

Q00N00
Maryland Commission on Correctional Standards
Department of Public Safety and Correctional Services

Operating Budget Data

(\$ in Thousands)

	<u>FY 08</u> <u>Actual</u>	<u>FY 09</u> <u>Working</u>	<u>FY 10</u> <u>Allowance</u>	<u>FY 09-10</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$422	\$504	\$532	\$28	5.5%
Contingent & Back of Bill Reductions	0	0	-2	-2	
Adjusted General Fund	\$422	\$504	\$530	\$26	5.2%
Adjusted Grand Total	\$422	\$504	\$530	\$26	5.2%

- The fiscal 2010 increase of \$26,000, or 5.2%, can be largely attributed to growth in personnel expenses and the cost of electricity.

Personnel Data

	<u>FY 08</u> <u>Actual</u>	<u>FY 09</u> <u>Working</u>	<u>FY 10</u> <u>Allowance</u>	<u>FY 09-10</u> <u>Change</u>
Regular Positions	6.00	6.00	6.00	0.00
Contractual FTEs	<u>1.53</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>
Total Personnel	7.53	8.00	8.00	0.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	0.30	5.00%
Positions and Percentage Vacant as of 12/31/08	2.00	33.33%

Note: Numbers may not sum to total due to rounding.

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Analysis in Brief

Major Trends

Facilities with Compliance Plans: For the third consecutive year, the Maryland Commission on Correctional Standards (MCCS) was unsuccessful in meeting its objective to have all places of adult correctional confinement successfully implement commission-approved compliance plans within six months from the date of commission approval. **MCCS should explain why it has struggled to meet this objective since fiscal 2005.**

Issues

Realignment of General Funds via Budget Amendment: MCCS consistently loses at least 10% of its appropriation annually due to the realignment of general funds throughout the Department of Public Safety and Correctional Services (DPSCS). Fulfillment of MCCS' mission is vital to ensuring that Maryland operates an efficient correctional system that emphasizes public safety, employee well-being, and inmate welfare. **To ensure that MCCS has adequate funding to execute this mission, the Department of Legislative Services recommends adding language to restrict the appropriation for MCCS to that agency only and prohibit the transfer of funds to any other agency or program within the DPSCS.**

Recommended Actions

1. Add language restricting funds for the Maryland Commission on Correctional Standards to that agency only.

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Operating Budget Analysis

Program Description

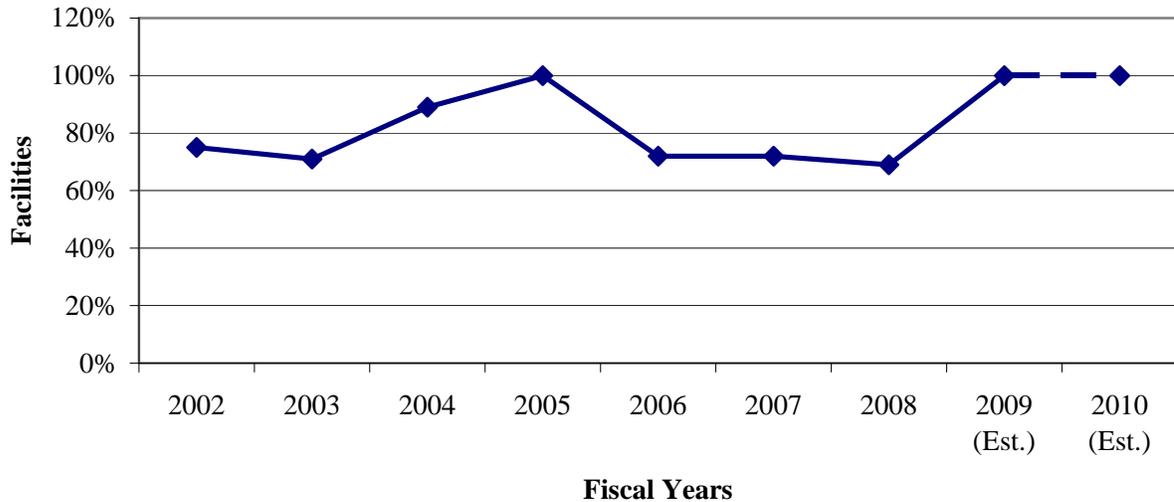
The Maryland Commission on Correctional Standards (MCCS) develops standards and enforces regulations addressing life, health, safety, and constitutional issues for the operation of Maryland's prisons, detention centers, and community correctional centers. Legislation enacted in 1998 requires that the commission also serve as a regulatory licensing authority for private home detention monitoring agencies.

