



# Budget Briefing: Corrections

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# Briefing Topics

- Funding Sources
- Appropriation Areas
- Major Budget Topics
  - Department Employees
  - Offender Population
  - 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 2023-24 is October 1, 2023 through September 30, 2024.

**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.

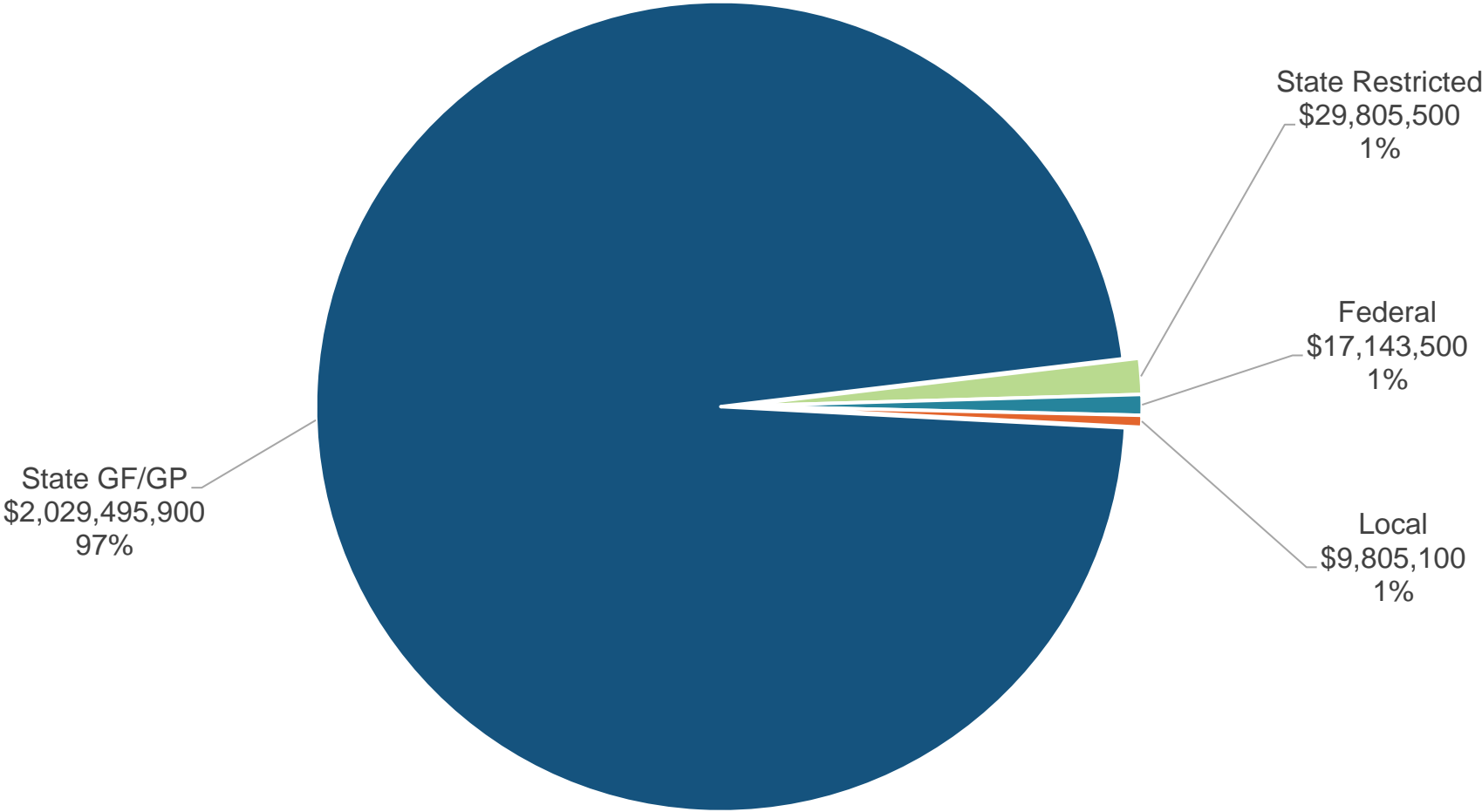
# Funding Sources

# FY 2023-24 MDOC Budget

Fund Source	Funding	Description
Gross Appropriations	\$2,086,250,000	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	\$2,086,250,000	Gross appropriations excluding IDGs; avoids double counting when adding appropriation amounts across budget areas
Federal Revenue	17,143,500	Federal grant or matching revenue; generally dedicated to specific programs or purposes
Local Revenue	9,805,100	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	29,805,500	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	\$2,029,495,900	Unrestricted revenue from taxes and other sources available to fund basic state programs and other purposes determined by the legislature

# FY 2023-24 Fund Sources

The Corrections budget is financed with **\$2.0 billion**, or **97%**, general fund/general purpose revenue.



# FY 2023-24 Fund Sources

Other fund sources for the Corrections budget include state restricted, federal, and local revenues. There are no IDG funds or private revenues that support the budget.

- ***State Restricted Revenues***

- State restricted revenue totals **\$29.8 million**
- Most state restricted revenues support the costs of the programs that generate the revenues; examples include offender fees and reimbursements, revenues from prison industries and prison stores, and public works user fees

- ***Federal Revenues***

- Federal revenue totals **\$17.1 million**
- Federal revenues include grants for education, prison rape elimination, prisoner reintegration, incentive payments for identifying incarcerated recipients of supplemental security income, payments under the school breakfast and lunch programs for youth in prison, and reimbursements for housing foreign nationals and federal prisoners

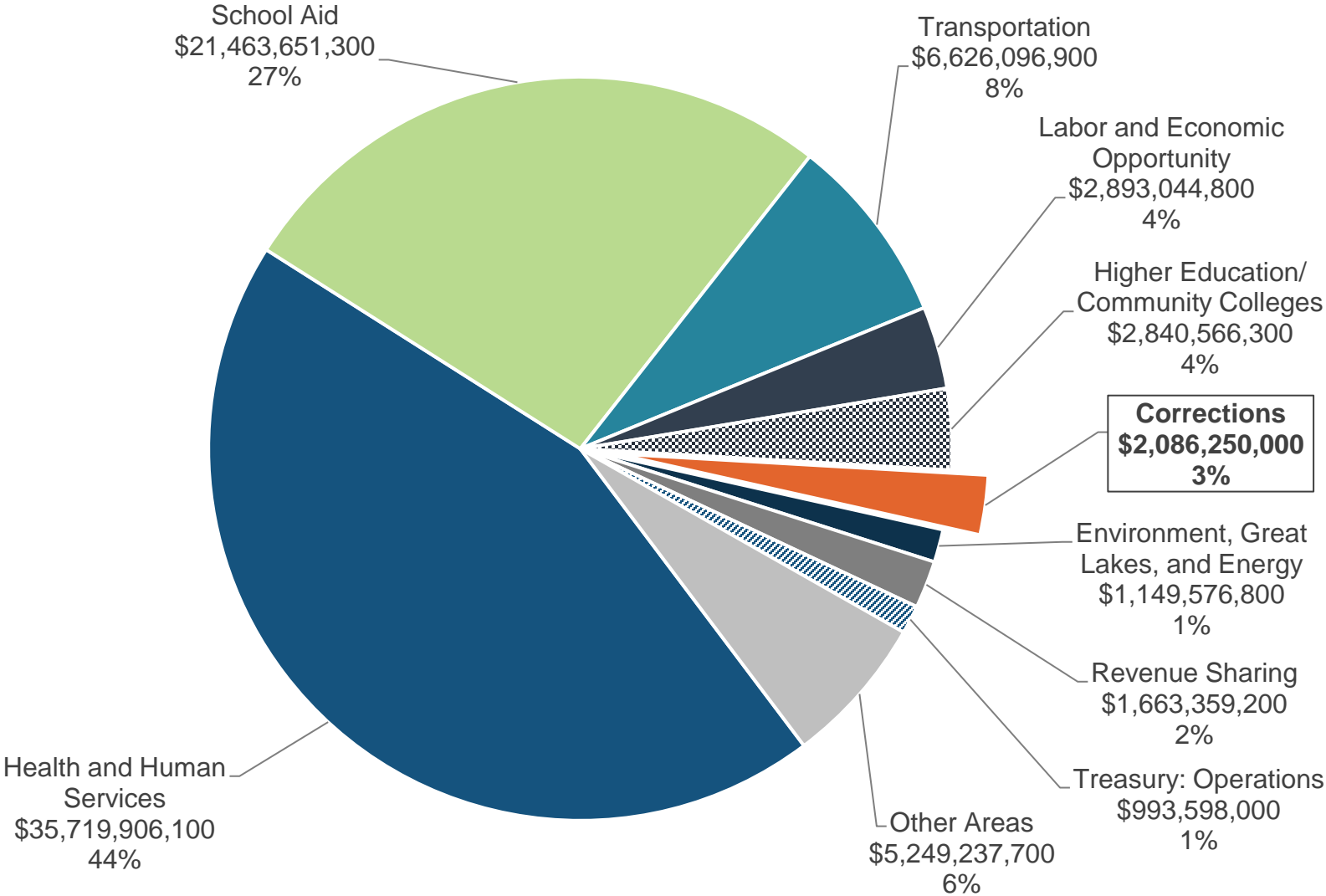
- ***Local Revenues***

- Local revenue totals **\$9.8 million**
- Most local revenue (\$9.5 million) comes from the City of Detroit to support the Detroit Detention Center; the remainder comes from fees paid by local units of government for rental of electronic monitoring equipment (tethers)



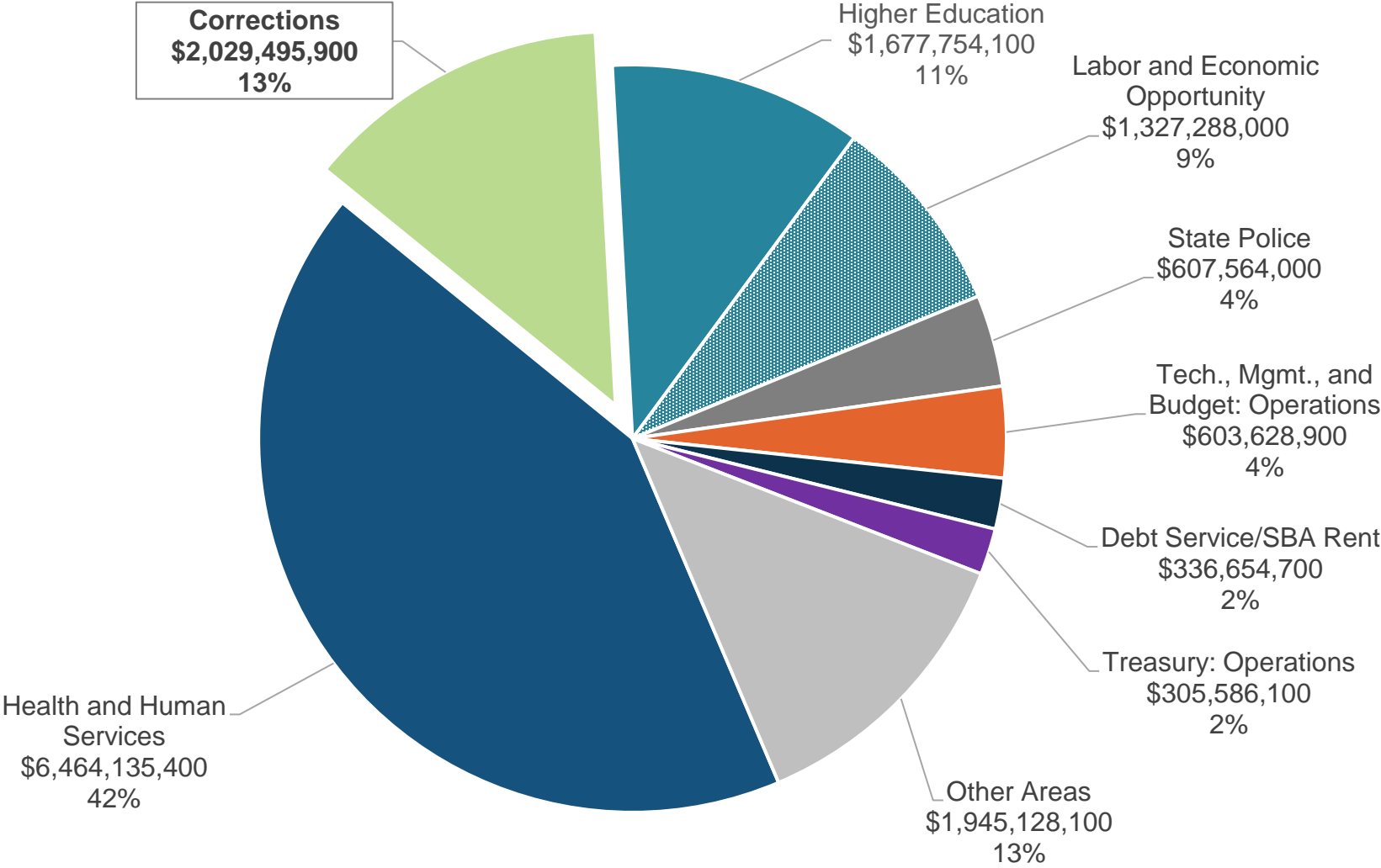
# MDOC Share of Total State Budget

The MDOC budget represents **3%** of the state's **\$80.7 billion** budget (adjusted gross) for FY 2023-24.



