



Background Briefing

CORRECTIONS

Bob Schneider, Associate Director

December 2011

The fiscal information in this background briefing is based on data through December 31, 2011.

Department of Corrections

- **Department mission is “to create a safer Michigan through effective offender management and supervision in our facilities and communities while holding offenders accountable and promoting their success.”**

- **Major departmental functions include:**
 - **Operation of all state correctional institutions under the Department’s jurisdiction, including physical and mental health care, education, and other prisoner programs**

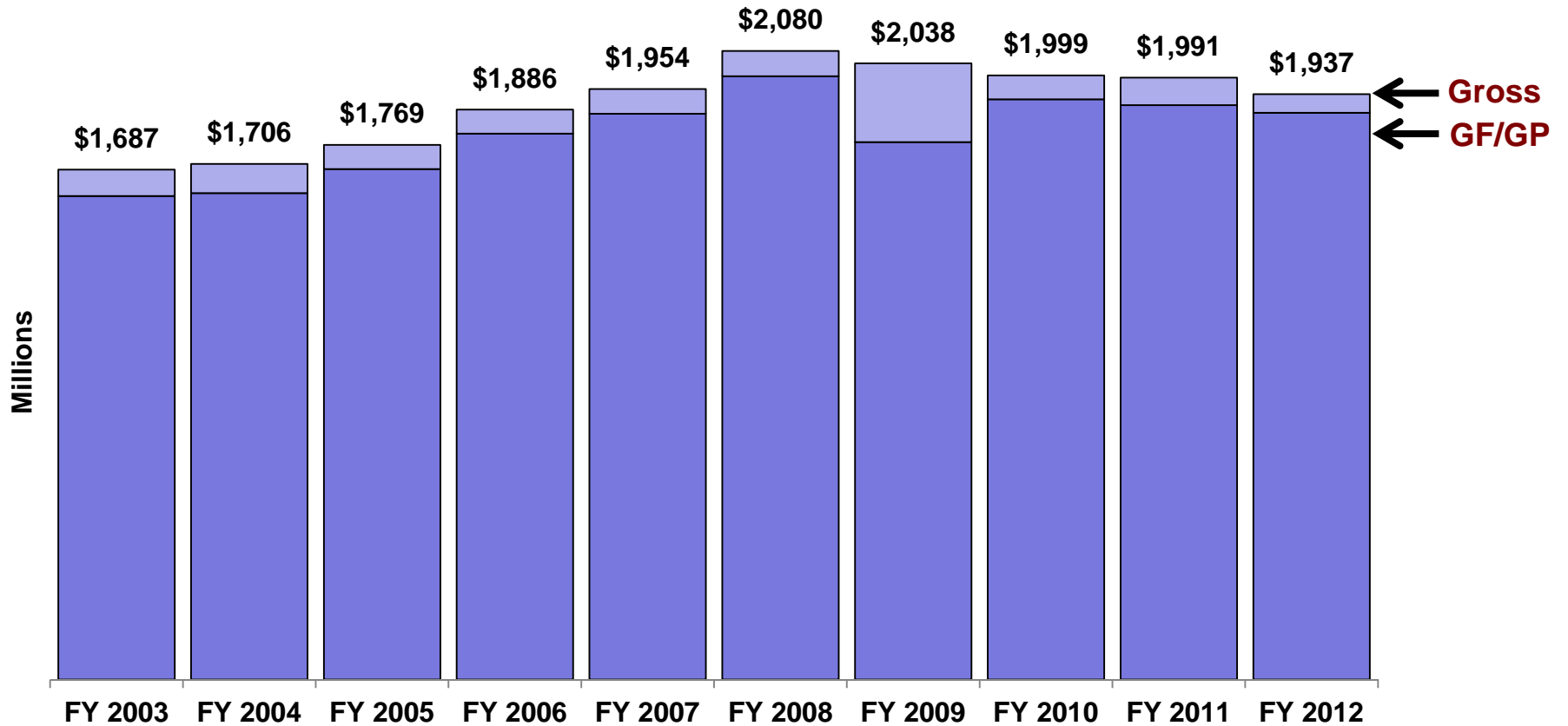
 - **Monitoring and supervision of all parolees and probationers under Department jurisdiction**

 - **Oversight over community corrections programs, prisoner re-entry programs, and grant programs designed to encourage alternatives to prison placement for appropriate offenders**

 - **Costs of prison construction are met through Capital Outlay budget, while State Building Authority debt service costs related to previous construction are funded through Department of Technology, Management, and Budget appropriations**

Corrections: Gross Appropriations

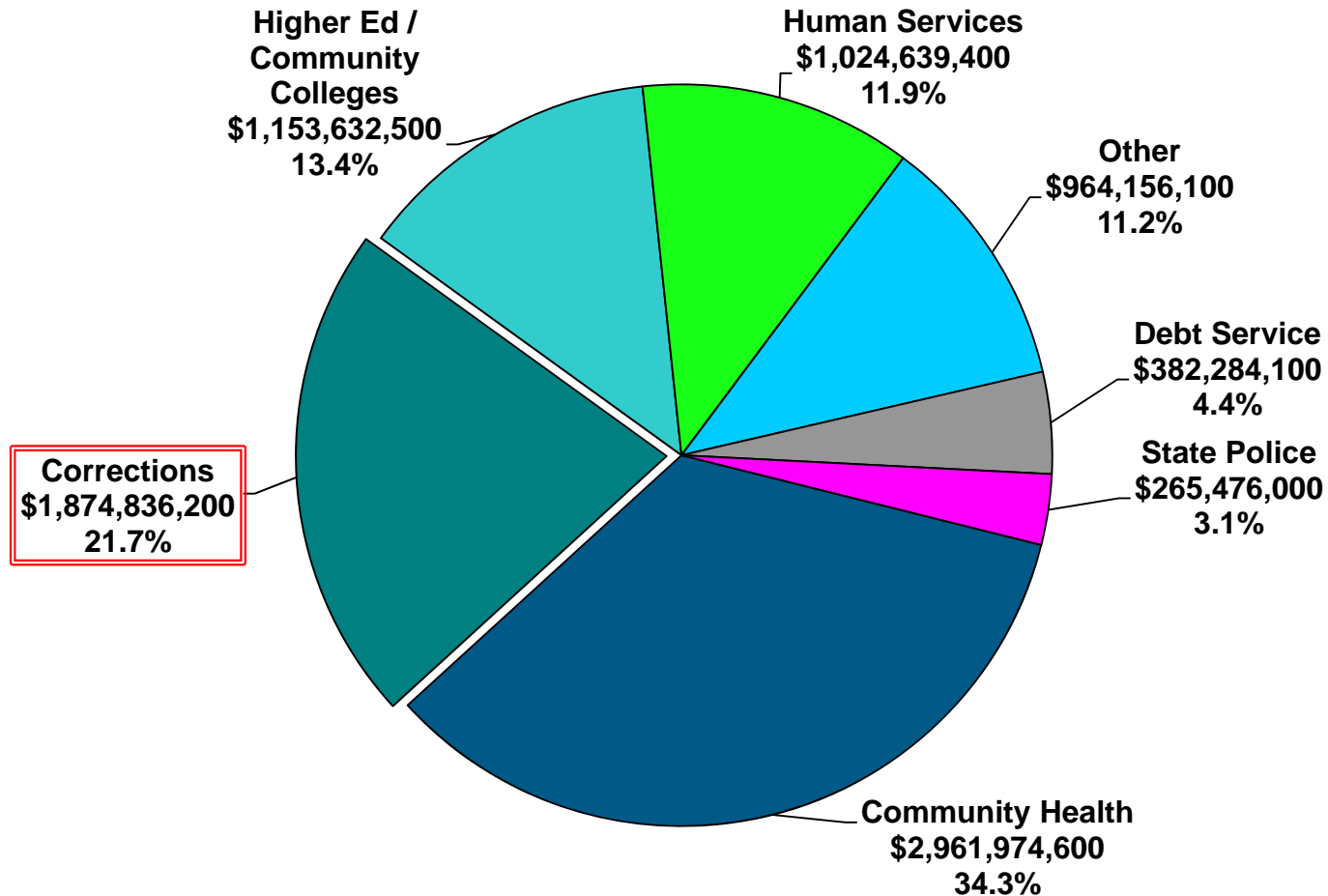
After almost two decades of strong growth largely due to prison population increases, recent Corrections increases have been relatively more modest. Gross appropriations have declined slightly between FY 2007-08 and FY 2011-12.



Corrections Share of State GF/GP

Corrections makes up 21.7% of the total state GF/GP budget

FY 2011-12 GF/GP Total = \$8,626,998,900



SOURCES OF FUNDING

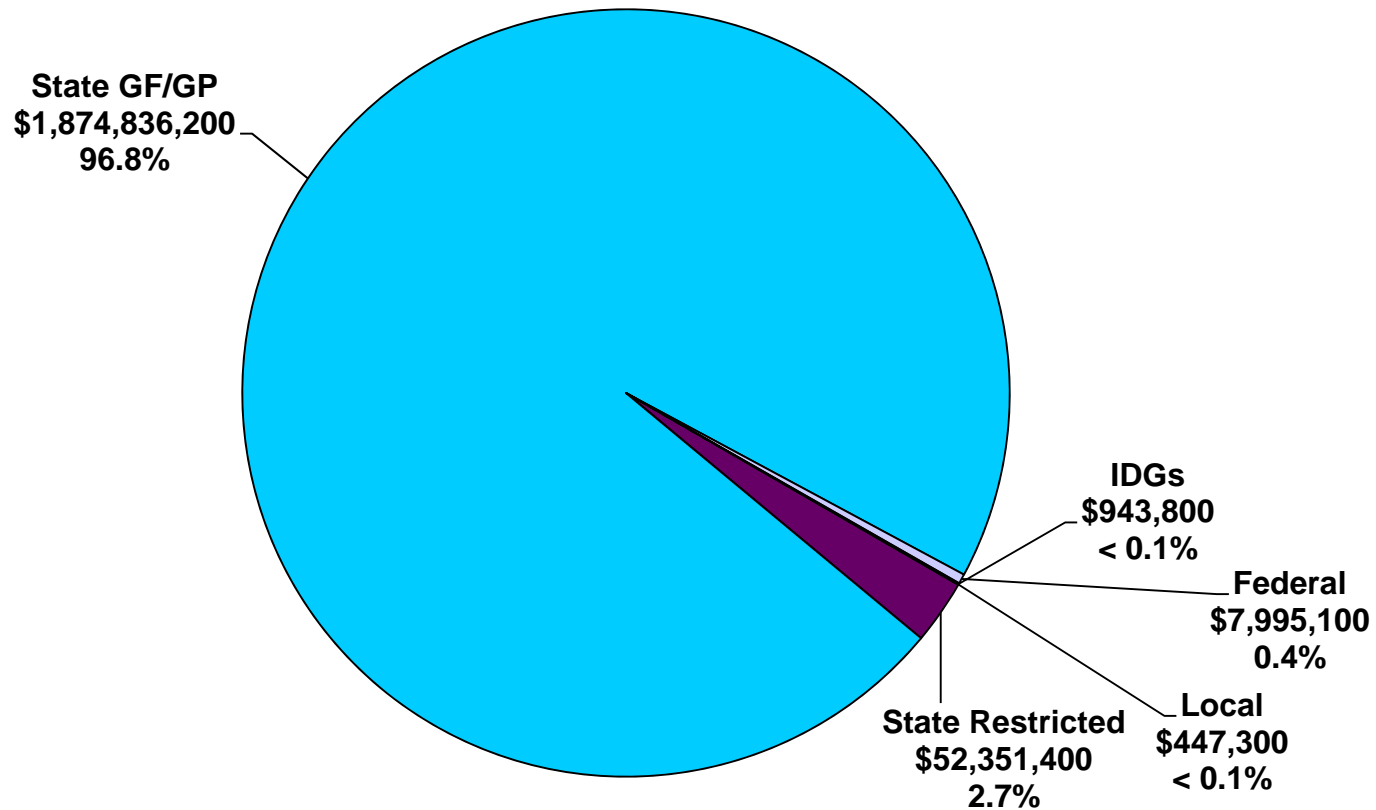
Corrections Funding Sources

- **State general fund/general purpose accounts for 96.8% of budget**
- **State restricted revenues include offender fees/reimbursements, prison industries and prison store revenues, public works user fees, and civil infraction fee revenue earmarked to the County Jail Reimbursement Program**
- **Federal revenues include grants for education, substance abuse treatment, and prisoner re-integration programs; payments under the school breakfast and lunch programs; and reimbursements for housing criminal aliens and federal prisoners**
- **Local revenues represent fees paid by local units of government for rental of electronic monitoring equipment**

Corrections Funding Sources

Corrections budget is primarily financed with state general fund/general purpose (GF/GP) revenue, which accounts for almost 97% of the overall budget.

