

Agency Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	184,934,071	193,470,349	8,536,278	4.62 %
Operating Expenses	242,595,936	249,719,523	7,123,587	2.94 %
Equipment & Intangible Assets	559,618	496,522	(63,096)	(11.27)%
Capital Outlay	20,773	41,546	20,773	100.00 %
Grants	22,250,126	19,970,790	(2,279,336)	(10.24)%
Benefits & Claims	524,158	979,146	454,988	86.80 %
Transfers	8,922,707	6,462,568	(2,460,139)	(27.57)%
Debt Service	1,017,572	922,572	(95,000)	(9.34)%
Total Expenditures	\$460,824,961	\$472,063,016	\$11,238,055	2.44 %
General Fund	417,427,100	431,367,564	13,940,464	3.34 %
State/Other Special Rev. Funds	11,892,337	13,378,177	1,485,840	12.49 %
Federal Spec. Rev. Funds	31,278,718	27,028,289	(4,250,429)	(13.59)%
Proprietary Funds	226,806	288,986	62,180	27.42 %
Total Funds	\$460,824,961	\$472,063,016	\$11,238,055	2.44 %
Total Ongoing	\$460,824,961	\$474,522,042	\$13,697,081	2.97 %
Total OTO	\$0	(\$2,459,026)	(\$2,459,026)	100.00 %

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Agency Highlights

**Department of Corrections
Major Budget Highlights**

The Department of Corrections' 2023 biennium budget request is 2.4% or \$11.2 million higher than the 2021 biennium budget. Significant changes include:

- A reduction of \$2.6 million in general fund over the biennium for the state share holiday as one-time-only contingent upon the passage and approval of SB 110
- An increase of \$4.0 million in general fund for overtime in Secure Custody Facilities, Montana Correctional Enterprises, and Clinical Services Division
- An increase in \$1.7 million in federal special revenue authority in the Montana Board of Crime Control
- An increase in \$134,000 in federal special revenue authority and 1.00 FTE for a federal grants' accountant
- An increase in \$150,000 in general fund over the biennium as one-time-only for evidence-based practices training in the Director's Office
- An increase of \$487,000 in general fund for laundry, meal, and motor vehicle maintenance repair costs in Secure Custody Facilities
- An increase in \$313,000 and 2.00 FTE in FY 2022 and 2.00 FTE in FY 2023 in general fund for contract facility disciplinary officers in Secure Custody Facilities
- An increase in \$0.8 million over the biennium in general fund and 5.00 FTE in FY 2022 and 5.00 FTE in FY 2023 for additional medical and mental health services in Clinical Services Division
- An increase of \$226,000 in general fund over the biennium and 1.00 FTE for a program manager in the Board of Pardons and Parole
- An increase of \$0.8 million in general fund over the biennium for 5.00 FTE for probation and parole officers and 2.00 FTE for pre-sentence investigation writers in the Probation and Parole Division
- An increase of \$0.9 million in general fund over the biennium in for profit provider per diem increases as restricted in Secure Custody Facilities
- An increase of \$0.4 million in general fund over the biennium in regional prisons per diem increases as restricted in Secure Custody Facilities
- An increase of \$1.0 million over the biennium, the majority in general fund, for provider rates for nonprofit community corrections in the Probation and Parole Division
- An increase of \$504,000 in general fund for 3.00 FTE for probation and parole officers in the Probation and Parole Division
- An increase of \$226,000 over the biennium in general fund for 2.00 FTE for presentence investigation writers in the Probation and Parole Division
- An increase of \$396,000 in general fund for 2.50 FTE for contract managers for contract facilities in the Probation and Parole Division
- An increase of \$2.6 million over the biennium in general fund for hepatitis C treatment in the Clinical Services Division

Agency Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	1,274.17	1,274.17	1,297.67	1,297.67
Personal Services	90,085,529	90,545,455	94,388,616	95,314,011	98,156,338
Operating Expenses	119,153,603	122,361,902	120,234,034	124,689,653	125,029,870
Equipment & Intangible Assets	393,857	393,857	165,761	330,761	165,761
Capital Outlay	0	0	20,773	20,773	20,773
Grants	10,384,805	12,596,731	9,653,395	9,985,395	9,985,395
Benefits & Claims	34,585	34,585	489,573	489,573	489,573
Transfers	2,478,708	5,916,423	3,006,284	3,231,284	3,231,284
Debt Service	555,815	556,286	461,286	461,286	461,286
Total Expenditures	\$223,086,902	\$232,405,239	\$228,419,722	\$234,522,736	\$237,540,280
General Fund	204,839,528	207,518,153	209,908,947	214,173,362	217,194,202
State/Other Special Rev. Funds	5,327,642	5,945,099	5,947,238	6,689,269	6,688,908
Federal Spec. Rev. Funds	12,806,329	18,828,584	12,450,134	13,513,988	13,514,301
Proprietary Funds	113,403	113,403	113,403	146,117	142,869
Total Funds	\$223,086,902	\$232,405,239	\$228,419,722	\$234,522,736	\$237,540,280
Total Ongoing	\$223,086,902	\$232,405,239	\$228,419,722	\$237,056,762	\$237,465,280
Total OTO	\$0	\$0	\$0	(\$2,534,026)	\$75,000

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Executive Budget Comparison

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2021	Executive Budget Fiscal 2022	Legislative Budget Fiscal 2022	Leg — Exec. Difference Fiscal 2022	Executive Budget Fiscal 2023	Legislative Budget Fiscal 2023	Leg — Exec. Difference Fiscal 2023	Biennium Difference Fiscal 22-23
FTE	1,274.17	1,298.67	1,297.67	(1.00)	1,298.67	1,297.67	(1.00)	(1.00)
Personal Services	94,388,616	95,243,574	95,314,011	70,437	98,091,728	98,156,338	64,610	135,047
Operating Expenses	120,234,034	125,633,015	124,689,653	(943,362)	125,673,500	125,029,870	(643,630)	(1,586,992)
Equipment & Intangible Assets	165,761	330,761	330,761	0	165,761	165,761	0	0
Capital Outlay	20,773	20,773	20,773	0	20,773	20,773	0	0
Grants	9,653,395	9,985,395	9,985,395	0	9,985,395	9,985,395	0	0
Benefits & Claims	489,573	489,573	489,573	0	489,573	489,573	0	0
Transfers	3,006,284	3,231,284	3,231,284	0	3,231,284	3,231,284	0	0
Debt Service	461,286	461,286	461,286	0	461,286	461,286	0	0
Total Costs	\$228,419,722	\$235,395,661	\$234,522,736	(\$872,925)	\$238,119,300	\$237,540,280	(\$579,020)	(\$1,451,945)
General Fund	209,908,947	214,827,395	214,173,362	(654,033)	217,554,345	217,194,202	(360,143)	(1,014,176)
State/Other Special Rev. Funds	5,947,238	6,906,948	6,689,269	(217,679)	6,906,573	6,688,908	(217,665)	(435,344)
Federal Spec. Rev. Funds	12,450,134	13,513,988	13,513,988	0	13,514,301	13,514,301	0	0
Other	113,403	147,330	146,117	(1,213)	144,081	142,869	(1,212)	(2,425)
Total Funds	\$228,419,722	\$235,395,661	\$234,522,736	(\$872,925)	\$238,119,300	\$237,540,280	(\$579,020)	(\$1,451,945)
Total Ongoing	\$228,419,722	\$238,004,687	\$237,056,762	(\$947,925)	\$238,119,300	\$237,465,280	(\$654,020)	(\$1,601,945)
Total OTO	\$0	(\$2,609,026)	(\$2,534,026)	\$75,000	\$0	\$75,000	\$75,000	\$150,000

The legislature adopted ongoing appropriations that are approximately \$1.6 million lower than the proposed appropriations

for the 2023 biennium. The legislature adopted one-time-only appropriations that are approximately \$150,000 higher than the proposed appropriations for the biennium.

