

Agency Biennium Comparison

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

Agency Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	184,934,071	200,456,019	15,521,948	8.39 %
Operating Expenses	242,595,936	251,550,401	8,954,465	3.69 %
Equipment & Intangible Assets	559,618	661,522	101,904	18.21 %
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	\$481,044,564	\$20,219,603	4.39 %
General Fund	417,427,100	440,938,365	23,511,265	5.63 %
State/Other Special Rev. Funds	11,892,337	13,794,476	1,902,139	15.99 %
Federal Spec. Rev. Funds	31,278,718	26,084,917	(5,193,801)	(16.60)%
Proprietary Funds	226,806	226,806	0	0.00 %
Total Funds	\$460,824,961	\$481,044,564	\$20,219,603	4.39 %
Total Ongoing	\$460,824,961	\$481,044,564	\$20,219,603	4.39 %
Total OTO	\$0	\$0	\$0	0.00 %

Mission Statement

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

Agency Highlights

Department of Corrections Major Budget Highlights
<p>The Department of Corrections 2023 biennium budget is \$20.2 million or 4.4% higher than the 2021 biennium. Significant changes include:</p> <ul style="list-style-type: none"> • Personal services increase from the FY 2021 base by \$2.6 million in general fund for statewide present law adjustments • Hep C treatment to HCV+ offenders located in secure facilities costs \$5.1 million • Overtime at a cost of \$4.0 million • Probation and parole officers at the cost of \$1.8 million and 15.00 FTE over the biennium • Medical, mental health and addiction counseling at Montana State Prison is included at a cost of \$0.9 million and 6.00 FTE • Contract managers at the cost of \$0.8 million and 5.00 FTE over the biennium • Pre-sentence investigation writers at the cost of \$0.8 million and 7.00 FTE over the biennium • Contract facility disciplinary officers at \$0.5 million and 4.00 FTE

Agency Actuals and Budget Comparison

The following table compares the last full fiscal year actuals, previous biennium appropriations by year, and current annual biennium budget request by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	1,274.17	1,274.17	1,313.17	1,313.17
Personal Services	90,085,529	90,545,455	94,388,616	100,106,306	100,349,713
Operating Expenses	119,153,603	122,361,902	120,234,034	125,849,523	125,700,878
Equipment & Intangible Assets	393,857	393,857	165,761	495,761	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	\$240,639,901	\$240,404,663
General Fund	204,839,528	207,518,153	209,908,947	220,585,425	220,352,940
State/Other Special Rev. Funds	5,327,642	5,945,099	5,947,238	6,897,238	6,897,238
Federal Spec. Rev. Funds	12,806,329	18,828,584	12,450,134	13,043,835	13,041,082
Proprietary Funds	113,403	113,403	113,403	113,403	113,403
Total Funds	\$223,086,902	\$232,405,239	\$228,419,722	\$240,639,901	\$240,404,663
Total Ongoing	\$223,086,902	\$232,405,239	\$228,419,722	\$240,639,901	\$240,404,663
Total OTO	\$0	\$0	\$0	\$0	\$0

Agency Discussion

Agency Summary

The Department of Corrections (DOC) is charged with efficiently utilizing state resources to develop and maintain comprehensive adult and youth corrections services. The primary responsibility of DOC is to house and/or provide services to adults and youth who are sentenced to DOC or one of the facilities it operates. DOC is also responsible for parole and adult probation and parole functions. However, juvenile probation and parole services are part of the District Court Operations Program within the Judicial Branch. The Department of Corrections provides services through the operation of state institutions, with state employees and the purchase of incarceration and other services (such as community-based residential treatment programs) via contracts with local governments and private not-for-profit and for-profit businesses throughout the state. Costs and changes to the costs of the department are generally driven by several factors:

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

FY 2020 Appropriation Compared to FY 2020 Actual Expenditures

The Department of Correction's \$232.4 million HB 2 modified budget was 96.0% expended, leaving \$9.3 million in unspent authority. Part of unspent authority, \$2.2 million, was in grants, and primarily for federal grants from the Victims of Crime Act (VOCA). These federal grants are biennial and unspent authority in FY 2020 can be used in FY 2021. Personal services were 99.5% expended, while operating expenses were 97.4% expended. Operating expenses had \$3.2 million in unspent authority, of which \$2.5 million was found in clinical services. Clinical services is a biennial appropriation, so the majority of unspent authority can be used in FY 2021.

