

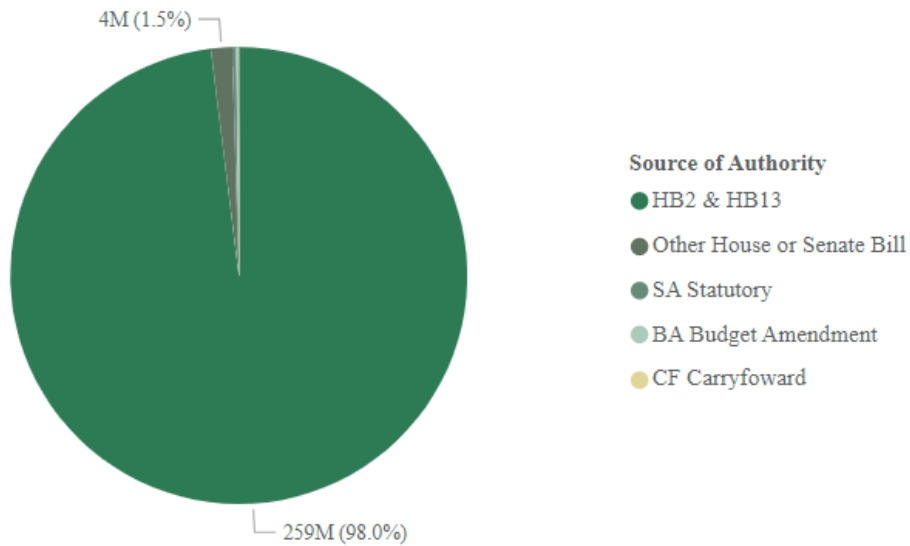
# DEPARTMENT OF CORRECTIONS

## (Spending report July 1 through November 30, 2023)

### TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the Department of Corrections (DOC) is shown in the pie chart below. HB 2 and HB 13 provide 98.0% of the total authority for this agency in FY 2024. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

**Total Modified Budget by Source of Authority**



Source of Authority	Modified Budget	Expended Budget	% Expended
HB2 & HB13	259,162,450	93,473,117	36.1%
BA Budget Amendment	402,669	46,951	11.7%
CF Carryforward	89,349	0	0.0%
Other House or Senate Bill	3,942,000	0	0.0%
SA Statutory	744,982	101,476	13.6%
<b>Total</b>	<b>264,341,450</b>	<b>93,621,545</b>	<b>35.4%</b>

### Budget Amendments

Through November, the department had expended approximately \$47,000, or 11.7%, of the nearly \$403,000 in budget amendment authority for FY 2024. This authority is 100.0% funded with federal dollars. The budget amendment authority and expenditures are summarized as follows:

- \$323,000 of federal special revenue authority which addresses the needs of incarcerated parents and their minor children and supports 1.00 modified FTE. As of the end of November, DOC had expended \$47,000 of the authority. Remaining authority expired in September of 2023

- \$33,000 of federal special revenue authority which is used to reimburse the department for costs related to housing criminal alien offenders. The department uses this funding to offset a portion of personal service expenditures for correctional officers. No authority has been expended yet in FY 2024
- \$26,000 of federal special revenue authority which provides additional operational support in the education department for youth housed at Pine Hills Correctional Facility. No expenditures have been made in FY 2024
- Nearly \$20,000 of federal special revenue authority to support rural schools in providing basic programs, effective instruction, and language instruction. DOC has not expended any of this authority yet in FY 2024

## **Other Bills**

In FY 2024, the DOC has \$3.9 million of general fund authority provided through HB 817 of the 2023 Legislature. The authority provides funding for the department to obtain 120 secure contracted beds. The Department of Corrections entered into a two-year contract with Core Civic to obtain bed space at one of the entity's secure facilities in Arizona. The contract went into effect in mid-November, and the department has already moved 30 inmates to Arizona.

