

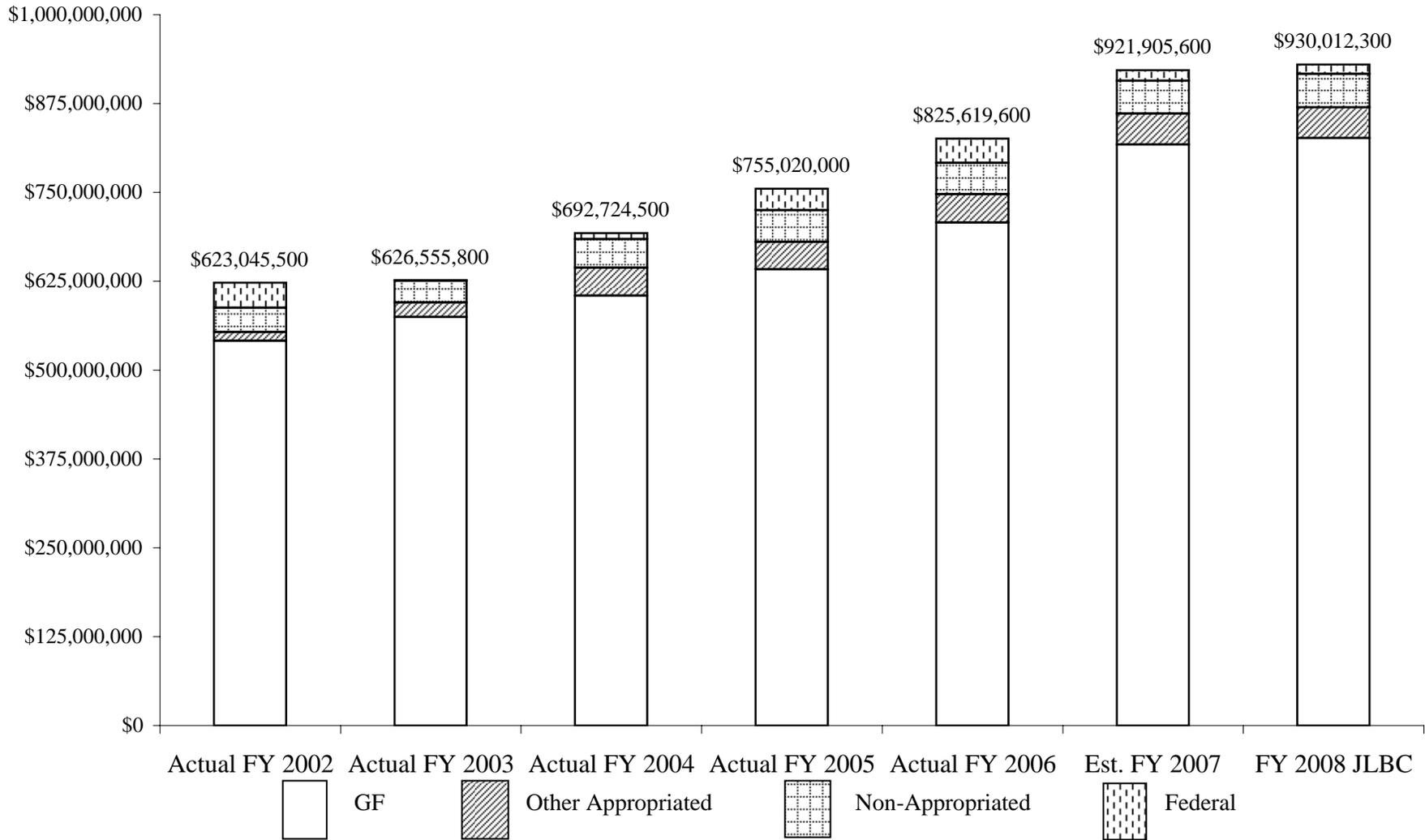
ARIZONA DEPARTMENT OF CORRECTIONS

	JLBC BASELINE	EXECUTIVE
Total Appropriations (Pg. 113)	<u>FY 2008</u> <ul style="list-style-type: none"> ● \$826.4 M GF ● \$43.2 M OF ● \$9.3 M GF above FY 07, or 1.1% ● \$(507,000) OF below FY 07, or (1.2)% <u>FY 2007 Supplemental</u> <ul style="list-style-type: none"> ● \$0 	<u>FY 2008</u> <ul style="list-style-type: none"> ● \$913.6 M GF ● \$50.3 M OF ● \$96.4 GF above FY 07, or 11.8% ● \$6.6 M OF above FY 07, or 15.0% <u>FY 2007 Supplemental</u> <ul style="list-style-type: none"> ● \$14.2 M GF
<i>Bed Additions</i>		
3,000 ADOA Prison Beds/Start-Up Costs (Pg. 118)	<ul style="list-style-type: none"> ● \$11.2 M GF appropriated to ADOA for 3,000 bed contract to begin April 2008. ADC is permitted to compete as a bidder for these beds 	<ul style="list-style-type: none"> ● \$10 M GF in FY 08 for start-up costs to open 3,000 prison beds, including training of staff and acquisition of furniture, fixtures and equipment ● Funding not identified in ADOA's or ADC's budget for \$11.2 M advance appropriation ● Bids for the 3,000 beds due February 8
