RESTR)	0.00	1,527,622	0	0	1,527,622	0.00	2,432,581	0	0	2,432,581
DP 601 - Victim Services	0.00	37,194	0	0	37,194	0.00	37,194	0	0	37,194
DP 701 - MSP Door Control System (OTO/BIEN)	0.00	48,632	0	0	48,632	0.00	0	0	0	0
DP 702 - Agile Assets/RevQ Licenses	0.00	10,000	43,056	0	53,056	0.00	10,000	43,056	0	53,056
DP 703 - MSP Water Telemetry System (OTO/BIEN)	0.00	50,000	0	0	50,000	0.00	0	0	0	0
DP 704 - Vocational Training OTO/Bien	0.00	159,618	0	0	159,618	0.00	0	0	0	0
DP 801 - Attorney Services	1.00	85,642	0	0	85,642	1.00	82,642	0	0	82,642
DP 804 - Investigator Overtime	0.00	7,010	0	0	7,010	0.00	7,010	0	0	7,010
DP 901 - Parole Board Member Compensation	0.00	7,100	0	0	7,100	0.00	7,100	0	0	7,100
DP 902 - BOPP ACA Accreditation	0.00	0	0	0	0	0.00	9,900	0	0	9,900
<b>Total Other Present Law Adjustments</b>	<b>1.00</b>	<b>\$1,932,818</b>	<b>\$43,056</b>	<b>\$0</b>	<b>\$1,975,874</b>	<b>1.00</b>	<b>\$2,586,427</b>	<b>\$43,056</b>	<b>\$0</b>	<b>\$2,629,483</b>
<b>Grand Total All Present Law Adjustments</b>	<b>1.00</b>	<b>\$2,483,646</b>	<b>\$227,041</b>	<b>\$0</b>	<b>\$2,684,021*</b>	<b>1.00</b>	<b>\$3,037,162</b>	<b>\$227,093</b>	<b>\$0</b>	<b>\$3,238,026*</b>

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

**New Proposals**

New Proposals											
-----Fiscal 2014-----						-----Fiscal 2015-----					
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 602 - Exonerated Person's Education Costs	01	0.00	14,500	0	0	14,500	0.00	14,500	0	0	14,500
DP 701 - Re-Entry IT FTE	01	2.00	140,412	0	0	140,412	2.00	131,596	0	0	131,596
DP 702 - Inmate Adult Educational Assessment Software	01	0.00	20,000	0	0	20,000	0.00	20,000	0	0	20,000
DP 704 - MSP Employee Training Lab (OTO/BIEN)	01	0.00	15,750	0	0	15,750	0.00	0	0	0	0
DP 805 - Radio Systems	01	0.00	25,000	0	0	25,000	0.00	25,000	0	0	25,000
DP 6101 - Professional Development Center Fee Allocation	01	0.00	33,924	381	0	36,734*	0.00	33,924	381	0	36,734*
<b>Total</b>	<b>2.00</b>	<b>\$249,586</b>	<b>\$381</b>	<b>\$0</b>	<b>\$252,396*</b>	<b>2.00</b>	<b>\$225,020</b>	<b>\$381</b>	<b>\$0</b>	<b>\$227,830*</b>	

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

**Sub-Program Details**

**BOARD OF PARDONS 01**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	10.00	0.00	0.00	10.00	0.00	0.00	10.00	10.00
Personal Services	593,694	2,623	0	596,317	3,372	0	597,066	1,193,383
Operating Expenses	152,594	(1,192)	0	151,402	9,247	0	161,841	313,243
<b>Total Costs</b>	<b>\$746,288</b>	<b>\$1,431</b>	<b>\$0</b>	<b>\$747,719</b>	<b>\$12,619</b>	<b>\$0</b>	<b>\$758,907</b>	<b>\$1,506,626</b>
General Fund	746,288	1,431	0	747,719	12,619	0	758,907	1,506,626
<b>Total Funds</b>	<b>\$746,288</b>	<b>\$1,431</b>	<b>\$0</b>	<b>\$747,719</b>	<b>\$12,619</b>	<b>\$0</b>	<b>\$758,907</b>	<b>\$1,506,626</b>

**Sub-Program Description**

This subprogram includes the Board of Pardons and Parole, which is administratively attached to the department. The Board of Pardons and Parole is established in 2-15-2301, MCA as a quasi-judicial board.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	746,288	746,288	1,492,576	99.07%	746,288	746,288	1,492,576	99.07%
Statewide PL Adjustments	(5,669)	(4,381)	(10,050)	(0.67%)	(5,669)	(4,381)	(10,050)	(0.67%)
Other PL Adjustments	7,100	17,000	24,100	1.60%	7,100	17,000	24,100	1.60%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$747,719</b>	<b>\$758,907</b>	<b>\$1,506,626</b>		<b>\$747,719</b>	<b>\$758,907</b>	<b>\$1,506,626</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					18,685					19,466
Vacancy Savings					(23,162)					(23,194)
Inflation/Deflation					(1,192)					(653)
<b>Total Statewide Present Law Adjustments</b>		<b>(\$5,669)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$5,669)</b>		<b>(\$4,381)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$4,381)</b>
DP 901 - Parole Board Member Compensation	0.00	7,100	0	0	7,100	0.00	7,100	0	0	7,100
DP 902 - BOPP ACA Accreditation	0.00	0	0	0	0	0.00	9,900	0	0	9,900
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$7,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,100</b>	<b>0.00</b>	<b>\$17,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,000</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,431</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,431</b>	<b>0.00</b>	<b>\$12,619</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,619</b>

DP 901 - Parole Board Member Compensation - The executive requests general fund for to increase Board of Pardons and Parole members' compensation as outlined in 2-15-124 (7), MCA for more meetings of the board. Board members are entitled to be paid \$50 per diem for every day in which the member is engaged in the performance of board duties.

<b>LFD COMMENT</b>	The increased funding would allow for 20 additional days of meetings for the full board and bring funding to 115.5 days.
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DP 902 - BOPP ACA Accreditation - The executive requests general fund in FY 2015 to pay the accreditation fee to the American Corrections Association. This fee is paid every three years and began when the board became accredited in January 2001.

**Sub-Program Details**

**DIRECTOR'S OFFICE 02**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	6.00	0.00	0.00	6.00	0.00	0.00	6.00	6.00
Personal Services	480,527	(6,730)	0	473,797	(7,365)	0	473,162	946,959
Operating Expenses	75,329	36,939	14,500	126,768	37,086	14,500	126,915	253,683
<b>Total Costs</b>	<b>\$555,856</b>	<b>\$30,209</b>	<b>\$14,500</b>	<b>\$600,565</b>	<b>\$29,721</b>	<b>\$14,500</b>	<b>\$600,077</b>	<b>\$1,200,642</b>
General Fund	555,856	30,209	14,500	600,565	29,721	14,500	600,077	1,200,642
<b>Total Funds</b>	<b>\$555,856</b>	<b>\$30,209</b>	<b>\$14,500</b>	<b>\$600,565</b>	<b>\$29,721</b>	<b>\$14,500</b>	<b>\$600,077</b>	<b>\$1,200,642</b>

**Sub-Program Description**

This subprogram includes the director and associated office staff, the communications director, the victim’s assistance office, and chief legal staff for the department.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	555,856	555,856	1,111,712	92.59%	555,856	555,856	1,111,712	92.59%
Statewide PL Adjustments	(6,985)	(7,473)	(14,458)	(1.20%)	(6,985)	(7,473)	(14,458)	(1.20%)
Other PL Adjustments	37,194	37,194	74,388	6.20%	37,194	37,194	74,388	6.20%
New Proposals	14,500	14,500	29,000	2.42%	14,500	14,500	29,000	2.42%
<b>Total Budget</b>	<b>\$600,565</b>	<b>\$600,077</b>	<b>\$1,200,642</b>		<b>\$600,565</b>	<b>\$600,077</b>	<b>\$1,200,642</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					13,011					12,351
Vacancy Savings					(19,741)					(19,716)
Inflation/Deflation					(255)					(108)
<b>Total Statewide Present Law Adjustments</b>		<b>(\$6,985)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$6,985)</b>		<b>(\$7,473)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$7,473)</b>
DP 601 - Victim Services	0.00	37,194	0	0	37,194	0.00	37,194	0	0	37,194
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$37,194</b>	<b>\$0</b>	<b>\$0</b>	<b>\$37,194</b>	<b>0.00</b>	<b>\$37,194</b>	<b>\$0</b>	<b>\$0</b>	<b>\$37,194</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$30,209</b>	<b>\$0</b>	<b>\$0</b>	<b>\$30,209</b>	<b>0.00</b>	<b>\$29,721</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,721</b>

DP 601 - Victim Services - The executive requests general fund for two victim programs: 1) victim impact panels; and 2) victim-offender dialogues. The funding would reimburse volunteers who participate on 10 new victim impact panels during the biennium and reimburse volunteer facilitators who assist with 15 victim-offender dialogue cases during the biennium. In addition, this request would fund the Victim Information Notification Everyday (VINE) system, which provides notifications required in 46-24-212, MCA, to victims when an offender not in prison has a custody status change.

**New Proposals**

Sub Program	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 602 - Exonerated Person's Education Costs										
02	0.00	14,500	0	0	14,500	0.00	14,500	0	0	14,500
<b>Total</b>	<b>0.00</b>	<b>\$14,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,500</b>	<b>0.00</b>	<b>\$14,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,500</b>

DP 602 - Exonerated Person's Education Costs - The executive requests general fund to pay reimbursements for post-secondary education costs of persons exonerated using DNA testing per the requirements of 53-1-214, MCA.

**Sub-Program Details**

**ADMINISTRATIVE SERVICES DIVISION 03**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	35.50	0.00	0.00	35.50	0.00	0.00	35.50	35.50
Personal Services	1,678,934	321,354	0	2,000,288	321,206	0	2,000,140	4,000,428
Operating Expenses	243,766	(64)	0	243,702	266	0	244,032	487,734
<b>Total Costs</b>	<b>\$1,922,700</b>	<b>\$321,290</b>	<b>\$0</b>	<b>\$2,243,990</b>	<b>\$321,472</b>	<b>\$0</b>	<b>\$2,244,172</b>	<b>\$4,488,162</b>
General Fund	1,467,978	126,012	0	1,593,990	126,194	0	1,594,172	3,188,162
State/Other Special	454,722	195,278	0	650,000	195,278	0	650,000	1,300,000
<b>Total Funds</b>	<b>\$1,922,700</b>	<b>\$321,290</b>	<b>\$0</b>	<b>\$2,243,990</b>	<b>\$321,472</b>	<b>\$0</b>	<b>\$2,244,172</b>	<b>\$4,488,162</b>

**Sub-Program Description**

This subprogram includes administrative and financial services such as: accounting, budgeting, and contract management.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	1,467,978	1,467,978	2,935,956	92.09%	1,922,700	1,922,700	3,845,400	85.68%
Statewide PL Adjustments	126,012	126,194	252,206	7.91%	321,290	321,472	642,762	14.32%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$1,593,990</b>	<b>\$1,594,172</b>	<b>\$3,188,162</b>		<b>\$2,243,990</b>	<b>\$2,244,172</b>	<b>\$4,488,162</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	Fiscal 2014				Fiscal 2015					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					404,701					404,545
Vacancy Savings					(83,347)					(83,339)
Inflation/Deflation					(64)					266
<b>Total Statewide Present Law Adjustments</b>		<b>\$126,012</b>	<b>\$195,278</b>	<b>\$0</b>	<b>\$321,290</b>		<b>\$126,194</b>	<b>\$195,278</b>	<b>\$0</b>	<b>\$321,472</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$126,012</b>	<b>\$195,278</b>	<b>\$0</b>	<b>\$321,290</b>	<b>0.00</b>	<b>\$126,194</b>	<b>\$195,278</b>	<b>\$0</b>	<b>\$321,472</b>

**Sub-Program Details**

**OUTSIDE MEDICAL 04**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget	Base Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	Total Exec. Budget
Budget Item	Fiscal 2012	Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015	Fiscal 14-15
Operating Expenses	8,050,772	1,527,622	0	9,578,394	2,432,581	0	10,483,353	20,061,747
<b>Total Costs</b>	<b>\$8,050,772</b>	<b>\$1,527,622</b>	<b>\$0</b>	<b>\$9,578,394</b>	<b>\$2,432,581</b>	<b>\$0</b>	<b>\$10,483,353</b>	<b>\$20,061,747</b>
General Fund	8,050,772	1,527,622	0	9,578,394	2,432,581	0	10,483,353	20,061,747
<b>Total Funds</b>	<b>\$8,050,772</b>	<b>\$1,527,622</b>	<b>\$0</b>	<b>\$9,578,394</b>	<b>\$2,432,581</b>	<b>\$0</b>	<b>\$10,483,353</b>	<b>\$20,061,747</b>

**Sub-Program Description**

This subprogram includes the costs of purchasing medical services for offenders from sources outside of the prison.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	8,050,772	8,050,772	16,101,544	80.26%	8,050,772	8,050,772	16,101,544	80.26%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	1,527,622	2,432,581	3,960,203	19.74%	1,527,622	2,432,581	3,960,203	19.74%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$9,578,394</b>	<b>\$10,483,353</b>	<b>\$20,061,747</b>		<b>\$9,578,394</b>	<b>\$10,483,353</b>	<b>\$20,061,747</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 101 - Outside Medical Inflationary Increase (BIEN/RESTR)	0.00	1,527,622	0	0	1,527,622	0.00	2,432,581	0	0	2,432,581
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,527,622</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,527,622</b>	<b>0.00</b>	<b>\$2,432,581</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,432,581</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,527,622</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,527,622</b>	<b>0.00</b>	<b>\$2,432,581</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,432,581</b>

DP 101 - Outside Medical Inflationary Increase (BIEN/RESTR) - The executive requests general fund to fund inflationary increases associated with medical care obtained outside of a correctional facility or program. The request assumes the cost of outside medical care would increase at an annual rate of nearly 10%. The executive recommends designating the funding as biennial and restricted only for this purpose.

<b>LFD COMMENT</b>	<p>Since FY 2008, the average growth rate for outside medical has been roughly 16.5% and since 2011 has exceeded 20%. This growth rate has far exceeded the long-term consumer price index for medical care of 5.28%. Factors for the high growth rate seen by the agency are the high number of chronic care cases and aging inmate populations.</p> <p>Outside medical costs were a factor in the agency’s need to transfer funding it had originally assumed would be expended in FY 2013 to FY 2012 to avoid a funding shortage. These funds are requested to address the growth in outside medical costs in the 2015 biennium. Legislative approval of restricted funding would serve as a safety net for addressing rising medical costs and at the same time restrict the executive from moving the funding for other uses.</p>
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**Sub-Program Details**

**STAFF SERVICES DIVISION 05**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	31.50	1.00	0.00	32.50	1.00	0.00	32.50	32.50
Personal Services	1,854,485	231,128	0	2,085,613	233,764	0	2,088,249	4,173,862
Operating Expenses	518,324	2,799	25,000	546,123	379	25,000	543,703	1,089,826
<b>Total Costs</b>	<b>\$2,372,809</b>	<b>\$233,927</b>	<b>\$25,000</b>	<b>\$2,631,736</b>	<b>\$234,143</b>	<b>\$25,000</b>	<b>\$2,631,952</b>	<b>\$5,263,688</b>
General Fund	2,364,103	233,927	25,000	2,623,030	234,143	25,000	2,623,246	5,246,276
State/Other Special	8,706	0	0	8,706	0	0	8,706	17,412
<b>Total Funds</b>	<b>\$2,372,809</b>	<b>\$233,927</b>	<b>\$25,000</b>	<b>\$2,631,736</b>	<b>\$234,143</b>	<b>\$25,000</b>	<b>\$2,631,952</b>	<b>\$5,263,688</b>

**Sub-Program Description**

This subprogram includes services such as: human resources, training, legal, and investigations.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	2,364,103	2,364,103	4,728,206	90.12%	2,372,809	2,372,809	4,745,618	90.16%
Statewide PL Adjustments	141,275	144,491	285,766	5.45%	141,275	144,491	285,766	5.43%
Other PL Adjustments	92,652	89,652	182,304	3.47%	92,652	89,652	182,304	3.46%
New Proposals	25,000	25,000	50,000	0.95%	25,000	25,000	50,000	0.95%
<b>Total Budget</b>	<b>\$2,623,030</b>	<b>\$2,623,246</b>	<b>\$5,246,276</b>		<b>\$2,631,736</b>	<b>\$2,631,952</b>	<b>\$5,263,688</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2014-----						-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					225,609					228,486
Vacancy Savings					(83,203)					(83,319)
Inflation/Deflation					(1,131)					(676)
<b>Total Statewide Present Law Adjustments</b>		<b>\$141,275</b>	<b>\$0</b>	<b>\$0</b>	<b>\$141,275</b>		<b>\$144,491</b>	<b>\$0</b>	<b>\$0</b>	<b>\$144,491</b>
DP 801 - Attorney Services	1.00	85,642	0	0	85,642	1.00	82,642	0	0	82,642
DP 804 - Investigator Overtime	0.00	7,010	0	0	7,010	0.00	7,010	0	0	7,010
<b>Total Other Present Law Adjustments</b>	<b>1.00</b>	<b>\$92,652</b>	<b>\$0</b>	<b>\$0</b>	<b>\$92,652</b>	<b>1.00</b>	<b>\$89,652</b>	<b>\$0</b>	<b>\$0</b>	<b>\$89,652</b>
<b>Grand Total All Present Law Adjustments</b>	<b>1.00</b>	<b>\$233,927</b>	<b>\$0</b>	<b>\$0</b>	<b>\$233,927</b>	<b>1.00</b>	<b>\$234,143</b>	<b>\$0</b>	<b>\$0</b>	<b>\$234,143</b>

DP 801 - Attorney Services - The executive requests general fund to fund operating costs and personal services for the addition of a 1.00 FTE attorney in the Legal Services Bureau. The additional position would address workload issues arising from increasing legal demands from inmate complaints, habeas corpuses, and general legal counsel work of the agency.

<b>LFD ISSUE</b>	<u>Staff Outfitting Costs are One-Time</u>
	FY 2014 funding includes \$2,875 in outfitting costs to purchase computer equipment and software licenses, desks, and other office items for the new positions that are not ongoing. The legislature may wish to designate this amount as one-time-only.

DP 804 - Investigator Overtime - The executive requests general fund to fund overtime for institutional investigators for such matters as from crimes of violence inside secure facilities to employee misconduct. The bureau often maintains 24-hour support to preserve evidence at crime scenes and conclude the investigations. These expenses are zero-based and must be requested in full each biennium.

