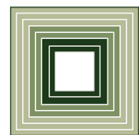


# **DIVISION OF ADULT CORRECTION:**

Budget Overview  
Structured Sentencing & Population Projections  
Custody and Security

**John Poteat, Senior Analyst**  
**Fiscal Research Division**

February 28, 2013



**FISCAL RESEARCH DIVISION**  
A Staff Agency of the North Carolina General Assembly



*"I see you brought the pie charts."*

# Today's Presentation

- I. Overview of Division of Adult Correction**
- II. Structured Sentencing & Prison Projections**
- III. Prisons Section: Custody & Security**
- IV. Recent Adult Correction Budget Actions**
- V. Continuation Budget**



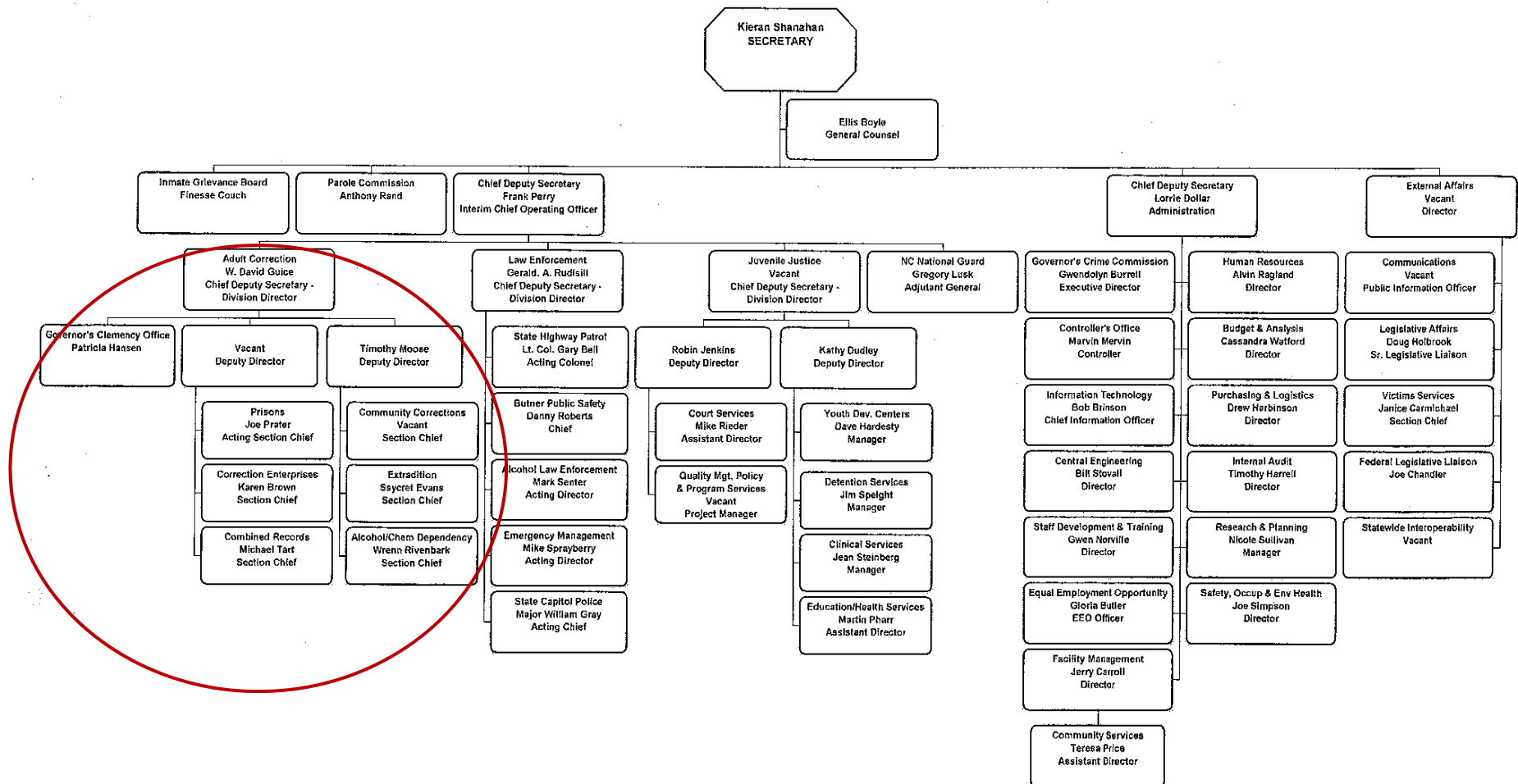
# Correction Budget Presentations

- **Tuesday:** Alcohol and Chemical Dependency Programs, Inmate Programs and Correction Enterprise
- **Wednesday:** Inmate Medical
- **Thursday:** Community Corrections

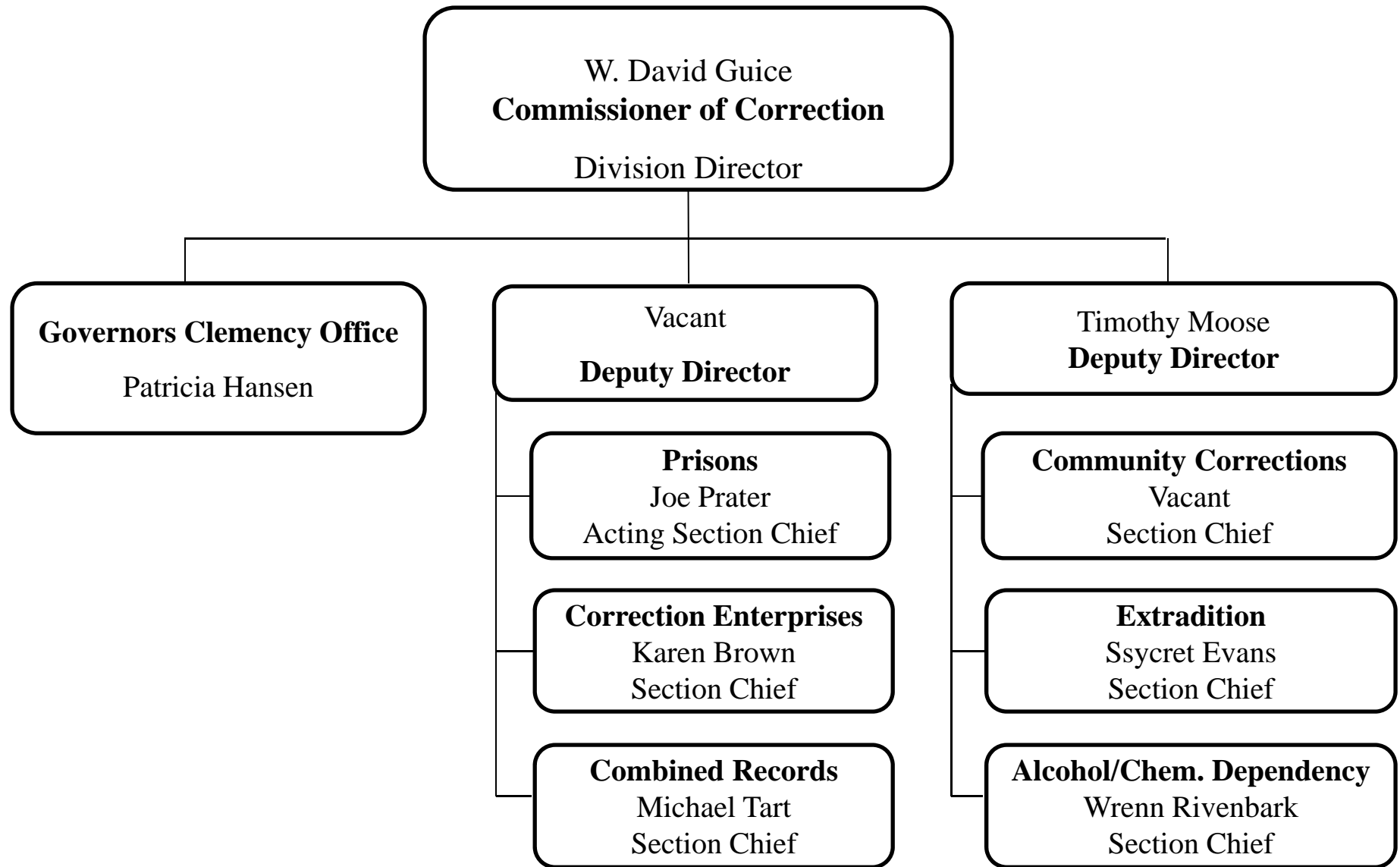
# Full Chair Guidance for Joint Budget Strategy

- Focus on core functions of government and whether they are adequately funded
- Continue to look for efficiencies across State government, including looking at duplicative programs
- Evaluate appropriate funding level for non-core services, including non-profits and other non-essential services
- Consider ways to strengthen the General Fund; evaluate special funds