Annualize 1,000 Sex-Offender Beds (Pg. 115)	<ul style="list-style-type: none"> ● \$9.4 M GF in FY 08 to annualize 1,000 sex-offender beds that opened December 2006 ● At \$61.50 per diem rate, as appropriated in FY 07 ● Fully annualized cost is \$22.4 M 	<ul style="list-style-type: none"> ● \$10.2 M GF in FY 08 to annualize 1,000 sex-offender beds ● At \$63.75 per diem rate ● Fully annualized cost is \$23.3 M
2,000 New Provisional Beds	<ul style="list-style-type: none"> ● Does not include 	<ul style="list-style-type: none"> ● \$43.4 M GF in FY 08 to contract for 2,000 new in-state or out-of-state provisional beds at a per diem rate of \$65 ● Opens 1,000 beds in July 2007 and 1,000 in September 2007 ● ADC issued an RFP for possible provisional beds, which was due January 12
Newton County, TX Replacement Beds	<ul style="list-style-type: none"> ● Baseline continues \$13 M to fund per diem of \$55.24 	<ul style="list-style-type: none"> ● \$2.3 M GF in FY 08 to increase per diem rate to \$65 for replacement of 645 Newton County, TX beds ● Contract was canceled November 2005 ● Bids for the replacement beds due January 12
Reeves County, TX Replacement Beds	<ul style="list-style-type: none"> ● Baseline continues \$14.1 M to fund per diem of \$44.80 	<ul style="list-style-type: none"> ● \$6.4 M GF in FY 08 to increase per diem rate to \$65 for replacement of 864 Reeves County, TX provisional beds ● Contract was canceled effective January 2007 ● Bids for the replacement beds due January 12

