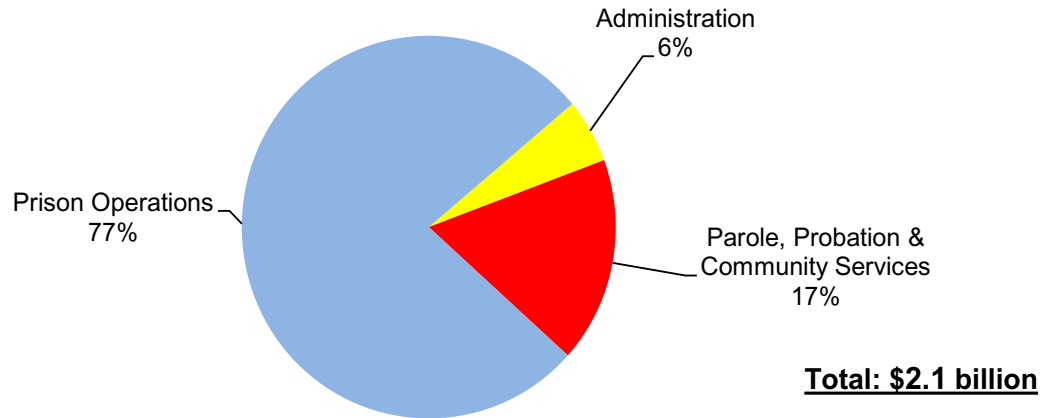


Department of Corrections

The Department of Corrections (MDOC) contributes to public safety by providing custody and care for incarcerated felons while maintaining oversight and supervision of parolees and felony probationers. *The Governor's proposed budget for fiscal years 2013 and 2014 recommends total funding of \$2.1 billion, of which \$2 billion is general fund. In addition, for fiscal year 2013, the Governor proposes total one-time funding of \$14.4 million, of which \$14 million is general fund.*

Nearly 80% of Corrections Costs are in Prison Operations



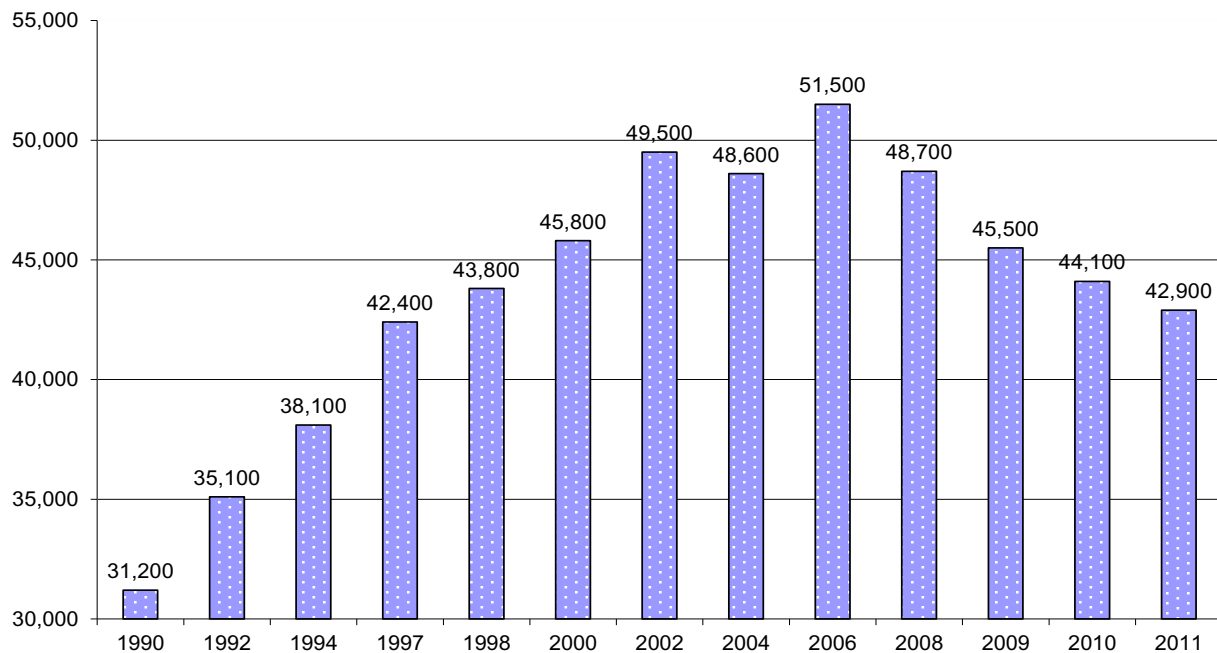
Highlights of the Governor's Budget Recommendation

