Division of Parole and Probation

Department of Public Safety and Correctional Services

Operating Budget Data

($ in Thousands)

	FY 10 Actual	FY 11 Working	FY 12 Allowance	FY 11-12 Change	% Change Prior Year
General Fund	$87,346	$90,530	$98,385	$7,855	8.7%
Contingent & Back of Bill Reductions	0	0	-1,838	-1,838	
Adjusted General Fund	**$87,346**	**$90,530**	**$96,547**	**$6,017**	**6.6%**
Special Fund	6,608	7,904	7,891	-12	-0.2%
Contingent & Back of Bill Reductions	0	0	-35	-35	
Adjusted Special Fund	**$6,608**	**$7,904**	**$7,856**	**-$47**	**-0.6%**
Federal Fund	7,603	7,381	202	-7,180	-97.3%
Contingent & Back of Bill Reductions	0	0	-23	-23	
Adjusted Federal Fund	**$7,603**	**$7,381**	**$179**	**-$7,203**	**-97.6%**
Reimbursable Fund	317	286	284	-2	-0.9%
Adjusted Reimbursable Fund	**$317**	**$286**	**$284**	**-$2**	**-0.9%**
Adjusted Grand Total	**$101,873**	**$106,102**	**$104,866**	**-$1,235**	**-1.2%**

- Adjusting for the contingent and Back of the Bill reductions, the fiscal 2012 allowance for the Division of Parole and Probation (DPP) decreases by $1.2 million, or 1.2%. General fund growth of $6.0 million, largely for personnel expenses, is offset by a $7.2 million reduction in federal funds, reflecting the need to replace federal stimulus funding that had been used to support ongoing operating expenses in fiscal 2011.

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

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Personnel Data

	FY 10 Actual	FY 11 Working	FY 12 Allowance	FY 11-12 Change
Regular Positions	1,291.00	1,283.00	1,283.00	0.00
Contractual FTEs	83.92	109.52	109.52	0.00
Total Personnel	**1,374.92**	**1,392.52**	**1,392.52**	**0.00**

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	90.32	7.04%
Positions and Percentage Vacant as of 12/31/10	145.50	11.34%

- DPP has 145.5 vacant positions, an excess of 55.2 positions beyond what is needed to meet fiscal 2012 budgeted turnover. Parole and probation agent positions account for 92, or 63%, of these vacancies.

Analysis in Brief

Major Trends

Substance Abuse Treatment Completions and Positive Drug Tests: DPP has implemented a new urinalysis testing policy which has resulted in a slight increase in the number of offenders tested in fiscal 2010 and total tests conducted. The agency has still been able to achieve its goal of not having more than 22% of tests found positive for drug use. With regard to having offenders satisfactorily complete substance abuse treatment, however, the agency has struggled. **DPP should comment on why it has not been able to meet its target in the past two fiscal years, and what is the outcome for the other 56% of cases closed where the offender did not complete treatment.**

Issues

Earned Compliance Credits for Offenders Under Community Supervision: The number of cases under the supervision of DPP has increased nearly 8.5% between fiscal 2006 and 2010. The division is anticipating an increase of more than 3,200 cases in fiscal 2011. Some states, in an effort to reduce crime and generate savings, have established earned compliance credits (ECCs) for offenders under parole and probation supervision. ECCs act as an incentive for offenders to maintain compliance with the terms of supervision in exchange for a reduced supervision period, with the overall impact being decreased supervision caseloads. **The division should comment on the potential impact of implementing ECCs for offenders on parole, probation, or mandatory release supervision. The Department of Legislative Services (DLS) recommends budget bill language reducing the general fund appropriation contingent on enactment of legislation that would provide earned compliance credit for supervised offenders.**

Increased Supervision Fees for Probationers: House Bill 72, the Budget Reconciliation and Financing Act of 2011, includes a provision to increase the supervision fee for probationers from $25 to $50 per month. The Governor's fiscal 2012 allowance assumes an additional $4.0 million in general fund revenue as a result of the fee increase. **DLS estimates that additional general fund revenue resulting from the fee increase will be closer to $2.8 million, as opposed to the $4.0 million estimated in the Governor's allowance. To the extent that the Governor's supervision fee revenue estimates are incorrect, additional revenue sources or savings to the general fund will need to be identified.**

Recommended Actions

		Funds
1.	Add budget bill language to reduce the general fund appropriation contingent on enactment of legislation implementing earned compliance credits.	
2.	Increase turnover expectancy to better reflect the current vacancy rate.	$ 1,521,877
	Total Reductions	**$ 1,521,877**

Updates

Consolidating Office Space: In response to a 2010 *Joint Chairmen's Report* request, DPP conducted an evaluation of office space across the State to identify potential areas for consolidation. Since conducting the review, DPP closed one office, has plans to consolidate space in two other locations, and has obtained space in two State-owned multi-service centers in an effort to reduce lease costs.