# DPS Management



# Division of Adult Correction

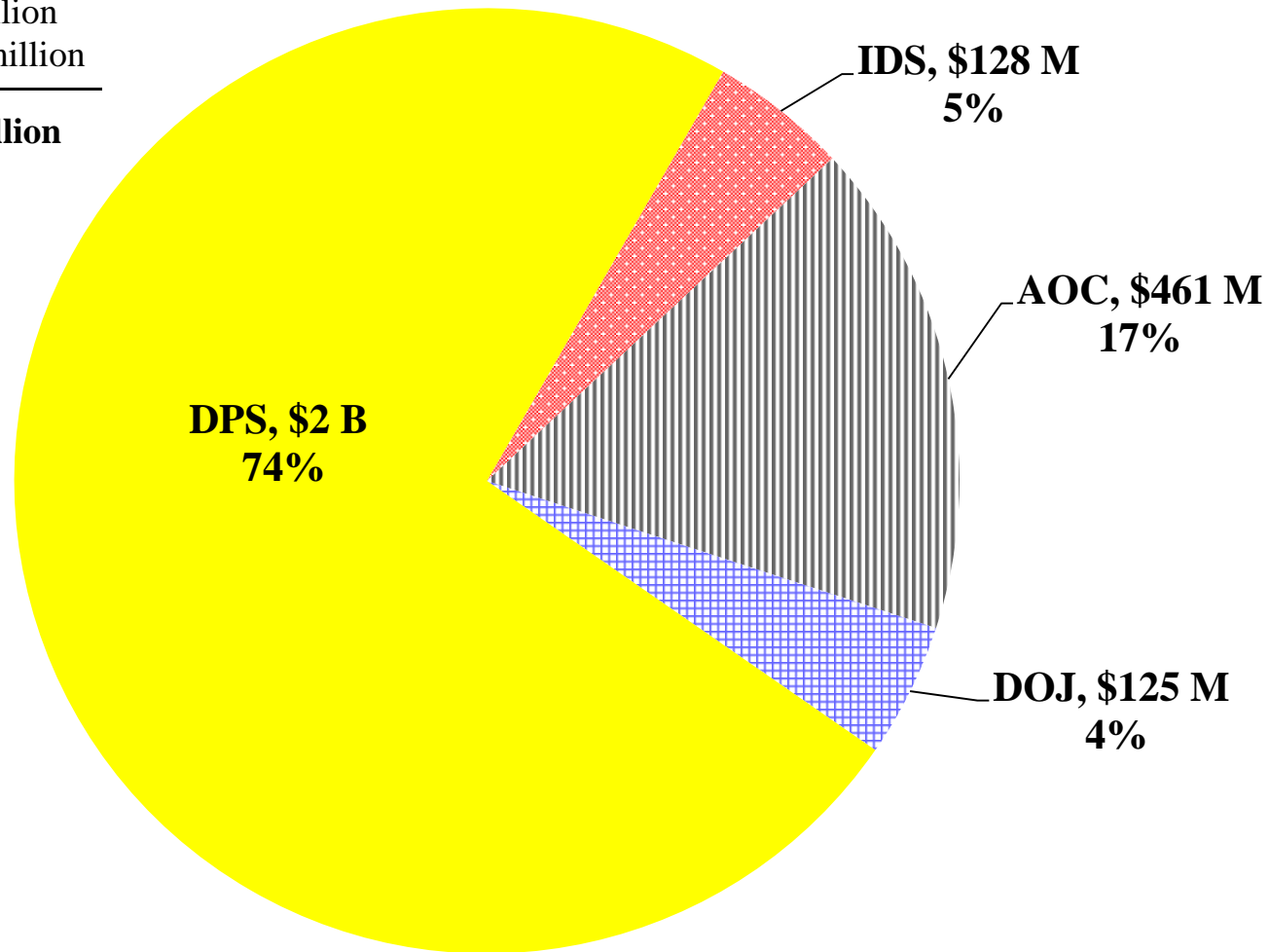


## FY 2012-13 JPS General Fund Budget by Agency

Appropriation: \$2.4 billion  
Receipts: \$290 million

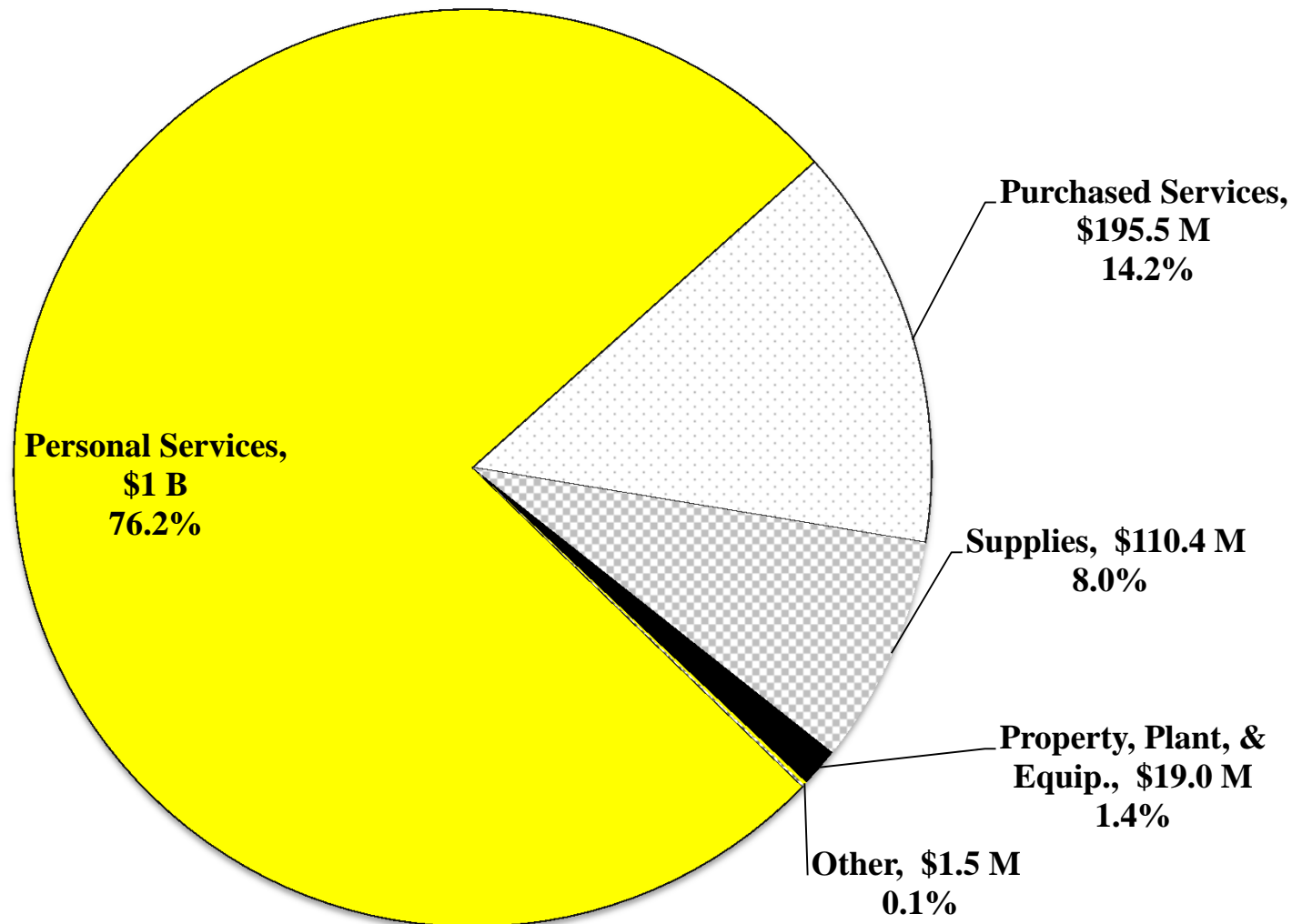
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**Total GF: \$2.7 billion**



Source: NCAS, December 31, 2012 Authorized Budget

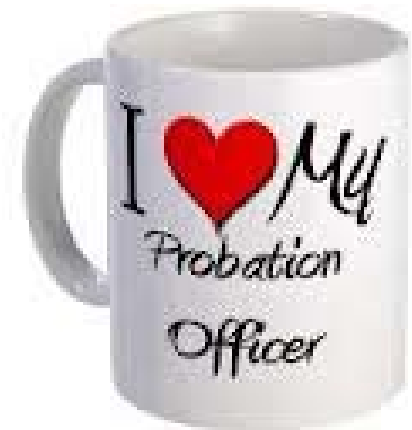
**2012-13 Division of Adult Correction (DAC)**  
**Authorized Budget: \$1,374,254,345**  
*Summary by Account*

