

## DEPARTMENT OF CORRECTIONS

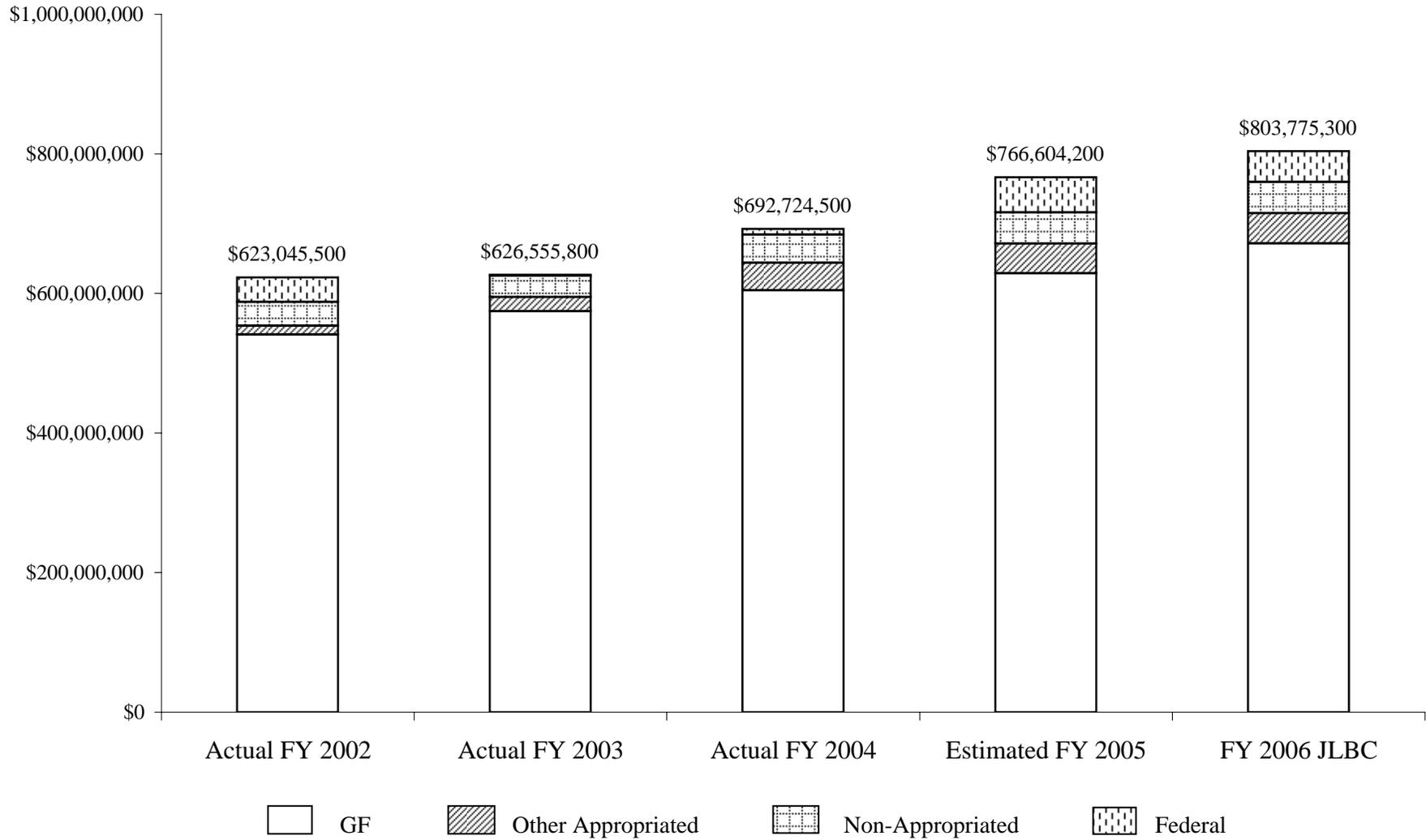
	<b>JLBC</b>	<b>EXECUTIVE</b>
Total Appropriations  (Pg. 109)	<u>FY 2006</u> <ul style="list-style-type: none"> <li>● \$671.8 M GF</li> <li>● \$42.3 M OF</li> <li>● \$42.7 M GF above FY 2005, or 6.8%</li> <li>● \$0.9 M OF above FY 2005, or 2.2%</li> </ul> <u>FY 2005 Supplemental</u> <ul style="list-style-type: none"> <li>● Does not include</li> <li>● Does not include</li> </ul>	<u>FY 2006</u> <ul style="list-style-type: none"> <li>● \$691.5 M GF</li> <li>● \$46.7 M OF</li> <li>● \$62.4 GF above FY 2005, or 9.9%</li> <li>● \$4.3 M OF above FY 2005, or 10.1%</li> </ul> <u>FY 2005 Supplemental</u> <ul style="list-style-type: none"> <li>● \$18.3 M GF</li> <li>● \$(4.1) M OF</li> </ul>
<b><i>Prison Beds, Inmate Growth &amp; Bed Shortfall</i></b>		
Annualization of FY 2005 Prison Beds  (Pg. 110-111)	<ul style="list-style-type: none"> <li>● \$39.4 M GF to provide full-year funding for new beds added in FY 2005 and partial year funding for 1,000 privately operated beds authorized by Fall 2003 Special Session.</li> <li>● Does not include as department has almost 1,500 vacant positions</li> <li>● Uses remaining \$15.5 M of federal grant monies</li> <li>● FY 2007 annualization costs of \$26.4 M</li> <li>● See "Components of Annualization of FY 2005 Prison Beds" below for more information</li> </ul>	<ul style="list-style-type: none"> <li>● \$40.9 M GF to provide full-year funding for new beds added in FY 2005 and partial year funding for 1,000 privately operated beds authorized by Fall 2003 Special Session.</li> <li>● Adds 248 FTE Positions</li> <li>● Uses remaining \$15.5 M of federal grant monies</li> <li>● FY 2007 annualization costs of \$32.3 M</li> <li>● See "Components of Annualization of FY 2005 Prison Beds" below for more information</li> </ul>
Population Growth (Pg. 111)	<ul style="list-style-type: none"> <li>● \$3.3 M GF for marginal cost of additional inmates</li> <li>● Monthly growth rate of 115 net new inmates</li> </ul>	<ul style="list-style-type: none"> <li>● \$771,500 GF for marginal cost of additional inmates</li> <li>● Monthly growth rate of 109 net new inmates</li> </ul>
Bed Shortfall (Pg. 112)	<ul style="list-style-type: none"> <li>● June 2006: (2,719) beds</li> <li>● % Over Capacity: 8.5%</li> </ul>	<ul style="list-style-type: none"> <li>● June 2006: (2,479) beds</li> <li>● % Over Capacity: 7.7%</li> </ul>
<b><i>Other JLBC Issues</i></b>		
Transition Program  (Pg. 111)	<ul style="list-style-type: none"> <li>● \$851,400 OF for an inmate transition program created by Laws 2003, Chapter 256</li> <li>● Program provides transitional services to non-violent drug offenders</li> <li>● Funding comes from a portion of wages earned by drug offenders</li> </ul>	<ul style="list-style-type: none"> <li>● Does not include</li> </ul>

