

# JOINT BUDGET COMMITTEE



## SUPPLEMENTAL BUDGET REQUESTS FY 2018-19

### DEPARTMENT OF CORRECTIONS

JBC WORKING DOCUMENT - SUBJECT TO CHANGE  
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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# DEPARTMENT OF CORRECTIONS

## DEPARTMENT OVERVIEW

The Department is responsible for the following activities:

- Managing, supervising, and controlling the correctional facilities operated and supported by the State;
- Supervising the population of offenders placed in the custody of the Department, including offenders in prisons, offenders on parole, and transition inmates in community corrections programs;
- Planning for the long-range needs of the Department; and
- Developing educational programs, treatment programs, and correctional industries programs that have a rehabilitative or therapeutic value for inmates and supply necessary products for state institutions and other public purposes, as provided by law.

## SUMMARY: FY 2018-19 APPROPRIATION AND RECOMMENDATION

DEPARTMENT OF CORRECTIONS: RECOMMENDED CHANGES FOR FY 2018-19						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2018-19 APPROPRIATION</b>						
HB 18-1322 (Long Bill)	\$893,072,938	\$800,096,300	\$38,410,054	\$51,050,517	\$3,516,067	6,245.9
Other legislation	14,071,047	10,785,047	0	3,286,000	0	0.0
<b>CURRENT FY 2018-19 APPROPRIATION:</b>	<b>\$907,143,985</b>	<b>\$810,881,347</b>	<b>\$38,410,054</b>	<b>\$54,336,517</b>	<b>\$3,516,067</b>	<b>6,245.9</b>
<b>RECOMMENDED CHANGES</b>						
Current FY 2018-19 Appropriation	\$907,143,985	\$810,881,347	\$38,410,054	\$54,336,517	\$3,516,067	6,245.9
S1 1331 Interim supplemental – CCF-S modification	1,134,147	1,134,147	0	0	0	0.0
S2 Correctional officer overtime	2,095,990	2,095,990	0	0	0	0.0
Non-prioritized request - fleet true up	0	0	0	0	0	0.0
<b>RECOMMENDED FY 2018-19 APPROPRIATION:</b>	<b>\$910,374,122</b>	<b>\$814,111,484</b>	<b>\$38,410,054</b>	<b>\$54,336,517</b>	<b>\$3,516,067</b>	<b>6,245.9</b>
<b>RECOMMENDED INCREASE/(DECREASE)</b>	<b>\$3,230,137</b>	<b>\$3,230,137</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0	0	0	0	0	0.0
<b>FY 2018-19 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	(319,092)	(2,313,398)	1,994,306	0	0	0.0

**Important Note:** This supplemental request covers only a portion of the Department's FY 2018-19 supplemental request. An additional request is expected to be submitted to the Joint Budget Committee on January 31, 2019.

## REQUEST/RECOMMENDATION DESCRIPTIONS

**S1 1331 INTERIM SUPPLEMENTAL - CCF-S MODIFICATION:** The request includes an increase of \$1,134,147 General Fund in the *Institutions - Maintenance Subprogram - Operating Expenses* line item for construction of recreation yards, cable and electric infrastructure upgrades, day hall furnishings, and cell modifications. This request was submitted as an Interim Emergency Supplemental in September 2018 and approved by the Joint Budget Committee. The recommendation is approval of \$1,134,147 General Fund for construction of recreation yards, cable and electric infrastructure upgrades, day hall furnishings, and cell modifications.

**S2 CORRECTIONAL OFFICER OVERTIME:** The request includes an increase of \$2,095,990 cash funds from the State Employee Reserve Fund (SERF) for correctional officer overtime pay. The recommendation is \$2,095,990 General Fund for correctional officer overtime pay.

**SNP1 ANNUAL FLEET VEHICLE TRUE-UP:** The request includes a decrease of \$319,092 total funds, including a decrease of \$217,408 General Fund, to reflect changes in lease payments required to be made by the Department of Personnel for vehicle lease payments. Staff asks permission to include the corresponding appropriations in the Department's supplemental bill when the Committee acts on common policy supplementals.

## PRIORITIZED SUPPLEMENTAL REQUESTS

### S2 CORRECTIONAL OFFICER OVERTIME

	REQUEST	RECOMMENDATION
<b>TOTAL</b>	<b>\$2,095,990</b>	<b>\$2,095,990</b>
FTE	0.0	0.0
General Fund	0	2,095,990
Cash Funds	2,095,990	0
Federal Funds	0	0

**Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

**Explanation:** JBC staff and the Department agree that this request is the result of data not available when the original appropriation was made.

**DEPARTMENT REQUEST:** The Department requests an increase of \$2,095,990 cash funds from the State Employee Reserve Fund (SERF) for correctional officer overtime pay. This request would require companion legislation making a transfer from the SERF to the General Fund, and then an appropriation from the General Fund to the Department.