Operating Budget Analysis

Program Description

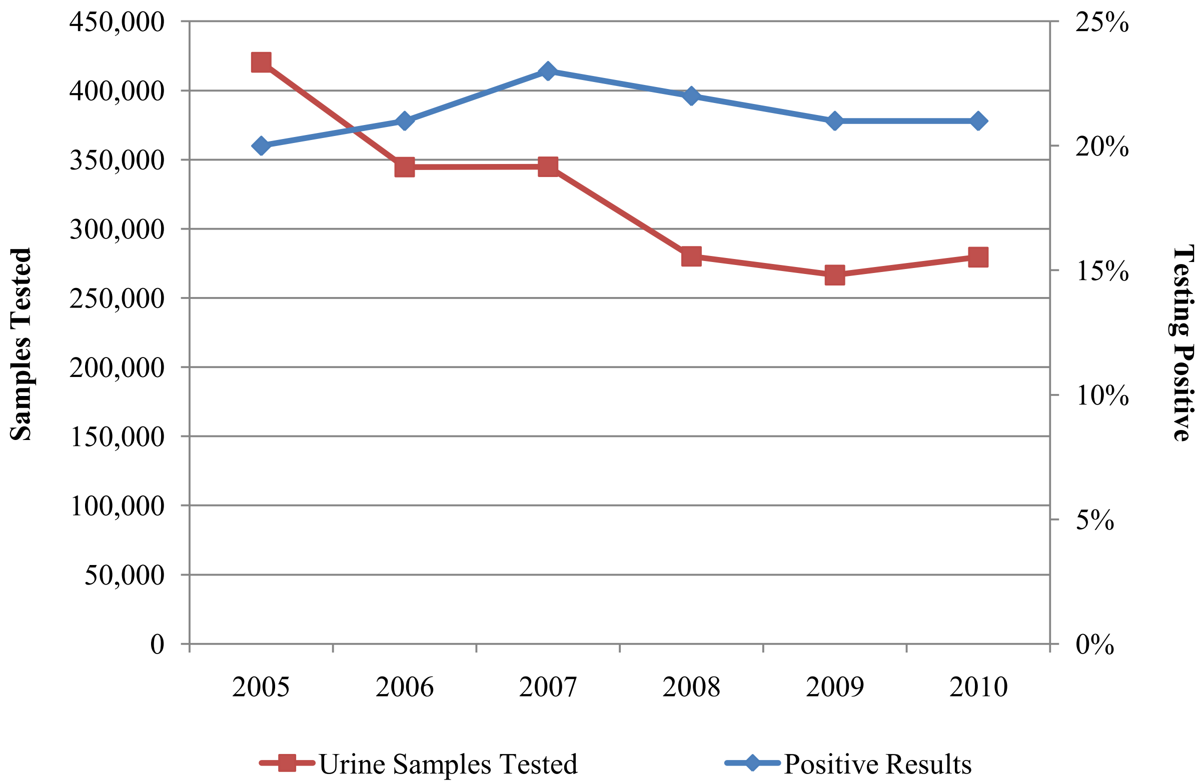
The Division of Parole and Probation (DPP) provides offender supervision and investigation services. DPP's largest workload involves the supervision of probationers assigned to the division by the courts. DPP also supervises inmates released on parole by the parole commission or released from the Division of Correction (DOC) because of mandatory release. Offenders can also be placed under DPP supervision through assignment by drug courts. The Drinking Driver Monitor Program (DDMP) supervises offenders sentenced by the courts to probation for driving while intoxicated or driving under the influence. In addition, in fiscal 2008, the division created the Community Surveillance and Enforcement Program to provide an alternative to incarceration for eligible offenders through the use of electronic monitoring and case management services. This new program includes the Central Home Detention Unit and the Warrant Apprehension Unit. Finally, the Violence Prevention Initiative (VPI), also created in fiscal 2008, is a statewide program to identify offenders whose risk factors and criminal histories indicate a propensity for violence and then to provide those offenders with enhanced supervision.

Performance Analysis: Managing for Results

Through analysis of its VPI, DPP believes it has identified a strong link between violent crime and substance abuse. As a result, it has altered its urinalysis testing policy to require drug testing for all offenders released from incarceration as well as mandatory testing for probationers with special conditions for drug treatment. Supervised offenders are placed into a testing schedule based on risk, and after successful completion of the intensive testing period, an offender is transitioned to a more random testing schedule that remains in effect until case completion or one year following the successful completion of treatment. The outcome of this change in policy has been increased testing because more offenders are required to be tested and the frequency of tests is greater.

As part of its Managing for Results goal to keep Maryland communities safe, DPP aims to limit the percent of positive urinalysis tests to 22.0% or less. The division has managed to achieve this goal in all but one of the past six fiscal years. **Exhibit 1** shows the number of urine samples tested and the percent of samples testing positive since fiscal 2005. The number of samples tested had declined 36.6% from fiscal 2005 through 2009, and since fiscal 2007, the percent of positive test results has also declined, from 23.0% positive in fiscal 2007 to 21.0% in fiscal 2009. Under the new testing policy, the total number of samples tested increased in fiscal 2010 from 266,538 to 279,487 samples; however, the total percent of positive results remained steady at 21.0%.