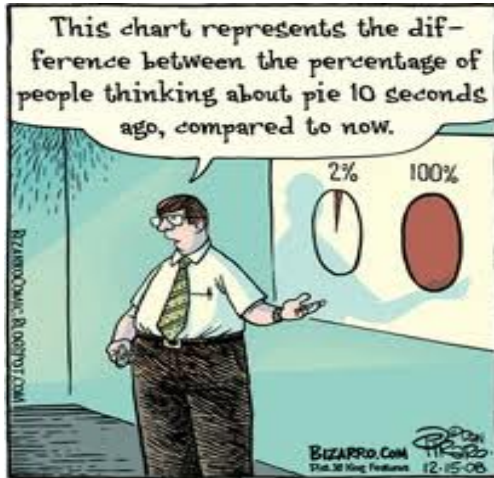




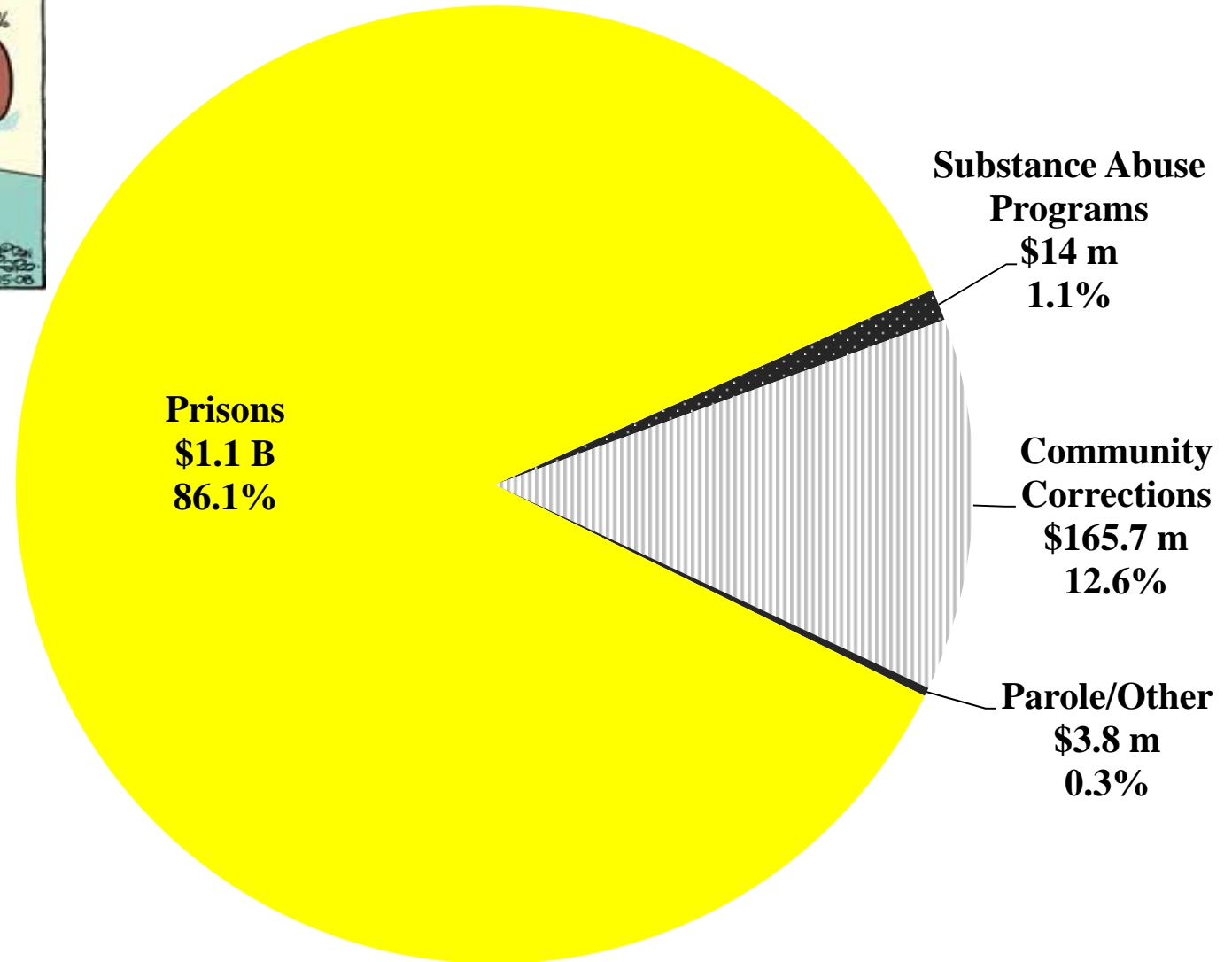


# I. Overview of DAC

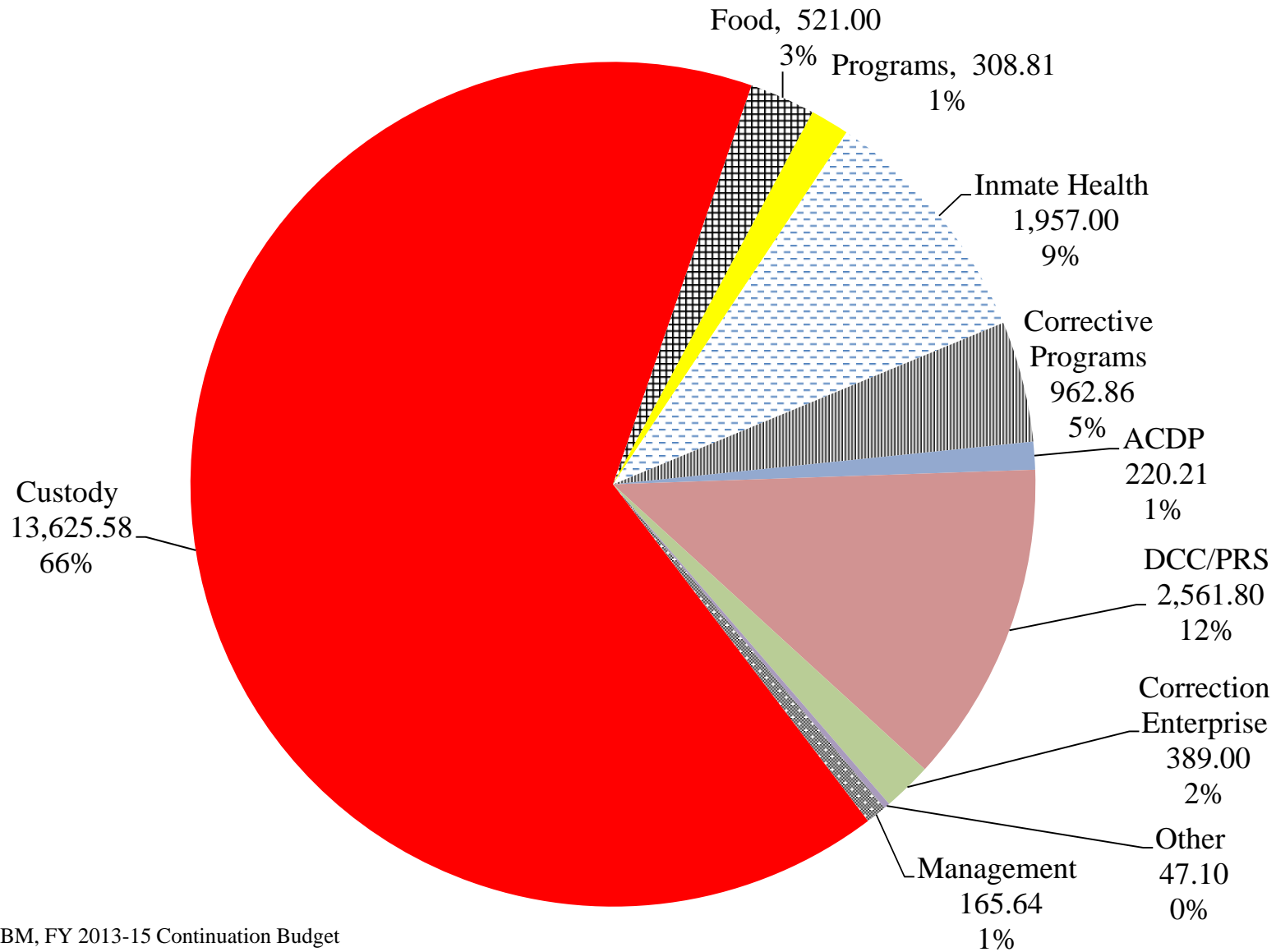




## FY 2012-13 Adult Correction Authorized Budget \$1.3 Billion



## FY 2012-13 Authorized Adult Correction FTE Positions=20,759



Source: OSBM, FY 2013-15 Continuation Budget

# Division of Adult Correction

## **G.S. 143B-701. Division of Adult Correction – duties.**

It shall be the duty of the Department to provide the necessary custody, supervision, and treatment to control and rehabilitate criminal offenders and thereby to reduce the rate and cost of crime and delinquency.

- FY 2012-13 Authorized Appropriation: \$1,316,777,576
- 20,759 FTE employees
- 66 prisons
- 142,186 offenders under supervision



# Prisons Section

- \$1.1 billion budget
- 23<sup>rd</sup> largest “city” in NC
- 66 prisons & 40,970 beds
- 18,181 employees
- 43,804,380 meals served
- 1,960,888 articles of clothing issued
- 2,314,300 Ibuprofen dispensed
- 137,760 sheets issued
- 2.6 million miles driven



# Community Corrections Section

- \$165.6 million budget
- 2,537 employees
- 104,803 offenders under supervision
- 11,970 offenders in Community Service Work Program
- 11,264,438 miles driven

# Alcoholism and Chemical Dependency Programs

- \$14 million
- 220.21 FTE
- 8,776 inmates referred to DACDP for services and 1,835 offenders enrolled in community-based treatment
- 1,394 treatment slots in 16 prisons and 2 community-residential facilities served 7,804 offenders

# Correction Enterprise

- 17 industries generate \$95.7 million in receipts
- 389 FTE; 4,303 inmate employees
  - Laundry
  - Signs & License Tag
  - Cannery & Meat Processing
  - Paint
  - Print/Quick Copy
  - Optical
  - Woodworking/Metal
  - Sewing
  - Janitorial Products
  - Braille





