

THE DEPARTMENT OF CORRECTIONS

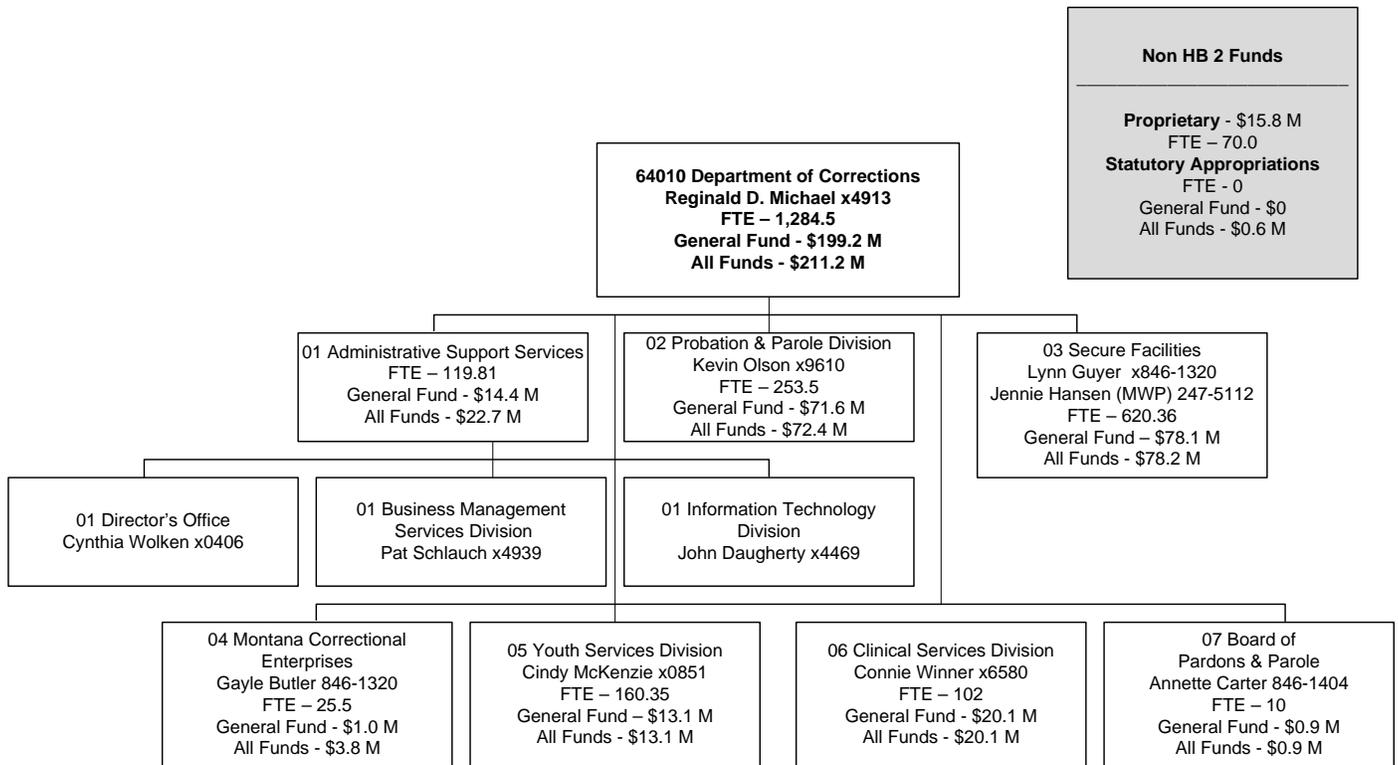
An Agency Profile Prepared by the
Legislative Fiscal Division