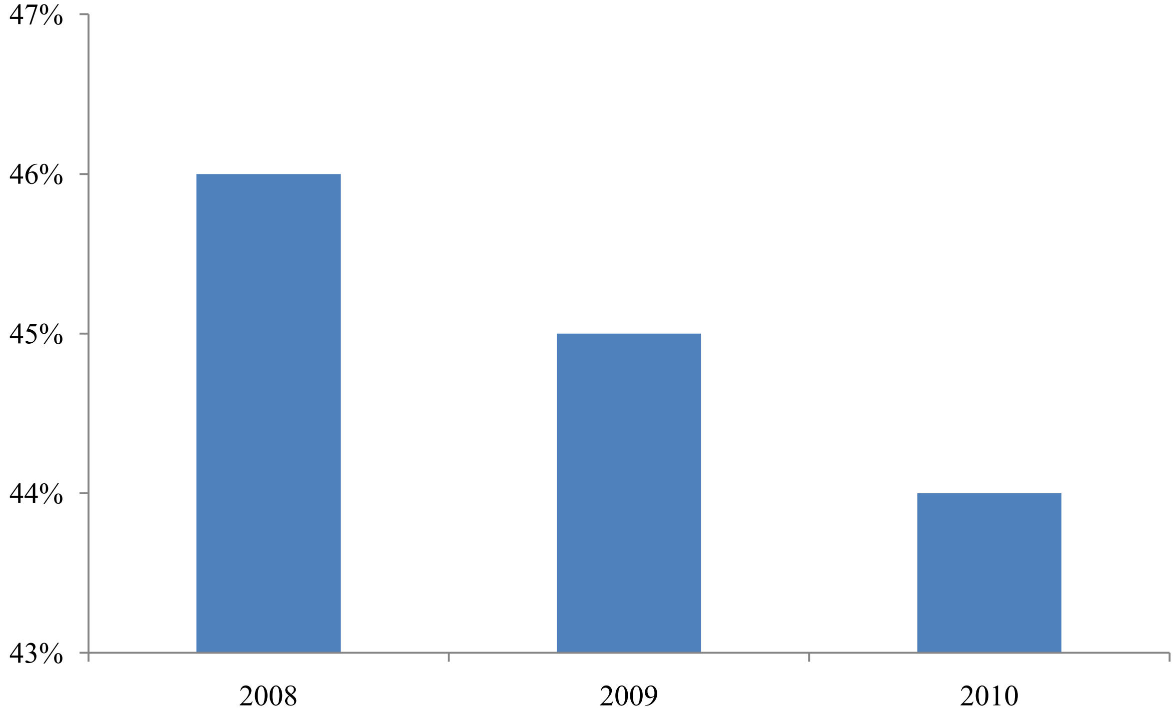
Exhibit 1
Division of Parole and Probation
Urinalysis Testing
Fiscal 2005-2010



Source: Division of Parole and Probation; Governor's Budget Books

Exhibit 2 demonstrates DPP's efforts to have at least 46.0% of cases where an offender was required to complete substance abuse treatment closed with a satisfactory completion of the program. This measure was established for the entire supervision population in fiscal 2008. Since the start of this measure, however, the percent of cases closed with satisfactory completions has been declining. Only 44%, or 9,483 cases, where an offender was required to participate in substance abuse treatment were closed successfully. **DPP should comment on why it has not been able to meet its target in the past two fiscal years, and what is the outcome for the other 56% of cases closed where the offender did not complete treatment.**

Exhibit 2
Division of Parole and Probation
Offenders Who Satisfactorily Complete Substance Abuse Treatment
Fiscal 2008-2010



Source: Division of Parole and Probation; Governor's Budget Books

Fiscal 2011 Actions

Impact of Cost Containment

Section 44 of the fiscal 2011 budget bill required the Governor to abolish 500 positions in the Executive Branch as of June 30, 2011. The positions and the funds associated with them have been removed from the fiscal 2011 working appropriation. This agency's share of the reduction was 8 full-time equivalent positions and $119,187 in fiscal 2011, which represents ongoing annualized savings of $328,056 for employee salary and fringe benefit expenditures. These positions included 7 office secretary positions and 1 addictions counselor.

Proposed Budget

As seen in **Exhibit 3**, the fiscal 2012 allowance for the division decreases by $1.2 million, or 1.2%, after accounting for nearly $1.9 million in contingent and across-the-board reductions. Absent these reductions, general funds increase by a net of nearly $7.9 million, the majority of which is for personnel expenses. This growth is necessary to offset the $7.2 million reduction in federal stimulus funding that had been used to support ongoing salary expenses.