**New Proposals**

New Proposals										
-----Fiscal 2014-----						-----Fiscal 2015-----				
Sub Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 805 - Radio Systems										
05	0.00	25,000	0	0	25,000	0.00	25,000	0	0	25,000
<b>Total</b>	<b>0.00</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,000</b>	<b>0.00</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,000</b>

DP 805 - Radio Systems - The executive requests general fund to contract with technical vendors to upgrade radio programming for agency radios.

**LFD  
COMMENT**

The funding for this request would be used to program agency radios to make them capable of communicating with law enforcement and other agencies in the event of an emergency at the prison.

**Sub-Program Details**

**INFORMATION TECHNOLOGY DIVISION 06**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	23.50	0.00	2.00	25.50	0.00	2.00	25.50	25.50
Personal Services	1,747,854	11,093	128,622	1,887,569	7,248	128,431	1,883,533	3,771,102
Operating Expenses	438,810	305,150	47,540	791,500	53,053	23,165	515,028	1,306,528
<b>Total Costs</b>	<b>\$2,186,664</b>	<b>\$316,243</b>	<b>\$176,162</b>	<b>\$2,679,069</b>	<b>\$60,301</b>	<b>\$151,596</b>	<b>\$2,398,561</b>	<b>\$5,077,630</b>
General Fund	2,186,664	273,187	176,162	2,636,013	17,245	151,596	2,355,505	4,991,518
State/Other Special	0	43,056	0	43,056	43,056	0	43,056	86,112
<b>Total Funds</b>	<b>\$2,186,664</b>	<b>\$316,243</b>	<b>\$176,162</b>	<b>\$2,679,069</b>	<b>\$60,301</b>	<b>\$151,596</b>	<b>\$2,398,561</b>	<b>\$5,077,630</b>

**Sub-Program Description**

This subprogram includes functions such as information technology and statistical analysis.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	2,186,664	2,186,664	4,373,328	87.62%	2,186,664	2,186,664	4,373,328	86.13%
Statewide PL Adjustments	4,937	7,245	12,182	0.24%	4,937	7,245	12,182	0.24%
Other PL Adjustments	268,250	10,000	278,250	5.57%	311,306	53,056	364,362	7.18%
New Proposals	176,162	151,596	327,758	6.57%	176,162	151,596	327,758	6.45%
<b>Total Budget</b>	<b>\$2,636,013</b>	<b>\$2,355,505</b>	<b>\$4,991,518</b>		<b>\$2,679,069</b>	<b>\$2,398,561</b>	<b>\$5,077,630</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					78,135					80,379
Vacancy Savings					(73,042)					(73,131)
Inflation/Deflation					(156)					(3)
<b>Total Statewide Present Law Adjustments</b>		<b>\$4,937</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,937</b>		<b>\$7,245</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,245</b>
DP 701 - MSP Door Control System (OTO/BIEN)	0.00	48,632	0	0	48,632	0.00	0	0	0	0
DP 702 - Agile Assets/RevQ Licenses	0.00	10,000	43,056	0	53,056	0.00	10,000	43,056	0	53,056
DP 703 - MSP Water Telemetry System (OTO/BIEN)	0.00	50,000	0	0	50,000	0.00	0	0	0	0
DP 704 - Vocational Training OTO/Bien	0.00	159,618	0	0	159,618	0.00	0	0	0	0
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$268,250</b>	<b>\$43,056</b>	<b>\$0</b>	<b>\$311,306</b>	<b>0.00</b>	<b>\$10,000</b>	<b>\$43,056</b>	<b>\$0</b>	<b>\$53,056</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$273,187</b>	<b>\$43,056</b>	<b>\$0</b>	<b>\$316,243</b>	<b>0.00</b>	<b>\$17,245</b>	<b>\$43,056</b>	<b>\$0</b>	<b>\$60,301</b>

DP 701 - MSP Door Control System (OTO/BIEN) - The executive requests general fund to complete security door control system upgrades for the Martz Diagnostic Intake Unit at the Montana State Prison. The funding would replace the server, computer, and the software that controls the system from a system that is currently operating on Windows 98. The executive recommends designating funding for this request as one-time-only and biennial.

DP 702 - Agile Assets/RevQ Licenses – The executive requests general fund for software system maintenance agreements for: 1) the Agile Assets system used to track vehicle usage information and maintenance costs; and 2) an automated internet based system used for the collection and disbursement of victim’s restitution payments, and supervision and pre-sentence investigation (PSI) fees

DP 703 - MSP Water Telemetry System (OTO/BIEN) – The executive requests general fund to fund replacement of the Montana State Prison (MSP) water telemetry system. The telemetry system monitors a number of wells to maintain prison water system pressures. The executive recommends designating fund for this request as one-time-only and biennial.

DP 704 - Vocational Training OTO/Bien – The executive requests general fund to purchase computers and software for General Educational Development (GED) testing and digital literacy testing skills for inmates/offenders. The funding would purchase computers and software for a computer laboratory at Montana State Prison. The industry that provides GED testing services has moved from a paper-based system to requiring online access. The executive recommends designating funding as one-time-only and biennial.

**New Proposals**

Sub Program	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 701 - Re-Entry IT FTE										
06	2.00	140,412	0	0	140,412	2.00	131,596	0	0	131,596
DP 702 - Inmate Adult Educational Assessment Software										
06	0.00	20,000	0	0	20,000	0.00	20,000	0	0	20,000
DP 704 - MSP Employee Training Lab (OTO/BIEN)										
06	0.00	15,750	0	0	15,750	0.00	0	0	0	0
<b>Total</b>	<b>2.00</b>	<b>\$176,162</b>	<b>\$0</b>	<b>\$0</b>	<b>\$176,162</b>	<b>2.00</b>	<b>\$151,596</b>	<b>\$0</b>	<b>\$0</b>	<b>\$151,596</b>

DP 701 - Re-Entry IT FTE - The executive requests general fund for operating costs and personal services for the addition of 2.00 FTE in support of the agency’s re-entry initiative. The FTE would support equipment, access, and information technology security in support of the initiative. For further information on the re-entry initiative see the discussion in the agency narrative.

<b>LFD ISSUE</b>	<u>Staff Outfitting Costs are One-Time</u> FY 2014 funding includes \$8,625 in outfitting costs to purchase computer equipment and software licenses, desks, and other office items for the new positions that are not ongoing. The legislature may wish to designate this amount as one-time-only.
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DP 702 - Inmate Adult Educational Assessment Software - The executive requests general fund to contract for access to education assessment software for adult education at Montana State Prison. The software would enable an inmate to take a test, the results from which would identify the curriculum level appropriate for the inmate to prepare for a GED test.

DP 704 - MSP Employee Training Lab (OTO/BIEN) - The executive requests general fund to replace 15 computers at the Montana State Prison training lab that have reached the end of their useful lives. The computers are used by correctional officers that do not use computers as part of their day-to-day activities. The correctional officers would use the computers for such activities as training and time entry. The executive recommends designating funding for this request as one-time-only and biennial.

**Sub-Program Details**

**FIXED COSTS 07**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Operating Expenses	3,051,380	253,299	36,734	3,341,413	147,189	36,734	3,235,303	6,576,716
<b>Total Costs</b>	<b>\$3,051,380</b>	<b>\$253,299</b>	<b>\$36,734</b>	<b>\$3,341,413</b>	<b>\$147,189</b>	<b>\$36,734</b>	<b>\$3,235,303</b>	<b>\$6,576,716</b>
General Fund	2,930,650	291,258	33,924	3,255,832	184,659	33,924	3,149,233	6,405,065
State/Other Special	22,708	(11,293)	381	11,796	(11,241)	381	11,848	23,644
Proprietary	98,022	(26,666)	2,429	73,785	(26,229)	2,429	74,222	148,007
<b>Total Funds</b>	<b>\$3,051,380</b>	<b>\$253,299</b>	<b>\$36,734</b>	<b>\$3,341,413</b>	<b>\$147,189</b>	<b>\$36,734</b>	<b>\$3,235,303</b>	<b>\$6,576,716</b>

**Sub-Program Description**

This subprogram accounts for base level fixed costs for this program.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	2,930,650	2,930,650	5,861,300	91.51%	3,051,380	3,051,380	6,102,760	92.79%
Statewide PL Adjustments	291,258	184,659	475,917	7.43%	253,299	147,189	400,488	6.09%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	33,924	33,924	67,848	1.06%	36,734	36,734	73,468	1.12%
<b>Total Budget</b>	<b>\$3,255,832</b>	<b>\$3,149,233</b>	<b>\$6,405,065</b>		<b>\$3,341,413</b>	<b>\$3,235,303</b>	<b>\$6,576,716</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Fixed Costs					253,299					147,189
<b>Total Statewide Present Law Adjustments</b>		<b>\$291,258</b>	<b>(\$11,293)</b>	<b>\$0</b>	<b>\$253,299*</b>		<b>\$184,659</b>	<b>(\$11,241)</b>	<b>\$0</b>	<b>\$147,189*</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$291,258</b>	<b>(\$11,293)</b>	<b>\$0</b>	<b>\$253,299*</b>	<b>0.00</b>	<b>\$184,659</b>	<b>(\$11,241)</b>	<b>\$0</b>	<b>\$147,189*</b>

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

**New Proposals**

New Proposals										
Sub Program	FTE	-----Fiscal 2014-----				-----Fiscal 2015-----				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6101 - Professional Development Center Fee Allocation										
07	0.00	33,924	381	0	36,734*	0.00	33,924	381	0	36,734*
<b>Total</b>	<b>0.00</b>	<b>\$33,924</b>	<b>\$381</b>	<b>\$0</b>	<b>\$36,734*</b>	<b>0.00</b>	<b>\$33,924</b>	<b>\$381</b>	<b>\$0</b>	<b>\$36,734*</b>

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

DP 6101 - Professional Development Center Fee Allocation - The executive requests an increase for training services purchased from the Professional Development Center (PDC) of the Department of Administration. This request reflects the difference between the amount paid in the base for PDC services and a fixed cost allocation based on agency FTE counts. Starting in the 2015 biennium and beyond, the executive recommends funding the PDC as a fixed cost item. For a further discussion, see the narrative for the Department of Administration.

### Program Budget Comparison

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

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	257.50	257.50	258.50	258.50	257.50	258.50	1.00	0.39%
Personal Services	14,615,426	14,700,076	14,980,118	14,994,547	29,315,502	29,974,665	659,163	2.25%
Operating Expenses	45,204,759	46,744,592	48,641,127	49,780,433	91,949,351	98,421,560	6,472,209	7.04%
Equipment & Intangible Assets	15,500	4,300	88,500	15,500	19,800	104,000	84,200	425.25%
Transfers	12,500	12,500	6,250	6,250	25,000	12,500	(12,500)	(50.00%)
Debt Service	28,742	28,858	69,311	69,311	57,600	138,622	81,022	140.66%
<b>Total Costs</b>	<b>\$59,876,927</b>	<b>\$61,490,326</b>	<b>\$63,785,306</b>	<b>\$64,866,041</b>	<b>\$121,367,253</b>	<b>\$128,651,347</b>	<b>\$7,284,094</b>	<b>6.00%</b>
General Fund	58,610,791	60,224,206	62,519,170	63,599,905	118,834,997	126,119,075	7,284,078	6.13%
State Special	1,266,136	1,266,120	1,266,136	1,266,136	2,532,256	2,532,272	16	0.00%
Federal Special	0	0	0	0	0	0	0	n/a
<b>Total Funds</b>	<b>\$59,876,927</b>	<b>\$61,490,326</b>	<b>\$63,785,306</b>	<b>\$64,866,041</b>	<b>\$121,367,253</b>	<b>\$128,651,347</b>	<b>\$7,284,094</b>	<b>6.00%</b>

The Adult Community Corrections Division consists of adult probation and parole, intensive and enhanced supervision programs, and male and female community corrections programs including: the boot camp training center (Treasure State Correctional Training Center or TSCTC); chemical dependency treatment programs; driving under the influence (DUI) treatment facilities; methamphetamine treatment facilities; assessment, sanction, and revocation centers; and various other programs for diversion of offenders from prison. The department contracts with nonprofit corporations throughout the state for services. The subprogram descriptions provide additional information about the location of various facilities.

### Program Highlights

<b>Adult Community Corrections Division Major Budget Highlights</b>	
<ul style="list-style-type: none"> <li>◆ Populations in community corrections facilities are projected to increase on average by 3.4% per year for alternative placement facilities and by 1.3% for pre-release and transitional living facilities. The budget would address these increases by:               <ul style="list-style-type: none"> <li>• Maintaining contract beds at the full contract level through the entire biennium, \$4.1 million</li> <li>• Increasing the per diem rate for contracted facilities, \$2.2 million</li> <li>• Increasing the capacity for transitional living and women pre-release beds, \$1.1 million</li> <li>• Funding re-entry initiatives that are intended to slow population growth through reduced recidivism, \$0.1 million and 1.00 FTE</li> </ul> </li> </ul>	
<b>Major LFD Issues</b>	
<ul style="list-style-type: none"> <li>◆ Outfitting costs for new FTE is one-time-only</li> <li>◆ The request for overtime for probation and parole is double the highest historical level since FY 2000</li> </ul>	

**Program Discussion**

The Adult Community Corrections Division supervises offenders in settings other than prison. The types of services vary in intensity from community supervision to supervised residential settings such as pre-release centers and treatment facilities. The division provides services through the use of state employees (probation and parole officers) and contracts with nonprofit organization that operate various types of community based residential programs.

The executive request increases funding for the division by 6% or about \$7.3 million when the two biennia are compared. The majority of this increase is included in present law decision packages that annualize the costs of existing contract facilities.

The primary drivers of community correctional costs are increases in the number of offenders to be supervised or housed and the type of placement or service that is needed to supervise the offenders. Community residential treatment programs such as the methamphetamine treatment centers tend to have the highest per day costs while probation and parole supervision have the lowest per day costs. While fewer offenders receive residential services than supervision services, the cost per day can be almost twenty times greater. Projections for probation and parole indicate growth for the 2015 biennium at levels lower than the 2013 biennium.

Summary of Community Corrections Population Average Daily Populations (ADP)				
Segment	Actual	Department Projections		
	FY 2012	FY 2013	FY 2014	FY 2015
<u>Alternatives to Prison (FY 2012 average cost per day \$92.84)</u>				
Population	928	977	1,011	1,044
% Increase		5.3%	3.5%	3.3%
Current Capacity	968	968	982	982
Over Capacity	(40)	9	29	62
<u>Prerelease/Transitional Living (FY 2012 average cost per day \$51.95)</u>				
Population	891	937	950	961
% Increase		5.2%	1.4%	1.2%
Current Capacity	945	945	945	945
Over Capacity	(54)	(8)	5	16
<u>Specialized Supervision (FY 2012 average cost per day \$9.75)</u>				
Population	343	426	656	656
% Increase		24.2%	54.0%	0.0%
Current Capacity	343	548	548	548
Over Capacity	0	(122)	108	108
<u>Probation, Parole, and Enhanced Supervision (FY 2012 average cost per day \$4.62)</u>				
Population	8,169	7,932	7,728	7,776
% Increase		-2.9%	-2.6%	0.6%

The figure shows actual and estimated average daily population (ADP) for FY 2012 through FY 2015 by category of service.

**Funding**

The following table shows program funding, by source for the 2015 biennium as recommended by the Governor.

Total Department Of Corrections Funding by Source of Authority 2015 Biennium Budget - Adult Community Corrections							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$126,119,075	\$0	\$0	\$126,119,075	98.0%		
State Special Total	\$2,532,272	\$0	\$0	\$2,532,272	2.0%		
02261 P & P Supervisory Fee	\$2,532,272	\$0	\$0	\$2,532,272	2.0%		
Total All Funds	\$128,651,347	\$0	\$0	\$128,651,347	100.0%		
<b>Percent - Total All Sources</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>				

Nearly 98% of the division’s funding comes from the general fund. About 2% of the division’s funding comes from state special revenue collected from offenders who must pay a probation and parole supervision fee.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	58,610,791	58,610,791	117,221,582	92.95%	59,876,927	59,876,927	119,753,854	93.08%
Statewide PL Adjustments	204,165	227,950	432,115	0.34%	204,165	227,950	432,115	0.34%
Other PL Adjustments	2,588,985	2,591,579	5,180,564	4.11%	2,588,985	2,591,579	5,180,564	4.03%
New Proposals	1,115,229	2,169,585	3,284,814	2.60%	1,115,229	2,169,585	3,284,814	2.55%
<b>Total Budget</b>	<b>\$62,519,170</b>	<b>\$63,599,905</b>	<b>\$126,119,075</b>		<b>\$63,785,306</b>	<b>\$64,866,041</b>	<b>\$128,651,347</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					846,013					861,132
Vacancy Savings					(618,450)					(619,061)
Inflation/Deflation					(17,717)					(8,440)
Fixed Costs					(5,681)					(5,681)
<b>Total Statewide Present Law Adjustments</b>		<b>\$204,165</b>	<b>\$0</b>	<b>\$0</b>	<b>\$204,165</b>		<b>\$227,950</b>	<b>\$0</b>	<b>\$0</b>	<b>\$227,950</b>
DP 201 - Annualize Treatment Beds	0.00	298,860	0	0	298,860	0.00	298,860	0	0	298,860
DP 202 - Annualize Prerelease Beds	0.00	1,587,439	0	0	1,587,439	0.00	1,587,439	0	0	1,587,439
DP 203 - Annualize MASC Beds	0.00	141,394	0	0	141,394	0.00	216,988	0	0	216,988
DP 204 - TSCTC Overtime/Holiday Worked	0.00	33,142	0	0	33,142	0.00	33,142	0	0	33,142
DP 205 - Probation and Parole Overtime/Holiday Worked	0.00	50,000	0	0	50,000	0.00	50,000	0	0	50,000
DP 206 - SCRAM GPS Units	0.00	231,500	0	0	231,500	0.00	231,500	0	0	231,500
DP 207 - Probation and Parole Mental Health Contract	0.00	42,000	0	0	42,000	0.00	42,000	0	0	42,000
DP 209 - Prerelease Transitional Living	0.00	76,650	0	0	76,650	0.00	76,650	0	0	76,650
DP 210 - Passages Mental Health Contract	0.00	55,000	0	0	55,000	0.00	55,000	0	0	55,000
DP 211 - WATCh West Equipment (OTO/BIEN)	0.00	73,000	0	0	73,000	0.00	0	0	0	0
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$2,588,985</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,588,985</b>	<b>0.00</b>	<b>\$2,591,579</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,591,579</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$2,793,150</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,793,150</b>	<b>0.00</b>	<b>\$2,819,529</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,819,529</b>