	JLBC BASELINE	EXECUTIVE
Diamondback Facility, OK Replacement Beds	<ul style="list-style-type: none"> • Baseline continues \$20.9 M to fund per diem of \$47.65 	<ul style="list-style-type: none"> • \$7.6 M GF in FY 08 to increase per diem rate to \$65 for replacement of 1,200 Oklahoma provisional beds • Contract expires June 30, 2007 • Bids for the replacement beds due January 12
Population Growth (Pg. 115)	<ul style="list-style-type: none"> • \$6.8 M GF in FY 08 for the marginal costs of inmate population growth • Supports an average daily population increase of 1,920 inmates, or 160 net new inmates per month 	<ul style="list-style-type: none"> • \$3.3 M GF in FY 08 for the marginal costs of inmate population growth equal to 160 inmates per month
Bed Shortfall (Pg. 118)	<ul style="list-style-type: none"> • June 2008: (2,977) • % Over Capacity: 8.3% 	<ul style="list-style-type: none"> • June 2008: (977) • % Over Capacity: 2.6%
<i>Operational Issues</i>		
Supervisor Pay	<ul style="list-style-type: none"> • Does not include 	<ul style="list-style-type: none"> • \$6.2 M GF in FY 08 for salary increases for each sergeant, lieutenant and captain position
Security Posts	<ul style="list-style-type: none"> • Does not include 	<ul style="list-style-type: none"> • \$912,500 GF in FY 08 for costs associated with filling unfilled and unfunded Correctional Officer positions at 4 security posts
Utilities Cost Inflation	<ul style="list-style-type: none"> • Does not include 	<ul style="list-style-type: none"> • \$2.7 M GF in FY 08 for significant rate increases for electricity, fuel oil, waste disposal, water and other utilities
Leap Year Operating Costs (Pg. 115)	<ul style="list-style-type: none"> • \$833,800 GF in FY 08 for one-time costs to operate correctional facilities for an additional day during a leap year 	<ul style="list-style-type: none"> • \$576,600 OF in FY 08 from the Prison Construction and Operation Fund for an additional day of services for private prisons and food, work program payments, health care, and discharge costs
Inmate Health Care (Pg. 115)	<ul style="list-style-type: none"> • \$3.8 M GF in FY 08 for a 6% inflationary increase for health care operating expenses • Funds contracted services, medications and medical supplies 	<ul style="list-style-type: none"> • \$4 M OF in FY 08 for a 6% inflationary increase for health care operating expenses • Funds this increase from a higher FY 07 base, as based on an FY 07 supplemental request
Sex-Offender Treatment Services	<ul style="list-style-type: none"> • Does not include 	<ul style="list-style-type: none"> • \$230,600 GF and 3 FTE Positions in FY 08 for additional psychology associate positions for sex-offender treatment services • Includes \$20,200 in one-time equipment funding
Addictive Treatment Services/Meth Pilot	<ul style="list-style-type: none"> • Does not include 	<ul style="list-style-type: none"> • \$232,600 GF and 4 FTE Positions in FY 08 for additional counselors to expand methamphetamine substance abuse treatment • Includes \$27,100 in one-time equipment funding
<i>One-Time Monies</i>		
Retirement Rates (Pg. 114)	<ul style="list-style-type: none"> • \$(6.7) M GF in FY 08 for a rebase of retirement rates to reflect actual levels 	<ul style="list-style-type: none"> • Also rebases rates but savings are taken as a statewide item

	JLBC BASELINE	EXECUTIVE
One-Time AZNet Funding (Pg. 115)	<ul style="list-style-type: none"> • \$(2.4) M GF in FY 08 to reflect one-time funding for AZNet telecommunications charges 	<ul style="list-style-type: none"> • Retains the funding
One-Time Equipment Funding (Pg. 115)	<ul style="list-style-type: none"> • \$(1.5) M GF in FY 08 to reflect one-time funding for equipment and van pool vehicles • Continues \$1 M to replace motor pool, kitchen, laundry, office, facility and personal security 	<ul style="list-style-type: none"> • Retains \$2.5 M GF in FY 08 for van pool and other equipment replacement
Technical (Pg. 114)	<ul style="list-style-type: none"> • \$(982,000) GF and \$(21,200) OF in FY 08 for standard changes 	<ul style="list-style-type: none"> • \$(1.1) M GF and \$500 OF in FY 08 for standard changes
Budget Format (Pg. 117)	<ul style="list-style-type: none"> • Continues as Modified Lump Sum with Special Line Items, including 3 categories of Personal Services and 2 categories of Other Operating Expenditures 	<ul style="list-style-type: none"> • Changes from Modified Lump Sum with Special Line Items to Lump Sum
<i>Other Fund Changes</i>		
Educational Adjustment (Pg. 115)	<ul style="list-style-type: none"> • \$(485,800) OF in FY 08 for 40 fewer students and a 2% per pupil base adjustment from the State Education Fund for Correctional Education 	<ul style="list-style-type: none"> • Retains the funding
Inmate Transportation Vehicle Replacement	<ul style="list-style-type: none"> • Does not include 	<ul style="list-style-type: none"> • \$4 M OF in FY 08 from the Prison Construction and Operations Fund for the replacement of 160 vehicles used to transport inmates
Evaluation for Expansion of State Prison Facilities	<ul style="list-style-type: none"> • Does not include 	<ul style="list-style-type: none"> • \$2.0 M OF in FY 08 to ADOA from the Penitentiary Land Fund to evaluate the potential of expanding existing state-owned prison sites
<i>FY 2007 Supplemental</i>		
Temporary Beds for Rapid Growth	<ul style="list-style-type: none"> • Does not include 	<ul style="list-style-type: none"> • \$4.7 M GF in FY 07 for: <ul style="list-style-type: none"> -- \$2.5 M GF in FY 07 for the marginal cost of unfunded inmate growth equal to 60 inmates per month -- \$1.6 M GF in FY 07 for renovations to add 1,386 temporary beds -- \$608,300 GF in FY 07 to staff 4 new security posts
Bid Preparation for Competitive 3,000 Bed RFP	<ul style="list-style-type: none"> • Does not include 	<ul style="list-style-type: none"> • \$600,000 GF in FY 07 for bid preparation costs to compete against private competitors on a 3,000 bed RFP
Health Care Inflation	<ul style="list-style-type: none"> • Does not include • Based on year-to-date expenditures and FY 06 spending, ADC should have sufficient funding to cover FY 07 health care expenses 	<ul style="list-style-type: none"> • \$3.8 M GF in FY 07 for a 5.9% health care increase
Utilities Cost Inflation	<ul style="list-style-type: none"> • Does not include 	<ul style="list-style-type: none"> • \$5.0 M GF in FY 07 for an increase in utilities costs