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INTRODUCTION

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



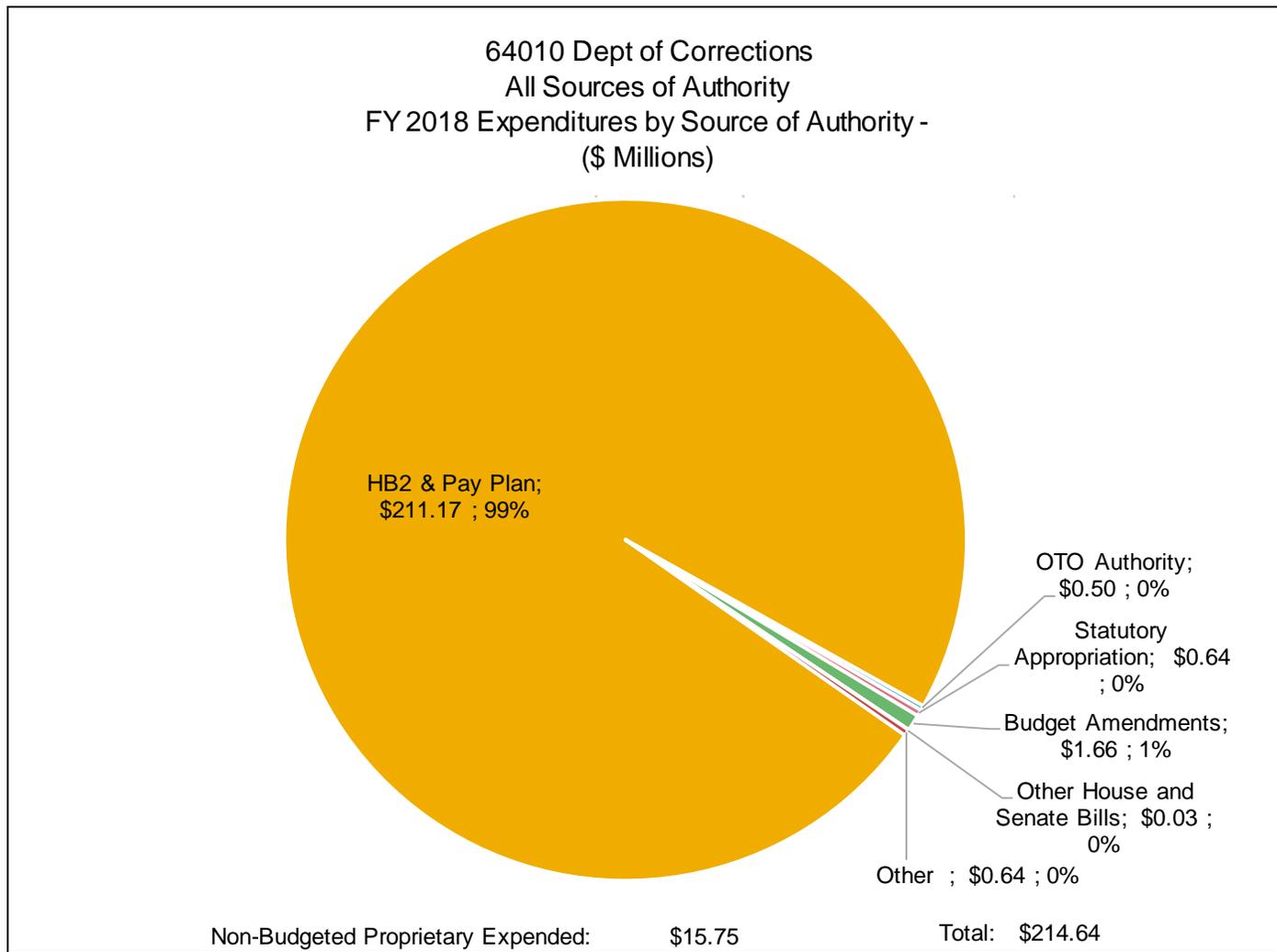
HOW SERVICES ARE PROVIDED

Services are provided through the following:

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

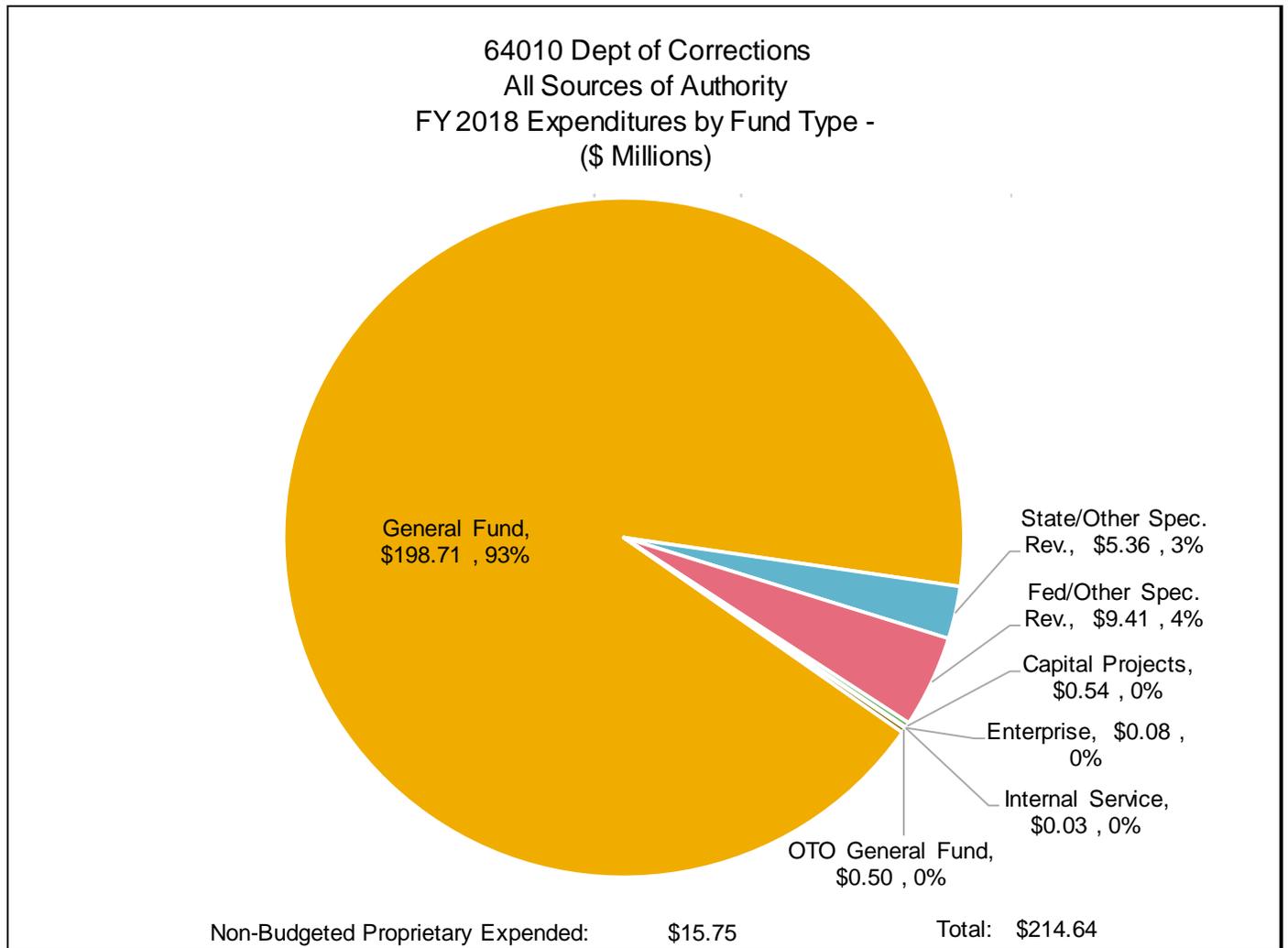
SOURCES OF SPENDING AUTHORITY

The chart below shows expenditures by source of authority for the Department of Corrections (DOC). The agency received the majority of its spending authority from HB 2 and the pay plan. In addition, DOC has off budgeted proprietary funds from operations in the Montana Correctional Enterprises programs at the Montana State Prison (Deer Lodge) and Women's State Prison (Billings). Programs such as license plate manufacturing, motor vehicle shop, wood shop, state ranch, canteen, tailor shop, and canine training are primarily supported by this funding