The major differences in the legislative budget compared to the proposed budget include:

- An increase in \$150,000 over the biennium as one-time-only for evidence-based practices training in the Director's Office
- A reduction of \$98,000 over the biennium as a statewide present law adjustment in fixed costs
- An increase of \$138,000 in general fund in FY 2022 for the legislative audit as restricted and biennial in the Director's Office
- An increase of \$226,000 in general fund over the biennium and 1.00 FTE for a program manager in the Board of Pardons and Parole. The request was included in the executive budget proposal on November 15th, 2020.
- An increase of \$0.8 million in general fund over the biennium for 5.00 FTE for probation and parole officers and 2.00 FTE for pre-sentence investigation writers in the Probation and Parole Division. The executive requested \$1.7 million in general fund over the biennium for 10.00 FTE for probation and parole officers and 4.00 FTE for pre-sentence investigation writers in the Probation and Parole Division
- An increase of \$0.9 million in general fund over the biennium in for profit provider per diem increases as restricted in Secure Custody Facilities
- An increase of \$0.4 million in general fund over the biennium for a 1.5% increase in per diem for regional prisons as restricted. The executive requested \$0.8 million over the biennium for regional prison per diem increase in Secure Custody Facilities
- An increase of \$1.0 million over the biennium, the majority in general fund, for provider rates for nonprofit community corrections in the Probation and Parole Division
- An increase of \$504,000 over the biennium in general fund for 3.00 FTE for probation and parole officers in the Probation and Parole Division
- An increase of \$226,000 in FY 2023 in general fund for 2.00 FTE for presentence investigation writers in the Probation and Parole Division
- An increase of \$2.6 million over the biennium in general fund for hepatitis C treatment in the Clinical Services Division. The executive requested \$5.1 million over the biennium for hepatitis C treatment in Clinical Services Division

The legislature did not approve:

- The request for a decrease in statewide present law adjustments of \$690 for inflation/deflation in the Board of Pardons and Parole
- The request for a decrease in statewide present law adjustments of \$4,700 for Service Now reduction in the Board of Pardons and Parole

Funding

The following table shows adopted agency funding by source of authority.

Total Department of Corrections Funding by Source of Authority 2023 Biennium Budget Request - Department of Corrections						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	433,826,590	(2,459,026)	0	0	431,367,564	84.80 %
State Special Total	13,378,177	0	0	1,372,042	14,750,219	2.90 %
Federal Special Total	27,028,289	0	0	0	27,028,289	5.31 %
Proprietary Total	288,986	0	35,263,779	0	35,552,765	6.99 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$474,522,042	(\$2,459,026)	\$35,263,779	\$1,372,042	\$508,698,837	
Percent - Total All Sources	93.28 %	(0.48)%	6.93 %	0.27 %		

The Department of Corrections is primarily funded with general fund. The remaining amount is comprised mostly of state special and federal special revenues with a small portion coming from budgeted proprietary funds. Some of the largest state special revenue funds are:

- The canteen revolving fund, which receives revenue from the sale of items to inmates
- Probation and parole supervision fees collected from offenders under the supervision of the department
- Pine Hills donations, interest, and income funds coming mostly from interest and income collected on school trust lands

Additional proprietary funds are non-budgeted and support programs that provide services to other governmental entities or the public.

There are nearly \$1.4 million in statutory appropriations over the 2023 biennium, which are used to support the Secure Custody Facilities. This funding includes supporting inmate welfare and is used for supplies, materials, communications, travel, rent, repairs, and other expenses.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	209,908,947	209,908,947	419,817,894	97.32 %	228,419,722	228,419,722	456,839,444	96.78 %
SWPL Adjustments	690,432	816,425	1,506,857	0.35 %	875,321	1,000,758	1,876,079	0.40 %
PL Adjustments	2,325,214	2,139,714	4,464,928	1.04 %	3,778,214	3,592,714	7,370,928	1.56 %
New Proposals	1,248,769	4,329,116	5,577,885	1.29 %	1,449,479	4,527,086	5,976,565	1.27 %
Total Budget	\$214,173,362	\$217,194,202	\$431,367,564		\$234,522,736	\$237,540,280	\$472,063,016	

Language and Statutory Authority

All appropriations for Probation and Parole Division, Secure Custody Facilities, and Clinical Services are biennial.

If, through the Legislative Audit Division process for establishing performance audits, a performance audit for Department of Corrections evidence-based programs is prioritized, the Legislative Audit Division shall contract with an educational organization that has appropriate subject matter expertise to provide specialist services as part of the audit.

It is the intent of the legislature that offender placement be based on a risk and needs score and offender risk to the community. The department may not place offenders based on an ASAM score and shall primarily rely on the risk and needs assessment and the underlying offense when placing offenders.

It is the intent of the legislature that the department "pre-screen" offenders for an appropriate correctional placement. The department shall provide a sentencing recommendation to the court that is based on the risk and needs evaluation of the offender and considers input from the other interested parties and the underlying offense. It is the intent of the legislature that these sentencing recommendations do not bind the judicial branch.

It is the intent of the legislature to utilize all community-based residential and nonresidential options and treatment program placements. The department is authorized to expand program capacity up to 10% over contract maximums to fulfill this mandate and may use existing resources from all bureaus to fulfill this intent.

The Director's Office contingency funding may be expended only after the budget director certifies that county jail holds are maintained at a monthly average of 250 or less for the previous 18 months.

Jail hold rates include funding to house inmates in county jails. It is the intent of the legislature that the Department of Corrections pay no more than \$69.63 for each day in fiscal year 2022 and 2023 to house inmates in county jails.

The Department of Corrections Director's Office is reduced by \$1,956,193 in general fund in FY 2022 and \$1,957,315 in FY 2023, \$127,635 in state special revenue in FY 2022 and \$127,670 in FY 2023, and \$13,507,265 in federal special revenue in FY 2022 and \$13,507,578 in FY 2023 supporting 17.50 FTE and \$1,690,654 in personal services in FY 2022 and \$1,694,849 in FY 2023, \$1,016,318 in operating expenses in FY 2022 and \$1,013,593 in FY 2023, \$12,909 in equipment and intangible assets in FY 2022 and \$12,909 in FY 2023, \$9,985,395 in grants in FY 2022 and \$9,985,395 in FY 2023, and \$2,885,817 in transfers in FY 2022 and \$2,885,817 in FY 2023 to comply with the requirements of SB 19.

