

**Q00A00**  
**Administration**  
Department of Public Safety and Correctional Services

***Operating Budget Data***

(\$ in Thousands)

	<b><u>FY 14</u></b> <b><u>Actual</u></b>	<b><u>FY 15</u></b> <b><u>Working</u></b>	<b><u>FY 16</u></b> <b><u>Allowance</u></b>	<b><u>FY 15-16</u></b> <b><u>Change</u></b>	<b><u>% Change</u></b> <b><u>Prior Year</u></b>
General Fund	\$136,962	\$147,411	\$154,030	\$6,619	4.5%
Contingent & Back of Bill Reductions	0	0	-2,556	-2,556	
<b>Adjusted General Fund</b>	<b>\$136,962</b>	<b>\$147,411</b>	<b>\$151,474</b>	<b>\$4,063</b>	<b>2.8%</b>
Special Fund	113,445	122,135	125,822	3,687	3.0%
Contingent & Back of Bill Reductions	0	400	-579	-979	
<b>Adjusted Special Fund</b>	<b>\$113,445</b>	<b>\$122,535</b>	<b>\$125,243</b>	<b>\$2,708</b>	<b>2.2%</b>
Federal Fund	328	650	900	250	38.5%
<b>Adjusted Federal Fund</b>	<b>\$328</b>	<b>\$650</b>	<b>\$900</b>	<b>\$250</b>	<b>38.5%</b>
Reimbursable Fund	2,148	2,847	1,710	-1,137	-39.9%
<b>Adjusted Reimbursable Fund</b>	<b>\$2,148</b>	<b>\$2,847</b>	<b>\$1,710</b>	<b>-\$1,137</b>	<b>-39.9%</b>
<b>Adjusted Grand Total</b>	<b>\$252,884</b>	<b>\$273,443</b>	<b>\$279,328</b>	<b>\$5,885</b>	<b>2.2%</b>

Note: The fiscal 2015 working appropriation reflects deficiencies and the Board of Public Works reductions to the extent that they can be identified by program. The fiscal 2016 allowance reflects back of the bill and contingent reductions to the extent that they can be identified by program.

- The Office of the Deputy Secretary for Operations has one fiscal 2015 special fund deficiency appropriation for \$400,000 to fund vehicle replacements.
- Without accounting for the fiscal 2015 and 2016 departmentwide 2.0% general fund reductions, the Department of Public Safety and Correctional Services (DPSCS) Administration's fiscal 2016 general fund allowance increases by \$4.1 million, or 2.8%, over the working appropriation primarily due to personnel expenses.

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

For further information contact: Hannah E. Dier

Phone: (410) 946-5530

*Q00A00 – DPSCS – Administration*

- The Administration’s fiscal 2016 special fund allowance increases by \$2.7 million, or 2.2%, over the working appropriation, largely due to personnel and spending increases for the Maryland Correctional Enterprises which is a self-sustaining agency.
- The fiscal 2016 reimbursable fund appropriation for the Administration decreases nearly 40.0% from the working appropriation, to \$1.7 million primarily as a result of one-time grants from the Governor’s Office of Crime Control and Prevention that the department does not expect to receive in fiscal 2016.

***Personnel Data***

---

	<b><u>FY 14</u></b> <b><u>Actual</u></b>	<b><u>FY 15</u></b> <b><u>Working</u></b>	<b><u>FY 16</u></b> <b><u>Allowance</u></b>	<b><u>FY 15-16</u></b> <b><u>Change</u></b>
Regular Positions	1,393.50	1,398.50	1,398.50	0.00
Contractual FTEs	<u>94.86</u>	<u>163.41</u>	<u>162.82</u>	<u>-0.59</u>
<b>Total Personnel</b>	<b>1,488.36</b>	<b>1,561.91</b>	<b>1,561.32</b>	<b>-0.59</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New  
Positions

81.95

5.86%

Positions and Percentage Vacant as of 12/31/14

n/a

n/a

- The Administration’s fiscal 2016 personnel allowance remains largely unchanged from the fiscal 2015 working appropriation, decreasing by only 0.59 contractual full-time equivalents.
- As of November 2014, the Administration unit had 167.0 positions vacant, slightly more than double what is needed to meet budgeted turnover.

## *Analysis in Brief*

---

### **Major Trends**

**Office of the Secretary:** Although the Intelligence and Investigative Division demonstrated improved productivity between fiscal 2011 and 2013, the agency continues to fall short in meeting its targeted closure rates. This is due to the increasing complexity of cases and issues with staffing. Additional resources provided in fiscal 2014 and 2015 should resolve some of these issues.

**Office of the Deputy Secretary for Operations:** Operations within the Commitment Unit have struggled over the past two years, as the number of incorrectly released offenders rose significantly from one to six between fiscal 2012 and 2014. **DPSCS should comment on the reason for the increase in incorrectly released offenders, whether all incorrectly released offenders have been returned to custody, the average time the offender spent in the community before being recaptured, and the steps taken to avoid similar mistakes in the future.** DPSCS has a goal of providing 75% of released offenders with a release plan, birth certificate, and Social Security card prior to release. With regard to the release plans, DPSCS has exceeded the target for the past four fiscal years. The provision of birth certificates and Social Security cards, while having improved since fiscal 2009, continues to fall short of the goal. DPSCS also provides substance abuse treatment services via therapeutic communities at five facilities across the State. All outcome measures for the communities, in particular the number of participating inmates and the successful completion rate, declined in fiscal 2014.

**Maryland Correctional Enterprises:** Since fiscal 2007, the Maryland Correctional Enterprises annual sales have increased by \$3.7 million, or nearly 8%. Inmate employment has grown by nearly 65%, adding 820 offenders over the eight-year period.

