



Budget Briefing: Corrections

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Briefing Topics

- Funding Sources
- Appropriation Areas
- Major Budget Topics
 - Offender Population
 - Recent Budget Growth
 - Prison Operations: Correctional Facilities
 - Field Operations: Parole and Probation
 - Offender Success: Programs and Services

Department of Corrections

- The Department of Corrections (MDOC) administers the state's adult prison, parole, and probation systems
- Major departmental functions include:
 - Operation of all state correctional institutions housing adults who are convicted of felonies and are sentenced to prison; operation includes provision of physical and mental health care, food service, behavioral programming, and transportation
 - Monitoring and supervising all parolees and probationers who are under the department's jurisdiction; convicted felons who are not sentenced to prison are either sentenced to county jail or are supervised in the community through the probation system
 - Oversight over community corrections programs, offender success programs (including education, job training, and career readiness programming for prisoners while they are incarcerated), and grant programs designed to encourage alternatives to prison placement for appropriate offenders

Key Budget Terms

Fiscal Year: The state's fiscal year (FY) runs from October to September. FY 2022-23 is October 1, 2022 through September 30, 2023.

Appropriation: Authority to expend funds. An appropriation is not a mandate to spend. Constitutionally, state funds cannot be expended without an appropriation by the legislature.

Line Item: Specific appropriation amount that establishes spending authorization for a particular program or function in a budget bill.

Boilerplate: Specific language sections in a budget bill that direct, limit, or restrict line item expenditures, express legislative intent, and/or require reports.

Lapses: Appropriated amounts that are unspent or unobligated at the end of a fiscal year. Appropriations are automatically terminated at the end of a fiscal year unless designated as a multi-year work project under a statutory process. Lapsed funds are available for expenditure in the subsequent fiscal year.

Note: Unless otherwise indicated, historical budget figures in this presentation have not been adjusted for inflation.

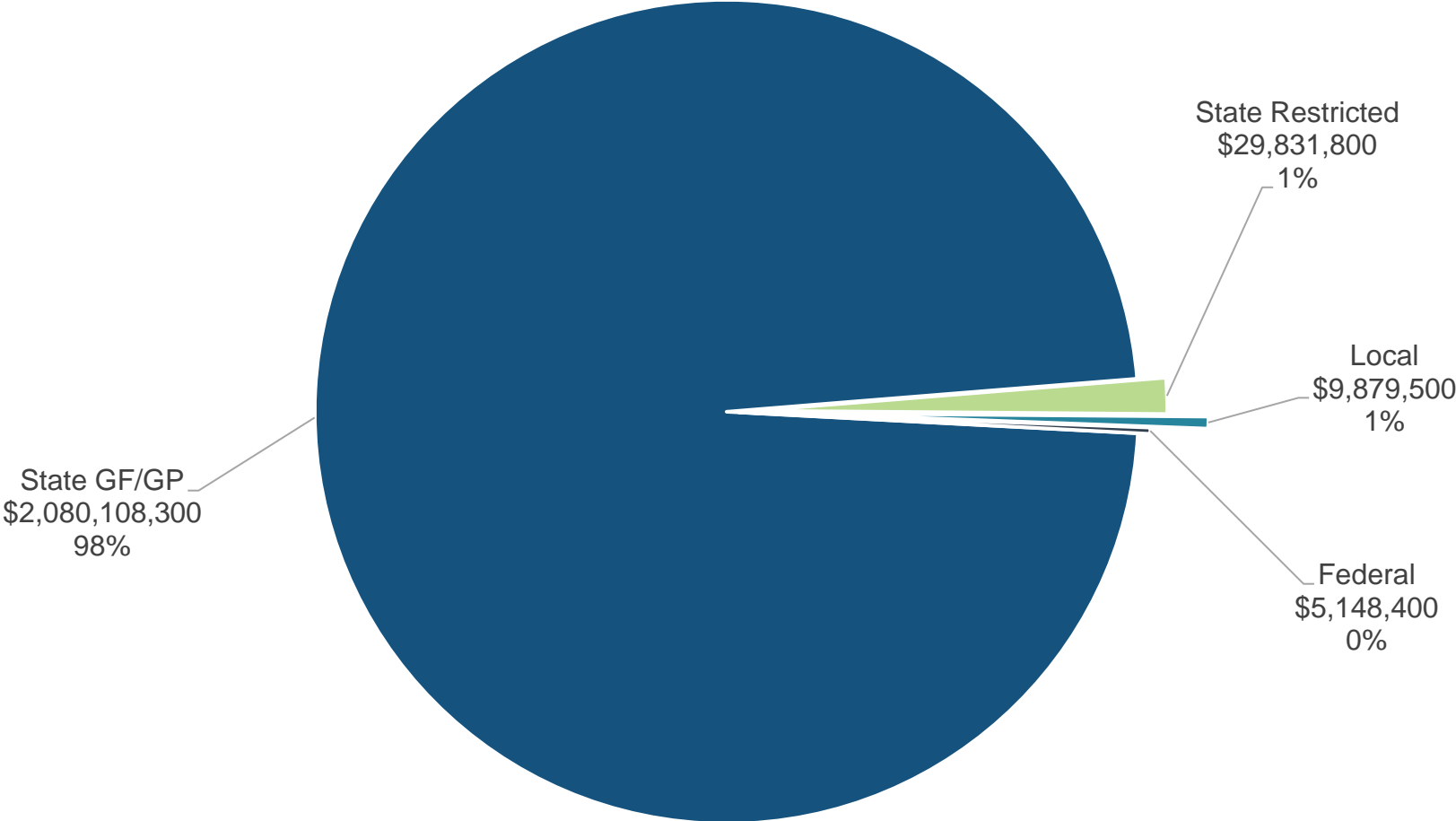
Funding Sources

FY 2022-23 MDOC Budget

Fund Source	Funding	Description
Gross Appropriations	\$2,124,968,000	Total spending authority from all revenue sources
Interdepartmental Grants (IDG) Revenue	0	Funds received by one state department from another state department, usually for services provided
Adjusted Gross Appropriations	\$2,124,968,000	Gross appropriations excluding IDGs; avoids double counting when adding appropriation amounts across budget areas
Federal Revenue	5,148,400	Federal grant or matching revenue; generally dedicated to specific programs or purposes
Local Revenue	9,879,500	Revenue received from local units of government for state services
Private Revenue	0	Revenue from individuals and private entities, including payments for services, grants, and other contributions
State Restricted Revenue	29,831,800	State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue
State General Fund/General Purpose (GF/GP) Revenue	\$2,080,108,300	Unrestricted revenue from taxes and other sources available to fund basic state programs and other purposes determined by the legislature

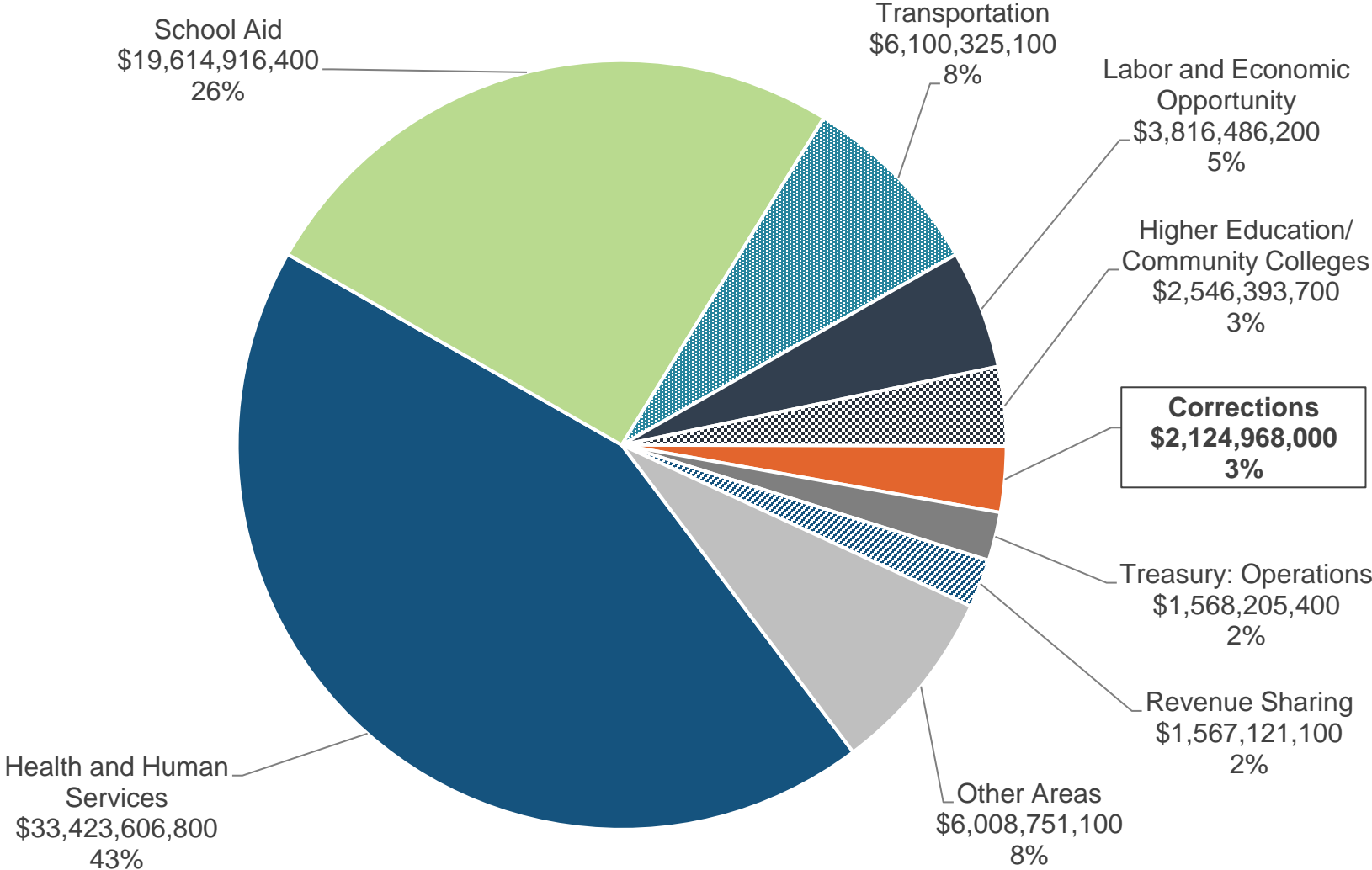
FY 2022-23 Fund Sources

The Corrections budget is financed with **98%** general fund/general purpose revenue.