**New Proposals**

Program	FTE	-----Fiscal 2014-----				-----Fiscal 2015-----					
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 201 - Re-entry Case Manager	02	1.00	57,917	0	0	57,917	1.00	54,963	0	0	54,963
DP 203 - Per Diem Adult Community Corrections	02	0.00	740,519	0	0	740,519	0.00	1,481,037	0	0	1,481,037
DP 212 - Additional community corrections beds for women	02	0.00	316,793	0	0	316,793	0.00	633,585	0	0	633,585
<b>Total</b>	<b>1.00</b>	<b>\$1,115,229</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,115,229</b>	<b>1.00</b>	<b>\$2,169,585</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,169,585</b>	

**Sub-Program Details**

**COMMUNITY CORRECTION ADMIN 01**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget Budget Item	Base Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	Total Exec. Budget
	Fiscal 2012	Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015	Fiscal 14-15
FTE	14.00	0.00	1.00	15.00	0.00	1.00	15.00	15.00
Personal Services	862,024	3,355	53,987	919,366	3,489	53,908	919,421	1,838,787
Operating Expenses	67,071	(257)	3,930	70,744	(106)	1,055	68,020	138,764
<b>Total Costs</b>	<b>\$929,095</b>	<b>\$3,098</b>	<b>\$57,917</b>	<b>\$990,110</b>	<b>\$3,383</b>	<b>\$54,963</b>	<b>\$987,441</b>	<b>\$1,977,551</b>
General Fund	908,466	3,098	57,917	969,481	3,383	54,963	966,812	1,936,293
State/Other Special	20,629	0	0	20,629	0	0	20,629	41,258
<b>Total Funds</b>	<b>\$929,095</b>	<b>\$3,098</b>	<b>\$57,917</b>	<b>\$990,110</b>	<b>\$3,383</b>	<b>\$54,963</b>	<b>\$987,441</b>	<b>\$1,977,551</b>

**Sub-Program Description**

This subprogram includes the centralized management functions of the Community Corrections Division.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	908,466	908,466	1,816,932	93.84%	929,095	929,095	1,858,190	93.96%
Statewide PL Adjustments	3,098	3,383	6,481	0.33%	3,098	3,383	6,481	0.33%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	57,917	54,963	112,880	5.83%	57,917	54,963	112,880	5.71%
<b>Total Budget</b>	<b>\$969,481</b>	<b>\$966,812</b>	<b>\$1,936,293</b>		<b>\$990,110</b>	<b>\$987,441</b>	<b>\$1,977,551</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					39,412					39,552
Vacancy Savings					(36,057)					(36,063)
Inflation/Deflation					(257)					(106)
<b>Total Statewide Present Law Adjustments</b>		<b>\$3,098</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,098</b>		<b>\$3,383</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,383</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$3,098</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,098</b>	<b>0.00</b>	<b>\$3,383</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,383</b>

**New Proposals**

New Proposals	-----Fiscal 2014-----					-----Fiscal 2015-----					
	Sub Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 201 - Re-entry Case Manager											
01	1.00	57,917	0	0	57,917	1.00	54,963	0	0	54,963	
<b>Total</b>	<b>1.00</b>	<b>\$57,917</b>	<b>\$0</b>	<b>\$0</b>	<b>\$57,917</b>	<b>1.00</b>	<b>\$54,963</b>	<b>\$0</b>	<b>\$0</b>	<b>\$54,963</b>	

DP 201 - Re-entry Case Manager – The executive requests general fund to fund operating costs and personal services for the addition of 1.00 FTE as a re-entry case manager. The position would assist offenders with re-entry challenges such as locating housing, jobs, and transportation. This position would also assist existing staff monitor community corrections’ 17 facilities and contractors for contract compliance.

**LFD COMMENT** For a further discussion of the executive’s re-entry initiative, please see the Summary section of this agency’s narrative.

**LFD ISSUE** Staff Outfitting Costs are One Time  
FY 2014 funding includes \$2,875 in outfitting costs to purchase computer equipment and software licenses, desks, and other office items for the new positions that are not ongoing. The legislature may wish to designate this amount as one-time-only.

**Sub-Program Details**

**TREASURE STATE CORRECTIONAL TRAINI 02**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	27.00	0.00	0.00	27.00	0.00	0.00	27.00	27.00
Personal Services	1,363,615	53,347	0	1,416,962	55,038	0	1,418,653	2,835,615
Operating Expenses	479,822	(20,546)	0	459,276	(18,673)	0	461,149	920,425
Debt Service	0	21,076	0	21,076	21,076	0	21,076	42,152
<b>Total Costs</b>	<b>\$1,843,437</b>	<b>\$53,877</b>	<b>\$0</b>	<b>\$1,897,314</b>	<b>\$57,441</b>	<b>\$0</b>	<b>\$1,900,878</b>	<b>\$3,798,192</b>
General Fund	1,843,437	53,877	0	1,897,314	57,441	0	1,900,878	3,798,192
<b>Total Funds</b>	<b>\$1,843,437</b>	<b>\$53,877</b>	<b>\$0</b>	<b>\$1,897,314</b>	<b>\$57,441</b>	<b>\$0</b>	<b>\$1,900,878</b>	<b>\$3,798,192</b>

**Sub-Program Description**

This subprogram includes the operation of the Treasure State Correctional Training Center (TSCTC), also known as the boot camp, located in Deer Lodge.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	1,843,437	1,843,437	3,686,874	97.07%	1,843,437	1,843,437	3,686,874	97.07%
Statewide PL Adjustments	20,735	24,299	45,034	1.19%	20,735	24,299	45,034	1.19%
Other PL Adjustments	33,142	33,142	66,284	1.75%	33,142	33,142	66,284	1.75%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$1,897,314</b>	<b>\$1,900,878</b>	<b>\$3,798,192</b>		<b>\$1,897,314</b>	<b>\$1,900,878</b>	<b>\$3,798,192</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					77,862					79,627
Vacancy Savings					(57,657)					(57,731)
Inflation/Deflation					(546)					1,327
Fixed Costs					1,076					1,076
<b>Total Statewide Present Law Adjustments</b>		<b>\$20,735</b>	<b>\$0</b>	<b>\$0</b>	<b>20,735</b>		<b>\$24,299</b>	<b>\$0</b>	<b>\$0</b>	<b>\$24,299</b>
DP 204 - TSCTC Overtime/Holiday Worked	0.00	33,142	0	0	33,142	0.00	33,142	0	0	33,142
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$33,142</b>	<b>\$0</b>	<b>\$0</b>	<b>\$33,142</b>	<b>0.00</b>	<b>\$33,142</b>	<b>\$0</b>	<b>\$0</b>	<b>\$33,142</b>

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$53,877</b>	<b>\$0</b>	<b>\$0</b>	<b>\$53,877</b>	<b>0.00</b>	<b>\$57,441</b>	<b>\$0</b>	<b>\$0</b>	<b>\$57,441</b>

DP 204 - TSCTC Overtime/Holiday Worked - The executive requests general fund to fund overtime and holidays worked at the same level as the base. These costs are zero-based and must be requested in full each biennium.

**Sub-Program Details**

**PRE-RELEASE 03**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget	Base Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	Total Exec. Budget
Budget Item	Fiscal 2012	Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015	Fiscal 14-15
Operating Expenses	18,022,625	1,950,589	756,150	20,729,364	1,950,589	1,512,299	21,485,513	42,214,877
<b>Total Costs</b>	<b>\$18,022,625</b>	<b>\$1,950,589</b>	<b>\$756,150</b>	<b>\$20,729,364</b>	<b>\$1,950,589</b>	<b>\$1,512,299</b>	<b>\$21,485,513</b>	<b>\$42,214,877</b>
General Fund	18,022,625	1,950,589	756,150	20,729,364	1,950,589	1,512,299	21,485,513	42,214,877
<b>Total Funds</b>	<b>\$18,022,625</b>	<b>\$1,950,589</b>	<b>\$756,150</b>	<b>\$20,729,364</b>	<b>\$1,950,589</b>	<b>\$1,512,299</b>	<b>\$21,485,513</b>	<b>\$42,214,877</b>

**Sub-Program Description**

This subprogram includes community based pre-release centers that are used to transition offenders from prison to the community or as a diversion alternative to prison. The department contracts with nonprofit corporations in Great Falls, Missoula, Billings, Bozeman, Butte, and Helena for pre-release services.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	18,022,625	18,022,625	36,045,250	85.39%	18,022,625	18,022,625	36,045,250	85.39%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	1,950,589	1,950,589	3,901,178	9.24%	1,950,589	1,950,589	3,901,178	9.24%
New Proposals	756,150	1,512,299	2,268,449	5.37%	756,150	1,512,299	2,268,449	5.37%
<b>Total Budget</b>	<b>\$20,729,364</b>	<b>\$21,485,513</b>	<b>\$42,214,877</b>		<b>\$20,729,364</b>	<b>\$21,485,513</b>	<b>\$42,214,877</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2014-----						-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 202 - Annualize Pre-release Beds	0.00	1,587,439	0	0	1,587,439	0.00	1,587,439	0	0	1,587,439
DP 206 - SCRAM GPS Units	0.00	231,500	0	0	231,500	0.00	231,500	0	0	231,500
DP 209 - Pre-release Transitional Living	0.00	76,650	0	0	76,650	0.00	76,650	0	0	76,650
DP 210 - Passages Mental Health Contract	0.00	55,000	0	0	55,000	0.00	55,000	0	0	55,000
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,950,589</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,950,589</b>	<b>0.00</b>	<b>\$1,950,589</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,950,589</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,950,589</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,950,589</b>	<b>0.00</b>	<b>\$1,950,589</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,950,589</b>

DP 202 - Annualize Pre-release Beds - The executive requests general fund to annualize the funding for community pre-release beds to include funding for 100% utilization of all existing contracted pre-release beds.

<b>LFD COMMENT</b>	The request would provide funding for 1,223 pre-release and transitional living beds and adjusts the base funding from that experienced through actual utilization to full utilization of these beds at the per diem rate funded by the 2011 Legislature.
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DP 206 - SCRAM GPS Units – The executive requests general fund add 10 secure continuous remote alcohol monitor (SCRAM) units and global positioning system (GPS) units to monitor sexual and high-risk offenders under community probation and parole supervision. These units provide 24 hour a day, 7 days per week electronic monitoring.

DP 209 - Pre-release Transitional Living – The executive requests general fund to add 10 transitional living program (TLP) slots as a means of enhancing re-entry efforts. Transitional living is a low-cost option for offenders transitioning out of pre-release and has daily supervision of the offenders by center staff.

DP 210 - Passages Mental Health Contract – The executive requests general fund to expand female mental health services at the Passages program in Billings. Funding for this request would provide the same assessment, stabilization and support services to female offenders with mental health needs that are provided at the revocation program for male offenders.

**New Proposals**

New Proposals											
-----Fiscal 2014-----						-----Fiscal 2015-----					
Sub Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 203 - Per Diem Adult Community Corrections	03	0.00	439,357	0	0	439,357	0.00	878,714	0	0	878,714
DP 212 - Additional community corrections beds for women	03	0.00	316,793	0	0	316,793	0.00	633,585	0	0	633,585
<b>Total</b>	<b>0.00</b>	<b>\$756,150</b>	<b>\$0</b>	<b>\$0</b>	<b>\$756,150</b>	<b>0.00</b>	<b>\$1,512,299</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,512,299</b>	

DP 203 - Per Diem Adult Community Corrections - The executive requests general fund to provide a 2% provider rate increase in FY 2014 and an additional 2% (4% total) rate increase for FY 2015 for pre-release bed providers.

DP 212 - Additional community corrections beds for women – The executive requests general fund to add 15 pre-release beds for women beginning January 1, 2014 to address anticipated female prerelease growth.

<b>LFD COMMENT</b>	For further discussion of population projections and capacity impacts, please see the Summary section of this agency’s narrative.
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**Sub-Program Details**

**PROBATION AND PAROLE 04**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	214.00	0.00	0.00	214.00	0.00	0.00	214.00	214.00
Personal Services	12,200,696	272,352	0	12,473,048	285,129	0	12,485,825	24,958,873
Operating Expenses	2,881,682	25,987	0	2,907,669	32,798	0	2,914,480	5,822,149
<b>Total Costs</b>	<b>\$15,082,378</b>	<b>\$298,339</b>	<b>\$0</b>	<b>\$15,380,717</b>	<b>\$317,927</b>	<b>\$0</b>	<b>\$15,400,305</b>	<b>\$30,781,022</b>
General Fund	13,836,871	298,339	0	14,135,210	317,927	0	14,154,798	28,290,008
State/Other Special	1,245,507	0	0	1,245,507	0	0	1,245,507	2,491,014
<b>Total Funds</b>	<b>\$15,082,378</b>	<b>\$298,339</b>	<b>\$0</b>	<b>\$15,380,717</b>	<b>\$317,927</b>	<b>\$0</b>	<b>\$15,400,305</b>	<b>\$30,781,022</b>

**Sub-Program Description**

This subprogram includes adult probation and parole, day reporting, and intensive supervision officers who supervise offenders who are in the community.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	18,022,625	18,022,625	36,045,250	85.39%	18,022,625	18,022,625	36,045,250	85.39%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	1,950,589	1,950,589	3,901,178	9.24%	1,950,589	1,950,589	3,901,178	9.24%
New Proposals	756,150	1,512,299	2,268,449	5.37%	756,150	1,512,299	2,268,449	5.37%
<b>Total Budget</b>	<b>\$20,729,364</b>	<b>\$21,485,513</b>	<b>\$42,214,877</b>		<b>\$20,729,364</b>	<b>\$21,485,513</b>	<b>\$42,214,877</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					739,974					753,286
Vacancy Savings					(517,622)					(518,157)
Inflation/Deflation					(16,013)					(9,202)
<b>Total Statewide Present Law Adjustments</b>		<b>\$206,339</b>	<b>\$0</b>	<b>\$0</b>	<b>\$206,339</b>		<b>\$225,927</b>	<b>\$0</b>	<b>\$0</b>	<b>\$225,927</b>
DP 205 - Probation and Parole Overtime/Holiday Worked	0.00	50,000	0	0	50,000	0.00	50,000	0	0	50,000
DP 207 - Probation and Parole Mental Health Contract	0.00	42,000	0	0	42,000	0.00	42,000	0	0	42,000
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$92,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$92,000</b>	<b>0.00</b>	<b>\$92,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$92,000</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$298,339</b>	<b>\$0</b>	<b>\$0</b>	<b>\$298,339</b>	<b>0.00</b>	<b>\$317,927</b>	<b>\$0</b>	<b>\$0</b>	<b>\$317,927</b>

DP 205 - Probation and Parole Overtime/Holiday Worked – The executive requests general fund to fund overtime and holidays worked for probation and parole to respond to after-hour incidents involving supervised offenders. These costs are zero-based and must be requested in full each biennium.

<b>LFD ISSUE</b>	<u>No Historical Basis for the Requested Level – Overtime and Holidays Worked</u> The annual amount of this request is nearly \$30,000 more than the actual expenditures for overtime and holidays worked in FY 2012. Since FY 2000, there is no discernible trend in growth and the highest annual level was in FY 2003 when less than \$24,000 was expended. The legislature may want to question why the subprogram needs a level of overtime and holidays worked that is more than double the highest annual amount experienced in the last decade.
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DP 207 - Probation and Parole Mental Health Contract - The executive requests general fund for additional mental health services in the Kalispell probation and parole region.

**Sub-Program Details**

**TREATMENT UNIT 05**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Operating Expenses	20,062,937	278,133	301,162	20,642,232	278,492	602,323	20,943,752	41,585,984
Equipment & Intangible Assets	15,500	73,000	0	88,500	0	0	15,500	104,000
Transfers	12,500	(6,250)	0	6,250	(6,250)	0	6,250	12,500
Debt Service	28,742	19,493	0	48,235	19,493	0	48,235	96,470
<b>Total Costs</b>	<b>\$20,119,679</b>	<b>\$364,376</b>	<b>\$301,162</b>	<b>\$20,785,217</b>	<b>\$291,735</b>	<b>\$602,323</b>	<b>\$21,013,737</b>	<b>\$41,798,954</b>
General Fund	20,119,679	364,376	301,162	20,785,217	291,735	602,323	21,013,737	41,798,954
<b>Total Funds</b>	<b>\$20,119,679</b>	<b>\$364,376</b>	<b>\$301,162</b>	<b>\$20,785,217</b>	<b>\$291,735</b>	<b>\$602,323</b>	<b>\$21,013,737</b>	<b>\$41,798,954</b>

**Sub-Program Description**

This subprogram includes the costs of contracted services that provide treatment to offenders including chemical dependency (alcohol and drug) treatment beds in Butte and Billings, methamphetamine treatment beds in Boulder and Lewistown, and driving under the influence (DUI) treatment beds in Warm Springs and Glendive.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	20,119,679	20,119,679	40,239,358	96.27%	20,119,679	20,119,679	40,239,358	96.27%
Statewide PL Adjustments	(7,484)	(7,125)	(14,609)	(0.03%)	(7,484)	(7,125)	(14,609)	(0.03%)
Other PL Adjustments	371,860	298,860	670,720	1.60%	371,860	298,860	670,720	1.60%
New Proposals	301,162	602,323	903,485	2.16%	301,162	602,323	903,485	2.16%
<b>Total Budget</b>	<b>\$20,785,217</b>	<b>\$21,013,737</b>	<b>\$41,798,954</b>		<b>\$20,785,217</b>	<b>\$21,013,737</b>	<b>\$41,798,954</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2014-----						-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Inflation/Deflation					(727)					(368)
Fixed Costs					(6,757)					(6,757)
<b>Total Statewide Present Law Adjustments</b>		<b>(\$7,484)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$7,484)</b>		<b>(\$7,125)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$7,125)</b>
DP 201 - Annualize Treatment Beds	0.00	298,860	0	0	298,860	0.00	298,860	0	0	298,860
DP 211 - WATCH West Equipment (OTO/BIEN)	0.00	73,000	0	0	73,000	0.00	0	0	0	0
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$371,860</b>	<b>\$0</b>	<b>\$0</b>	<b>\$371,860</b>	<b>0.00</b>	<b>\$298,860</b>	<b>\$0</b>	<b>\$0</b>	<b>\$298,860</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$364,376</b>	<b>\$0</b>	<b>\$0</b>	<b>\$364,376</b>	<b>0.00</b>	<b>\$291,735</b>	<b>\$0</b>	<b>\$0</b>	<b>\$291,735</b>

DP 201 - Annualize Treatment Beds - The executive requests general fund to annualize the funding for Adult Community Corrections treatment beds to include funding for 100% utilization of all existing contracted treatment beds.

