



## Legislative Fiscal Bureau

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June 23, 2010

TO: Members  
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Corrections: Section 13.10 Request to Transfer Funding between Appropriations --  
Agenda Item XII

### REQUEST

On June 2, 2010, the Department of Corrections submitted a request for the transfer funding between appropriations. The requested transfers would address deficits in the following appropriations: (a) \$6,259,300 GPR for its general program operations; and (b) \$2,592,500 GPR in services for community corrections. The requested funding would be transferred from surplus amounts in the following appropriations: (a) \$5,660,400 GPR from fuel and utilities; (b) \$2,909,400 GPR from contract bed funding; (c) \$70,000 GPR from pharmacological treatment; and (c) \$212,000 GPR from general program operations for the Earned Release Review Commission.

### ANALYSIS

The Department's request states that prison populations have remained constant during the biennium, and not declined as anticipated. In order to maintain institutional and community services within available resources, the Department identified surplus amounts in other appropriations to transfer, as identified above. According to the Department, the surpluses are available due to: (a) lower energy rates and costs; (b) lower contract bed spending; (c) less utilization of the pharmacological treatment program; and (d) holding vacancies in the Earned Release Review Commission.

The table below identifies the estimated deficits by appropriation and item, as well as the balances available by appropriation to address the deficits.

## Department of Corrections 2009-10 Appropriation Deficits and Surpluses

### Deficits by Appropriation

Appn 101	(1)(a)	General Operations	
		Permanent Salary	-\$2,755,900
		Non-Salary DAI (Health & Institutions)	<u>-11,232,200</u>
		Total Appn 101	-\$13,988,100
Appn 102	(1)(b)	Services for Community Corrections	
		Permanent Salary	-\$2,871,300
		LTE	51,000
		Non-Salary DCC	<u>227,800</u>
		Total Appn 102	-\$2,592,500
		 Total Deficit	 -\$16,580,600

### Balances Available for Transfer

Appn 105	(1)(bm)	Pharmacological Treatment	\$70,000
Appn 106	(1)(f)	Energy Costs	5,660,400
Appn 114	(1)(ab)	Contract Bed Funding	2,909,400
Appn 201	(2)(a)	ERRC - General Operations	<u>212,000</u>
		 Total Available	 \$8,851,800

As the above table illustrates, while the Department's request would transfer \$8,851,800 GPR between appropriations to address deficits, a deficit would remain in the Corrections' general program operations appropriation of -\$7,728,800. According to the Department, further cost reduction measures previously implemented by Corrections will address the remaining deficit within the current fiscal year, including: (a) limiting the use of overtime; (b) utilizing limited-term employees instead of contracted staff for health care; and (c) limiting non-salary costs at institutions.

### ALTERNATIVES

1. Approve request to transfer funding between appropriations to address deficits in the Department of Corrections' general program operations and services for community corrections appropriations, as follows: (a) \$6,259,300 GPR to general program operations [s. 20.410(1)(a)]; (b) \$2,592,500 GPR to services for community corrections [s. 20.410(1)(b)]; (c) -\$5,660,400 GPR from fuel and utilities [s. 20.410(1)(f)]; (d) -\$2,909,400 GPR from contract bed funding [s.20.410(1)(ab)]; (e) -\$70,000 GPR from [s.20.410(1)(bm)]; and (f) -\$212,000 GPR from the Earned Release Review Commission general program operations [s.20.410(2)(a)].

2. Deny request.

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