Equipment and intangible assets and benefits and claims were both 100.0% expended at fiscal year-end. Transfers out was 41.9% expended and had a fund balance of \$3.4 million at fiscal year-end with the majority of unspent authority in federal funding. Debt service was 99.9% expended for FY 2020.

FY 2020 Appropriations Compared to FY 2021 Appropriations

The percentage change from FY 2020 appropriations to FY 2021 appropriations is a decrease of 1.7%. This is due to a decrease of grants and transfers out from FY 2020 to FY 2021.

Comparison of FY 2021 Legislative Budget to FY 2021 Base

Figure 1 illustrates the beginning FY 2021 budget as adopted by the 2019 Legislature compared to the finalized FY 2021 base budget, which included modifications as approved by the executive during the interim. The FY 2021 base budget was agreed upon by the executive and legislative branches to be the point from which any changes would be recorded for the 2023 biennium budgeting process.

Figure 1

FY 2021 Legislative Appropriations - Department of Corrections				
	Legislative Action	Executive Modifications per Statutory Authority	Executive Base	% Change from Legislative Action
01 ADMINISTRATIVE SUPPORT SRVCS				
61000 Personal Services	10,534,046	(19,021)	10,515,025	-0.2%
62000 Operating Expenses	7,460,190	(300,000)	7,160,190	-4.0%
63000 Equipment & Intangible Assets	12,909	-	12,909	0.0%
66000 Grants	9,653,395	-	9,653,395	0.0%
68000 Transfers-out	2,660,817	100,000	2,760,817	3.8%
01 ADMINISTRATIVE SUPPORT SRVCS Total	30,321,357	(219,021)	30,102,336	-0.7%
02 PROBATION & PAROLE DIVISION				
61000 Personal Services	18,455,618	(71,106)	18,384,512	-0.4%
62000 Operating Expenses	61,352,522	200,000	61,552,522	0.3%
68000 Transfers-out	6,250	-	6,250	0.0%
69000 Debt Service	48,235	-	48,235	0.0%
02 PROBATION & PAROLE DIVISION Total	79,862,625	128,894	79,991,519	0.2%
03 SECURE CUSTODY FACILITIES				
61000 Personal Services	51,413,401	(1,190,291)	50,223,110	-2.3%
62000 Operating Expenses	34,430,309	-	34,430,309	0.0%
63000 Equipment & Intangible Assets	152,852	-	152,852	0.0%
64000 Capital Outlay	20,773	-	20,773	0.0%
67000 Benefits & Claims	489,573	-	489,573	0.0%
68000 Transfers-out	4,100	-	4,100	0.0%
69000 Debt Service	392,174	-	392,174	0.0%
03 SECURE CUSTODY FACILITIES Total	86,903,182	(1,190,291)	85,712,891	-1.4%
04 MONT CORRECTIONAL ENTERPRISES				
61000 Personal Services	1,846,244	123,252	1,969,496	6.7%
62000 Operating Expenses	3,281,663	-	3,281,663	0.0%
68000 Transfers-out	235,117	-	235,117	0.0%
04 MONT CORRECTIONAL ENTERPRISES Total	5,363,024	123,252	5,486,276	2.3%
06 CLINICAL SERVICES DIVISION				
61000 Personal Services	11,235,439	1,157,166	12,392,605	10.3%
62000 Operating Expenses	13,625,197	-	13,625,197	0.0%
69000 Debt Service	20,877	-	20,877	0.0%
06 CLINICAL SERVICES DIVISION Total	24,881,513	1,157,166	26,038,679	4.7%
07 BOARD OF PARDONS & PAROLE				
61000 Personal Services	903,868	-	903,868	0.0%
62000 Operating Expenses	184,153	-	184,153	0.0%
07 BOARD OF PARDONS & PAROLE Total	1,088,021	-	1,088,021	0.0%
64010 DEPARTMENT OF CORRECTIONS Total	228,419,722	-	228,419,722	0.0%

Administrative Support Services (Director's Office) transferred \$200,000 to Probation and Parole for housing assistance since the program is managed in the Probation and Parole Division. Secure Custody Facilities transferred \$1.2 million to Clinical Services Division as a result of a reorganization within the agency to provide a sex offender treatment unit within the Clinical Services Division.