If HB 553 is not passed and approved, the Probation and Parole Division general fund is increased by \$173,039 in FY 2022 and \$162,889 in FY 2023 and the Department of Corrections may increase full-time equivalent positions authorized in HB 2 by 2.00 FTE.

The Miscellaneous Fines and Fees state special revenue fund in the Department of Corrections is eligible to be amended under 17-7-402(1)(a)(xii), MCA into the 2023 biennium budget.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	20,772,794	21,480,713	707,919	3.41 %
Operating Expenses	15,359,230	17,162,151	1,802,921	11.74 %
Equipment & Intangible Assets	35,794	25,818	(9,976)	(27.87)%
Grants	22,250,126	19,970,790	(2,279,336)	(10.24)%
Transfers	8,448,591	5,971,634	(2,476,957)	(29.32)%
Total Expenditures	\$66,866,535	\$64,611,106	(\$2,255,429)	(3.37)%
General Fund	34,172,891	36,086,636	1,913,745	5.60 %
State/Other Special Rev. Funds	1,188,120	1,207,195	19,075	1.61 %
Federal Spec. Rev. Funds	31,278,718	27,028,289	(4,250,429)	(13.59)%
Proprietary Funds	226,806	288,986	62,180	27.42 %
Total Funds	\$66,866,535	\$64,611,106	(\$2,255,429)	(3.37)%
Total Ongoing	\$66,866,535	\$64,713,173	(\$2,153,362)	(3.22)%
Total OTO	\$0	(\$102,067)	(\$102,067)	100.00 %

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Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	123.81	123.81	124.81	124.81
Personal Services	10,144,564	10,257,769	10,515,025	10,599,973	10,880,740
Operating Expenses	7,641,307	8,199,040	7,160,190	8,647,648	8,514,503
Equipment & Intangible Assets	22,885	22,885	12,909	12,909	12,909
Grants	10,384,805	12,596,731	9,653,395	9,985,395	9,985,395
Transfers	2,250,059	5,687,774	2,760,817	2,985,817	2,985,817
Total Expenditures	\$30,443,620	\$36,764,199	\$30,102,336	\$32,231,742	\$32,379,364
General Fund	16,997,569	17,233,150	16,939,741	17,967,852	18,118,784
State/Other Special Rev. Funds	526,319	589,062	599,058	603,785	603,410
Federal Spec. Rev. Funds	12,806,329	18,828,584	12,450,134	13,513,988	13,514,301
Proprietary Funds	113,403	113,403	113,403	146,117	142,869
Total Funds	\$30,443,620	\$36,764,199	\$30,102,336	\$32,231,742	\$32,379,364
Total Ongoing	\$30,443,620	\$36,764,199	\$30,102,336	\$32,408,809	\$32,304,364
Total OTO	\$0	\$0	\$0	(\$177,067)	\$75,000

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Funding

The majority of funding for this program comes from both the general fund and federal special revenues. There is a small amount of funding for this program that comes from state special revenues, primarily from fees charged for collection of restitution from offenders. The remaining portion of funding comes from proprietary funds such as prison ranch, industries program, cook chill operation, and license plate production.

Federal special revenues are primarily associated with the new Crime Control Bureau located within the program. This division was a result of the Department of Corrections becoming responsible for the Montana Board of Crime Control during the 2019 biennium per HB 650 of the 2017 Legislature. These federal funds are primarily administered through federal grants and are used as pass-through funds that go to state and local agencies.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	16,939,741	16,939,741	33,879,482	93.88 %	30,102,336	30,102,336	60,204,672	93.18 %
SWPL Adjustments	1,232,288	1,131,153	2,363,441	6.55 %	1,417,177	1,315,486	2,732,663	4.23 %
PL Adjustments	47,890	47,890	95,780	0.27 %	900,890	900,890	1,801,780	2.79 %
New Proposals	(252,067)	0	(252,067)	(0.70)%	(188,661)	60,652	(128,009)	(0.20)%
Total Budget	\$17,967,852	\$18,118,784	\$36,086,636		\$32,231,742	\$32,379,364	\$64,611,106	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----				-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(70,971)	5,432	142,618	77,079	0.00	(45,419)	5,467	145,685	105,733
DP 2 - Fixed Costs	0.00	1,359,736	4,278	0	1,397,941	0.00	1,229,696	3,868	0	1,264,242
DP 3 - Inflation Deflation	0.00	(8,979)	0	0	(8,979)	0.00	(5,632)	0	0	(5,632)
DP 4 - Service Now Reduction	0.00	(27,110)	0	0	(27,110)	0.00	(27,110)	0	0	(27,110)
DP 50 - SWPLA Fixed Cost Reductions	0.00	(47,498)	(153)	0	(48,864)	0.00	(47,492)	(153)	0	(48,857)
DP 6411002 - Increase Federal Special Revenue Authority	0.00	0	0	853,000	853,000	0.00	0	0	853,000	853,000
DP 6411003 - Evidence Based Practices Training (SB59) (OTO)	0.00	75,000	0	0	75,000	0.00	75,000	0	0	75,000
Grand Total All Present Law Adjustments	0.00	\$1,280,178	\$9,557	\$995,618	\$2,318,067	0.00	\$1,179,043	\$9,182	\$998,685	\$2,216,376

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

DP 1 - Personal Services -

The legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Service Now Reduction -

The legislature approved a decrease in funding because of the purchase of ServiceNow licenses and programs for the 2023 biennium. The operating budget is requested to decrease by \$27,110 for FY 2022 and \$27,110 for FY 2023.

DP 50 - SWPLA Fixed Cost Reductions -

The legislature reduced fixed costs for warehouses, storage rooms, and information technology.

DP 6411002 - Increase Federal Special Revenue Authority -

The legislature approved an increase of \$1.7 million in biennial federal special revenue authority to bring current authority levels more in line with the grant award levels received by the Montana Board of Crime Control (MBCC) annually. MBCC receives, on average, \$11.5 million to \$19.0 million in annual federal grant award funds to distribute to agencies and organizations within the State of Montana.

DP 6411003 - Evidence Based Practices Training (SB59) (OTO) -

The legislature approved increasing general fund as one-time-only for core correctional practices (CCP) training and continued training for staff in the correctional program checklist (CPC) and the CPC group assessment (CPCGA).