### **Issues**

**Community Mediation Reentry:** For the second year, the Governor’s allowance includes \$150,000 to support a community mediation program for inmates nearing release. The department submitted an evaluation showing that mediation as a short-term intervention is effective at decreasing the probability and risk of recidivism and increasing the length of time individuals survive in the community before rearrest or reincarceration. Although additional mediation sessions have an increasingly greater effect on decreasing recidivism, on average, inmates in the program participated in less than two mediation sessions. **The department should comment on the reason for the infrequency of repeat mediation sessions for participants, as well as any challenges to increasing the number of mediation sessions participants attend.**

**Effectiveness of the Public Safety Compact:** An analysis of the Public Safety Compact (PSC) participants shows the PSC as having a positive impact on recidivism. PSC participants had a reduced probability of being arrested and convicted post-release. **The department should comment on where the program savings are realized and whether savings are expected to grow in future years with**

**the reinvestments made by the Baltimore Safe and Sound Campaign. At this time, DPSCS has complied with the fiscal 2015 language and the Department of Legislative Services recommends that the \$100,000 restricted general funds be released for use by DPSCS.**

## **Recommended Actions**

1. Concur with Governor's allowance.

**Q00A00**  
**Administration**  
**Department of Public Safety and Correctional Services**

## ***Operating Budget Analysis***

---

### **Program Description**

The Department of Public Safety and Correctional Services (DPSCS) Administration includes the functions within the Office of the Secretary, the Office of the Deputy Secretary for Operations, and the Maryland Correctional Enterprises (MCE). The Office of the Secretary provides overall policy and operational direction and coordination for the activities of the operating units of the department. It establishes policy, sets priorities, and provides central support services and oversight for the constituent agencies. The office administers the State's emergency numbers program and plans, develops, and implements the capital program for the department's custody facilities. Additionally, it is responsible for maintaining the Criminal Justice Information System which State, local, and federal law enforcement rely on for accurate and timely information. The Deputy Secretary for Operations is responsible for the oversight of the three main functions, now divided by region: corrections, community supervision, and pretrial detention. This unit is responsible for the coordination of all departmental programs and services, including the operations of the canine, central transportation, Warrant Apprehension, and Central Home Detention Units. MCE provides work and job training for incarcerated inmates through the production of goods and provision of services used by State, local, and federal agencies, in addition to a variety of nonprofit organizations.

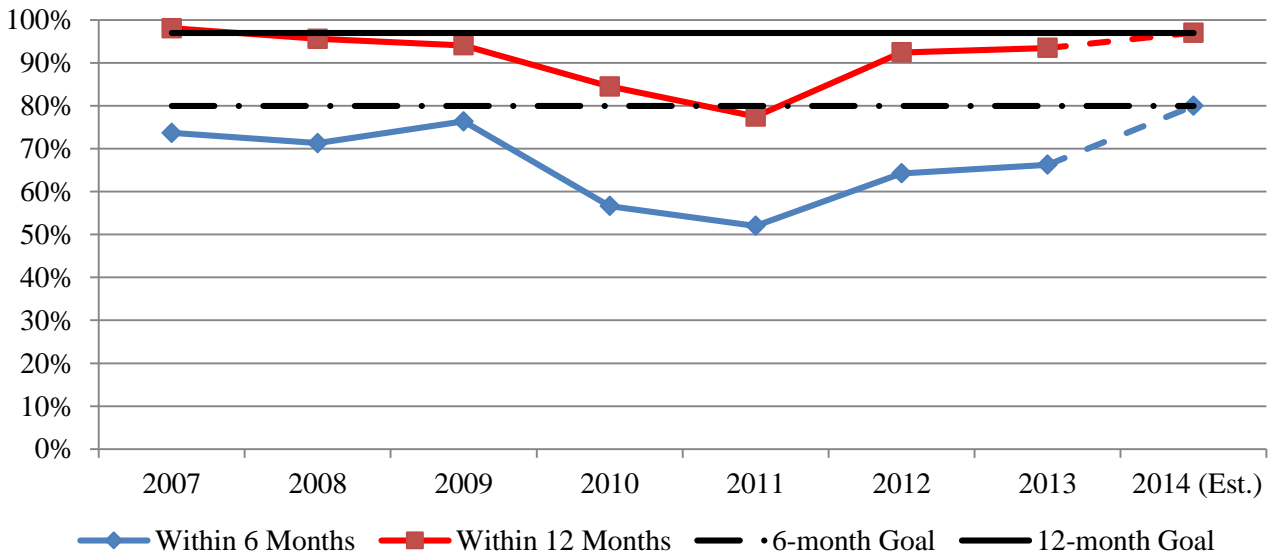
### **Performance Analysis: Managing for Results**

#### **1. Office of the Secretary**

##### **Intelligence and Investigative Division**

The Intelligence and Investigative Division (IID), formerly the Internal Investigative Unit, is responsible for conducting independent investigations of allegations of criminal activity or employee misconduct within the department. Performance measures for IID focus around conducting timely criminal investigations and meeting the needs of primary customers and recipients of the division's investigative services. As such, IID maintains a goal of having at least 80% of all criminal cases opened each fiscal year closed within 6 months after case openings. The division also aims to have at least 97% of cases opened in a fiscal year closed within 12 months of case openings. **Exhibit 1** shows IID's progress toward achieving these goals since fiscal 2007.

**Exhibit 1**  
**Intelligence and Investigative Division**  
**Criminal Case Closure Rate**  
**Fiscal 2007-2014**



Source: Governor's Budget Books, Fiscal 2009-2016

Although the agency has demonstrated improved productivity between fiscal 2011 and 2013, IID continues to fall short in meeting its targeted closure rates. Fiscal 2011 was a most recent low point, when only 52% of cases were closed within 6 months, and 77% were closed within 12 months of case openings. The division improved its 6-month closure rate by 14 percentage points by fiscal 2013, to 66%. The 12-month closure rate also improved over the same period to 93%, just 4 percentage points shy of the target. The nearly 13% reduction in criminal cases handled by IID in fiscal 2013 from 2011 may have contributed to the improvements. The department attributes the decrease to its better enforcement of policy and procedure to reduce the number of serious incidents in the facilities, as well as implementation of managed cell phone access systems resulting in fewer cell phone seizures. However, the department anticipates an increase in cases as it begins to implement new Prison Rape Elimination Act procedures and track proactive statewide criminal interdictions.

According to the agency, the targeted closure rates continue to be missed due to the increasing complexity of cases and issues with staffing. Additional resources provided in fiscal 2014 and 2015 should resolve some of these issues but are not expected to have an immediate effect on case closures due to time needed for hiring, training, and acclimation. Additional positions authorized in the fiscal 2014 budget were not filled until early in fiscal 2015. Since results for this measure are collected one year after cases are opened, preliminary results showing the effect of the additional fiscal 2014 and 2015 resources are not expected to be seen until fiscal 2016.