FY 2011-12 Corrections Budget = \$1,936,573,800



DEPARTMENT APPROPRIATIONS

Corrections Appropriations

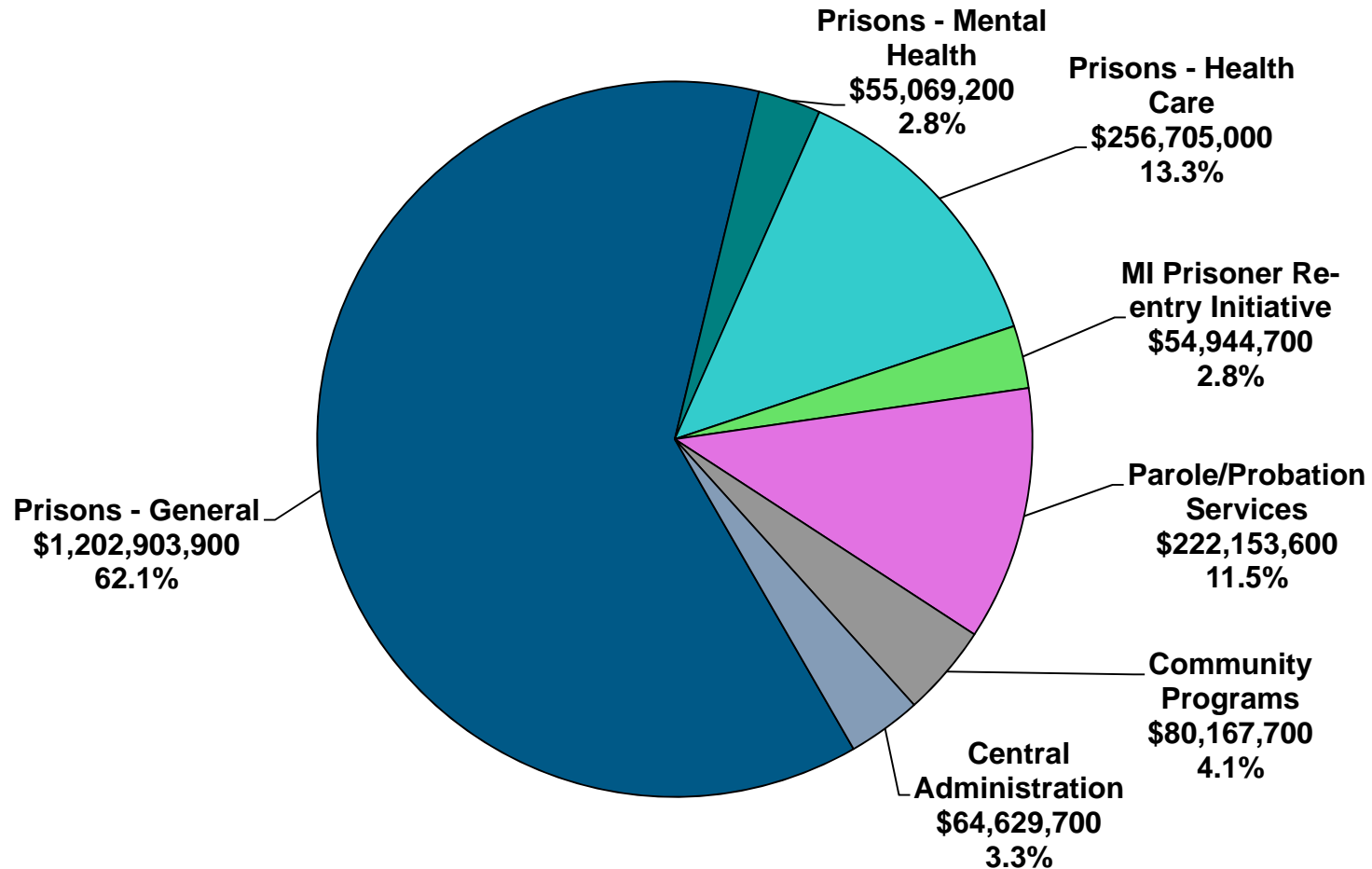
The Corrections budget is allocated into the following major spending areas:

- **Prison Operations:** operations of the state's correctional facilities, including physical and mental health care for prisoners, prisoner programs, prison food service, and prisoner transportation
- **Parole and Probation Services:** supervision and monitoring of parolees and probationers
- **Michigan Prisoner Re-entry Initiative (MPRI):** Prisoner re-integration programs aimed at reducing recidivism through prisoner assessment, case management and delivery of services
- **Community Programs:** Programs to provide alternatives to prison incarceration including community corrections programs, County Jail Reimbursement Program, and Felony Drunk Driver Jail Reduction Program
- **Central Administration:** general administrative functions (e.g. Executive office, finance and accounting, information technology, legal affairs)

Corrections Appropriations

Around 79% of the Corrections budget is allocated to prison operations and prisoner care, including physical and mental health care.

FY 2011-12 Corrections Budget = \$1,936,573,800



MAJOR BUDGET ISSUES

OFFENDER POPULATION AND GROWTH

The Offender Population

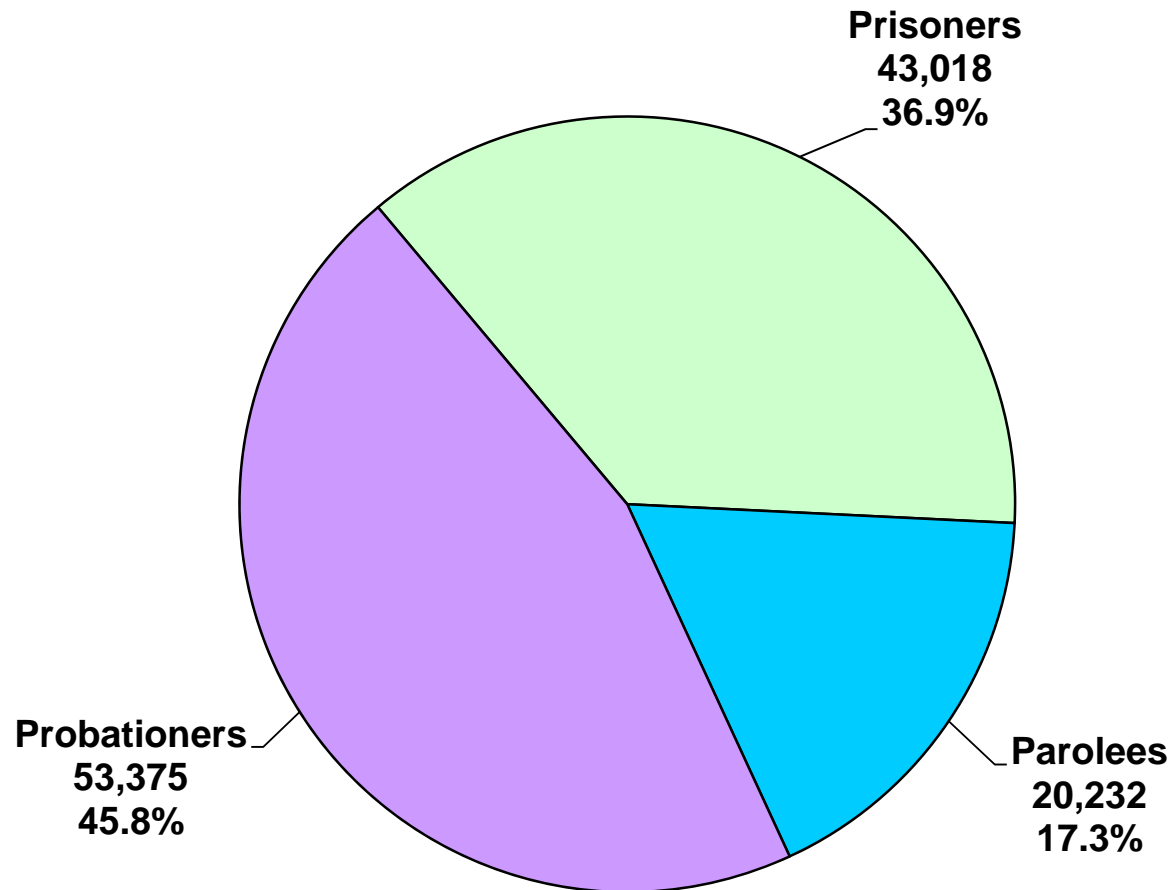
- **Prisoners:**
 - Felony offenders committed to the jurisdiction of the MDOC
 - Housed in prisons (previously also in camps and community placement)

- **Probationers:**
 - Felony offenders sentenced to a probationary term of supervision in the community
 - Supervised by MDOC field agents

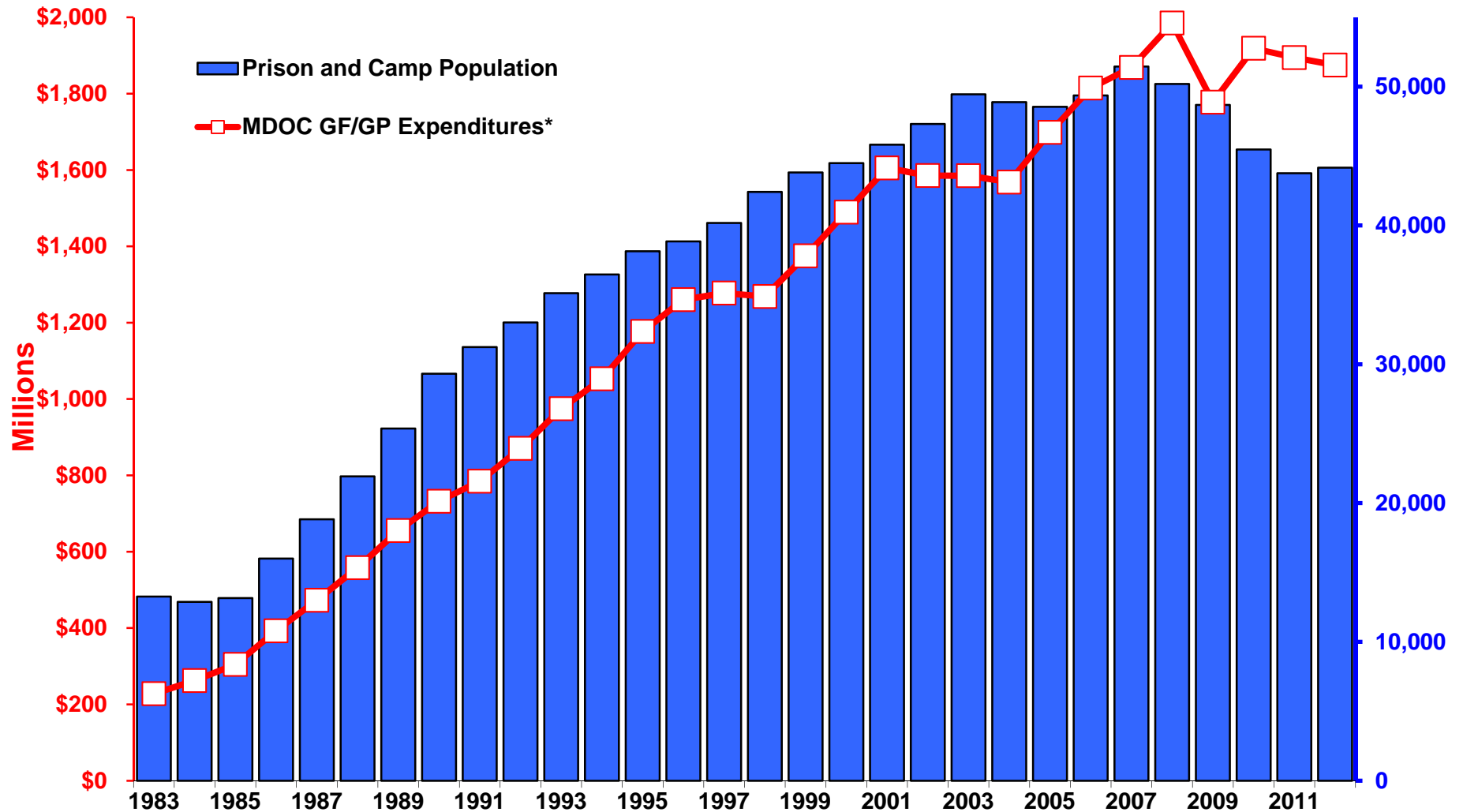
- **Parolees:**
 - Prisoners who have served at least their minimum term (less any applicable disciplinary credits) and who have been released to a period of supervision in the community
 - Supervised by MDOC field agents

MDOC Supervised Population

November 30, 2011 Total = 116,625



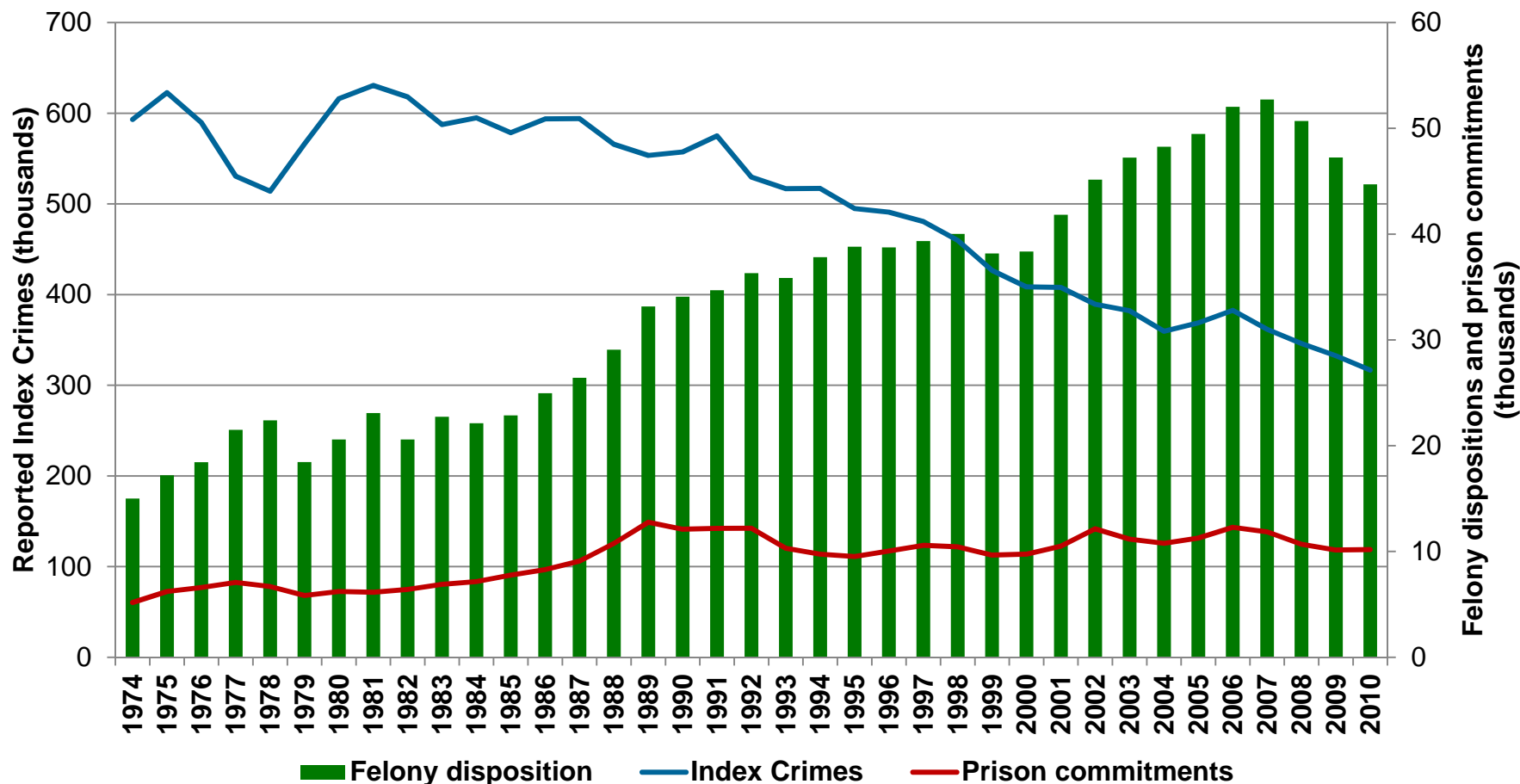
Growth in MDOC GF/GP Spending and the Prisoner Population