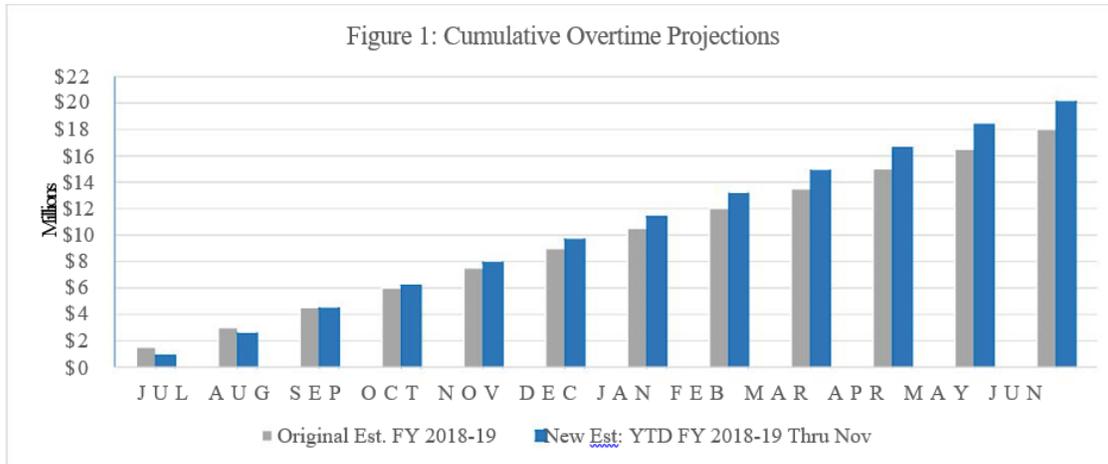
**STAFF RECOMMENDATION:** Staff recommends that the Committee appropriate \$2,095,990 General Fund for correctional officer overtime pay. The difference between the Department's request and staff recommendation revolves around using the SERF for this request. Staff recommends using General Fund for the supplemental request and using the full amount in the SERF (approximately \$13 million) to offset General Fund in the Department's R-01 Staff Retention request.

**STAFF ANALYSIS:** The supplemental budget request is the result of increased overtime in the Department. A bulk of this overtime (77 percent) comes from correctional officer overtime. Overtime may be authorized: (a) in an emergency; (b) to cover a station or assignment of another DOC employee not available to work; (c) to provide essential services when they cannot be provided by overlapping work schedules; and (d) to carry out short-range assignments in which the utilization of regular DOC employees is more advantageous than the hiring of additional DOC employees. An important point of note, overtime covers minimal correctional facility staffing patterns and does not bring facilities up to normal staffing patterns.

The approved overtime for FY 2018-19 was \$18 million and was based on the FY 2017-18 overtime amounts. Overtime needs have exceeded the appropriation for the first five months of the fiscal year, indicating that the amount currently appropriated would not be sufficient to cover the remainder of the fiscal year.

Actual FY 2017-18 correctional officers' overtime was the equivalent of 180 FTE. The current trend through November 2018 indicates that overtime will be the equivalent of 224 FTE in FY 2018-19. The Department does not have a dedicated overtime budget, which means that the Department uses vacancy savings to fund the overtime expenses. Despite the use of vacancy savings, the Department

projects an overtime funding shortfall of \$2,095,990 in FY 2018-19. Figure 1 below displays the Departments projections for overtime through June 2019.



Vacancy savings are typically used to cover the costs of overtime; however, there are not enough funds in vacancy savings to maintain the overtime needed to meet minimal staffing patterns. Correctional officers encounter situations when a facility incident (lockdowns, offender or staff assaults, illegal contraband, etc.) requires overtime, mandatory stay-over shift overtime, or working on scheduled off days when short staffed.

One of the factors driving overtime need is the lack of correctional officers, which was detailed in Staff's 2019-20 briefing documents, under Issue: Staff Retention (R-01). The salary and range within the pay grade of Correctional Officer I (CO I), Correctional Officer II (CO II), and Correctional Support Trade Supervisor I (CSTS I) has caused a staffing issue inside the Department of Corrections (DOC).

The Department's FY 2019-20 R-01 request for an increase of \$17.5 million total funds, of which \$17.1 million is General Fund, is meant to address staffing shortages. If the Joint Budget Committee and the General Assembly approves the funding in the FY 2019-20 R-01 request, the result is likely to reduce overtime needs, as the vacancy in correctional officer positions would decline.