New Proposals -

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 52 - Reduce State Special Revenue	0.00	0	(4,830)	0	(4,830)	0.00	0	(4,830)	0	(4,830)
DP 107 - Director's Office Contingency	0.00	0	0	0	0	0.00	0	0	0	0
DP 5555 - Reduce GF Budget for State Share Holiday OTO	0.00	(252,067)	0	0	(252,067)	0.00	0	0	0	0
DP 6411001 - Federal Grants Accountant	1.00	0	0	68,236	68,236	1.00	0	0	65,482	65,482
Total	1.00	(\$252,067)	(\$4,830)	\$68,236	(\$188,661)	1.00	\$0	(\$4,830)	\$65,482	\$60,652

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

DP 52 - Reduce State Special Revenue -

The legislature approved a reduction in state special revenue of \$4,830 in FY 2022 and \$4,830 in FY 2023.

DP 107 - Director's Office Contingency -

The legislature approved contingency funding in the director's office of \$1.6 million in FY 2022 and \$1.6 million in FY 2023. The Director's Office contingency funding may be expended only after the budget director certifies that county jail holds are maintained at a monthly average of 250 or less for the previous 18 months. Adjustments to the budget result in the overall funding as shown in the present law table reflected as \$0.

DP 5555 - Reduce GF Budget for State Share Holiday OTO -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

DP 6411001 - Federal Grants Accountant -

The legislature approved 1.00 FTE for a federal grant accountant to examine, analyze, and interpret accounting records to prepare financial statements in accordance with federal, state, and state special revenue grant programs from funding administered by the Montana Board of Crime Control. The cost of the FTE will come from federal special revenue funds. The amount includes the salary, benefits, new employee office package, and computer equipment.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	34,164,605	37,006,819	2,842,214	8.32 %
Operating Expenses	118,017,384	124,090,557	6,073,173	5.15 %
Transfers	6,250	12,500	6,250	100.00 %
Debt Service	96,470	96,470	0	0.00 %
Total Expenditures	\$152,284,709	\$161,206,346	\$8,921,637	5.86 %
General Fund	150,038,136	158,958,408	8,920,272	5.95 %
State/Other Special Rev. Funds	2,246,573	2,247,938	1,365	0.06 %
Total Funds	\$152,284,709	\$161,206,346	\$8,921,637	5.86 %
Total Ongoing	\$152,284,709	\$161,751,005	\$9,466,296	6.22 %
Total OTO	\$0	(\$544,659)	(\$544,659)	100.00 %

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Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	251.50	251.50	266.00	266.00
Personal Services	15,486,654	15,780,093	18,384,512	18,209,389	18,797,430
Operating Expenses	56,391,534	56,464,862	61,552,522	62,056,680	62,033,877
Transfers	0	0	6,250	6,250	6,250
Debt Service	48,235	48,235	48,235	48,235	48,235
Total Expenditures	\$71,926,423	\$72,293,190	\$79,991,519	\$80,320,554	\$80,885,792
General Fund	71,107,494	71,169,913	78,868,223	79,196,592	79,761,816
State/Other Special Rev. Funds	818,929	1,123,277	1,123,296	1,123,962	1,123,976
Total Funds	\$71,926,423	\$72,293,190	\$79,991,519	\$80,320,554	\$80,885,792
Total Ongoing	\$71,926,423	\$72,293,190	\$79,991,519	\$80,865,213	\$80,885,792
Total OTO	\$0	\$0	\$0	(\$544,659)	\$0

Page Reference

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Funding

The majority of the program’s funding comes from the general fund. The remaining funding comes from state special

revenues. These state special funds are collected from offenders who are required to pay supervision fees related to probation and parole.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	78,868,223	78,868,223	157,736,446	99.23 %	79,991,519	79,991,519	159,983,038	99.24 %
SWPL Adjustments	(613,604)	(553,019)	(1,166,623)	(0.73)%	(613,604)	(553,019)	(1,166,623)	(0.72)%
PL Adjustments	(30,167)	(30,167)	(60,334)	(0.04)%	(30,167)	(30,167)	(60,334)	(0.04)%
New Proposals	972,140	1,476,779	2,448,919	1.54 %	972,806	1,477,459	2,450,265	1.52 %
Total Budget	\$79,196,592	\$79,761,816	\$158,958,408		\$80,320,554	\$80,885,792	\$161,206,346	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----				-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(581,560)	0	0	(581,560)	0.00	(532,921)	0	0	(532,921)
DP 3 - Inflation Deflation	0.00	(32,044)	0	0	(32,044)	0.00	(20,098)	0	0	(20,098)
DP 4 - Service Now Reduction	0.00	(47,400)	0	0	(47,400)	0.00	(47,400)	0	0	(47,400)
DP 6412005 - Program 02 - Overtime	0.00	17,233	0	0	17,233	0.00	17,233	0	0	17,233
Grand Total All Present Law Adjustments	0.00	(\$643,771)	\$0	\$0	(\$643,771)	0.00	(\$583,186)	\$0	\$0	(\$583,186)

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

DP 1 - Personal Services -

The legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Service Now Reduction -

The legislature approved a decrease in funding because of the purchase of ServiceNow licenses and programs for the 2023 biennium. The operating budget is decreased by \$47,400 for FY 2022 and \$47,400 for FY 2023.

DP 6412005 - Program 02 - Overtime -

The legislature approved an increase in general fund to cover the overtime deficit for the Probation and Parole Division and Programs and Facilities Bureau.

New Proposals -

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 207 - Jail Holds	0.00	0	0	0	0	0.00	0	0	0	0
DP 208 - P&P Officers & PSI Writers	7.00	432,598	0	0	432,598	7.00	407,223	0	0	407,223
DP 211 - Nonprofit Provider Rate Increase	0.00	508,498	666	0	509,164	0.00	518,668	680	0	519,348
DP 212 - 2.00 FTE - PSI Writers	2.00	118,047	0	0	118,047	2.00	108,319	0	0	108,319
DP 213 - 3.00 FTE - Probation & Parole Officers	3.00	259,559	0	0	259,559	3.00	244,334	0	0	244,334
DP 5555 - Reduce GF Budget for State Share Holiday OTO	0.00	(544,659)	0	0	(544,659)	0.00	0	0	0	0
DP 6412001 - 2.50 FTE - Contract Managers - PFB	2.50	198,097	0	0	198,097	2.50	198,235	0	0	198,235
Total	14.50	\$972,140	\$666	\$0	\$972,806	14.50	\$1,476,779	\$680	\$0	\$1,477,459

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

DP 207 - Jail Holds -

The legislature approved creating a line-item for jail holds for \$6,353,738 in general fund in FY 2022 and \$6,353,738 in general fund in FY 2023 in the Probation & Parole Division for the Department of Corrections.

DP 208 - P&P Officers & PSI Writers -

The legislature approved increases in general fund by \$432,598 in FY 2022 and \$407,223 in FY 2023 for the Probation and Parole Division in the Department of Corrections for personal services and operating expenses. The legislature approved increases in general fund by \$314,551 in FY 2022 and \$298,904 in FY 2023 for 5.00 FTE for probation and parole officers in the Probation and Parole Division. The legislature approved increases in general fund by \$118,047 in FY 2022 and \$108,319 in FY 2023 for 2.00 FTE for pre-sentence investigation writers in the Probation and Parole Division.