Montana Correctional Enterprises saw a 6.7% increase in personal services due to grants received and a program transfer to move an additional 1.00 FTE in education from Montana State Prison to Montana Correctional Enterprises.

Executive Request

The executive requests a \$20.2 million or 4.4% increase when compared to the 2021 biennium. Increases include:

- Personal services increase from the base by \$2.6 million in general fund for statewide present law adjustments
- Hep C treatment to HCV+ offenders located in secure facilities costs \$5.1 million
- Overtime at a cost of \$4.0 million
- Probation and parole officers at the cost of \$1.8 million and 15.00 FTE over the biennium
- Contract managers at the cost of \$0.8 million and 5.00 FTE over the biennium
- Pre-sentence investigation writers at the cost of \$0.8 million and 7.00 FTE over the biennium
- Medical, mental health and addiction counseling at Montana State Prison (MSP) is included at a cost of \$0.9 million and 6.00 FTE

5.0% Plan

Statute requires that agencies submit plans to reduce general fund and certain state special revenue funds by 5.0%. A summary of the entire 2023 biennium 5.0% plan submitted for this agency can be found on the [Section D subcommittee page](#) under Tab D "Materials". The Department of Corrections included annual reductions of \$10.2 million in general fund and \$266,000 in state special revenue. The proposal to reduce expenditures in the general fund includes:

- Reduction of \$1.4 million through early release of inmates at Crossroads Correctional Center
- Reduction of \$1.5 million through the early release of inmates in regional facilities
- Decrease of \$1.1 million in the contracted services budget in dental services, tele-psychiatry, and additional nursing and physician staffing
- Decrease in \$2.6 million for the number of available beds in alternative secure facilities
- Additional 6.0% vacancy savings in Probation & Parole at reduction of \$1.1 million
- Additional 6.0% vacancy savings in Secure Facilities at a savings of \$1.6 million

State special revenue reductions include a decrease in the supervision fees appropriation, which is used to fund safety and tactical equipment for probation and parole officers. Reductions would impact the services provided by the Department of Corrections in regional facilities, clinical services, and staffing in Probation & Parole and Secure Facilities.

COVID-19 Budget Interaction

DOC incurred approximately \$6.1 million in expenditures directly related to the COVID-19 pandemic. This included:

- \$2.8 million in probation and parole staff regular and overtime salaries from the beginning of March 2020 through the end of June 2020
- \$1.8 million in differential pay of \$4.50 per hour for regular time and \$6.75 per hour for overtime paid to staff. This was paid to staff in secure settings that could not work from home and probation and parole staff that had to work in the community or had contact with offenders
- \$1.3 million in subsistence payments made to pre-release and treatment facilities. Due to the COVID 19 pandemic, all movement of offenders between state owned and contract facilities was temporarily suspended so as not to potentially spread the virus
- \$264,000 in operating expenses for each program that incurred expenses related to PPE, cleaning/disinfecting, and telework

Department of Corrections was able to recoup some of these expenses under the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding that the Governor's Office granted through the COVID Relief Fund (CRF) . DOC received \$4.3 million from the CRF to cover probation and parole staff regular and overtime salaries, subsistence payments and operating expenses.

Agency Personal Services

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP 1) has been broken down into three categories, as follows:

1. Expected Changes - This category includes those adjustments explicitly approved by the legislature, such as expected changes to annualize personal services costs including FY 2021 statewide pay plan adjustments, changes to benefit rates, and longevity adjustments related to incumbents in each position at the time of the personal services snapshot, plus rate changes for workers' compensation and unemployment insurance.
2. Personal Services Management Decisions - Any agency management decisions that adjusted employee pay. This includes raises or position changes that may increase or reduce a budget, such as hiring FTE at a lower rate to replace retired senior staff, or moving FTE between programs.
3. Modifications to the Personal Services Base Budget - Other modifications to the FY 2021 personal services base like operating plan transfers that occurred during the interim may impact the overall size of the personal services present law adjustment (DP 1)

The figure below shows the analysis of the executive budget for personal services compared to the expected personal services budget for each program.