Exhibit 3
Proposed Budget
DPSCS – Division of Parole and Probation
($ in Thousands)

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
2011 Working Appropriation	$90,530	$7,904	$7,381	$286	$106,102
2012 Allowance	98,385	7,891	202	284	106,762
Amount Change	$7,855	-$12	-$7,180	-$2	$660
Percent Change	8.7%	-0.2%	-97.3%	-0.9%	0.6%
Contingent Reduction	-$1,838	-$35	-$23	$0	-$1,896
Adjusted Change	$6,017	-$47	-$7,203	-$2	-$1,235
Adjusted Percent Change	6.6%	-0.6%	-97.6%	-0.9%	-1.2%

Where It Goes:

Personnel Expenses	
Overtime	-$175
Employee and retiree health insurance (net of contingent and across-the-board reductions)	143
Employee retirement system (net of contingent reductions)	81
Workers' compensation premium assessment	-42
Restoration of furloughs	85
Turnover adjustments	126
Other fringe benefits	-6
Programmatic Changes	
New funding to provide unarmed security guards and handheld scanners in 13 Division of Parole and Probation facilities to address safety concerns	543
Sex offender treatment services	133
Urinalysis testing and supplies	89

Where It Goes:	
End of state support for community adult rehabilitation centers	-636
Inmate medical expenses	-583
Rent	-574
Federal Prisoner Reentry Initiative Grant	-115
Misc. Operating Expenses	
Communication expenses (postage, cell phones, telephone, etc.)	-206
In-state travel	-72
Utilities	-46
Other	20
Total	**-$1,235**

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

As a whole, personnel expenses increase by a net of $212,000. Reductions of $175,000 and $42,000, for overtime and worker's compensation, respectively, are offset by furlough restorations, slight increases for health insurance and retirement benefits, and an improved turnover rate.

Outside of personnel expenses, the agency receives increases for security services, sex offender treatment, and urinalysis testing.

- A $543,000 increase is provided for contractual security services at 13 DPP field offices across the State. The funds will support unarmed security guard services and handheld metal detectors during normal business hours and some weekend hours at varying locations. DPP believes the additional expenditures are necessary due to an increase in safety concerns and incidents involving offenders visiting DPP offices.

- An additional $133,000 is provided for sex offender treatment services, particularly the addition of three new contracts to ensure access to services in all regions of the State. Prior to fiscal 2011, the only contract for sex offender treatment services was in the central region through the University of Maryland. The new contracts will expand services to three other regions: the Eastern Shore; Baltimore City and county; and Carroll, Frederick, and Howard counties.

- Finally, an additional $89,000 is included in the allowance for urinalysis testing and supplies. This increase is the result of a change in urinalysis testing policy that increased the number of offenders being tested and the frequency that the tests are conducted.

Offsetting these increases are reductions for contractual pre-release services, inmate medical expenses, rent, and grant funding.

- In line with Chapter 484 of the 2010 session, the Budget Reconciliation and Financing Act of 2010, and language included in the fiscal 2011 budget bill, the fiscal 2012 allowance for contractual prerelease services is reduced by approximately $636,000 largely due to the discontinuation of payments for the operation of community adult rehabilitation centers.

- Inmate medical expenses are reduced by $583,000 to approximately $1.6 million in fiscal 2012, which still reflect an increase of nearly $200,000 over fiscal 2010 actual expenditures.

- DPP expenditures for rent have declined by $574,000. DPP made the final Multi-Service Center lease payment to the Department of General Services (DGS) for the Hyattsville office, which resulted in a $375,000 savings. DPP has also benefitted from an attempt by DGS to reduce the cost of leased space throughout the State by contracting with a brokerage firm to aid in the negotiations of leased space.

- The availability of federal funding from the Prisoner Reentry Grant is reduced by $115,000 in fiscal 2012. This grant is used to support reentry assessments and programs for offenders both prior to and post-release into the community.

Personnel

As of December 31, 2010, the agency has 145.5 vacant positions, of which 92.0 were parole and probation agents. Fiscal 2012 budgeted turnover expectancy is 7.04%; based on the current vacancy rate, DPP has 55.2 positions vacant beyond what is needed to meet budgeted turnover expectancy. According to the agency, they are in the process of altering their hiring process. Agent positions are recruited and hired off one central applicant list and the agency waits to fill vacancies until it has a large enough applicant pool to hold classroom training. Under the new method, hiring of agents will occur within each region as vacancies occur, and agents will receive field training within their region until enough agents have been hired to fill a classroom-based training course. DPP believes this will help to reduce the total number of agent vacancies at any one time, and the current number of vacant agent positions should be reduced by the start of fiscal 2012. The agency, however, has yet to begin the recruitment process for any of the positions. **As such, the Department of Legislative Services (DLS) recommends the agency's fiscal 2012 budgeted turnover rate be increased to better reflect current vacancies and account for the time it will take to recruit and hire 92.0 agent positions.**

Impact of Cost Containment

The fiscal 2012 budget reflects several across-the-board actions. In fiscal 2012, DPP's share of the reduction is $407,580 in general funds, $8,628 in federal funds, and $13,148 in special funds for changes in employee health insurance. Reductions contingent upon statutory changes include

$674,608 in general funds, $14,281 in federal funds, and $21,761 in special funds for retiree prescription drug benefits and $755,802 general funds for retirement benefits. To the extent that DPP has positions abolished under the Voluntary Separation Program, additional reductions will be implemented by the Administration.