- The Executive Budget includes \$1.6 billion to operate a safe and secure prison system that currently houses 43,000 prisoners.
- The Governor's budget includes \$357 million in funding for supervision of parolees and felony probationers as well as funding for community programs to provide cost-effective local alternatives to incarceration in the state's prison system.
- As part of a statewide public safety initiative to reduce crime, the Governor recommends an additional \$4.5 million general fund for the Department of Corrections. This investment will provide critical assistance to help fund immediate jail space needs in high crime areas. The funding will be utilized by selected counties to purchase jail space from other counties that have available space. (*MDOC metric 4*)
- The department is seeking to reduce costs for the provision of health care services to prisoners by competitively bidding both physical and mental health services, including the operation of the Woodland Correctional Facility which specializes in services to prisoners with mental health problems. The competitive bidding process has been initiated and, although actual savings are not yet known, it is anticipated that a successful procurement process will result in estimated savings of \$11.1 million general fund in fiscal year 2013. These savings have been assumed in the Governor's budget recommendation.
- The Executive Recommendation includes \$10 million in general fund savings through the elimination of 115 positions in Parole and Probation Services. The total number

of probationers and parolees has dropped by 9 percent in the last two years and this reduction allows for the elimination of these positions.

- As part of the cost effective housing initiative begun this year, the department is undertaking a number of efficiency measures to reduce custody costs. The Executive Recommendation includes savings of \$21.4 million general fund as a result of staffing changes, prisoner clothing savings, technology savings, and other administrative cost savings.
- The Governor’s budget includes \$19.7 million in state restricted funds to enhance safety inside the state’s prisons by updating staff personal protection systems, facility security cameras, and cell phone detection equipment. Investment in this equipment will reduce serious assaults by prisoners on staff or on other prisoners. (*MDOC metrics 2 and 3*)
- The Executive Recommendation adds \$3.5 million general fund for maintenance and upkeep at closed correctional facilities. As prisoner population has dropped and facilities have been closed, the costs to safely maintain these vacant facilities have increased and this funding will be used for the maintenance or demolition of vacant facilities.

Prison Population at Lowest Level Since 1997



**Governor's Recommendation
Department of Corrections
(\$ in Thousands)**

| FY12 Current Law* | | FY13 Recommendation^ | | FY14 Recommendation | |
|----------------------|--------------------------------|-------------------------|---------------|------------------------|---------------|
| GF/GP | All Funds | GF/GP | All Funds | GF/GP | All Funds |
| \$1,950,939.1 | \$2,014,499.4 | \$1,968,182.3 | \$2,050,142.5 | \$2,011,206.5 | \$2,085,246.8 |
| | % Change from Previous Year | 0.9% | 1.8% | 2.2% | 1.7% |

Programs

| | | | | |
|-------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Prison Operations | \$1,525,488.2 | \$1,580,769.0 | \$1,525,052.0 | \$1,571,450.8 |
| Parole, Probation & Community Services | \$339,011.1 | \$357,660.0 | \$339,011.1 | \$357,660.0 |
| Administration | \$103,683.0 | \$111,713.5 | \$147,143.4 | \$156,136.0 |
| * Assumes passage of OPEB supplemental ^ Figures do not include one-time funding | | | | |
| Total Recommendation | \$1,968,182.3 | \$2,050,142.5 | \$2,011,206.5 | \$2,085,246.8 |

One-Time Appropriations

| | | | | |
|--------------------------------------|-------------------|-------------------|--------------|--------------|
| Information Technology Adjustments | \$1,129.5 | \$1,129.5 | | |
| State Employee Lump Sum Payments | \$12,873.8 | \$13,225.9 | | |
| Total One-Time Appropriations | \$14,003.3 | \$14,355.4 | \$0.0 | \$0.0 |