**Arizona Department of Corrections
Total Funds FY 2002 - FY 2008**



Arizona Department of Corrections

	FY 2007 ESTIMATE				FY 2008 OSPB		FY 2008 JLBC			
	General Fund	Other Funds	Non-Appropriated	Total	General Fund	Other Funds	General Fund	Other Funds	Non-Appropriated	Total
OPERATING BUDGET										
<i>Full Time Equivalent Positions</i>	9,720.9	6.0	115.0	9,841.9	9,727.9	6.0	9,720.9	6.0	112.0	9,838.9
Correctional Officer Personal Services	263,696,800	310,400	0	264,007,200	269,719,300	310,400	263,696,800	310,400	0	264,007,200
Health Care Personal Services	43,240,900	0	0	43,240,900	43,532,400	0	43,240,900	0	0	43,240,900
All Other Personal Services	75,797,500	1,218,700	6,480,300	83,496,500	75,797,500	1,218,700	75,797,500	1,218,700	6,571,300	83,587,500
Personal Services Subtotal	382,735,200	1,529,100	6,480,300	390,744,600	389,049,200	1,529,100	382,735,200	1,529,100	6,571,300	390,835,600
Employee Related Expenditures	150,920,300	366,700	2,242,000	153,529,000	152,187,000	367,200	144,867,400	368,900	1,943,500	147,179,800
Health Care All Other Operating Expenditures										
Professional and Outside Services	31,855,900	10,250,000	0	42,105,900	35,823,300	10,250,000	33,699,000	10,250,000	0	43,949,000
Travel - In State	50,000	0	0	50,000	52,000	0	50,100	0	0	50,100
Travel - Out of State	0	0	0	0	0	0	0	0	0	0
Other Operating Expenditures	19,935,100	0	0	19,935,100	19,971,600	0	23,961,100	0	0	23,961,100
Food	0	0	0	0	0	0	0	0	0	0
Equipment	710,200	0	0	710,200	757,400	0	710,200	0	0	710,200
Health Care Operating Subtotal	52,551,200	10,250,000	0	62,801,200	56,604,300	10,250,000	58,420,400	10,250,000	0	68,670,400
Non-Health Care All Other Operating Expenditures										
Professional and Outside Services	750,000	0	5,317,300	6,067,300	750,000	2,275,200	1,097,900	0	3,812,800	4,910,700
Travel - In State	205,000	0	84,100	289,100	205,000	0	205,600	0	84,000	289,600
Travel - Out of State	115,800	0	8,600	124,400	115,800	0	120,500	0	7,500	128,000
Other Operating Expenditures	83,052,800	2,898,700	43,549,400	129,500,900	87,892,400	2,923,300	82,948,500	2,389,500	44,436,200	129,774,200
Food	33,846,800	0	68,000	33,914,800	33,846,800	0	36,502,400	0	68,000	36,570,400
Equipment	2,668,100	0	1,779,400	4,447,500	12,668,100	4,000,000	1,168,100	0	1,930,800	3,098,900
Non-Health Care Operating Subtotal	120,638,500	2,898,700	50,806,800	174,344,000	135,478,100	9,198,500	122,043,000	2,389,500	50,339,300	174,771,800
OPERATING SUBTOTAL	706,845,200	15,044,500	59,529,100	781,418,800	733,318,600	21,344,800	708,066,000	14,537,500	58,854,100	781,457,600
SPECIAL LINE ITEMS										
County Jail Beds	2,518,500	0	0	2,518,500	2,518,500	0	868,600	0	0	868,600
Overtime/Compensatory Time	19,688,100	0	0	19,688,100	19,693,100	0	19,688,100	0	0	19,688,100