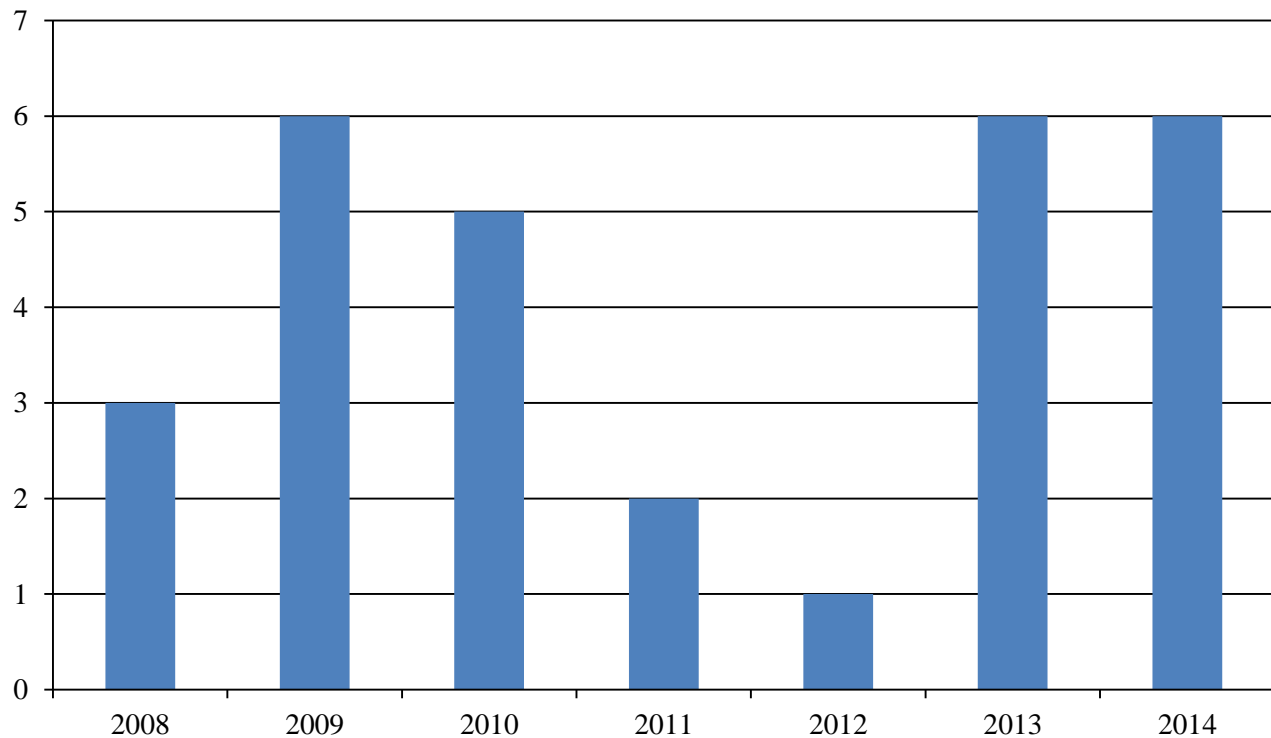
## 2. Office of the Deputy Secretary for Operations

### Commitment Unit

Maintaining the security of the offenders under the department’s supervision is an integral part of the DPSCS mission. To that end, DPSCS tries to ensure that no sentenced inmate or pretrial detainee within a DPSCS facility is incorrectly released. The responsibility for meeting this goal falls within the Commitment Unit. **Exhibit 2** reveals that the number of incorrectly released offenders rose significantly over the past two fiscal years, from one incorrect release in fiscal 2012, to six incorrect releases in fiscal 2014. **DPSCS should comment on the reason for the increase in incorrectly released offenders, whether all incorrectly released offenders have been returned to custody, the average time the offender spent in the community before being recaptured, and the steps taken to avoid similar mistakes in the future.**

---

**Exhibit 2**  
**Erroneous Releases**  
**Fiscal 2008-2014**



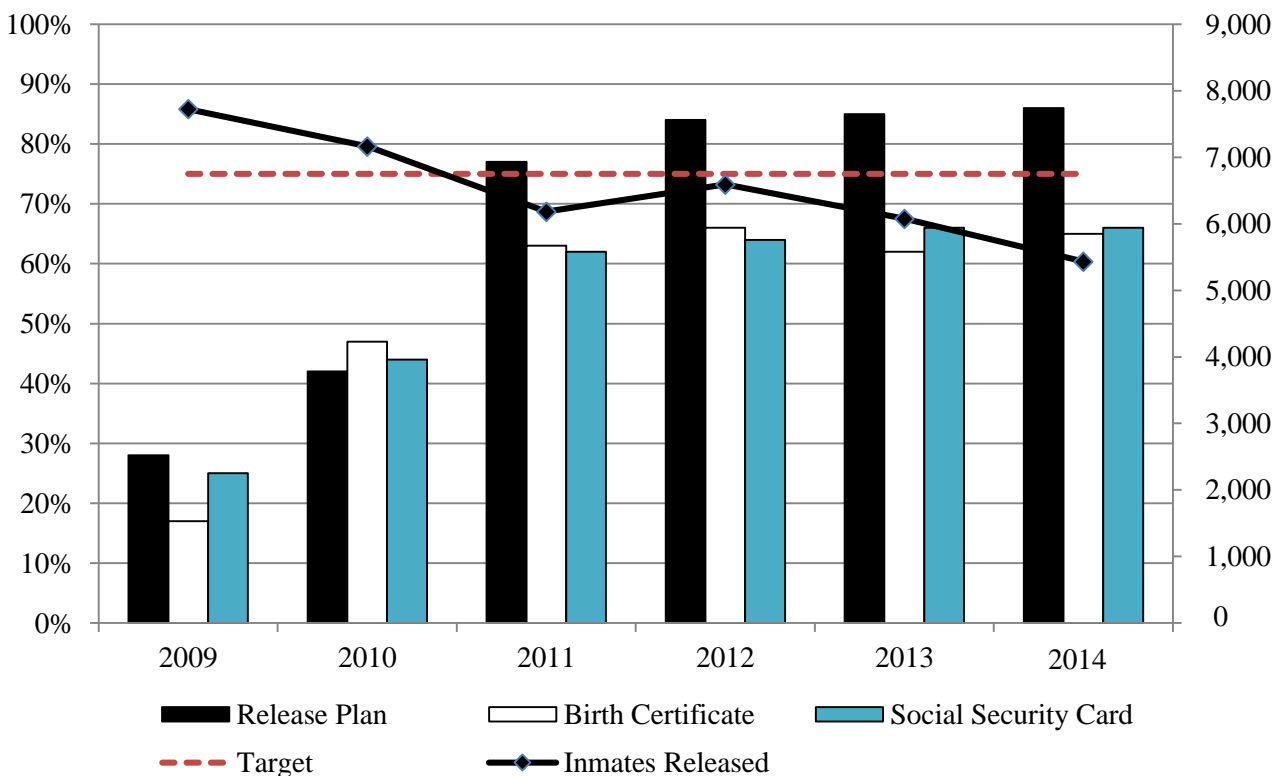
Source: Governor’s Budget Books, Fiscal 2010-2016

---

## Transition Services

In its effort to provide a streamlined reentry into the community, DPSCS aims to provide inmates with various transition services pre- and post-release. This includes the creation of a release plan and the provision of a birth certificate and Social Security card at the time of release. Having these materials can greatly assist in obtaining employment, housing, entitlement benefits, and other services. **Exhibit 3** shows the department's progress toward meeting its goal of providing 75% of released offenders with a release plan, birth certificate, and Social Security card prior to release. With regard to the release plans, DPSCS has exceeded the target for the past three fiscal years. The provision of birth certificates and Social Security cards, while having improved since fiscal 2009, continues to fall short of the goal. It is worth noting that improvements in the provision of these transition services coincide with a reduction in the number of inmates released each year, perhaps making the workload more manageable.