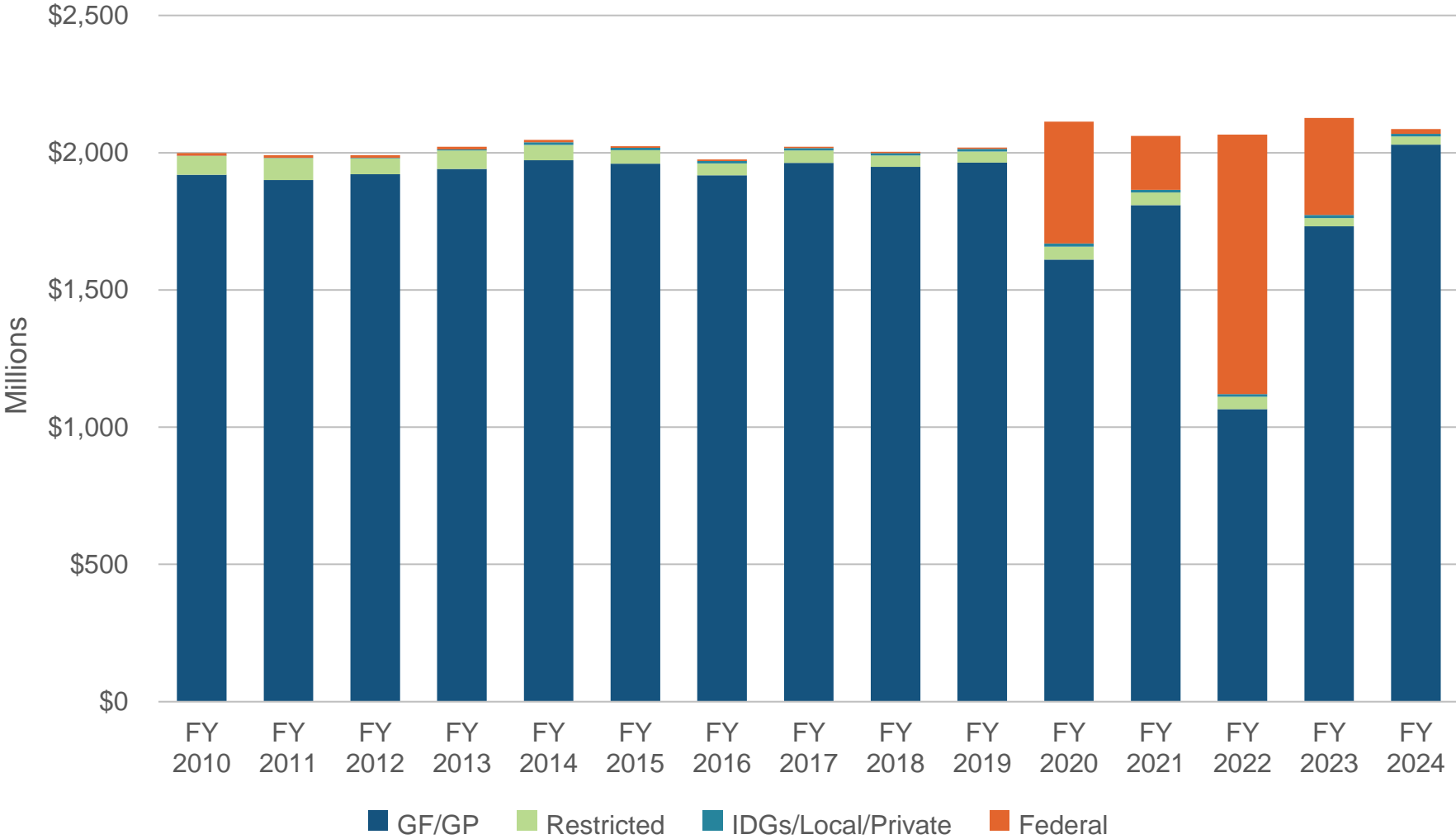
# MDOC Share of Total GF/GP Budget

The MDOC budget represents about **13%** of the state's **\$15.3 billion** GF/GP budget for FY 2023-24.



# MDOC Funding History

Total appropriations for MDOC have increased by a little over 4% since FY 2009-10, driven mainly by employee costs and costs for physical and mental health care and programming for prisoners. In fiscal years 2020 through 2023, MDOC received federal disaster assistance and COVID relief funding, primarily to offset GF/GP allocations for payroll for frontline workers.



# Appropriation Areas

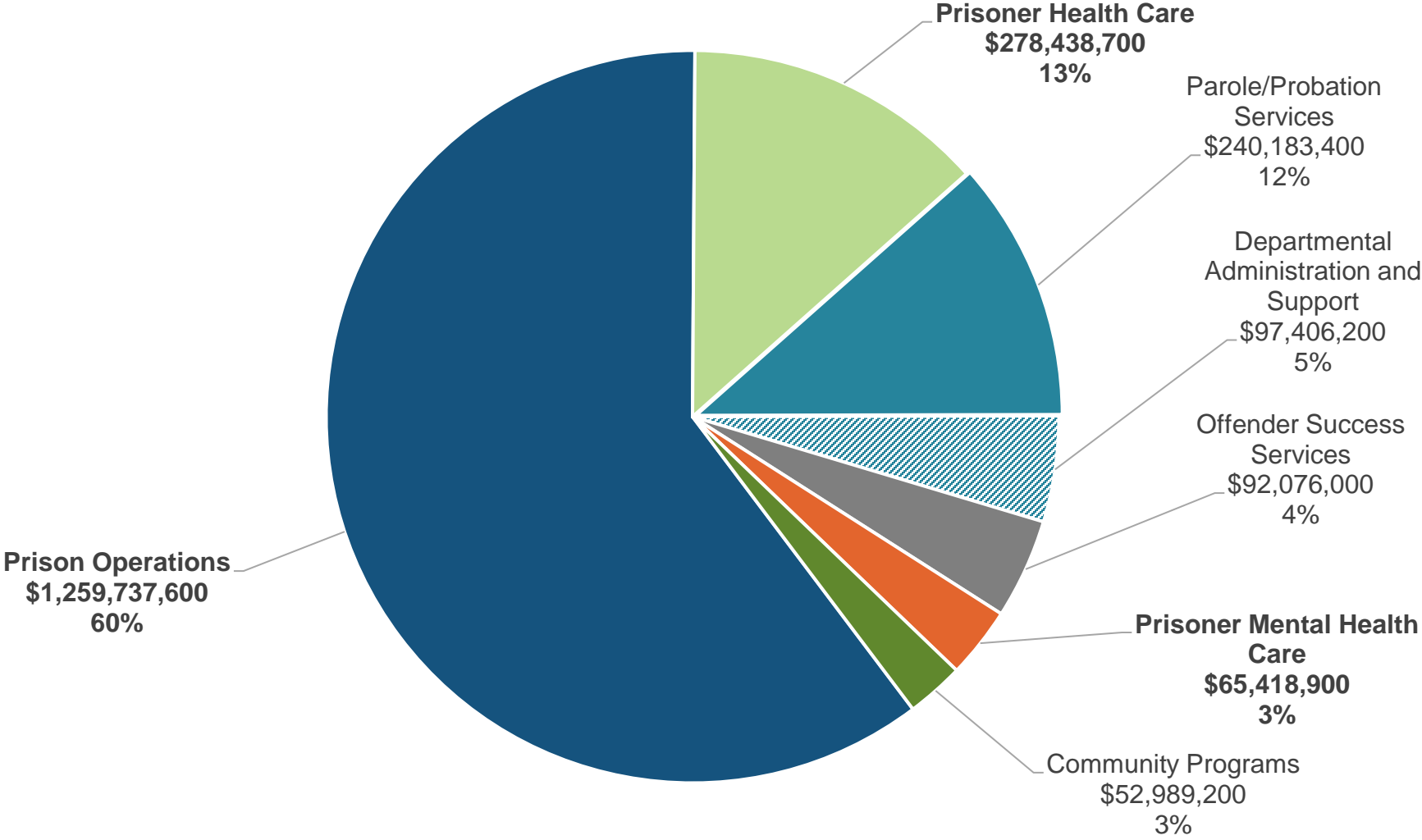
# MDOC Appropriation Areas

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 and electronic monitoring programs
- **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 that provide alternatives to incarceration; includes community corrections programs, County Jail Reimbursement program, probation residential services, Goodwill Flip the Script, and Public Safety Initiative
- **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