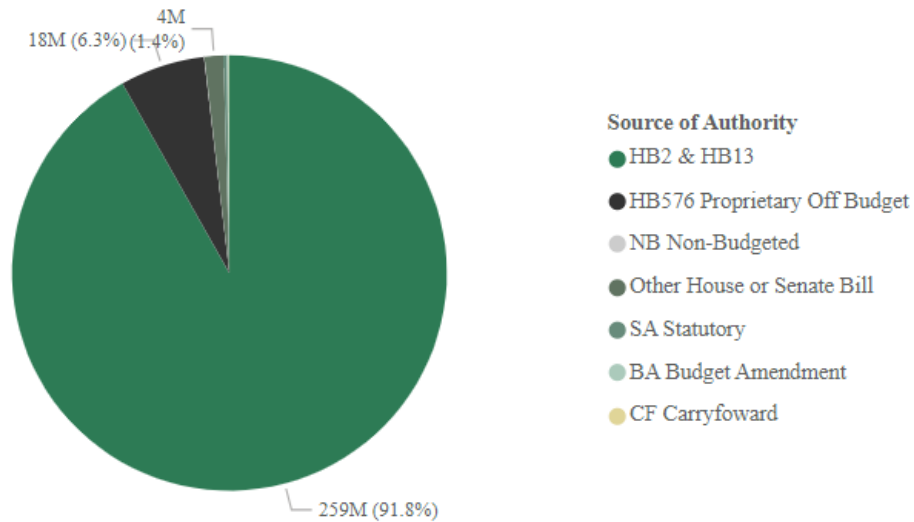
## **Statutory Appropriations**

Through November of FY 2024, the department expended just over \$100,000, or 13.6%, of the \$745,000 in statutory appropriation (SA) authority within the Inmate Welfare state special account that supports inmate priorities at the Pine Hills Correctional Facility and the state prisons, as provided in 53-1-109, MCA. Expenditures comprise of \$10,500 in personal services for inmate pay and \$91,000 in operating expenses for athletic and recreational equipment, shop supplies and tools, subscriptions, minor office equipment, and groceries.

## **EXPENDITURE AUTHORITY**

The total expenditure authority for the DOC is shown in the following pie chart. Total expenditure authority includes non-budgeted proprietary funding and non-budgeted expenditures such as transfers or indirect costs which are not included in the previous pie chart as the expenditures are not appropriated.

## Modified Budget & Expended Budget by Source of Authority



Source of Authority	Modified Budget	Expended Budget	% Expended
HB2 & HB13	259,162,450	93,473,117	36.1%
HB576 Proprietary Off Budget	17,822,506	6,634,274	37.2%
Other House or Senate Bill	3,942,000	0	0.0%
SA Statutory	744,982	101,476	13.6%
BA Budget Amendment	402,669	46,951	11.7%
CF Carryforward	89,349	0	0.0%
NB Non-Budgeted	86,860	32,645	37.6%
<b>Total</b>	<b>282,250,815</b>	<b>100,288,463</b>	<b>35.5%</b>

## Non-Budgeted Proprietary Funding

The DOC has \$17.8 million in non-budget proprietary authority for the Montana Correctional Enterprises program in FY 2024. The program provides services to the Montana State Prison (Deer Lodge) and Montana Women’s Prison (Billings), which includes license plate manufacturing, motor vehicle shop, wood shop, state ranch, tailor shop, and canine training. By November 30, 2023, the Montana Correctional Enterprises program had expended approximately \$6.6 million leaving an unexpended/unobligated appropriation balance of nearly \$11.2 million. The table below shows the FY 2024 budget, current expenditures, and percent expended for each of the non-budgeted proprietary accounts. Total proprietary spending through November follows expected trends.

Proprietary Account	FY 2024 Budget	FY 2024 Expenditures	Percent Expended
Prison Ranch	\$5,170,958	\$1,646,481	31.8%
Institutional Industries	4,038,294	1,763,313	43.7%
Food Factory	5,327,640	1,526,735	28.7%
Vocational Education	732,546	494,822	67.5%
License Plate Factory	2,553,068	1,202,923	47.1%
<b>Totals</b>	<b>\$17,822,506</b>	<b>\$6,634,274</b>	<b>37.2%</b>

## HB 2 BUDGET MODIFICATIONS

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the HB 2 modified budget from July 1, 2023 through November 30, 2023. Net modifications to the budget include operating plan changes from one expenditure account to another, program transfers, reorganizations, and agency transfers of authority. The **positive modifications** and **negative modifications** are shown by program, expenditure account, and fund type.