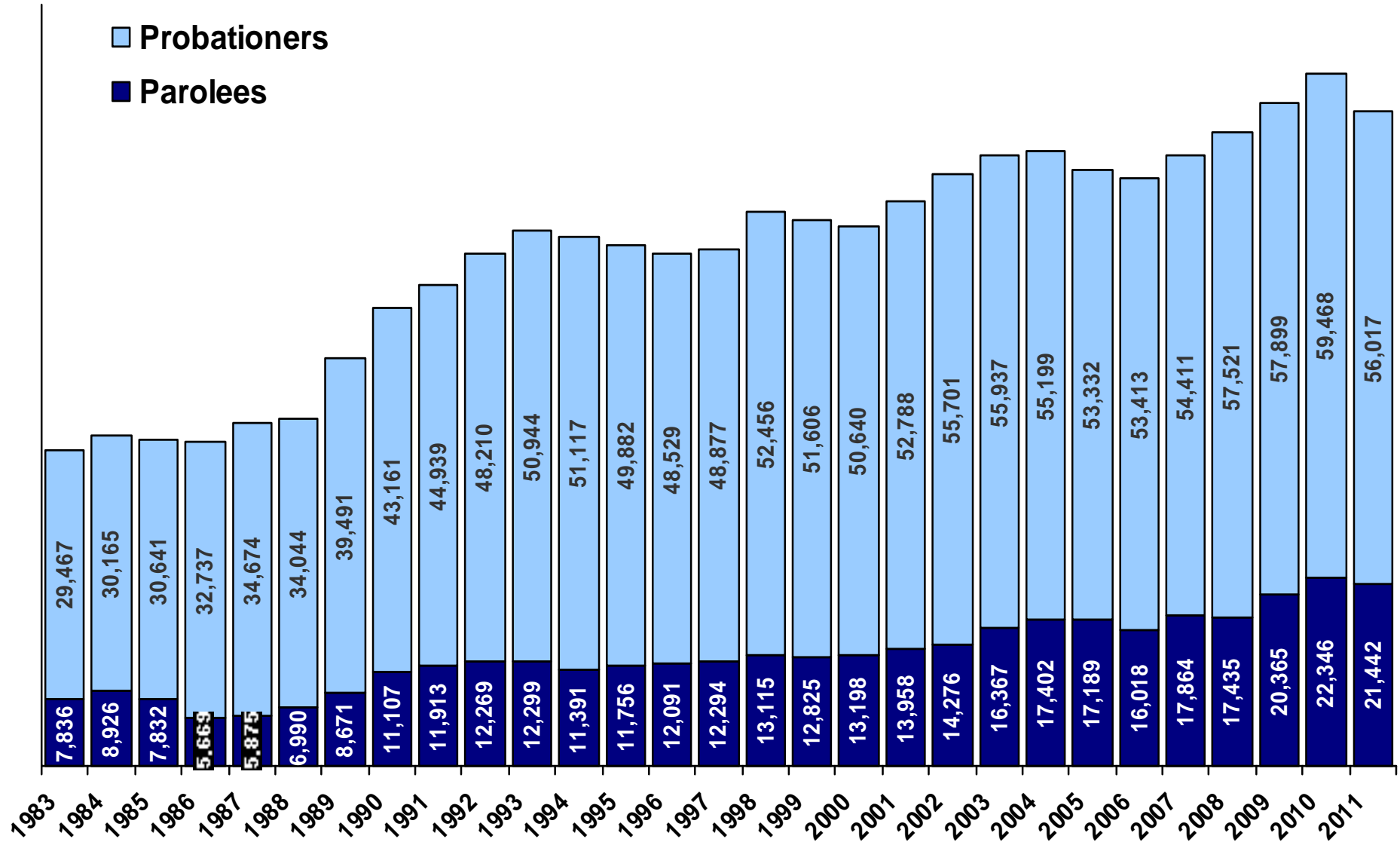
* FY 2012 based on year-to-date GF/GP appropriation and budgeted prisoner count.

Crime and Prison Commitments

While reported index crimes have decreased since around 1980, felony dispositions had increased steadily until 2007. Prison commitments increased during the 1980s and have fluctuated around a slightly steadier trend level since the late 1980s.



Parole and Probation Populations



Note: 2010 and 2011 figures FY averages from monthly data; all others from MDOC Annual Statistical Reports.

Recent Prison Population Changes

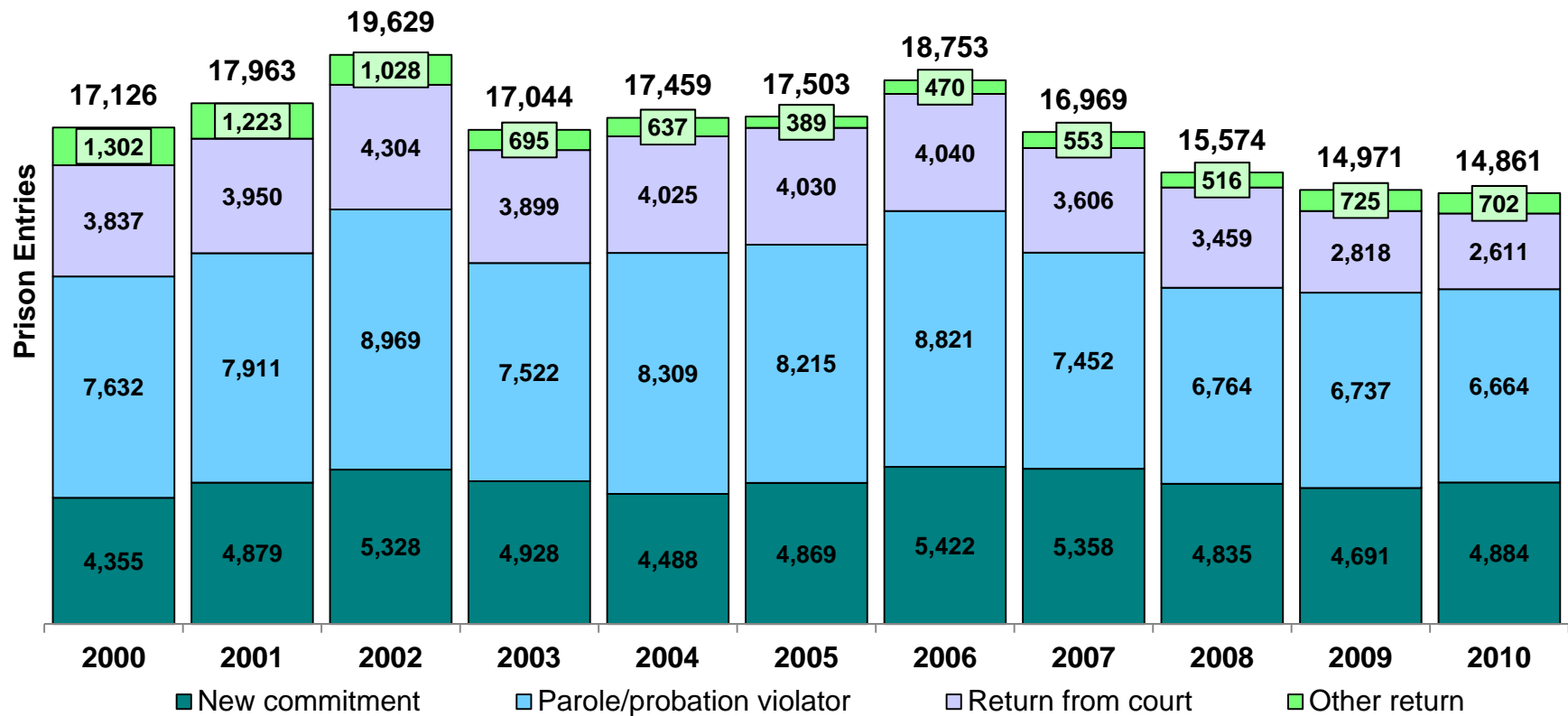
- **Changes in the prison population are a function of the movement of offenders into and out of the system**

- **Entering the system:**
 - **New court commitments: felony offenders sentenced to prison**
 - **Parole/probation violators: sent to prison due to new sentence or technical violation**
 - **Court returns: prisoner returns from court (sometimes with new sentence)**
 - **Other returns: for example, from community placement**

- **Exiting the system:**
 - **Parolees: granted parole by Parole and Commutations 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, mental health hospital**

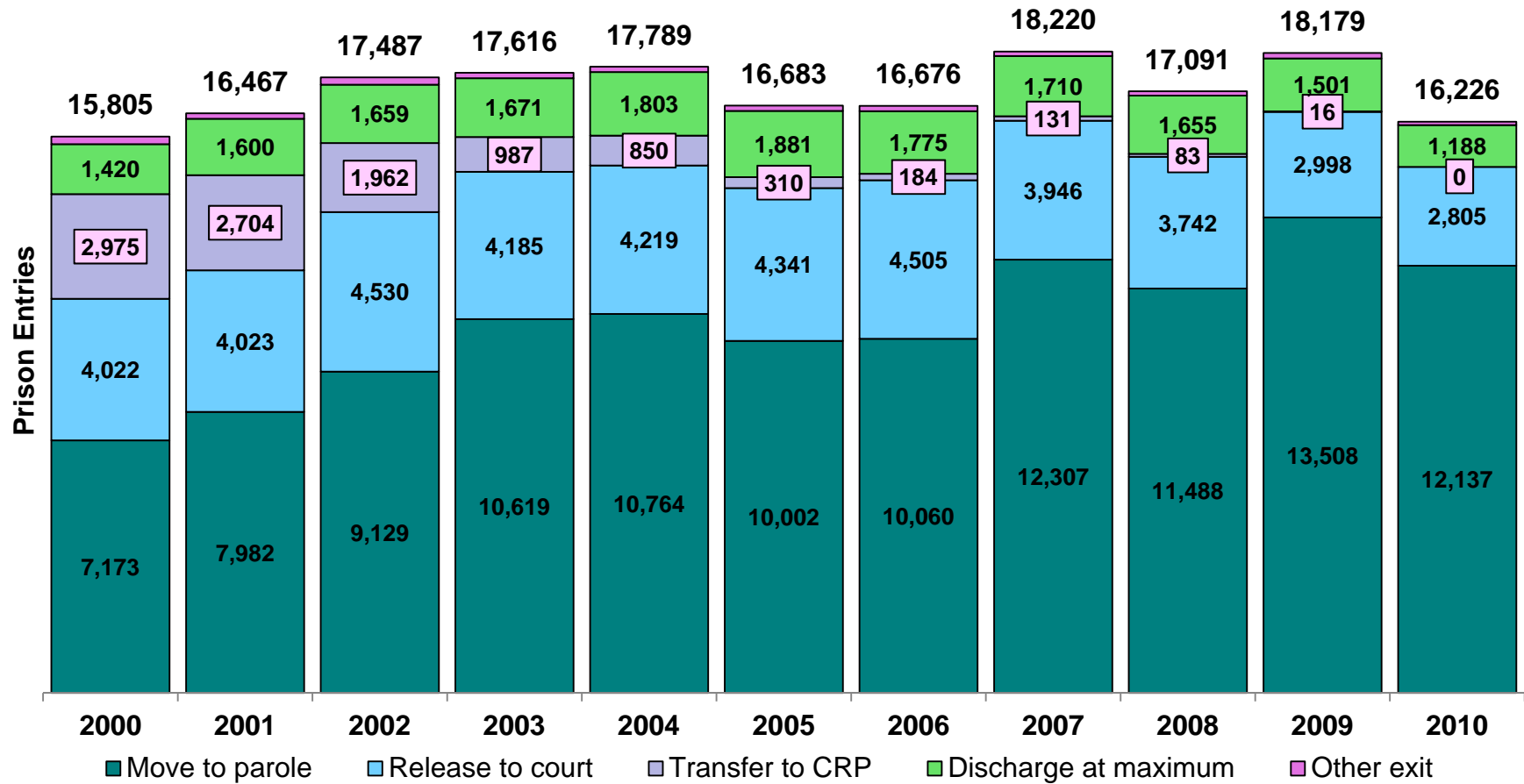
Entry into Prison System

New court commitments have fluctuated, but have held to trend. Recent declines in parole/probation returns have contributed to the dip in prison entry in recent years.



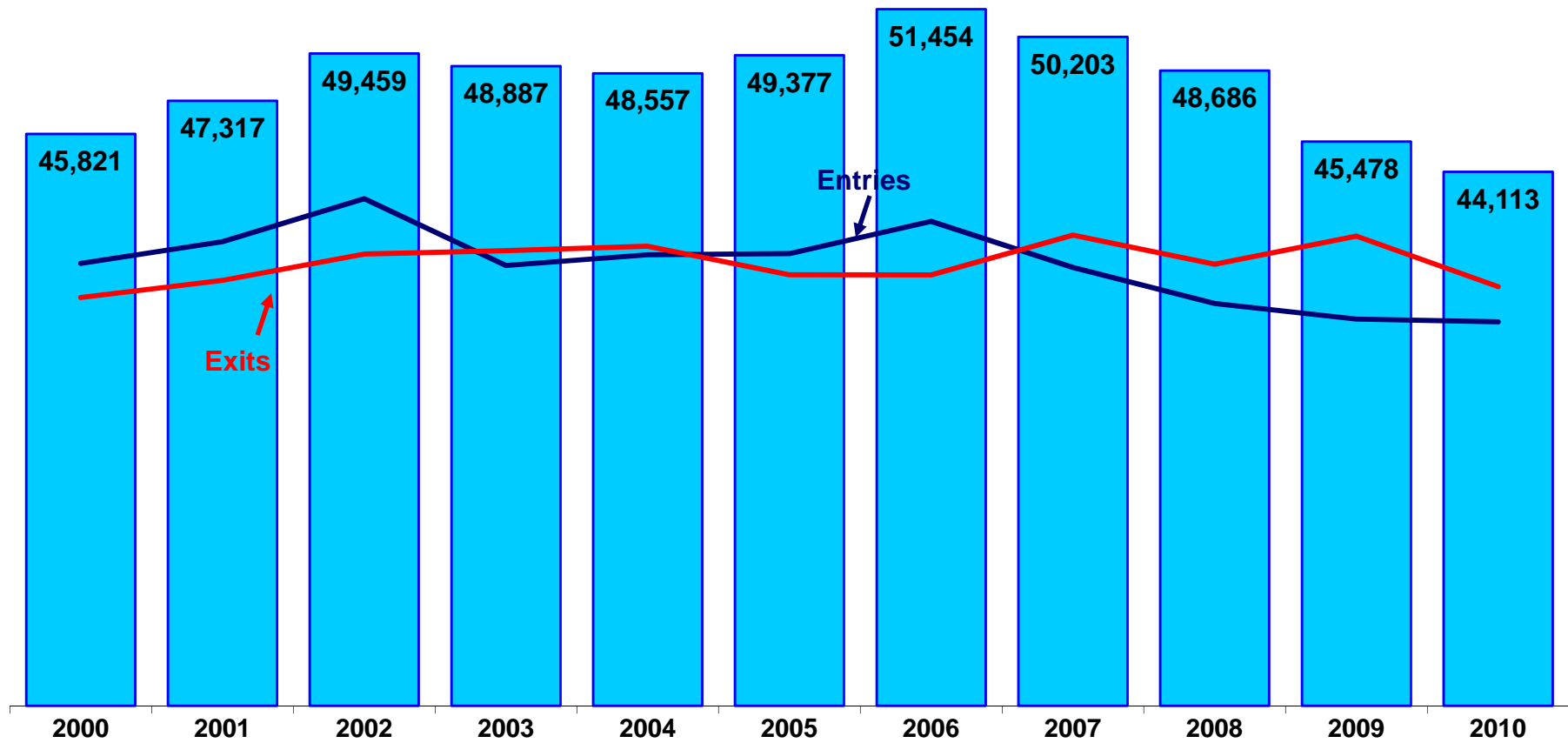
Exits from Prison System

The significantly increasing number of paroles have offset the reduction of transfers to community residential programs that have resulted from truth-in-sentencing.