## FELONY PUNISHMENT CHART

# II. Structured Sentencing and Projections

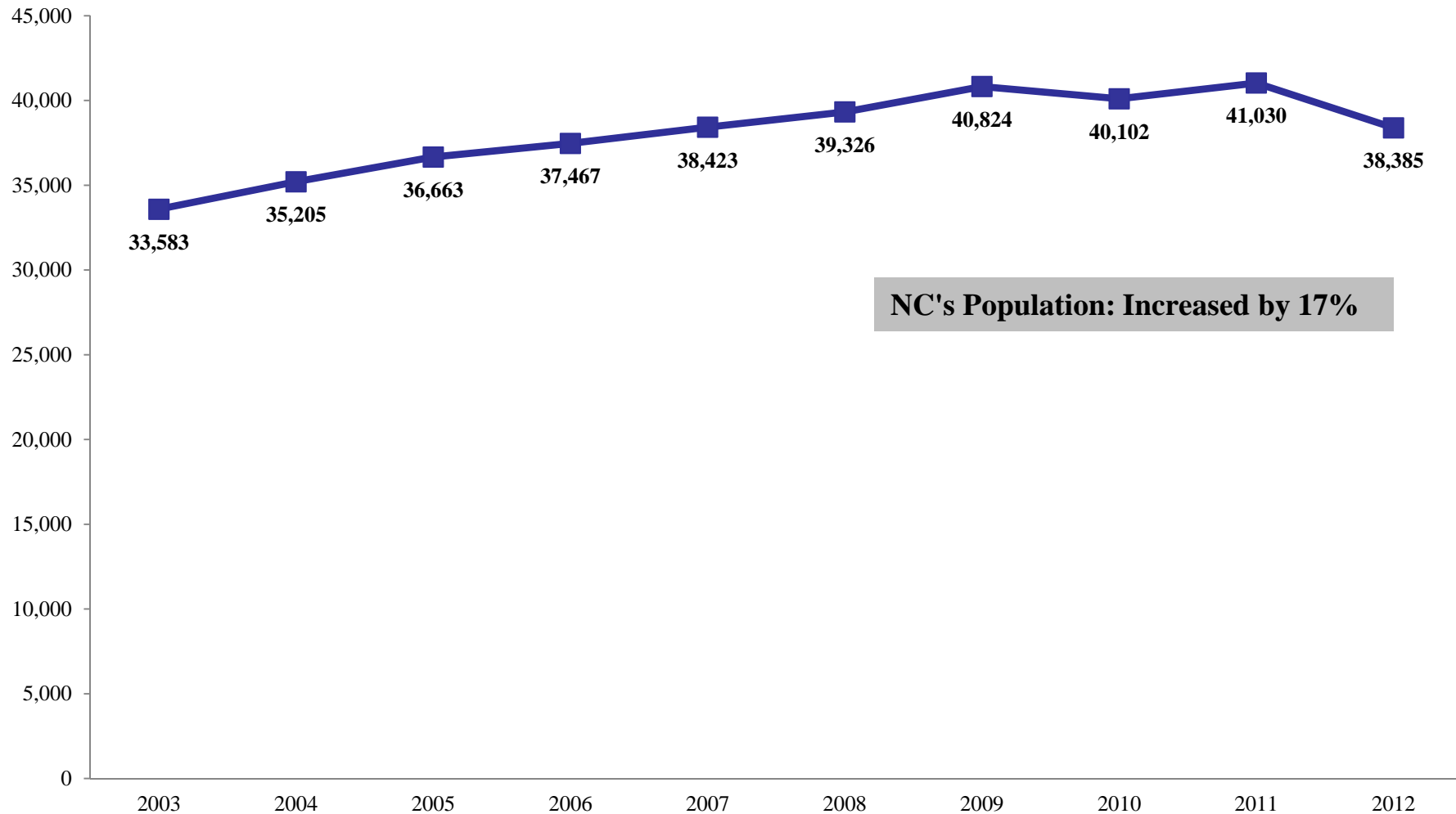
OFFENSE CLASS	PRIOR RECORD LEVEL					
	I	II	III	IV	V	VI
	0-1 Pt	2-5 Pts	6-9 Pts	10-13 Pts	14-17 Pts	18+ Pts
<b>A</b>	<b>Death or Life Without Parole</b>					
<b>B1</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>
	240-300	276-345	317-397	365-456	Life Without Parole	Life Without Parole
	192-240	221-276	254-317	292-365	336-420	386-483
	44-192	166-221	179-254	210-292	252-336	290-386
<b>B2</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>
	125-157	144-180	165-207	190-238	219-273	251-314
	94-125	108-144	124-165	143-190	164-219	189-251
<b>C</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>
	73-92	81-104	90-120	101-133	127-159	146-182
	58-73	67-83	77-96	88-111	101-127	117-146
	44-58	50-67	58-77	66-88	76-101	87-117
<b>D</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>
	64-80	73-92	84-105	97-121	111-139	128-160
	51-64	59-73	67-84	78-97	89-111	103-128
	38-51	44-59	51-67	58-78	67-89	77-103
<b>E</b>	<b>I/A</b>	<b>1/A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>
	25-31	29-36	33-41	38-48	44-55	50-63
	20-25	23-29	26-33	30-38	35-44	40-50
	15-20	17-23	20-26	23-30	26-35	30-40
<b>F</b>	<b>I/A</b>	<b>I/A</b>	<b>I/A</b>	<b>A</b>	<b>A</b>	<b>A</b>
	16-20	19-23	21-27	25-31	28-36	33-41
	13-16	15-19	17-21	20-25	23-28	26-33
	10-13	11-15	13-17	15-20	17-23	20-26
<b>G</b>	<b>I/A</b>	<b>I/A</b>	<b>I/A</b>	<b>I/A</b>	<b>A</b>	<b>A</b>
	13-16	14-18	17-21	19-24	22-27	25-31
	10-13	12-14	13-17	15-19	17-22	20-25
	8-10	9-12	10-13	11-15	13-17	15-20
<b>H</b>	<b>C/I/A</b>	<b>I/A</b>	<b>I/A</b>	<b>I/A</b>	<b>I/A</b>	<b>A</b>
	6-8	8-10	10-12	11-14	15-19	20-25
	5-6	6-8	8-10	9-11	12-15	16-20
	4-5	4-6	6-8	7-9	9-12	12-16
<b>I</b>	<b>C</b>	<b>C/I</b>	<b>I</b>	<b>I/A</b>	<b>I/A</b>	<b>I/A</b>
	6-8	6-8	6-8	8-10	9-11	10-12
	4-6	4-6	5-6	6-8	7-9	8-10
	3-4	3-4	4-5	4-6	5-7	6-8

# Structured Sentencing

## S.L. 1993-538 (House Bill 277)

- Truth in Sentencing: Time Served = Sentence; early parole release is **abolished**
- Sentence for same offense should be similar
- Sentence fits severity of crime and prior offenses
- Set resource priorities:
  - Most violent and serious offenders in prison for longer time
  - More non-violent offenders on probation and parole
- Sentencing policies should be balanced with resources

## NC's Prison Population Increased 14% (4,802 additional inmates)



Source: Prison: DAC, Research & Planning, OSBM, and the 2012 Census Bureau estimate

# FY 2011-12 NC Prison Population

**Admissions: 24,036**

Direct: 54%

Probation Revocations: 46%

Felonies: 73%

Misdemeanants: 26%

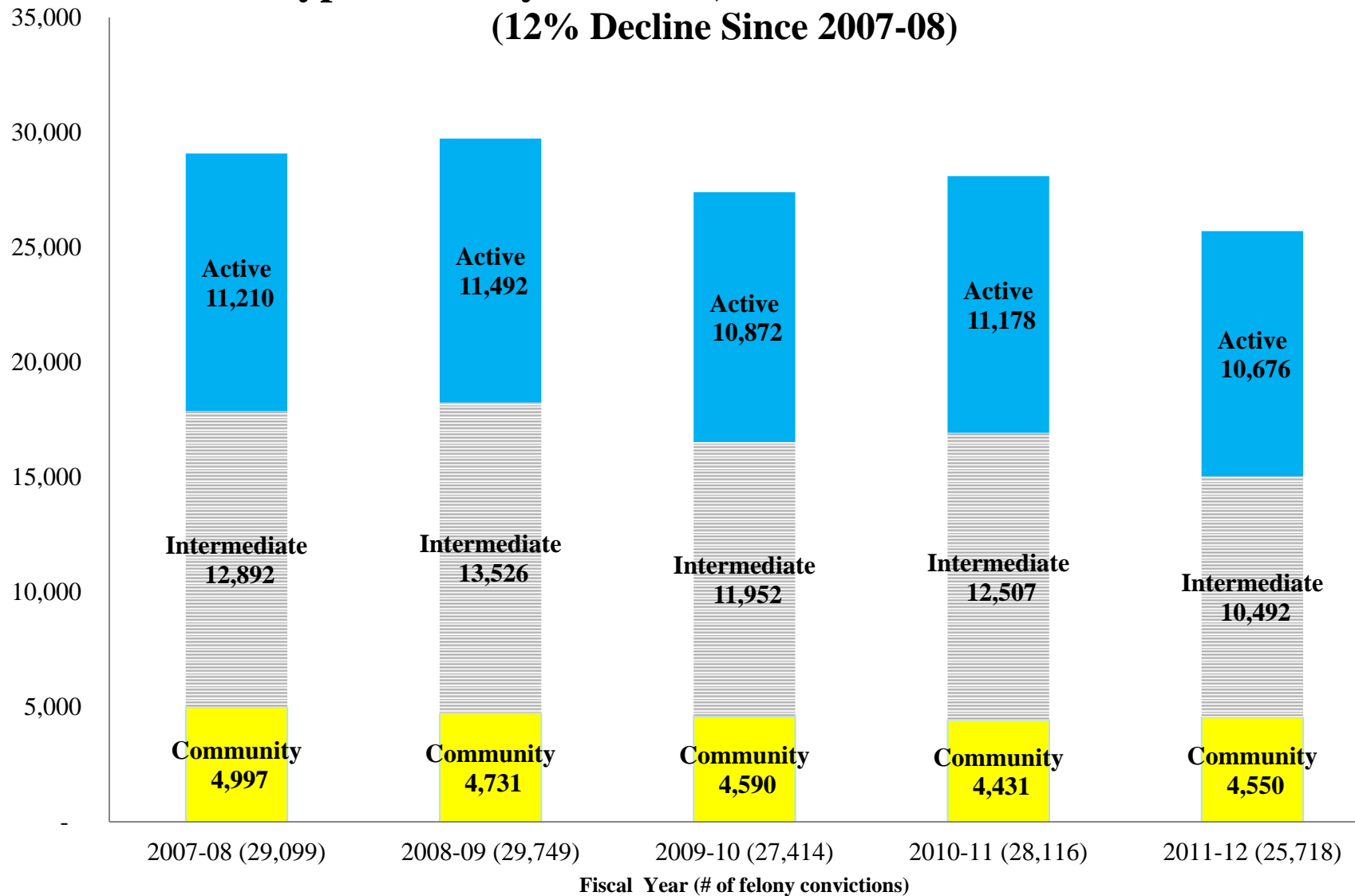
**Exits: 26,685**

Felony Class	<u>A-D</u>	E-G	H-I
Convictions	8%	27%	65%
Current Population*	56%	23%	16%
Average Length of Stay	8 years	19 months	9 months
% Receiving an Active Prison Sentence	100%	50%	30%