	<b>JLBC</b>	<b>EXECUTIVE</b>
Alcohol Abuse Treatment Program (Pg. 111)	<ul style="list-style-type: none"> <li>• \$150,000 from the Alcohol Abuse Treatment Fund for expansion of a treatment program for inmates serving sentences for driving under the influence (DUI) offenses</li> <li>• Expands treatment by an additional 150 - 200 inmates</li> <li>• Department currently serves 436 inmates</li> </ul>	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>
Statutory Change (Pg. 112)	<ul style="list-style-type: none"> <li>• Continues current distribution from luxury taxes on alcohol and tobacco products to the Corrections Fund through FY 2010</li> </ul>	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>
Technical (Pg. 110)	<ul style="list-style-type: none"> <li>• \$(63,700) OF for standard changes</li> </ul>	<ul style="list-style-type: none"> <li>• \$(49,900) GF for standard changes</li> </ul>
<i>Other Executive Issues</i>		
Correctional Officer Pay	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>	<ul style="list-style-type: none"> <li>• \$14.5 M GF for a \$3,770 pay adjustment for correctional officers at Lewis Prison and \$1,170 for all other officers</li> </ul>
Equipment	<ul style="list-style-type: none"> <li>• Does not include</li> <li>-- Department reallocated \$3.4 M of base monies in FY 2004 for equipment purchases</li> <li>-- Exploring the ability to use federal Homeland Security monies</li> </ul>	<ul style="list-style-type: none"> <li>• \$9.2 M GF and \$481,800 from the Capital Outlay Stabilization Fund (COSF) for communication equipment and vehicle replacement</li> <li>-- Includes \$4.5 M GF for replacement of general operating equipment and vehicles</li> <li>-- Includes \$3.2 M GF and \$481,800 from COSF for communication and security equipment</li> <li>-- Includes \$1.5 M GF to expand van pooling program</li> </ul>
Contraband Squad	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>	<ul style="list-style-type: none"> <li>• \$551,900 GF and 12 FTE Positions for additional officers to search for illegal items in prison</li> </ul>
Inmate Fire Crews	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>	<ul style="list-style-type: none"> <li>• \$413,200 GF and 9 FTE Positions for 3 additional inmate fire crews</li> </ul>
Operating Fund Shift	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>	<ul style="list-style-type: none"> <li>• \$(3.9) M GF and \$3.9 M OF to shift a portion of department's GF cost to OF</li> </ul>
<i>FY 2005 Supplementals</i>		
Compensatory Time Pay	<ul style="list-style-type: none"> <li>• Historically, department has paid for compensatory time in year accrued using vacancy savings</li> <li>• Could continue compensatory time "rollover" and require department to pay FY 2005 claims in FY 2006</li> </ul>	<ul style="list-style-type: none"> <li>• \$7.8 M GF to backfill FY 2005 monies used by the department to pay FY 2004 overtime</li> </ul>
Kingman Private Beds	<ul style="list-style-type: none"> <li>• Does not include, but \$4.7 M OF of unallocated monies in the Corrections Fund and State Charitable Land Fund available</li> </ul>	<ul style="list-style-type: none"> <li>• \$4.4 M GF to replace use of federal monies</li> </ul>