<b>LFD COMMENT</b>	The request would provide funding for 490 treatment beds and adjusts the base funding from that experienced through actual utilization to full utilization of these beds at the per diem rate funded by the 2011 Legislature.
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DP 211 - WATCH West Equipment (OTO/BIEN) - The executive requests general fund for equipment replacement items at the WATCH facility in Warm Springs (WATCH West). Two units to reheat food and the existing walk-in refrigeration unit are at the end of their useful lives. The executive recommends designating funding as one-time-only and biennial.

**New Proposals**

New Proposals											
-----Fiscal 2014-----						-----Fiscal 2015-----					
Sub Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 203 - Per Diem Adult Community Corrections	05	0.00	301,162	0	0	301,162	0.00	602,323	0	0	602,323
<b>Total</b>	<b>0.00</b>	<b>\$301,162</b>	<b>\$0</b>	<b>\$0</b>	<b>\$301,162</b>	<b>0.00</b>	<b>\$602,323</b>	<b>\$0</b>	<b>\$0</b>	<b>\$602,323</b>	

DP 203 - Per Diem Adult Community Corrections - The executive requests general fund to provide a 2% provider rate increase in FY 2014 and an additional 2% (4% total) rate increase for FY 2015 for treatment bed providers.

<b>LFD COMMENT</b>	For a further discussion see the Summary section of this agency's narrative.
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**Sub-Program Details**

**MASC PROGRAM 06**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	2.50	0.00	0.00	2.50	0.00	0.00	2.50	2.50
Personal Services	189,091	(18,349)	0	170,742	(18,443)	0	170,648	341,390
Operating Expenses	3,690,622	141,220	0	3,831,842	216,897	0	3,907,519	7,739,361
<b>Total Costs</b>	<b>\$3,879,713</b>	<b>\$122,871</b>	<b>\$0</b>	<b>\$4,002,584</b>	<b>\$198,454</b>	<b>\$0</b>	<b>\$4,078,167</b>	<b>\$8,080,751</b>
General Fund	3,879,713	122,871	0	4,002,584	198,454	0	4,078,167	8,080,751
<b>Total Funds</b>	<b>\$3,879,713</b>	<b>\$122,871</b>	<b>\$0</b>	<b>\$4,002,584</b>	<b>\$198,454</b>	<b>\$0</b>	<b>\$4,078,167</b>	<b>\$8,080,751</b>

**Sub-Program Description**

This subprogram includes male assessment and sanction services provided at the Missoula Assessment and Sanction Center located in the facility built as a regional prison.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	3,879,713	3,879,713	7,759,426	96.02%	3,879,713	3,879,713	7,759,426	96.02%
Statewide PL Adjustments	(18,523)	(18,534)	(37,057)	(0.46%)	(18,523)	(18,534)	(37,057)	(0.46%)
Other PL Adjustments	141,394	216,988	358,382	4.44%	141,394	216,988	358,382	4.44%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$4,002,584</b>	<b>\$4,078,167</b>	<b>\$8,080,751</b>		<b>\$4,002,584</b>	<b>\$4,078,167</b>	<b>\$8,080,751</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(11,235)					(11,333)
Vacancy Savings					(7,114)					(7,110)
Inflation/Deflation					(174)					(91)
<b>Total Statewide Present Law Adjustments</b>		<b>(\$18,523)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$18,523)</b>		<b>(\$18,534)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$18,534)</b>
DP 203 - Annualize MASC Beds										
	0.00	141,394	0	0	141,394	0.00	216,988	0	0	216,988
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$141,394</b>	<b>\$0</b>	<b>\$0</b>	<b>\$141,394</b>	<b>0.00</b>	<b>\$216,988</b>	<b>\$0</b>	<b>\$0</b>	<b>\$216,988</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$122,871</b>	<b>\$0</b>	<b>\$0</b>	<b>\$122,871</b>	<b>0.00</b>	<b>\$198,454</b>	<b>\$0</b>	<b>\$0</b>	<b>\$198,454</b>

DP 203 - Annualize MASC Beds - The executive requests general fund to annualize per diem rate funding at the Missoula Assessment and Sanction Center (MASC) to include funding for 100% utilization.

<b>LFD COMMENT</b>	<p>The request would provide funding for 141 beds and adjusts the base funding from that experienced through actual utilization to full utilization of these beds at projected per diem rates of \$70.96 in FY 2014 and \$72.43 in FY 2015. The per diem rates for MASC are not a part of the request to increase community corrections rates by 2% in FY 2014 and an additional 2% (4% total) in FY 2015. State law establishes guidelines for determining per diem rates at regional prisons like MASC and the rates are on audited actual costs. The FY 2012 per diem rate was \$62.75.</p>
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**Program Budget Comparison**

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

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	697.54	697.54	721.54	721.54	697.54	721.54	24.00	3.44%
Personal Services	37,414,105	37,471,761	39,206,915	39,769,401	74,885,866	78,976,316	4,090,450	5.46%
Operating Expenses	36,915,766	38,117,853	40,365,329	41,151,736	75,033,619	81,517,065	6,483,446	8.64%
Equipment & Intangible Assets	85,351	77,381	288,351	126,051	162,732	414,402	251,670	154.65%
Transfers	54,300	55,738	53,100	49,500	110,038	102,600	(7,438)	(6.76%)
Debt Service	36,860	36,860	172,141	172,141	73,720	344,282	270,562	367.01%
<b>Total Costs</b>	<b>\$74,506,382</b>	<b>\$75,759,593</b>	<b>\$80,085,836</b>	<b>\$81,268,829</b>	<b>\$150,265,975</b>	<b>\$161,354,665</b>	<b>\$11,088,690</b>	<b>7.38%</b>
General Fund	74,401,566	75,595,727	79,981,020	81,164,013	149,997,293	161,145,033	11,147,740	7.43%
State Special	104,816	153,520	104,816	104,816	258,336	209,632	(48,704)	(18.85%)
Federal Special	0	10,346	0	0	10,346	0	(10,346)	(100.00%)
<b>Total Funds</b>	<b>\$74,506,382</b>	<b>\$75,759,593</b>	<b>\$80,085,836</b>	<b>\$81,268,829</b>	<b>\$150,265,975</b>	<b>\$161,354,665</b>	<b>\$11,088,690</b>	<b>7.38%</b>

**Program Description**

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

**Program Highlights**

<b>Secure Custody Facilities Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ Populations in secure custody facilities are projected to increase on average by 1.2% per year for males and by 4.4% for females. The budget would address these increases by:                             <ul style="list-style-type: none"> <li>• Contracting with the Department of Public Health and Human Services to house inmates needing assistance with their daily care, thus freeing up 35 beds at the Montana State Prison, \$3.7 million</li> <li>• Maintaining contract beds at the full contract level through the entire biennium, \$3.5 million</li> <li>• Funding re-entry initiatives that are intended to slow population growth through reduced recidivism, \$0.3 million and 3.00 FTE</li> </ul> </li> <li>◆ The executive proposes to fund:                             <ul style="list-style-type: none"> <li>• A prevailing wage adjustment in the contract for the private prison in Shelby, \$1.1 million</li> <li>• A career ladder for correctional officers, \$1.6 million</li> <li>• The addition of FTE at both the men’s and women’s prisons to provide a relief factor</li> </ul> </li> <li>◆ The executive proposes the addition of 24.00 FTE:                             <ul style="list-style-type: none"> <li>• For correctional relief factors at Montana State Prison and Montana Women’s Prison, 9.00 FTE</li> <li>• To replace the previously contracted health services function for the Montana Women’s Prison, 7.00 FTE</li> <li>• To provide security for inmates being moved to the Montana Mental Health Nursing Care Center in Lewistown under a contract with the Department of Public Health and Human Services, 5.00 FTE</li> <li>• To support the department’s re-entry initiative at Montana State Prison, 3.00 FTE</li> </ul> </li> </ul>
<b>Major LFD Issues</b>
<ul style="list-style-type: none"> <li>◆ The department entered into a contract with the Department of Public Health and Human Services to receive services at the Montana Mental Health Nursing Care Center in Lewistown. The legislature has options for addressing the population of inmates needing assistance with daily personal needs</li> </ul>

**Program Discussion**

The Secure Custody Facilities Program houses offenders in the Montana State Prison, Montana Women’s Prison, and various contracted prison and detention facilities. Montana State Prison (MSP) for male offenders is the largest facility with an operational capacity of 1,485 inmates while regional prison facilities in Glendive and Great Falls that house a combined 293 inmates are the smallest facilities. Montana Women’s Prison (MWP), the only female prison in the state, has an operational capacity of 194. Both male and female secure inmates are also held in county jails. The cost of contracted prison beds includes the cost to house 550 inmates in the Crossroads Correctional Center in Shelby as well as cost of housing offenders in county jails. Beginning halfway through FY 2013, 25 inmates are housed at the Montana Mental Health Nursing Care Center in Lewistown. The Department is responsible for the cost of housing offenders after conviction.

The primary cost drivers for this program include the average daily population (ADP) of offenders to be housed, operating costs at state facilities including staffing costs, and per diem rates negotiated with the private prison, regional prisons, county jails, and other contractors.

The figure shows the projected change in the average daily population (ADP) of offenders for male and female prisons including the growth rate from the previous year and a comparison to current capacities. For the 2015 biennium, the department projects that the ADP of male offenders will increase by an average annual rate of 1.2% or less per year and female offenders around 4.4% on average per year.

The 2011 Legislature appropriated funding to contract for 120 additional beds beginning in FY 2013, with 20 designated to serving inmates needing living assistance. Instead, the executive contracted for 25 secure assisted living beds. A request is included to fund the contract for these 25 assisted living beds. However, this action effectively expanded the capacity of the MSP by 35 beds by making some cells available for multiple occupancy, where this wasn't an option when occupied by those being moved to the assisted living contracted beds. For a further discussion of the assisted living beds, see the summary section of this agency's narrative and DP 320 in new proposals for subprogram 4 of this division.

Summary of Secure Custody Facilities Average Daily Populations (ADP)				
Segment	Actual	Department Projections		
	FY 2012	FY 2013	FY 2014	FY 2015
<u>Male Prison</u>				
Population	2343	2336	2372	2392
% Increase		-0.3%	1.5%	0.8%
Capacity	2396	2379	2383	2383
Over Capacity	-53	-43	-11	9
<u>Female Prison</u>				
Population	203	200	209	218
% Increase		-1.5%	4.5%	4.3%
Capacity	200	200	205	205
Over Capacity	3	0	4	13

#### *Projections in Relation to Capacity*

At this time the MWP is at operating capacity, but is projected to exceed capacity beginning in FY 2014. The department estimates the MSP will have excess capacity through FY 2014, but it would exceed capacity starting in FY 2015. The department uses county jail holds as a way to address short-term capacity issues in state and contracted facilities. Space in county jails is assumed available to address over-capacity situations through the 2015 biennium.

At the current capacity levels the department is at risk if the population grows significantly above its projections. This would leave the department without adequate funding or the existence of an adequate number of male and female prison beds within the current system. The department would be force to rely on the availability of beds in county jails to address its population growth pressures. It may also risk having the available inmate programming capacity to adequately address inmate criminality issues prior to the end of inmate sentences, which may adversely impact recidivism rates.

#### **Funding**

The following table shows program funding, by source for the 2015 biennium as recommended by the Governor.

Total Department Of Corrections Funding by Source of Authority 2015 Biennium Budget - Secure Custody Facilities							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$161,145,033	\$0	\$0	\$161,145,033	99.4%		
State Special Total	\$209,632	\$0	\$706,163	\$915,795	0.6%		
02339 Inmate Welfare/inmate Pay	\$200,000	\$0	\$0	\$200,000	0.1%		
02345 Inmate Welfare Fund	\$0	\$0	\$706,163	\$706,163	0.4%	53-1-109	Direct
02355 Miscellaneous Fines And Fees	\$9,632	\$0	\$0	\$9,632	0.0%		
Total All Funds	\$161,354,665	\$0	\$706,163	\$162,060,828	100.0%		
<b>Percent - Total All Sources</b>	<b>99.6%</b>	<b>0.0%</b>	<b>0.4%</b>				

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 by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	74,401,566	74,401,566	148,803,132	92.34%	74,506,382	74,506,382	149,012,764	92.35%
Statewide PL Adjustments	(1,581,066)	(1,484,249)	(3,065,315)	(1.90%)	(1,681,066)	(1,584,249)	(3,265,315)	(2.02%)
Other PL Adjustments	4,506,884	5,605,659	10,112,543	6.28%	4,606,884	5,705,659	10,312,543	6.39%
New Proposals	2,653,636	2,641,037	5,294,673	3.29%	2,653,636	2,641,037	5,294,673	3.28%
<b>Total Budget</b>	<b>\$79,981,020</b>	<b>\$81,164,013</b>	<b>\$161,145,033</b>		<b>\$80,085,836</b>	<b>\$81,268,829</b>	<b>\$161,354,665</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2014-----						-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(135,660)					(96,846)
Vacancy Savings					(1,491,127)					(1,492,692)
Inflation/Deflation					(84,980)					(24,765)
Fixed Costs					30,701					30,054
<b>Total Statewide Present Law Adjustments</b>		<b>(\$1,581,066)</b>	<b>(\$100,000)</b>	<b>\$0</b>	<b>(\$1,681,066)</b>		<b>(\$1,484,249)</b>	<b>(\$100,000)</b>	<b>\$0</b>	<b>(\$1,584,249)</b>
DP 301 - MWP Correctional Officer	1.00	38,912	0	0	38,912	1.00	38,862	0	0	38,862
DP 303 - Montana Womens Prison Contracts	0.00	31,250	0	0	31,250	0.00	31,250	0	0	31,250
DP 304 - MWP Supplies (OTO/BIEN)	0.00	25,000	0	0	25,000	0.00	35,000	0	0	35,000
DP 305 - MSP Inmate programming	0.00	60,000	0	0	60,000	0.00	60,000	0	0	60,000
DP 307 - MWP Overtime/Holiday Worked	0.00	221,594	0	0	221,594	0.00	221,594	0	0	221,594
DP 308 - MWP Inmate Pay	0.00	19,235	0	0	19,235	0.00	19,235	0	0	19,235
DP 310 - MSP Correctional Officer	8.00	0	0	0	0	8.00	0	0	0	0
DP 314 - MSP Supplies and Equipment (OTO/BIEN)	0.00	110,000	0	0	110,000	0.00	30,000	0	0	30,000
DP 316 - MSP Overtime/Holiday worked	0.00	1,576,927	0	0	1,576,927	0.00	1,576,927	0	0	1,576,927
DP 317 - MSP Inmate Pay	0.00	150,405	100,000	0	250,405	0.00	150,405	100,000	0	250,405
DP 319 - Secure Care Contract Bed Annualization	0.00	1,075,093	0	0	1,075,093	0.00	1,349,473	0	0	1,349,473
DP 321 - MSP - Montana Correctional Enterprises Rate	0.00	562,083	0	0	562,083	0.00	1,040,142	0	0	1,040,142
DP 324 - MSP Van Replacement (OTO/BIEN)	0.00	110,000	0	0	110,000	0.00	0	0	0	0
DP 999 - Fund Career Ladder for Correctional Officers	0.00	526,385	0	0	526,385	0.00	1,052,771	0	0	1,052,771
<b>Total Other Present Law Adjustments</b>	<b>9.00</b>	<b>\$4,506,884</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$4,606,884</b>	<b>9.00</b>	<b>\$5,605,659</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$5,705,659</b>
<b>Grand Total All Present Law Adjustments</b>	<b>9.00</b>	<b>\$2,925,818</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,925,818</b>	<b>9.00</b>	<b>\$4,121,410</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,121,410</b>

**New Proposals**

New Proposals											
-----Fiscal 2014-----						-----Fiscal 2015-----					
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 301 - Montana Womens Prison Medical Services	03	7.00	94,897	0	0	94,897	7.00	94,262	0	0	94,262
DP 303 - Montana State Prison Re-entry Team	03	3.00	166,184	0	0	166,184	3.00	154,488	0	0	154,488
DP 320 - Lewistown Infirmary Beds	03	5.00	1,832,499	0	0	1,832,499	5.00	1,832,231	0	0	1,832,231
DP 323 - Contract Beds Private Prison Per Diem	03	0.00	560,056	0	0	560,056	0.00	560,056	0	0	560,056
<b>Total</b>	<b>15.00</b>	<b>\$2,653,636</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,653,636</b>	<b>15.00</b>	<b>\$2,641,037</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,641,037</b>	

**Sub-Program Details****MONTANA STATE PRISON 01****Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	620.27	8.00	3.00	631.27	8.00	3.00	631.27	631.27
Personal Services	33,075,716	1,020,073	145,464	34,241,253	1,519,422	145,268	34,740,406	68,981,659
Operating Expenses	10,463,156	450,364	20,720	10,934,240	964,809	9,220	11,437,185	22,371,425
Equipment & Intangible Assets	85,351	203,000	0	288,351	30,000	0	115,351	403,702
Transfers	29,800	(1,200)	0	28,600	(4,800)	0	25,000	53,600
Debt Service	36,860	135,281	0	172,141	135,281	0	172,141	344,282
<b>Total Costs</b>	<b>\$43,690,883</b>	<b>\$1,807,518</b>	<b>\$166,184</b>	<b>\$45,664,585</b>	<b>\$2,644,712</b>	<b>\$154,488</b>	<b>\$46,490,083</b>	<b>\$92,154,668</b>
General Fund	43,586,067	1,807,518	166,184	45,559,769	2,644,712	154,488	46,385,267	91,945,036
State/Other Special	104,816	0	0	104,816	0	0	104,816	209,632
<b>Total Funds</b>	<b>\$43,690,883</b>	<b>\$1,807,518</b>	<b>\$166,184</b>	<b>\$45,664,585</b>	<b>\$2,644,712</b>	<b>\$154,488</b>	<b>\$46,490,083</b>	<b>\$92,154,668</b>