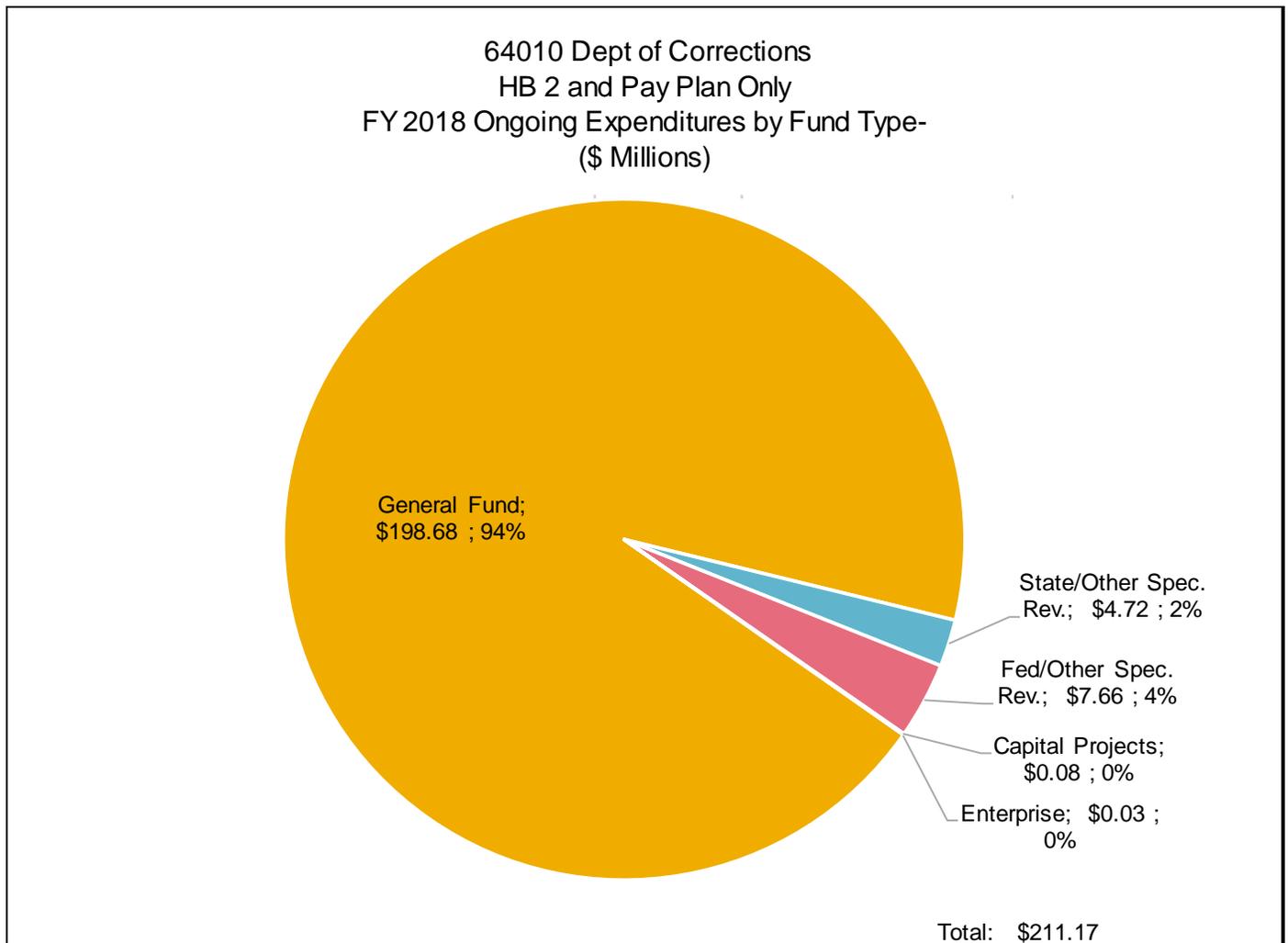


FUNDING

The chart below shows FY 2018 actual expenditures by fund type for all sources of authority. General Fund expenditures make up a significant portion of expenditures from all sources of authority in FY 2018. General fund totaled \$198.7 million or 93% of total expenditures. State Special (3%) and Federal Special (4%) funds make up the majority of the remaining expenditures totaling nearly \$14.8 million. The one-time-only funding is made up of general fund.