Performance Analysis: Managing for Results

The primary goal of MCCS is good management. MCCS defines this goal as efficiently conducting timely and high quality audits and compliance audits of all adult correctional confinement facilities and private home detention monitoring agencies. Compliance audits are follow-up, on-site visits, which are performed six months after the commission's approval of the initial audit report, to determine if deficiencies have been corrected to bring the institution or agency into full compliance with MCCS standards.

The commission was unsuccessful in meeting its objective to have all places of adult correctional confinement successfully implement commission-approved compliance plans within six months from the date of commission approval. As seen in **Exhibit 1**, there had been progress toward the goal since fiscal 2002, and MCCS finally met the goal of 100% implementation in fiscal 2005. However, the commission was not able to maintain this success rate with only 9 of the 13 compliance plans, or 69%, implemented within six months of commission approval in 2008. The percent of compliance implemented in a timely manner has consistently declined for the past three years. **MCCS should explain why it has struggled to meet this objective since fiscal 2005.**

Exhibit 1
Facilities with Compliance Plans
Implemented within Six Months



Source: Governor's Budget Books, Fiscal 2010

Fiscal 2009 Actions

Impact of Cost Containment

Cost containment actions reduced the fiscal 2009 appropriation by a total of \$15,000. Fringe benefit appropriations were reduced by \$14,000 as Other Post Employment Benefits prefunding was decreased and statewide employee health insurance balances were used in lieu of budgeted funds. The remaining \$1,000 was a reduction in travel expenses.

Proposed Budget

As shown in **Exhibit 2**, the Governor's fiscal 2010 allowance increases by \$26,000, or 5.2%. The increase is largely attributable to personnel expenses, which grow by \$24,000. This includes increases for employee increments, health insurance, and retirement, in addition to lower budgeted turnover expectancy. An across-the-board action eliminating the deferred compensation match reduces the allowance by \$2,000. The agency also receives a \$2,000 increase for electricity expenses.

Exhibit 2
Proposed Budget
DPSCS – Maryland Commission on Correctional Standards
(\$ in Thousands)

How Much It Grows:	General Fund	Total
2009 Working Appropriation	\$504	\$504
2010 Allowance	<u>532</u>	<u>532</u>
Amount Change	\$28	\$28
Percent Change	5.5%	5.5%
Contingent Reductions	-\$2	-\$2
Adjusted Change	\$26	\$26
Adjusted Percent Change	5.2%	5.2%

Where It Goes:

Personnel Expenses

Increments and other compensation.....	\$2
Employee and retiree health insurance	16
Other Post Employment Benefits.....	-1
Employee retirement system.....	3
Elimination of deferred compensation match	-2
Turnover adjustments.....	7
Other fringe benefit adjustments.....	-1

Other Changes

Utilities.....	2
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Total	\$26
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Note: Numbers may not sum to total due to rounding.

Issues

1. Realignment of General Funds via Budget Amendment

The mission of MCCA is to provide citizens of Maryland with an efficient correctional system with an emphasis on public safety, staff well-being, and inmate welfare. The agency does this through the development, promotion, and application of sound correctional principles, procedures, and standards. Consistently, however, the agency loses a significant portion of its annual legislative appropriation due to the realignment of general funds throughout the Department of Public Safety and Correctional Services (DPSCS). **Exhibit 3** shows the difference between the legislative appropriation and the actual expenditures for the agency since fiscal 2005, when MCCA lost 23.8% of its appropriation. Most recently, fiscal 2008 closeout information indicates the agency lost \$93,108, an 18.1% reduction to the appropriation.