	<b>JLBC</b>	<b>EXECUTIVE</b>
Prison Construction & Operations Fund Shortfall	<ul style="list-style-type: none"> <li>Does not include, but \$4.7 M OF of unallocated monies in the Corrections Fund and State Charitable Land Fund available</li> </ul>	<ul style="list-style-type: none"> <li>\$4.1 M GF and \$(4.1) M OF backfill to offset lower than project fund revenues</li> </ul>
Officer Hiring Bonus	<ul style="list-style-type: none"> <li>Department currently provides bonus within base funding but plans to eliminate bonus April 2005</li> <li>Executive requires department to continue to provide bonus after June 2005 but absorb cost</li> </ul>	<ul style="list-style-type: none"> <li>\$2 M GF to fund a \$100 per pay period bonus for officers at Eyman, Florence &amp; Lewis Prisons</li> </ul>

<b><i>Components of Annualization of FY 2005 Prison Beds</i></b>		
Provisional Beds (Pg. 111)	<ul style="list-style-type: none"> <li>Includes full-year funding for 1,200 temporary out-of-state beds.</li> <li>Does not include</li> </ul>	<ul style="list-style-type: none"> <li>Includes full-year funding and 8 FTE Positions for 1,176 temporary out-of-state beds.</li> <li>Includes \$2.1 M and 4 FTE Positions for partial year funding for 400 temporary out-of-state beds.</li> </ul>
1,000 State Prison Beds (Pg. 111)	<ul style="list-style-type: none"> <li>Includes full-year operating funding for 1,000 Level 1 state operated beds.</li> <li>Includes \$3.2 M for lease-purchase payment for construction costs with total debt payments of \$45 M over 15 years.</li> </ul>	<ul style="list-style-type: none"> <li>Includes full-year operating funding and 228 FTE Positions for 1,000 Level 1 state operated beds.</li> <li>Includes \$3.2 M for lease-purchase payment for construction costs with total debt payments of \$45 M over 15 years.</li> </ul>
1,000 New Private Beds (Pg. 111)	<ul style="list-style-type: none"> <li>Includes partial year funding of \$11.7 M to open 1,000 new permanent privately operated beds.</li> <li>Opening date of December 2005</li> </ul>	<ul style="list-style-type: none"> <li>Includes partial year funding of \$11.3 M and 4 FTE Positions to open 1,000 new permanent privately operated beds.</li> <li>Opening date of January 2006</li> </ul>
Kingman Private Beds (Pg. 111)	<ul style="list-style-type: none"> <li>Includes full-year funding for 1,400 permanent privately operated beds.</li> </ul>	<ul style="list-style-type: none"> <li>Includes full-year funding and 4 FTE Positions for 1,400 permanent privately operated beds.</li> </ul>