**\*Remaining 5%:** Non-Class (DWI), Safekeepers, and Other

Source: SPAC, FY 2011-12 data and DPS

## Type of Felony Sentence, FY 2007-08--FY 2011-12 (12% Decline Since 2007-08)



Source: Sentencing Commission, Annual Structured Sentencing Statistical Report

# What Drives the Prison Population?

FELONY PUNISHMENT CHART

PRIOR RECORD LEVEL						
	I 0-1 Pt	II 2-5 Pts	III 6-9 Pts	IV 10-13 Pts	V 14-17 Pts	VI 18+ Pts
A	Death or Life Without Parole					
B1	A	A	A	A	A	A
	240-300	276-345	317-397	365-456	Life Without Parole	Life Without Parole
	192-240	221-276	254-317	292-365	336-420	386-483
	144-192	166-221	190-254	219-292	252-336	290-386
	A	A	A	A	A	A

## Structured Sentencing Inmates (97%)

Stacking effect: Most serious offenders take up prison beds for a long time:

### A-D Violent felons

- 58% of population
- Average time served 8 years

### Class C Felons

- 22% of population
- Average time served 6.75 years
- Habitual Felons account for 14% of population

### Time served all felons:

- 20 months in mid 90's
- 29 months in FY 2011-12

# Sentencing Commission 10-Year Projections

## Multi-year decline in prison populations:

- Decreasing population growth
- Nationwide decline in crime
- Policy changes

<b>Fiscal Year End</b>	<b>Previous Projection</b>	<b>Current Projection</b>	<b>Expanded Operating Capacity</b>	<b>Beds Above Projection</b>
2013	38,999	36,838	40,718	3,880
2014	39,062	36,967	40,970	4,003
2015	39,091	37,107	40,970	3,863
2016	39,047	36,861	40,970	4,109
2017	39,135	36,748	40,970	4,222
2018	39,291	36,722	40,970	4,248
2019	39,490	36,894	40,970	4,076
2020	39,699	37,179	40,970	3,791
2021	39,976	37,468	40,970	3,502
2022	n/a	37,680	40,970	3,290



# III. Custody and Security





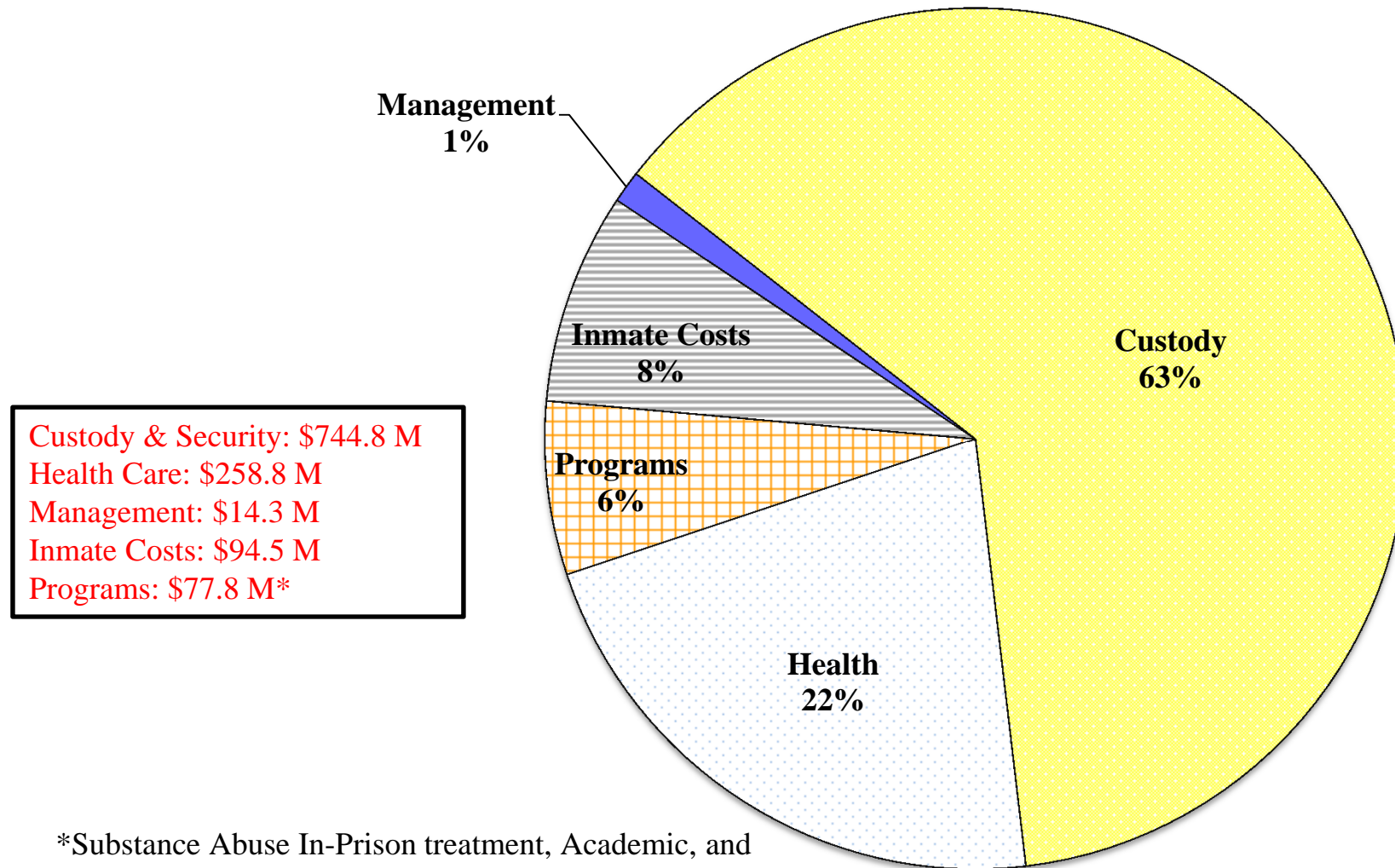


# Inmate Custody & Security

## **G.S 143B-701. Division of Adult Correction – duties.**

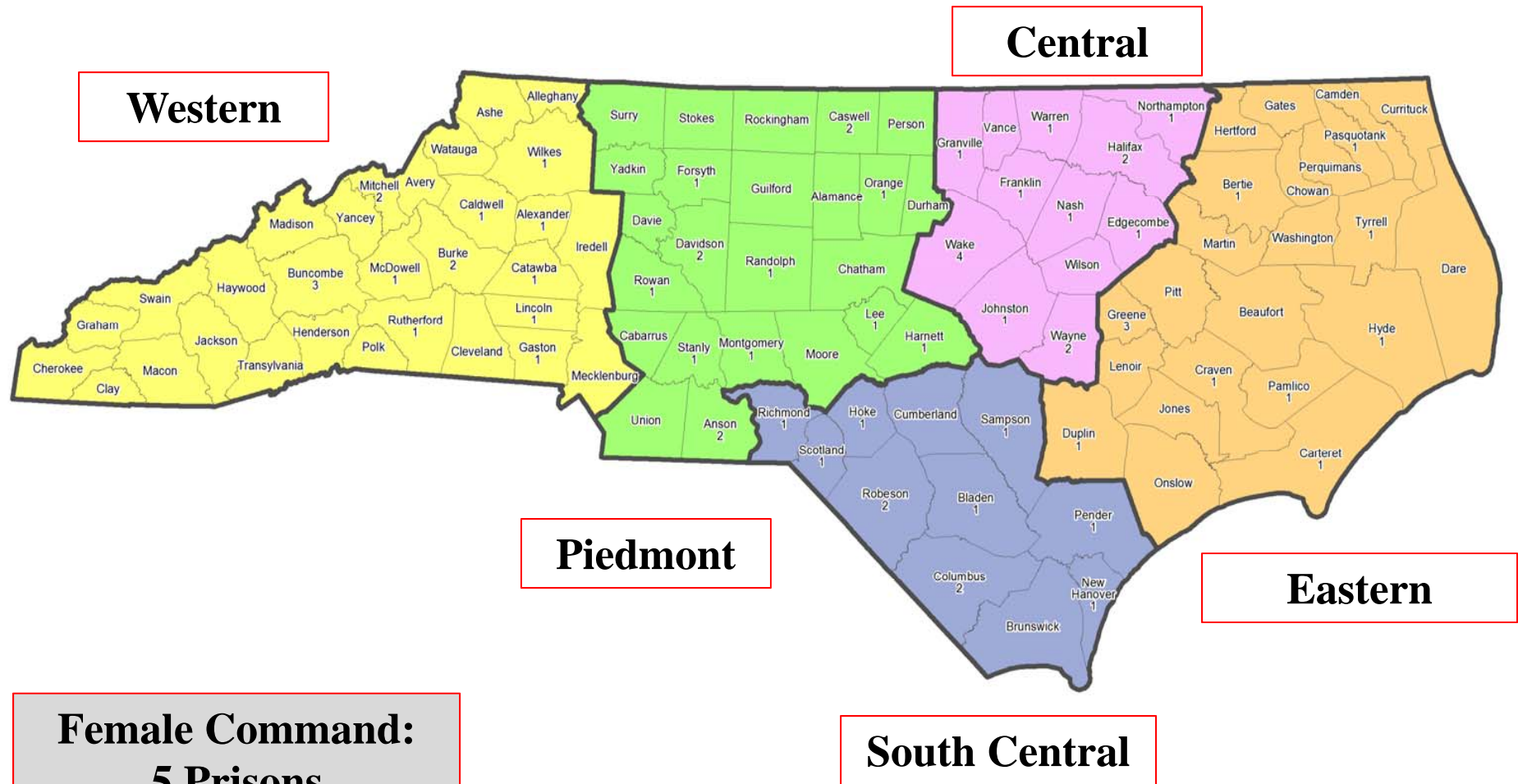
It shall be the duty of the Division to provide the necessary custody, supervision, and treatment to control and rehabilitate criminal offenders and thereby to reduce the rate and cost of crime and delinquency.