### Legislative Budget Compared to Modified Budget - HB 2 Only

Agency Name	HB 2 Budget	Modified Budget	Net Modifications
☐ Dept of Corrections	259,162,450	259,162,450	0
☐ 01 DIRECTOR'S OFFICE CSD	15,525,542	15,975,542	450,000
☐ 02 PUBLIC SAFETY	143,203,135	142,753,135	-450,000
☐ 03 REHABILITATION AND PROGRAMS	99,161,542	99,161,542	
☐ 04 BOARD OF PARDONS AND PAROLE	1,272,231	1,272,231	
<b>Total</b>	<b>259,162,450</b>	<b>259,162,450</b>	<b>0</b>

Expenditure Type	HB 2 Budget	Modified Budget	Net Modifications
☐ 61000 Personal Services	108,870,900	108,870,900	
☐ 62000 Operating Expenses	147,738,684	147,528,777	-209,907
☐ 63000 Equipment & Intangible Assets	938,552	938,552	
☐ 64000 Capital Outlay	20,773	20,773	
☐ 68000 Transfers-out	522,488	732,395	209,907
☐ 69000 Debt Service	1,071,053	1,071,053	
<b>Total</b>	<b>259,162,450</b>	<b>259,162,450</b>	<b>0</b>

Fund Type	HB 2 Budget	Modified Budget	Net Modifications
☐ 01 General	251,942,939	251,942,939	0
☐ 02 State/Other Spec Rev	7,100,708	7,100,708	
☐ 06 Enterprise	88,711	88,711	
☐ 06 Internal Service	30,092	30,092	
<b>Total</b>	<b>259,162,450</b>	<b>259,162,450</b>	<b>0</b>

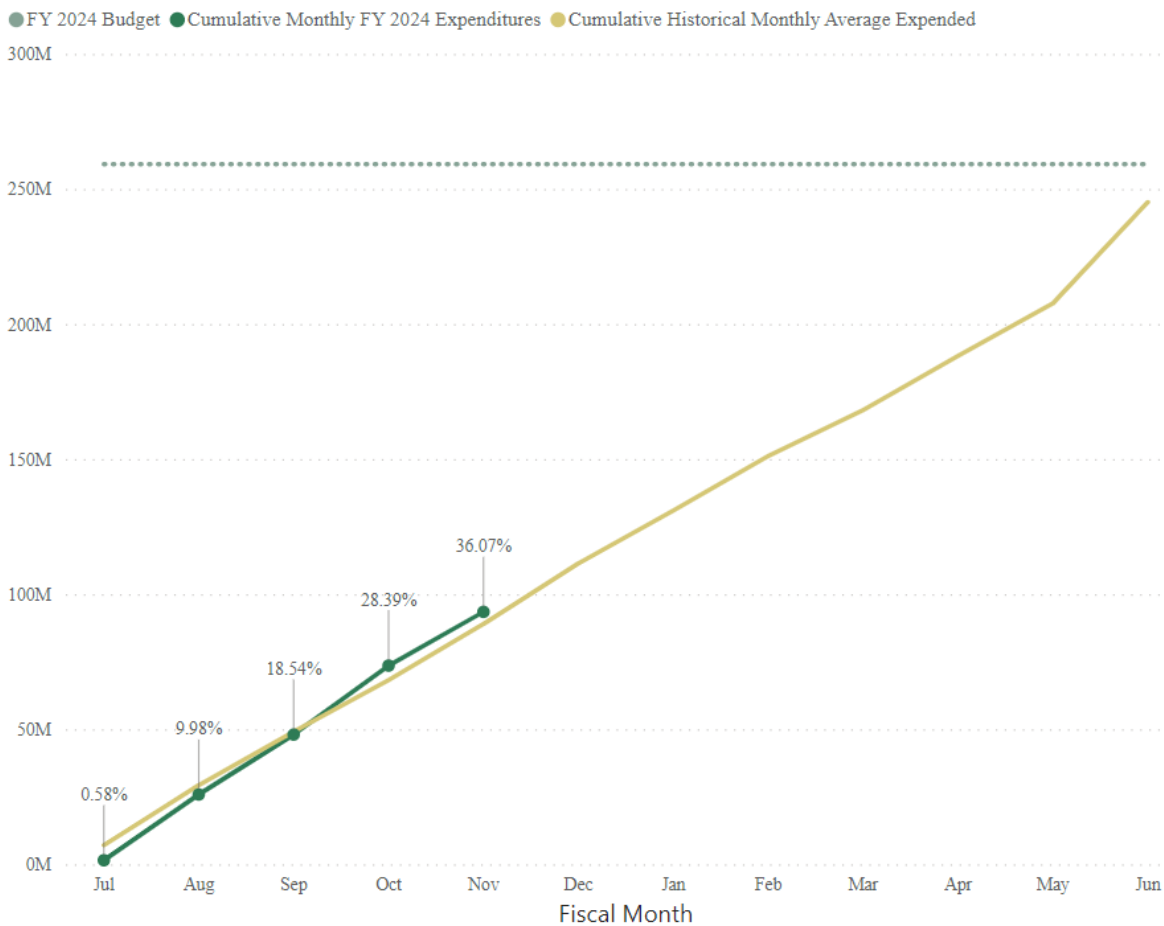
Through November, the DOC made a few modifications to the HB 2 budget that changed the budget within account levels but not the total budget authority. The modifications were funded within the general fund budget and include:

- A transfer of \$450,000 in operating expense authority from the Public Safety Division to the Director’s Office. The 2023 Legislature approved an increase in general fund to the department to offset inflationary impacts. This change allocates a portion of that funding to the Director’s Office as allowed in HB 2 language
- A change from operating expenses to transfers-out in the amount of \$209,907 to fund two MOU’s with the Montana Highway Patrol for services provided to the Public Safety Division and Director’s Office

## HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through November 30, 2023.

### Monthly Expenditures Compared to Historical Average



Fund Type	Modified Budget	Expended Budget	% Expended
⊕ 01 General	251,942,939	91,954,189	36.5%
⊕ 02 State/Other Spec Rev	7,100,708	1,518,929	21.4%
⊕ 06 Enterprise	88,711	0	0.0%
⊕ 06 Internal Service	30,092	0	0.0%
<b>Total</b>	<b>259,162,450</b>	<b>93,473,117</b>	<b>36.1%</b>

Expenditure Type	Modified Budget	Expended Budget	% Expended
⊕ Personal Services	108,870,900	41,391,654	38.0%
⊕ Operating Expenses	147,528,777	51,391,681	34.8%
⊕ Equipment & Intangible Assets	938,552	6,000	0.6%
⊕ Capital Outlay	20,773	0	0.0%
⊕ Transfers-out	732,395	144,416	19.7%
⊕ Debt Service	1,071,053	539,365	50.4%
<b>Total</b>	<b>259,162,450</b>	<b>93,473,117</b>	<b>36.1%</b>

Program Name	Modified Budget	Expended Budget	% Expended
⊕ 01 DIRECTOR'S OFFICE CSD	15,975,542	7,696,664	48.2%
⊕ 02 PUBLIC SAFETY	142,753,135	52,609,612	36.9%
⊕ 03 REHABILITATION AND PROGRAMS	99,161,542	32,710,637	33.0%
⊕ 04 BOARD OF PARDONS AND PAROLE	1,272,231	456,204	35.9%
<b>Total</b>	<b>259,162,450</b>	<b>93,473,117</b>	<b>36.1%</b>

The DOC HB 2 budget for FY 2024 is principally funded with general fund, at 97.2%, and current fiscal year expenditures follow a similar trend. Through November, the Department of Corrections expended 36.1%, or \$93.5 million, of its \$259.2 million HB 2 modified budget. Overall, this is slightly higher than the 5-year Olympic average of 34.3% (the Olympic average is the average of the percent expended for the most recently completed seven years with the exclusion of the highest and lowest numbers during this period). This small discrepancy is mostly due to changes to funding over time. Until FY 2022, the Montana Board of Crime Control (MBCC) operated as an administrative attachment to the DOC before being moved over to the Department of Justice. The HB 2 budget for the MBCC includes substantial federal grant funding, and expenditures from these funds through November of a given fiscal year were low (approximately 11.0% - 15.0%).

Operating expenses accounted for 55.0% of total expenditures through November. In operating expenses, the department expended \$51.4 million, of which nearly \$32.7 million, or 63.6%, can be attributed to costs for housing inmates at county jails, contracted prison facilities, and contracted community corrections facilities including treatment, sanction, and pre-release centers.