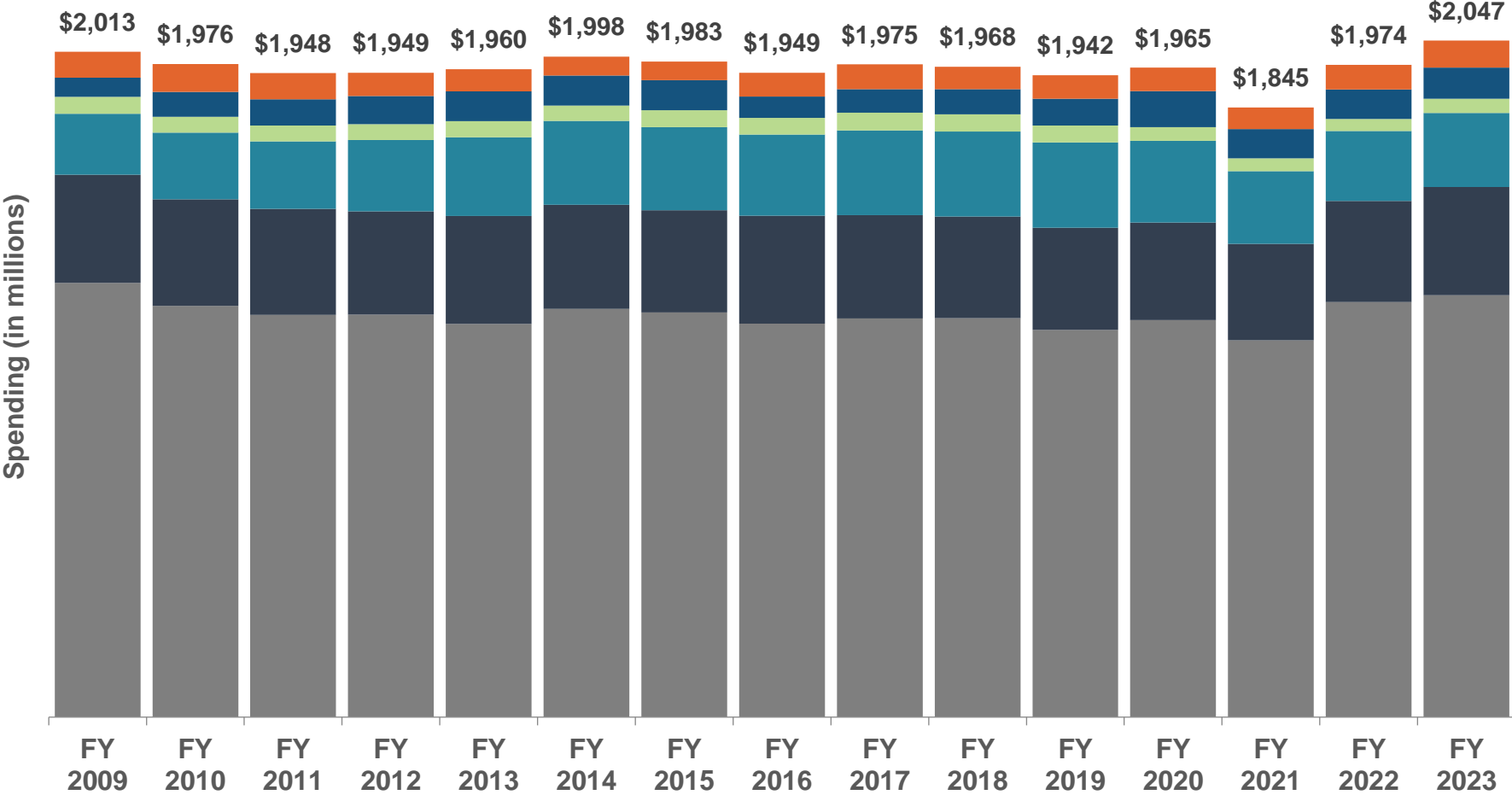
A little over **\$1.6 billion**, almost **77%**, of the Corrections **\$2.1 billion** budget is allocated to prison operations, including physical and mental health care for prisoners.



# Major Budget Topics

# Corrections Spending Growth by Program

From FY 2008-09 to FY 2022-23, overall Corrections spending has remained flat, increasing at an average annual rate of less than 1%. Spending on prisoner reentry services increased at an average annual rate of about 3% and spending on field operations (probation and parole) increased at an average annual rate of a little over 1%.



Prison Operations
  Health/Mental Health
  Field Operations
  Community Prg
  Department Admin
  Reentry

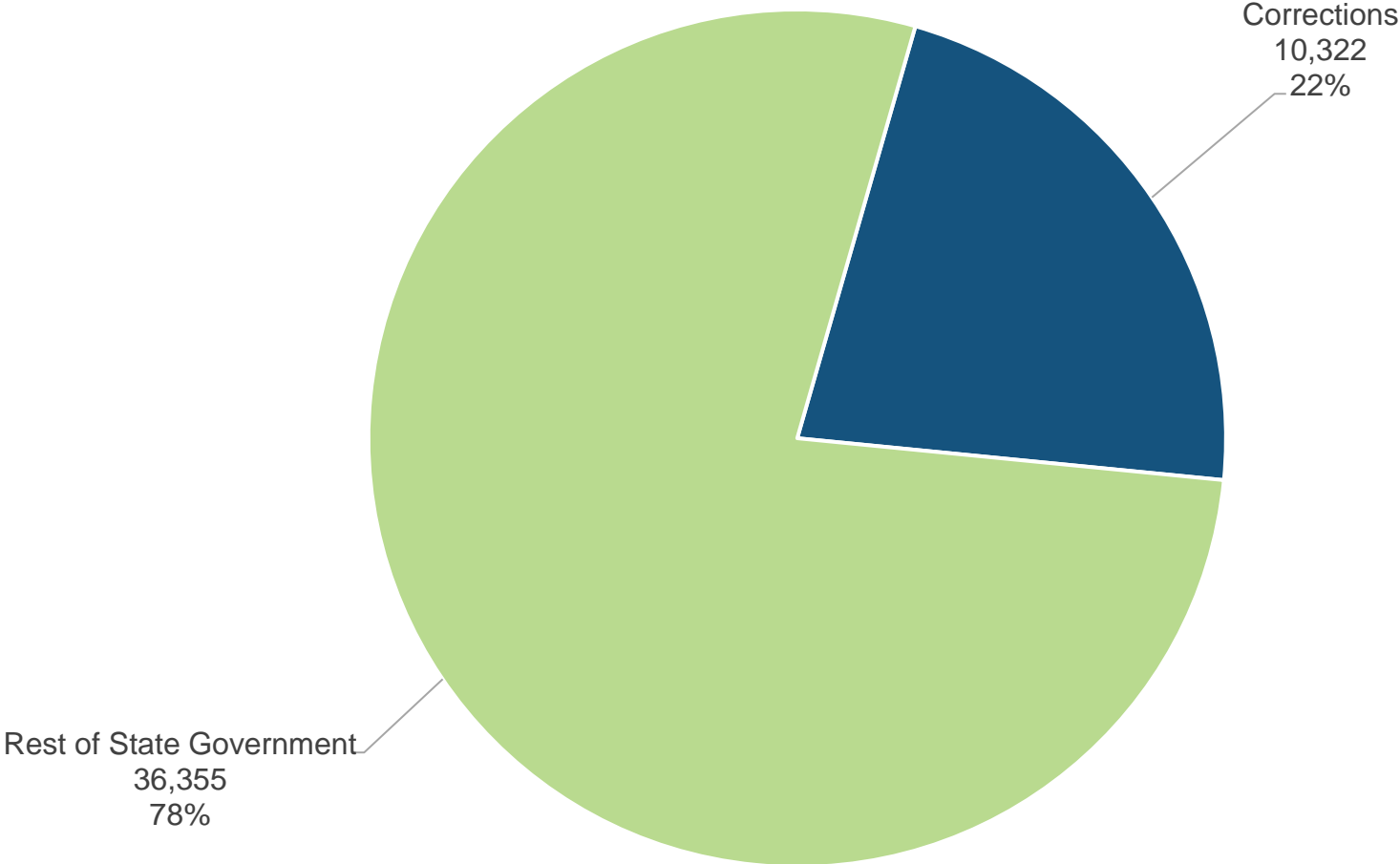
\*2023 data is as of December 1, 2023



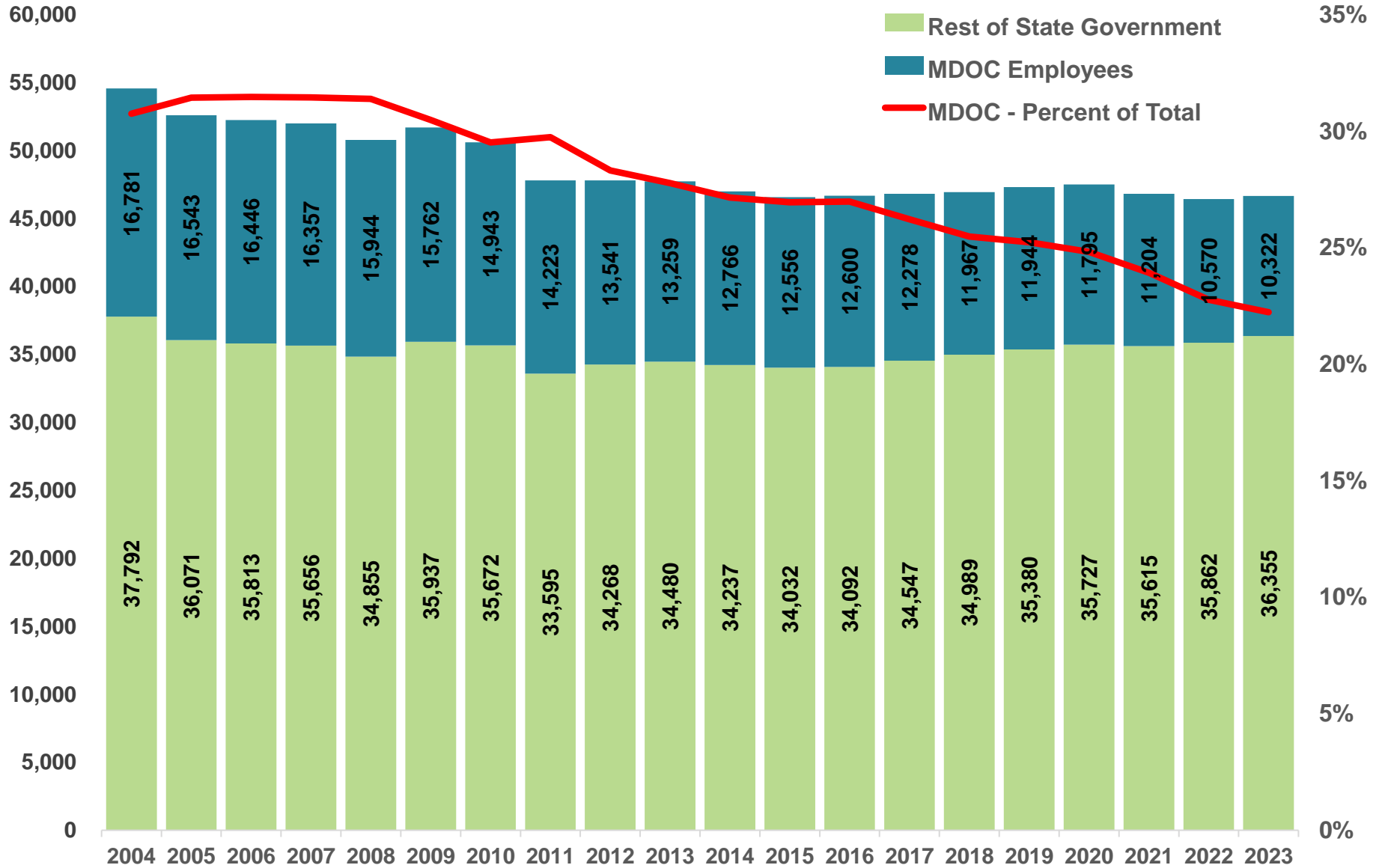
# Department Employees

# MDOC Share of Active Classified Employees

As of September 30, 2023, the total number of active classified employees in the state's workforce was 46,677. Of those, **10,322**, or **22%**, were employed by MDOC.