Private Prison Per Diem	53,172,500	28,674,300	1,500,000	83,346,800	63,401,900	28,951,100	49,718,200	28,674,300	1,500,000	79,892,500
Provisional Beds	34,933,400	0	0	34,933,400	94,620,600	0	48,105,500	0	0	48,105,500
AGENCY TOTAL	817,157,700	43,718,800	61,029,100	921,905,600	913,552,700	50,295,900	826,446,400	43,211,800	60,354,100	930,012,300
FUND SOURCES										
General Fund	817,157,700			817,157,700	913,552,700		826,446,400			826,446,400
Other Appropriated Funds										
Alcohol Abuse Treatment Fund		599,300		599,300		599,300		599,300		599,300
Corrections Fund		29,040,400		29,040,400		29,040,500		29,040,800		29,040,800
Penitentiary Land Fund		869,200		869,200		869,200		869,200		869,200
Prison Construction and Operations Fund		10,250,000		10,250,000		14,826,600		10,250,000		10,250,000
State Charitable, Penal and Reformatory Institutions Land Fund		570,000		570,000		570,000		570,000		570,000
State Education Fund for Correctional Education		1,609,900		1,609,900		1,610,300		1,102,500		1,102,500
Transition Office Fund		180,000		180,000		180,000		180,000		180,000
Transition Program Drug Treatment Fund		600,000		600,000		600,000		600,000		600,000
SUBTOTAL - Other Appropriated Funds		43,718,800		43,718,800		50,295,900		43,211,800		43,211,800
SUBTOTAL - Appropriated Funds				860,876,500		963,848,600				869,658,200
Other Non-Appropriated Funds										
Arizona Correctional Industries Revolving Fund			30,783,800	30,783,800				33,812,100		33,812,100
Corrections Donations Fund			1,300	1,300				0		0
Criminal Justice Enhancement Fund			5,167,500	5,167,500				5,418,700		5,418,700
Federal Funds			15,015,400	15,015,400				13,173,400		13,173,400
Indirect Cost Recovery Fund			1,024,900	1,024,900				1,024,900		1,024,900
Inmate Store Proceeds Fund			471,200	471,200				0		0
Interagency Service Agreement Fund			710,000	710,000				0		0
Risk Management Insurance Reimbursement Fund			280,000	280,000				0		0
Special Services Fund			4,400,000	4,400,000				3,750,000		3,750,000
State Charitable, Penal and Reformatory Institutions Land Fund-NA			1,075,000	1,075,000				1,075,000		1,075,000
State DOC Revolving Fund			2,100,000	2,100,000				2,100,000		2,100,000
SUBTOTAL - Other Non-Appropriated Funds			61,029,100	61,029,100				60,354,100		60,354,100

Arizona Department of Corrections

	FY 2007 ESTIMATE				FY 2008 OSPB		FY 2008 JLBC			
	General Fund	Other Funds	Non-Appropriated	Total	General Fund	Other Funds	General Fund	Other Funds	Non-Appropriated	Total
TOTAL - ALL SOURCES				921,905,600						930,012,300

CHANGE IN FUNDING SUMMARY

	FY 2007 to FY 2008 JLBC	
	\$ Change	% Change
General Fund	9,288,700	1.1%
Other Appropriated Funds	(507,000)	(1.2%)
Non Appropriated Funds	(675,000)	(1.1%)
Total - All Sources	8,106,700	0.8%