Issues

1. Earned Compliance Credits for Offenders Under Community Supervision

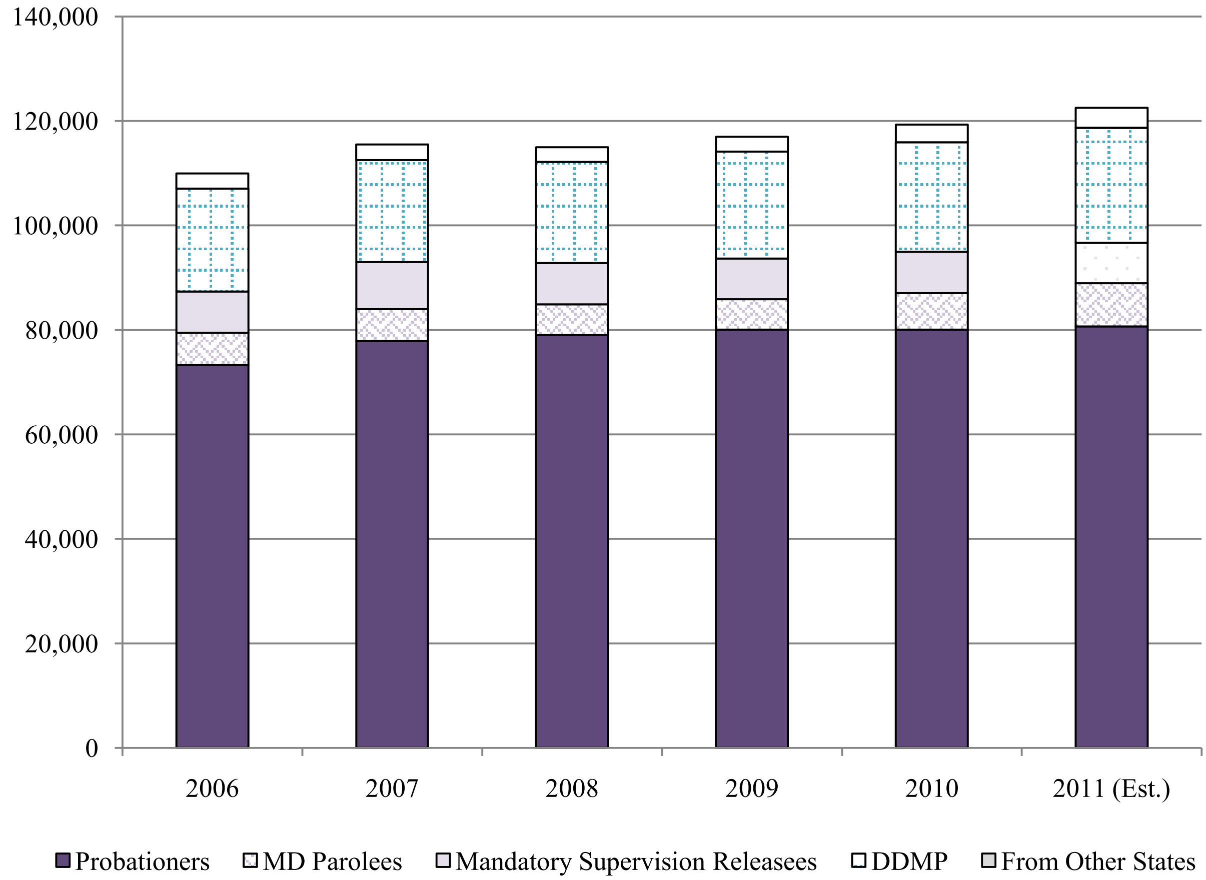
The number of cases under the supervision of DPP has increased by 9,341 cases, or 8.5%, between fiscal 2006 and 2010, as shown in **Exhibit 4**. The division is anticipating an increase of more than 3,200 cases in fiscal 2011. Contracting the size of the supervised offender population would result in fiscal savings for the State, a reduction in agent-to-caseload ratios, and would allow for resources to be diverted to the most at-risk and violent offenders. One method for achieving a reduction in the supervised offender population is to institute an early release program for parolees, probationers, and mandatory releases. Having the ability to reduce time from their period of supervision through good behavior and participation in education, employment, or other services would serve as an incentive, in addition to lowering costs and opportunities, for a person to return to prison on a technical violation.