**Exhibit 3**  
**Department of Public Safety and Correctional Services**  
**Transition Services**  
**Fiscal 2009-2014**



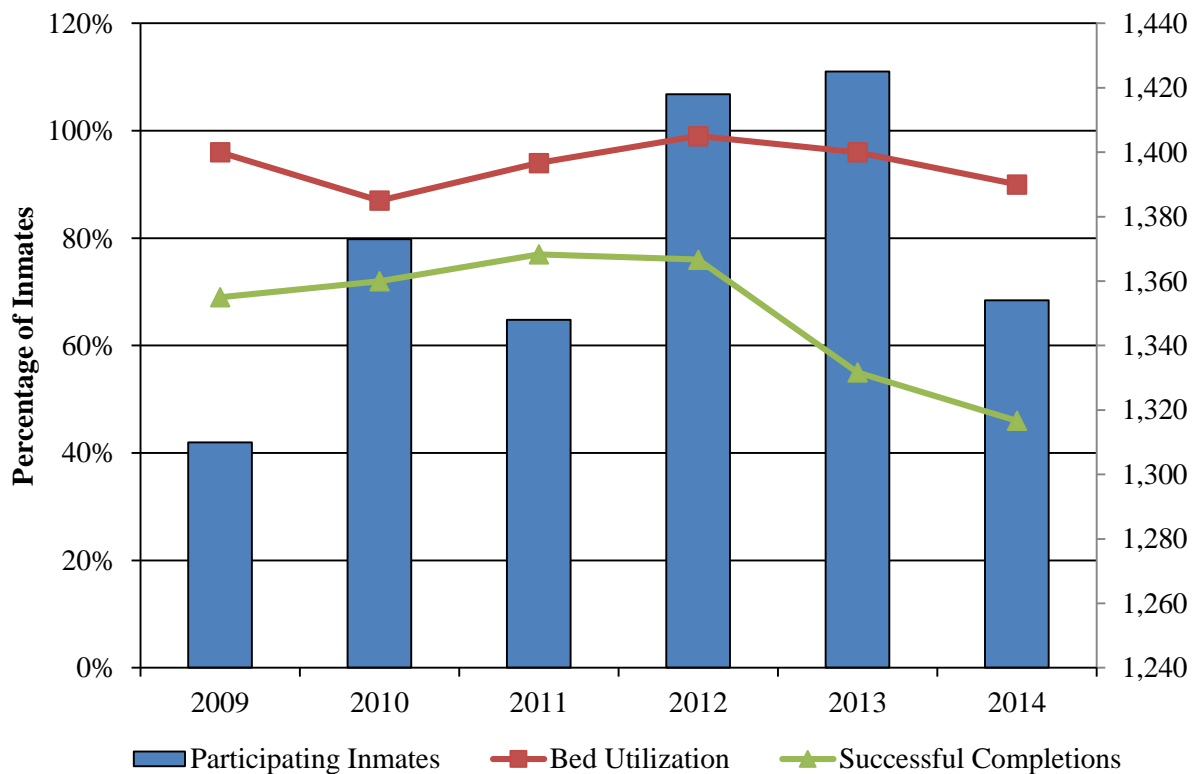
Source: Governor's Budget Books, Fiscal 2010-2016



### Substance Abuse Treatment Services

In fiscal 2014, DPSCS provided substance abuse treatment services via therapeutic communities at five facilities across the State. **Exhibit 4** shows the total number of participating inmates, bed utilization, and successful completions for those programs since fiscal 2009. In fiscal 2014, all performance measures for the communities decreased. Most notably, successful completions fell for the second consecutive year from 55% in fiscal 2013 to 46% in fiscal 2014. The therapeutic community at the Maryland Correctional Institution for Women (MCIW) by far had the lowest successful completion rate at 14%, however none of the remaining four communities exceeded 55%. Overall, unsuccessful completions in fiscal 2014 were largely due to increased infractions for positive urinalysis and drug-related contraband. The department began substance abuse testing in 2013 and urinalysis testing in 2014 for buprenorphine.

**Exhibit 4**  
**Substance Abuse Treatment Services**  
**Fiscal 2009-2014**



Source: Governor's Budget Books, Fiscal 2010-2016

The contract for the therapeutic community at MCIW expired at the end of September 2014 and was not extended due to performance issues. While remaining MCIW participants, as well as new referrals, were provided services through the Substance Abuse Intervention program when the therapeutic community closed, the closure still negatively affected MCIW's participation and successful completion rates.

### 3. Maryland Correctional Enterprises

MCE is the self-sufficient prison industry arm of the department. **Exhibit 5** highlights MCE sales and employment trends for the past five fiscal years. Since fiscal 2007, MCE annual sales have increased by \$3.7 million, or nearly 8.0%. Inmate employment has grown by nearly 65.0%, adding 820 offenders over the eight-year period. MCE was able to employ more than 2,000 inmates for the third consecutive year and experienced increased sales by \$1.0 million. Fiscal 2014 was the agency's seventh consecutive fiscal year with annual sales above \$50.0 million.

**Exhibit 5**  
**Maryland Correctional Enterprises**  
**Sales and Employment Trends**  
**Fiscal 2007-2014**  
**(\$ in Millions)**



MCE: Maryland Correctional Enterprises

Source: Governor's Budget Books, Fiscal 2009-2014

## **Fiscal 2015 Actions**

### **Proposed Deficiency**

The fiscal 2016 allowance includes one fiscal 2015 special fund deficiency appropriation in the amount of \$400,000 for the Office of the Deputy Secretary for Operation's General Administration Unit to purchase vehicle replacements. The deficiency will be funded with Inmate Welfare Funds, and the vehicles will be used to transport inmates for purposes such as work and medical appointments.

### **Cost Containment**

As shown in **Exhibit 6**, cost containment actions reduce the fiscal 2015 working appropriation for Administration units by \$661,802. This includes:

- \$100,000 reduction for contract costs for information technology hosted programs and services;
- \$125,000 reduction for unnecessary maintenance costs for keyword recognition software due to delayed purchase;
- \$356,579 reduction for dietary equipment lease payment due to delayed lease purchase; and
- \$80,223 reduction as the department's share of a statewide cut for a discontinued timesheet system. The system was replaced by a new statewide personnel information technology system.