DP 211 - Nonprofit Provider Rate Increase -

The legislature approved increases in provider rates for nonprofit community corrections in general fund by \$508,498 in FY 2022 and \$518,668 in FY 2023 and state special revenue by \$666 in FY 2022 and \$680 in FY 2023 for personal services, operating expenses, transfers, and debt service in the Probation and Parole Division.

DP 212 - 2.00 FTE - PSI Writers -

The legislature approved increases in general fund by \$118,047 in FY 2022 and \$108,319 in FY 2023 in personal services and operating expenses for 2.00 FTE for presentence investigation writers in the Probation and Parole Division.

DP 213 - 3.00 FTE - Probation & Parole Officers -

The legislature approved increases in general fund of \$259,559 in FY 2022 and \$244,334 in FY 2023 in personal services

and operating expenses for 3.00 FTE for probation and parole officers in the Probation and Parole Division.

DP 5555 - Reduce GF Budget for State Share Holiday OTO -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

DP 6412001 - 2.50 FTE - Contract Managers - PFB -

The legislature approved an additional 2.50 FTE for contract management processes related to community corrections facility contracts.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	101,346,662	104,376,417	3,029,755	2.99 %
Operating Expenses	75,077,770	71,484,508	(3,593,262)	(4.79)%
Equipment & Intangible Assets	459,671	470,704	11,033	2.40 %
Capital Outlay	20,773	41,546	20,773	100.00 %
Benefits & Claims	524,158	979,146	454,988	86.80 %
Transfers	149,100	8,200	(140,900)	(94.50)%
Debt Service	879,348	784,348	(95,000)	(10.80)%
Total Expenditures	\$178,457,482	\$178,144,869	(\$312,613)	(0.18)%
General Fund	177,169,322	175,673,509	(1,495,813)	(0.84)%
State/Other Special Rev. Funds	1,288,160	2,471,360	1,183,200	91.85 %
Total Funds	\$178,457,482	\$178,144,869	(\$312,613)	(0.18)%
Total Ongoing	\$178,457,482	\$179,618,866	\$1,161,384	0.65 %
Total OTO	\$0	(\$1,473,997)	(\$1,473,997)	100.00 %

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Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	728.36	728.36	730.36	730.36
Personal Services	51,123,549	51,123,552	50,223,110	51,390,802	52,985,615
Operating Expenses	40,578,500	40,647,461	34,430,309	35,484,609	35,999,899
Equipment & Intangible Assets	306,819	306,819	152,852	317,852	152,852
Capital Outlay	0	0	20,773	20,773	20,773
Benefits & Claims	34,585	34,585	489,573	489,573	489,573
Transfers	145,000	145,000	4,100	4,100	4,100
Debt Service	486,703	487,174	392,174	392,174	392,174
Total Expenditures	\$92,675,156	\$92,744,591	\$85,712,891	\$88,099,883	\$90,044,986
General Fund	92,068,604	92,096,573	85,072,749	86,864,203	88,809,306
State/Other Special Rev. Funds	606,552	648,018	640,142	1,235,680	1,235,680
Total Funds	\$92,675,156	\$92,744,591	\$85,712,891	\$88,099,883	\$90,044,986
Total Ongoing	\$92,675,156	\$92,744,591	\$85,712,891	\$89,573,880	\$90,044,986
Total OTO	\$0	\$0	\$0	(\$1,473,997)	\$0

Page Reference

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Funding

General fund makes up nearly all of the division’s funding. The remaining funding is made up of state special revenues. The inmate welfare state special revenue fund is used to fund welfare activities for inmates and is comprised of the sales of contraband and confiscated items, as well as proceeds from inmate canteen purchases from the state prison. A little over half of the state special revenue for the inmate welfare fund comes from statutory appropriations. Parental contributions toward the costs of care and interest and income related to Pine Hills school lands primarily make up additional state special revenue and are used for additional support related to direct and non-direct care costs in the Pine Hills Correctional Facility.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	85,072,749	85,072,749	170,145,498	96.85 %	85,712,891	85,712,891	171,425,782	96.23 %
SWPL Adjustments	458,084	584,111	1,042,195	0.59 %	458,084	584,111	1,042,195	0.58 %
PL Adjustments	2,273,176	2,087,676	4,360,852	2.48 %	2,873,176	2,687,676	5,560,852	3.12 %
New Proposals	(939,806)	1,064,770	124,964	0.07 %	(944,268)	1,060,308	116,040	0.07 %
Total Budget	\$86,864,203	\$88,809,306	\$175,673,509		\$88,099,883	\$90,044,986	\$178,144,869	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	472,291	0	0	472,291	0.00	593,020	0	0	593,020
DP 3 - Inflation Deflation	0.00	(14,207)	0	0	(14,207)	0.00	(8,909)	0	0	(8,909)
DP 4 - Service Now Reduction	0.00	(129,498)	0	0	(129,498)	0.00	(129,498)	0	0	(129,498)
DP 6413001 - Increase Laundry, Meal, and MVM Repair Costs	0.00	243,636	0	0	243,636	0.00	243,636	0	0	243,636
DP 6413004 - CSRT Training, Supplies & Equipment	0.00	75,500	0	0	75,500	0.00	55,000	0	0	55,000
DP 6413005 - Facility Maintenance Equipment Replacement	0.00	165,000	0	0	165,000	0.00	0	0	0	0
DP 6413008 - Increase Inmate Workers Maintenance Positions	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
DP 6413009 - Increased Spending Authority IWF	0.00	0	400,000	0	400,000	0.00	0	400,000	0	400,000
DP 6413011 - Increased Authority to Vocational Farm Program	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
DP 6413012 - Program 03 - Overtime	0.00	1,918,538	0	0	1,918,538	0.00	1,918,538	0	0	1,918,538
Grand Total All Present Law Adjustments	0.00	\$2,731,260	\$600,000	\$0	\$3,331,260	0.00	\$2,671,787	\$600,000	\$0	\$3,271,787

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

DP 1 - Personal Services -

The legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Service Now Reduction -

The legislature approved a decrease in funding because of the purchase of ServiceNow licenses and programs for the 2023 biennium. The operating budget is decreased by \$129,498 for FY 2022 and \$129,498 for FY 2023.

DP 6413001 - Increase Laundry, Meal, and MVM Repair Costs -

The legislature approved a \$0.10 per meal increase in FY 2022 and FY 2023 for the Montana State Prison, the WATCH program, and the Riverside Infirmary. This increase will assist the Montana Correctional Enterprises (MCE) food factory with increased operating costs that impact daily operations. This request also includes a 2.0% supply fee increase in FY 2022 and FY 2023 for the Motor Vehicle Maintenance (MVM) Program.

DP 6413004 - CSRT Training, Supplies & Equipment -

The legislature approved funding for required equipment and supplies for MSP's correctional special response team (CSRT). The CSRT is trained to respond to security threats and emergency situations at the facility. The request includes \$75,000 in FY 2022 and \$55,000 in FY 2023 for safety equipment, training on lethal and non-lethal security tactics, and supplies.