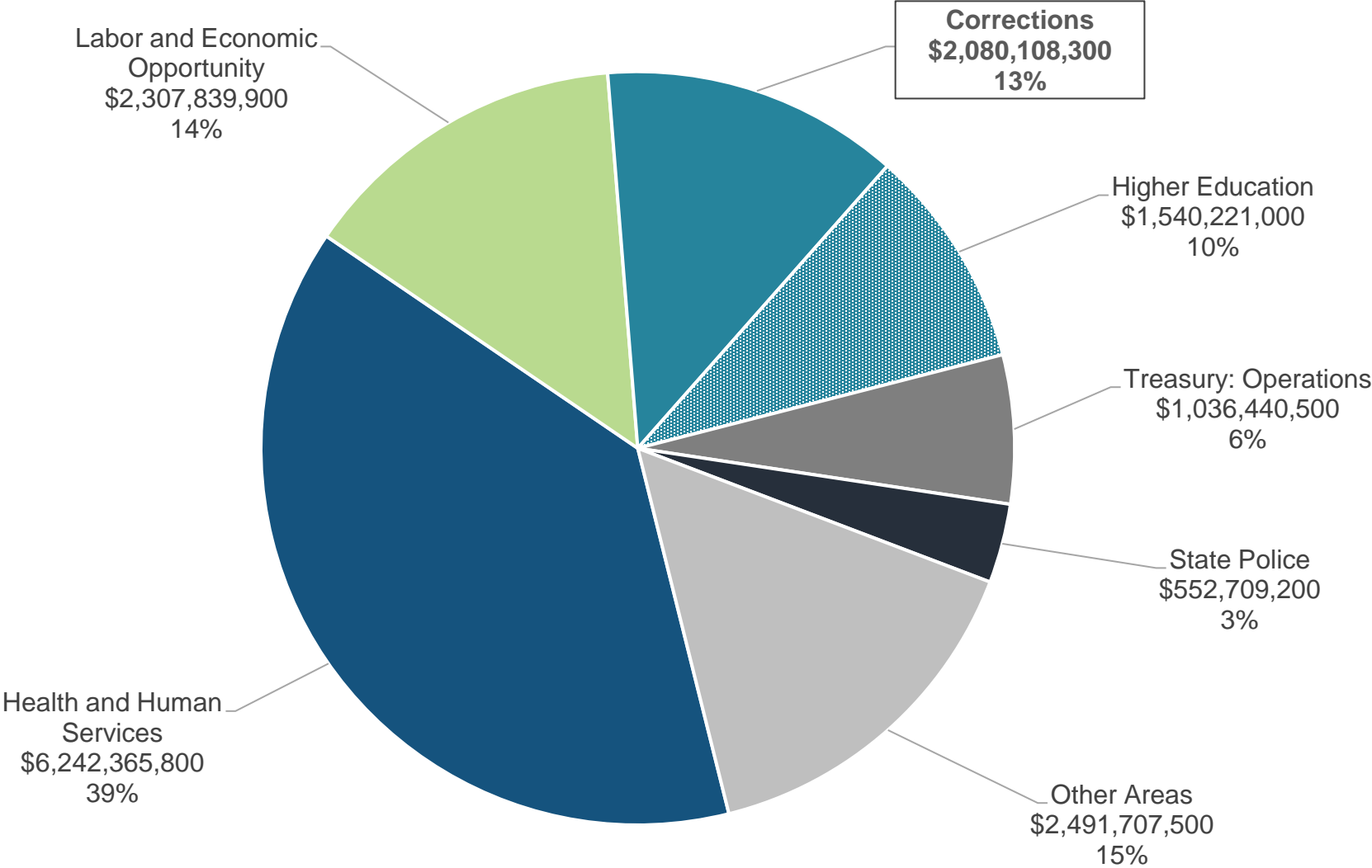
MDOC Share of Total State Budget

The MDOC budget represents **3%** of the state's **\$76.8 billion** budget (adjusted gross) for FY 2022-23.



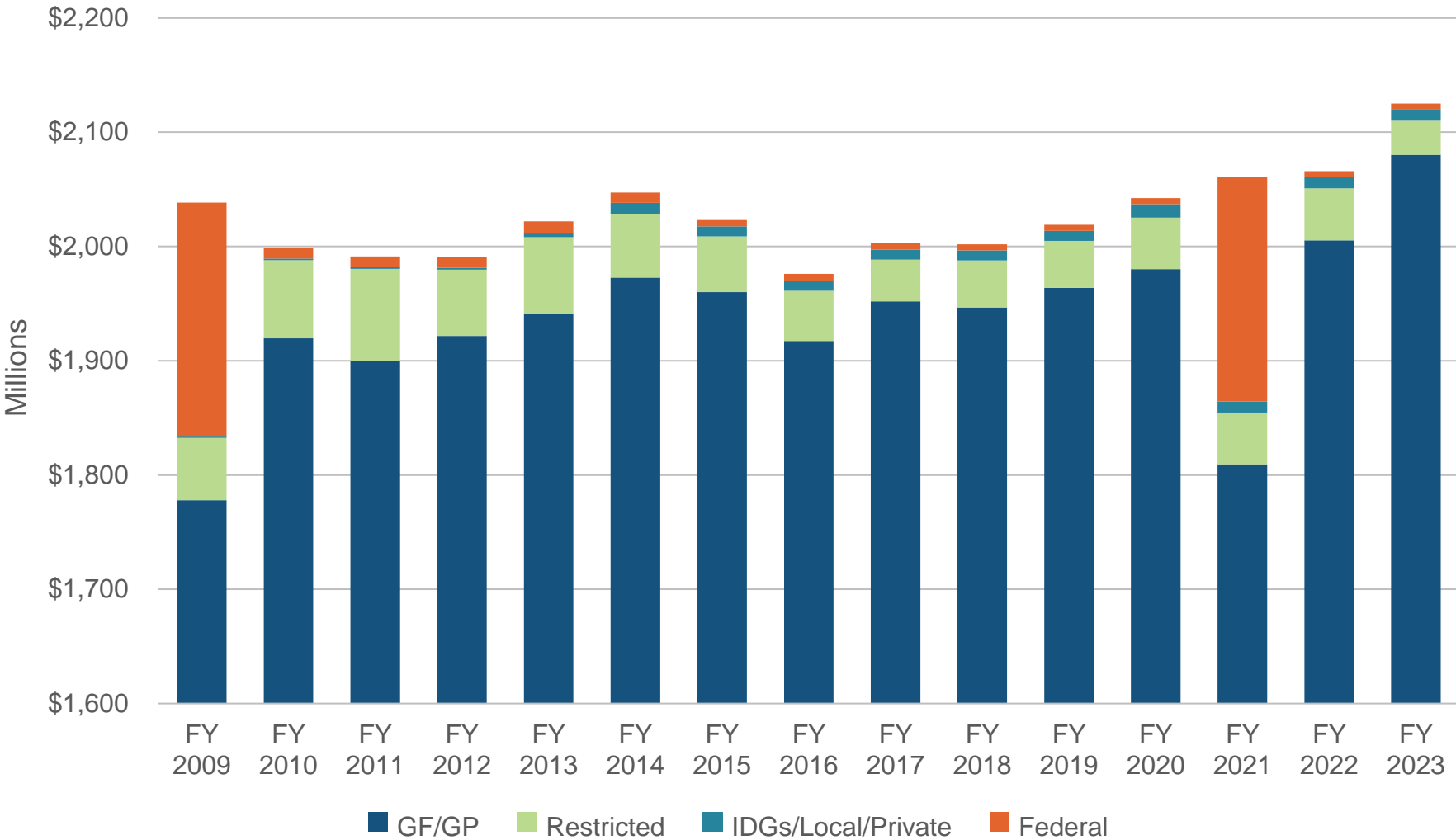
MDOC Share of Total GF/GP Budget

The MDOC budget represents about **13%** of the state's **\$16.3 billion** GF/GP budget for FY 2022-23.



MDOC Funding History

Appropriations for the MDOC have increased by a little over **4.0%** since FY 2008-09, driven mainly by anticipated costs for physical and mental health care for prisoners and for employees of the department.



Appropriation Areas

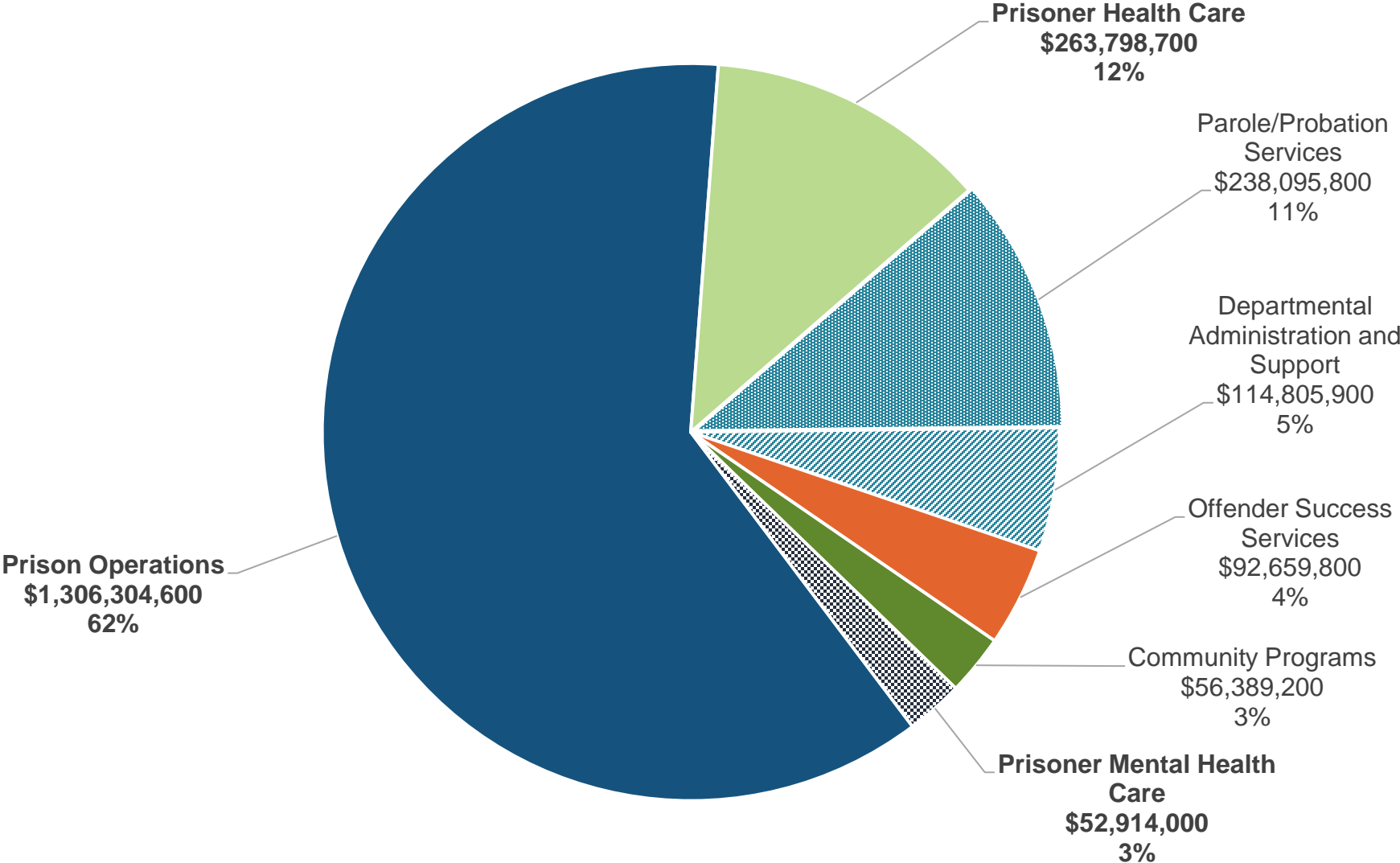
MDOC Appropriation Areas

The Corrections budget is allocated into the following major spending areas:

- ***Prison Operations:*** operation of the state's correctional facilities; includes physical and mental health care for prisoners, prisoner food service, prisoner behavioral programming, prisoner transportation, and staff training
- ***Parole and Probation Services:*** supervision and monitoring of parolees and probationers; includes residential alternative to prison program, electronic monitoring, and Prosperity Region 8 pilot program
- ***Offender Success Services:*** prisoner reintegration programs aimed at reducing recidivism through prisoner assessment, case management, and delivery of services; includes education, job training, and career readiness programming for prisoners while they are incarcerated
- ***Community Programs:*** programs to provide alternatives to incarceration; includes community corrections programs, County Jail Reimbursement program, residential probation diversions, and Goodwill Flip the Script
- ***Departmental Administration and Support:*** general administrative functions of the department; includes executive office, finance and accounting, information technology, legal affairs, and property management

FY 2022-23 Gross Appropriations

A little over **\$1.6 billion**, or **76%**, of the Corrections **\$2.1 billion** budget is allocated to prison operations, including physical and mental health care for prisoners.



Major Budget Topics

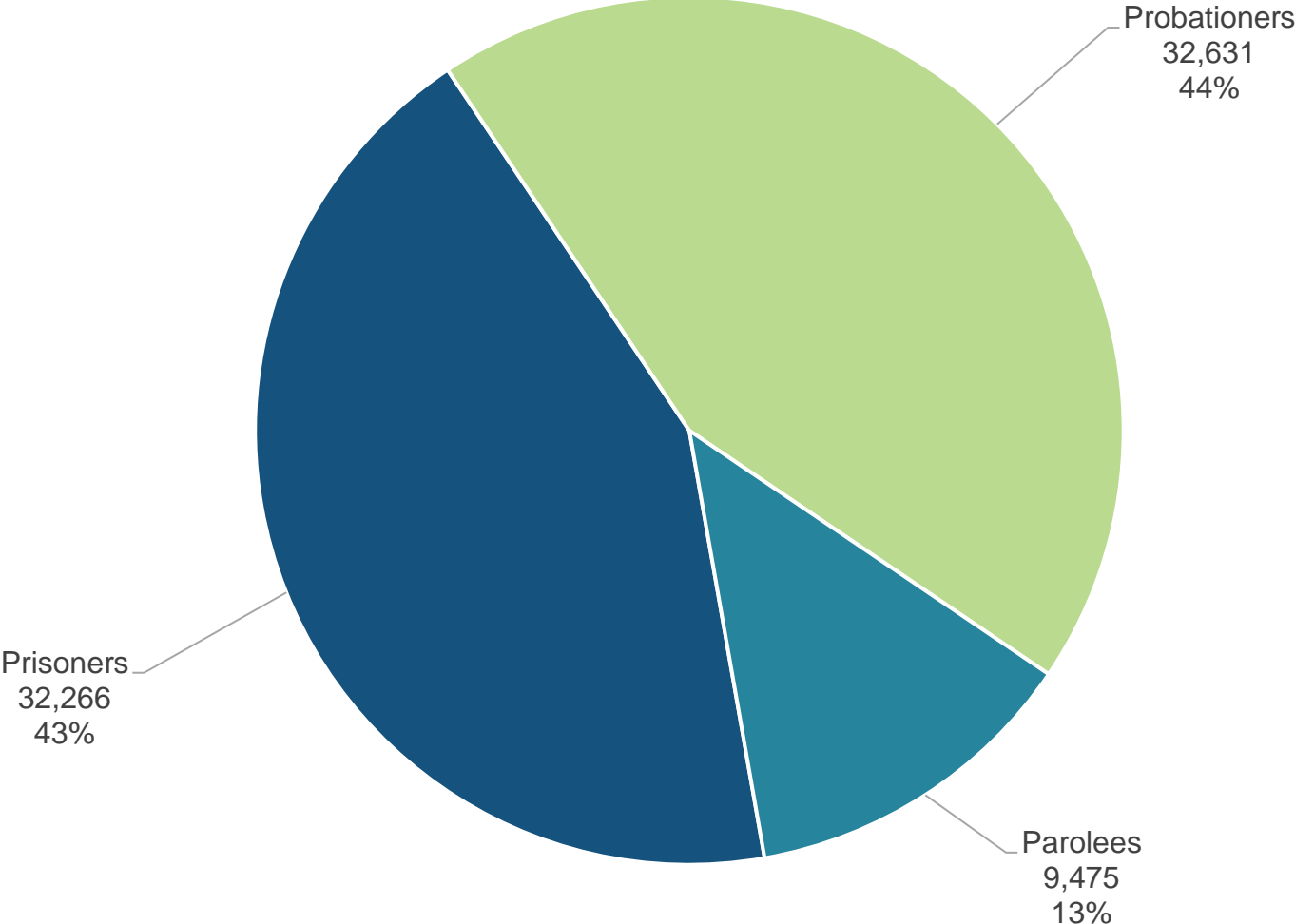
Offender Population

The Offender Population

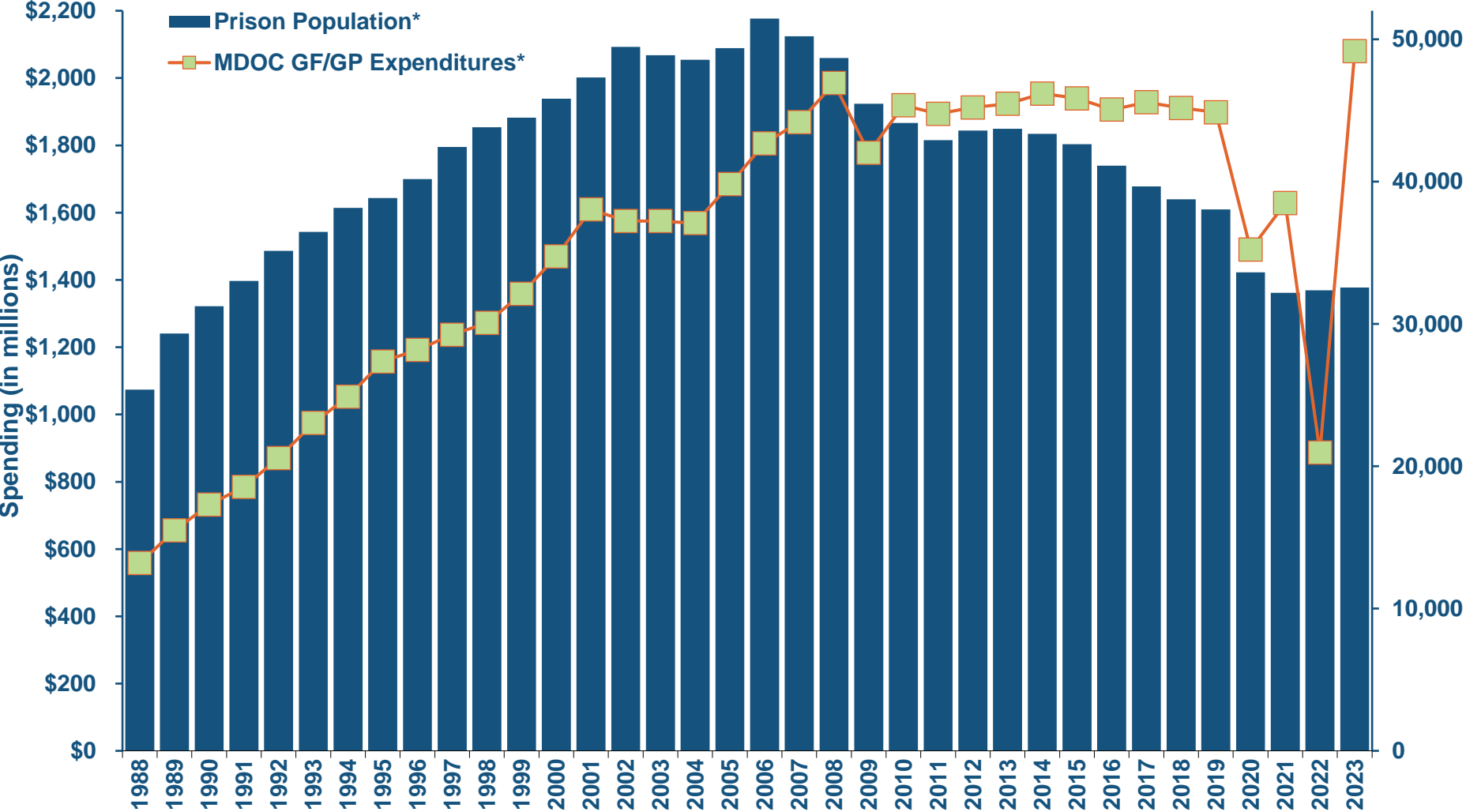
- **Prisoners:**
 - Felony offenders committed to the jurisdiction of the MDOC
 - Housed in prisons and special alternative incarceration program
- **Parolees:**
 - Prisoners who have served at least their minimum sentence and who have been released to a period of supervision in the community
 - Supervised by MDOC field agents
- **Probationers:**
 - Felony offenders sentenced to a probationary term of supervision in the community
 - Supervised by MDOC field agents

MDOC Supervised Population

As of December 1, 2022, the total offender population under MDOC supervision was 74,372. This is an increase of 379 offenders since a year ago, on December 1, 2021, when the total offender population was 73,993.