The department also has a 2% across-the-board reduction for general funds. If allocated proportionally, the Administration's share of this reduction would be \$2.9 million. **The department should comment on how the 2% general fund reduction will affect the fiscal 2015 budget for DPSCS Administration.**

**Exhibit 6**  
**Fiscal 2015 Reconciliation**  
(\$ in Thousands)

<u>Action</u>	<u>Description</u>	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
<b>Legislative Appropriation with Budget Amendments</b>		<b>\$148,073</b>	<b>\$122,135</b>	<b>\$650</b>	<b>\$2,847</b>	<b>\$273,705</b>
July BPW		-662	0	0	0	-662
<b>Working Appropriation</b>		<b>\$147,411</b>	<b>\$122,135</b>	<b>\$650</b>	<b>\$2,847</b>	<b>\$273,043</b>
January BPW Across-the-board Alternative	This unit is part of the Department of Public Safety and Correctional Services which received a 2.0% across-the-board general fund reduction totaling \$23,525,957. If allocated proportionally, it would equal \$2,940,745 in this program.					
Deficiency Appropriations		0	400	0	0	400
<b>Total Actions Since January 2015</b>		<b>\$0</b>	<b>\$400</b>	<b>\$0</b>	<b>\$0</b>	<b>\$400</b>
<b>Adjusted Working Appropriation</b>		<b>\$147,411</b>	<b>\$122,535</b>	<b>\$650</b>	<b>\$2,847</b>	<b>\$273,443</b>

BPW: Board of Public Works

Source: Department of Legislative Services

## Proposed Budget

As seen in **Exhibit 7**, the Governor's fiscal 2016 allowance for the DPSCS Administration increases by \$5.9 million, or 2.2%. This increase takes into account the previously discussed fiscal 2015 deficiency appropriations and July 2014 Board of Public Works (BPW) reductions, but does

*Q00A00 – DPSCS – Administration*

not include reductions for the fiscal 2015 and 2016 across-the-board 2% general fund reductions, since it is unknown at this time how the department will allocate the reductions.

---

**Exhibit 7**  
**Proposed Budget**  
**DPSCS – Administration**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
2014 Actual	\$136,962	\$113,445	\$328	\$2,148	\$252,884
2015 Working Appropriation	\$147,411	\$122,535	\$650	\$2,847	\$273,443
2016 Allowance	<u>\$151,474</u>	<u>\$125,243</u>	<u>\$900</u>	<u>\$1,710</u>	<u>\$279,328</u>
2015-16 Amount Change	\$4,063	\$2,708	\$250	-\$1,137	\$5,885
2015-16 Percent Change	2.8%	2.2%	38.5%	-39.9%	2.2%

**Where It Goes:**

**Personnel Expenses**

Increments and general salary increase annualization (prior to cost containment).....	\$1,613
Section 20: abolition of prior year 2% general salary increase .....	-1,754
Section 21: abolition of employee increments .....	-1,380
Employee and retiree health insurance .....	3,585
Employees' retirement system .....	1,039
Workers' compensation premium assessment .....	692
Social Security contributions .....	120
Overtime earnings .....	63
Turnover adjustments .....	-1,278
Other fringe benefit adjustments .....	34

**Office of the Secretary**

Statewide enterprise budgeting system allocation .....	1,399
ITCD contractual services .....	1,342
Security camera replacement fund .....	500
Insurance coverage paid to the State Treasurer's Office .....	-232
Statewide personnel system allocation .....	-1,355

**Deputy Secretary for Administration**

Dietary equipment lease payments to the State Treasurer's Office .....	532
Vehicle replacements .....	400

*Q00A00 – DPSCS – Administration*

**Where It Goes:**

Non-Department of General Services rent.....	151
Payments to counties.....	-158
Inmate medical care for Home Detention inmates.....	-246
Urinalysis testing.....	-305

**Maryland Correctional Enterprises**

Repairs and improvements to warehouse.....	700
Equipment purchases .....	405
Other changes.....	18

**Total** **\$5,885**

ITCD: Information Technology and Communications Division

Note: Numbers may not sum to total due to rounding. The fiscal 2015 working appropriation reflects deficiencies and the Board of Public Works reductions to the extent that they can be identified by program. The fiscal 2016 allowance reflects back of the bill and contingent reductions to the extent that they can be identified by program.

---

Personnel expenses increase by a net of \$2.7 million once adjusted for contingent and back of the bill reductions. The \$1.6 million increase for increments and the general salary increase annualization is more than offset by the abolition of the general salary increase and employee increments, resulting in a net decrease of \$1.5 million for regular pay. The largest personnel increases occur in employee and retiree health insurance, at \$3.6 million, and the employee retirement system, at \$1.0 million. These increases are offset by a decrease of \$1.3 million for turnover adjustments.

Within the Office of the Secretary, the \$1.4 million decrease for the department's portion of the statewide personnel system is balanced by a \$1.4 million increase for the department's portion of the statewide enterprise budgeting system. The Information Technology and Communications Division receives an additional \$1.3 million in the allowance for various systems maintenance and programming contractual services.

The security camera replacement fund, which began with \$788,000 in new general funds in fiscal 2015, receives an additional \$500,000 in the fiscal 2016 allowance. Currently, the department has security camera projects underway at eight facilities with fiscal 2015 operating and capital appropriations but reports that the additional \$500,000 in fiscal 2016 will allow the department to maintain a higher level of camera repair and replacement.

Notable actions within the Office of the Deputy Secretary for Administration provide a net \$374,000. The allowance includes \$532,000 for dietary equipment lease payments and \$151,000 for office rental space. A special fund increase in the amount of \$400,000 is provided for vehicle replacements. The department has a small surplus of Inmate Welfare Funds and has decided to use the \$400,000 fiscal 2015 special fund deficiency for the Office of the Deputy Secretary for Operations and the \$800,000 fiscal 2016 special fund allowance to purchase vehicle replacements to transport inmates for purposes such as work and medical appointments. The population of inmates on home detention is

*Q00A00 – DPSCS – Administration*

estimated to decrease in fiscal 2016; therefore, the allowance for inmate medical care decreases by \$246,000 in the Central Home Detention Unit. The allowance also includes a \$158,000 decrease for payments to counties due to the declining local jail population, and a \$305,000 decrease for urinalysis testing due to a reduction in the contract price.