## Department of Corrections Total Funds FY 2002 - FY 2006



**Department of Corrections**

	FY 2005 ESTIMATE				FY 2006 OSPB		FY 2006 JLBC			
	General Fund	Other Funds	Non-Appropriated	Total	General Fund	Other Funds	General Fund	Other Funds	Non-Appropriated	Total
<b>OPERATING BUDGET</b>										
<i>Full Time Equivalent Positions</i>	10,117.4	205.0	119.5	10,441.9	10,577.4	0.0	10,117.4	205.0	119.5	10,441.9
Personal Services	344,730,900	1,159,900	7,960,600	353,851,400	360,543,000	1,159,900	350,214,100	1,159,900	7,960,600	359,334,600
Employee Related Expenditures	122,311,400	285,400	2,243,200	124,840,000	125,328,100	285,400	128,067,200	222,700	2,153,500	130,443,400
Professional and Outside Services	74,990,100	12,008,500	45,056,800	132,055,400	108,544,400	12,778,500	93,456,600	13,009,900	38,611,500	145,078,000
Travel - In State	291,500	0	11,100	302,600	344,800	0	310,800	0	11,100	321,900
Travel - Out of State	151,900	0	1,000	152,900	151,900	0	154,800	0	1,000	155,800
Other Operating Expenditures	80,109,400	226,500	39,714,700	120,050,600	80,788,300	3,356,500	90,727,400	225,500	39,804,400	130,757,300
Food	6,061,700	28,674,300	100,600	34,836,600	6,080,300	28,674,300	7,272,100	28,674,300	100,600	36,047,000
Equipment	467,000	0	47,700	514,700	9,737,500	481,800	1,589,600	0	47,700	1,637,300
<b>AGENCY TOTAL</b>	<b>629,113,900</b>	<b>42,354,600</b>	<b>95,135,700</b>	<b>766,604,200</b>	<b>691,518,300</b>	<b>46,736,400</b>	<b>671,792,600</b>	<b>43,292,300</b>	<b>88,690,400</b>	<b>803,775,300</b>

**FUND SOURCES**

<b>General Fund</b>	<b>629,113,900</b>		<b>629,113,900</b>	<b>691,518,300</b>		<b>671,792,600</b>		<b>671,792,600</b>
<b>Other Appropriated Funds</b>								
Alcohol Abuse Treatment Fund		449,300	449,300		1,099,300		599,300	599,300
Capital Outlay Stabilization Fund		0	0		481,800		0	0
Corrections Fund		28,674,300	28,674,300		28,674,300		28,674,300	28,674,300
Penitentiary Land Fund		869,200	869,200		989,200		869,200	869,200
Prison Construction and Operations Fund		10,250,000	10,250,000		10,250,000		10,250,000	10,250,000
State Charitable, Penal and Reformatory Institutions Land Fund		570,000	570,000		3,400,000		570,000	570,000
State Education Fund for Correctional Education		1,541,800	1,541,800		1,841,800		1,478,100	1,478,100
Transition Office Fund		0	0		0		351,400	351,400
Transition Program Drug Treatment Fund		0	0		0		500,000	500,000
<b>SUBTOTAL - Other Appropriated Funds</b>		<b>42,354,600</b>	<b>42,354,600</b>		<b>46,736,400</b>		<b>43,292,300</b>	<b>43,292,300</b>
<b>SUBTOTAL - Appropriated Funds</b>			<b>671,468,500</b>		<b>738,254,700</b>			<b>715,084,900</b>
<b>Other Non-Appropriated Funds</b>								
Arizona Correctional Industries Revolving Fund			24,784,600	24,784,600			24,784,600	24,784,600
Criminal Justice Enhancement Fund			4,349,600	4,349,600			4,349,600	4,349,600
Drug Treatment and Education Fund			4,011,000	4,011,000			4,011,000	4,011,000
Federal Funds			50,422,200	50,422,200			43,976,900	43,976,900
Indirect Cost Recovery Fund			2,736,700	2,736,700			2,736,700	2,736,700
Interagency Service Agreement Fund			1,573,400	1,573,400			1,573,400	1,573,400
Risk Management Insurance Reimbursement Fund			3,775,000	3,775,000			3,775,000	3,775,000
Special Services Fund			3,483,200	3,483,200			3,483,200	3,483,200
<b>SUBTOTAL - Other Non-Appropriated Funds</b>			<b>95,135,700</b>	<b>95,135,700</b>			<b>88,690,400</b>	<b>88,690,400</b>
<b>TOTAL - ALL SOURCES</b>			<b>766,604,200</b>	<b>766,604,200</b>			<b>803,775,300</b>	<b>803,775,300</b>

**CHANGE IN FUNDING SUMMARY**

	FY 2005 to FY 2006 JLBC	
	\$ Change	% Change
General Fund	42,678,700	6.8%
Other Appropriated Funds	937,700	2.2%
Non Appropriated Funds	(6,445,300)	(6.8%)
Total - All Sources	37,171,100	4.8%

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