Growth in MDOC GF/GP Spending and the Prisoner Population



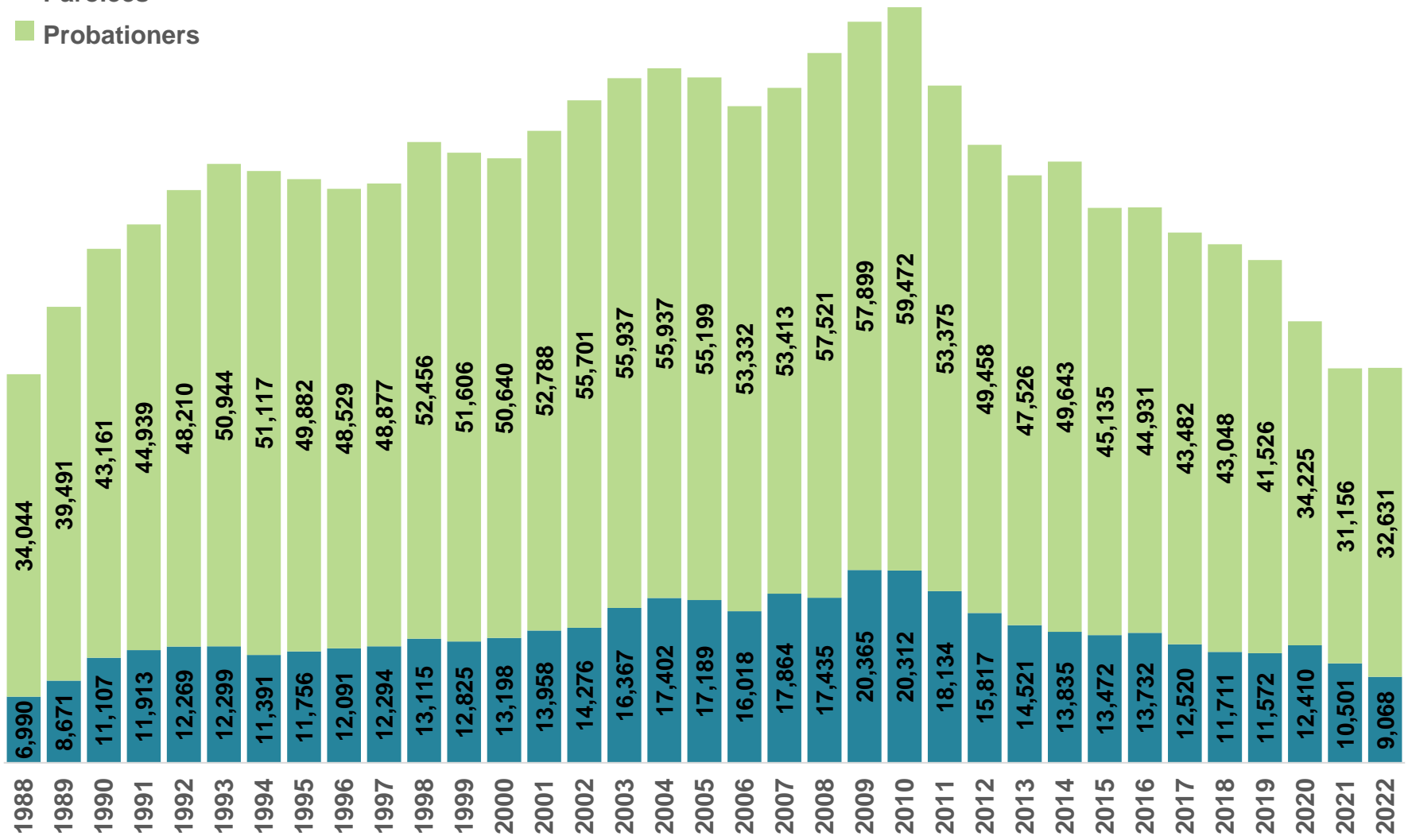
*2020 through 2022 figures reflect reduced GF/GP due to receipt of federal disaster assistance and Coronavirus relief funding, and a reduced prison population related to COVID-19; 2023 figures are based on year-to-date GF/GP appropriations and an estimated prison population

Prison Population Changes

- Changes in the prison population are a function of the movement of offenders into and out of the system
- Entering the system:
 - New court commitments: felony offenders sentenced to prison
 - Parole and probation violators: sent to prison due to new sentences or technical violations
 - Court returns: prisoner returns from court (sometimes with additional sentences imposed)
 - Other returns: from community placement, from county jail, from mental health hospital, from escape of MDOC custody
- Exiting the system:
 - Parolees: granted parole by the Michigan Parole Board
 - Released to court: for new trial or appeal
 - Community Residential Program: community supervision prior to truth-in-sentencing
 - Discharged at maximum sentence
 - Other exit: death, temporary county jail stay, release to mental health hospital, escape

Average Parole and Probation Populations

■ Parolees
■ Probationers

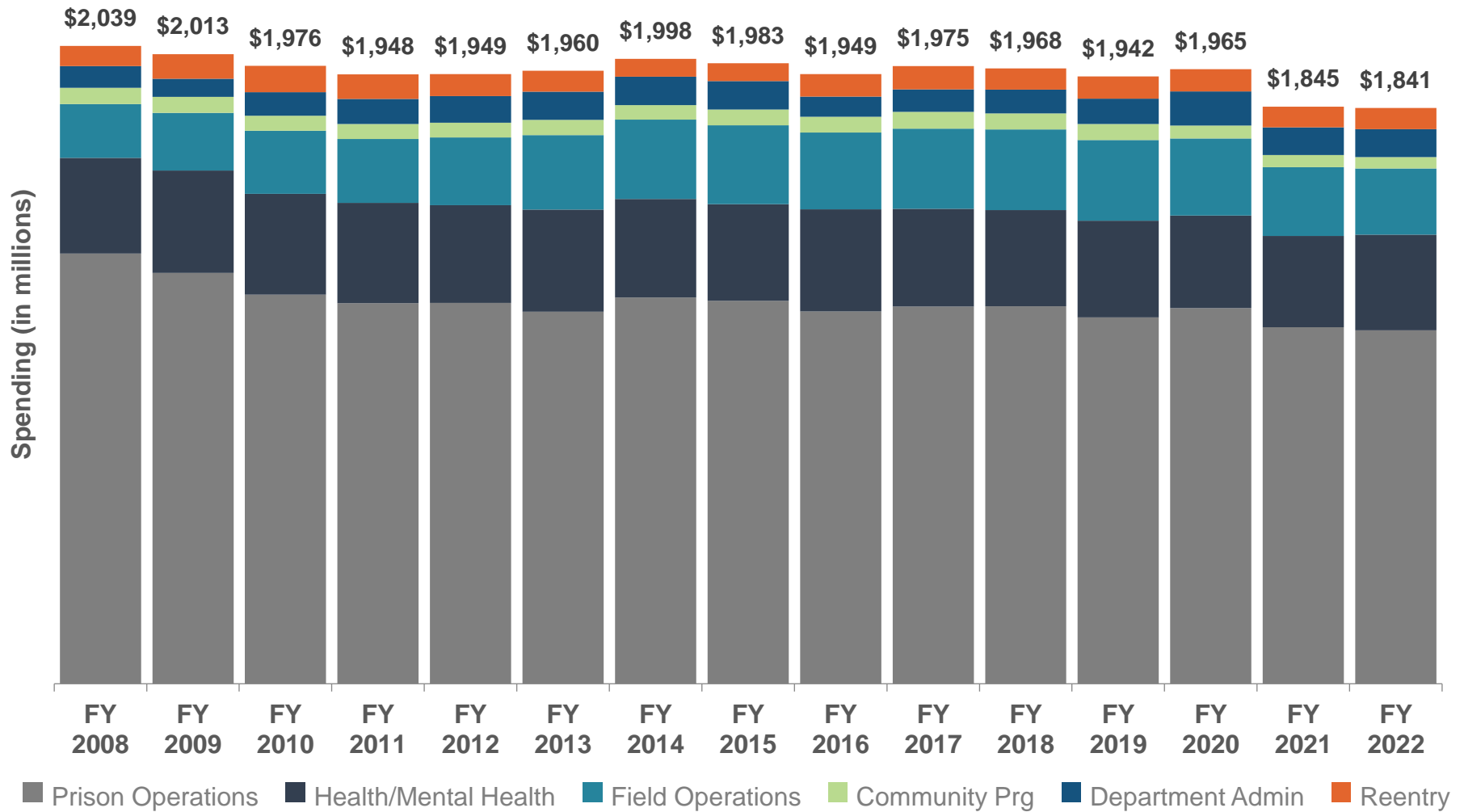


*2022 data is as of December 9, 2022

Recent Budget Growth

Corrections Spending Growth by Program

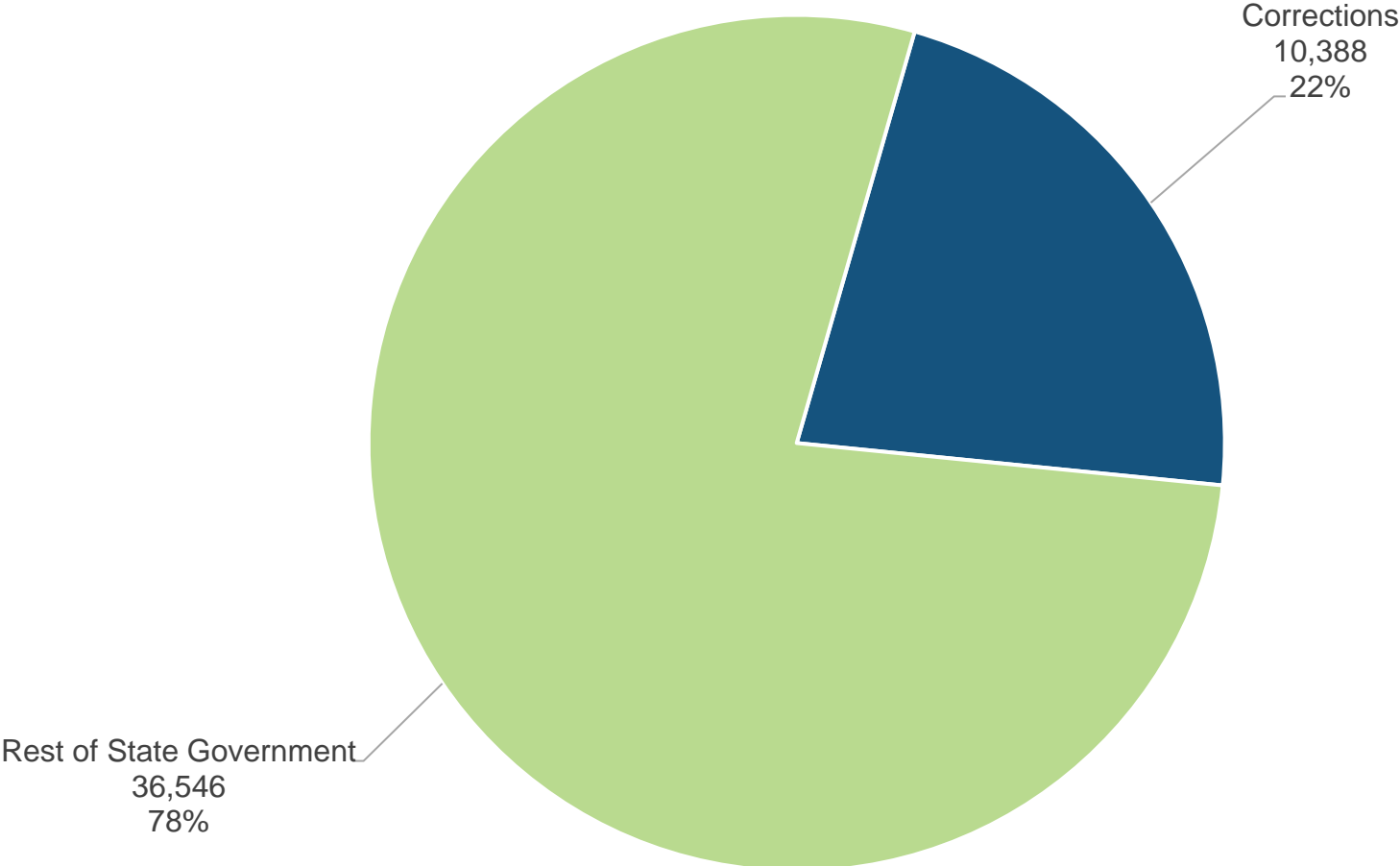
From FY 2007-08 to FY 2021-22, overall Corrections spending decreased at an average annual rate of less than 1%. However, spending on prisoner reentry services increased at an average annual rate of a little less than 4% and spending on field operations (probation and parole) increased at an average annual rate of a little more than 2%.