**Sub-Program Description**

This subprogram consists of the state owned and operated male prison (Montana State Prison) in Deer Lodge.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	43,586,067	43,586,067	87,172,134	94.81%	43,690,883	43,690,883	87,381,766	94.82%
Statewide PL Adjustments	(1,231,551)	(1,152,070)	(2,383,621)	(2.59%)	(1,331,551)	(1,252,070)	(2,583,621)	(2.80%)
Other PL Adjustments	3,039,069	3,796,782	6,835,851	7.43%	3,139,069	3,896,782	7,035,851	7.63%
New Proposals	166,184	154,488	320,672	0.35%	166,184	154,488	320,672	0.35%
<b>Total Budget</b>	<b>\$45,559,769</b>	<b>\$46,385,267</b>	<b>\$91,945,036</b>		<b>\$45,664,585</b>	<b>\$46,490,083</b>	<b>\$92,154,668</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					48,030					78,965
Vacancy Savings					(1,324,943)					(1,326,183)
Inflation/Deflation					(85,339)					(34,906)
Fixed Costs					30,701					30,054
<b>Total Statewide Present Law Adjustments</b>		<b>(\$1,231,551)</b>	<b>(\$100,000)</b>	<b>\$0</b>	<b>(\$1,331,551)</b>		<b>(\$1,152,070)</b>	<b>(\$100,000)</b>	<b>\$0</b>	<b>(\$1,252,070)</b>
DP 305 - MSP Inmate programming	0.00	60,000	0	0	60,000	0.00	60,000	0	0	60,000
DP 310 - MSP Correctional Officer	8.00	0	0	0	0	8.00	0	0	0	0
DP 314 - MSP Supplies and Equipment (OTO/BIEN)	0.00	110,000	0	0	110,000	0.00	30,000	0	0	30,000
DP 316 - MSP Overtime/Holiday worked	0.00	1,576,927	0	0	1,576,927	0.00	1,576,927	0	0	1,576,927
DP 317 - MSP Inmate Pay	0.00	150,405	100,000	0	250,405	0.00	150,405	100,000	0	250,405
DP 321 - MSP - Montana Correctional Enterprises Rate	0.00	562,083	0	0	562,083	0.00	1,040,142	0	0	1,040,142
DP 324 - MSP Van Replacement (OTO/BIEN)	0.00	110,000	0	0	110,000	0.00	0	0	0	0
DP 999 - Fund Career Ladder for Correctional Officers	0.00	469,654	0	0	469,654	0.00	939,308	0	0	939,308
<b>Total Other Present Law Adjustments</b>	<b>8.00</b>	<b>\$3,039,069</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$3,139,069</b>	<b>8.00</b>	<b>\$3,796,782</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$3,896,782</b>
<b>Grand Total All Present Law Adjustments</b>	<b>8.00</b>	<b>\$1,807,518</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,807,518</b>	<b>8.00</b>	<b>\$2,644,712</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,644,712</b>

DP 305 - MSP Inmate programming – The executive requests general fund to purchase training materials to expand the Steps to Economic and Personal Success (STEPS) and New Directions programs for inmates, which teaches offenders how to change their way of thinking about themselves, their lives, and their criminal background.

DP 310 - MSP Correctional Officer - The executive requests general fund to fund operating costs and personal services to add 8.00 FTE for the correctional officer relief factor, which provides coverage for staff vacancies of other officers associated with sick leave, vacation, and regular days off. The funding for the positions would come from a reduction of the overall MSP overtime budget.

**LFD COMMENT** DP 316 requests funding for overtime and holidays worked at the base level. This request would reduce overtime by \$622,185 over the biennium to fund the FTE. If this request is approved and DP 316 is not approved the result would effectively be an additional 1% vacancy savings for this subprogram.

**LFD ISSUE** Funding for Relief Factor FTE  
The executive is requesting additional FTE, but is not funding them. Rather, they ask for additional overtime they state they will not need. In order to associate the funding with the actual FTE that would be hired, this DP should be funded and a reduced level of overtime requested in DP 316. The funding associated with this action is \$311,294 in FY 2014 and \$310,891 in FY 2015.

DP 314 - MSP Supplies and Equipment (OTO/BIEN) – The executive requests general fund to purchase supplies and equipment ranging from medical equipment, kitchen supplies, yard replacement, and fencing and utility vehicles needed for facility security and maintenance at Montana State Prison. The executive recommends funding be designated as one-time-only and biennial.

DP 316 - MSP Overtime/Holiday worked – The executive requests general fund for overtime and holidays worked at the base level. These expenses are zero-based and must be requested in full each biennium.

<b>LFD ISSUE</b>	<u>Reduction in Overtime</u> The executive is requesting funding for overtime they state they will not need if DP 310 is approved and not funding the FTE added in that DP. For a further discussion see the issue above.
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DP 317 - MSP Inmate Pay – The executive requests general fund and state special revenue from the inmate welfare and inmate pay to fund inmate pay for inmate work and educational assignments. These expenses are zero-based and must be requested in full each biennium.

DP 321 - MSP - Montana Correctional Enterprises Rate – The executive requests general fund for proposed rate changes of the Montana Correctional Enterprises (MCE) for production services of food, laundry, and motor vehicle maintenance.

<b>LFD ISSUE</b>	<u>Related to Proprietary Rates on Montana Correctional Enterprises</u> This request would fund payments in exchange for services received from the food factory, laundry, and motor vehicles vocational education programs of MCE that would rise under proposed rate increases. The legislative authority associated directly with fiscal matters of programs funded with proprietary funds is limited in two ways: 1) appropriating funds to pay for services received; and 2) setting the upper limit on rates for internal service type proprietary programs and commenting on concerns with financial operations of enterprise type proprietary programs.  The appropriation to pay for services included in this request is impacted by the rates per item the service providing program may charge. As such, the legislature may wish to delay acting on this request until after it has determined the upper limit on rates or addressed concerns with the financial operations of the associated proprietary programs. These proprietary programs are addressed in the Montana Correctional Enterprise Program section. LFD issues are raised for all proprietary programs associated with this request.
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DP 324 - MSP Van Replacement (OTO/BIEN) – The executive requests general fund to purchase an inmate transportation van. The executive recommends designating funding as one-time-only and biennial.

<b>LFD COMMENT</b>	According to statistics provided by the agency, the Montana State Prison transports about 4,500 offenders a year, logging 430,000 miles, and averaging over 1,700 trips annually. The van the agency intends to purchase with these funds would meet recommendations set forth by the Risk Management and Tort Defense Division of the Department of Administration for the safety of both officers and inmates being transported.
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DP 999 - Fund Career Ladder for Correctional Officers - The executive requests general fund to fund adjustments to the career ladder for correctional officers. The career ladder provides incremental competency pay adjustments under a negotiated pay schedule for employees as they achieve certain educational and experiential milestones.

**LFD COMMENT** This request is related to a decision made by the Board of Personnel Appeals. For further information on this decision package refer to the agency discussion under agency wide decision packages.

**New Proposals**

Sub Program	FTE	Fiscal 2014				Fiscal 2015				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 303 - Montana State Prison Re-entry Team										
01	3.00	166,184	0	0	166,184	3.00	154,488	0	0	154,488
<b>Total</b>	<b>3.00</b>	<b>\$166,184</b>	<b>\$0</b>	<b>\$0</b>	<b>\$166,184</b>	<b>3.00</b>	<b>\$154,488</b>	<b>\$0</b>	<b>\$0</b>	<b>\$154,488</b>

DP 303 - Montana State Prison Re-entry Team – The executive requests general fund to fund operating costs and personal services for the addition of 3.00 FTE to assist with adult inmate/offender re-entry into the community. Funding would be used to add three case managers to assist in administering risk assessment tools and work with inmates on re-entry planning.

**LFD COMMENT** For further discussion of the agency’s re-entry initiative please refer to the discussion in the agency narrative section.

**Sub-Program Details**

**MONTANA WOMENS PRISON 02**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget	Base Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	Total Exec. Budget
Budget Item	Fiscal 2012	Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015	Fiscal 14-15
FTE	70.27	1.00	7.00	78.27	1.00	7.00	78.27	78.27
Personal Services	3,878,017	35,225	436,897	4,350,139	97,291	436,262	4,411,570	8,761,709
Operating Expenses	2,368,626	57,032	(342,000)	2,083,658	65,974	(342,000)	2,092,600	4,176,258
Equipment & Intangible Assets	0	0	0	0	10,700	0	10,700	10,700
Transfers	24,500	0	0	24,500	0	0	24,500	49,000
<b>Total Costs</b>	<b>\$6,271,143</b>	<b>\$92,257</b>	<b>\$94,897</b>	<b>\$6,458,297</b>	<b>\$173,965</b>	<b>\$94,262</b>	<b>\$6,539,370</b>	<b>\$12,997,667</b>
General Fund	6,271,143	92,257	94,897	6,458,297	173,965	94,262	6,539,370	12,997,667
<b>Total Funds</b>	<b>\$6,271,143</b>	<b>\$92,257</b>	<b>\$94,897</b>	<b>\$6,458,297</b>	<b>\$173,965</b>	<b>\$94,262</b>	<b>\$6,539,370</b>	<b>\$12,997,667</b>

**Sub-Program Description**

This subprogram consists of the state owned and operated female prison (Montana Women’s Prison) in Billings.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	6,271,143	6,271,143	12,542,286	96.50%	6,271,143	6,271,143	12,542,286	96.50%
Statewide PL Adjustments	(300,465)	(285,439)	(585,904)	(4.51%)	(300,465)	(285,439)	(585,904)	(4.51%)
Other PL Adjustments	392,722	459,404	852,126	6.56%	392,722	459,404	852,126	6.56%
New Proposals	94,897	94,262	189,159	1.46%	94,897	94,262	189,159	1.46%
<b>Total Budget</b>	<b>\$6,458,297</b>	<b>\$6,539,370</b>	<b>\$12,997,667</b>		<b>\$6,458,297</b>	<b>\$6,539,370</b>	<b>\$12,997,667</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(152,218)					(146,601)
Vacancy Savings					(149,029)					(149,262)
Inflation/Deflation					782					10,424
<b>Total Statewide Present Law Adjustments</b>		<b>(\$300,465)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$300,465)</b>		<b>(\$285,439)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$285,439)</b>
DP 301 - MWP Correctional Officer	1.00	38,912	0	0	38,912	1.00	38,862	0	0	38,862
DP 303 - Montana Women’s Prison Contracts	0.00	31,250	0	0	31,250	0.00	31,250	0	0	31,250
DP 304 - MWP Supplies (OTO/BIEN)	0.00	25,000	0	0	25,000	0.00	35,000	0	0	35,000
DP 307 - MWP Overtime/Holiday Worked	0.00	221,594	0	0	221,594	0.00	221,594	0	0	221,594
DP 308 - MWP Inmate Pay	0.00	19,235	0	0	19,235	0.00	19,235	0	0	19,235
DP 999 - Fund Career Ladder for Correctional Officers	0.00	56,731	0	0	56,731	0.00	113,463	0	0	113,463
<b>Total Other Present Law Adjustments</b>	<b>1.00</b>	<b>\$392,722</b>	<b>\$0</b>	<b>\$0</b>	<b>\$392,722</b>	<b>1.00</b>	<b>\$459,404</b>	<b>\$0</b>	<b>\$0</b>	<b>\$459,404</b>
<b>Grand Total All Present Law Adjustments</b>	<b>1.00</b>	<b>\$92,257</b>	<b>\$0</b>	<b>\$0</b>	<b>\$92,257</b>	<b>1.00</b>	<b>\$173,965</b>	<b>\$0</b>	<b>\$0</b>	<b>\$173,965</b>

DP 301 - MWP Correctional Officer – The executive requests general fund to fund the addition of 1.00 FTE for the correctional officer relief factor, which provides coverage for staff vacancies of other officers associated with sick leave, vacation, and regular days off.

DP 303 - Montana Women’s Prison Contracts – The executive requests general fund to: 1) increase hours for religious activities, \$10,750; 2) fund all 187 regular and 54 summer school days under the contract with the Billings public school system contract for adult basic education and literacy education services to inmates at the Montana Women's Prison, \$16,770; and 3) address contract increases for the chemical dependency contract, \$3,730.

DP 304 - MWP Supplies (OTO/BIEN) – The executive requests general fund to purchase supplies and equipment ranging from key locks, fencing, washers, dryers, facility security equipment for staff, mattresses, chairs, and dresser supplies to flooring repairs needed for facility security and maintenance at the Montana Women’s Prison. The executive recommends designating funding as one-time-only and biennial.

DP 307 - MWP Overtime/Holiday Worked – The executive requests general fund to fund overtime and holidays worked at the base level. These costs are zero-based and must be requested in full each biennium.

DP 308 - MWP Inmate Pay –The executive requests general fund to fund inmate pay for inmate work and educational assignments. These expenses are zero-based and must be requested in full each biennium.

DP 999 - Fund Career Ladder for Correctional Officers - The executive requests general fund to fund adjustments to the career ladder for correctional officers. The career ladder provides incremental competency pay adjustments under a negotiated pay schedule for employees as they achieve certain educational and experiential milestones.

<b>LFD COMMENT</b>	This request is related to a decision made by the Board of Personnel Appeals. For further information on this decision package refer to the agency discussion under agency wide decision packages.
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**New Proposals**

Sub Program	FTE	-----Fiscal 2014-----				-----Fiscal 2015-----				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 301 - Montana Women’s Prison Medical Services										
02	7.00	94,897	0	0	94,897	7.00	94,262	0	0	94,262
<b>Total</b>	<b>7.00</b>	<b>\$94,897</b>	<b>\$0</b>	<b>\$0</b>	<b>\$94,897</b>	<b>7.00</b>	<b>\$94,262</b>	<b>\$0</b>	<b>\$0</b>	<b>\$94,262</b>

DP 301 - Montana Women’s Prison Medical Services - The executive requests general fund to fund operating costs and personal services for the addition of 7.00 FTE to fund health services at the Montana Women’s Prison. Positions that would be added are: 1) a nursing services manager; 2) two licensed practical nurses; 3) three registered nurses; and 4) one medical assistant.

<b>LFD COMMENT</b>	The contractor providing health services to the Montana Woman’s Prison cancelled the contract in March 2012. Since the contract was cancelled, the agency has been providing the services with modified FTE. This request is partially funded with a reduction of operating costs associated with base year payments under the health services contract.
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**Sub-Program Details**

**CONTRACTED BEDS 04**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	7.00	0.00	5.00	12.00	0.00	5.00	12.00	12.00
Personal Services	460,372	(48,627)	203,778	615,523	(46,457)	203,510	617,425	1,232,948
Operating Expenses	24,083,984	1,074,670	2,188,777	27,347,431	1,349,190	2,188,777	27,621,951	54,969,382
<b>Total Costs</b>	<b>\$24,544,356</b>	<b>\$1,026,043</b>	<b>\$2,392,555</b>	<b>\$27,962,954</b>	<b>\$1,302,733</b>	<b>\$2,392,287</b>	<b>\$28,239,376</b>	<b>\$56,202,330</b>
General Fund	24,544,356	1,026,043	2,392,555	27,962,954	1,302,733	2,392,287	28,239,376	56,202,330
<b>Total Funds</b>	<b>\$24,544,356</b>	<b>\$1,026,043</b>	<b>\$2,392,555</b>	<b>\$27,962,954</b>	<b>\$1,302,733</b>	<b>\$2,392,287</b>	<b>\$28,239,376</b>	<b>\$56,202,330</b>

**Sub-Program Description**

This subprogram includes the costs of secure care beds purchased from contractors including regional prisons in Glendive and Great Falls and a privately owned facility in Shelby.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	24,544,356	24,544,356	49,088,712	87.34%	24,544,356	24,544,356	49,088,712	87.34%
Statewide PL Adjustments	(49,050)	(46,740)	(95,790)	(0.17%)	(49,050)	(46,740)	(95,790)	(0.17%)
Other PL Adjustments	1,075,093	1,349,473	2,424,566	4.31%	1,075,093	1,349,473	2,424,566	4.31%
New Proposals	2,392,555	2,392,287	4,784,842	8.51%	2,392,555	2,392,287	4,784,842	8.51%
<b>Total Budget</b>	<b>\$27,962,954</b>	<b>\$28,239,376</b>	<b>\$56,202,330</b>		<b>\$27,962,954</b>	<b>\$28,239,376</b>	<b>\$56,202,330</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(31,472)					(29,210)
Vacancy Savings					(17,155)					(17,247)
Inflation/Deflation					(423)					(283)
<b>Total Statewide Present Law Adjustments</b>		<b>(\$49,050)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$49,050)</b>		<b>(\$46,740)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$46,740)</b>
DP 319 - Secure Care Contract Bed Annualization	0.00	1,075,093	0	0	1,075,093	0.00	1,349,473	0	0	1,349,473
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,075,093</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,075,093</b>	<b>0.00</b>	<b>\$1,349,473</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,349,473</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,026,043</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,026,043</b>	<b>0.00</b>	<b>\$1,302,733</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,302,733</b>

DP 319 - Secure Care Contract Bed Annualization - The executive requests general fund to annualize the costs of contract prison beds to include funding for 100% utilization of all existing contracted beds at the projected per diem rates at the Cascade County and Dawson County regional prisons and county jails.

**LFD COMMENT** The following figure shows the per diem rates charged in FY 2012 at each of the regional prisons and county jails, the projected rates, the beds used in FY 2012, and the number of contracted beds assumed in this request.

Facility	FY 2012		FY 2014			FY 2015		
	Per Diem Actual	Utilized Beds	Change From FY 2012		Contracted Beds	Change From FY 2012		Contracted Beds
			Amount	Percentage		Amount	Percentage	
Cascade County	\$62.279	151	\$65.713	5.5%	152	\$67.501	8.4%	152
Dawson County	67.967	142	74.335	9.4%	141	77.739	14.4%	141
County Jail Holds	59.540	129	60.000	0.8%	183	60.000	0.8%	183

Please refer to the program summary for a discussion of projected population changes and related funding requests.

**New Proposals**

New Proposals										
Sub Program	FTE	Fiscal 2014				Fiscal 2015				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 320 - Lewistown Infirmery Beds										
04	5.00	1,832,499	0	0	1,832,499	5.00	1,832,231	0	0	1,832,231
DP 323 - Contract Beds Private Prison Per Diem										
04	0.00	560,056	0	0	560,056	0.00	560,056	0	0	560,056
<b>Total</b>	<b>5.00</b>	<b>\$2,392,555</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,392,555</b>	<b>5.00</b>	<b>\$2,392,287</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,392,287</b>

DP 320 - Lewistown Infirmery Beds – The executive requests general fund to fund: 1) a contract (memorandum of understanding) with the Department of Public Health and Human Services for 25 beds at the Lewistown Infirmery, \$1.6 million per year; and 2) funding to add 5.00 FTE correctional officers (4 correctional officers and 1 correctional officer supervisor/manager) for security at the facility, \$0.2 million per year. The facility serves an agency-identified population of older offenders with chronic medical conditions that require a specialized level of care, which has become increasingly challenging to provide in a traditional prison environment. The inmates designated for this facility are low-security offenders with an array of serious physical issues.