Michigan's Prison and Camp Population

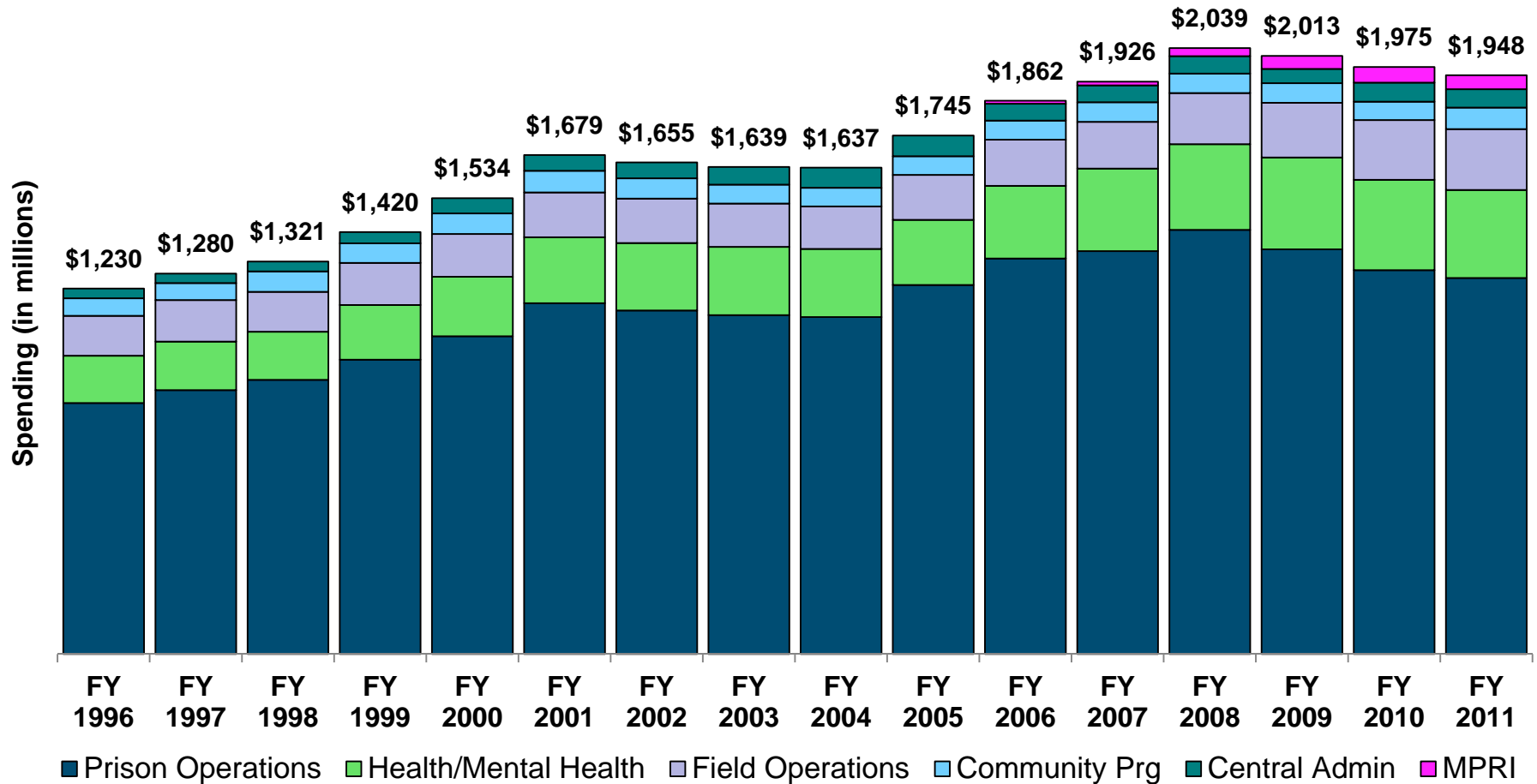
The recent drop in the prisoner population has been driven by the decline in prison entries which has largely resulted from the drop in returns due to parole/probation violations. Prison exits, however, also declined in 2010 with fewer moves to parole, which has slowed the population decline.



RECENT BUDGET GROWTH

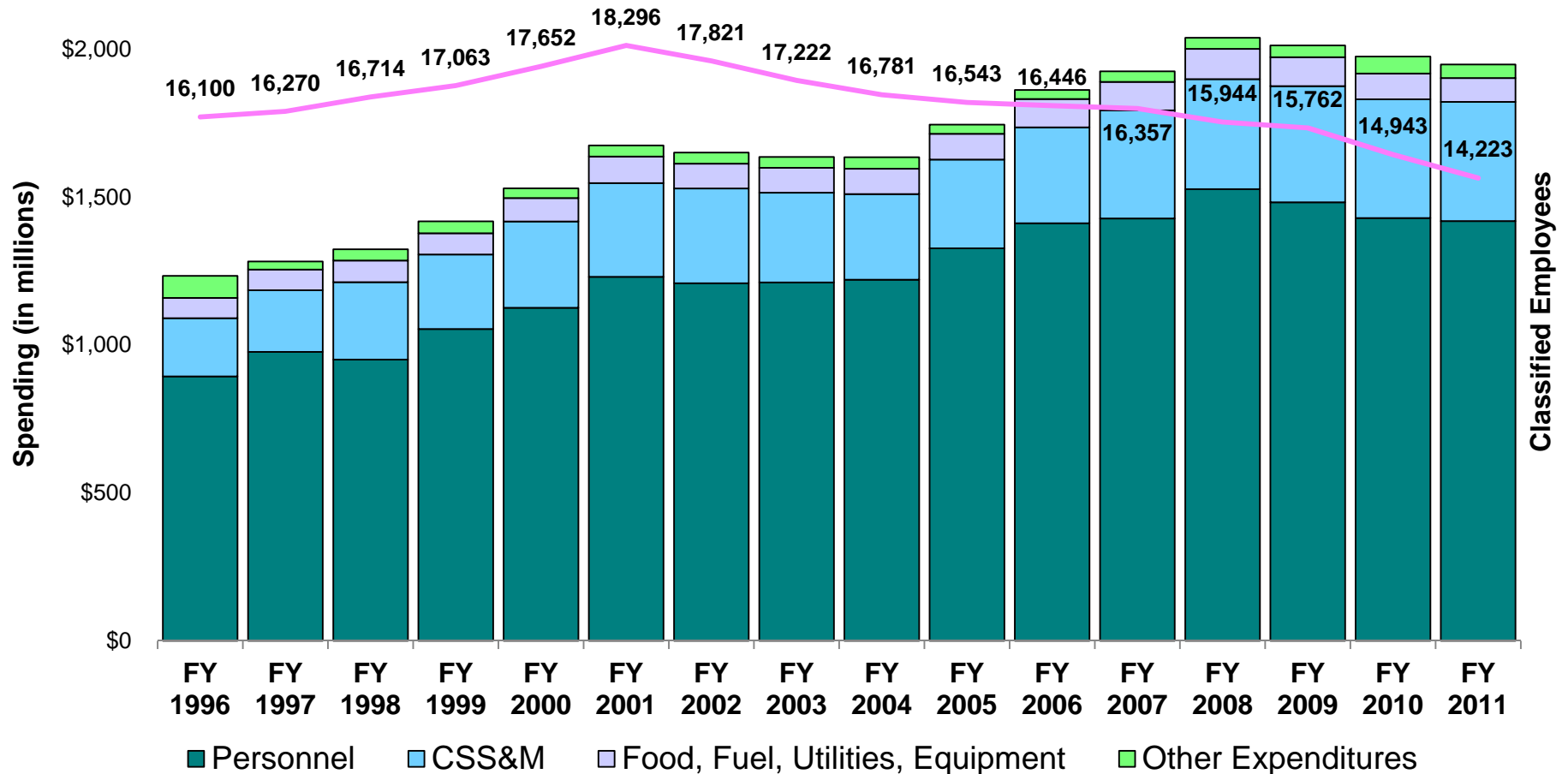
Corrections Spending Growth by Program

During the period from FY 1996 to FY 2011, Corrections spending has grown at an average annual rate of 3.1%. Prisoner health care and mental health care has been the largest growth component of the budget, with average growth of 4.8% over this time.



Corrections Spending Growth by Purpose

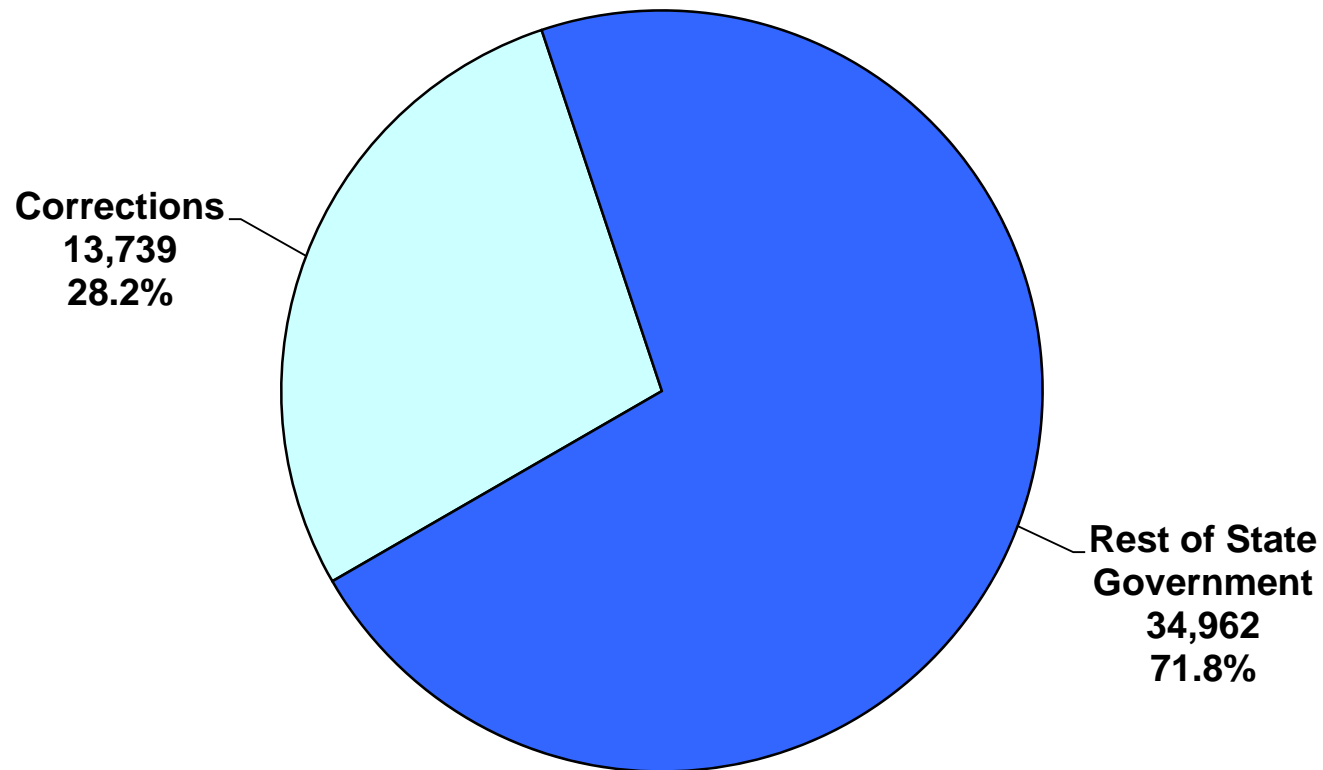
Personnel costs account for the majority of the budget and have risen at a 3.1% average annual rate over the FY 1996 to FY 2011 period, consistent with overall budget growth; however, actual employment has fallen since FY 2001. Contractual services, supplies, and materials costs (which include contracted prisoner health care costs) have seen the greatest average rate increase (4.9%).



Data note: Employee counts based on average number of classified employees across fiscal year. Source: Annual State Workforce Reports.