**2022 data is as of December 9, 2022*

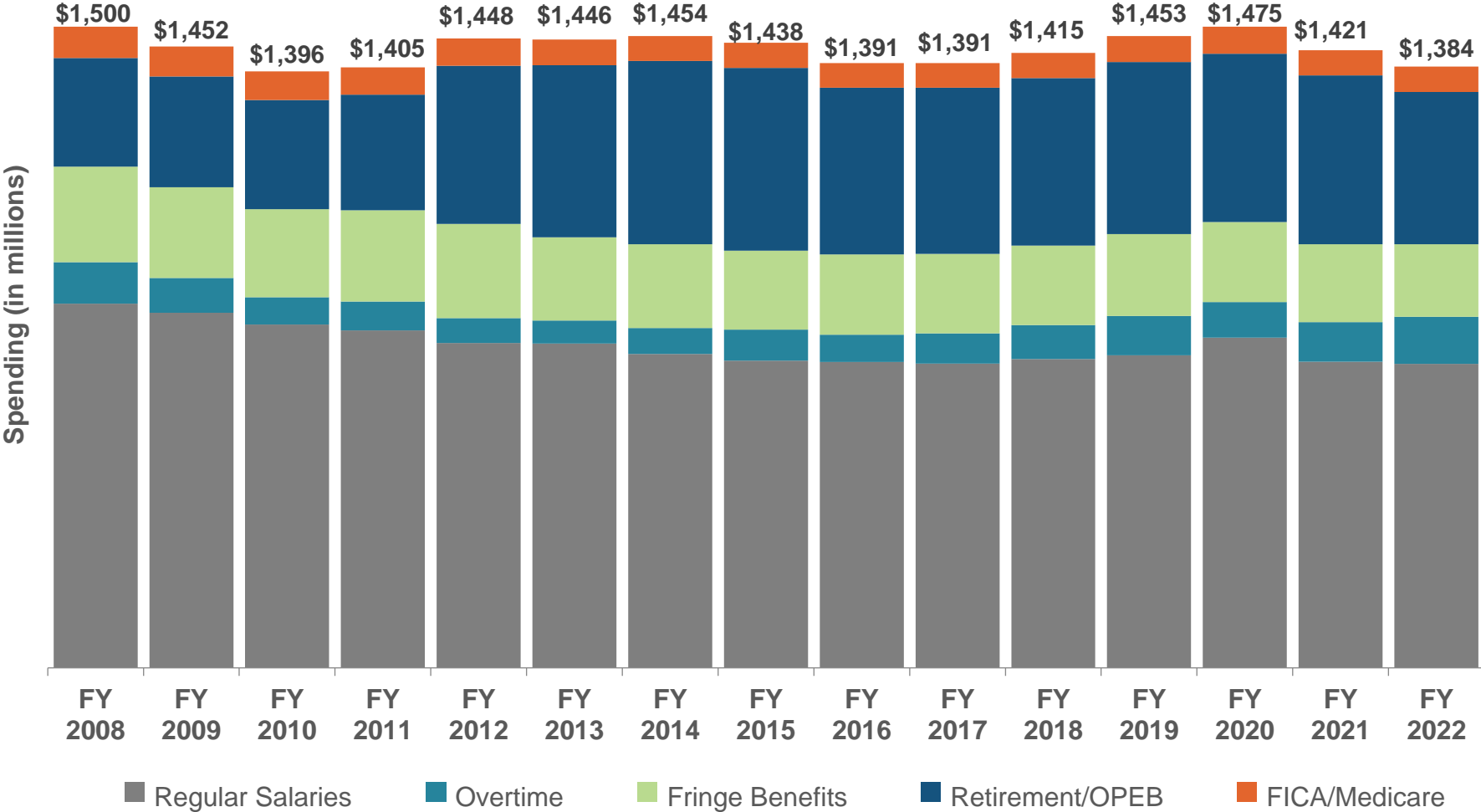
MDOC Share of Active Classified Employees

As of December 10, 2022, the total number of active classified employees in the state's workforce was 46,934. Of those, **10,388**, or **22%**, were employed by the MDOC.



Corrections Personnel Costs

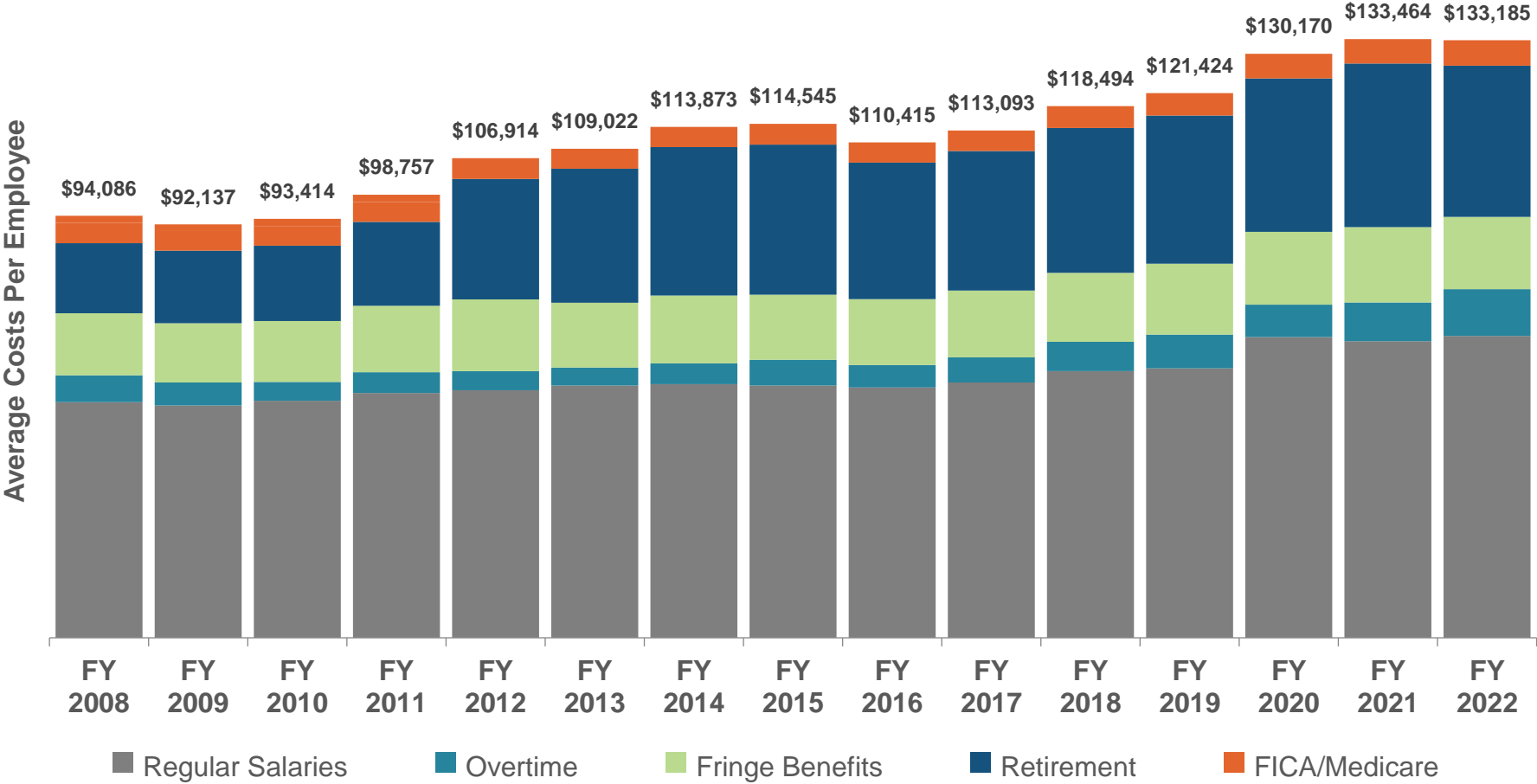
Since FY 2007-08, overall personnel costs for the MDOC have decreased by a little less than 1% annually. However, costs for overtime and retirement have increased in this same time period. In FY 2021-22, these costs accounted for a little over **33%** of all personnel costs compared to **23%** in FY 2007-08.



*2022 data is as of December 9, 2022

Corrections Personnel Costs Per Employee

Personnel costs on a per employee basis have risen by an average of **3.3%** annually since FY 2007-08. Again, overtime and retirement costs have played the largest role, with average annual per-employee increases of **5.2%** for overtime and **8.9%** for retirement across the time period. Regular salary costs increased by an average of **2.3%** annually.