**LFD ISSUE** Intent of 2013 Biennium Funding  
There are a number of issues associated with this request:

- o Legislative intent when the funds were initially appropriated by the 2011 Legislature
- o The required retrofit of the building and the source of the funding and authority
- o The cost per day of the services provided compared to the level anticipated by the 2011 Legislature

*Legislative Intent and the Lewistown Infirmery*

2011 Legislature appropriated nearly \$3.0 million for FY 2013 to address population growth. The funding was restricted to providing contracted custody for 20 secure assisted living beds and 100 other male prison beds. The intent of the legislative action in adding the 20 secure assisted living beds was to provide a facility for the custody of the designated inmate populations through a contract so that the Department of Corrections would no longer be responsible for the direct care and supervision of these inmates. It is unclear if the intent was to restrict the funding to a contract with the private sector.

**LFD  
ISSUE CONT.**

The agency initially requested bids for a contract to provide these assisted living beds, but later cancelled the request. Instead, the department entered into a memorandum of understanding (MOU) with the Department of Public Health and Human Services (DPHHS) to provide infirmary care for 25 low-security male inmates at the Montana Mental Health Nursing Care Center (MMHNCC) in Lewistown. No contracts have been sought for the 100 additional other beds funded by the legislature, as the department's projected population growth was lower than anticipated.

Under the agreement, inmates who will be considered for housing in the facility are those who, because of illness, injury, or a medical/psychiatric condition, require nursing care and assistance with everyday tasks such as bathing, personal hygiene, and taking medications. The Department of Corrections retains responsibility for medical costs of the inmate when the service is not available as a health care service through the infirmary and for transportation to and from the facility or to services outside the facility.

The actions of the executive to establish an MOU with DPHHS have caused the following impacts that were not anticipated by the legislature:

- An unused wing of the MMHNCC was retrofit to accommodate the program at a cost of \$920,000. The use of these funds was not approved by the legislature as required in law for construction of a building when construction costs exceed \$150,000
- Addition of 20.25 FTE for DPHHS (currently being implemented through the use of modified FTE), \$1.3 million per year funded with the contract with DOC
- This request to add 5.00 FTE for security at the facility, \$204,000 per year

The beds are set to be occupied in January 2013. As such the funding for this contract is not in the base budget for the Department of Corrections and must be requested as it is in this request.

*Required Retrofit and Legislative Finance Committee Monitoring*

During the interim, the Legislative Finance Committee (LFC) monitored how the agency was using the funds appropriated to address secure assisted living beds. The LFC requested a legislative legal opinion on the legality of the funding used to renovate the MMHNCC to accommodate the secure assisted living inmates. In essence the LFC heard that, according to legislative legal staff's interpretation of the relevant laws, without legislative approval the executive didn't have authority to spend funds to renovate the building when costs exceeded \$150,000. However, the LFC did not have standing to bring legal action against the executive for proceeding with the renovations. The LFC directed staff to review the Long-range Building Program statutes and identify areas where it might be prudent to clarify the law. Upon review, legal staff found the statutes to be clear and not in need of revision. For further information and to view the report presented to the committee see the June and September 2012 committee meeting reports at: <http://leg.mt.gov/css/fiscal/reports/2011-2012-interim-reports.asp>.

*More Than Twice the Per Bed Cost the 2011 Legislature Anticipated*

When the 2011 Legislature appropriated the FY 2013 funding for the combined 120 male contracted beds, it was anticipated that the portion of the funding associated with the 20 secure assisted living beds would cost \$620,500 per year, or \$31,025 per bed. Under the current request, the annual cost is more than double that amount at \$74,530 per bed with an additional 5 beds. Staff requested information from the department on why the costs were higher but did not receive a reply.

**LFD  
ISSUE CONT.***Prison Bed Offset*

Regardless of the approach, the act of moving one assisted living bed from the Montana State Prison to another facility will free up more than one bed at Montana State Prison. The department estimates that 35 beds will be made available by moving the 25 inmates to MMHNCC. Currently the population of inmates designated to be moved to the assisted living facility individually occupy a cell where two inmates could be housed in most cells. Other prison services will be impacted but no direct fiscal offsets are available as a result of the movement of inmates because these costs are fixed and not directly related to the inmate population of this request. Whether these inmates are at the prison or the contracted facility, guards, nursing staff, and facility operational costs will still exist at Montana State Prison and will not measurably change due to the movement of these inmates.

*The Issue*

The issue with this request is that the funding now being requested is more than double the amount anticipated by the 2011 Legislature. Furthermore, 25.25 FTE are associated with the program when none were anticipated.

*Legislative Options*

The legislature may want to discuss with the agency why the costs are higher now than during the 2011 Legislative Session. Further, the legislature may want to discuss alternatives the agency considered and reasons why the alternatives were not implemented.

DP 323 - Contract Beds Private Prison Per Diem - The executive requests general fund to pay for a prevailing wage adjustment under the contract for per diem payments to the Crossroads Corrections Center, the private prison in Shelby.

**Program Budget Comparison**

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

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	16.00	16.00	18.00	18.00	16.00	18.00	2.00	12.50%
Personal Services	810,031	943,083	1,062,517	1,063,803	1,753,114	2,126,320	373,206	21.29%
Operating Expenses	2,511,876	2,490,111	3,136,528	3,137,034	5,001,987	6,273,562	1,271,575	25.42%
Equipment & Intangible Assets	0	0	0	0	0	0	0	n/a
<b>Total Costs</b>	<b>\$3,321,907</b>	<b>\$3,433,194</b>	<b>\$4,199,045</b>	<b>\$4,200,837</b>	<b>\$6,755,101</b>	<b>\$8,399,882</b>	<b>\$1,644,781</b>	<b>24.35%</b>
General Fund	801,606	790,402	974,684	976,724	1,592,008	1,951,408	359,400	22.58%
State Special	1,985,509	2,003,841	2,496,156	2,496,193	3,989,350	4,992,349	1,002,999	25.14%
Other	534,792	638,951	728,205	727,920	1,173,743	1,456,125	282,382	24.06%
<b>Total Funds</b>	<b>\$3,321,907</b>	<b>\$3,433,194</b>	<b>\$4,199,045</b>	<b>\$4,200,837</b>	<b>\$6,755,101</b>	<b>\$8,399,882</b>	<b>\$1,644,781</b>	<b>24.35%</b>

**Program Description**

The Montana Correctional Enterprises (MCE) Division provides vocational education and on the job training to over 500 offenders. MCE programs allow offenders to gain valuable knowledge, life skills, and work experience, helping them to transition back into society.

**Program Highlights**

<b>Montana Correctional Enterprises Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ Major factors contributing to the proposed funding increase are:                             <ul style="list-style-type: none"> <li>● A request to add 2.00 FTE for the vocational education program</li> <li>● Requests for overtime and inmate pay that are 62% higher than the base</li> <li>● A request to purchase \$1.0 million in merchandise for the canteen for purchase by inmates</li> </ul> </li> </ul>
<b>Major LFD Issues</b>
<ul style="list-style-type: none"> <li>◆ A portion of the vocational education program is included in HB 2 funding and also being requested as a proprietary rate</li> <li>◆ Fees for the license plate factory are not commensurate with costs</li> <li>◆ Revenue projections for the vocational education proprietary fund and the MSP institutional industries fund are questionable</li> </ul>

**Program Discussion**

**LFD ISSUE** Vocational Education – Proprietary Budgeted as Both HB 2 and Non-Budgeted Proprietary  
 The Vocational Education Program consists of two segments: 1) a portion that provides inmates with training for various job skills intended to improve the inmates’ transition back into the community (Vocational Education – General Fund); and 2) a similar job training program that provides services to Toyota Motor Company and other areas of the Montana State Prison in exchange for a fee to the program receiving the service (Vocational Education – Proprietary)

**LFD ISSUE CONT.** The Vocational Education – Proprietary portion of the program is funded with an internal services fund and legislative actions for this type of funding are to approve the maximum level of fees the program may charge during the biennium. The Vocational Education – Proprietary has been included in this budget as both a HB 2 subprogram and a proprietary program requesting rate approval.

Inclusion of the HB 2 subprogram for this function overstates the budget for this program and the agency by nearly \$1.5 million for the biennium in proprietary funds. The legislature need not approve the appropriation for the subprogram Vocational Education – Proprietary 07.

**Funding**

The following table shows program funding, by source for the 2015 biennium as recommended by the Governor.

Total Department Of Corrections Funding by Source of Authority 2015 Biennium Budget - Mont Correctional Enterprises							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$1,951,408	\$0	\$0	\$1,951,408	6.1%		
State Special Total	\$4,992,349	\$0	\$0	\$4,992,349	15.7%		
02917 Msp Canteen Revolving Acct	\$4,992,349	\$0	\$0	\$4,992,349	15.7%		
Proprietary Total	\$1,456,125	\$23,341,291	\$0	\$24,797,416	78.1%		
06034 Msp Institutional Industries	\$0	\$4,519,754	\$0	\$4,519,754	14.2%		
06572 Mce License Plate Production	\$0	\$1,872,667	\$0	\$1,872,667	5.9%		
06573 Msp - Cook Chill	\$0	\$8,019,092	\$0	\$8,019,092	25.3%		
Total All Funds	\$8,399,882	\$23,341,291	\$0	\$31,741,173	100.0%		
<b>Percent - Total All Sources</b>	<b>26.5%</b>	<b>73.5%</b>	<b>0.0%</b>				

This program is funded by a combination of general fund, state special revenue, and proprietary funds. General fund supports the industries program and personal services costs for the inmate canteen. State special revenue from the inmate canteen fund supports the purchase of merchandise that is distributed and sold to inmates through the canteen. Proprietary funds support a portion of the industries program. The prison ranch, a portion of the industries program, food factory, and license plate operations are funded with non-budgeted proprietary funds and are discussed separately in the Proprietary Rates section.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	801,606	801,606	1,603,212	82.16%	3,321,907	3,321,907	6,643,814	79.09%
Statewide PL Adjustments	(16,858)	(14,686)	(31,544)	(1.62%)	25,202	27,126	52,328	0.62%
Other PL Adjustments	52,500	52,500	105,000	5.38%	714,500	714,500	1,429,000	17.01%
New Proposals	137,436	137,304	274,740	14.08%	137,436	137,304	274,740	3.27%
<b>Total Budget</b>	<b>\$974,684</b>	<b>\$976,724</b>	<b>\$1,951,408</b>		<b>\$4,199,045</b>	<b>\$4,200,837</b>	<b>\$8,399,882</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					60,364					61,845
Vacancy Savings					(34,814)					(34,877)
Inflation/Deflation					(348)					158
<b>Total Statewide Present Law Adjustments</b>		<b>(\$16,858)</b>	<b>(\$19,353)</b>	<b>\$0</b>	<b>\$25,202*</b>		<b>(\$14,686)</b>	<b>(\$19,316)</b>	<b>\$0</b>	<b>\$27,126*</b>
DP 402 - MCE Overtime and Inmate Pay	0.00	52,500	30,000	0	114,500*	0.00	52,500	30,000	0	114,500*
DP 403 - MCE Additional Spending Authority	0.00	0	500,000	0	600,000*	0.00	0	500,000	0	600,000*
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$52,500</b>	<b>\$530,000</b>	<b>\$0</b>	<b>\$714,500*</b>	<b>0.00</b>	<b>\$52,500</b>	<b>\$530,000</b>	<b>\$0</b>	<b>\$714,500*</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$35,642</b>	<b>\$510,647</b>	<b>\$0</b>	<b>\$739,702*</b>	<b>0.00</b>	<b>\$37,814</b>	<b>\$510,684</b>	<b>\$0</b>	<b>\$741,626*</b>

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

**New Proposals**

New Proposals	Program	FTE	-----Fiscal 2014-----				-----Fiscal 2015-----					
			General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
	DP 402 - MCE Vocational Training FTE at MWP/MSP	04	2.00	137,436	0	0	137,436	2.00	137,304	0	0	137,304
	<b>Total</b>	<b>2.00</b>	<b>\$137,436</b>	<b>\$0</b>	<b>\$0</b>	<b>\$137,436</b>	<b>2.00</b>	<b>\$137,304</b>	<b>\$0</b>	<b>\$0</b>	<b>\$137,304</b>	

**Sub-Program Details**

**VOCATIONAL EDUCATION 02**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	9.00	0.00	2.00	11.00	0.00	2.00	11.00	11.00
Personal Services	500,763	35,424	112,436	648,623	37,031	112,304	650,098	1,298,721
Operating Expenses	155,195	(297)	25,000	179,898	172	25,000	180,367	360,265
<b>Total Costs</b>	<b>\$655,958</b>	<b>\$35,127</b>	<b>\$137,436</b>	<b>\$828,521</b>	<b>\$37,203</b>	<b>\$137,304</b>	<b>\$830,465</b>	<b>\$1,658,986</b>
General Fund	655,958	35,127	137,436	828,521	37,203	137,304	830,465	1,658,986
<b>Total Funds</b>	<b>\$655,958</b>	<b>\$35,127</b>	<b>\$137,436</b>	<b>\$828,521</b>	<b>\$37,203</b>	<b>\$137,304</b>	<b>\$830,465</b>	<b>\$1,658,986</b>

**Sub-Program Description**

This subprogram consists of the vocational education in areas of motor vehicle servicing and maintenance, business skills, welding and machining, and meat cutting. This subprogram provides re-entry services by providing job skills for inmates to use upon re-entry to the community.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	655,958	655,958	1,311,916	79.08%	655,958	655,958	1,311,916	79.08%
Statewide PL Adjustments	(12,373)	(10,297)	(22,670)	(1.37%)	(12,373)	(10,297)	(22,670)	(1.37%)
Other PL Adjustments	47,500	47,500	95,000	5.73%	47,500	47,500	95,000	5.73%
New Proposals	137,436	137,304	274,740	16.56%	137,436	137,304	274,740	16.56%
<b>Total Budget</b>	<b>\$828,521</b>	<b>\$830,465</b>	<b>\$1,658,986</b>		<b>\$828,521</b>	<b>\$830,465</b>	<b>\$1,658,986</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					8,285					9,961
Vacancy Savings					(20,361)					(20,430)
Inflation/Deflation					(297)					172
<b>Total Statewide Present Law Adjustments</b>		<b>(\$12,373)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$12,373)</b>		<b>(\$10,297)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$10,297)</b>
DP 402 - MCE Overtime and Inmate Pay	0.00	47,500	0	0	47,500	0.00	47,500	0	0	47,500
<b>Total Other Present Law Adjustments</b>										

Present Law Adjustments										
-----Fiscal 2014-----						-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
	0.00	\$47,500	\$0	\$0	\$47,500	0.00	\$47,500	\$0	\$0	\$47,500
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$35,127</b>	<b>\$0</b>	<b>\$0</b>	<b>\$35,127</b>	<b>0.00</b>	<b>\$37,203</b>	<b>\$0</b>	<b>\$0</b>	<b>\$37,203</b>

DP 402 - MCE Overtime and Inmate Pay - The executive requests general fund for staff overtime and inmate pay. These expenses are zero-based and must be requested in full each biennium.

<b>LFD COMMENT</b>	Base expenditures of this subprogram were \$25,664. This request represents an 85% increase over the base.
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**New Proposals**

New Proposals										
-----Fiscal 2014-----						-----Fiscal 2015-----				
Sub Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 402 - MCE Vocational Training FTE at MWP/MSP										
02	2.00	137,436	0	0	137,436	2.00	137,304	0	0	137,304
<b>Total</b>	<b>2.00</b>	<b>\$137,436</b>	<b>\$0</b>	<b>\$0</b>	<b>\$137,436</b>	<b>2.00</b>	<b>\$137,304</b>	<b>\$0</b>	<b>\$0</b>	<b>\$137,304</b>

DP 402 - MCE Vocational Training FTE at MWP/MSP – The executive requests general fund to purchase reference materials and fund personal services to add 2.00 FTE. One position would be for the high-side vocational education program at Montana State Prison and the second position would be for vocational education programs at Montana Women’s Prison.

**Sub-Program Details**

**INMATE CANTEEN 06**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	3.00	0.00	0.00	3.00	0.00	0.00	3.00	3.00
Personal Services	164,950	11,213	0	176,163	11,309	0	176,259	352,422
Operating Expenses	1,966,207	499,949	0	2,466,156	499,986	0	2,466,193	4,932,349
<b>Total Costs</b>	<b>\$2,131,157</b>	<b>\$511,162</b>	<b>\$0</b>	<b>\$2,642,319</b>	<b>\$511,295</b>	<b>\$0</b>	<b>\$2,642,452</b>	<b>\$5,284,771</b>
General Fund	145,648	515	0	146,163	611	0	146,259	292,422
State/Other Special	1,985,509	510,647	0	2,496,156	510,684	0	2,496,193	4,992,349
<b>Total Funds</b>	<b>\$2,131,157</b>	<b>\$511,162</b>	<b>\$0</b>	<b>\$2,642,319</b>	<b>\$511,295</b>	<b>\$0</b>	<b>\$2,642,452</b>	<b>\$5,284,771</b>

**Sub-Program Description**

This subprogram consists of activities in support of the inmate canteen where inmates purchase various personal items.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	145,648	145,648	291,296	99.61%	2,131,157	2,131,157	4,262,314	80.65%
Statewide PL Adjustments	(4,485)	(4,389)	(8,874)	(3.03%)	(23,838)	(23,705)	(47,543)	(0.90%)
Other PL Adjustments	5,000	5,000	10,000	3.42%	535,000	535,000	1,070,000	20.25%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$146,163</b>	<b>\$146,259</b>	<b>\$292,422</b>		<b>\$2,642,319</b>	<b>\$2,642,452</b>	<b>\$5,284,771</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(17,906)					(17,805)
Vacancy Savings					(5,881)					(5,886)
Inflation/Deflation					(51)					(14)
<b>Total Statewide Present Law Adjustments</b>		<b>(\$4,485)</b>	<b>(\$19,353)</b>	<b>\$0</b>	<b>(\$23,838)</b>		<b>(\$4,389)</b>	<b>(\$19,316)</b>	<b>\$0</b>	<b>(\$23,705)</b>
DP 402 - MCE Overtime and Inmate Pay	0.00	5,000	30,000	0	35,000	0.00	5,000	30,000	0	35,000
DP 403 - MCE Additional Spending Authority	0.00	0	500,000	0	500,000	0.00	0	500,000	0	500,000
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$5,000</b>	<b>\$530,000</b>	<b>\$0</b>	<b>\$535,000</b>	<b>0.00</b>	<b>\$5,000</b>	<b>\$530,000</b>	<b>\$0</b>	<b>\$535,000</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$515</b>	<b>\$510,647</b>	<b>\$0</b>	<b>\$511,162</b>	<b>0.00</b>	<b>\$611</b>	<b>\$510,684</b>	<b>\$0</b>	<b>\$511,295</b>

DP 402 - MCE Overtime and Inmate Pay - The executive requests general fund and state special revenue for staff overtime and inmate pay. These expenses are zero-based and must be requested in full each biennium.