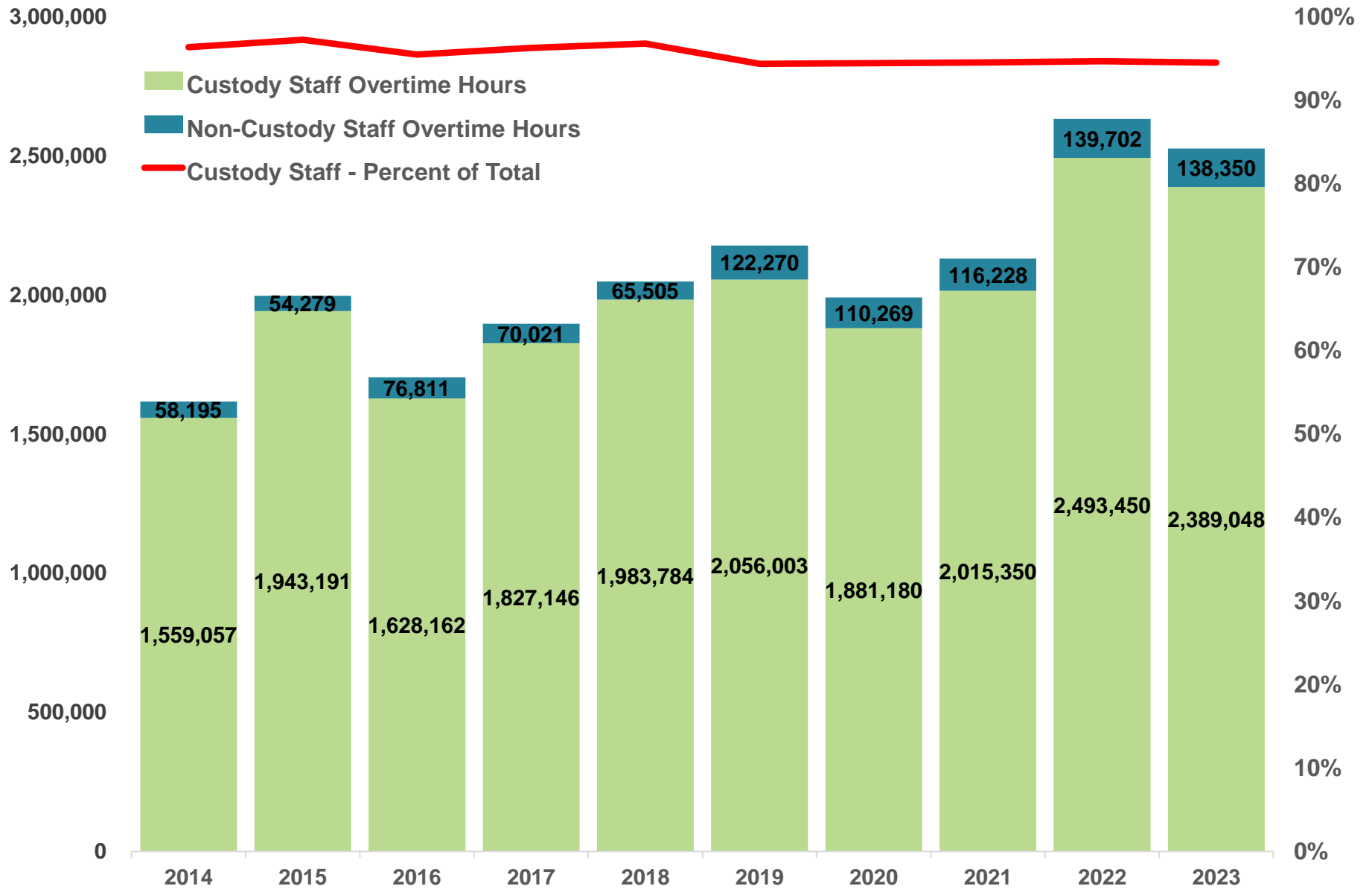
# MDOC Share of Employees



# MDOC Employee Challenges

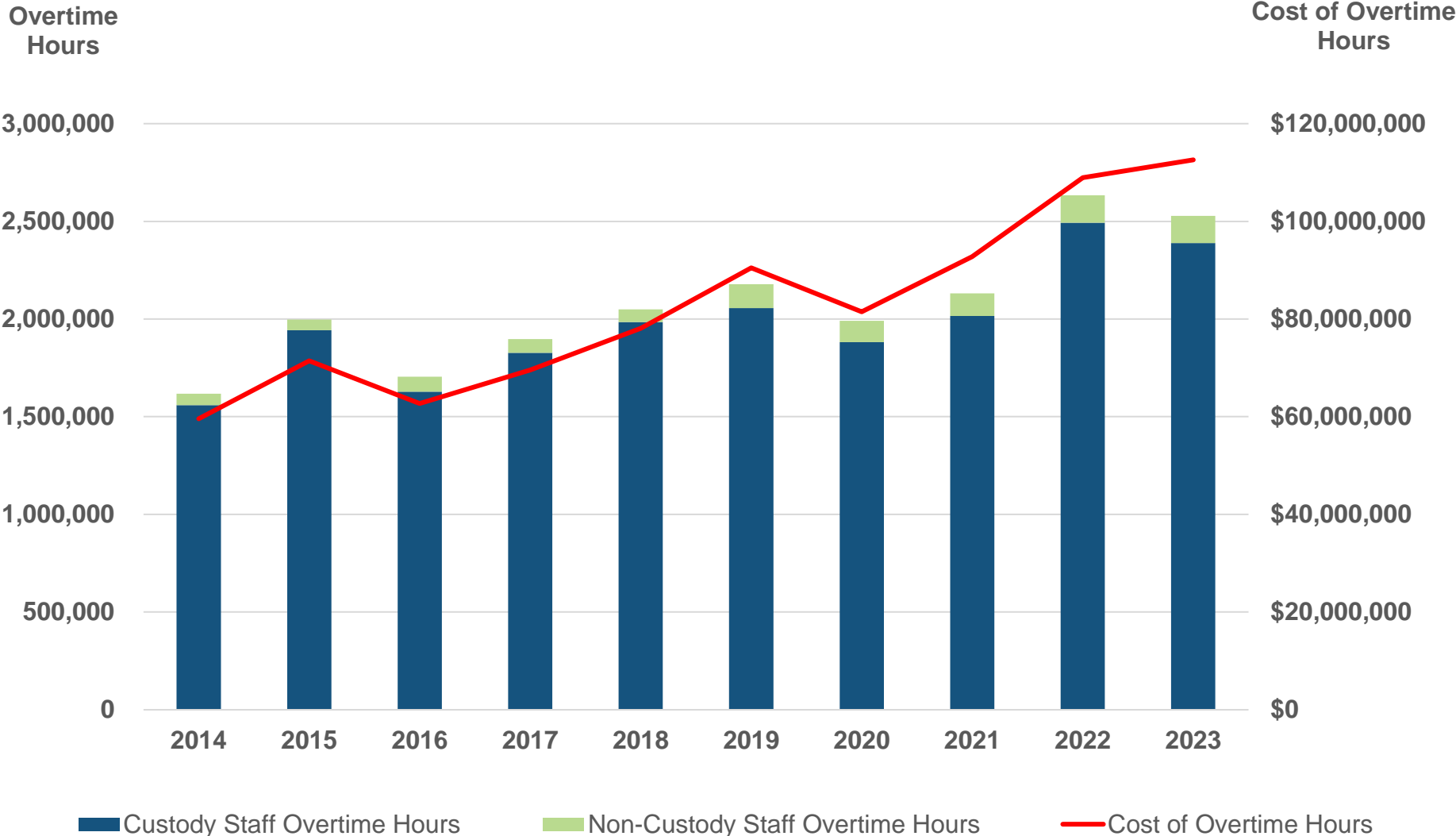
- Though MDOC employees make up 22% of the state's workforce, the department struggles to fill vacant positions and continues to be short staffed
- Vacancies occur throughout the department, but vacancies occur primarily with corrections officer positions
- As of September 30, 2023, there were 1,020 corrections officer vacancies, 533 healthcare staff vacancies, and 123 central office staff vacancies
- Overtime costs are significant due to understaffing issues
- Historically, custody staff overtime hours account for anywhere between 93% and 100% of total overtime hours
- MDOC continues to commit resources to recruitment; efforts include advertising by means of the internet, television, and billboards; facility-specific recruitment teams and hiring events; satellite academies for some sites; hiring additional recruiting staff, including a social media recruiter and a recruiter focused on the Upper Peninsula
- Staff retention is another big challenge facing the department

# MDOC Employee Overtime Hours



*\*Data for each fiscal year is as of the last full pay period in that fiscal year*

# Cost of Employee Overtime



# MDOC Response to Employee Challenges

- MDOC has temporarily closed housing units to reduce the need for staffing
- Funding is appropriated to cover costs of special pay increases negotiated for healthcare, skilled trades, and transportation staff
- Funding is appropriated for the following staff recruitment and retention bonuses:
  - \$1,000 to corrections officers with more than 3 years of total service as corrections officers
  - \$1,500 to corrections officers hired prior to January 9, 2023 that have less than 3 years of total service as corrections officers
  - \$2,000 to corrections officers hired between January 9, 2023 and September 30, 2023
  - A 3-phase bonus for corrections officers newly hired after October 1, 2023 that pays \$1,000 upon hire, \$1,000 if they complete the on-the-job training period, and \$1,000 if they complete one year of service