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Prison Operations: Correctional Facilities

Prison Operations

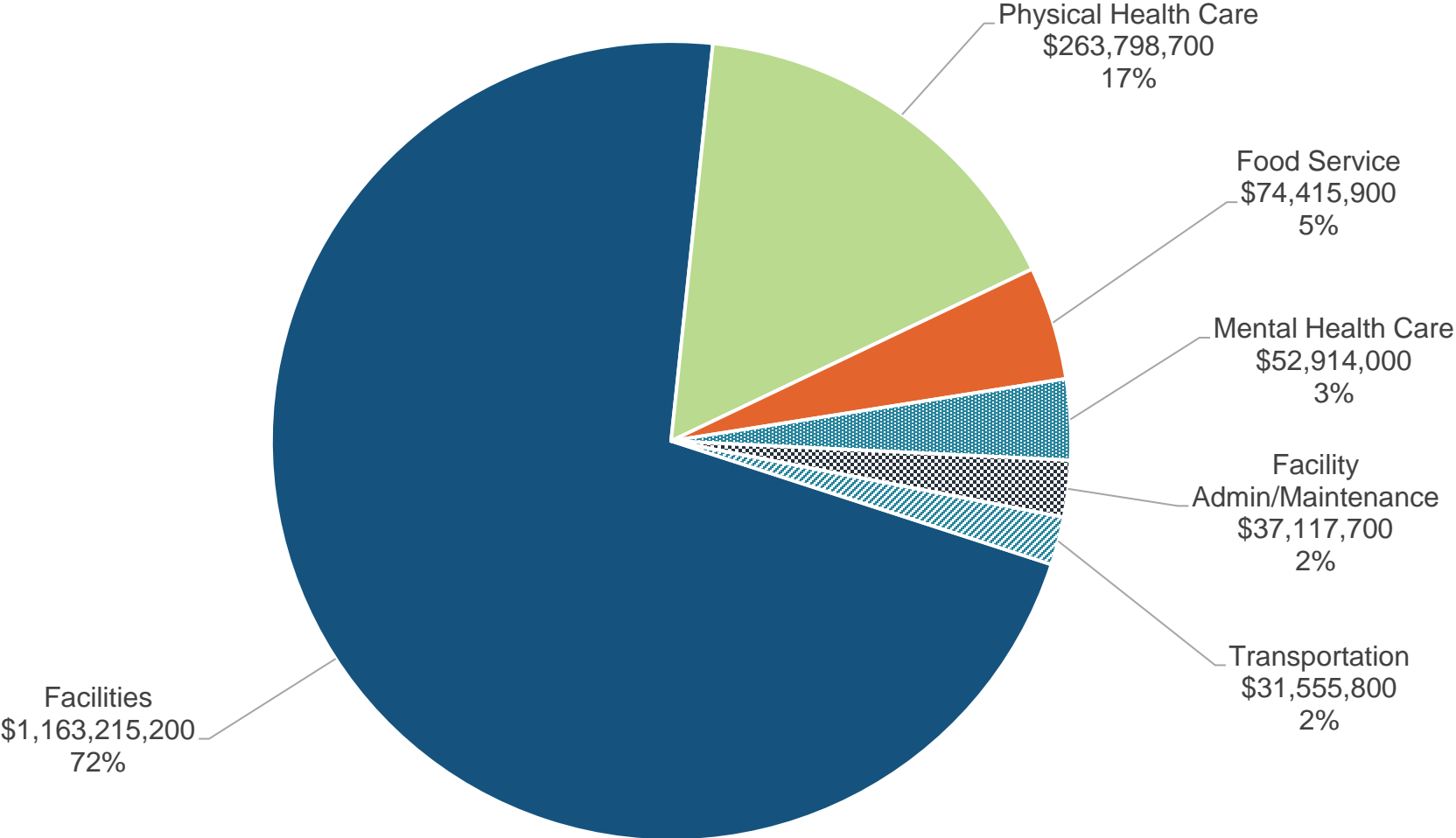
- The MDOC operates 27 correctional facilities located in 19 counties across the state
- The MDOC operates the Special Alternative Incarceration Program; program for men is located in the Cooper Street Correctional Facility and serves up to 100 men; smaller scale program for women is located in Womens Huron Valley Correctional Complex and serves up to 42 women
- In addition, the MDOC operates the Detroit Detention Center at the site of the former Mound Correctional Facility, which closed in December 2011; appropriation for the Detroit Detention Center is supported with local revenue received from the City of Detroit
- A little over **\$1.6 billion**, or **76%**, of the FY 2022-23 Corrections budget is devoted to costs pertaining to prisoner custody (e.g., housing, physical and mental health care, food, transportation, behavioral treatment programs)
- Academic and vocational programming appropriations, roughly **\$60.6 million** in FY 2022-23, are included in appropriations for offender success, instead of in appropriations for prisoner custody

Prison Closures and Conversions

- The following correctional facility closures and conversions have occurred over the past 11 years:
 - Muskegon Correctional Facility (Muskegon) – closed May 2011 due to cancellation of contract to house prisoners from Pennsylvania; reopened October 2012 as part of Ryan Correctional Facility conversion plan
 - Florence Crane Correctional Facility (Coldwater) – closed May 2011
 - Mound Correctional Facility (Detroit) – closed December 2011
 - Ryan Correctional Facility (Detroit) – converted to Detroit Reentry Center October 2012
 - Camp Tuscola (Caro) – closed October 2012
 - Kinross Correctional Facility (Kincheloe) – closed November 2015; prisoners transferred to former Hiawatha facility, which was reopened and named Kinross Correctional Facility
 - Pugsley Correctional Facility (Kingsley) – closed September 2016
 - West Shoreline Correctional Facility (Muskegon) – closed March 2018
 - Ojibway Correctional Facility (Marenisco) – closed December 2018
 - Special Alternative Incarceration Program (Cassidy Lake) – downsized February 2020; moved to Cooper Street Correctional Facility
 - Detroit Reentry Center – closed January 2021
 - Michigan Reformatory – November 2022

Prisoner Custody, Care, and Programs

Total FY 2022-23 appropriation for prisoner custody, care, and programming is **\$1,623,017,300**.



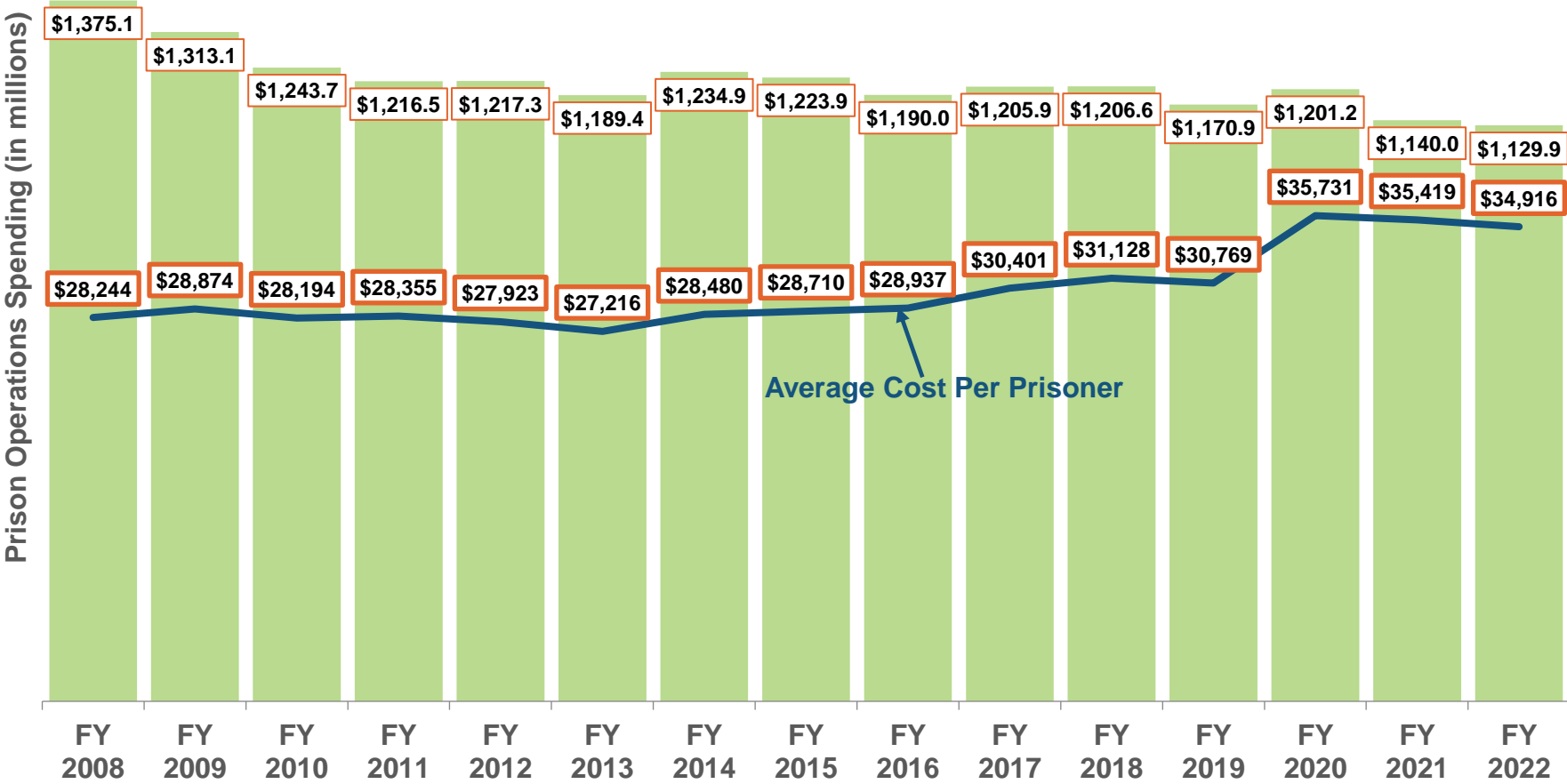
Costs Per Prisoner by Security Level

Please note: Data for FY 2022 is tentative and will be finalized at book closing.

FY 2021 Actual	FY 2022 Actual	FY 2023 Appropriated
Level I \$38,420	Level I \$38,460	Level I \$38,102
Level II \$41,720	Level II \$43,490	Level II \$44,081
Level IV \$49,892	Level IV \$53,524	Level IV \$51,469
Multi-Level \$48,198	Multi-Level \$51,374	Multi-Level \$49,538
Reception \$52,140 SAI \$129,506	Reception \$59,028 SAI \$82,742	Reception \$55,345 SAI \$68,109
Average Per Capita \$45,698	Average Per Capita \$47,917	Average Per Capita \$47,085