<b>LFD COMMENT</b>	Base expenditures of this subprogram were \$22,960. This request represents an 52% increase over the base.
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DP 403 - MCE Additional Spending Authority - The executive requests state special revenue for the purchase of additional merchandise for the canteen.

**Sub-Program Details**

**VOCATIONAL EDUCATION - PROPRIETARY 07**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	4.00	0.00	0.00	4.00	0.00	0.00	4.00	4.00
Personal Services	144,318	93,413	0	237,731	93,128	0	237,446	475,177
Operating Expenses	390,474	100,000	0	490,474	100,000	0	490,474	980,948
<b>Total Costs</b>	<b>\$534,792</b>	<b>\$193,413</b>	<b>\$0</b>	<b>\$728,205</b>	<b>\$193,128</b>	<b>\$0</b>	<b>\$727,920</b>	<b>\$1,456,125</b>
Proprietary	534,792	193,413	0	728,205	193,128	0	727,920	1,456,125
<b>Total Funds</b>	<b>\$534,792</b>	<b>\$193,413</b>	<b>\$0</b>	<b>\$728,205</b>	<b>\$193,128</b>	<b>\$0</b>	<b>\$727,920</b>	<b>\$1,456,125</b>

**Sub-Program Description**

This proprietary program consists of the motor vehicle maintenance shop and Toyota cutaway operation.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	0	0	0	0.00%	534,792	534,792	1,069,584	73.45%
Statewide PL Adjustments	0	0	0	0.00%	61,413	61,128	122,541	8.42%
Other PL Adjustments	0	0	0	0.00%	132,000	132,000	264,000	18.13%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$728,205</b>	<b>\$727,920</b>	<b>\$1,456,125</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

<b>LFD ISSUE</b>	<p><u>Proprietary Funding</u></p> <p>Because the proprietary funds associated with this subprogram are approved in the rates, the legislature does not need to fund these decision packages or the base budget. For a further discussion, see the summary section of this division’s narrative.</p>
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Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					69,985					69,689
Vacancy Savings					(8,572)					(8,561)
<b>Total Statewide Present Law Adjustments</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$61,413*</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$61,128*</b>
DP 402 - MCE Overtime and Inmate Pay	0.00	0	0	0	32,000*	0.00	0	0	0	32,000*
DP 403 - MCE Additional Spending Authority	0.00	0	0	0	100,000*	0.00	0	0	0	100,000*
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$132,000*</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$132,000*</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$193,413*</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$193,128*</b>

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

DP 402 - MCE Overtime and Inmate Pay - The executive requests proprietary funds for staff overtime and inmate pay. These expenses are zero-based and must be requested in full each biennium.

<b>LFD COMMENT</b>	Base expenditures of this subprogram were \$22,182. This request represents an 44% increase over the base.
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DP 403 - MCE Additional Spending Authority - The executive requests proprietary funds for the purchase of additional parts and supplies for motor vehicle maintenance operations, which is part of the vocational education program.

**Proprietary Rates**

The Montana Correctional Enterprises Program provides the following functions funded with proprietary funds. These programs are described below along with a discussion of the program revenues, expenses, and rates being requested to finance the programs:

- o Prison Ranch
- o Industries
- o Food Factory
- o License Plate Operations

**Prison Ranch – Fund 06033**

*Proprietary Proposed Budget*

The 2015 biennium report on enterprise funds for the Prison Ranch shows the financial information for the fund from FY 2010 through FY 2015. The report is provided as submitted by the executive and is included in the appendix for this agency.

*Proprietary Program Description*

The proprietary program consists of the ranch operation located near the Montana State Prison in Deer Lodge and includes cattle, crops, feedlot, land management, dairy milking parlor, dairy processing, heifer reproduction, and lumber processing activities.

*Proprietary Program Narrative*Expenses

Personal services funds 21.50 FTE. The largest operating expenses for the program include items such as feed, grain, gasoline, diesel fuel, and veterinary supplies. The cost of these supplies varies with general economic conditions.

Revenues

Revenues for this program are derived primarily from the sale of raw milk and livestock. Additionally, a small amount of revenue is generated through logging. Revenues vary depending upon general economic conditions that impact commodity prices.

Funding Sources

Prison ranch products are sold in the private sector.

Proprietary Present Law Adjustments

Present law adjustments for this program consist of \$497,000 for the biennium to fund statewide present law adjustments.

*Proprietary Rates*

This program is funded with an enterprise type proprietary fund. As such, the legislature does not appropriate funds or approve rates for the program.

**MSP Institutional Industries – Fund 06034***Proprietary Proposed Budget*

The 2015 biennium report on enterprise funds for the MSP Institutional Industries shows the financial information for the fund from FY 2010 through FY 2015. The report is provided as submitted by the executive and is included in the appendix for this agency.

**LFD  
ISSUE**Fee Revenue Questionable and Net Assets are Growing

The fee revenues shown on the report for each year of the 2015 biennium are exactly the same but lower than the projection for FY 2013. These revenue estimates are questionable given the proposed rate increases that incrementally increase each year of the 2015 biennium over those for the 2013 biennium. When rates were increased from the 2011 biennium to the 2013 biennium, the revenues increased accordingly. Even with the revenue estimates shown on the report, operating income is driving up net assets, which gives the indication that fees are not commensurate with costs as required in state law.

The legislature may want to request that the agency provide updated revenue estimates for FY 2014 and FY 2015 to see how more realistic revenues would impact operating income and the resulting net assets. Since a large portion of the fees paid for this service are by other agencies including this department, other state funds including general fund are indirectly impacted by fees of this program. The legislature may want to recommend to the agency that they adjust fees so they are commensurate with cost.

*Proprietary Program Description*

This proprietary program consists of the furniture, upholstery, print, sign, and laundry operations at the Montana State Prison facility.

*Proprietary Program Narrative*Expenses

The expenses are split almost equally between personal services for 21.00 FTE and operating expenses. The largest categories of operating expenses for the program include items related to furniture manufacturing and shop supplies.

Revenues

Revenues are derived primarily from the sale of merchandise (furniture and signs) and charges for laundry services. In FY 2012 about \$935,000 of revenue was derived from furniture sales and upholstery work to state agencies and the private sector and \$433,000 was derived from the provision of laundry services to Montana State Prison (MSP) and Montana State Hospital (MSH).

Funding Sources

Because a large portion of revenues are the result of business done with state agencies, a portion of the revenue from this program comes indirectly from the general fund and other special revenue and proprietary funds in undeterminable amounts.

Proprietary Present Law Adjustments

Present law adjustments for this program consist of \$291,000 for the biennium to fund statewide present law adjustments.

*Proprietary Rates*

This program is funded with an enterprise type proprietary fund. As such, the legislature does not appropriate funds or approve rates for the program.

**MCE Food Factory – Fund 06573***Proprietary Proposed Budget*

The 2015 biennium report on internal service funds for the MCE Food Factory shows the financial information for the fund from FY 2010 through FY 2015. The report is provided as submitted by the executive and is included in the appendix for this agency.

*Proprietary Program Description*

This proprietary program consists of food processing and creation of trayed meals and products that are sold to other facilities of the agency and the Montana State Hospital at Warm Springs.

*Proprietary Program Narrative*Expenses

The expenses include personal services for 21.00 FTE and operating expenses, with the bulk of the funding supporting operating costs. The largest category of operating cost is raw materials, which includes the various grocery type items needed to prepare meals.

Revenues

Revenues are derived from the sale of meals to facilities. The largest customer is MSP.

Funding Sources

Revenues supporting MSP, the food factory's largest customer, come from the general fund.

Proprietary Present Law Adjustments

Present law adjustments for this program consist of \$178,000 for the biennium to fund statewide present law adjustments.

*Proprietary Rates*

This program is funded with an internal service type proprietary fund. As such, the legislature approves the maximum rates the program may charge for its services. The executive requests the following rates for the 2015 biennium. The overhead charges are allocated in the same percentages as in the 2013 biennium except for a 1% shift from the Montana State Prison to the Treasure State Correctional Training Center. There are no changes proposed for delivering meals. The executive proposes increases for all tray meal prices. The requested rates are shown on the figure.

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge. Previous rates charged by this program were not generating adequate revenues to keep up with expenses. The rates proposed to the 2015 biennium would restore balance between expenses and revenues.

Requested Rates for MCE Food Factory				
	Actual FY 2012	Budgeted FY 2013	Requested FY 2014	Requested FY 2015
Tray Meal Prices to all customers				
Base Tray-Hot/Cold	\$1.73	\$1.73	\$2.14	\$2.32
Base Tray-Hot	0.87	0.87	1.08	1.18
Detention Center Trays	2.45	2.45	2.72	2.92
Accessory Package	0.10	0.10	0.16	0.16
Delivery Charge Per Trayed Meal				
Delivery charge - per mile	0.50	0.50	0.50	0.50
Deliver charge - per hour	35.00	35.00	35.00	35.00
Bulk Food is sold at cost, with a spoilage percentage added on and an overhead charge to cover operating expenses. Overhead charge is based on historical costs				
Spoilage percentage to all customers	5%	5%	5%	5%
(Overhead Chrg)				
Montana State Hospital	11%	11%	11%	11%
MSH - supplies only				
MSH - all overhead except supplies				
Montana State Prison	77%	77%	76%	76%
MSP - supplies only				
MSP - all overhead except supplies				
Treasure State Correctional Training	12%	12%	13%	13%
TSCTC - supplies only				
TSCTS - all overhead except supplies				

**Vocational Education – Fund 06545**

*Proprietary Proposed Budget*

The 2015 biennium report on internal service funds for vocational education shows the financial information for the fund from FY 2010 through FY 2015. The report is provided as submitted by the executive and is included in the appendix for this agency.

<b>LFD ISSUE</b>	<p><u>Fee Revenue Not Realistic</u></p> <p>The fee revenues shown on the report for each year of the 2015 biennium are questionable as they are exactly the same as projected for FY 2013, even though the executive is proposing an increase in rates with no change in expected demand for the services. Given the revenue estimates shown on the report the program would be operating at a loss and net assets are being depleted. If revenues are accurate, they will not be sufficient to fund expenses of this program.</p> <p>Before considering the proposed rates, the legislature may want to request that the agency provide updated revenue estimates for FY 2014 and FY 2015 to see how more realistic revenues would impact operating income.</p>
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*Proprietary Program Description*

This proprietary program consists of the motor vehicle maintenance shop and Toyota cutaway operation.

*Proprietary Program Narrative*

<b>LFD ISSUE</b>	<p><u>Proprietary Funding</u></p> <p>A similar issues is discussed in the HB 2 subprogram Vocational Education – Proprietary where appropriations are requested for the same expenditures that would be funded with this proprietary program. Legislative action for internal service type proprietary programs is to approve fees and charges. For a further discussion, see the summary section of this division’s narrative.</p>
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Expenses

The expenses are split between personal services (4.00 FTE) and operating expenses, with about one-third of the budget supporting personal services and the remaining two-thirds supporting operating costs. The largest category of operating expense for the program is merchandise.

Revenues

Revenues are derived primarily from motor vehicle maintenance completed for MSP and the prison ranch.

Funding Sources

Because a largest portion of the revenues are the result of business done with MSP and the prison ranch, the primary funding sources supporting payment for services are the ranch proprietary fund and the general fund, which supports MSP.

Proprietary Present Law Adjustments

Present law adjustments for this program consist of \$123,000 for the biennium to fund statewide present law adjustments. Other decision packages for this program are provided in the HB 2 subprogram Vocational Education – Proprietary. These decision packages would increase costs for this program by \$264,000 for the biennium.

*Proprietary Rates*

This program is funded with an internal service type proprietary fund. As such, the legislature approves the maximum rates the program may charge for its services. The executive requests the following rates for the program.

Requested Rates for Vocational Education				
Fee Group	Actual FY 2012	Budgeted FY 2013	Requested FY 2014	Requested FY 2015
Rate 1 - Labor Charge for Motor Vehicle Maint (per hour)	\$26.50	\$26.50	\$27.45	\$28.45
Rate 2 - Supply fee as a percentage of actual cost of parts (per unit)	0.05	0.05	0.05	0.05
Rate 3 - Parts are sold at actual cost			Not applicable	

**MCE License Plate – Fund 06572**

*Proprietary Proposed Budget*

The 2015 biennium report on internal service funds for the license plate program shows the financial information for the fund from FY 2010 through FY 2015. The report is provided as submitted by the executive and is included in the appendix for this agency.

**LFD  
ISSUE**Legislative Audit Finding – Fees Not Commensurate With Costs

The legislative audit recently completed for the agency for the two fiscal years ending June 30, 2012, found that fees for the license plate program were not commensurate with costs. The Legislative Audit Committee recommended that the agency reduce license plate rates to achieve a reasonable fund equity balance. The report for this fund shows projected operating income of \$1.1 million for the 2015 biennium and proposed fees at the same level as they have been since FY 2010.

The legislature may want to discuss with the agency the actions it is taking to comply with the audit findings and its statement of concurrence in the audit. The legislature may want to direct the agency to propose revised fees that are commensurate with costs.

*Proprietary Program Description*

This proprietary program consists of license plate manufacturing.

*Proprietary Program Narrative*Expenses

The expenses for this program include personal services for 2.50 FTE and operating expenses, with the bulk of the funding supporting operating costs for materials used in the production of license plates.

Revenues

Revenues are derived from the sale of license plates to the Department of Justice. The Department of Justice pays for the license plates with fee revenue collected from license plate sales.

Funding Sources

Revenues supporting license plate manufacturing come from members of the public who purchase license plates.

Proprietary Present Law Adjustments

Present law adjustments for this program consist of \$43,000 for the biennium to fund statewide present law adjustments. The entire budget for this fund is established in a present law adjustment because this function was not moved to a proprietary fund until the second year of the 2011 biennium.

*Proprietary Rates*

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge. The executive requests the legislature approved \$6.20 per set of plates as the rate for both FY 2014 and FY 2015.

### Program Budget Comparison

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

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	202.35	202.35	202.35	202.35	202.35	202.35	0.00	0.00%
Personal Services	10,664,340	10,891,106	11,144,292	11,424,381	21,555,446	22,568,673	1,013,227	4.70%
Operating Expenses	2,373,517	2,245,738	2,457,290	2,369,175	4,619,255	4,826,465	207,210	4.49%
Equipment & Intangible Assets	0	0	0	0	0	0	0	n/a
Benefits & Claims	2,330,087	2,940,542	2,330,087	2,330,087	5,270,629	4,660,174	(610,455)	(11.58%)
Transfers	3,459,909	2,848,231	3,459,909	3,459,909	6,308,140	6,919,818	611,678	9.70%
Debt Service	20,877	20,933	20,877	20,877	41,810	41,754	(56)	(0.13%)
<b>Total Costs</b>	<b>\$18,848,730</b>	<b>\$18,946,550</b>	<b>\$19,412,455</b>	<b>\$19,604,429</b>	<b>\$37,795,280</b>	<b>\$39,016,884</b>	<b>\$1,221,604</b>	<b>3.23%</b>
General Fund	17,961,315	18,077,597	18,525,040	18,717,014	36,038,912	37,242,054	1,203,142	3.34%
State Special	871,410	853,560	871,410	871,410	1,724,970	1,742,820	17,850	1.03%
Federal Special	16,005	15,393	16,005	16,005	31,398	32,010	612	1.95%
<b>Total Funds</b>	<b>\$18,848,730</b>	<b>\$18,946,550</b>	<b>\$19,412,455</b>	<b>\$19,604,429</b>	<b>\$37,795,280</b>	<b>\$39,016,884</b>	<b>\$1,221,604</b>	<b>3.23%</b>

### Program Description

The Youth Services Division is responsible for all state operated youth programs including Pine Hills Youth Correctional Facility for males located in Miles City, Riverside Youth Correctional Facility for females in Boulder, Youth Community Corrections including Juvenile Parole, interstate compact services for probation and parole, re-entry services, transition centers, detention licensing, and transportation. Additional responsibilities include research, training, and administrative support services.

### Program Highlights

<b>Youth Services Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ Major factors contributing to the proposed funding increase are: <ul style="list-style-type: none"> <li>• Requests to fund correctional officer career ladder pay adjustments</li> <li>• A request to fund the replacement of doors at the Riverside Youth Correctional Facility</li> </ul> </li> </ul>

### Funding

The following table shows program funding, by source for the 2015 biennium as recommended by the Governor.