DP 6413005 - Facility Maintenance Equipment Replacement -

The legislature approved the ability of the agency to prioritize purchase of a replacement dump truck or road grader (or both) for the MSP facility within a budget of \$165,000 general fund in FY 2022.

DP 6413008 - Increase Inmate Workers Maintenance Positions -

The legislature approved an increase the number of inmate worker positions. Increased inmate population requires additional workers to work in facility positions, including food service, maintenance, infirmary and unit maintenance. In addition, there are more extensive cleaning requirements due to COVID-19 and the need to keep common areas clean and sanitized to ensure COVID-19 and other viruses are not transmitted between inmates.

DP 6413009 - Increased Spending Authority IWF -

The legislature approved additional spending authority for the inmate welfare fund (IWF). The additional authority will be used for additional inmate worker positions, additional recreational equipment, increase in release assistance due to a higher prison population and other items that benefit the inmate population.

DP 6413011 - Increased Authority to Vocational Farm Program -

The legislature approved increased spending authority for the newly established Vocational Farm Program at Pine Hills. The spending authority will be utilized for the farm to cover the additional cost of farm supplies.

DP 6413012 - Program 03 - Overtime -

The legislature approved funding for additional overtime costs experienced at secure facilities. Secure facilities has been

approved for \$1,918,538 in overtime costs each year of the biennium. This includes overtime at Montana State Prison, Montana Women’s Prison, and Pine Hills Facility.

New Proposals -

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 52 - Reduce State Special Revenue	0.00	0	(4,462)	0	(4,462)	0.00	0	(4,462)	0	(4,462)
DP 209 - For Profit Provider Per Diem (Restricted)	0.00	237,170	0	0	237,170	0.00	651,098	0	0	651,098
DP 210 - Regional Prison Per Diem Increase (Restricted)	0.00	134,962	0	0	134,962	0.00	262,725	0	0	262,725
DP 5555 - Reduce GF Budget for State Share Holiday OTO	0.00	(1,473,997)	0	0	(1,473,997)	0.00	0	0	0	0
DP 6413006 - 2.0 FTE - Contract Facility Disciplinary Officers	2.00	162,059	0	0	162,059	2.00	150,947	0	0	150,947
Total	2.00	(\$939,806)	(\$4,462)	\$0	(\$944,268)	2.00	\$1,064,770	(\$4,462)	\$0	\$1,060,308

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

DP 52 - Reduce State Special Revenue -

The legislature approved a reduction in state special revenue of \$4,462 in FY 2022 and \$4,462 in FY 2023.

DP 209 - For Profit Provider Per Diem (Restricted) -

The legislature approved increases in general fund by \$237,170 in FY 2022 and \$651,098 in FY 2023 for operating expenses to support an increase in the per diem paid to the Crossroads Correctional Center in Shelby.

DP 210 - Regional Prison Per Diem Increase (Restricted) -

The legislature approved increases in general fund by \$397,687 over the biennium for operating expenses to support a 1.5% increase in the per diem paid to the Cascade and Dawson regional prisons.

DP 5555 - Reduce GF Budget for State Share Holiday OTO -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

DP 6413006 - 2.0 FTE - Contract Facility Disciplinary Officers -

The legislature provided 2.00 FTE to provide consistent grievance and disciplinary processes at DOC contracted facilities. Crossroads Correctional Center (CCC) in Shelby would receive 1.00 FTE; 0.50 FTE for a hearing's officer position, and 0.50 FTE for a grievance coordinator position. Dawson County and Cascade County Correctional Facilities are smaller facilities and duties of grievance and hearing's officers can be combined, therefore, requiring only 0.50 FTE per facility.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	3,754,550	4,150,833	396,283	10.55 %
Operating Expenses	6,767,749	7,263,326	495,577	7.32 %
Equipment & Intangible Assets	43,054	0	(43,054)	(100.00)%
Transfers	318,766	470,234	151,468	47.52 %
Total Expenditures	\$10,884,119	\$11,884,393	\$1,000,274	9.19 %
General Fund	4,132,435	4,432,709	300,274	7.27 %
State/Other Special Rev. Funds	6,751,684	7,451,684	700,000	10.37 %
Total Funds	\$10,884,119	\$11,884,393	\$1,000,274	9.19 %
Total Ongoing	\$10,884,119	\$11,933,456	\$1,049,337	9.64 %
Total OTO	\$0	(\$49,063)	(\$49,063)	100.00 %

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Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	27.50	27.50	27.50	27.50
Personal Services	1,785,056	1,785,054	1,969,496	2,048,705	2,102,128
Operating Expenses	3,486,087	3,486,086	3,281,663	3,631,663	3,631,663
Equipment & Intangible Assets	43,054	43,054	0	0	0
Transfers	83,649	83,649	235,117	235,117	235,117
Total Expenditures	\$5,397,846	\$5,397,843	\$5,486,276	\$5,915,485	\$5,968,908
General Fund	2,022,004	2,022,001	2,110,434	2,189,643	2,243,066
State/Other Special Rev. Funds	3,375,842	3,375,842	3,375,842	3,725,842	3,725,842
Total Funds	\$5,397,846	\$5,397,843	\$5,486,276	\$5,915,485	\$5,968,908
Total Ongoing	\$5,397,846	\$5,397,843	\$5,486,276	\$5,964,548	\$5,968,908
Total OTO	\$0	\$0	\$0	(\$49,063)	\$0

Page Reference

LFD Budget Analysis D-135

Funding

General fund and state special revenue are both sources of the division’s HB 2 funding while non-budgeted proprietary funds

make up the remaining funding. The primary use of general fund is for personal services related to the inmate canteen and inmate vocational education functions. Non-budgeted proprietary funds such as license plate productions, prison ranch, and cook chill operations make up the largest portion of funding. Remaining program funding is received through state special revenue from the inmate canteen state special service fund. Revenues are derived from the sale of products to inmates and are paid by inmates through inmate wages and money received from family members.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	
2021 Base Budget	2,110,434	2,110,434	4,220,868	95.22 %	5,486,276	5,486,276	10,972,552	92.33 %	
SWPL Adjustments	117,872	122,232	240,104	5.42 %	117,872	122,232	240,104	2.02 %	
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %	
New Proposals	(38,663)	10,400	(28,263)	(0.64)%	311,337	360,400	671,737	5.65 %	
Total Budget	\$2,189,643	\$2,243,066	\$4,432,709		\$5,915,485	\$5,968,908	\$11,884,393		

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	117,872	0	0	117,872	0.00	122,232	0	0	122,232
Grand Total All Present Law Adjustments	0.00	\$117,872	\$0	\$0	\$117,872	0.00	\$122,232	\$0	\$0	\$122,232

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

DP 1 - Personal Services -

The legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

New Proposals -

The New Proposals table shows new changes to spending

New Proposals										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday OTO	0.00	(49,063)	0	0	(49,063)	0.00	0	0	0	0
DP 6414001 - Increased Spending Authority in Canteen	0.00	0	350,000	0	350,000	0.00	0	350,000	0	350,000
DP 6414003 - Program 04 - Overtime	0.00	10,400	0	0	10,400	0.00	10,400	0	0	10,400
Total	0.00	(\$38,663)	\$350,000	\$0	\$311,337	0.00	\$10,400	\$350,000	\$0	\$360,400

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

DP 5555 - Reduce GF Budget for State Share Holiday OTO -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

DP 6414001 - Increased Spending Authority in Canteen -

The legislature approved spending authority to cover the costs of commissary items purchased by inmates. Authority will only be used if there is adequate cash flow and if it is needed to purchase additional commissary items ordered by inmates in Montana owned and contracted correctional facilities.