# Offender Population

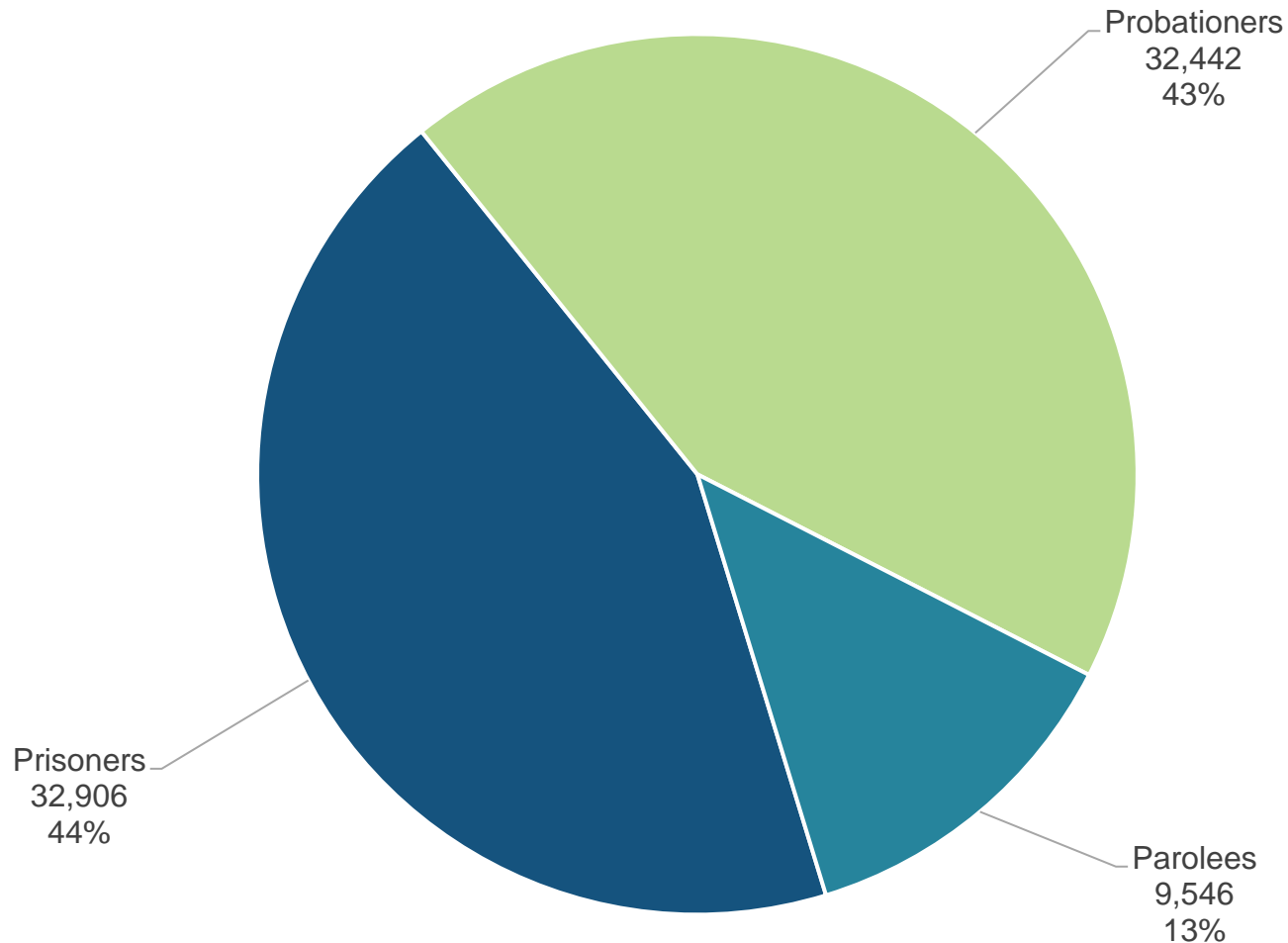


# The Offender Population

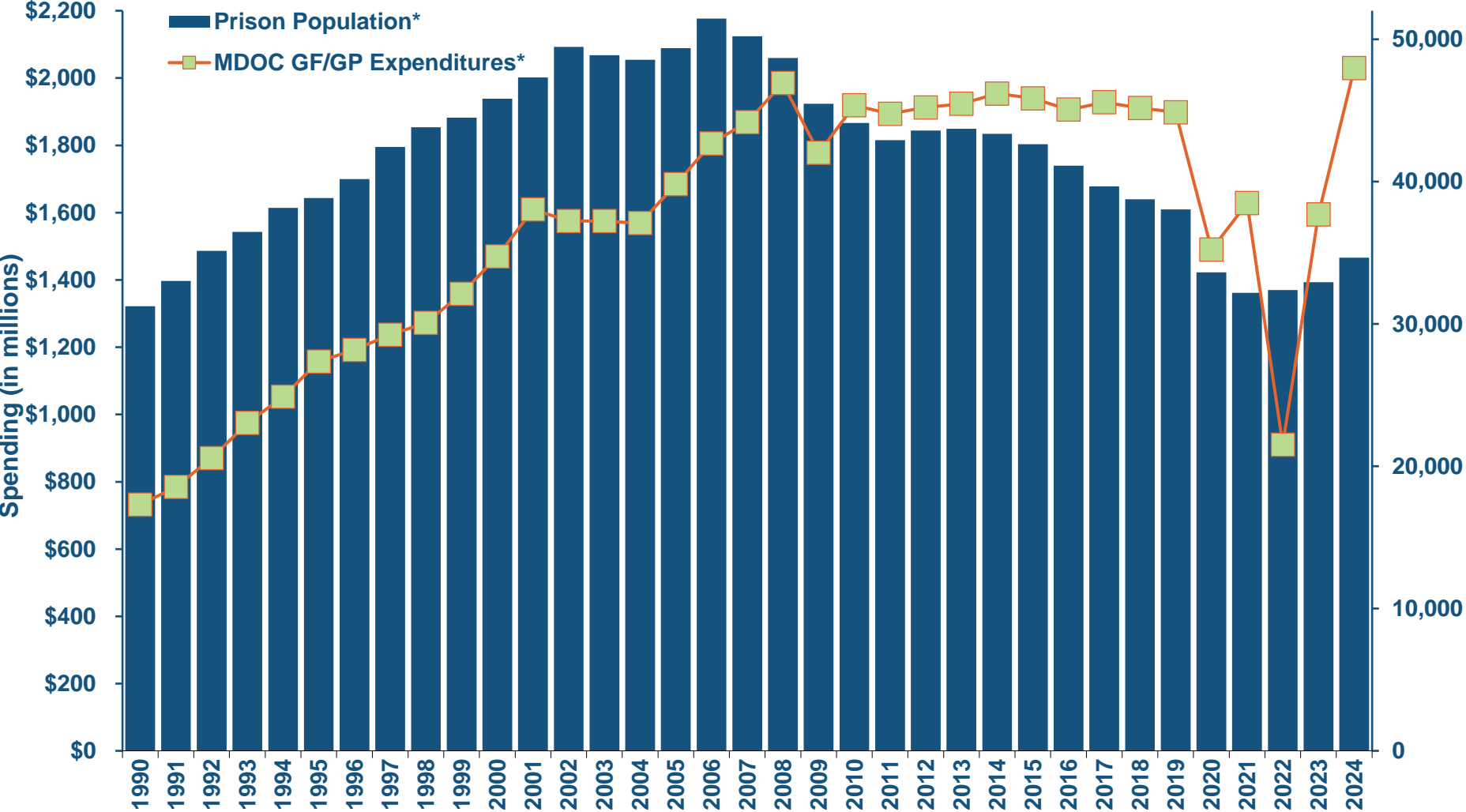
- **Prisoners:**
  - Felony offenders committed to the jurisdiction of MDOC
  - Housed in prisons and special alternative incarceration program
- **Parolees:**
  - Prisoners who have served at least their minimum sentence and who have been released to a period of supervision in the community
  - Supervised 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, 2023, the total offender population under MDOC supervision was 74,894. This is an increase of 522 offenders since December 1, 2022, when the total offender population was 74,372.



# Growth in MDOC GF/GP Spending and the Prisoner Population



\*2020 through 2023 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; 2024 figures are based on year-to-date GF/GP appropriations and an estimated prison population

# Prison Population Changes

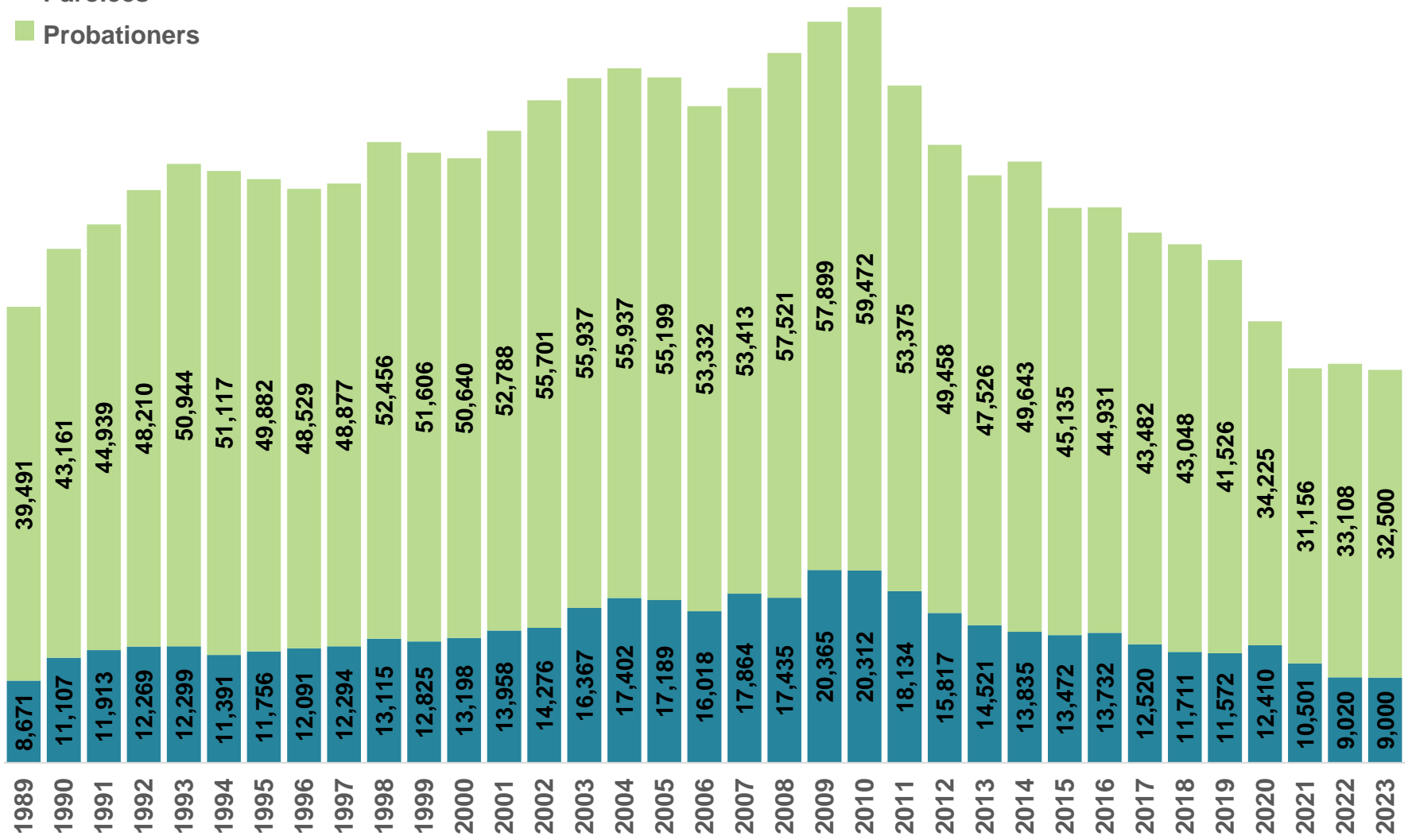
- Changes in the prison population are a function of the movement of offenders into and out of the system
  
- Entering the system:
  - New court commitments – felony offenders sentenced to prison
  - Parole and probation violators – sent to prison due to new sentences or technical violations
  - Court 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
  - Discharged at maximum sentence
  - Other exit – death, temporary county jail stay, release to mental health hospital, escape

# Prison Population Growth and Projections

- Factors affecting prison population growth include increases in prisoner intakes including increases in parole violator technical returns and increases in parole violators returned with new sentences, and decreases in parole grant rates
- In 2022, an increase in new court commitments and probation violators sent to prison drove prison population growth
- According to the most recent Prison Population Projection Report submitted by MDOC, the number of prisoners is expected to increase over the next few years as the state continues to rebound from the COVID-19 pandemic and courts continue to process case backlog

# Average Parole and Probation Populations

■ Parolees  
■ Probationers



\*2023 data is as of December 9, 2023

# Prison Operations: Correctional Facilities

# Prison Operations

- The MDOC operates 26 correctional facilities located in 18 counties across the state
- In addition, the MDOC operates the Special Alternative Incarceration (SAI) program and the Detroit Detention Center (DDC)
  - SAI is an alternative incarceration program for probationers and prisoners and an intensive reentry program for post release prisoners; judges determine participants
    - Phase I is 90 days of military-style boot camp; Phase II is up to 120 days of residential placement and is optional based on perceived need; Phase III is at least 120 days of intense supervision in the community
    - 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
  - DDC is operated by MDOC custody staff at the site of the former Mound Correctional Facility, which closed in December 2011; local revenue received from the City of Detroit supports costs of MDOC staff that operate the center
- A little over **\$1.6 billion**, or **77%**, of the FY 2023-24 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 **\$58.1 million** in FY 2023-24, are included in appropriations for offender success, instead of in appropriations for prisoner custody