Figure 2

Personal Services Present Law DP 1 - FY 2022				
Program	Expected Changes	Management Decisions	Budget Modifications	DP1 SWPL
01 ADMINISTRATIVE SUPPORT SERVICES	79,666	216,831	-	296,497
02 PROBATION & PAROLE DIVISION	(164,756)	(48,735)	-	(213,491)
03 SECURE CUSTODY FACILITIES	176,155	700,182	-	876,337
04 MONT CORRECTIONAL ENTERPRISES	(23,696)	182,758	-	159,062
05 YOUTH SERVICES	(216,382)	216,382	-	
06 CLINICAL SERVICES DIVISION	13,780	(198,170)	-	(184,390)
07 BOARD OF PARDONS & PAROLE	(42,795)	(21,162)	-	(63,957)
Agency Total	\$ (178,028)	\$ 1,048,086	\$ -	\$ 870,058

Personal services were \$94.4 million or 41.3% of the agency's fiscal year 2021 appropriation. The agency did not make any budget modifications. In the 2019 legislative session, the budget for Youth Services was eliminated as a stand-alone division. The FTE and the budget were moved to other divisions within the department where services are now being provided and included moving 128.00 FTE into Secure Custody Facilities and 14.00 FTE in Clinical Services Division.

A reorganization to complete a Sex Offender Treatment Unit occurred including the movement of the budget and 16.00 FTE from Secure Custody Facilities to Clinical Services Division. Overall, the Department of Corrections reduced 10.35 FTE in the department in FY 2020 and FY 2021. The majority of management decisions within personal services include broad band pay increases for staff.

Funding

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

Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	440,938,365	0	0	76,328	441,014,693	85.16 %
State Special Total	13,794,476	0	0	1,295,714	15,090,190	2.91 %
Federal Special Total	26,084,917	0	0	0	26,084,917	5.04 %
Proprietary Total	226,806	0	35,470,270	0	35,697,076	6.89 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$481,044,564	\$0	\$35,470,270	\$1,372,042	\$517,886,876	
Percent - Total All Sources	92.89 %	0.00 %	6.85 %	0.26 %		

The Department of Corrections is primarily funded with general fund at approximately 91.7% of HB 2 funds. 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 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	95.21 %	228,419,722	228,419,722	456,839,444	94.97 %
SWPL Adjustments	2,539,969	2,669,149	5,209,118	1.18 %	2,211,071	2,340,251	4,551,322	0.95 %
PL Adjustments	2,757,806	2,662,833	5,420,639	1.23 %	4,210,806	4,115,833	8,326,639	1.73 %
New Proposals	5,378,703	5,112,011	10,490,714	2.38 %	5,798,302	5,528,857	11,327,159	2.35 %
Total Budget	\$220,585,425	\$220,352,940	\$440,938,365		\$240,639,901	\$240,404,663	\$481,044,564	

HB 2 Language

The following language is requested in HB 2:

"All appropriations for Adult Community Corrections, Secure Custody Facilities, and Clinical Services are biennial."

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Agency Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	10,261,517	10,439,026	177,509	1.73 %
Operating Expenses	22,181,181	22,148,182	(32,999)	(0.15)%
Equipment & Intangible Assets	1,149,722	2,396,778	1,247,056	108.47 %
Capital Outlay	70,928	70,928	0	0.00 %
Debt Service	224,985	415,356	190,371	84.61 %
Total Expenditures	\$33,888,333	\$35,470,270	\$1,581,937	4.67 %
Proprietary Funds	33,888,333	35,470,270	1,581,937	4.67 %
Total Funds	\$33,888,333	\$35,470,270	\$1,581,937	4.67 %
Total Ongoing	\$33,888,333	\$35,470,270	\$1,581,937	4.67 %
Total OTO	\$0	\$0	\$0	0.00 %