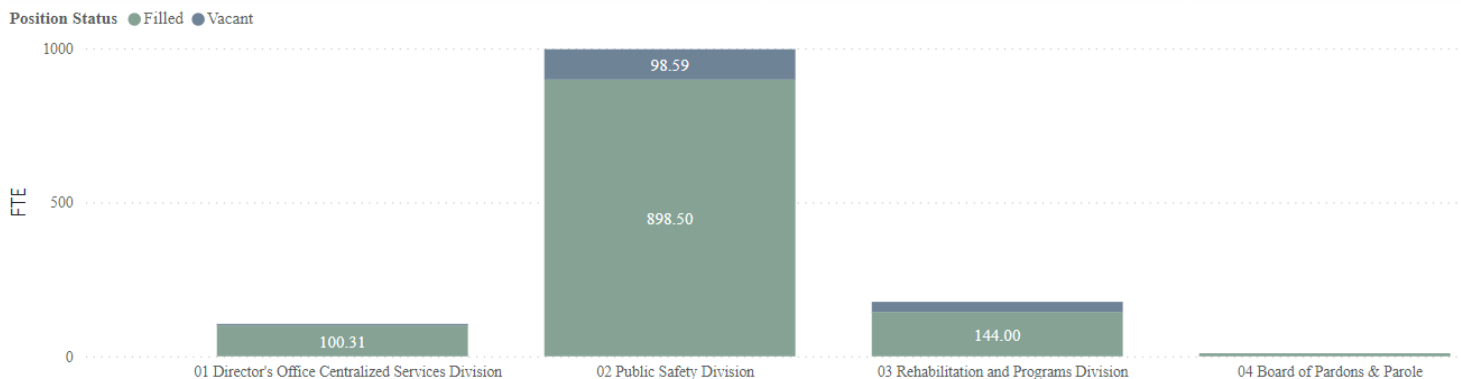
Personal services accounted for an additional 44.3% of expenditures. DOC expended \$41.4 million, or 38.0%, of the personal services budget. This is slightly higher than the average of the previous five fiscal years (approximately 36.3%) and is mostly accounted for by the large reduction in vacant positions seen in the department in recent months. For more detail regarding personal services, please see the Personal Services Section of this report.

For the department in the 2025 biennium, HB 2 includes a series of one-time-only line-item appropriations. Those items are shown by program in the table below. The table includes any restrictions/conditions associated with the appropriation. Through November, there have been no expenditures related to these appropriations. The 2023 Legislature approved all these appropriations as biennial, and the FY 2024 amounts shown are available for both years of the 2025 biennium.

<b>Program</b>	<b>Line Item</b>	<b>FY 2024 Amount</b>	<b>FY 2024 Expenditures</b>
<b>02 Public Safety Division</b>	<b>Equipment/IT Upgrades</b>	<b>\$290,700</b>	<b>\$0</b>
Appropriations for Equipment/IT upgrades may be used by the Department of Corrections only to purchase the following items: one mini excavator, one manlift, additional security cameras, one warehouse forklift, one emergency generator for the Montana State Prison high side kitchen, and one security utility vehicle.			
	<b>Vehicle Replacement</b>	<b>\$495,000</b>	<b>\$0</b>
Appropriations for Vehicle Replacement may be used by the Department of Corrections only to purchase the following vehicles for operation at the Montana State Prison: eight new security vehicles, one new cargo van, and one new gator vehicle.			
	<b>Prior Session Staffing Correction</b>	<b>\$858,150</b>	<b>\$0</b>
This appropriation was provided to convert 13.00 modified FTE to permanent.			
	<b>Additional Authority for Correctional Officers</b>	<b>\$1,250,000</b>	<b>\$0</b>
Additional Authority for Correctional Officers may be used only after the Department of Corrections has fully expended all personal services appropriated for the purpose of paying correctional officers in the amount of \$67,692,715 for the 2025 biennium.			
<b>03 Rehabilitations and Programs Division</b>	<b>Efficiencies in Community Corrections</b>	<b>\$1,000,000</b>	<b>\$0</b>
Appropriations in Efficiencies in Community Corrections may be used by the Department of Corrections to expand nonresidential capacity by moving offenders that are suitable and appropriate to be moved into the community from prerelease beds			
	<b>DOC Supplemental Option 1</b>	<b>\$1,467,861</b>	<b>\$0</b>
Appropriations in DOC Supplemental Option 1 may be utilized by the Department of Corrections to expand capacity within community corrections providers.			
<b>04 Board of Pardons and Parole</b>	<b>ACA Accreditation1</b>	<b>\$15,000</b>	<b>\$0</b>
Appropriations in ACA Accreditation are contingent on the Montana Board of Pardons and Parole first receiving its correctional certification through the American Correctional Association.			