Prison Operations - Average Cost Per Prisoner

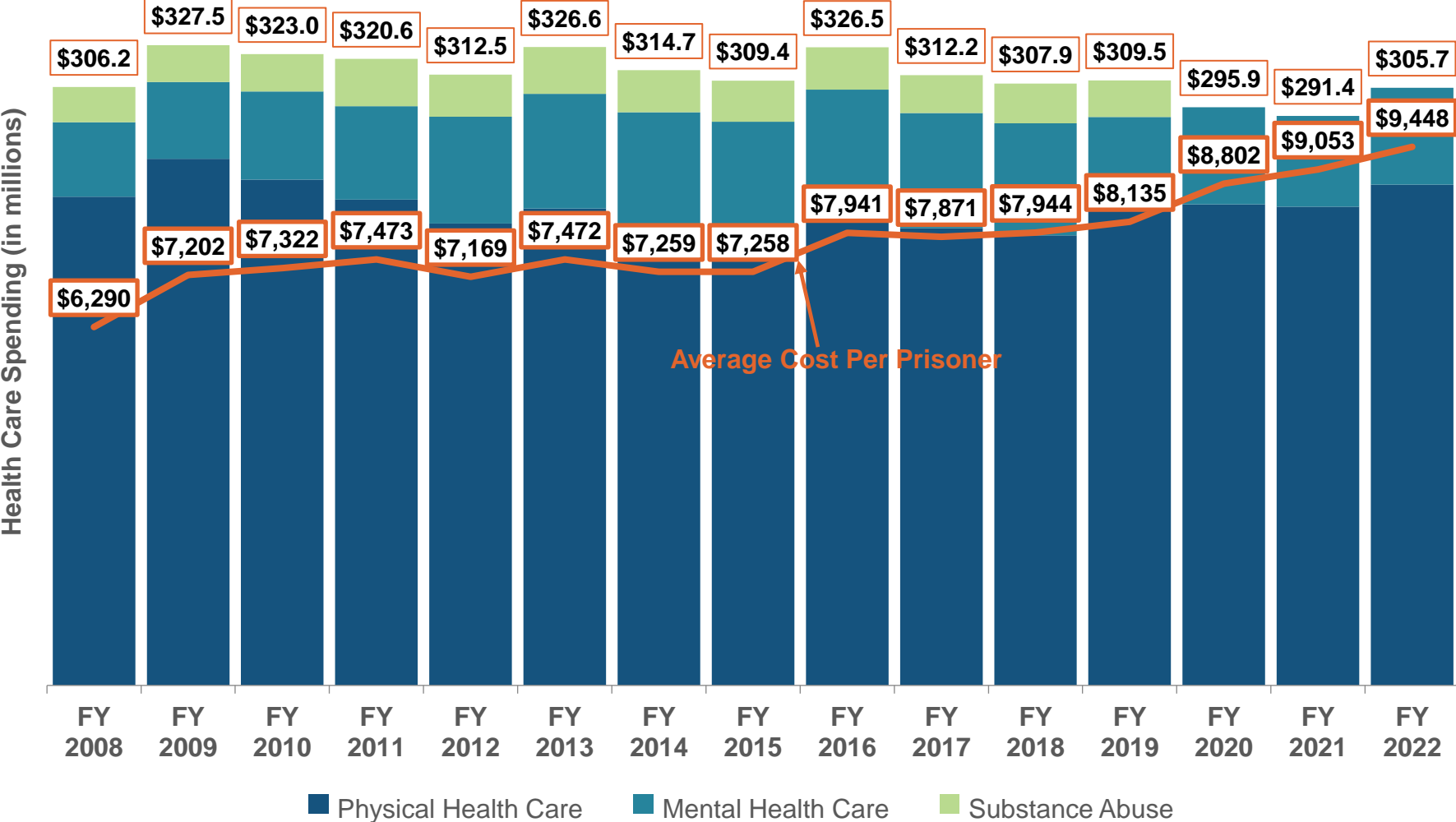
This chart reviews total prison operations spending **excluding** spending for physical and mental health care. Per-prisoner costs grew by an average of a little over 2% per year over this period. The fluctuation in spending in the last three fiscal years can be attributed to the COVID-19 pandemic.



*2022 data is as of December 9, 2022

Health Care - Average Cost Per Prisoner

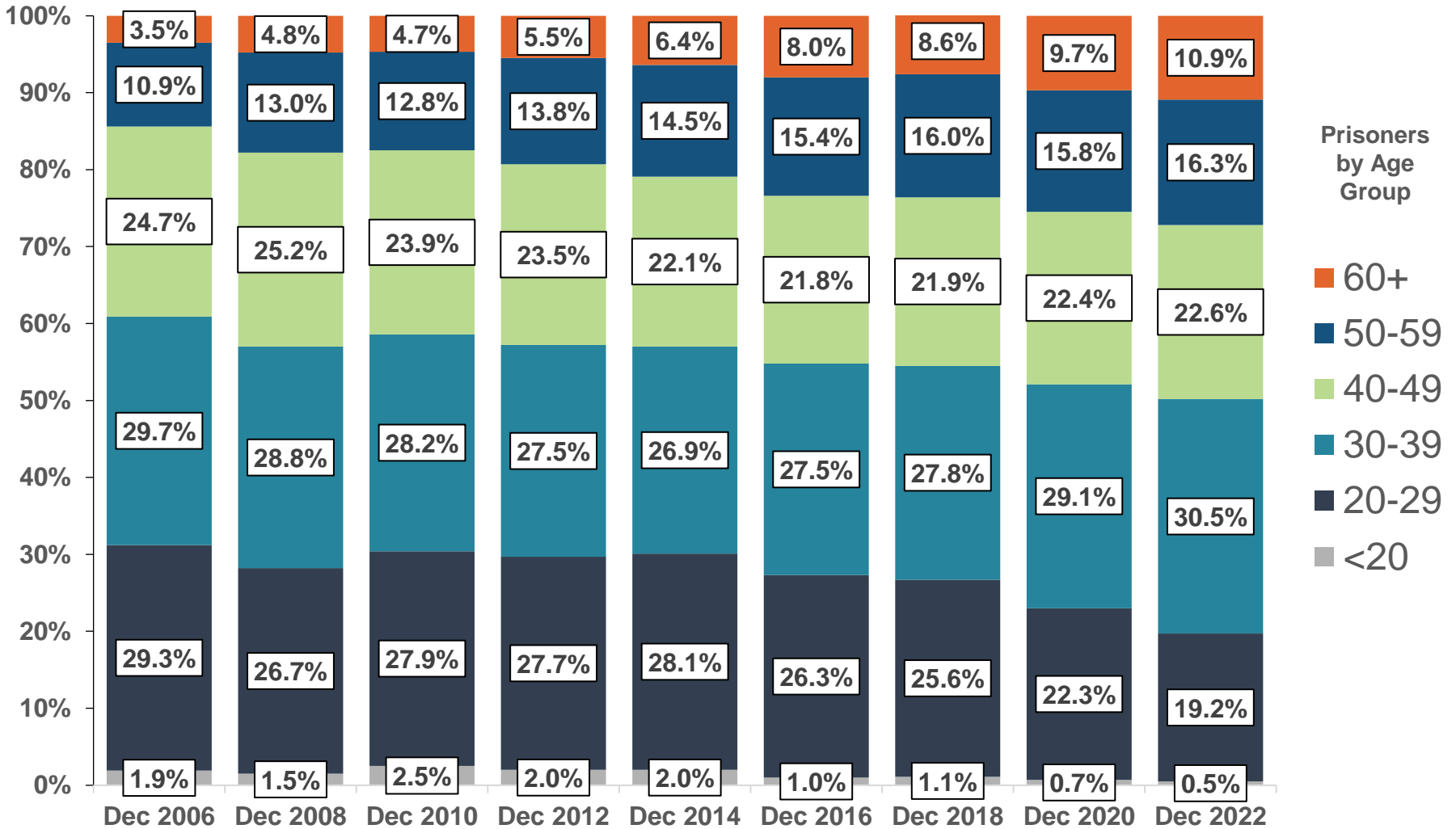
Spending for prisoner physical and mental health care services, including substance abuse treatment services inside facilities and in community programs, increased significantly over the FY 2007-08 to FY 2021-22 time period. Per-prisoner costs increased by an average of **8.3%** annually during this time. (In FY 2019-20, costs for substance abuse were rolled in with costs for mental health care.)



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Prisoner Age Distribution and Health Care

One major factor in the rise of per-prisoner health care costs is the aging of the prison population. In 2006, 39.1% of prisoners were over age 40 and 14.4% were over age 50. By 2022, those percentages increased significantly to 49.8% over age 40 and 27.2% over age 50.



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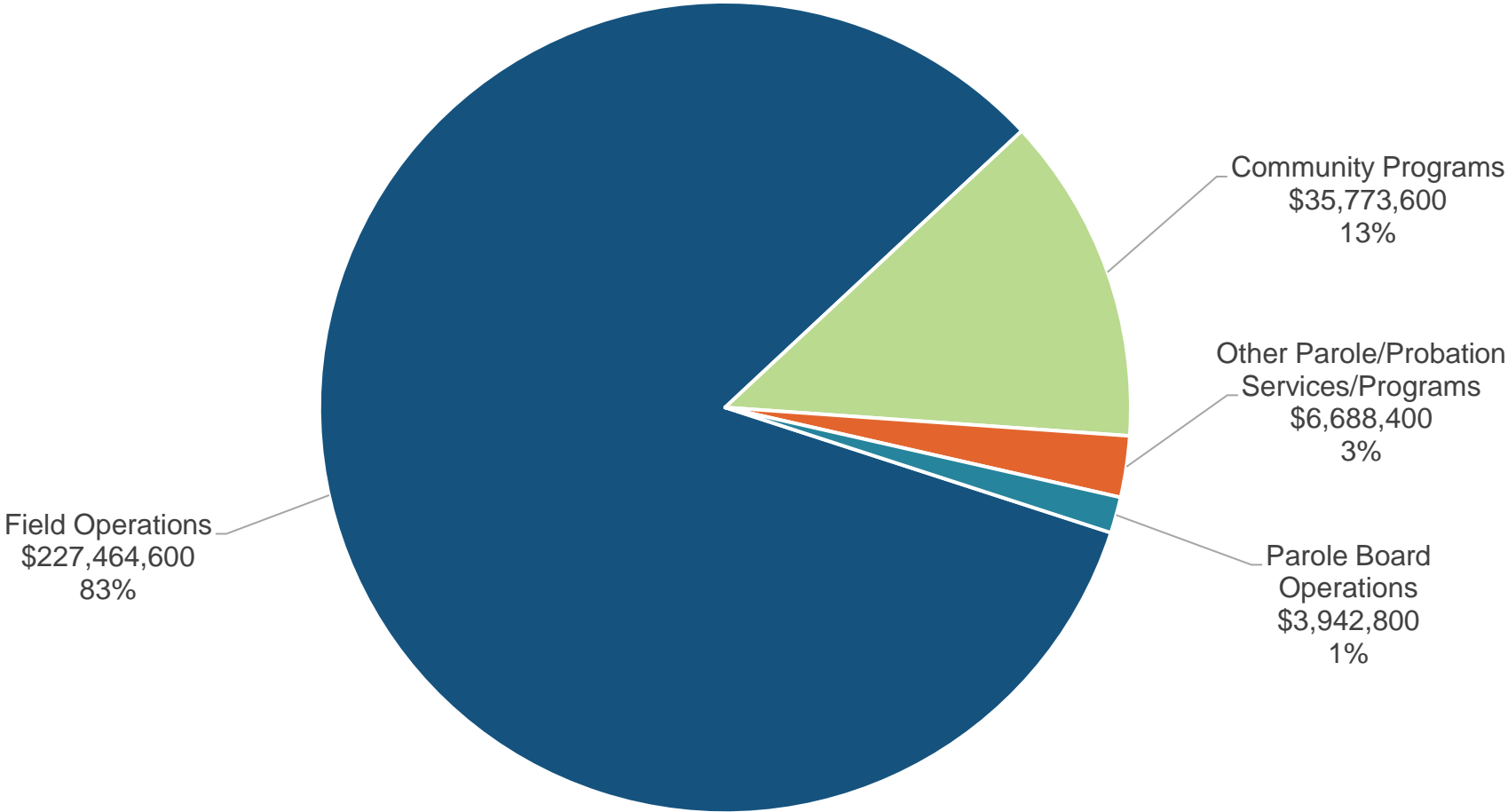
Field Operations: Parole and Probation