Some states, in an effort to reduce crime and generate savings, have already established earned compliance credits (ECC) for offenders under community supervision. For example, in 2007, Nevada passed legislation to allow an individual's term of supervision to be reduced by up to 20 days per month by earning good time credit while on parole. In addition, Arizona's legislation from 2008, awards up to 20 days per month of earned compliance credit for probationers who are making progress toward the goals established in the probationers' case plan and who are current on court and restitution payments. The estimated fiscal impact of this legislation is savings of approximately $6.9 million. Another alternative would be to include a term of supervision cap, meaning that certain offenders would automatically be released from their term of supervision after maintaining compliance with the conditions of supervision for an identified period of time. Having the term of supervision cap in statute would eliminate the backlog generated from having to request an early termination from either the courts or the Maryland Parole Commission (MPC).

Given the known validity issues with the department's data, the number of offenders under DPP supervision who would qualify for the ECC is unknown. If Maryland were to implement a system of earned compliance credits for community supervised offenders, similar to the system already available to incarcerated offenders, it could significantly reduce parole and probation agent caseloads. A plan that awarded 20 credit days per month, once an offender had maintained compliance for three months under supervision, could generate up to $92.4 million in multi-year savings, if every offender under supervision was eligible for the ECC. The average term of supervision could be reduced by 12 months. This would allow the department to focus its resources on those offenders who are identified as being higher risk. In addition, if Maryland were to increase its parole rates at the same time it implemented earned compliance credits for community supervised offenders, it could potentially result in significant cost savings by reducing the prison population enough to close prison facilities, while still maintaining adequate agent caseloads.

The division should comment on the potential impact of implementing earned compliance credits for offenders on parole, probation, or mandatory release supervision. DLS recommends budget bill language reducing the general fund appropriation contingent on enactment of legislation that would provide earned compliance credit for supervised offenders.

Exhibit 4
Division of Parole and Probation
Supervision Cases at End of Fiscal Year
Fiscal 2006-2011 (Estimated)



DDMP: Drinking Driver Monitor Program

Source: Division of Parole and Probation; Governor's Budget Books

2. Increased Supervision Fees for Probationers

House Bill 72, the Budget Reconciliation and Financing Act of 2011, includes a provision to increase the supervision fee for probationers from $25 to $50 per month. The Governor's fiscal 2012 allowance assumes an additional $4.0 million in general fund revenue as a result of the fee increase.

Background

DPP proposed increasing the supervision in fiscal 2006, from $25 to $40 per month. The General Assembly agreed to the fee increase, but for a limited timeframe, through fiscal 2010. The Department of Public Safety and Correctional Services failed to realize that the fee increase was scheduled to sunset at the end of fiscal 2010; therefore, the supervision fee was reduced to $25 for fiscal 2011 and all years thereafter. The impact of this change is that offenders with cases established prior to fiscal 2006 are charged a monthly fee of $25. Offenders with cases added in fiscal 2006 through 2010 pay a monthly supervision fee of $40. Offenders with new cases in fiscal 2011 pay $25 per month. Offenders released via MPC all pay $40 per month. DDMP participants pay the monthly supervision fee, in accordance with the year their case was established, in addition to paying a DDMP fee of $55. In fiscal 2010, DPP collected $6.8 million in supervision fees from all offenders. The estimated fee collections for fiscal 2011 and 2012 are $6.1 million and $5.4 million, respectively.

Issues with the Revenue Estimate

DLS believes the $4.0 million revenue projection is overestimated. It appears that the increase has been incorrectly applied to the entire DPP supervised population. Since payment of fees and restitution are outlined in court orders, the increase to a $50 monthly supervision fee could only be applied to new probation and DDMP cases in fiscal 2012 and after. The department's estimated annual lost revenue from charging supervision cases $25 per month in fiscal 2011, as opposed to $40 per month in the five years prior, is approximately $557,000. DLS estimates increasing the monthly supervision fee to $50 would generate approximately $2.8 million in additional revenue, as demonstrated in **Exhibit 5**.

The division does not have data on how many offenders currently pay the existing fee. DLS has historically had difficulty identifying collection rate for supervisees. The DLS revenue projection assumes a 20% collection rate from all new cases in fiscal 2012. The revenue projection also attempts to account for the fact that payment of supervision fees can be waived when they create an undue financial burden or an offender demonstrates financial hardship; however, it is not known what impact the fee increase might have on the waiver rate.

DLS estimates that additional general fund revenue resulting from the fee increase will be closer to $2.8 million, as opposed to the $4.0 million estimated in the Governor's allowance. To the extent that the Governor's supervision fee revenue estimates are incorrect, additional revenue sources or savings to the general fund will need to be identified.