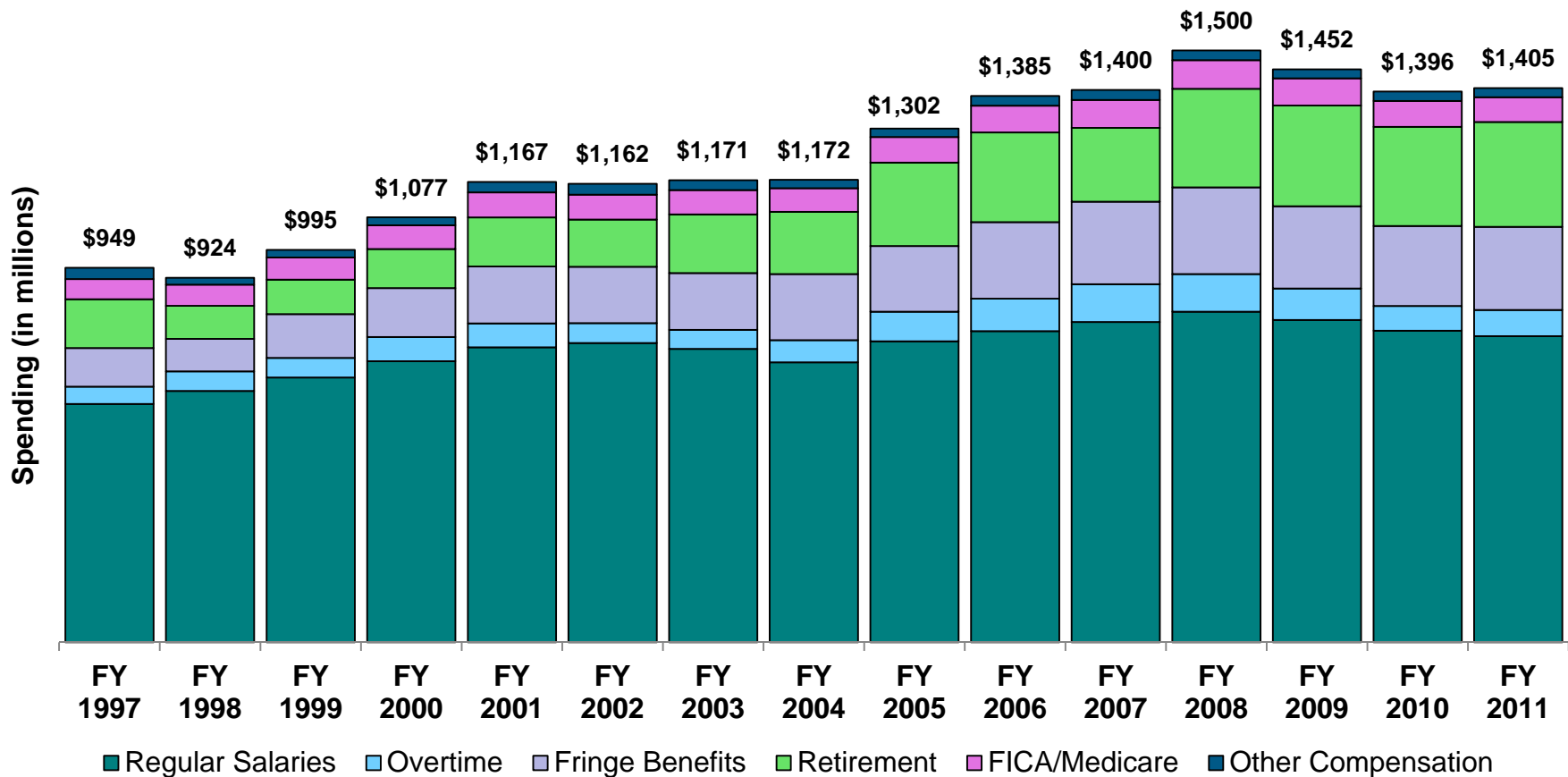
Corrections Share of Active State Classified Workforce

As of November 26, 2011 = 48,701 employees



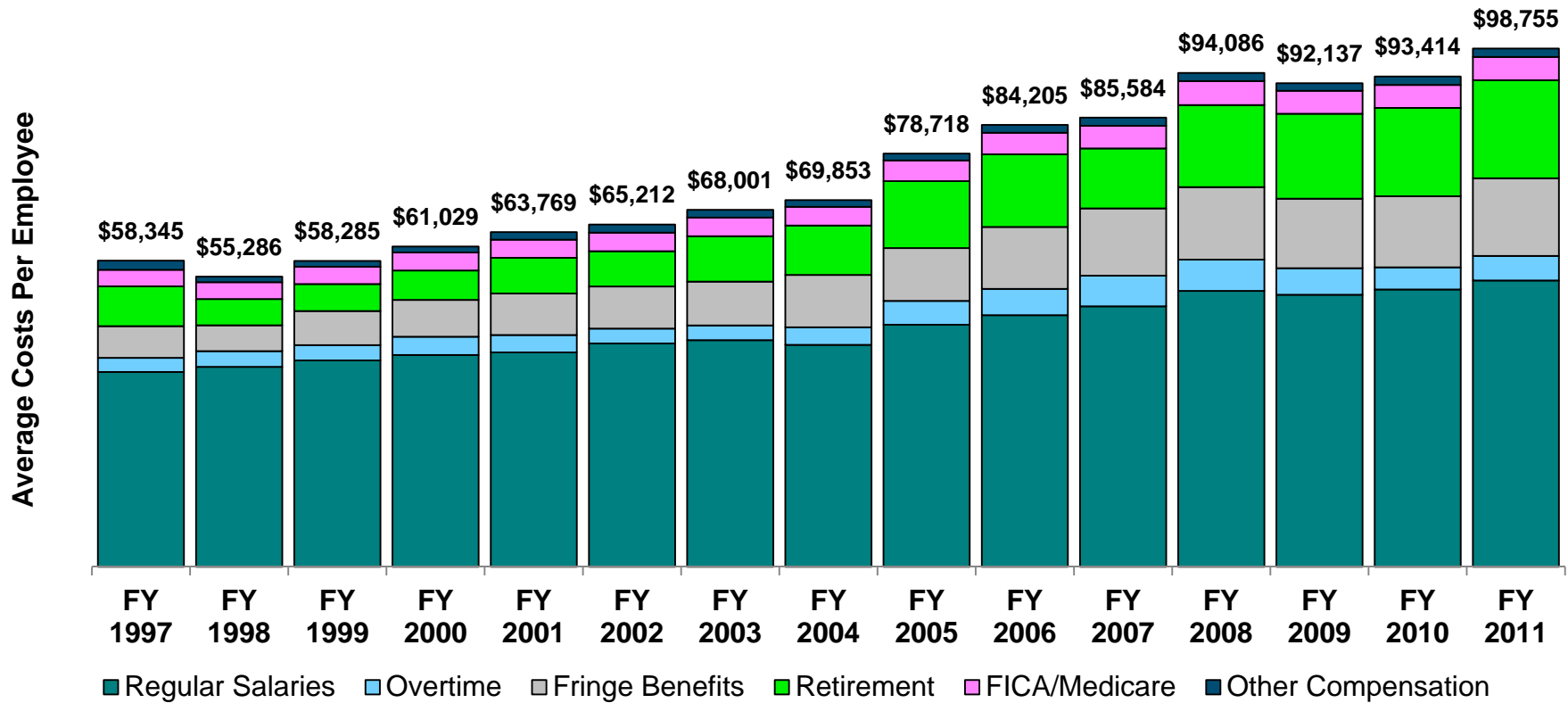
Corrections Personnel Costs

Since FY 1997, personnel costs for the MDOC have risen by an average of 2.8% annually. The largest drivers behind these cost increases have been fringe benefit and retirement costs which have both increased by 5.6% per year over this period. These costs in FY 2010 accounted for 33.9% of all personnel costs compared to 23.3% in FY 1997.



Corrections Personnel Costs Per Employee

Again since FY 1997, personnel costs on a per employee basis for the Department have risen by an average of 3.8% annually. Again, fringe benefit and retirement costs have played the largest role, with average annual per-employee increases of 6.6% for each. Regular salary costs have increased by 2.8% annually, versus overtime costs which have increased by an average of 3.6% over the period.



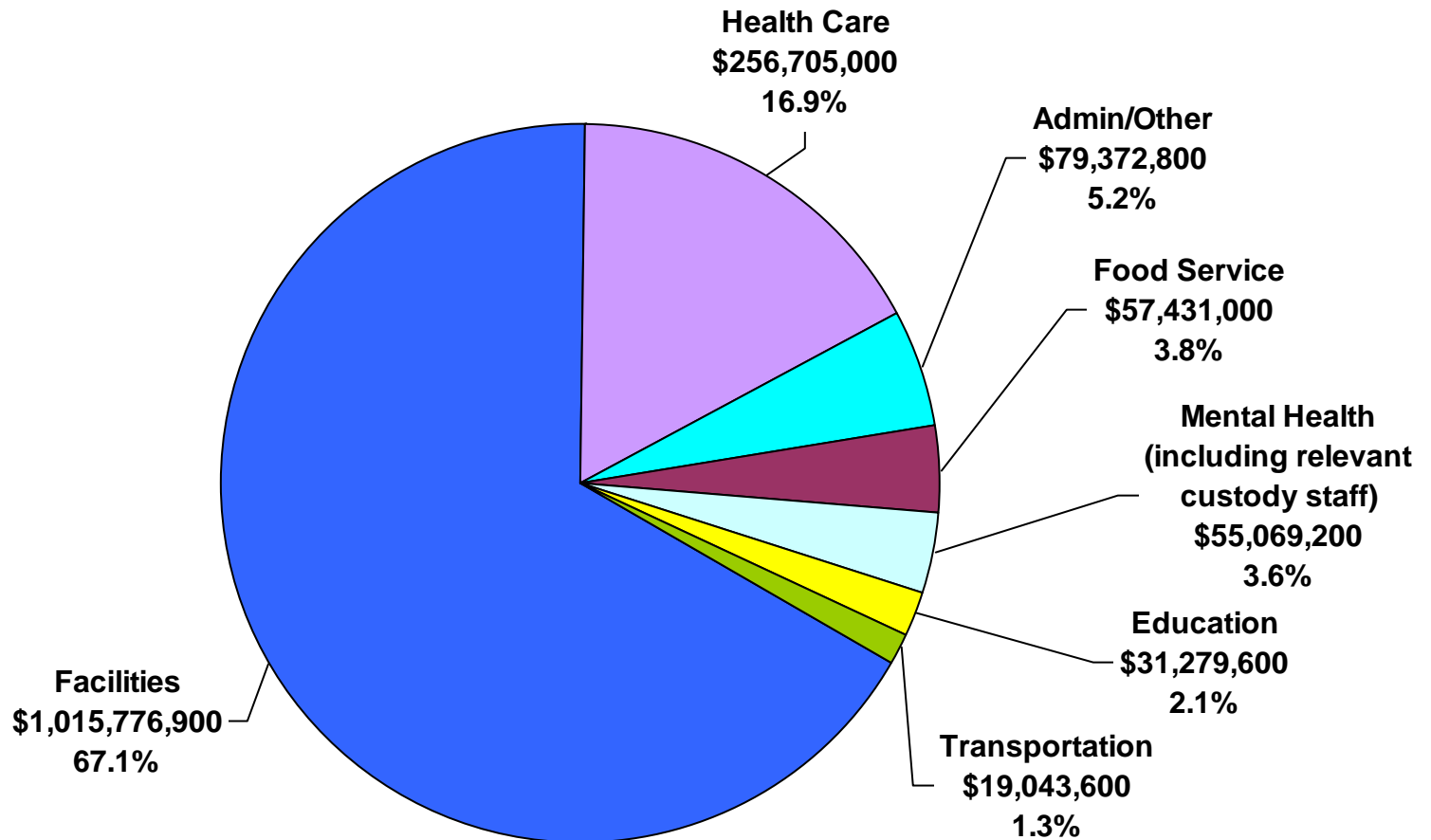
PRISON OPERATIONS: CORRECTIONAL FACILITIES

Prison Operations

- Michigan currently operates 32 correctional facilities located in 21 different counties
- About \$1.5 billion, or about 79%, of the Corrections budget is devoted to costs pertaining to prisoner custody and housing, health care, treatment programs, and academic and vocational programs
- Since 2007, reductions in prisoner population have resulted in the closure of nine state prisons and the eight remaining prison camps
- 2011 prison closures:
 - Muskegon Correctional Facility: closed due to cancellation of contract to house Pennsylvania prisoners in May 2011
 - Crane Correctional Facility: May 2011
 - Mound Correctional Facility: December 2011