## PREVIOUSLY APPROVED INTERIM SUPPLEMENTAL REQUEST

### S1 1331 INTERIM SUPPLEMENTAL CCF-S MODIFICATIONS

	REQUEST	APPROVED
<b>TOTAL</b>	<b>\$1,134,147</b>	<b>\$1,134,147</b>
FTE	0.0	0.0
General Fund	1,134,147	1,134,147
Cash Funds	0	0
Federal Funds	0	0

**DEPARTMENT REQUEST:** The Department requested an increase of \$1,134,147 General Fund in the Institutions - Maintenance Subprogram - Operating Expenses line item for construction of recreation yards, cable and electric infrastructure upgrades, day hall furnishings, and cell modifications. This request was submitted as an Interim Emergency Supplemental in September 2018 and approved by the Joint Budget Committee. The interim supplemental staff write-up can be found at the following link: [https://leg.colorado.gov/sites/default/files/cor\\_1331-09-20-18.pdf](https://leg.colorado.gov/sites/default/files/cor_1331-09-20-18.pdf)

**SUMMARY:** The Department submitted an interim supplemental for construction of recreation yards, cable and electric infrastructure upgrades, day hall furnishings, and cell modifications as part of a multi-step plan for the Centennial South facility.

**COMMITTEE ACTION:** Staff recommended, and the Committee approved, \$1,134,147 General Fund for construction of recreation yards, cable and electric infrastructure upgrades, day hall furnishings, and cell modifications.

## STATEWIDE COMMON POLICY SUPPLEMENTAL REQUESTS

This request is not prioritized and is not analyzed in this packet. The Joint Budget Committee will act on this item later when it makes decisions regarding common policies.

DEPARTMENT'S PORTION OF STATEWIDE SUPPLEMENTAL REQUEST	TOTAL	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
Annual fleet supplemental true-up	(\$319,092)	(\$217,408)	(\$101,684)	\$0	\$0	0.0
<b>DEPARTMENT'S TOTAL STATEWIDE SUPPLEMENTAL REQUESTS</b>	<b>(\$319,092)</b>	<b>(\$217,408)</b>	<b>(\$101,684)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

**STAFF RECOMMENDATION:** The staff recommendation for this request is pending Committee action on common policy supplementals. Staff asks permission to include the corresponding appropriations in the Department's supplemental bill when the Committee acts on common policy supplementals. If staff believes there is reason to deviate from the common policy, staff will appear before the Committee at a later date to present the relevant analysis.

*JBC Staff Supplemental Recommendations - FY 2018-19  
Staff Working Document - Does Not Represent Committee Decision*

**Appendix A: Numbers Pages**

	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2018-19 Requested Change	FY 2018-19 Rec'd Change	FY 2018-19 Total w/Rec'd Change
<b>DEPARTMENT OF CORRECTIONS</b>					
Dean Williams, Executive Director					
S1 1331 emergency supplemental for prison capacity					
<b>(2) INSTITUTIONS</b>					
<b>(B) Maintenance Subprogram</b>					
Operating Expenses	<u>7,114,522</u>	<u>7,114,522</u>	<u>1,134,147</u>	<u>1,134,147</u>	<u>8,248,669</u>
General Fund	7,114,522	7,114,522	1,134,147	1,134,147	8,248,669
<b>Total for S1 1331 emergency supplemental for prison capacity</b>	7,114,522	7,114,522	1,134,147	1,134,147	8,248,669
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	7,114,522	7,114,522	1,134,147	1,134,147	8,248,669

*JBC Staff Supplemental Recommendations - FY 2018-19*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2018-19 Requested Change	FY 2018-19 Rec'd Change	FY 2018-19 Total w/Rec'd Change
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**S2 Correctional Officer Overtime**

**(2) INSTITUTIONS**

**(C) Housing and Security Subprogram**

Personal Services	<u>114,955,041</u>	<u>171,329,170</u>	<u>2,095,990</u>	<u>2,095,990</u>	<u>173,425,160</u>
FTE	2,974.4	2,974.4	0.0	0.0	2,974.4
General Fund	114,952,094	171,326,223	0	2,095,990	173,422,213
Cash Funds	2,947	2,947	2,095,990	0	2,947
<b>Total for S2 Correctional Officer Overtime</b>	114,955,041	171,329,170	2,095,990	2,095,990	173,425,160
FTE	<u>2,974.4</u>	<u>2,974.4</u>	<u>0.0</u>	<u>0.0</u>	<u>2,974.4</u>
General Fund	114,952,094	171,326,223	0	2,095,990	173,422,213
Cash Funds	2,947	2,947	2,095,990	0	2,947

<b>Totals Excluding Pending Items</b>					
<b>CORRECTIONS</b>					
<b>TOTALS for ALL Departmental line items</b>	767,311,546	907,143,985	3,230,137	3,230,137	910,374,122
FTE	<u>6,247.0</u>	<u>6,245.9</u>	<u>0.0</u>	<u>0.0</u>	<u>6,245.9</u>
General Fund	672,341,188	810,881,347	1,134,147	3,230,137	814,111,484
Cash Funds	39,182,940	38,410,054	2,095,990	0	38,410,054
Reappropriated Funds	51,620,128	54,336,517	0	0	54,336,517
Federal Funds	4,167,290	3,516,067	0	0	3,516,067