DP 6414003 - Program 04 - Overtime -

The legislature approved \$10,400 each year to cover overtime costs in the HB 2 portion of the division.

Other Issues -

MSP Institutional Industries – Fund 06034

Expenses

Personal service expenses are used to fund 21.13 FTE. Operating expenses make up the largest portion of expenditures and are mostly used for items such as merchandise, sewing/embroidered clothing, manufacturing hardwood/plywood, and shop supplies.

Revenues

The Industries Program derives revenues from the sale of products (primarily furniture) and services such as laundry. Prices for manufactured products are set utilizing current market values and take into account cost of materials, overhead, and capital outlay.

Funding Sources

Some revenue received by the program comes indirectly from the state's general fund and other special revenue and proprietary funds due to large portions of revenues resulting from business done with agencies statewide. These funds come in undeterminable amounts.

Proprietary Rates

Revenues for all industries programs are based on customer orders, inventory levels, available customer budgets and customer satisfaction. Although the Industries Program is an enterprise fund, the agency has historically requested a rate approval for laundry, as the rate directly affects several customers who are general funded. The legislature approved a \$.08 per pound rate increase for the 2023 biennium in conjunction with the long-range building maintenance project to replace the tunnel washer, conveyor system and associated equipment. The tunnel washer was purchased in 1995 and has gone past its useful life. The \$.08 increase will pay for the debt service associated with the equipment replacement.

Request Rates for Internal Service or Enterprise Funds				
Fee/Rate Information				
	Actuals	Actuals	Budgeted	Budgeted
	FY 20	FY 21	FY 22	FY 23
Fee Description:				
Cost Per Pound Laundry Services	\$ 0.60	\$ 0.60	\$ 0.68	\$ 0.68
Delivery Charge per Pound	\$ -	\$ -	\$ -	\$ -
Montana Development Center	\$ 0.05	\$ 0.05	\$ -	\$ -
Riverside Youth Correctional Facility	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Montana Law Enforcement Academy	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15
Montana Chemical Dependency Corp	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04
START Program	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01
Montana State Hospital	\$ -	\$ -	\$ -	\$ -
University of Montana	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20
Calculated at 67.50 per shared round trip				
The Laundry is a small part of the Industries Enterprise Fund operation. It is not an actual internal service fund. MCE requests rate approval for this operation to allow the general fund customers to request the required appropriation to cover any additional rate increase.				

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.

MCE Food Factory – Fund 06573

Expenses

Personal service expenses are used to fund 22.00 FTE. Operating expenses make up the majority of expenses and are primarily used for bulk food items to sell and to prepare tray meals.

Revenues

The food factory sells bulk food items and tray meals to customers to obtain revenue.

Funding Sources

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

Proprietary Rates

Rates are based on the cost of raw materials, supplies, and other operating expenses. The legislature adopted a \$0.10 increase on base tray hot/cold, base tray hot, detention center trays, and a \$0.04 increase on accessory packages in the 2023 biennium. The legislature approved the rates shown for the Food Service Program.

Request Rates for Internal Service or Enterprise Funds				
Fee/Rate Information				
	Acutals 2020	Actuals 2021	Budgeted 2022	Budgeted 2023
Tray Meal Prices to all customers				
Base Tray-hot/cold	\$ 2.35	\$ 2.35	\$ 2.45	\$ 2.45
Base Tray-hot	\$ 1.22	\$ 1.22	\$ 1.32	\$ 1.32
Detention Center Trays	\$ 2.95	\$ 2.95	\$ 3.05	\$ 3.05
Accessory Package	\$ 0.16	\$ 0.16	\$ 0.20	\$ 0.20
Delivery Charge Per Trayed Meal				
Delivery charge per mile	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50
Delivery charge per hour	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00
Spoilage percentage to all bulk customers	5%	5%	5%	5%
Overhead Charges				
Montana State Prison	90%	90%	90%	90%
Montana State Hospital	10%	10%	10%	10%
Treasure State Correctional Training	0%	0%	0%	0%

Note: 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 and volume of sales to the customer, as a percentage of overall food costs. Delivery is based on actual delivery costs.

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.

Vocational Education (Industries Training) – Fund 06545

Expenses

Expenses include personal service funding for 24.50 FTE as well as various parts to perform repairs and operating costs associated with the various programs.

Revenues

Revenues are derived primarily through repair, maintenance, and restoration work on customer vehicles and equipment, as well as, the sale of products and services in the welding, machining, and metal programs.

Funding Sources

Primary funding supporting payment for services are the ranch proprietary and general funds. Both of these funds support the MSP and are associated with large portions of revenue for the program.

Proprietary Rates

Motor vehicle maintenance rates are based on the costs of parts and a supply charge to cover consumable supplies for auto repairs and labor to perform tasks. The labor charge is based on the cost of civilian and inmate labor and program overhead. There was no request for labor rate increases for the 2023 biennium. The legislature approved the rates shown for the Vocational Education Program.

Request Rates for Internal Service or Enterprise Funds				
Fee/Rate Information				
	Actuals FY 20	Actuals FY 21	Budgeted FY 22	Budgeted FY 22
Fee Description:				
Labor Charge/hour	\$ 28.45	\$ 28.45	\$ 28.45	\$ 28.45
Supply fee as a percentage of actual cost of parts	8%	8%	10%	10%
Note: Parts are sold at cost				

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.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	23,161,615	24,599,879	1,438,264	6.21 %
Operating Expenses	27,106,497	29,347,876	2,241,379	8.27 %
Equipment & Intangible Assets	21,099	0	(21,099)	(100.00)%
Debt Service	41,754	41,754	0	0.00 %
Total Expenditures	\$50,330,965	\$53,989,509	\$3,658,544	7.27 %
General Fund	49,913,165	53,989,509	4,076,344	8.17 %
State/Other Special Rev. Funds	417,800	0	(417,800)	(100.00)%
Total Funds	\$50,330,965	\$53,989,509	\$3,658,544	7.27 %
Total Ongoing	\$50,330,965	\$54,259,904	\$3,928,939	7.81 %
Total OTO	\$0	(\$270,395)	(\$270,395)	100.00 %