Field Operations

- Field Operations Administration is responsible for state parole and probation supervision, as well as for other methods of specialized supervision
- The largest component of Field Operations is parole and probation; as of December 24, 2022, the MDOC employed 1,039 active parole and probation agents responsible for supervising 42,129 offenders
- Community reentry centers provide structured housing for parolees placed in the program as a condition of their parole, or placed in the program as a sanction for violating their parole (non-compliance violations or new misdemeanor or non-assaultive felony charges)
- Electronic tether, substance abuse testing and treatment services, criminal justice reinvestment programs, and the Residential Alternative to Prison program are programs that serve as alternatives to incarceration for offenders who meet certain eligibility requirements

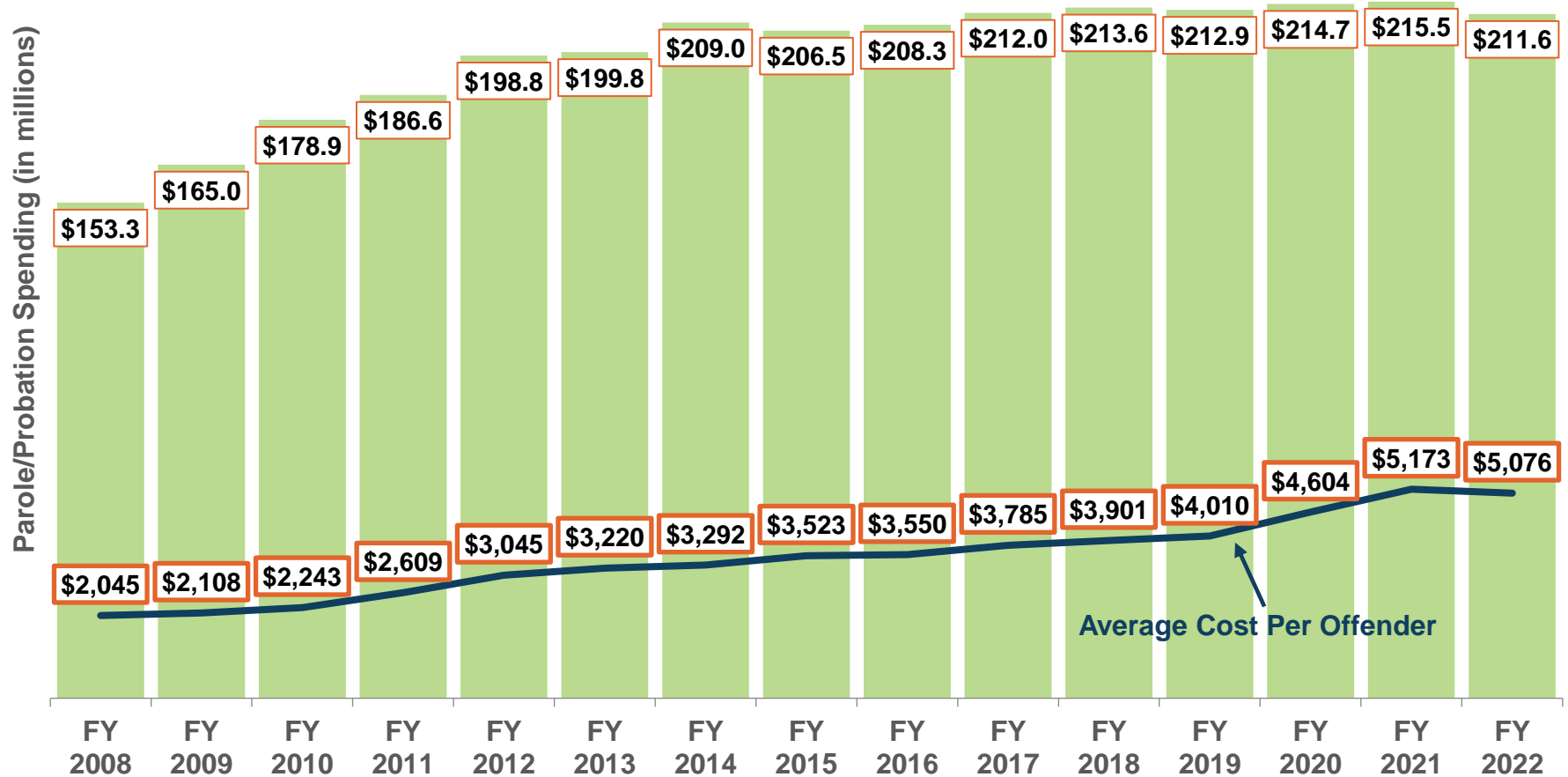
Field Operations

FY 2022-23 appropriation for Field Operations is **\$273,869,400**. Field Operations includes parole and probation services and programs, community programs, and parole board operations.



Parole/Probation - Average Cost Per Offender

Spending for parole and probation has increased by an average of **2.3%** annually since FY 2007-08. The cost per offender increased by an average of **6.7%** per year over this period. The use of electronic monitoring techniques significantly increased starting in 2010.



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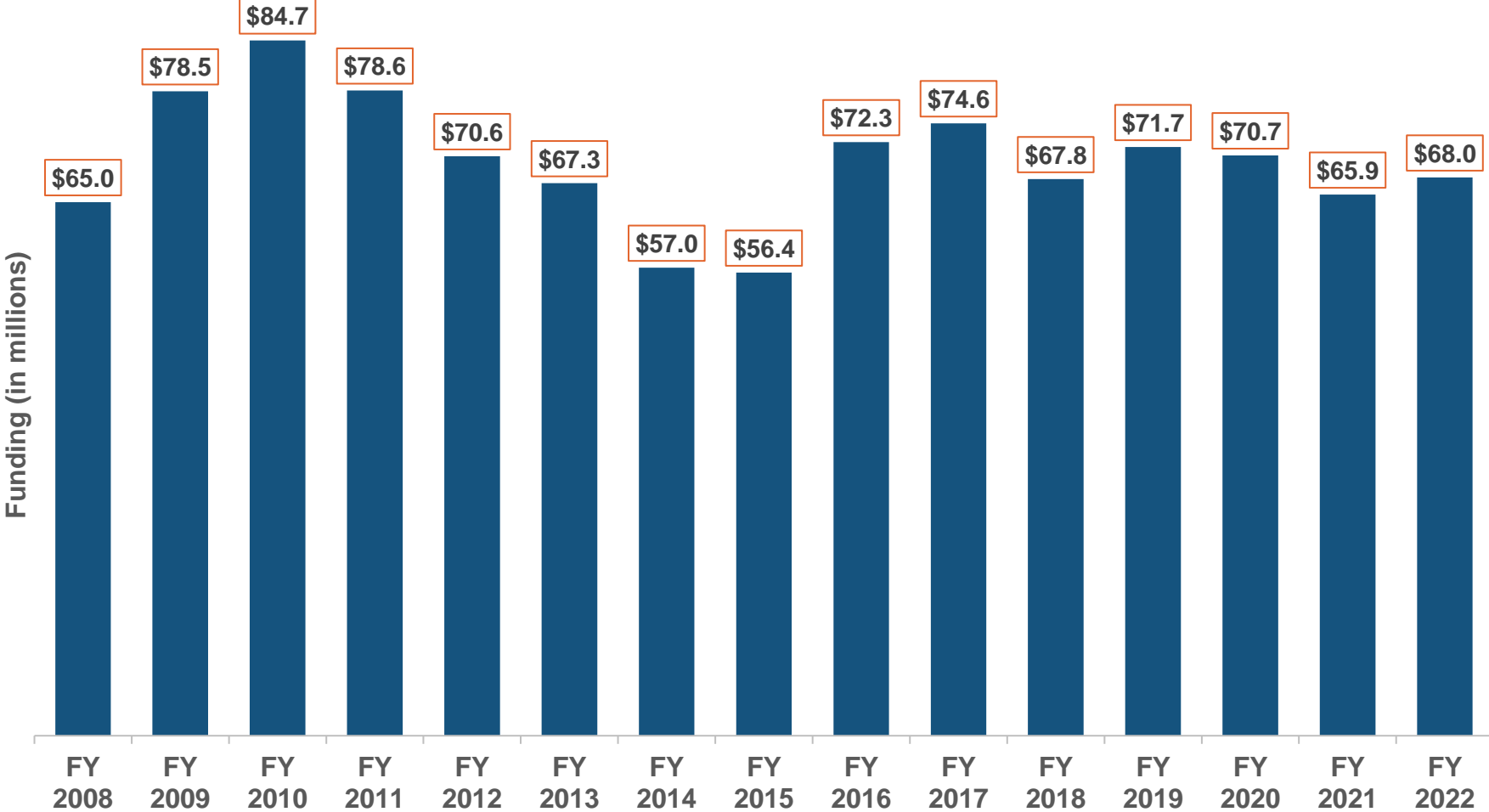
Offender Success: Programs and Services

Offender Success Programs and Services

- Aim to reduce recidivism through prisoner assessment, case planning and management, and coordinated services from the time of entry into prison through aftercare in the community
- Involve interagency and state and local collaboration: state departments, local law enforcement, crime victims' advocates, faith-based organizations, community business partners
- **\$92.7 million** appropriation in FY 2022-23, includes **\$60.6 million** for education, job training, and career readiness programming for prisoners while they are incarcerated
- Offender Success funding supports:
 - Community-based and prison-based offender success planning, case management, and community in-reach to paroling prisoners
 - Employment services and job training, education programs, transitional housing, day reporting, other planning and support services
 - Demonstration projects to develop strategies for improving success of parolees with mental illness
 - Specialized programming for prisoners with mental health issues and other special needs
 - Local offender success planning administrative costs and program evaluation

Offender Success Spending

The Michigan Prisoner Reentry Initiative was implemented statewide in FY 2007-08. In FY 2013-14, appropriations for community-based reentry programs were reduced and funding reallocated to correctional facilities for reentry-related programming to occur before inmates were released from prison. In FY 2015-16, all reentry-related staff positions and funding throughout the budget were reorganized into one area, leading to the appearance of a major increase in reentry funding. In FY 2018-19, “prisoner reentry” was renamed “offender success”. Decreased spending in the last three fiscal years can be attributed to the COVID-19 pandemic.



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For more information about the Corrections budget:

HFA Resources

<http://www.house.mi.gov/hfa/Corrections.asp>

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