The following chart shows how Department of Corrections expenditures were funded in FY 2018 from HB 2 and pay plan by fund type.



EXPENDITURES

The next chart depicts how the HB 2 and pay plan authority was spent in FY 2018. HB 2 and pay plan ongoing expenditures totaled \$211.2 million. Operating expenses make up the largest portion of expenditures (56%) with major expenses going towards:

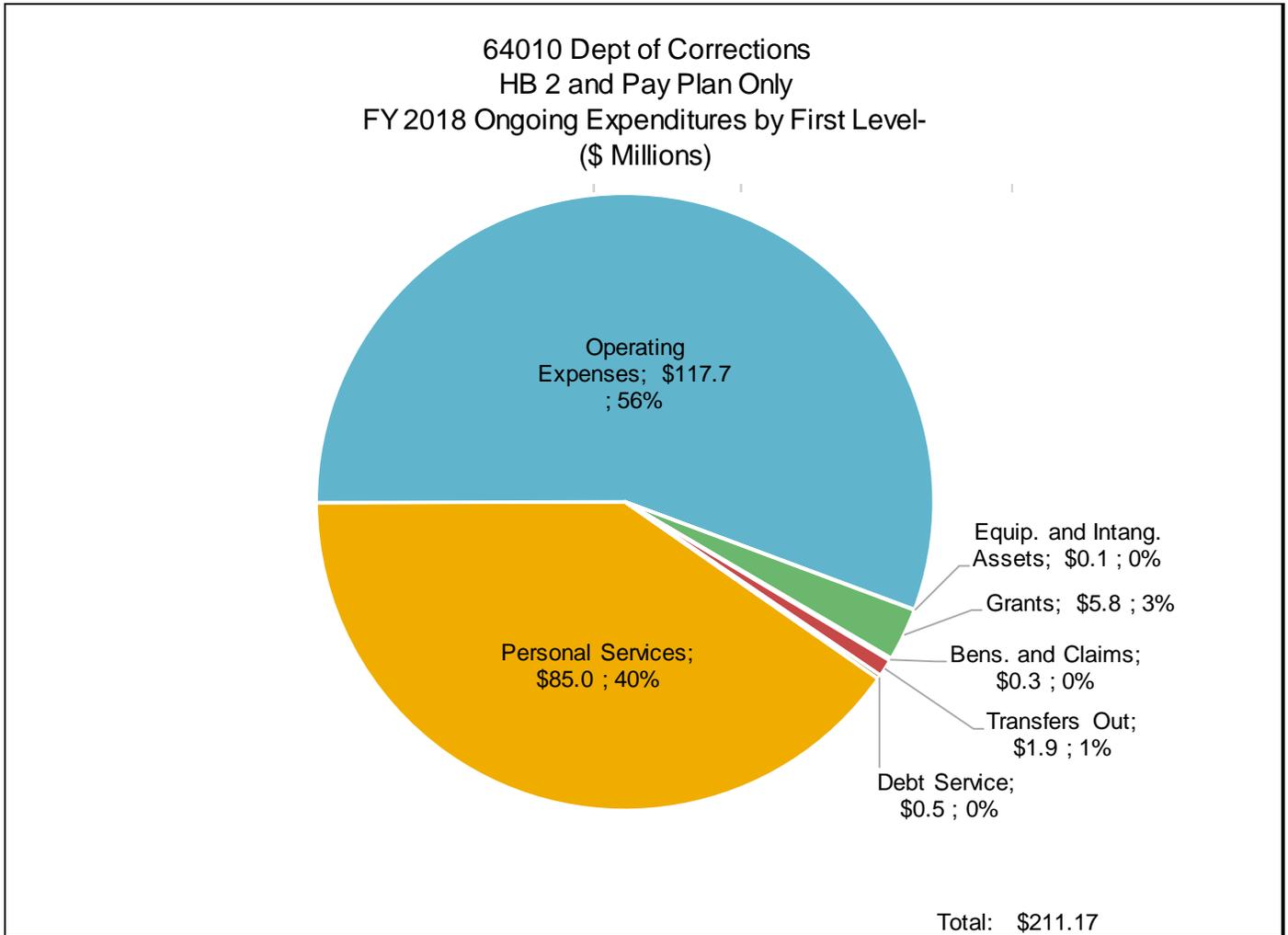
- Room and Board Services, \$78.4 million
- Medical Services, \$4.7 million
- Drug related costs, \$4.4 million
- Food related costs, \$3.6 million