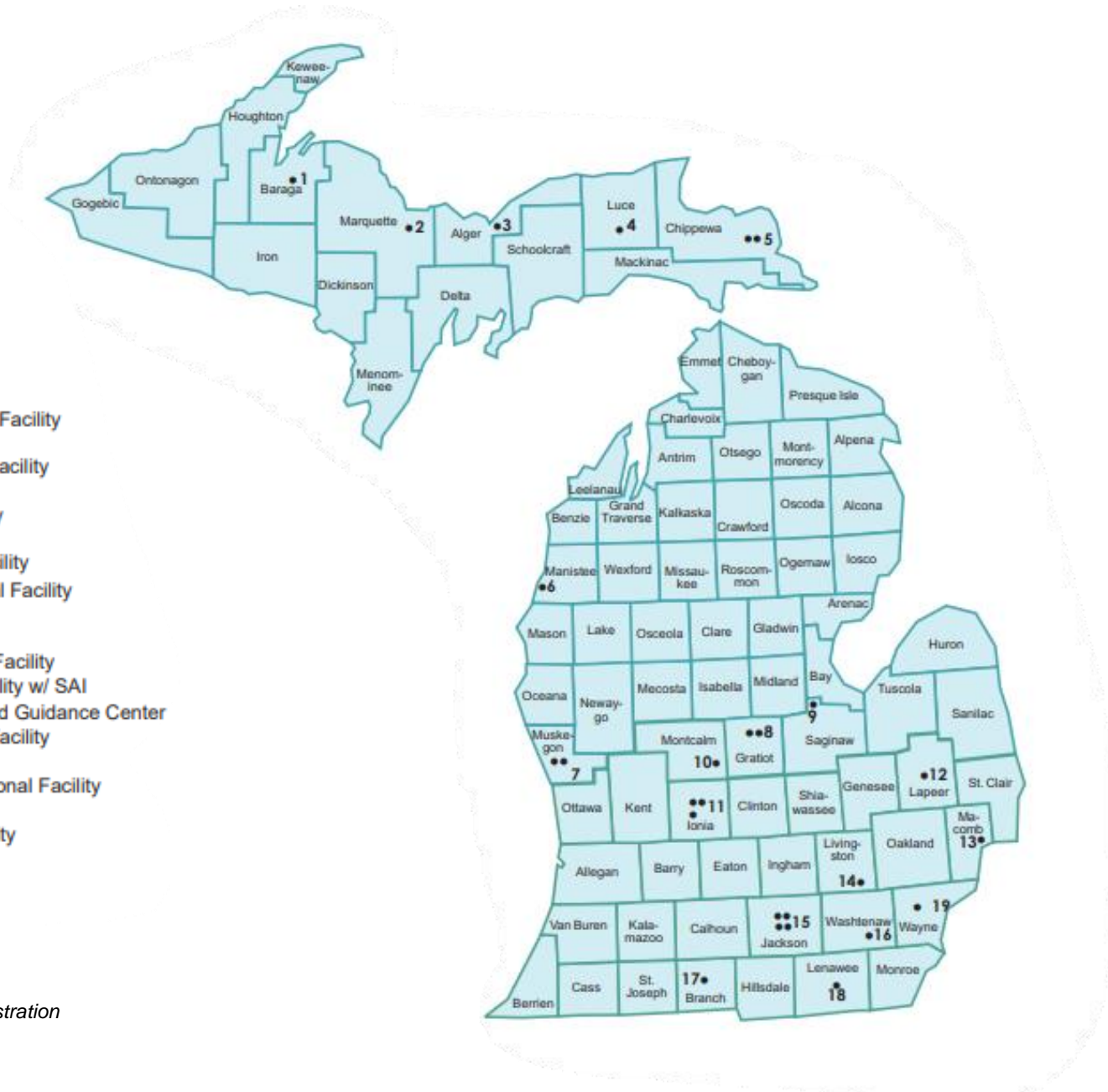


# Location of Correctional Facilities

As of November 2023

## Correctional Facilities

1. Baraga Correctional Facility
2. Marquette Branch Prison
3. Alger Correctional Facility
4. Newberry Correctional Facility
5. Chippewa Correctional Facility
5. Kinross Correctional Facility
6. Oaks Correctional Facility
7. Muskegon Correctional Facility
7. Earnest C. Brooks Correctional Facility
8. St. Louis Correctional Facility
8. Central Michigan Correctional Facility
9. Saginaw Correctional Facility
10. Carson City Correctional Facility
11. Ionia Correctional Facility
11. Bellamy Creek Correctional Facility
11. Richard A. Handlon Correctional Facility
12. Thumb Correctional Facility
13. Macomb Correctional Facility
14. Woodland Center Correctional Facility
15. Cooper Street Correctional Facility w/ SAI
15. Charles E. Egeler Reception and Guidance Center
15. G. Robert Cotton Correctional Facility
15. Parnall Correctional Facility
16. Women's Huron Valley Correctional Facility
17. Lakeland Correctional Facility
18. Gus Harrison Correctional Facility
19. Detroit Detention Center



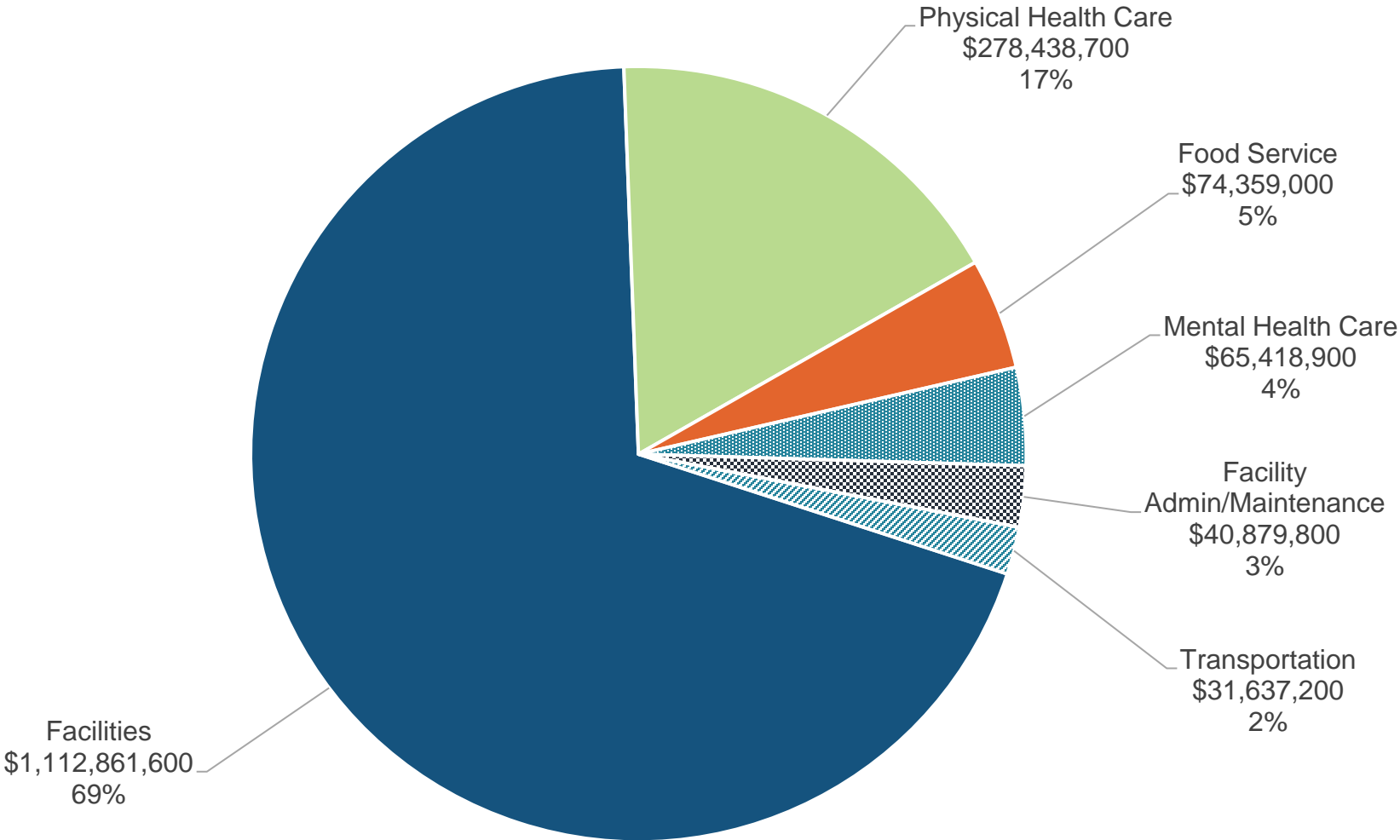
Source: Correctional Facilities Administration

# Prison Closures and Conversions

- The following correctional facility closures and conversions have occurred over the past 10 years, primarily because of the declining prisoner population:
  - 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 – closed November 2022
  - Gus Harrison Correctional Facility (South side only) – closed November 2022

# Prisoner Custody, Care, and Programs

Total FY 2023-24 appropriation for prisoner custody, care, and programming is **\$1,603,595,200**.



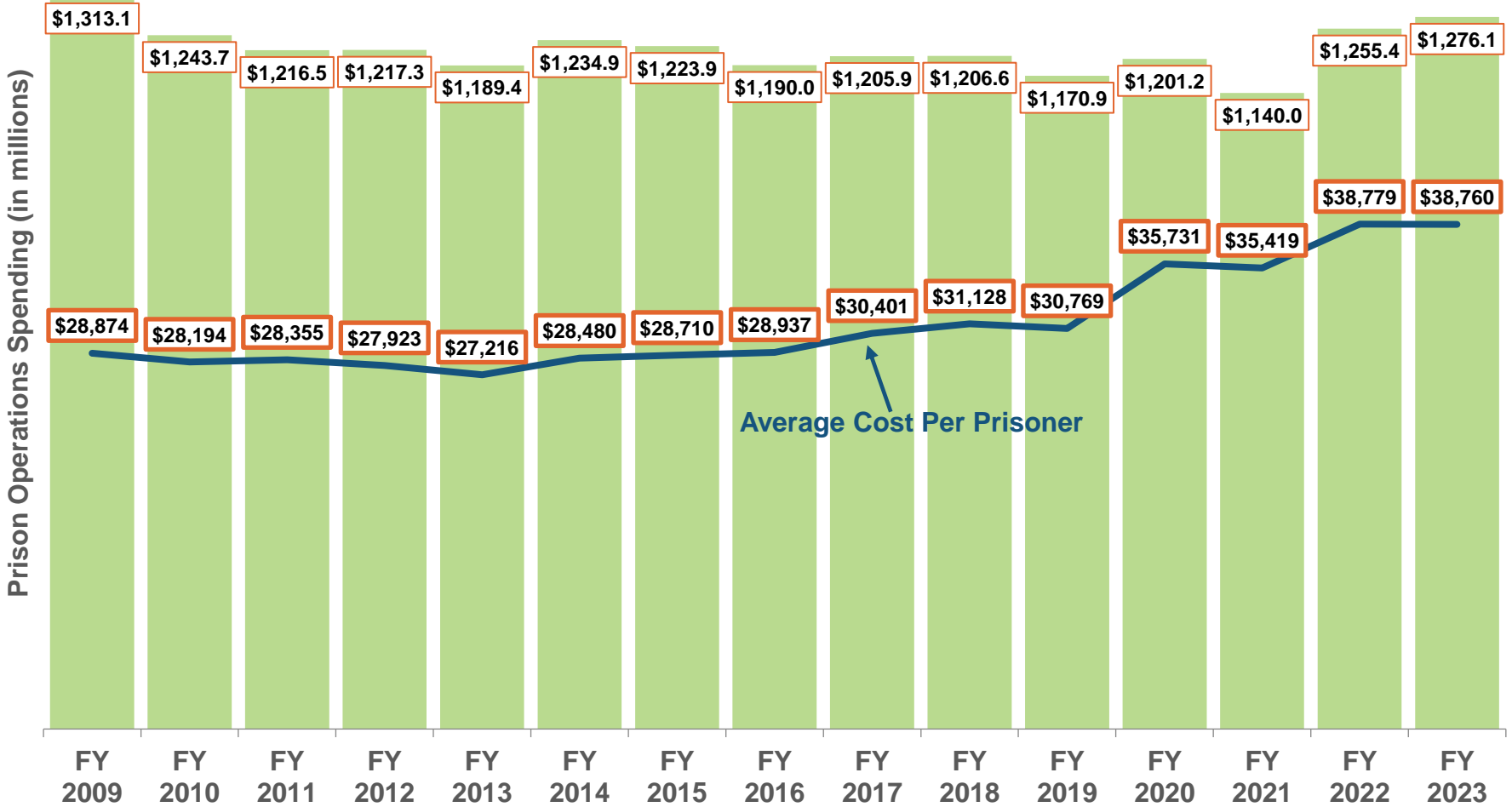
# Costs Per Prisoner by Security Level

\*Please note: Data for FY 2023 is tentative and will be finalized at book closing.