## Prisons FY 2012-13 Authorized Budget \$1.2 Billion (75% Salaries & Benefits)



\*Substance Abuse In-Prison treatment, Academic, and Corrective Programs are combined

## NC Prison Map: 51 counties have prisons



## Prison FTE positions

Area	#
Inmate Construction	46
Prison Management	190
Custody & Security	13,671
Food Service & Cleaning	522
Work Release	22
Corrective Programs	974
Gang Unit & SOAR*	13
Inmate Education	79
Road Squad & Litter Crews	199
General Health	1,550
Dental Health	120
Mental Health	373
In-Prison Substance Abuse Treatment (ACDP)	112
Pharmacy	101
<b>Total</b>	<b>17,972</b>

\*SOAR=Sex Offender Accountability Program @ Harnett CI & Gang Unit Management @ Foothills CI

Source: Beacon BO 149 Run Date 12/31/12

# FY 2011-12 Prison Bed Costs

**Average=\$75.54 per day**

Custody Type (%)	Number of beds	Percentage by type	Per Bed Daily Operating Cost	Per Bed Annual Cost
Close (21%)	Single Cell: 8,704	21.2%	\$91.28	\$33,317
Medium (47%)	Single Cells: 2,931 Double Cells: 1,698 Dorm: 13,981	7.2% 4.1% 34.1%	\$75.82	\$27,674
Minimum (32%)	Single Cell: 54 Double Cell: 486 Dorm: 12,534	0.1% 1.2% 30.6%	\$65.87	\$24,043

**Average Annual Cost=\$27,572**

# **Salary Components of the Custody and Security Budget**

## **Salaries and Benefits (87%)**

- Total number Correctional Officer (C.O.) positions: 10,260
- Minimum C.O. Salary is \$28,826
- Trainee Rate of \$ \$27,637 (typically 12 months or less depending upon experience)
- Turnover Rate: 2008: C.O.: 8.8%  
2009: C.O.: 10%  
2010: C.O. : 13.2%  
2011: C.O. : 15.7%  
2012: C.O. : 15.9%

## **Special Pay: Shift Premium Pay**

- An additional 10% on evening and night shifts
- An additional 10% on weekend evening and night shifts

## **Special Pay: Holiday Pay**

- 75% over regular hourly wage
- Office of State Personnel granted DOC a waiver from the 50% pay that most other State employees receive

## **“Buy Six and Get the Seventh For Free”**

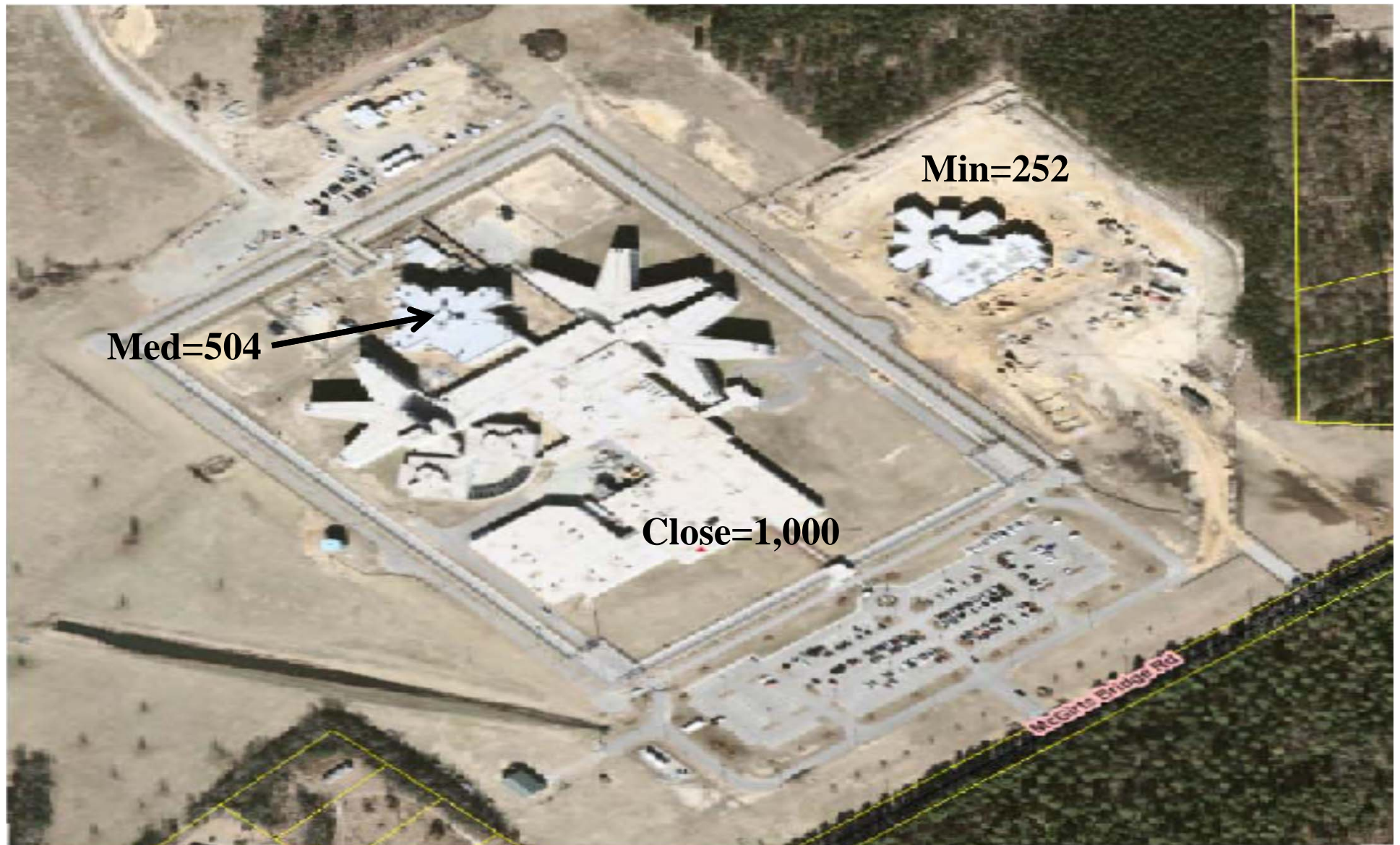
- Six 1,000-bed prisons opened in 2003 & 2005; designed for add-on dorms
- In 2007 General Assembly authorized \$93.6 million to construct six new dorms. Because of reduced construction costs and inmate labor a seventh dorm was constructed in 2009 at Maury
- S.L. 2011-227: Transferred \$20 million in cost savings to the Central Prison Hospital project

<b><u>Facility</u></b>	<b><u>Custody</u></b>	<b><u>Actual Completion Date</u></b>	<b><u># of Beds</u></b>
<b>Scotland</b>	Med	October 2010	504
<b>Scotland</b>	Min	March 2011	252
<b>Alexander</b>	Min	August 2011	252
<b>Bertie</b>	Med	January 2012	504
<b>Lanesboro</b>	Med	October 2012	504
<b>Maury</b>	Med	February 2013	504
<b>Tabor</b>	Min	August 2013*	252