Exhibit 5
Division of Parole and Probation
Estimated Revenue Collection from Supervision Fee Increase

	Cases	Monthly Fee	Months Paid	Revenue
Fiscal 2011				
New Probation	37,100	$25	12	$11,130,000
Active Probation	10,440	40	12	5,011,200
New DDMP	14,000	25	12	4,200,000
Active DDMP	1,500	40	12	720,000
Total				**$21,061,200**
Fiscal 2012				
New Probation	37,000	$50	12	$22,200,000
Active Probation	12,190	25	12	3,657,000
New DDMP	14,500	50	12	8,700,000
Active DDMP	900	25	12	270000
Total				**$34,827,000**
Difference (new revenue)				**$13,765,800**
20% of new revenue based on assumed waived/nonpayment rate				**$2,753,160**

DDMP: Drinking Driver Monitor Program

Source: Department of Legislative Services

Recommended Actions

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

   , provided that the general fund appropriation made for personnel costs shall be reduced by $75,000 contingent on the enactment of legislation establishing a program for awarding Earned Compliance Credits to supervised offenders under supervision by the Division of Parole and Probation.

   Explanation: This action would reduce the general fund appropriation for personnel costs in the Division of Parole and Probation if the General Assembly were to enact legislation to establish Earned Compliance Credits (ECCs) for offenders being supervised in the community. ECCs could likely result in cost savings by reducing the supervised offender population and lessening the caseloads of parole and probation agents. In addition, ECCs act as an incentive for offenders to maintain compliance with the terms of supervision in exchange for a reduced supervision period.

		Amount Reduction	
2.	Increase turnover expectancy to better reflect the current vacancy rate. This increases the turnover rate from 7.04 to 9.05%.	$ 1,521,877	GF
	Total General Fund Reductions	**$ 1,521,877**	

Updates

1. Consolidating Office Space

In response to a 2010 *Joint Chairmen's Report* request, DPP conducted an evaluation of office space across the State to identify potential areas for cost savings. DPP, in conjunction with DGS and the Office of Real Estate Management, considered the possibilities of consolidation, lease renegotiation or termination, and relocation to a new leased facility for existing leases identified as having a large annual cost, a high square footage per employee, or a high cost per square foot. The analysis consisted of 13 office locations. Since conducting the review, DPP closed one office (Landover), consolidated space in two other locations (Gaithersburg and Towson), and has obtained space in two State-owned multi-service centers (Essex and Salisbury) in an effort to reduce lease costs.

Appendix 1

Current and Prior Year Budgets

Current and Prior Year Budgets
Division of Parole and Probation
($ in Thousands)

	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2010					
Legislative Appropriation	$94,734	$6,333	$336	$229	$101,632
Deficiency Appropriation	-1,969	0	3,969	0	2,000
Budget Amendments	1,677	1,000	3,600	140	6,417
Cost Containment	-6,822	-85	0	0	-6,907
Reversions and Cancellations	-273	-639	-303	-53	-1,268
Actual Expenditures	**$87,346**	**$6,608**	**$7,603**	**$317**	**$101,873**
Fiscal 2011					
Legislative Appropriation	$90,530	$7,904	$7,381	$286	$106,102
Budget Amendments	0	0	0	0	0
Working Appropriation	**$90,530**	**$7,904**	**$7,381**	**$286**	**$106,102**

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

Fiscal 2010

General fund spending for fiscal 2010 was approximately $87.3 million, a decrease of $7.4 million from the legislative appropriation.

- Two deficiency appropriations reduced the legislative appropriation by a net of nearly $2.0 million. A $2.0 million increase for employee salaries was offset by a $4.0 million fund swap replacing general funds with an equal amount of federal stimulus funding.

- Budget amendments increased the appropriation by approximately $1.7 million. The agency received an additional $2.8 million from the realignment of oversight for contractual pre-release services from DOC to DPP. This was offset by a net $1.1 million reduction due to the departmentwide realignment of funds in accordance with actual expenditures.

- Cost containment actions reduced the legislative appropriation by approximately $6.8 million. The cost containment actions include a $3.6 million fund swap of federal stimulus funding used in lieu of general funds for various operating expenses. The remainder of the reduction was due to employee furloughs and a variety of across-the-board reductions.

- The division reverted approximately $273,000 in general funds at the end of fiscal 2010, largely due to lower than anticipated expenditures for drug treatment and other contractual pre-release services.

Special fund expenditures totaled approximately $6.6 million in fiscal 2010, an increase of approximately $275,000 over the legislative appropriation.

- The division received a $1.0 million increase via budget amendment to account for additional revenue generated by the DDMP fee increase.

- Cost containment actions reduced the special fund appropriation by $85,000. These actions included employee furloughs and across-the-board reductions to travel and health insurance.

- The division also cancelled approximately $639,000 due to lower than anticipated revenues from DDMP and administrative fee collections.

Federal fund spending totaled $7.6 million in fiscal 2010, an increase of nearly $7.3 million from the legislative appropriation. The division received a $4.0 million federal fund deficiency appropriation to utilize federal stimulus funding in lieu of general funds for personnel-related expenses. The agency's budget was also increased by an additional $3.6 million via budget amendment for the same purpose. Slightly offsetting these increases was the cancellation of approximately $303,000 due to lower than anticipated grant expenditures.