## Personal Services

FY 2024 appropriations for personal services in the Department of Corrections total \$108.9 million and were 38.0% expended as of November 30, 2023. The following chart shows the filled and vacant FTE within the agency.

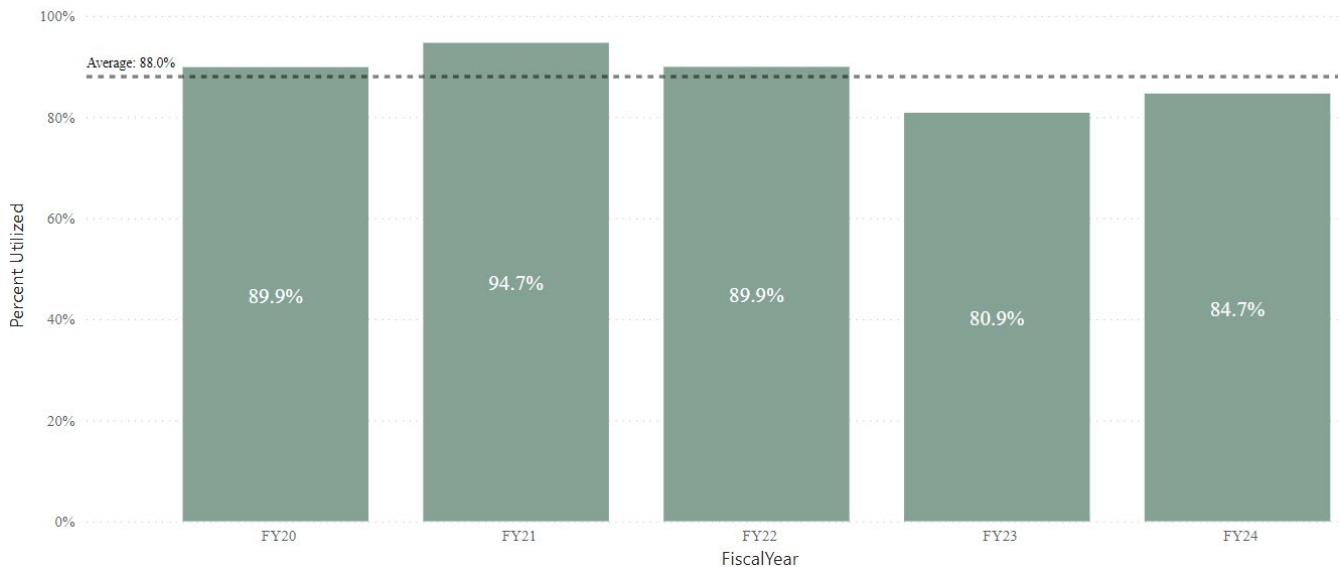


In FY 2024, the DOC is budgeted for 1,289.40 FTE after the removal of any aggregate positions. Of the total FTE, DOC had 136.59 positions vacant as of November 1, 2023 which represents an agency vacancy rate of 10.6%. Correctional officer positions experienced large vacancies during the 2023 biennium, but the number of these vacancies has been on a steady decline. At the end of FY 2022, correctional officer vacancies equaled 113.50. As of November 1, 2023, correctional officer vacancies totaled 40.00 FTE.

From July 1, 2023 to November 1, 2023, the department saw turnover in a total of 80 positions. The turnover reasons for these positions are as follows:

- Left state employment – 62 positions
- Retired – 13 positions
- Transfer to a different state agency – 5 positions

The chart below shows the hourly utilization percentage for the Department of Corrections between July 1 and November 1 for each fiscal year when compared to the available hours for the same time period. Overall, the department has utilized 84.7% of the hours budgeted for this period in FY 2024, as shown in the chart below, which is slightly lower than the historical five-year average of 88.0%.



Additionally, the appendix below includes a table showing the vacant FTE in each division, the number of months each position has been vacant and the midpoint hourly pay rate. The data used to create the vacant positions report below was pulled at a slightly different time than the data used in the above charts, which is why the number of vacant positions differs by 1.00 FTE. As seen in that table, for the 135.59 FTE that were vacant on November 1, 2023, 63.59 FTE have been vacant for four months or less. Additionally, approximately 28 positions have been vacant for over one year.



