

## Department of Corrections

(Dollars in Thousands)

	GF-S	Other	Total
<b>1999-01 Expenditure Authority</b>	<b>910,616</b>	<b>66,675</b>	<b>977,291</b>
2001 Supplemental *	3,465	-9,594	-6,129
<b>Total 1999-01 Biennium</b>	<b>914,081</b>	<b>57,081</b>	<b>971,162</b>
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<b>2001-03 Maintenance Level</b>	<b>1,048,907</b>	<b>37,735</b>	<b>1,086,642</b>
<b>Policy Changes</b>			
1. Vendor Rate Increase	1,774	0	1,774
2. General Inflation	-5,974	-150	-6,124
3. Tracking System Replacement Phase 2	9,246	3,254	12,500
4. Efficiency and Quality Initiatives	-3,186	0	-3,186
5. Equipment Savings	-1,858	0	-1,858
6. Cost of Incarceration Funds	-5,568	0	-5,568
7. Medical Payments	-831	0	-831
8. Offender Legal Services	-1,192	0	-1,192
9. Correctional Industries	-1,888	0	-1,888
10. Interstate Supervision Compact	60	0	60
11. Sex Offender Sentencing	98	0	98
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<b>Total 2001-03 Biennium</b>	<b>1,039,588</b>	<b>40,839</b>	<b>1,080,427</b>
Fiscal Year 2002 Total	514,013	21,113	535,126
Fiscal Year 2003 Total	525,575	19,726	545,301

**Comments:**

1. **Vendor Rate Increase** - Funding is provided to increase the rates paid to vendors such as education and chemical dependency providers and work release operators by 2.1 percent on July 1, 2001, and an additional 2.3 percent on July 1, 2002.
2. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Other Funds)
3. **Tracking System Replacement Phase 2** - Beginning in the 1999-01 biennium, the Department of Corrections (DOC) initiated a multi-phased project designed to replace its Offender Based Tracking System (OBTS). Funding is provided for the second phase of a project to replace OBTS with the new Offender Management Network Information (OMNI) system, which is expected to improve the Department's reporting capabilities, reduce data entry efforts, and redirect staff time towards offender supervision. The full cost of the OMNI project is estimated to be \$44 million. (General Fund-State, Violence Reduction and Drug Enforcement Account-State)
4. **Efficiency and Quality Initiatives** - Savings are achieved by transferring female youthful offenders to a Juvenile Rehabilitation Administration facility, reducing goods and services expenditures, and reducing facility maintenance activities. Additionally, \$1 million in new small maintenance projects will be funded in the capital budget rather than the operating budget.
5. **Equipment Savings** - Savings are achieved by using a 5-year lease purchase option to replace equipment that has exceeded its life expectancy as well as for facility start-up equipment.
6. **Cost of Incarceration Funds** - The Department's Correctional Industries (CI) program will increase use of the Cost of Incarceration funds. The funds are available due to the settlement of legal issues around the constitutionality of certain kinds of deductions from monies received by inmates from outside sources. (General Fund-State, Correctional Industries Revolving Fund-Non-Appropriated)
7. **Medical Payments** - Funding is adjusted for the Department to reimburse hospitals under the diagnosis-related group reimbursement schedule utilized and maintained by the Department of Social and Health Services.
8. **Offender Legal Services** - DOC contracts with private attorneys and law firms to provide legal counsel to offenders. Also, offenders are currently provided access to staffed law libraries at all institutions with the exception of pre-release and work release facilities. Funding for law libraries is eliminated. The Department will continue to contract with private attorneys and law firms to provide legal counsel to offenders.
9. **Correctional Industries** - The majority of costs associated with CI operations are funded through revenues generated from product sales. Based on updated revenue and sales projections, it is assumed that the Department will increase its utilization of the non-appropriated, non-budgeted Correctional Industries Revolving Account to fund CI inmate

## Department of Corrections

work programs. (General Fund-State, Correctional Industries Revolving Fund-Non-Appropriated)

10. **Interstate Supervision Compact** - Funding is provided for the implementation of Chapter 35, Laws of 2001 (SSB 5118), which enacts a new reciprocal agreement among states for the supervision of offenders.
11. **Sex Offender Sentencing** - Funding is provided for the implementation of Chapter 12, Laws of 2001, 2nd sp.s., (3ESSB 6151 - High-Risk Sex Offenders), which modifies sentencing provisions for certain sex offenders.

\* Please see the 2001 Supplemental Operating Budget Section for additional information.