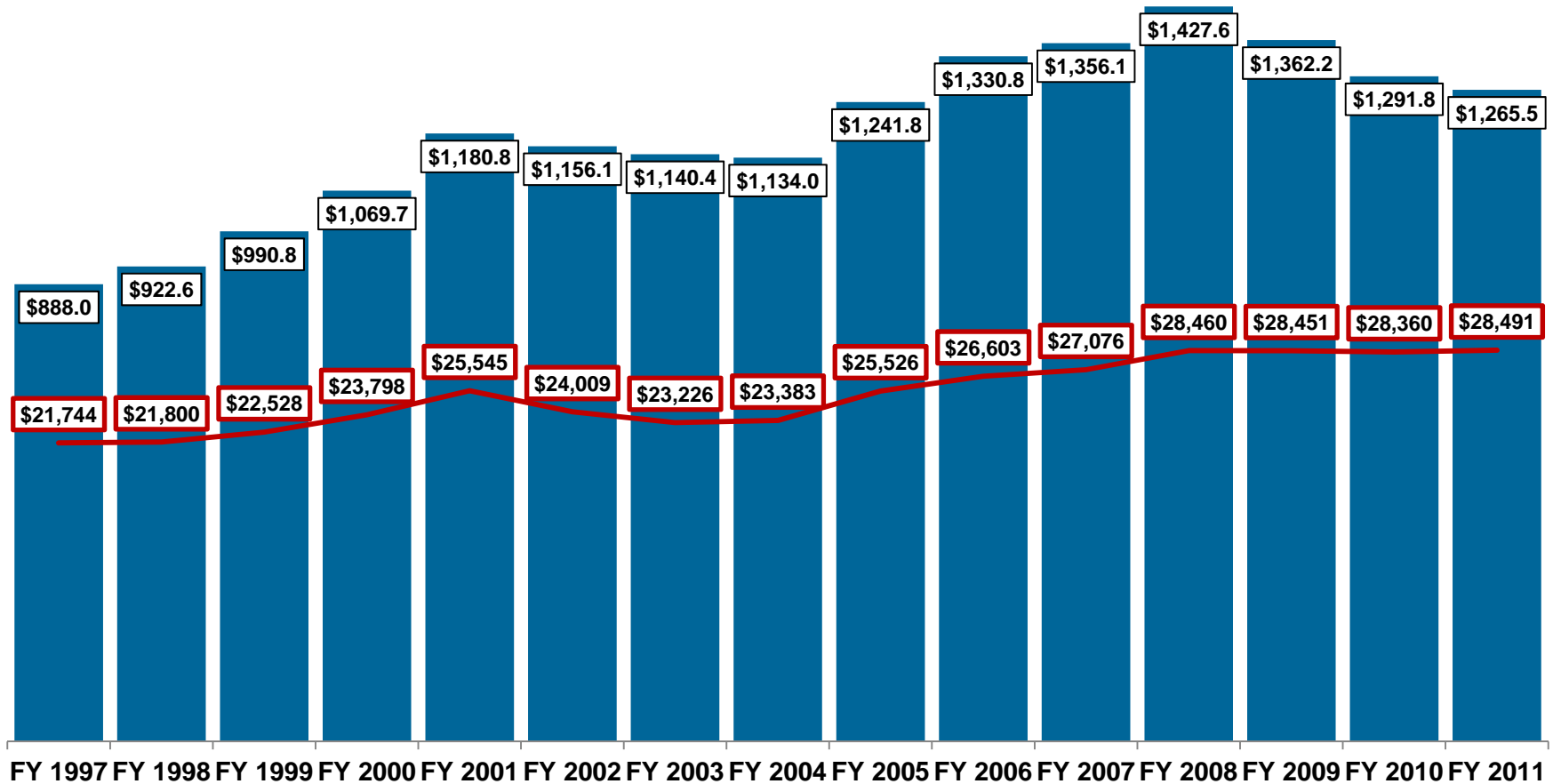
Prisoner Custody, Care, and Programs

FY 2011-12 Appropriation Total = \$1,514,678,100



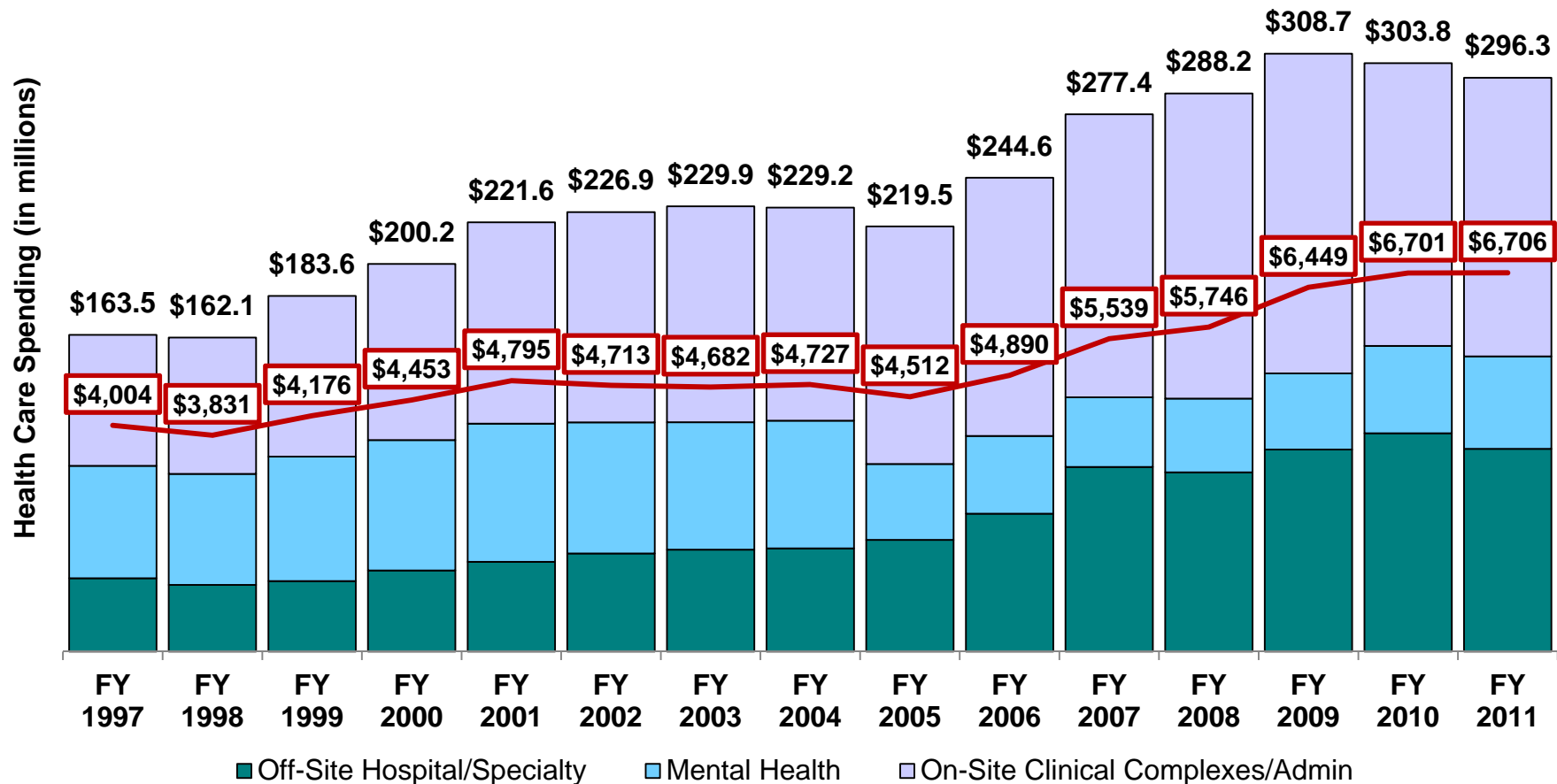
Prison Operations & Average Cost Per Prisoner

This chart reviews total prison operations spending excluding health care and direct mental health costs. The red line outlines average cost per prisoner for each fiscal year. These per-prisoner costs grew by an average of around 2.0% per year over this period.



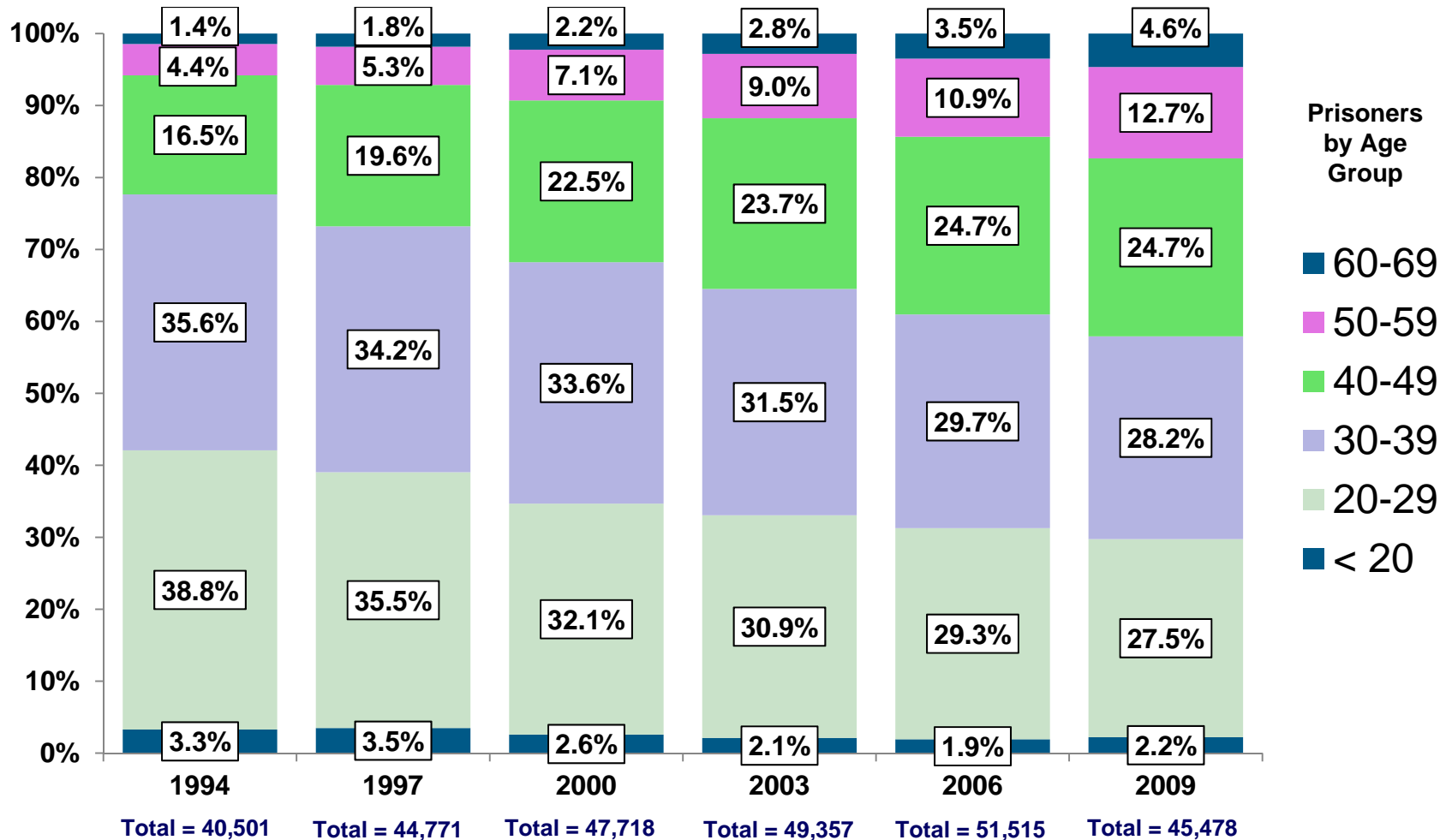
Prisoner Health Care and Mental Health and Average Cost Per Prisoner

Spending for prisoner health care and mental health services increased more significantly over the FY 1997-2010 time period. Per-prisoner costs shown on the red line increased by an average of 3.8% annually over the whole period and by 6.8% annually since FY 2005.



Prisoner Age Distribution and Health Care

One probable factor in the rise of per-prisoner health care costs is the aging of Michigan's prison population. In 1994, only 22.3% of prisoners were over 40 years of age. By 2009, that percentage had increased to 42%, with 17.3% of the population over age 50.



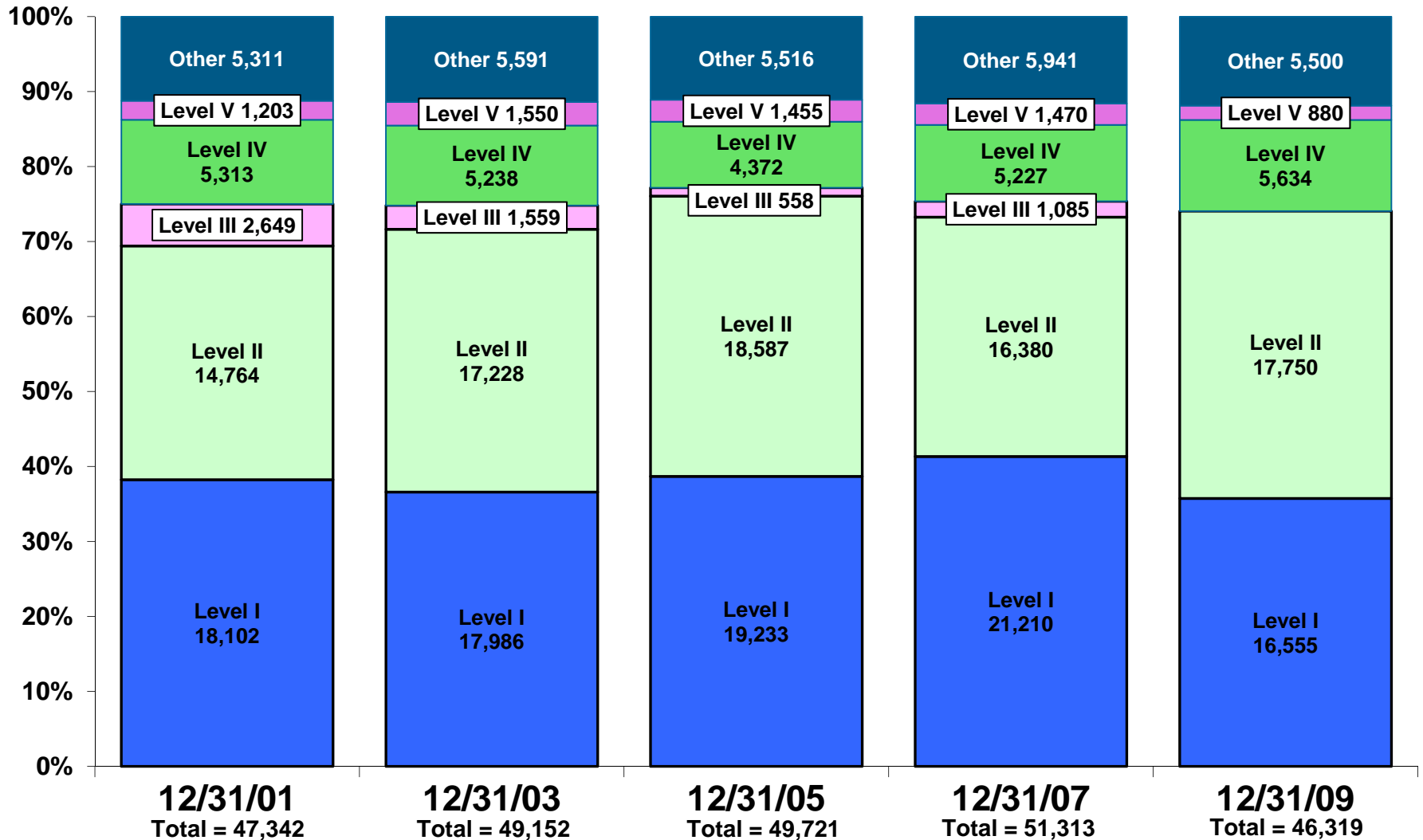
Facility Closures Since 2007

- **Camp Manistique (Manistique) – March 2007**
- **Camp Brighton (Brighton) – April 2007**
- **Southern Michigan Correctional Facility (Jackson) – November 2007**
- **Riverside Correctional Facility (Ionia) – November 2007**
- **Camp Branch (Coldwater) – February 2009**
- **Deerfield Correctional Facility (Ionia) – March 2009**
- **Scott Correctional Facility (Plymouth) – May 2009**
- **Camp Cusino (Shingleton) – July 2009**
- **Camp Kitwen (Painesdale) – July 2009**
- **Camp Ottawa (Iron River) – July 2009**
- **Hiawatha Correctional Facility (Kincheloe) – August 2009**
- **Camp White Lake (White Lake) – September 2009**
- **Standish Correctional Facility (Standish) – October 2009**
- **Camp Lehman (Grayling) – October 2009**
- **Muskegon Correctional Facility (Muskegon) – January 2010 (reopened to house Pennsylvania prisoners until May 2011)**
- **Crane Correctional Facility (Coldwater) – May 2011**
- **Mound Correctional Facility (Detroit) – December 2011**

Openings: Michigan Reformatory in Ionia (reopened November 2007) and Maxey/Woodland Center in Whitmore Lake (opened April 2009)

Net Operating Capacity by Security Level

With the drop in prison population and facility closures, the percentage of prisoner population made of minimum security/Level I prisoners has fallen from 41.3% at the end of 2007 to 35.7% at the end of 2009. However, the number of maximum security/Level V prisoners has also fallen.