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Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	134.00	134.00	139.00	139.00
Personal Services	10,715,730	10,769,010	12,392,605	12,149,496	12,450,383
Operating Expenses	10,973,575	13,481,300	13,625,197	14,682,101	14,665,775
Equipment & Intangible Assets	21,099	21,099	0	0	0
Debt Service	20,877	20,877	20,877	20,877	20,877
Total Expenditures	\$21,731,281	\$24,292,286	\$26,038,679	\$26,852,474	\$27,137,035
General Fund	21,731,281	24,083,386	25,829,779	26,852,474	27,137,035
State/Other Special Rev. Funds	0	208,900	208,900	0	0
Total Funds	\$21,731,281	\$24,292,286	\$26,038,679	\$26,852,474	\$27,137,035
Total Ongoing	\$21,731,281	\$24,292,286	\$26,038,679	\$27,122,869	\$27,137,035
Total OTO	\$0	\$0	\$0	(\$270,395)	\$0

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Funding

General fund provides the majority of the division's funding. The remaining funding comes from state special revenue

collected from inmates to fund a medical co-payment program.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	25,829,779	25,829,779	51,659,558	95.68 %	26,038,679	26,038,679	52,077,358	96.46 %
SWPL Adjustments	(423,111)	(392,421)	(815,532)	(1.51)%	(423,111)	(392,421)	(815,532)	(1.51)%
PL Adjustments	34,315	34,315	68,630	0.13 %	34,315	34,315	68,630	0.13 %
New Proposals	1,411,491	1,665,362	3,076,853	5.70 %	1,202,591	1,456,462	2,659,053	4.93 %
Total Budget	\$26,852,474	\$27,137,035	\$53,989,509		\$26,852,474	\$27,137,035	\$53,989,509	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----				-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(421,837)	0	0	(421,837)	0.00	(391,622)	0	0	(391,622)
DP 3 - Inflation Deflation	0.00	(1,274)	0	0	(1,274)	0.00	(799)	0	0	(799)
DP 4 - Service Now Reduction	0.00	(29,248)	0	0	(29,248)	0.00	(29,248)	0	0	(29,248)
DP 6416003 - Program 06 - Overtime	0.00	63,563	0	0	63,563	0.00	63,563	0	0	63,563
Grand Total All Present Law Adjustments	0.00	(\$388,796)	\$0	\$0	(\$388,796)	0.00	(\$358,106)	\$0	\$0	(\$358,106)

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

DP 1 - Personal Services -

The legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Service Now Reduction -

The legislature approved a decrease in funding because of the purchase of ServiceNow licenses and programs for the 2023 biennium. The operating budget is requested to decrease by \$29,248 for FY 2022 and \$29,248 for FY 2023.

DP 6416003 - Program 06 - Overtime -

The legislature approved \$63,563 per fiscal year to meet overtime costs.

New Proposals -

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 52 - Reduce State Special Revenue	0.00	0	(208,900)	0	(208,900)	0.00	0	(208,900)	0	(208,900)
DP 5555 - Reduce GF Budget for State Share Holiday OTO	0.00	(270,395)	0	0	(270,395)	0.00	0	0	0	0
DP 6416001 - Hepatitis C Treatment Requirements	0.00	1,279,524	0	0	1,279,524	0.00	1,279,524	0	0	1,279,524
DP 6416002 - Additional Medical & Mental Health Services	5.00	402,362	0	0	402,362	5.00	385,838	0	0	385,838
Total	5.00	\$1,411,491	(\$208,900)	\$0	\$1,202,591	5.00	\$1,665,362	(\$208,900)	\$0	\$1,456,462

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

DP 52 - Reduce State Special Revenue -

The legislature approved a reduction in state special revenue in \$208,900 in FY 2022 and \$208,900 in FY 2023.

DP 5555 - Reduce GF Budget for State Share Holiday OTO -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

DP 6416001 - Hepatitis C Treatment Requirements -

The legislature approved an increase in funding to provide hepatitis C treatment to all HCV+ offenders located in secure facilities.

DP 6416002 - Additional Medical & Mental Health Services -

The legislature approved 5.00 FTE to assist with medical, mental health and addiction counseling at Montana State Prison (MSP). The Clinical Services Division requests additional medical and mental health services staff in the following areas: 2.00 FTE for nursing, 1.00 FTE for medical records, 1.00 FTE for a licensed addiction counselor, and 1.00 FTE for a mental health therapist.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison					
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change	
Personal Services	1,733,845	1,855,688	121,843	7.03 %	
Operating Expenses	267,306	371,105	103,799	38.83 %	
Total Expenditures	\$2,001,151	\$2,226,793	\$225,642	11.28 %	
General Fund	2,001,151	2,226,793	225,642	11.28 %	
Total Funds	\$2,001,151	\$2,226,793	\$225,642	11.28 %	
Total Ongoing	\$2,001,151	\$2,245,638	\$244,487	12.22 %	
Total OTO	\$0	(\$18,845)	(\$18,845)	100.00 %	

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Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison						
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023	
FTE	0.00	9.00	9.00	10.00	10.00	
Personal Services	829,976	829,977	903,868	915,646	940,042	
Operating Expenses	82,600	83,153	184,153	186,952	184,153	
Total Expenditures	\$912,576	\$913,130	\$1,088,021	\$1,102,598	\$1,124,195	
General Fund	912,576	913,130	1,088,021	1,102,598	1,124,195	
Total Funds	\$912,576	\$913,130	\$1,088,021	\$1,102,598	\$1,124,195	
Total Ongoing	\$912,576	\$913,130	\$1,088,021	\$1,121,443	\$1,124,195	
Total OTO	\$0	\$0	\$0	(\$18,845)	\$0	

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Funding

General fund provides all of the division’s funding.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	1,088,021	1,088,021	2,176,042	97.72 %	1,088,021	1,088,021	2,176,042	97.72 %
SWPL Adjustments	(81,097)	(75,631)	(156,728)	(7.04)%	(81,097)	(75,631)	(156,728)	(7.04)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	95,674	111,805	207,479	9.32 %	95,674	111,805	207,479	9.32 %
Total Budget	\$1,102,598	\$1,124,195	\$2,226,793		\$1,102,598	\$1,124,195	\$2,226,793	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(81,097)	0	0	(81,097)	0.00	(75,631)	0	0	(75,631)
DP 3 - Inflation Deflation	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	(\$81,097)	\$0	\$0	(\$81,097)	0.00	(\$75,631)	\$0	\$0	(\$75,631)

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

DP 1 - Personal Services -

The legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

New Proposals -

The New Proposals table shows new changes to spending

New Proposals										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday OTO	0.00	(18,845)	0	0	(18,845)	0.00	0	0	0	0
DP 6417001 - 1.0 FTE - Program Manager	1.00	114,519	0	0	114,519	1.00	111,805	0	0	111,805
Total	1.00	\$95,674	\$0	\$0	\$95,674	1.00	\$111,805	\$0	\$0	\$111,805

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

DP 5555 - Reduce GF Budget for State Share Holiday OTO -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings

generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

DP 6417001 - 1.0 FTE - Program Manager -

The legislature provided 1.00 FTE for a program manager to handle day-to-day operations of the board and office, and supervise staff for the Board of Pardons and Parole.