Exhibit 3
Maryland Commission on Correctional Standards
Legislative Appropriation versus Actual Expenditures
Fiscal 2005-2008

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Legislative Appropriation	\$477,280	\$511,219	\$479,109	\$515,217
Actual Expenditures	363,478	433,207	425,849	422,109
Difference	-\$113,802	-\$78,012	-\$53,260	-\$93,108
Percentage Difference	-23.8%	-15.3%	-11.1%	-18.1%

Source: Department of Legislative Services

For the past four years, MCCA has lost at least 11.1% of its appropriation. Fulfillment of MCCA's mission is vital to ensuring the proper functioning of Maryland's correctional facilities and home detention monitoring agencies. **To ensure that MCCA has adequate funding to execute the agency's mission, the Department of Legislative Services recommends adding language to restrict the appropriation for MCCA to that agency only and prohibit the transfer of funds to any other agency or program within the DPSCS.**

Recommended Actions

1. Add the following language to the general fund appropriation:

, provided that this funding may only be used for the operating expenses of the Maryland Commission on Correctional Standards. No part of this funding may be transferred, by budget amendment or otherwise, to any other purpose. Funds unexpended at the end of fiscal 2010 shall revert to the general fund.

Explanation: The budget for the Maryland Commission on Correctional Standards (MCCS) has been reduced by at least 11% annually since fiscal 2005, largely due to a realignment of general funds to other agencies within the Department of Public Safety and Correctional Services. Ensuring the compliance with State correctional standards is integral to maintaining safety, security, and proper operations of State correctional facilities; therefore, it is important for MCCS to be adequately funded. This language ensures that funding appropriated for MCCS will remain within this agency, and funds not spent will revert to the general fund.

Current and Prior Year Budgets

Current and Prior Year Budgets Maryland Commission on Correctional Standards (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2008					
Legislative Appropriation	\$515	\$0	\$0	\$0	\$515
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	-93	0	0	0	-93
Cost Containment	0	0	0	0	0
Reversions and Cancellations	0	0	0	0	0
Actual Expenditures	\$422	\$0	\$0	\$0	\$422
Fiscal 2009					
Legislative Appropriation	\$513	\$0	\$0	\$0	\$513
Cost Containment	-15	0	0	0	-15
Budget Amendments	6	0	0	0	6
Working Appropriation	\$504	\$0	\$0	\$0	\$504

Note: Numbers may not sum to total due to rounding.

Fiscal 2008

General fund expenditures for fiscal 2008 totaled approximately \$422,000, a decrease of approximately \$93,000 from the legislative appropriation. A \$100,000 decrease from the realignment of funds for salaries and wages to be consistent with actual turnover was slightly offset by a \$7,000 increase from the fiscal 2008 cost-of-living adjustment (COLA).

Fiscal 2009

The fiscal 2009 working appropriation is \$504,000, a reduction of \$9,000 from the legislative appropriation. A \$15,000 reduction to personnel and travel expenses as a result of cost containment actions is slightly offset by a \$6,000 increase for COLAs.

**Object/Fund Difference Report
DPSCS – Maryland Commission on Correctional Standards**

<u>Object/Fund</u>	<u>FY08 Actual</u>	<u>FY09 Working Appropriation</u>	<u>FY10 Allowance</u>	<u>FY09 - FY10 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	6.00	6.00	6.00	0	0%
02 Contractual	1.53	2.00	2.00	0	0%
Total Positions	7.53	8.00	8.00	0	0%
Objects					
01 Salaries and Wages	\$ 303,149	\$ 378,648	\$ 404,643	\$ 25,995	6.9%
02 Technical and Spec. Fees	55,300	61,318	58,810	-2,508	-4.1%
03 Communication	4,056	3,317	4,395	1,078	32.5%
04 Travel	21,739	22,950	24,400	1,450	6.3%
06 Fuel and Utilities	3,882	2,465	4,658	2,193	89.0%
07 Motor Vehicles	196	150	200	50	33.3%
08 Contractual Services	5,498	6,050	5,704	-346	-5.7%
09 Supplies and Materials	1,915	3,100	3,100	0	0%
13 Fixed Charges	26,374	26,082	26,072	-10	0%
Total Objects	\$ 422,109	\$ 504,080	\$ 531,982	\$ 27,902	5.5%
Funds					
01 General Fund	\$ 422,109	\$ 504,080	\$ 531,982	\$ 27,902	5.5%
Total Funds	\$ 422,109	\$ 504,080	\$ 531,982	\$ 27,902	5.5%

Note: The fiscal 2009 appropriation does not include deficiencies. The fiscal 2010 allowance does not include contingent reductions.