Personal Services make up the majority of remaining DOC expenditures in FY 2018 contributing to 40% of total HB 2 and pay plan expenditures.

The Secure Custody Facilities program transferred nearly \$4.9 million general fund from FY 2019 budget authority to FY 2018 to help fund shortfalls. The primary reasons driving the need for a fiscal transfer are:

- Larger prison population counts have contributed to an increase of nearly \$1.9 million in expenses including laundry, food, medical, operations contracts and utilities.
- County jail holds for the first half of FY 2018 exceeded the budgeted level by \$1.1 million

- There were unanticipated infrastructure costs of \$0.8 million
- Payroll costs for the Montana State Prison (MSP) including the MSP treatment center exceeded personal services budget by nearly \$0.5 million



HOW THE 2019 LEGISLATURE CAN EFFECT CHANGE

In order to change expenditure levels and/or agency activity, the legislature must address one or more of the following basic elements that drive costs. If the legislature wishes to affect correctional expenditures at the state level in significant ways, it must address the number of offenders and/or the cost to provide services.

The legislature might impact these items by:

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

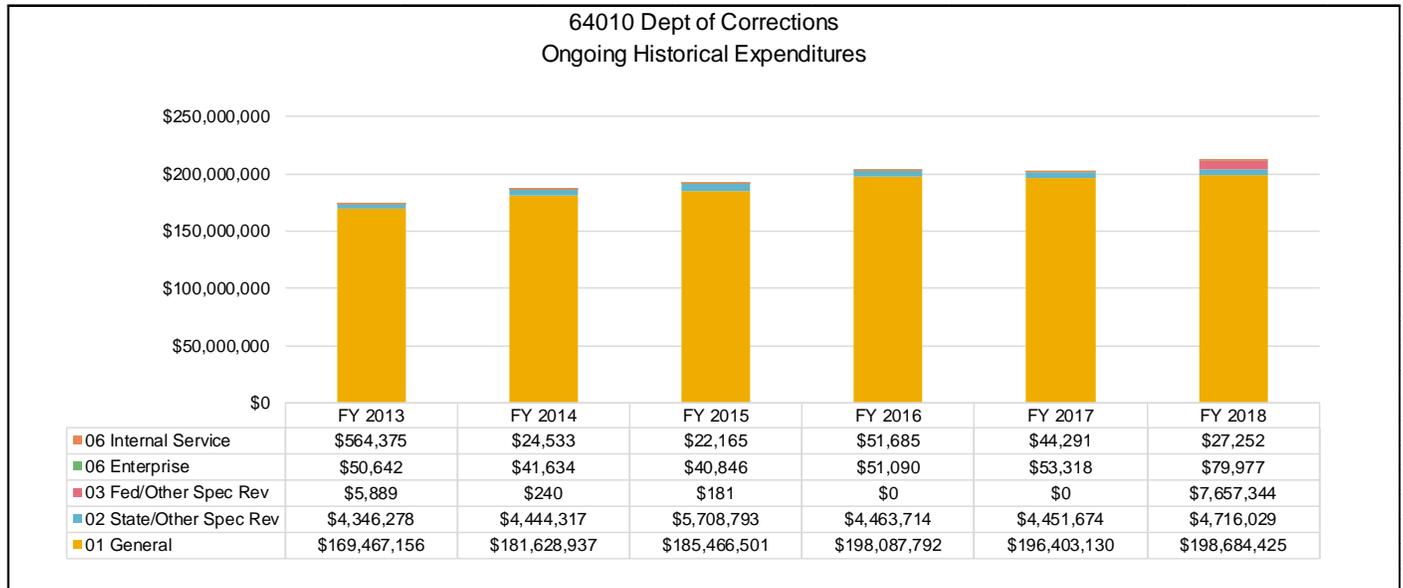
MAJOR COST DRIVERS

The major drivers of cost for the Department of Correction are inmate populations and demographics. The following table shows trends in the various inmate populations or average daily populations (ADP).

Driver	FY 2008	FY 2018	Significance of Data
ADP male secure facilities	2170	2470	Growth in ADP
ADP female secure facilities	165	213	Growth in ADP
ADP probation and parole	8558	10209	Growth in ADP
ADP Pine Hills (juvenile males)	75	38	Youth ADP is declining
ADP Riverside (juvenile females)	14	10	Youth ADP is declining
Number of offenders supervised - adults	12862	14942	Growth in total offenders
Number of offenders supervised - juveniles	292	158	Youth being supervised are declining
Average age of male inmates	37	41	Older inmates typically means more in medical costs
Percent of male inmates 55 years of age or older	8%	17%	Older tier of inmates are growing as a percentage of population
Average length of stay for male inmates (months)	46	28	Shorter sentences, higher paroled upon eligibility