MCE new and replacement equipment purchases increase by \$405,000 in the fiscal 2016 allowance. MCE also receives \$700,000 to make repairs and improvements to a warehouse that was acquired from the Department of General Services in fiscal 2014. MCE will use the new space for product storage and, therefore, reduce the amount of trailer space it needs to rent for product storage. MCE also plans to eventually move a sales team into the new space and use a portion of the space as a showroom and for customer meeting room space.

## *Issues*

---

### **1. Community Mediation Reentry**

The fiscal 2015 appropriation for the Office of the Secretary includes \$150,000 in general funds to support a community mediation reentry program. This program partners DPSCS with Community Mediation Maryland (CMM) to provide inmates with the chance to mediate with family members before release to address conflicts and collaboratively plan for transition to the community. CMM and other member centers have been providing reentry mediation services to inmates nearing release and their family members or support people for five years. The program operated as a pilot the first two years, and DPSCS signed a memorandum of understanding with CMM in the fall of 2008. Prior to the fiscal 2015 appropriation, mediation services were not funded by DPSCS. The resources provided in the appropriation support the operation of reentry mediation centers in Washington County and Baltimore City in order to provide an estimated 600 hours of mediation for 400 inmates located at the facilities in Hagerstown and Baltimore City.

A study issued in April 2013 on the use of mediation among Maryland's inmate population showed that participation in at least one mediation session reduces the probability of being arrested again by 10 percentage points. In December 2014, the department submitted to the budget committees a second study that addressed limitations detailed in the prior report. The analysis revealed that reentry mediation significantly decreases the probability and risk of arrest, arrest leading to conviction, arrest leading to incarceration, and return to prison by DPSCS for a technical violation or new arrest. The number of sessions was also determined to be a significant factor, with additional mediation sessions further reducing the probability of arrest, arrest leading to conviction, and arrest leading to incarceration. **Exhibit 8** shows the predicted probability of the recidivism outcomes measured in this study for the Mediation Treatment Group and the CMM Control Group. Additionally, researchers found that offenders that participated in mediation prior to release survived significantly longer in the community than those that did not. The results of the one-, two-, and three-year post-release Cox Regression survival analysis are summarized in **Exhibit 9**.

Overall, the evaluation shows that mediation as a short-term intervention is effective at decreasing the probability and risk of recidivism and increasing the length of time individuals survive in the community before rearrest or reincarceration. Additional mediation sessions have an increasingly greater effect on decreasing recidivism. Of note, however, is that of the 282 offenders in the study that participated in mediation, the average number of mediation sessions was only 1.54 out of a range of 1 to 10. Two-hundred inmates, or 71%, only participated in one session, while 43 inmates, or 15%, participated in two sessions. **The department should comment on the reason for the infrequency of repeat mediation sessions for participants, as well as any challenges to increasing the number of mediation sessions participants attend.**



**Exhibit 8**  
**Community Mediation Reentry**  
**Predicted Probability of Arrest, Conviction, Sentencing, and Return to Prison**

	<b><u>Non-Participants (CMM Control Group)</u></b>	<b><u>CMM Participants (Treatment Group)</u></b>	<b><u>Difference</u></b>	<b><u>Additional Mediation Sessions</u></b>
Arrest	58%	45%	-13%	-8% per session
Conviction	30%	15%	-15%	-9% per session
Sentence of One or More Days	23%	13%	-10%	-7% per session
Return to Prison	44%	32%	-12%	Not a significant factor

CMM: Community Mediation Maryland

Source: Community Mediation Maryland Reentry Mediation In-Depth Recidivism Analysis, November 2014

**Exhibit 9**  
**Community Mediation Reentry**  
**Post-release Survival Without Arrest or Return to Prison**

	<b>One Year Post-release</b>		<b>Two Years Post-release</b>		<b>Three Years Post-release</b>	
	<b><u>Non-Participants (CMM Control Group)</u></b>	<b><u>Participants (Treatment Group)</u></b>	<b><u>Non-Participants (CMM Control Group)</u></b>	<b><u>Participants (Treatment Group)</u></b>	<b><u>Non-Participants (CMM Control Group)</u></b>	<b><u>Participants (Treatment Group)</u></b>
Arrest	68%	81%	51%	66%	39%	49%
Arrest Leading to Conviction	85%	92%	75%	86%	67%	78%
Arrest Leading to Incarceration	88%	92%	79%	88%	76%	85%
Return to Prison	72%	78%	59%	70%	55%	65%

CMM: Community Mediation Maryland

Source: Community Mediation Maryland Reentry Mediation In-Depth Recidivism Analysis, November 2014

## 2. Effectiveness of the Public Safety Compact

Fiscal 2015 budget bill language required the department to submit a report providing recidivism data, a cost benefit analysis, and evaluation of outcome measures for the Public Safety Compact (PSC). The PSC is an initiative to safely return ex-offenders from Baltimore City to their communities via effective in-prison substance abuse treatment, followed by community-based re-entry services. The project was implemented in late 2008, with the first inmate released through the program in March 2010. Through the end of calendar 2014, 637 offenders have been assigned to the PSC and 530 have been released. The current contract extension ends at the close of fiscal 2015.

### Recidivism and Social Outcome Measures

The department submitted an in-depth analysis conducted by Shawn M. Flower, a Principle Researcher at Choice Research Associates. The analysis is the second part of a study (the first part of which was submitted to the legislature in October 2013) that examines the post-release recidivism outcomes for individuals who successfully completed the PSC program. The analysis included 383 individuals that engaged in the PSC program between March 2010 and September 2013.

The analysis demonstrates that successful completion of the program has a strong impact on post-release recidivism outcomes. Of the participant group, 80 were arrested post-release, 26 were convicted, and 18 were incarcerated for one or more days post-release. **Exhibit 10** compares arrest, conviction, and incarceration rates for those who successfully completed the program (PSC Graduates) versus those that did not (PSC Revoked). Recidivism rates for all outcome measures are significantly higher for the PSC Revoked group. Additionally, the analysis indicates that, upon graduation, an offender's probability of recidivating is reduced. As shown in **Exhibit 11**, PSC Graduates are also able to survive a longer amount of time in the community without recidivating than the PSC Revoked.

---

### Exhibit 10 Public Safety Compact Recidivism Outcomes

	<u>Recidivism Rate</u>		<u>Reduction in Probability of Recidivism Upon PSC Graduation</u>
	PSC Graduates	PSC Revoked	
Arrest	20%	67%	-43%
Conviction	5%	36%	-15%
Reincarceration	3%	26%	-9%

PSC: Public Safety Compact

Source: *Maryland Public Safety Compact PSC Participant Outcomes Report*, March 2014

---

**Exhibit 11**  
**Public Safety Compact Survival without Arrest**

	<u>PSC Graduates</u>	<u>PSC Revoked</u>
One Year Post-release	87%	37%
Two Years Post-release	61%	28%

PSC: Public Safety Compact

Source: *Maryland Public Safety Compact PSC Participant Outcomes Report*, March 2014

---

The analysis indicated that interaction with a case manager increased the likelihood of graduation from the program. However, none of the four key reentry areas examined (housing, employment, benefits, and post-release substance abuse treatment) were individually impactful on predicting graduation from the program or recidivism. The researcher notes that this may be the result of a lack of data and case management notes.