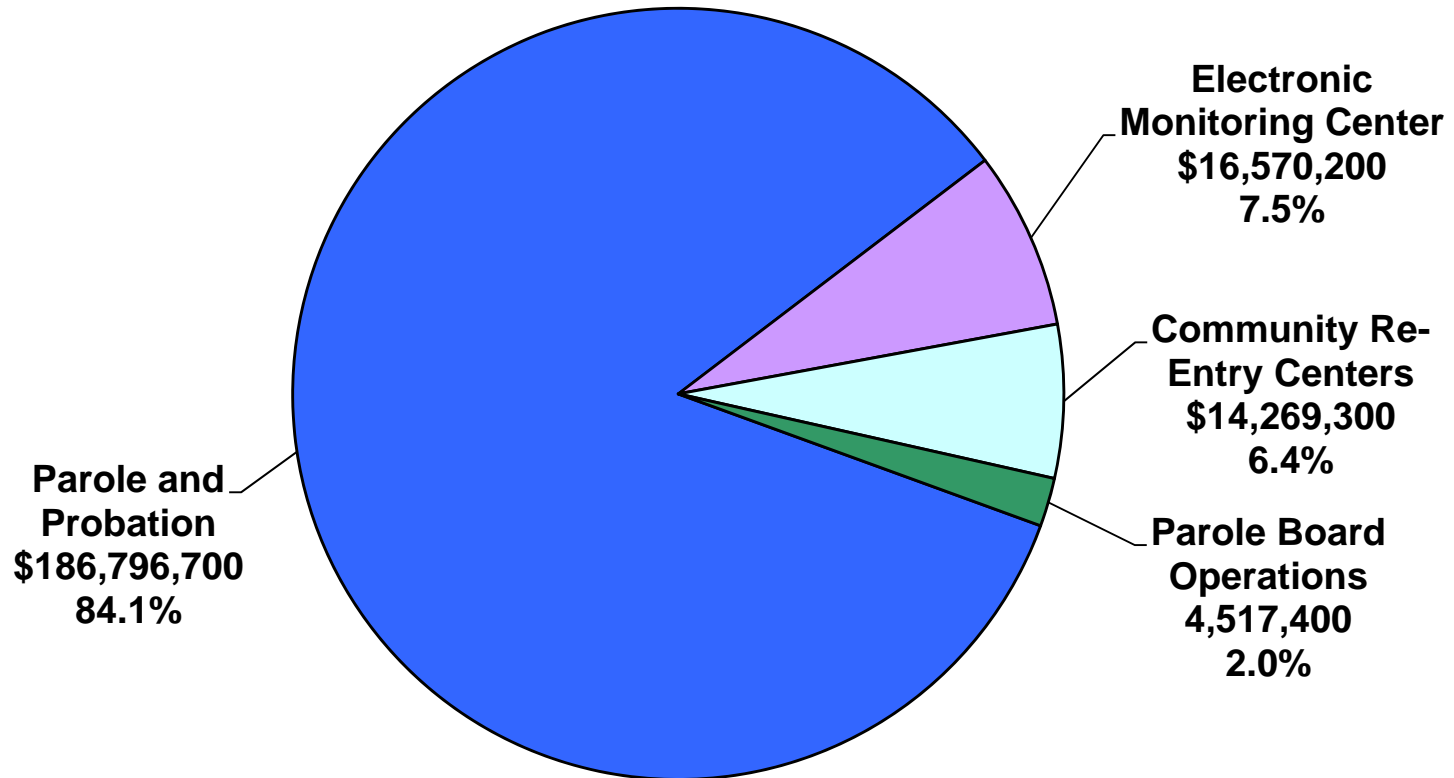
**FIELD OPERATIONS:
PAROLE AND PROBATION**

Field Operations

- **Field Operations Administration is responsible for supervising felony offenders outside of the prison, including probationers and parolees**
- **The largest component of Field Operations is parole and probation; the budget funds over 1,300 parole and probation agents charged with supervising around 75,000 offenders**
- **Community re-entry centers, which provide structured housing for parolees, and the electronic tether program also are funded through field operations**

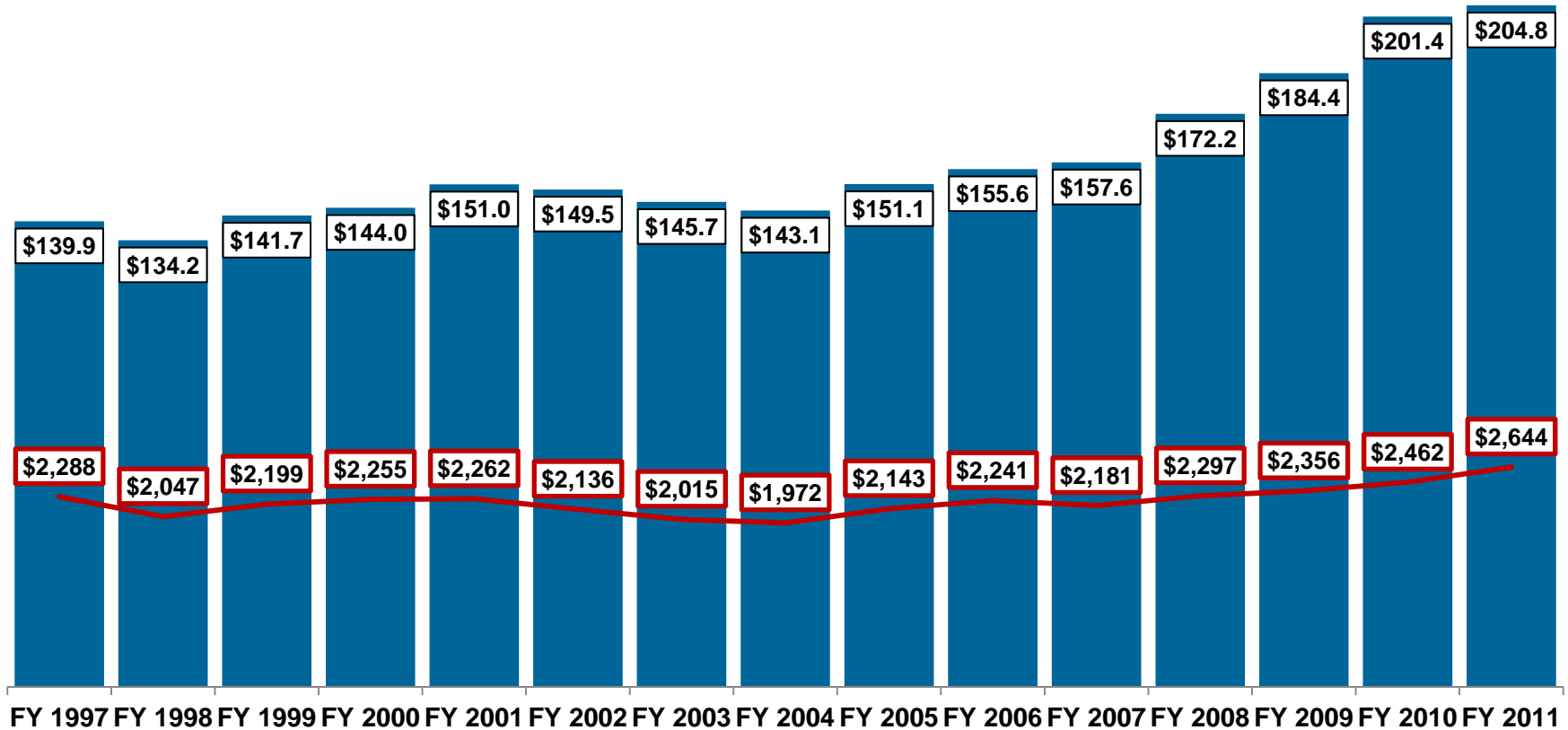
Field Operations

FY 2011-12 Total = \$222,153,600



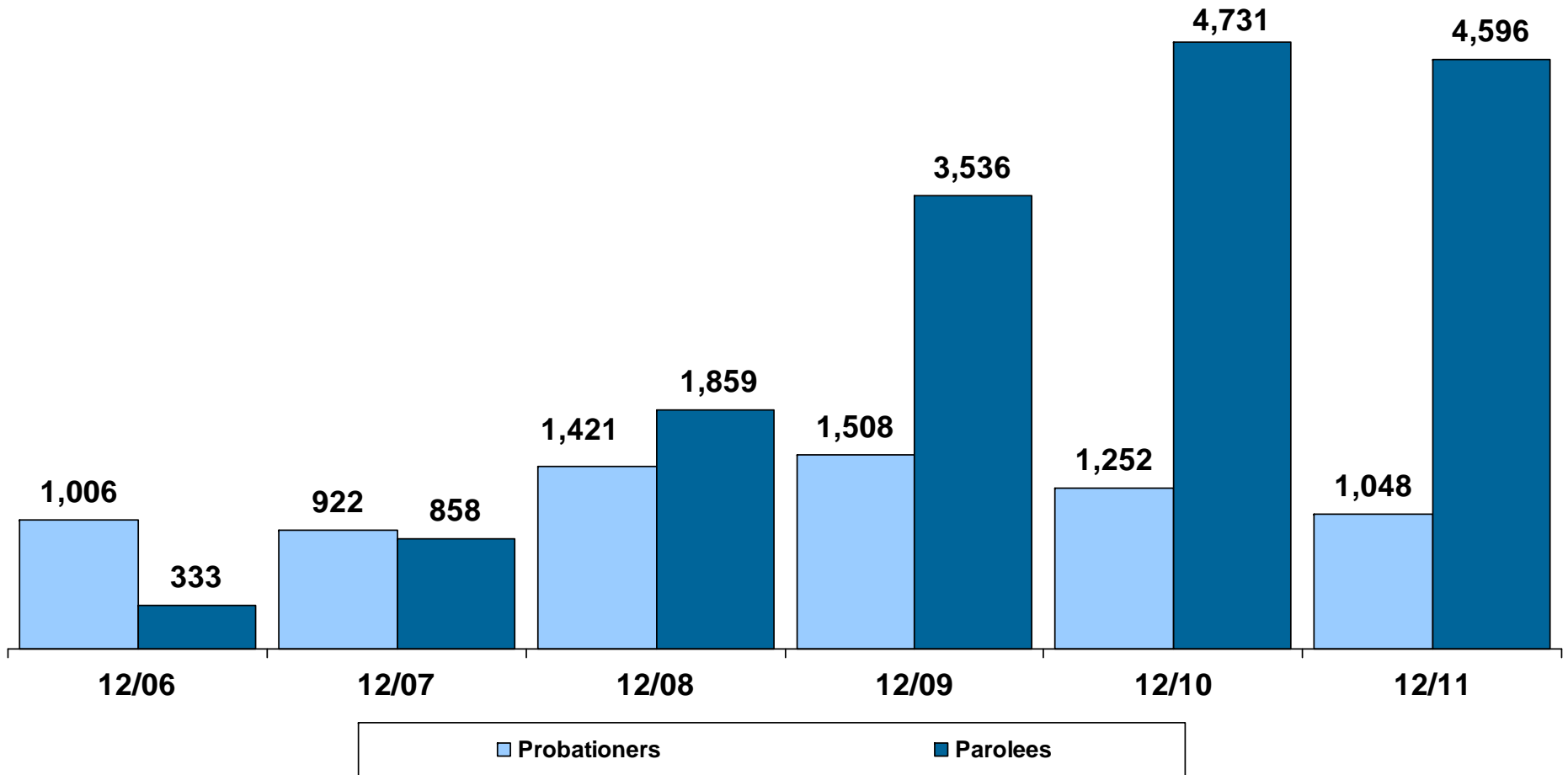
Parole/Probation Services & Average Cost Per Offender

Field Operations spending has increased by an average of 1.0% over the FY 1997 to FY 2010 time period. Recent growth since FY 2004 has been more significant (4.3% per year). This partially reflects increased use of electronic monitoring techniques. The red line shows these costs on a per-offender basis.



Electronic Monitoring Population

Due to increased use of global positioning system (GPS) tether for parolees, there are about a thousand more parolees on tether than there were a year ago, and the number is expected to continue to rise.



**COMMUNITY PROGRAMS:
ALTERNATIVES TO
INCARCERATION**

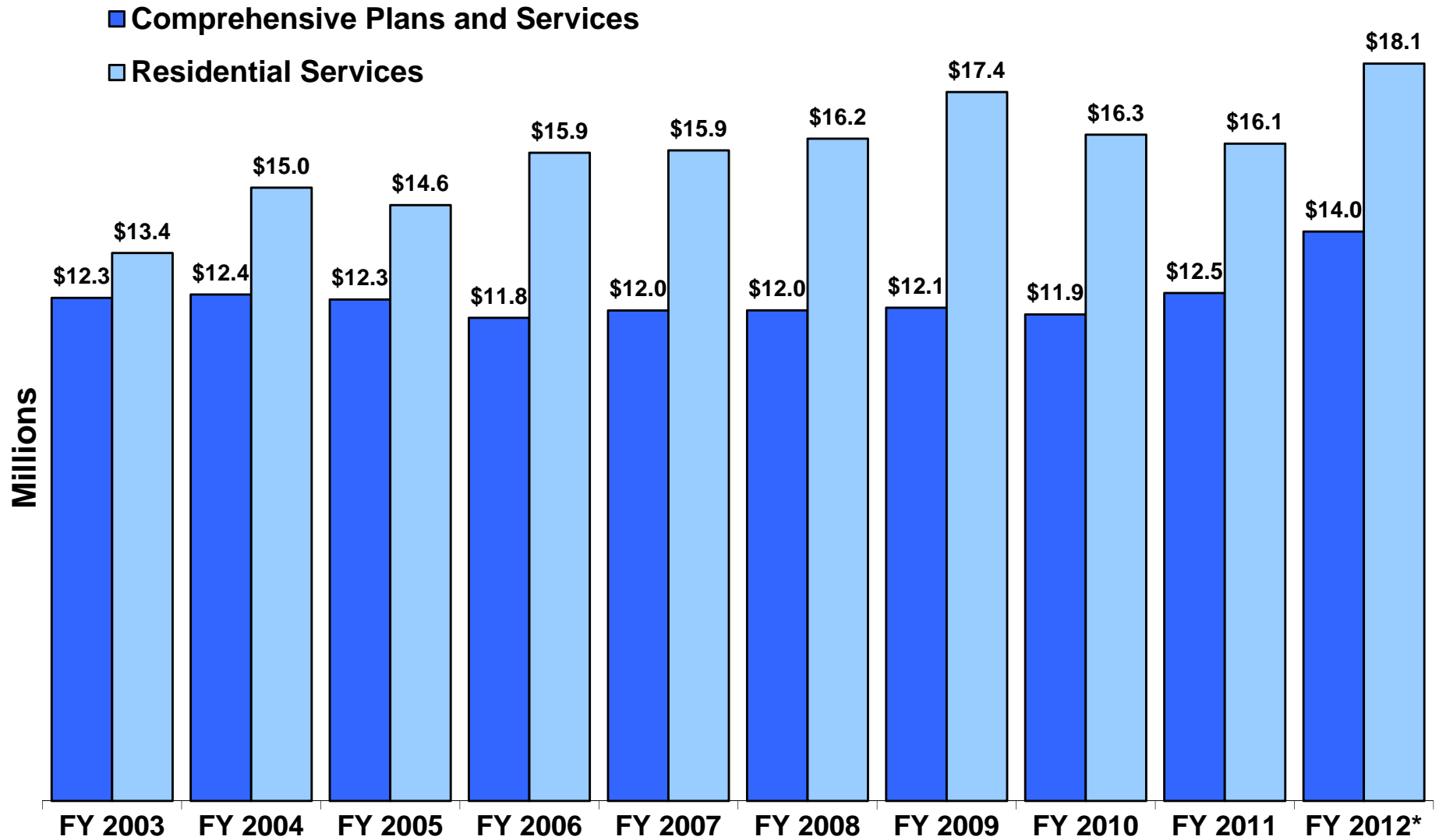
Community Corrections Program

- **Established by the Community Corrections Act, 1988 PA 511, and aimed at minimizing the numbers of nonviolent offenders sentenced to prison**