Mission Statement

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Agency Highlights

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FTE	0.00	70.02	70.02	70.02	70.02
Personal Services	4,842,946	5,323,227	4,938,290	5,197,009	5,242,017
Operating Expenses	10,586,701	11,089,280	11,091,901	11,074,091	11,074,091
Equipment & Intangible Assets	407,077	601,333	548,389	1,848,389	548,389
Capital Outlay	0	35,464	35,464	35,464	35,464
Debt Service	17,306	17,307	207,678	207,678	207,678
Total Expenditures	\$15,854,030	\$17,066,611	\$16,821,722	\$18,362,631	\$17,107,639
Proprietary Funds	15,854,030	17,066,611	16,821,722	18,362,631	17,107,639
Total Funds	\$15,854,030	\$17,066,611	\$16,821,722	\$18,362,631	\$17,107,639
Total Ongoing	\$15,854,030	\$17,066,611	\$16,821,722	\$18,362,631	\$17,107,639
Total OTO	\$0	\$0	\$0	\$0	\$0

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FY 2020 Appropriation Compared to FY 2020 Actual Expenditures

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06 CLINICAL SERVICES DIVISION Total	24,881,513	1,157,166	26,038,679	4.7%
07 BOARD OF PARDONS & PAROLE				
61000 Personal Services	903,868	-	903,868	0.0%
62000 Operating Expenses	184,153	-	184,153	0.0%
07 BOARD OF PARDONS & PAROLE Total	1,088,021	-	1,088,021	0.0%
64010 DEPARTMENT OF CORRECTIONS Total	228,419,722	-	228,419,722	0.0%

Administrative Support Services (Director's Office) transferred \$200,000 to Probation and Parole for housing assistance since the program is managed in the Probation and Parole Division. Secure Custody Facilities transferred \$1.2 million to Clinical Services Division as a result of a reorganization within the agency to provide a sex offender treatment unit within the Clinical Services Division.

Montana Correctional Enterprises saw a 6.7% increase in personal services due to grants received and a program transfer to move an additional 1.00 FTE in education from Montana State Prison to Montana Correctional Enterprises.

Executive Request

The executive requests a \$20.2 million or 4.4% increase when compared to the 2021 biennium. Increases include:

- Personal services increase from the base by \$2.6 million in general fund for statewide present law adjustments
- Hep C treatment to HCV+ offenders located in secure facilities costs \$5.1 million
- Overtime at a cost of \$4.0 million
- Probation and parole officers at the cost of \$1.8 million and 15.00 FTE over the biennium
- Contract managers at the cost of \$0.8 million and 5.00 FTE over the biennium
- Pre-sentence investigation writers at the cost of \$0.8 million and 7.00 FTE over the biennium
- Medical, mental health and addiction counseling at Montana State Prison (MSP) is included at a cost of \$0.9 million and 6.00 FTE

5.0% Plan

Statute requires that agencies submit plans to reduce general fund and certain state special revenue funds by 5.0%. A summary of the entire 2021 biennium 5.0% plan submitted for this agency can be found on the [Section D subcommittee page](#) under Tab D "Materials". The Department of Corrections included annual reductions of \$10.2 million in general fund and \$266,000 in state special revenue. The proposal to reduce expenditures in the general fund includes:

- Reduction of \$1.4 million through early release of inmates at Crossroads Correctional Center
- Reduction of \$1.5 million through the early release of inmates in regional facilities
- Decrease of \$1.1 million in the contracted services budget in dental services, tele-psychiatry, and additional nursing and physician staffing
- Decrease in \$2.6 million for the number of available beds in alternative secure facilities
- Additional 6.0% vacancy savings in Probation & Parole at reduction of \$1.1 million
- Additional 6.0% vacancy savings in Secure Facilities at a savings of \$1.6 million

State special revenue reductions include a decrease in the supervision fees appropriation, which is used to fund safety and tactical equipment for probation and parole officers. Reductions would impact the services provided by the Department of Corrections in regional facilities, clinical services, and staffing in Probation & Parole and Secure Facilities.