Overall, the evaluation shows some benefit to the department in improved recidivism by way of reducing the size of the population being considered for re-incarceration. If fewer offenders are being arrested or convicted post-release, the potential population that could return to the State correctional system is smaller. This potentially reduces the size of the inmate population, even if there is no difference in the re-incarceration rate once convicted.

**Cost Benefit Analysis**

Savings to the State are generated by shortening the offenders' time in prison and potentially reducing recidivism among participants. Program savings are calculated based on eligible participant days and a per-diem rate. The excess savings, or program savings less the program expenses, are divided between the Baltimore Safe and Sound Campaign (BSSC) and the State. The 60% share of the savings returned to BSSC is invested to expand treatment and reentry services. Fiscal 2010 was the first year of calculated savings. Between fiscal 2010 and 2014, DPSCS paid a total of \$1.8 million to BSSC. Of that amount, \$1.0 million was for program operating expenses, which had previously been funded through outside sources. The remaining \$746,000 consisted of BSSC's 60% share of the excess savings. The department reports that the cumulative savings to the State over the same period of time was \$497,428. **The department should comment on where the program savings are realized, and whether savings are expected to grow in future years with the reinvestments made by BSSC.**

**At this time, DPSCS has complied with the fiscal 2015 language and the Department of Legislative Services recommends that the \$100,000 restricted general funds be released for use by DPSCS.**

## ***Recommended Actions***

---

1. Concur with Governor's allowance.

## ***Current and Prior Year Budgets***

---

### **Current and Prior Year Budgets** **DPSCS – Administration** (\$ in Thousands)

	<b><u>General</u> <u>Fund</u></b>	<b><u>Special</u> <u>Fund</u></b>	<b><u>Federal</u> <u>Fund</u></b>	<b><u>Reimb.</u> <u>Fund</u></b>	<b><u>Total</u></b>
<b>Fiscal 2014</b>					
Legislative Appropriation	\$146,102	\$122,042	\$725	\$2,285	\$271,154
Deficiency Appropriation	-6,245	-322	0	0	-6,567
Budget Amendments	-763	2,040	1	908	2,187
Reversions and Cancellations	-2,132	-10,315	-398	-1,046	-13,890
<b>Actual</b>					
<b>Expenditures</b>	<b>\$136,962</b>	<b>\$113,445</b>	<b>\$328</b>	<b>\$2,148</b>	<b>\$252,884</b>
<b>Fiscal 2015</b>					
Legislative Appropriation	\$147,298	\$121,967	\$650	\$2,226	\$272,141
Cost Containment	-662	0	0	0	-662
Budget Amendments	775	168	0	622	1,564
<b>Working</b>					
<b>Appropriation</b>	<b>\$147,411</b>	<b>\$122,135</b>	<b>\$650</b>	<b>\$2,847</b>	<b>\$273,043</b>

Note: Numbers may not sum to total due to rounding. The fiscal 2015 working appropriation does not include January 2015 Board of Public Works reductions and deficiencies.

---

## **Fiscal 2014**

In fiscal 2014, the total budget for DPSCS Administration decreased by \$18.3 million from the legislative appropriation, primarily due to general fund deficiency appropriations and cancelled special funds. The Administration's general fund budget was reduced by a total of \$6.2 million for its share of the statewide reductions for health (\$2.1 million), retirement (\$1.4 million) and the State personnel system (\$2.7 million). The general fund budget decreased by an additional \$2.1 million due to reversions, primarily for DBM controlled items, such as the Department of Information Technology services allocation and DBM paid telecommunications. Special funds for the administration decreased by a net \$8.6 million, largely due to cancelled funds as a result of lower than estimated sales for MCE.

## **Fiscal 2015**

The department's fiscal 2015 working appropriation has increased by \$900,000 over the legislative appropriation as a result of general, special, and reimbursable fund amendments, as well as general fund cost containment actions. The general fund budget remains relatively unchanged as the result of two budget amendments allocating the fiscal 2015 annual salary review and a cost-of-living (COLA) adjustment totaling a combined \$775,000, offset by \$662,000 in cost containment reductions. On July 2, 2014, BPW withdrew \$77.1 million in appropriations and abolished 61 positions statewide as fiscal 2015 cost containment. This agency's share of the reduction for the following purposes:

- \$100,000 for contract costs for information technology hosted programs and services;
- \$125,000 for unnecessary maintenance costs for keyword recognition software due to delayed purchase;
- \$356,579 for dietary equipment lease payment due to delayed lease purchase; and
- \$80,223 for DBM controlled items.

The Administration's special fund appropriation increases by \$168,000 due to one budget amendment allocating the fiscal 2015 COLA. Reimbursable funds increase by a total of \$622,000 as a result of two budget amendments awarding grants from the Governor's Office of Crime Control and Prevention to implement cross jurisdictional record sharing (\$451,000) and fund the Safe Measures program (\$170,000), which facilitates the tracking of mandated compliance with supervision strategies and performance measures.

## Major Information Technology Projects

### Maryland Correctional Enterprises Enterprise Resource Planning Implementation Project

Project Status <sup>1</sup>	Implementation			New/Ongoing Project:		Ongoing		
Project Description:	This initiative will provide the ability for the Maryland Correctional Enterprises (MCE) to revise and update its backend processes and aging financial and manufacturing information technology infrastructure to better meet the needs of Maryland’s correctional industries program. This project will allow more efficient management of the agency’s program which currently generates over \$50 million per year in sales and service and employs over 2,000 inmates in Maryland’s correctional facilities. The current paper driven process and computing platform is not efficient and has become less effective as MCE grows its business.							
Project Business Goals:	This initiative supports the following MCE goals: a solution whose basic core capabilities address, at a minimum, the needs for all the following functions: (a) enterprise resource planning; (b) customer relationship management; and (c) integrating with other Maryland systems, primarily the Financial Management Information System.							
Estimated Total Project Cost <sup>1</sup> :	\$1,990,384			Estimated Planning Project Cost <sup>1</sup> :				
Project Start Date:	February 2015			Projected Completion Date:		February 2016		
Schedule Status:	The project has been re-baselined and is on track with the new schedule. However, MCE reports that it has received questions about the released request for proposals and may extend the February 2, 2015 due date.							
Cost Status:	No reported changes in the total cost.							
Scope Status:	No reported changes in the project scope.							
Identifiable Risks:	The project’s biggest current risk is that bids could exceed the project budget. However, the project team is confident systems are available in the range of its budget.							
Fiscal Year Funding (\$ in Thousands)	Prior Years	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Balance to Complete	Total
Personnel Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Professional and Outside Services	990.4	750.0	250.0	0.0	0.0	0.0	1,000.0	1,990.4
Other Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funding	\$990.4	\$750.0	\$250.0	\$0.0	\$0.0	\$0.0	\$1,000.0	\$1,990.4