Total Department Of Corrections Funding by Source of Authority 2015 Biennium Budget - Youth Services							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$37,242,054	\$0	\$0	\$37,242,054	95.5%		
State Special Total	\$1,742,820	\$0	\$0	\$1,742,820	4.5%		
02034 Earmarked Alcohol Funds	\$51,046	\$0	\$0	\$51,046	0.1%		
02916 Phs-canteen	\$7,550	\$0	\$0	\$7,550	0.0%		
02927 Phs Donations/i & I	\$814,058	\$0	\$0	\$814,058	2.1%		
03530 6901-foster Care 93.658	\$32,010	\$0	\$0	\$32,010	0.1%		
Total All Funds	\$39,016,884	\$0	\$0	\$39,016,884	100.0%		
<b>Percent - Total All Sources</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>				

This division receives about 95% of its support from the general fund. State special revenue, primarily from parental contributions toward the costs of care and interest and income related to Pine Hills school lands, provides about 4% of the division’s funding. The division also receives a small amount of federal funds from the Title IV-E Foster Care and Adoption Program.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	17,961,315	17,961,315	35,922,630	96.46%	18,848,730	18,848,730	37,697,460	96.62%
Statewide PL Adjustments	(60,334)	(36,954)	(97,288)	(0.26%)	(60,334)	(36,954)	(97,288)	(0.25%)
Other PL Adjustments	624,059	792,653	1,416,712	3.80%	624,059	792,653	1,416,712	3.63%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$18,525,040</b>	<b>\$18,717,014</b>	<b>\$37,242,054</b>		<b>\$19,412,455</b>	<b>\$19,604,429</b>	<b>\$39,016,884</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					398,405					410,372
Vacancy Savings					(442,512)					(442,984)
Inflation/Deflation					(16,227)					(4,342)
<b>Total Statewide Present Law Adjustments</b>		<b>(\$60,334)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$60,334)</b>		<b>(\$36,954)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$36,954)</b>
DP 501 - PHYCF Overtime/Holiday Worked	0.00	164,120	0	0	164,120	0.00	164,120	0	0	164,120
DP 502 - RYCF Overtime/Holiday Worked	0.00	37,567	0	0	37,567	0.00	37,567	0	0	37,567
DP 503 - YTC Overtime/Holiday Worked	0.00	22,927	0	0	22,927	0.00	22,927	0	0	22,927
DP 504 - PHYCF Inmate Pay	0.00	29,850	0	0	29,850	0.00	29,850	0	0	29,850
DP 505 - RYCF Inmate Pay	0.00	1,000	0	0	1,000	0.00	1,000	0	0	1,000
DP 507 - RYCF Safety and Security OTO/BIEN	0.00	100,000	0	0	100,000	0.00	0	0	0	0
DP 999 - Fund Career Ladder for Correctional Officers	0.00	268,595	0	0	268,595	0.00	537,189	0	0	537,189
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$624,059</b>	<b>\$0</b>	<b>\$0</b>	<b>\$624,059</b>	<b>0.00</b>	<b>\$792,653</b>	<b>\$0</b>	<b>\$0</b>	<b>\$792,653</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$563,725</b>	<b>\$0</b>	<b>\$0</b>	<b>\$563,725</b>	<b>0.00</b>	<b>\$755,699</b>	<b>\$0</b>	<b>\$0</b>	<b>\$755,699</b>

**Sub-Program Details**

**JUVENILE CORRECTIONS ADMIN 01**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget	Base Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	Total Exec. Budget
Budget Item	Fiscal 2012	Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015	Fiscal 14-15
FTE	4.00	0.00	0.00	4.00	0.00	0.00	4.00	4.00
Personal Services	212,956	26,659	0	239,615	28,049	0	241,005	480,620
Operating Expenses	46,909	(150)	0	46,759	(36)	0	46,873	93,632
<b>Total Costs</b>	<b>\$259,865</b>	<b>\$26,509</b>	<b>\$0</b>	<b>\$286,374</b>	<b>\$28,013</b>	<b>\$0</b>	<b>\$287,878</b>	<b>\$574,252</b>
General Fund	259,865	26,509	0	286,374	28,013	0	287,878	574,252
<b>Total Funds</b>	<b>\$259,865</b>	<b>\$26,509</b>	<b>\$0</b>	<b>\$286,374</b>	<b>\$28,013</b>	<b>\$0</b>	<b>\$287,878</b>	<b>\$574,252</b>

**Sub-Program Description**

This subprogram includes the division administrator and statewide management functions for the division.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	259,865	259,865	519,730	90.51%	259,865	259,865	519,730	90.51%
Statewide PL Adjustments	26,509	28,013	54,522	9.49%	26,509	28,013	54,522	9.49%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$286,374</b>	<b>\$287,878</b>	<b>\$574,252</b>		<b>\$286,374</b>	<b>\$287,878</b>	<b>\$574,252</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					36,643					38,091
Vacancy Savings					(9,984)					(10,042)
Inflation/Deflation					(150)					(36)
<b>Total Statewide Present Law Adjustments</b>		<b>\$26,509</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,509</b>		<b>\$28,013</b>	<b>\$0</b>	<b>\$0</b>	<b>\$28,013</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$26,509</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,509</b>	<b>0.00</b>	<b>\$28,013</b>	<b>\$0</b>	<b>\$0</b>	<b>\$28,013</b>

**JUVENILE CORRECTIONS BUREAU 02**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	24.00	0.00	0.00	24.00	0.00	0.00	24.00	24.00
Personal Services	1,447,035	9,931	0	1,456,966	11,642	0	1,458,677	2,915,643
Operating Expenses	804,987	(4,561)	0	800,426	(3,026)	0	801,961	1,602,387
<b>Total Costs</b>	<b>\$2,252,022</b>	<b>\$5,370</b>	<b>\$0</b>	<b>\$2,257,392</b>	<b>\$8,616</b>	<b>\$0</b>	<b>\$2,260,638</b>	<b>\$4,518,030</b>
General Fund	2,252,022	5,370	0	2,257,392	8,616	0	2,260,638	4,518,030
<b>Total Funds</b>	<b>\$2,252,022</b>	<b>\$5,370</b>	<b>\$0</b>	<b>\$2,257,392</b>	<b>\$8,616</b>	<b>\$0</b>	<b>\$2,260,638</b>	<b>\$4,518,030</b>

**Sub-Program Description**

This subprogram includes juvenile community corrections and functions such as parole officers and the Juvenile Re-entry Program.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	2,252,022	2,252,022	4,504,044	99.69%	2,252,022	2,252,022	4,504,044	99.69%
Statewide PL Adjustments	5,370	8,616	13,986	0.31%	5,370	8,616	13,986	0.31%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$2,257,392</b>	<b>\$2,260,638</b>	<b>\$4,518,030</b>		<b>\$2,257,392</b>	<b>\$2,260,638</b>	<b>\$4,518,030</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					70,639					72,420
Vacancy Savings					(60,708)					(60,778)
Inflation/Deflation					(4,561)					(3,026)
<b>Total Statewide Present Law Adjustments</b>		<b>\$5,370</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,370</b>		<b>\$8,616</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,616</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$5,370</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,370</b>	<b>0.00</b>	<b>\$8,616</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,616</b>

**RIVERSIDE YOUTH CORRECTIONAL FACIL 03**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	32.50	0.00	0.00	32.50	0.00	0.00	32.50	32.50
Personal Services	1,663,090	273,873	0	1,936,963	375,328	0	2,038,418	3,975,381
Operating Expenses	268,122	96,790	0	364,912	(1,777)	0	266,345	631,257
Debt Service	20,877	0	0	20,877	0	0	20,877	41,754
<b>Total Costs</b>	<b>\$1,952,089</b>	<b>\$370,663</b>	<b>\$0</b>	<b>\$2,322,752</b>	<b>\$373,551</b>	<b>\$0</b>	<b>\$2,325,640</b>	<b>\$4,648,392</b>
General Fund	1,930,397	370,663	0	2,301,060	373,551	0	2,303,948	4,605,008
State/Other Special	21,692	0	0	21,692	0	0	21,692	43,384
<b>Total Funds</b>	<b>\$1,952,089</b>	<b>\$370,663</b>	<b>\$0</b>	<b>\$2,322,752</b>	<b>\$373,551</b>	<b>\$0</b>	<b>\$2,325,640</b>	<b>\$4,648,392</b>

**Sub-Program Description**

This subprogram consists of Riverside Youth Correctional Facility (RYCF), which is the state operated juvenile correctional institution for females located in Boulder.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	1,930,397	1,930,397	3,860,794	83.84%	1,952,089	1,952,089	3,904,178	83.99%
Statewide PL Adjustments	132,468	135,728	268,196	5.82%	132,468	135,728	268,196	5.77%
Other PL Adjustments	238,195	237,823	476,018	10.34%	238,195	237,823	476,018	10.24%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$2,301,060</b>	<b>\$2,303,948</b>	<b>\$4,605,008</b>		<b>\$2,322,752</b>	<b>\$2,325,640</b>	<b>\$4,648,392</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					210,626					212,530
Vacancy Savings					(74,948)					(75,025)
Inflation/Deflation					(3,210)					(1,777)
<b>Total Statewide Present Law Adjustments</b>		<b>\$132,468</b>	<b>\$0</b>	<b>\$0</b>	<b>\$132,468</b>		<b>\$135,728</b>	<b>\$0</b>	<b>\$0</b>	<b>\$135,728</b>
DP 502 - RYCF Overtime/Holiday Worked	0.00	37,567	0	0	37,567	0.00	37,567	0	0	37,567
DP 505 - RYCF Inmate Pay	0.00	1,000	0	0	1,000	0.00	1,000	0	0	1,000
DP 507 - RYCF Safety and Security OTO/BIEN	0.00	100,000	0	0	100,000	0.00	0	0	0	0
DP 999 - Fund Career Ladder for Correctional Officers	0.00	99,628	0	0	99,628	0.00	199,256	0	0	199,256
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$238,195</b>	<b>\$0</b>	<b>\$0</b>	<b>\$238,195</b>	<b>0.00</b>	<b>\$237,823</b>	<b>\$0</b>	<b>\$0</b>	<b>\$237,823</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$370,663</b>	<b>\$0</b>	<b>\$0</b>	<b>\$370,663</b>	<b>0.00</b>	<b>\$373,551</b>	<b>\$0</b>	<b>\$0</b>	<b>\$373,551</b>

DP 502 - RYCF Overtime/Holiday Worked – The executive requests general fund to fund overtime and holidays worked at the base level. These expenses are zero-based and must be requested in full each biennium.

DP 505 - RYCF Inmate Pay – The executive requests general fund to fund inmate pay at the Riverside Youth Correctional Facility. Youth pay restitution to their victims through their work. These expenses are zero-based and must be requested in full each biennium.

DP 507 - RYCF Safety and Security OTO/BIEN – The executive requests general fund for a project to replace doors throughout the Riverside Youth Correctional Facility. The executive recommends designating funding as one-time-only and biennial.

DP 999 - Fund Career Ladder for Correctional Officers – The executive requests general fund to fund adjustments to the career ladder for correctional officers. The career ladder provides incremental competency pay adjustments under a negotiated pay schedule for employees as they achieve certain educational and experiential milestones.

<b>LFD COMMENT</b>	This request is related to a decision made by the Board of Personnel Appeals. For further information on this decision refer to the agency discussion under agency wide decision packages.
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**Sub-Program Details**

**TRANSITION CENTERS 04**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	15.00	0.00	0.00	15.00	0.00	0.00	15.00	15.00
Personal Services	772,719	(8,826)	0	763,893	28,463	0	801,182	1,565,075
Operating Expenses	118,477	653	0	119,130	1,517	0	119,994	239,124
<b>Total Costs</b>	<b>\$891,196</b>	<b>(\$8,173)</b>	<b>\$0</b>	<b>\$883,023</b>	<b>\$29,980</b>	<b>\$0</b>	<b>\$921,176</b>	<b>\$1,804,199</b>
General Fund	871,011	(8,173)	0	862,838	29,980	0	900,991	1,763,829
State/Other Special	20,185	0	0	20,185	0	0	20,185	40,370
<b>Total Funds</b>	<b>\$891,196</b>	<b>(\$8,173)</b>	<b>\$0</b>	<b>\$883,023</b>	<b>\$29,980</b>	<b>\$0</b>	<b>\$921,176</b>	<b>\$1,804,199</b>

**Sub-Program Description**

This subprogram includes the youth transition center (YTC), a group home for youth returning to the community that is located in Great Falls.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	871,011	871,011	1,742,022	98.76%	891,196	891,196	1,782,392	98.79%
Statewide PL Adjustments	(67,215)	(65,177)	(132,392)	(7.51%)	(67,215)	(65,177)	(132,392)	(7.34%)
Other PL Adjustments	59,042	95,157	154,199	8.74%	59,042	95,157	154,199	8.55%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$862,838</b>	<b>\$900,991</b>	<b>\$1,763,829</b>		<b>\$883,023</b>	<b>\$921,176</b>	<b>\$1,804,199</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(38,499)					(37,280)
Vacancy Savings					(29,369)					(29,414)
Inflation/Deflation					653					1,517
<b>Total Statewide Present Law Adjustments</b>		<b>(\$67,215)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$67,215)</b>		<b>(\$65,177)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$65,177)</b>
DP 503 - YTC Overtime/Holiday Worked	0.00	22,927	0	0	22,927	0.00	22,927	0	0	22,927
DP 999 - Fund Career Ladder for Correctional Officers	0.00	36,115	0	0	36,115	0.00	72,230	0	0	72,230
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$59,042</b>	<b>\$0</b>	<b>\$0</b>	<b>\$59,042</b>	<b>0.00</b>	<b>\$95,157</b>	<b>\$0</b>	<b>\$0</b>	<b>\$95,157</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$8,173)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$8,173)</b>	<b>0.00</b>	<b>\$29,980</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,980</b>

DP 503 - YTC Overtime/Holiday Worked - The executive requests general fund to fund overtime and holidays worked at the base level. These expenses are zero-based and must be requested in full each biennium.

DP 999 - Fund Career Ladder for Correctional Officers - The executive requests general fund to fund adjustments to the career ladder for correctional officers. The career ladder provides incremental competency pay adjustments under a negotiated pay schedule for employees as they achieve certain educational and experiential milestones.

<b>LFD COMMENT</b>	This request is related to a decision made by the Board of Personnel Appeals. For further information on this decision refer to the agency discussion under agency wide decision packages.
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**Sub-Program Details**

**PINE HILLS YOUTH CORRECTIONAL FACI 05**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	126.85	0.00	0.00	126.85	0.00	0.00	126.85	126.85
Personal Services	6,568,540	178,315	0	6,746,855	316,559	0	6,885,099	13,631,954
Operating Expenses	1,133,998	(8,959)	0	1,125,039	(1,020)	0	1,132,978	2,258,017
Benefits & Claims	48,492	0	0	48,492	0	0	48,492	96,984
<b>Total Costs</b>	<b>\$7,751,030</b>	<b>\$169,356</b>	<b>\$0</b>	<b>\$7,920,386</b>	<b>\$315,539</b>	<b>\$0</b>	<b>\$8,066,569</b>	<b>\$15,986,955</b>
General Fund	7,115,293	169,356	0	7,284,649	315,539	0	7,430,832	14,715,481
State/Other Special	635,737	0	0	635,737	0	0	635,737	1,271,474
<b>Total Funds</b>	<b>\$7,751,030</b>	<b>\$169,356</b>	<b>\$0</b>	<b>\$7,920,386</b>	<b>\$315,539</b>	<b>\$0</b>	<b>\$8,066,569</b>	<b>\$15,986,955</b>

**Sub-Program Description**

This subprogram includes Pine Hills Youth Correctional Facility (PHYCF), the state operated institution for males, located in Miles City.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	7,115,293	7,115,293	14,230,586	96.70%	7,751,030	7,751,030	15,502,060	96.97%
Statewide PL Adjustments	(157,466)	(144,134)	(301,600)	(2.05%)	(157,466)	(144,134)	(301,600)	(1.89%)
Other PL Adjustments	326,822	459,673	786,495	5.34%	326,822	459,673	786,495	4.92%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$7,284,649</b>	<b>\$7,430,832</b>	<b>\$14,715,481</b>		<b>\$7,920,386</b>	<b>\$8,066,569</b>	<b>\$15,986,955</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					118,996					124,611
Vacancy Savings					(267,503)					(267,725)
Inflation/Deflation					(8,959)					(1,020)
<b>Total Statewide Present Law Adjustments</b>		<b>(\$157,466)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$157,466)</b>		<b>(\$144,134)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$144,134)</b>
DP 501 - PHYCF Overtime/Holiday Worked										
0.00	164,120	0	0	164,120	0.00	164,120	0	0	164,120	
DP 504 - PHYCF Inmate Pay										
0.00	29,850	0	0	29,850	0.00	29,850	0	0	29,850	
DP 999 - Fund Career Ladder for Correctional Officers										
0.00	132,852	0	0	132,852	0.00	265,703	0	0	265,703	
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$326,822</b>	<b>\$0</b>	<b>\$0</b>	<b>\$326,822</b>	<b>0.00</b>	<b>\$459,673</b>	<b>\$0</b>	<b>\$0</b>	<b>\$459,673</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$169,356</b>	<b>\$0</b>	<b>\$0</b>	<b>\$169,356</b>	<b>0.00</b>	<b>\$315,539</b>	<b>\$0</b>	<b>\$0</b>	<b>\$315,539</b>

DP 501 - PHYCF Overtime/Holiday Worked - The executive requests general fund to fund overtime and holidays worked at the base level. These expenses are zero-based and must be requested in full each biennium.

DP 504 - PHYCF Inmate Pay - The executive requests general fund to fund inmate pay at Pine Hills. Youth pay restitution to their victims through their work.

DP 999 - Fund Career Ladder for Correctional Officers - The executive requests general fund to fund adjustments to the career ladder for correctional officers. The career ladder provides incremental competency pay adjustments under a negotiated pay schedule for employees as they achieve certain educational and experiential milestones.

<b>LFD COMMENT</b>	This request is related to a decision made by the Board of Personnel Appeals. For further information on this decision refer to the agency discussion under agency wide decision packages.
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**Sub-Program Details**

**JUVENILE PLACEMENT FUNDS 06**

**Sub-Program Proposed Budget**

The following table summarizes the total executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Operating Expenses	1,024	0	0	1,024	0	0	1,024	2,048
Benefits & Claims	2,281,595	0	0	2,281,595	0	0	2,281,595	4,563,190
Transfers	3,459,909	0	0	3,459,909	0	0	3,459,909	6,919,818
<b>Total Costs</b>	<b>\$5,742,528</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,742,528</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,742,528</b>	<b>\$11,485,056</b>
General Fund	5,532,727	0	0	5,532,727	0	0	5,532,727	11,065,454
State/Other Special	193,796	0	0	193,796	0	0	193,796	387,592
Federal Special	16,005	0	0	16,005	0	0	16,005	32,010
<b>Total Funds</b>	<b>\$5,742,528</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,742,528</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,742,528</b>	<b>\$11,485,056</b>

**Sub-Program Description**

This subprogram includes funding that is utilized by parole officers to place youth in community residential placements. These funds are also utilized by Juvenile Probation Officers and Youth Courts within the Judicial Branch for the placement of youth on probation.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent Of Budget
Base Budget	5,532,727	5,532,727	11,065,454	100.00%	5,742,528	5,742,528	11,485,056	100.00%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$5,532,727</b>	<b>\$5,532,727</b>	<b>\$11,065,454</b>		<b>\$5,742,528</b>	<b>\$5,742,528</b>	<b>\$11,485,056</b>	