- **Two main grant programs:**
 - **Comprehensive Grants and Services, assisting county or regional efforts to develop and implement local comprehensive corrections plans**

 - **Residential Services, providing per-diem payments for housing offenders identified in a local comprehensive corrections plan**

Community Corrections Grant Payments



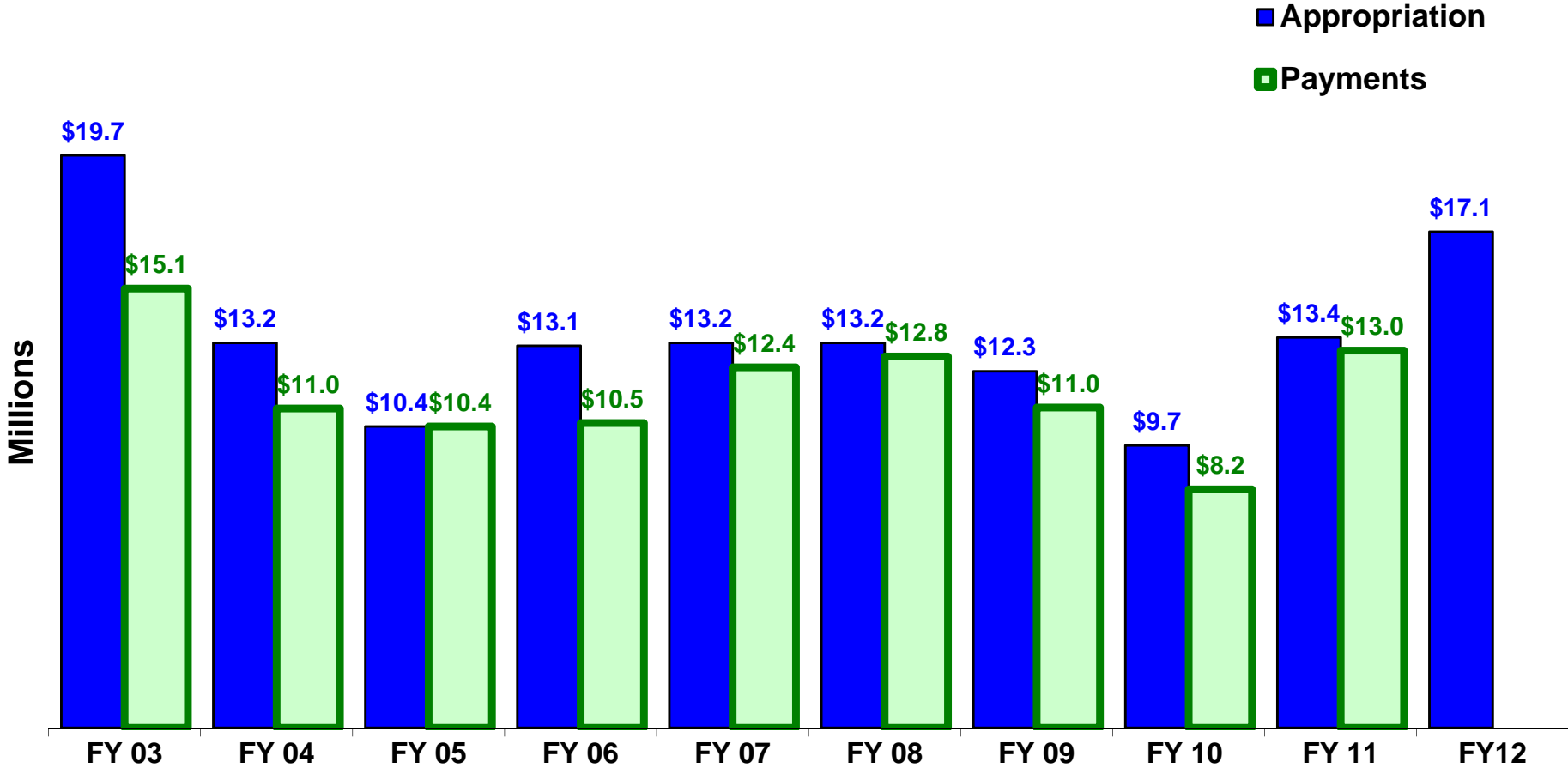
Alternatives:

County Jail Reimbursement Program (CJRP)

- **Provides counties with per diem payments for housing in jails felons who otherwise would have been sentenced to prison**
- **Instituted in FY 1988-89 budget act, established in statute by 1998 PA 317**
- **Reimbursement criteria and per diem rates set by annual budget act**
 - **In FY 2003-04, criteria narrowed to condition reimbursement on sentencing guidelines scores, and a portion of CJRP funding was diverted to a new program for felony drunk drivers**
 - **Current boilerplate for FY 2011-12 requires counties to choose between alternative reimbursements formulas: flat-rate of \$43.50 per diem vs. 3-tiered rate structure tied to sentencing guidelines score of housed offender**
- **Beginning in FY 2008-09, CJRP is partially funded with civil infraction fee revenues dedicated to the program in statute**
- **Distribution has traditionally been capped at appropriation level, which has recently caused some counties to have unreimbursed bed days**

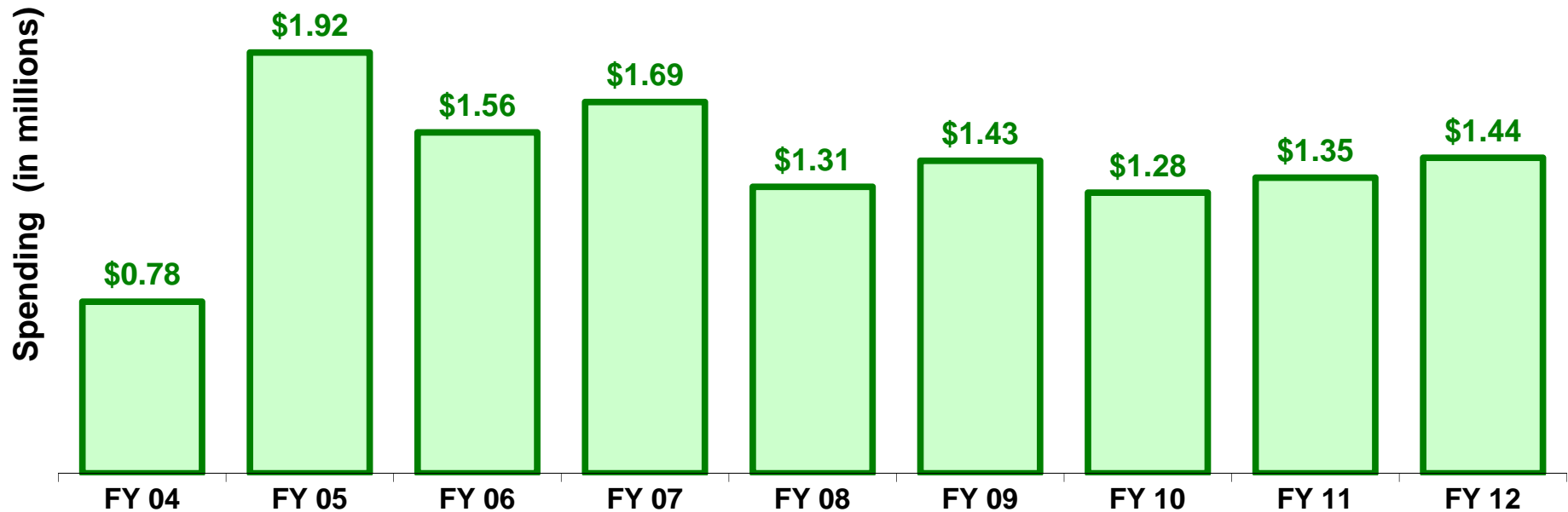
County Jail Reimbursement Program

Due to lower-than-anticipated restricted revenues and higher-than-anticipated claims, eligible requests for reimbursement exceeded payments by about \$1.8 million in FY 2007-08 and by \$3.9 million in FY 2008-09.



Felony Drunk Driver Jail Reduction and Community Treatment Program

Established in FY 2003-04, the program provides grants for the assessments, treatment, and housing of persons convicted on felony drunk driving charges. Goal of the program is to free up local jail beds that could be used to house felons who otherwise may have gone to a state prison.



* FY 12 figure represents year-to-date appropriation for the program.

**MICHIGAN PRISONER
RE-ENTRY INITIATIVE**

Michigan Prisoner Re-Entry Initiative (MPRI)

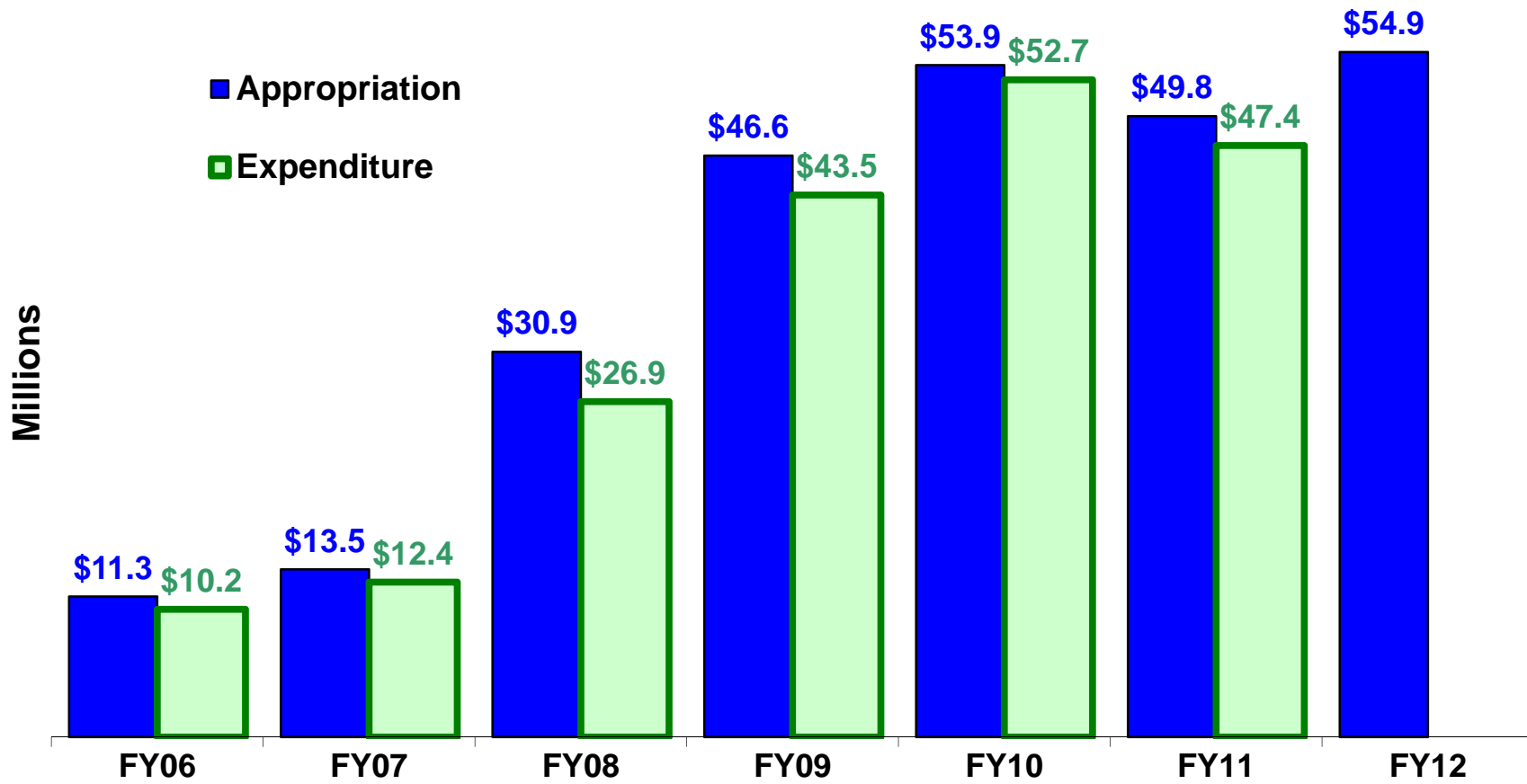
- **Aims to reduce recidivism through prisoner assessment, case planning and management, and coordinated services from the time of entry into prison through aftercare in the community**
- **Involves interagency and state/local collaboration: State departments, local law enforcement, crime victims' advocates, faith-based organizations**
- **MPRI case management starts at prison entry:**
 - **Phase 1: Getting ready – prisoner assessment and classification; development of case management plan**
 - **Phase 2: Going home (starts 2 months prior to release) – creation of re-entry plan; prison in-reach by transition team members**
 - **Phase 3: Staying home – discharge plan and parole supervision**
- **MPRI Implementation:**
 - **First six community pilot sites developed in FY 2004-05 and funded in FY 2005-06**
 - **Additional seven sites developed in FY 2005-06 and funded in FY 2006-07**
 - **Statewide implementation commenced in FY 2007-08**

MPRI Funding

- **FY 2011-12 funding: \$54.9 million appropriation, plus utilization of other resources in field operations and correctional facilities administration**
- **The primary MPRI line items support:**
 - **MPRI 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 for parolees**
 - **Demonstration project to develop strategies and improve success for parolees with mental illness**
 - **Local MPRI plan administrative costs and program evaluation**

MPRI Funding: Prisoner Reintegration Programs

Funding for community-based MPRI programs and services rose dramatically as MPRI implementation spread statewide. Full MPRI implementation involves prisoner intake assessment, pre-parole programming, and parole supervision, all of which are funded elsewhere in the budget.



**FOR MORE INFORMATION ABOUT
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