**\*Forecasted completion**



# Scotland Correctional Institution



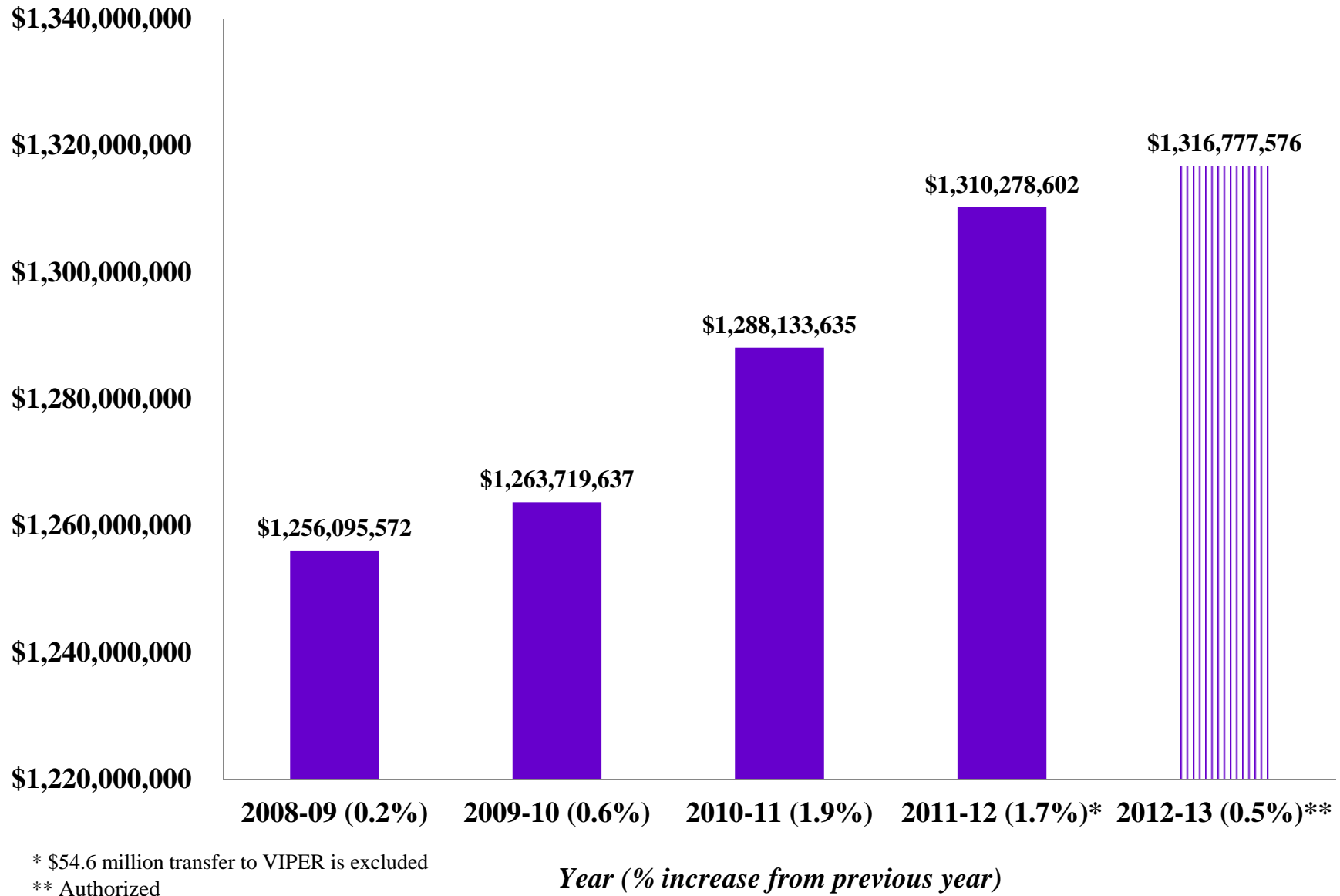




## IV. FY 2011-13 Budget Actions



## History of Adult Correction Expenditures

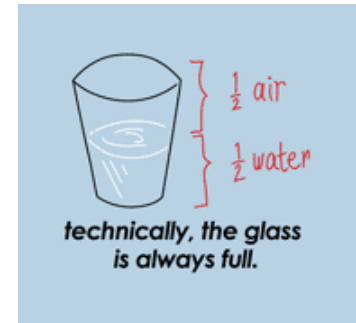


# FY 2011-13 Budget Actions

2011 Budget	Reduction Amount	% Change*	FTE
2011-12	(71,332,902) R (\$12,495,520) NR	(5.9%)	(499)
2012-13	(\$59,302,927) R (\$11,153,612) NR	(4.8%)	(439)
2012 Budget	Reduction Amount	% Change*	FTE
2012-13	(\$20,735,201) R (\$5,000,000) NR	(3.1%)	(5)

\* 2011 Change from Continuation Budget and 2012 Change from Certified Budget

# FY 2011-13 Major Budget Items



Budget Item	2011-12	FTE	2012-13	FTE
Admin Efficiencies/Consolidation	(\$3,691,098)	(72.00)	(\$4,398,336)	(72.00)
Reduced Various Line Items	(\$17,951,462)		(\$16,451,462)	
Eliminated Vacant Positions	(\$14,132,696)	(255.00)	(\$14,132,696)	(255.00)
Eliminated Restoration Budget	(\$10,042,999)		(\$10,042,999)	
Eliminated Restoration Budget	(\$11,957,001)	NR	(\$11,957,001)	NR
Eliminated Community Work & Litter Crew Positions	(\$3,162,094)	(78.00)	(\$3,162,094)	(78.00)
Reduced Chaplains	(\$1,386,653)	(25.00)	(\$1,386,653)	(25.00)
Closed Four Prisons	(\$5,379,669)	(203.00)	(\$10,759,336)	(203.00)

# FY 2011-13 Major Budget Items

Budget Item	2011-12	FTE	2012-13	FTE
Misdemeanants to County Jail	(\$3,980,368)		(\$3,980,368)	
Eliminated Double Celling Funds at Pamlico CI	(\$2,395,452)	(57.00)	(\$2,395,452)	(57.00)
Reduced Inmate Costs & Established Two Release Dates	(\$3,071,000)		(\$3,071,000)	
Operating Reserves for New Facilities	\$5,874,102	280.00	\$24,196,611	340.00
Operating Reserves for New Facilities	\$4,125,898 NR		\$803,389 NR	
Misdemeanant Confinement Fund Transfer			(\$5,000,000) NR	
Management Flexibility Reserve			(\$20,735,201)*	

\* DPS had a \$26.3 million Management Flexibility reduction

# Statewide Misdemeanant Confinement Fund (SMCF)

---

- S.L. 2011-192 (H.B. 642) Justice Reinvestment Act (JRA) created SMCF
- Fund pays counties to house misdemeanants (91-180 days)
- Administered by the NC Sheriffs' Association (NCSA)
- Voluntary program: "Sending" & "Receiving" counties
- Court costs effective: August 1, 2011
- Misdemeanants effective: January 1, 2012
  - District Court cost: \$18 (53% of revenue)
  - Improper Equipment: \$50 (47% of revenue)

## Statewide Misdemeanant Confinement Fund (SMCF)

---

Program	Cost	CY 2012 Expenditures
Housing (3,156 inmates)	\$40/day	\$9,592,040
Medical	Actual	\$117,007
Transportation	\$.55/mile	\$63,858
Personnel	\$25/hour	\$130,709
<b>TOTAL</b>		<b>\$9,903,614</b>

**Administration:**    **NCSA**   \$3,152,686 (10% of revenue)

**DAC**    \$315,269    (1% of revenue)

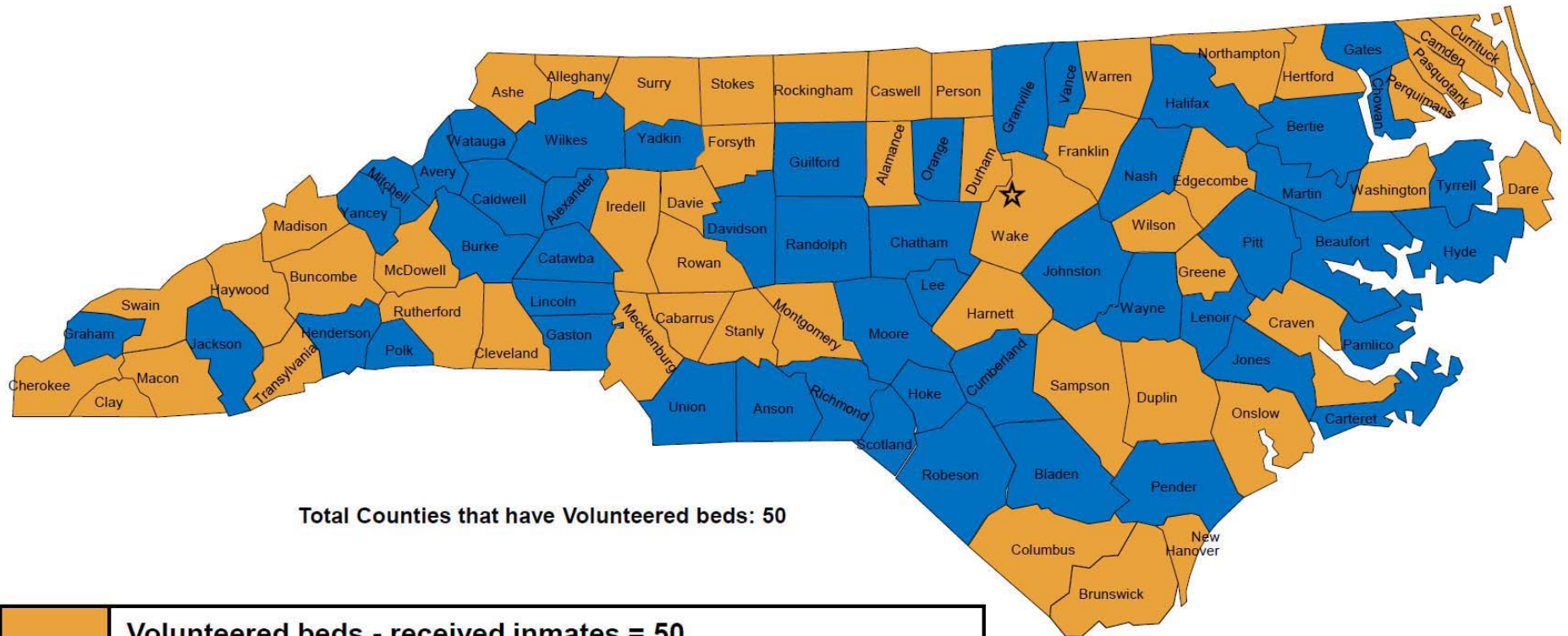
**Transfer** of \$3.5 million General Fund    (\$1.5 m pending)