FY 2021 Actual	FY 2022 Actual	FY 2023 Actual*	FY 2024 Appropriated
Level I \$38,420	Level I \$38,464	Level I \$38,851	Level I \$37,987
Level II \$41,720	Level II \$43,490	Level II \$45,026	Level II \$44,254
Level IV \$49,892	Level IV \$53,527	Level IV \$54,845	Level IV \$52,626
Multi-Level \$48,198	Multi-Level \$51,293	Multi-Level \$53,159	Multi-Level \$51,234
Reception \$52,140 SAI \$129,506	Reception \$59,031 SAI \$82,746	Reception \$62,871 SAI \$77,391	Reception \$57,348 SAI \$68,907
Average Per Capita \$45,698	Average Per Capita \$47,873	Average Per Capita \$49,191	Average Per Capita \$43,466

# Prison Operations - Average Cost Per Prisoner

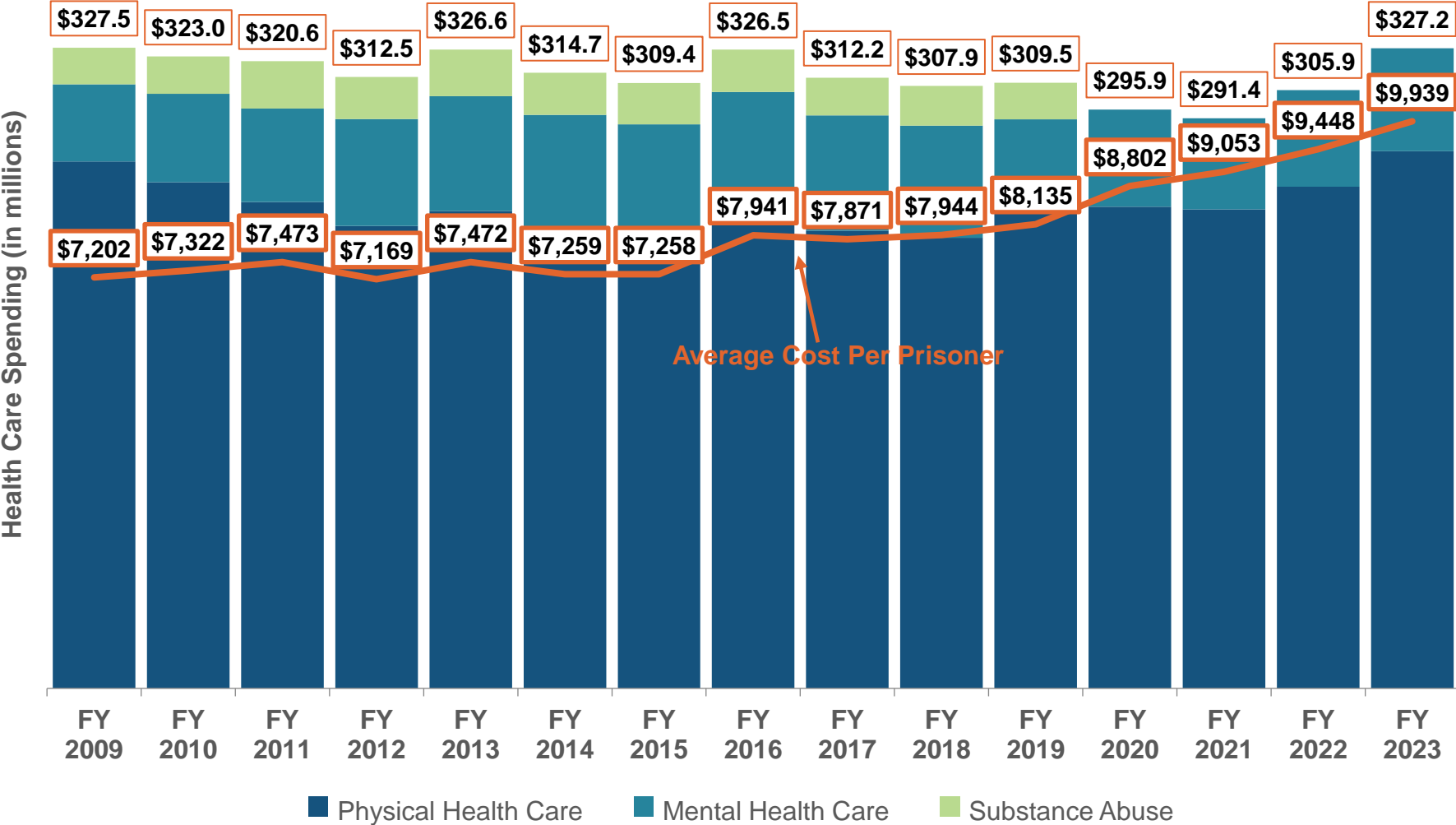
This chart reviews total prison operations spending **excluding** spending for physical and mental health care. Per-prisoner costs grew by an average of a little over 2% per year over this period. The fluctuation in spending in the last four fiscal years can be attributed to the COVID-19 pandemic.



\*2023 data is as of December 1, 2023

# Health Care - Average Cost Per Prisoner

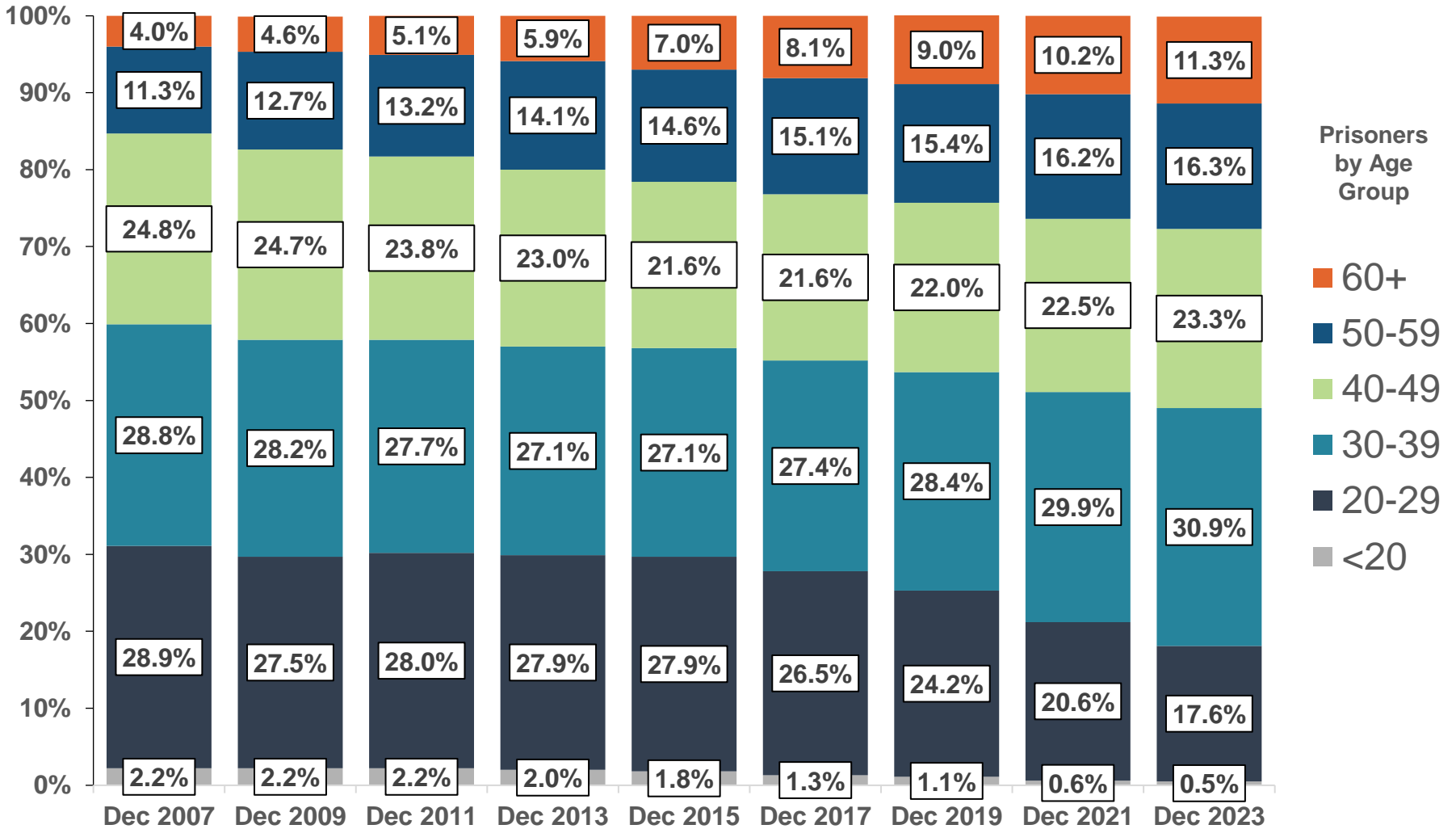
Spending for prisoner physical and mental health care services, including substance abuse treatment services inside facilities and in community programs, increased significantly over the FY 2008-09 to FY 2022-23 time period. Per-prisoner costs increased by an average of almost **10%** annually during this time. (In FY 2019-20, costs for substance abuse were rolled in with costs for mental health care.)



\*2023 data is as of December 1, 2023

# 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 2007, 40.1% of prisoners were over age 40 and 15.3% were over age 50. By 2023, those percentages increased significantly to 50.9% over age 40 and 27.6% over age 50.