Reimbursable fund spending in fiscal 2010 was approximately $317,000. The division received a $140,000 increase via budget amendment for grants supporting the VPI, the Inter-Agency War Room, and services for victims of crime. Offsetting this increase was $53,000 in cancelled funds due to lower than anticipated expenditures for various grants.

Appendix 2

Audit Findings

Audit Period for Last Audit:	November 1, 2006 – December 13, 2009
Issue Date:	November 2010
Number of Findings:	3
Number of Repeat Findings:	1
% of Repeat Findings:	33%
Rating: (if applicable)	

Finding 1: DPP did not adequately reconcile cash balances on its records with the State's records.

Finding 2: **Procedures to monitor the installation of an Ignition Interlock Device as a condition of probation were not comprehensive, and monthly reports were not always obtained.**

Finding 3: DPP needs to obtain clarification of its responsibilities for reporting Ignition Interlock Program violations to the courts.

*Bold denotes item repeated in full or part from preceding audit report.

Object/Fund Difference Report
DPSCS – Division of Parole and Probation

Object/Fund	FY 10 Actual	FY 11 Working Appropriation	FY 12 Allowance	FY 11 - FY 12 Amount Change	Percent Change
Positions					
01 Regular	1,291.00	1,283.00	1,283.00	0.00	0%
02 Contractual	83.92	109.52	109.52	0.00	0%
Total Positions	**1,374.92**	**1,392.52**	**1,392.52**	**0.00**	**0%**
Objects					
01 Salaries and Wages	$ 82,910,141	$ 85,203,714	$ 87,311,400	$ 2,107,686	2.5%
02 Technical and Spec. Fees	2,692,058	2,882,706	2,984,559	101,853	3.5%
03 Communication	796,078	1,016,450	810,457	-205,993	-20.3%
04 Travel	326,520	402,200	331,800	-70,400	-17.5%
06 Fuel and Utilities	284,473	340,769	294,550	-46,219	-13.6%
07 Motor Vehicles	779,737	819,247	896,060	76,813	9.4%
08 Contractual Services	8,224,679	9,318,123	8,630,439	-687,684	-7.4%
09 Supplies and Materials	772,493	957,400	910,400	-47,000	-4.9%
10 Equipment – Replacement	35,439	33,974	41,374	7,400	21.8%
11 Equipment – Additional	129,013	20,250	44,850	24,600	121.5%
12 Grants, Subsidies, and Contributions	500,000	500,000	500,000	0	0%
13 Fixed Charges	4,422,644	4,606,916	4,006,296	-600,620	-13.0%
Total Objects	**$ 101,873,275**	**$ 106,101,749**	**$ 106,762,185**	**$ 660,436**	**0.6%**
Funds					
01 General Fund	$ 87,346,246	$ 90,530,265	$ 98,385,382	$ 7,855,117	8.7%
03 Special Fund	6,607,944	7,903,735	7,891,395	-12,340	-0.2%
05 Federal Fund	7,602,514	7,381,427	201,571	-7,179,856	-97.3%
09 Reimbursable Fund	316,571	286,322	283,837	-2,485	-0.9%
Total Funds	**$ 101,873,275**	**$ 106,101,749**	**$ 106,762,185**	**$ 660,436**	**0.6%**

Note: The fiscal 2011 appropriation does not include deficiencies. The fiscal 2012 allowance does not include contingent reductions.

Appendix 3

Fiscal Summary
DPSCS – Division of Parole and Probation

Program/Unit	FY 10 Actual	FY 11 Wrk Approp	FY 12 Allowance	Change	FY 11 - FY 12 % Change
01 General Administration	$ 4,879,218	$ 4,931,119	$ 4,864,227	-$ 66,892	-1.4%
02 Field Operations	87,685,064	91,333,568	92,398,710	1,065,142	1.2%
03 Community Surveillance and Enforcement Program	9,308,993	9,837,062	9,499,248	-337,814	-3.4%
Total Expenditures	**$ 101,873,275**	**$ 106,101,749**	**$ 106,762,185**	**$ 660,436**	**0.6%**
General Fund	$ 87,346,246	$ 90,530,265	$ 98,385,382	$ 7,855,117	8.7%
Special Fund	6,607,944	7,903,735	7,891,395	-12,340	-0.2%
Federal Fund	7,602,514	7,381,427	201,571	-7,179,856	-97.3%
Total Appropriations	**$ 101,556,704**	**$ 105,815,427**	**$ 106,478,348**	**$ 662,921**	**0.6%**
Reimbursable Fund	$ 316,571	$ 286,322	$ 283,837	-$ 2,485	-0.9%
Total Funds	**$ 101,873,275**	**$ 106,101,749**	**$ 106,762,185**	**$ 660,436**	**0.6%**

Note: The fiscal 2011 appropriation does not include deficiencies. The fiscal 2012 allowance does not include contingent reductions.