## **OTHER ISSUES**

### **Information Technology Project Expenditures**

The Department of Corrections is in the process of obtaining a new offender management system to replace the OMIS system. The 2023 Legislature awarded the department \$17.5 million through HB 10, and the project is currently in its initiation stages with no current expenditures.

## **APPENDIX**

Position Classification	FTE	Median Months Vacant	Market Midpoint (Hourly)	
<b>Department of Corrections</b>	<b>135.59</b>	<b>3.62</b>	<b>\$22.54</b>	
<b>01 Director's Office Centralized Services Division</b>	<b>5.00</b>	<b>3.57</b>	<b>\$45.80</b>	
Employment Contracts Attorney	1.00	9.08	\$55.14	
Lawyer	1.00	7.02	\$55.14	
Project Management Specialist2	1.00	0.82	\$38.15	
Software Developer	1.00	1.28	\$36.64	
Software Developer Lead	1.00	3.57	\$45.80	
<b>02 Public Safety Division</b>	<b>98.59</b>	<b>3.48</b>	<b>\$22.54</b>	
Administrative Assistant	1.00	3.18	\$18.15	
Administrative Assistant 2	1.00	4.13	\$18.15	
Administrative Specialist 2	1.00	16.89	\$34.41	
Administrative Suppt Supervisor	1.00	5.87	\$20.74	
Admissions Officer	1.00	4.49	\$22.54	
CARPENTER	1.00	1.74		
CO - Transportation	10.00	13.57	\$22.54	
Compliance Manager	1.00	2.59	\$51.21	
Cook Supervisor	9.00	5.84	\$18.49	
Correctional Lieutenant	1.00	2.46	\$31.80	
Correctional Officer	27.00	2.98	\$19.69	
Correctional Officer - KeyCtrl	1.00	4.95	\$22.54	
Correctional Officer 2	10.00	15.23	\$22.54	
Correctional Officer 3	1.00	0.59	\$25.93	
Correctional Officer-Fire Crew	1.00	15.38	\$22.54	
Correctional Sergeant	1.00	1.74	\$25.66	
Correctional Unit Manager	1.00	5.21	\$33.33	
Court Liaison	2.00	2.66	\$21.48	
Electrician	1.00	19.21		
Inmate Production Officer 1	1.00	4.49	\$28.49	
Mail Courier 2	1.00	1.05	\$15.45	
Maintenance Supervisor General	3.00	10.85	\$23.80	
Mental Health Tech - CO	1.00	2.66	\$25.93	
P&P Quality Assurance Manager	1.00	1.28	\$39.86	
Plumber	2.00	6.70		
Probation Parole Officer	9.00	2.26	\$22.71	
Program Specialist 1	1.00	3.11	\$27.86	
Program Supervisor	1.59	2.07	\$36.25	
PSI Writer	1.00	4.03	\$24.66	
Security Tech	2.00	6.79	\$22.54	
Social Services Manager	1.00	0.36	\$39.56	
Trainer 2	1.00	2.23	\$29.91	
Transportation Coordinator	1.00	15.74	\$21.48	
<b>03 Rehabilitation and Programs Division</b>	<b>32.00</b>	<b>5.84</b>	<b>\$29.45</b>	
Administrative Assistant 1	1.00	0.49	\$15.17	
Administrative Assistant 2	1.00	0.59	\$18.15	
Clinical Psychologist 1	1.00	21.93	\$42.79	
Clinical Therapist 1	6.50	10.72	\$29.45	
Clinical Therapist Supervisor	1.00	1.84	\$32.40	
Correctional Programs Officer	1.00	2.59	\$28.86	
Dental Hygienist 2	1.00	6.82	\$22.01	
Inmate Production Officer 1	1.00	13.15	\$28.49	
Licensed Practical Nurse	1.00	14.10	\$23.39	
Licensed Practical Nurse 2	1.00	0.56	\$23.39	
MCE Administrator	0.50	2.66	\$75.89	
Mental Health Manager	1.00	13.93	\$39.56	
Nursing Aide 2	2.50	0.20	\$17.62	
Prison Ed Programs Coordinator	1.00	8.62	\$27.86	
Purchaser 1	1.00	1.74	\$21.40	
Recreation Therapist	10	1.00	10.85	\$25.05
Registered Nurse 2	9.50	6.28	\$35.20	