<sup>1</sup> Initially, an agency submits a Project Planning Request. After the requirements analysis has been completed and a project has completed all of the planning required through Phase Four of the Systems Development Lifecycle (Requirements Analysis), including a baseline budget and schedule, the agency may submit a Project Implementation Request and begin designing and developing the project when the request is approved. For planning projects, costs are estimated through planning phases. Implementation projects are required to have total development costs.

**Object/Fund Difference Report  
DPSCS – Administration**

<u>Object/Fund</u>	<u>FY 14 Actual</u>	<u>FY 15 Working Appropriation</u>	<u>FY 16 Allowance</u>	<u>FY 15 - FY 16 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	1,393.50	1,398.50	1,398.50	0.00	0%
02 Contractual	94.86	163.41	162.82	-0.59	-0.4%
<b>Total Positions</b>	<b>1,488.36</b>	<b>1,561.91</b>	<b>1,561.32</b>	<b>-0.59</b>	<b>0%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 102,470,078	\$ 113,988,985	\$ 119,857,840	\$ 5,868,855	5.1%
02 Technical and Spec. Fees	4,070,657	5,535,244	4,751,282	-783,962	-14.2%
03 Communication	3,355,495	3,115,796	3,661,163	545,367	17.5%
04 Travel	326,010	345,750	352,715	6,965	2.0%
06 Fuel and Utilities	1,452,611	1,420,900	1,637,900	217,000	15.3%
07 Motor Vehicles	2,591,274	2,598,535	3,552,694	954,159	36.7%
08 Contractual Services	35,797,623	37,816,476	38,521,107	704,631	1.9%
09 Supplies and Materials	30,808,916	34,784,285	34,680,300	-103,985	-0.3%
10 Equipment – Replacement	5,397,924	4,159,686	5,668,871	1,509,185	36.3%
11 Equipment – Additional	1,133,113	651,064	620,000	-31,064	-4.8%
12 Grants, Subsidies, and Contributions	62,200,317	65,013,273	64,948,250	-65,023	-0.1%
13 Fixed Charges	3,251,893	3,612,786	3,510,193	-102,593	-2.8%
14 Land and Structures	27,674	0	700,000	700,000	N/A
<b>Total Objects</b>	<b>\$ 252,883,585</b>	<b>\$ 273,042,780</b>	<b>\$ 282,462,315</b>	<b>\$ 9,419,535</b>	<b>3.4%</b>
<b>Funds</b>					
01 General Fund	\$ 136,961,857	\$ 147,410,965	\$ 154,030,381	\$ 6,619,416	4.5%
03 Special Fund	113,445,488	122,135,098	125,821,798	3,686,700	3.0%
05 Federal Fund	328,069	650,000	900,000	250,000	38.5%
09 Reimbursable Fund	2,148,171	2,846,717	1,710,136	-1,136,581	-39.9%
<b>Total Funds</b>	<b>\$ 252,883,585</b>	<b>\$ 273,042,780</b>	<b>\$ 282,462,315</b>	<b>\$ 9,419,535</b>	<b>3.4%</b>

Note: The fiscal 2015 working appropriation does not include January 2015 Board of Public Works reductions and deficiencies. The fiscal 2016 allowance does not reflect contingent or across-the-board reductions.



**Fiscal Summary  
DPSCS – Administration**

<u>Program/Unit</u>	<u>FY 14 Actual</u>	<u>FY 15 Wrk Approp</u>	<u>FY 16 Allowance</u>	<u>Change</u>	<u>FY 15 - FY 16 % Change</u>
01 General Administration	\$ 32,607,743	\$ 37,435,658	\$ 35,509,287	-\$ 1,926,371	-5.1%
02 Information Technology and Communications Division	38,853,797	35,775,433	38,036,960	2,261,527	6.3%
03 Intelligence and Investigative Division	3,896,553	5,157,340	5,544,206	386,866	7.5%
04 9-1-1 Emergency Number Systems	56,529,345	59,396,132	59,420,576	24,444	0%
06 Div. of Cap. Construction and Facilities Maint.	2,273,068	3,231,363	3,728,123	496,760	15.4%
07 Major Information Technology Development Projects	642,068	850,000	750,000	-100,000	-11.8%
01 General Administration	9,905,607	10,154,094	14,877,284	4,723,190	46.5%
02 Division of Parole and Probation	22,702,798	25,657,364	24,948,438	-708,926	-2.8%
03 Programs and Services	6,102,333	6,443,205	6,696,642	253,437	3.9%
04 Security Operations	29,515,258	33,259,971	35,111,537	1,851,566	5.6%
01 Maryland Correctional Enterprises	49,855,015	55,682,220	57,839,262	2,157,042	3.9%
<b>Total Expenditures</b>	<b>\$ 252,883,585</b>	<b>\$ 273,042,780</b>	<b>\$ 282,462,315</b>	<b>\$ 9,419,535</b>	<b>3.4%</b>
General Fund	\$ 136,961,857	\$ 147,410,965	\$ 154,030,381	\$ 6,619,416	4.5%
Special Fund	113,445,488	122,135,098	125,821,798	3,686,700	3.0%
Federal Fund	328,069	650,000	900,000	250,000	38.5%
<b>Total Appropriations</b>	<b>\$ 250,735,414</b>	<b>\$ 270,196,063</b>	<b>\$ 280,752,179</b>	<b>\$ 10,556,116</b>	<b>3.9%</b>
Reimbursable Fund	\$ 2,148,171	\$ 2,846,717	\$ 1,710,136	-\$ 1,136,581	-39.9%
<b>Total Funds</b>	<b>\$ 252,883,585</b>	<b>\$ 273,042,780</b>	<b>\$ 282,462,315</b>	<b>\$ 9,419,535</b>	<b>3.4%</b>

Note: The fiscal 2015 working appropriation does not include January 2015 Board of Public Works reductions and deficiencies. The fiscal 2016 allowance does not reflect contingent or across-the-board reductions.