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**Revenue:** \$31.4 million    **Expenditures:** \$13.2 million

**Balance: \$18.2 million**

### SMCF: Sending & Receiving Counties



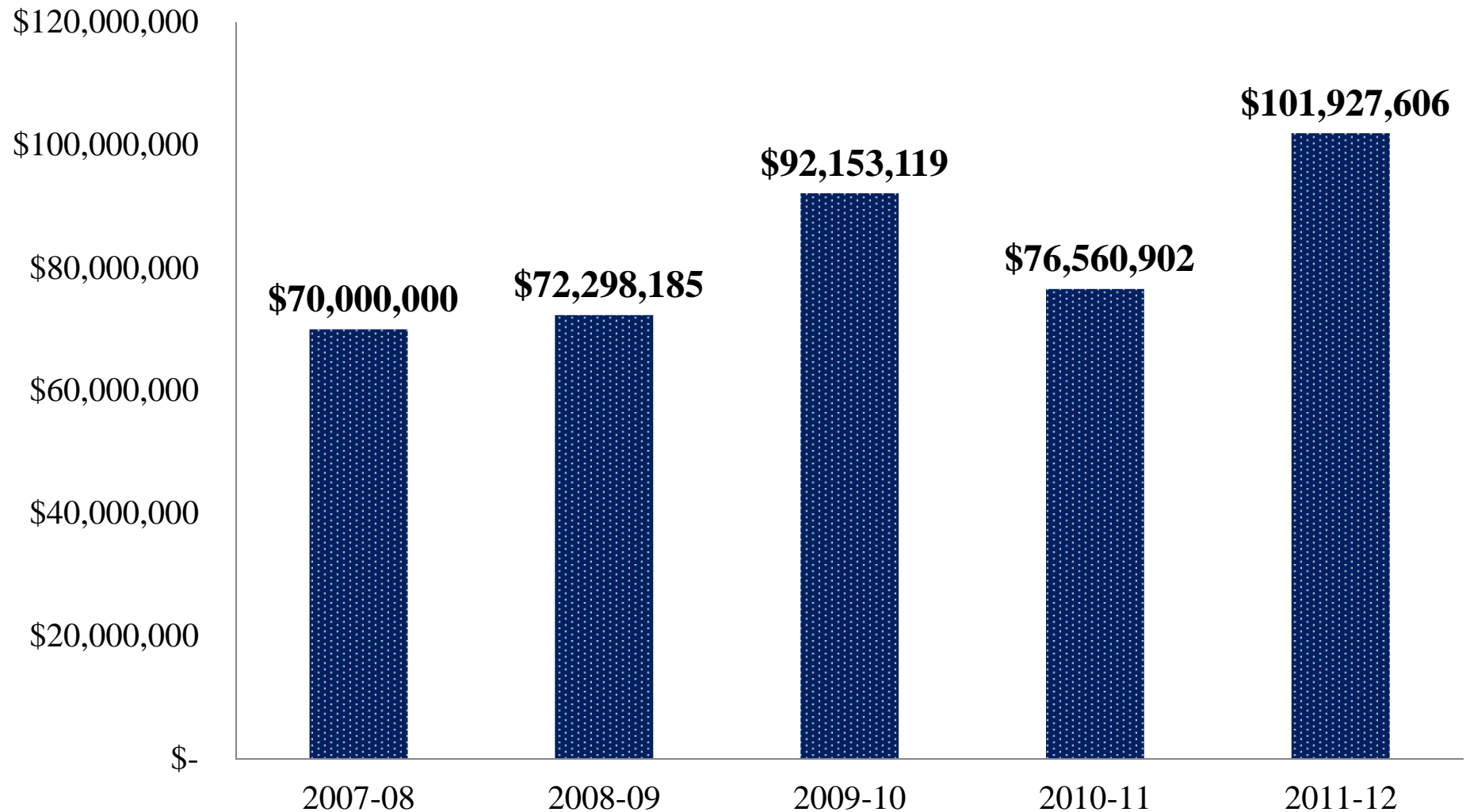
**Total Counties that have Volunteered beds: 50**

	Volunteered beds - received inmates = 50
	Not volunteered beds = 50

**Source: NC Sheriffs' Association CY 2012 SMCF Annual Report**



## Correction Lapsed Salary Usage, FY 2007-08--FY 2011-12





## V. Continuation Budget



# DAC Continuation Budget Highlights

## Annualization

- Annualize positions at Parole Commission \$87,437
- Annualize Tabor, Maury, Lanesboro additions \$2,958,904

## Non or Partial Restorations of Non-recurring (partially restored)

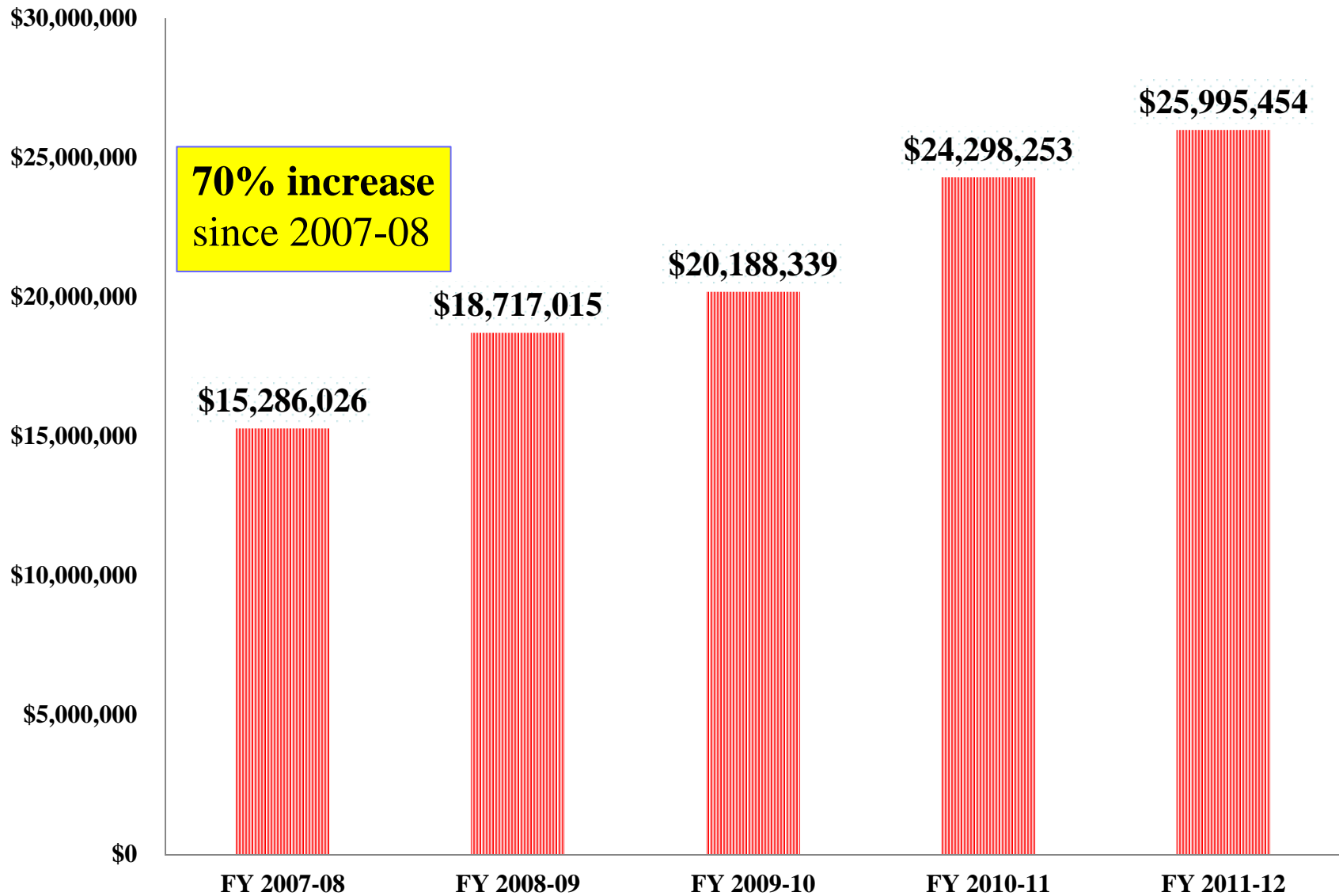
- Adjust Non-Recurring Restorations (\$6,000,000)

Note: \$11.9 m fully restored in FY 2014-15

## FY 2013-15 Continuation Budget Increases

<b>Fund Code</b>	<b>FY 2012-13 Authorized Requirements</b>	<b>FY 2013-14 Increase</b>	<b>FY 2013-14 Total Requirements</b>
Custody & Security	\$757,380,461	\$906,151	\$758,286,612
Food Service	\$77,026,307	\$738,266	\$67,996,353
Inmate Clothing & Bedding	\$17,330,807	\$211,487	\$17,542,294
General Health	\$169,799,969	\$1,547,266	\$164,829,189
Mental Health	\$29,011,513	\$36,111	\$29,047,624
Dental Health	\$11,544,977	\$9,947	\$11,554,924
Pharmacy	\$38,384,884	\$397,780	\$38,161,473
Inmate Education	\$10,409,664	\$202,600	\$10,612,264
Corrective Programs	\$45,975,620	\$67,395	\$46,043,015
Division Wide Operations	(\$10,798,902)	(\$4,798,902)	(\$6,000,000)
<b>Total</b>	<b>\$2,985,904</b>		

## Growth in Worker's Comp Expenditures



# Issues for Consideration

- **Additional prison closures**
- **Justice Reinvestment initiatives**
- **Worker's Comp Expenditures**