\*2023 data is as of December 1, 2023

# Field Operations: Parole and Probation

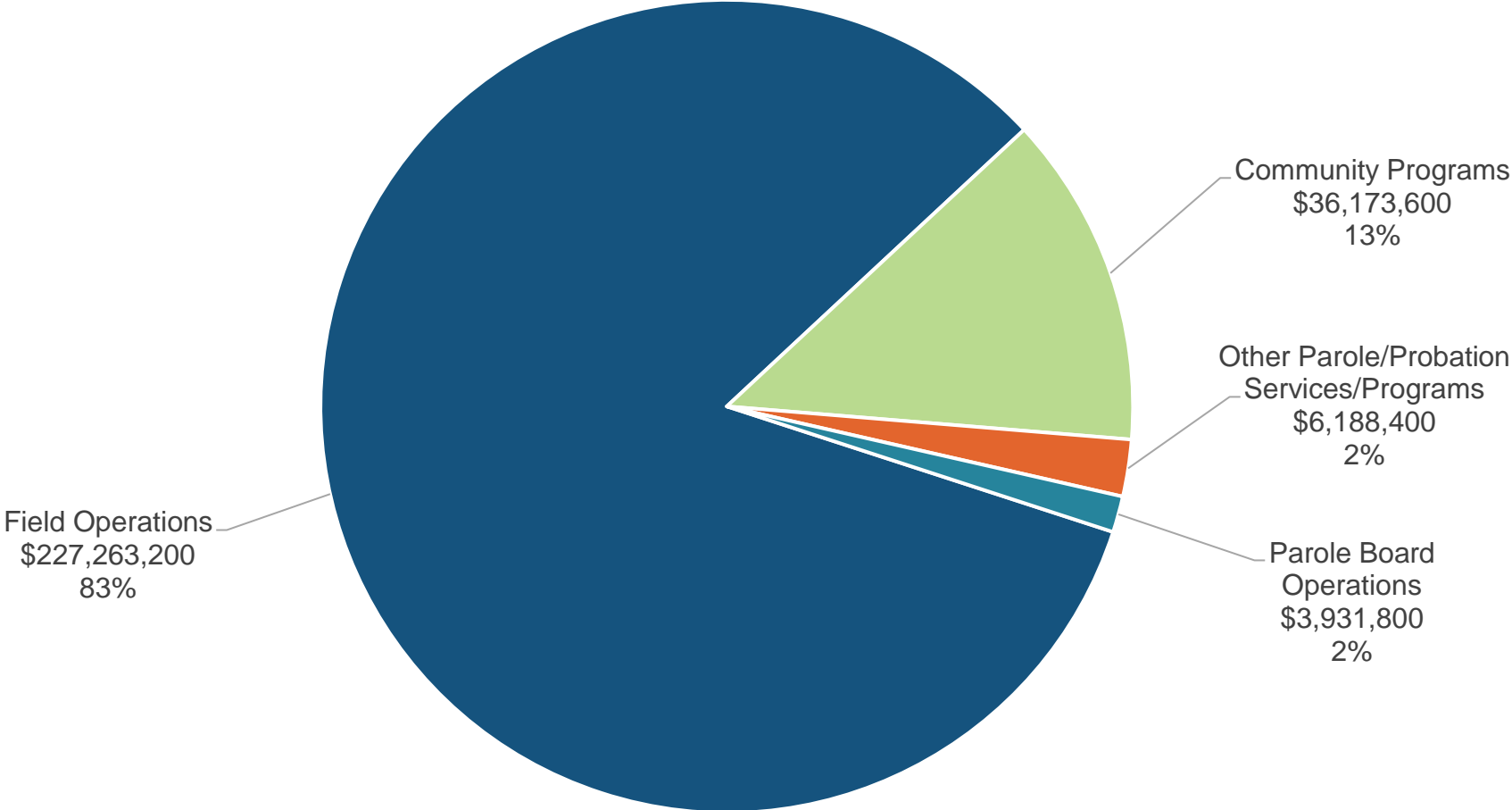


# Field Operations

- 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 September 30, 2023, MDOC employed 1,011 active parole and probation agents responsible for supervising 49,674 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
- Included in the FY 2023-24 budget are one-time appropriations for Come Out Stay Out, Silent Cry, and Nation Outside; these community programs assist parolees with education, employment, housing, access to healthcare and insurance, and mental health services upon release from prison

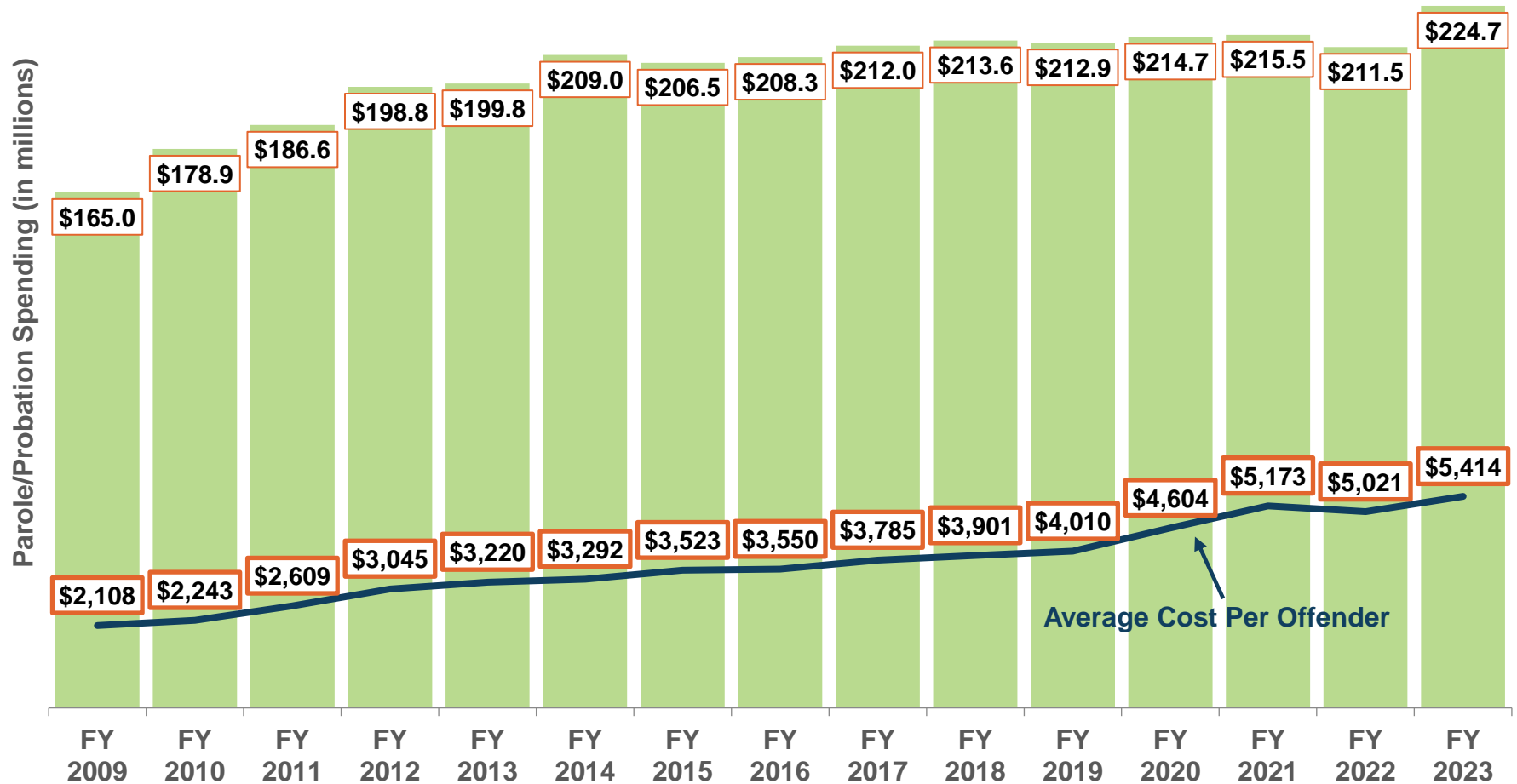
# Field Operations

FY 2023-24 appropriation for Field Operations is **\$273,557,000**. 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 a little over 2% annually since FY 2008-09. The cost per offender increased by an average of almost 7% per year over the same period. The use of electronic monitoring techniques significantly increased starting in 2010.



\*2023 data is as of December 1, 2023

# Offender Success: Programs and Services

# Offender Success Programs and Services

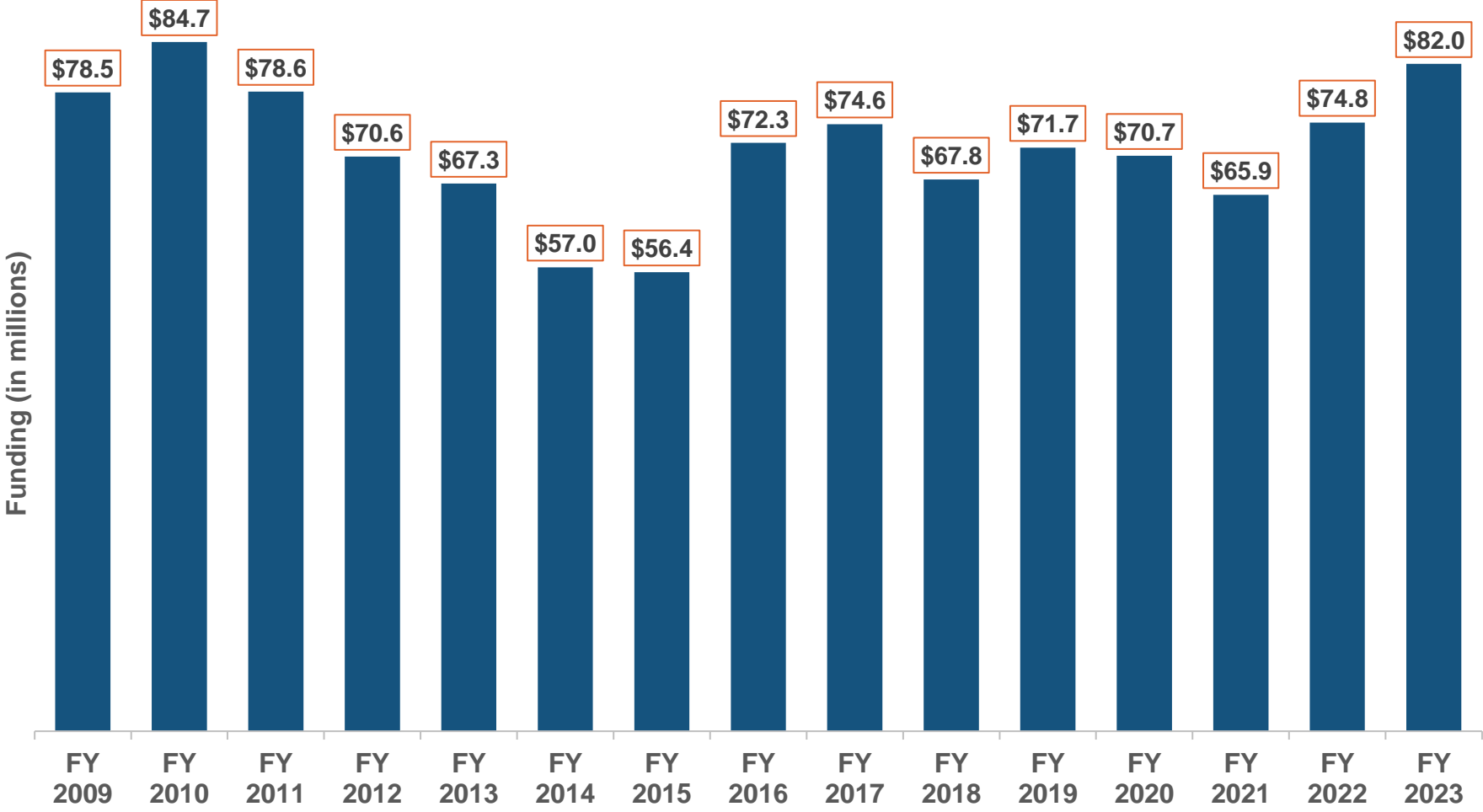
- Aim to reduce recidivism through prisoner assessment, case planning and management, and coordinated services from the time of entry into prison through aftercare in the community
- Involve interagency and state and local collaboration: state departments, local law enforcement, crime victims' advocates, faith-based organizations, community business partners
- **\$92.1 million** appropriation in FY 2023-24, includes **\$58.1 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 Programs and Services

- MDOC works with prisoners to complete high school equivalency
- MDOC offers career and technical education programs including welding, carpentry, food tech/hospitality, cement and masonry, commercial drivers license, forklift, optical, and horticulture
- MDOC operates 3 vocational villages offering skilled trades programs
  - Vocational villages are located at Richard A. Handlon in Ionia, Parnall in Jackson, and Womens Huron Valley in Ypsilanti
  - Programs in vocational villages include: CNC machining, robotics, auto tech, diesel mechanics, carpentry, cement and masonry, computer coding, commercial drivers license, 3D printing, cosmetology, and welding
- MDOC offers post-secondary programs and partners with post-secondary schools that offer classes to prisoners at correctional facilities; prisoners obtain post-secondary degrees upon successful completion
- MDOC offers employment readiness programming including soft and practical skills, digital literacy, financial literacy, resume writing, and mock interviews

# Offender Success Spending

In FY 2013-14, appropriations for community-based reentry programs were reduced and funding was 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 fiscal years 2020 and 2021 can be attributed to reduced utilization during the COVID-19 pandemic.



\*2023 data is as of December 1, 2023

# For more information about the Corrections budget:

## HFA Resources

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

## Contact Information

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