COVID-19 Budget Interaction

DOC incurred approximately \$6.1 million in expenditures directly related to the COVID-19 pandemic. This included:

- \$2.8 million in probation and parole staff regular and overtime salaries from the beginning of March 2020 through the end of June 2020
- \$1.8 million in differential pay of \$4.50 per hour for regular time and \$6.75 per hour for overtime paid to staff. This was paid to staff in secure settings that could not work from home and probation and parole staff that had to work in the community or had contact with offenders
- \$1.3 million in subsistence payments made to pre-release and treatment facilities. Due to the COVID 19 pandemic, all movement of offenders between state owned and contract facilities was temporarily suspended so as not to potentially spread the virus
- \$264,000 in operating expenses for each program that incurred expenses related to PPE, cleaning/disinfecting, and telework

Department of Corrections was able to recoup some of these expenses under the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding that the Governor's Office granted through the COVID Relief Fund (CRF) . DOC received \$4.3 million from the CRF to cover probation and parole staff regular and overtime salaries, subsistence payments and operating expenses.

Agency Personal Services

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP 1) has been broken down into three categories, as follows:

1. Expected Changes - This category includes those adjustments explicitly approved by the legislature, such as expected changes to annualize personal services costs including FY 2021 statewide pay plan adjustments, changes to benefit rates, and longevity adjustments related to incumbents in each position at the time of the personal services snapshot, plus rate changes for workers' compensation and unemployment insurance.
2. Personal Services Management Decisions - Any agency management decisions that adjusted employee pay. This includes raises or position changes that may increase or reduce a budget, such as hiring FTE at a lower rate to replace retired senior staff, or moving FTE between programs.
3. Modifications to the Personal Services Base Budget - Other modifications to the FY 2021 personal services base like operating plan transfers that occurred during the interim may impact the overall size of the personal services present law adjustment (DP 1)

The figure below shows the analysis of the executive budget for personal services compared to the expected personal services budget for each program.

Figure 2

Personal Services Present Law DP 1 - FY 2022				
Program	Expected Changes	Management Decisions	Budget Modifications	SWPL 1
01 ADMINISTRATIVE SUPPORT SERVICES	78,770	217,727	-	296,497
02 PROBATION & PAROLE DIVISION	443,223	(656,714)	-	(213,491)
03 SECURE CUSTODY FACILITIES	24,132	852,205	-	876,337
04 MONT CORRECTIONAL ENTERPRISES	(28,301)	187,363	-	159,062
05 YOUTH SERVICES	-	-	-	-
06 CLINICAL SERVICES DIVISION	(22,138)	(162,252)	-	(184,390)
07 BOARD OF PARDONS & PAROLE	(42,794)	(21,163)	-	(63,957)
Agency Total	452,892	417,166	-	870,058

Personal services were \$94.4 million or 41.3% of the agency's fiscal year 2021 appropriation. The agency did not make any budget modifications. In the 2019 legislative session, the budget for Youth Services was eliminated as a stand-alone division. The FTE and the budget were moved to other divisions within the department where services are now being provided and included moving 128.00 FTE into Secure Custody Facilities and 14.00 FTE in Clinical Services Division.

A reorganization to complete a Sex Offender Treatment Unit occurred including the movement of the budget and 16.00 FTE from Secure Custody Facilities to Clinical Services Division. Overall, the Department of Corrections reduced 10.35 FTE in the department in FY 2020 and FY 2021. The majority of management decisions within personal services include broad band pay increases for staff.

Funding

The following table shows proposed 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	0	0	0	76,328	76,328	0.21 %
State Special Total	0	0	0	1,295,714	1,295,714	3.52 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	35,470,270	0	35,470,270	96.28 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$0	\$0	\$35,470,270	\$1,372,042	\$36,842,312	
Percent - Total All Sources	0.00 %	0.00 %	96.28 %	3.72 %		

The Department of Corrections is primarily funded with general fund at approximately 91.7% of HB 2 funds. 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 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	0	0	0	0.00 %	16,821,722	16,821,722	33,643,444	94.85 %
SWPL Adjustments	0	0	0	0.00 %	112,219	157,227	269,446	0.76 %
PL Adjustments	0	0	0	0.00 %	(17,810)	(17,810)	(35,620)	(0.10)%
New Proposals	0	0	0	0.00 %	1,446,500	146,500	1,593,000	4.49 %
Total Budget	\$0	\$0	\$0		\$18,362,631	\$17,107,639	\$35,470,270	