Average age of female inmates	37	38	Older inmates typically means more in medical costs
Percent of female inmates 55 years of age or older	4%	10%	Older tier of inmates are growing as a percentage of population
Average length of stay for female inmates (months)	39	21	Shorter sentences, higher paroled upon eligibility
Total medical/dental/treatment expenditures	\$5,841,194	\$7,001,944	Medicaid expansion started on January 1, 2016 and more secure care inmates became Medicaid qualified for outside medical costs.
ADP is average daily population			

FUNDING/EXPENDITURE HISTORY, AUTHORITY USED TO ESTABLISH THE BUDGET BASE

The following table shows historical changes in how expenditures in HB 2 have been funded for the period from FY 2013 through FY 2018. There are no one-time-only appropriations included in the table below.



MAJOR LEGISLATIVE CHANGES IN THE LAST TEN YEARS

The following legislation impacts the department in addition to adding imprisonment to the sentencing requirements:

2017 Legislature:

- SB 59 revised criminal justice laws related to pretrial programs, creates an oversight council to monitor and report on the effects of criminal justice legislation, provides quality assurance direction, and provides an appropriation of \$28,000 for the purposes of funding the council
- SB 60 revised various criminal justice laws and presentence investigation laws, funded the department in the amount \$0.7 million from the consumer protection transfers to the general fund
- SB 64 revised laws related to the board of pardons and parole. The department has been funded in the amount of \$60,000 from consumer protection fund transfers to the general fund
- HB 650 provided funding from the consumer protection fund to support sentencing commission bills in the amount of \$1.0 million, allocated the Montana Board of Crime Control into the Department of Corrections, removed the mandated use of the Treasure State Correctional Training Center, and limited the amount of payment to a regional correctional facility to no more than was paid on December 6, 2016

2015 Legislature:

- HB 233 of the 2015 Legislature moved administration of juvenile placement funds from the department to the Judicial Branch

For more information, please visit the agency website, here: <https://cor.mt.gov/>.