

HB 5004 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Sen. Prozanski

Joint Committee On Ways and Means

Action Date: 06/11/21

Action: Do pass the A-Eng bill.

Senate Vote

Yeas: 12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen

House Vote

Yeas: 11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark

Prepared By: April McDonald, Department of Administrative Services

Reviewed By: Julie Neburka, Legislative Fiscal Office

**Department of Corrections
2021-23**

Budget Summary*

	2019-21	2021 - 23	2021-23	Committee Change from 2019-21	
	Legislatively Approved Budget ⁽¹⁾	Current Service Level	Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 1,809,763,019	\$ 1,829,307,078	\$ 1,875,077,968	\$ 65,314,949	3.6%
General Fund Capital Improvements	\$ 2,931,801	\$ 3,057,869	\$ 3,057,869	\$ 126,068	4.3%
General Fund Debt Service	\$ 112,948,840	\$ 96,243,575	\$ 96,243,575	\$ (16,705,265)	-14.8%
Other Funds Limited	\$ 70,594,699	\$ 50,090,113	\$ 78,516,562	\$ 7,921,863	11.2%
Other Funds Debt Service	\$ 66,358	\$ -	\$ -	\$ (66,358)	-100.0%
Other Funds Nonlimited	\$ 1,300,519	\$ -	\$ -	\$ (1,300,519)	-100.0%
Other Funds Debt Service Nonlimited	\$ 213,266,419	\$ -	\$ -	\$ (213,266,419)	-100.0%
Federal Funds Limited	\$ 4,533,582	\$ 4,734,976	\$ 4,734,976	\$ 201,394	4.4%
Federal Funds Debt Service Nonlimited	\$ 940,120	\$ -	\$ -	\$ (940,120)	-100.0%
Total	\$ 2,216,345,357	\$ 1,983,433,611	\$ 2,057,630,950	\$ (158,714,407)	-7.2%

Position Summary

Authorized Positions	4,731	4,702	4,779	-48
Full-time Equivalent (FTE) positions	4,699.06	4,678.34	4,686.65	-12.41

⁽¹⁾ Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Department of Corrections (DOC) is primarily supported with General Fund. For the 2021-23 biennium, the General Fund appropriation of nearly \$2.0 billion makes up 95.6% of the total budget. Other Funds make up 4.2% of the Department's available revenues and Federal Funds account for the remaining 0.2%. Other Funds are primarily comprised of charges for services from inmate work crews, sales of inmate-produced products, American Rescue Plan Act (ARPA) funds received by the Department of Administrative Services and passed through to the Department of Corrections, and bond proceeds for capital projects. Federal Funds are primarily from the State Criminal Alien Assistance Program, which partially reimburses the state for the cost of managing undocumented offenders. These funds are used to offset expenditures for medical care.

Summary of Public Safety Subcommittee Action

DOC manages and rehabilitates adult felony offenders sentenced by the courts to more than 12 months of incarceration, as well as juveniles sentenced under Measure 11 (1994), who are currently over the age of 18. The mission of the Department is to promote public safety by holding offenders accountable for their actions and reducing their risk of future criminal behavior. DOC is responsible for the overall security, housing, and daily operations of correctional institutions across the state, as well as providing medical, dental, mental health, and pharmacy services to all adults in custody. DOC directly operates the community corrections system in Linn and Douglas counties, and provides funding for the management and delivery of community corrections programs in the remaining 34 Oregon counties.

The Subcommittee recommended a budget of \$2,057,630,950 total funds comprised of \$1,974,379,412 General Fund, \$78,516,562 Other Funds expenditure limitation, \$4,734,976 Federal Funds expenditure limitation, and 4,779 positions (4,686.65 FTE). The total budget is a 3.7% increase from the 2021-23 current service level and a 7.2% decrease from the 2019-21 legislatively approved budget. This decrease is driven by a one-time increase of Other Funds Nonlimited, during the 2019-21 biennium, for the purpose of refinancing agency debt and lowering debt service costs. Excluding these one-time funds, the Department's recommended budget represents a slight increase over the 2019-21 legislatively approved budget.

Operations Division

The Operations Division is responsible for housing Oregon's incarcerated adult felony population and for the security and daily operations of Oregon's prisons. The Division provides a safe, secure environment for more than 12,000 adults in custody, as well as for the staff, as they perform their duties and hold offenders accountable while reducing the risk of recidivism. The functions of this Division include institution operations, security, food service, inmate work programs, and inmate transportation.

The Subcommittee recommended a budget of \$928,806,002 General Fund, \$15,584,064 Other Funds expenditure limitation, and 3,383 positions (3,313.25 FTE), which includes the following packages:

Package 090, analyst Adjustments. This package implements the permanent closures of the Mill Creek Correctional Facility (MCCF), effective July 1, 2021 and the Shutter Creek Correctional Institution (SCCI), effective January 1, 2022. Closing MCCF eliminates 240 prison beds and 53 positions from the system, and reduces the agency's budget by \$12.6 million General Fund and \$2.3 million Other Funds. Closing SCCI eliminates 302 prison beds and 90 positions from the system, and further reduces the agency's budget for 18 months of the 2021-23 biennium by \$16.4 million General Fund and \$1.3 million Other Funds.

Package 802, Caseload Adjustments. This package adjusts the Operations Division budget with a reduction of \$1.2 million General Fund and three positions (3.44 FTE) to implement the April 2021 Office of Economic Analysis (OEA) prison population forecast. The estimated decline in the prison population from the October 2020 forecast results in reducing the number of emergency beds in use throughout the prison system.

Package 804, Technical Adjustments. This package reduces the Operations Division by \$6.5 million General Fund and 25 positions (25.00 FTE) as the net result of the following three technical adjustments:

- Management oversight and budget responsibility for law libraries throughout the prison system is transferred from the Operations Division to the Correctional Services Division. A corresponding package is found in the Correctional Services Division.
- Department of Justice (DOJ) service reimbursements are centralized within the Central Administration Division. A total of \$1.4 million General Fund budgeted for DOJ charges is moved from the Operations Division to the Central Administration Division.
- Five positions (5.00 FTE) are moved from the Operations Division to other agency programs. Two positions (2.00 FTE) are moved to the Human Resources program in the Administrative Services Division to address workload; and three positions (3.00 FTE) are moved to the Correctional Services Division to better align programs operationally.

Package 805, Supplemental Positions. This package provides \$16.4 million General Fund and 87 positions (87.00 FTE) for supplemental staffing in the Operations Division. The 87 permanent, ongoing positions are intended to reduce the use of overtime by security officers, as well as staff in Food Services, Transport, Laundry, and Physical Plant programs throughout the prison system. Positions are added as follows:

- Security: 42 positions
- Food Services: 13 positions
- Physical Plant: 8 positions
- Transport: 19 positions
- Laundry: 5 positions

Additionally, this package adds 20 permanent positions (20.00 FTE) in the Health Services program. The Subcommittee recommended the following budget note related to the Department’s overtime usage:

Budget Note

Overtime Usage: Over the last several biennia, the Department of Corrections has incurred a consistent deficit in its overtime budget of about \$20 million per biennium. Package 805 provides \$21.6 million and 107 positions intended to alleviate the need for overtime usage. To evaluate the effect of this increased staffing on overtime expense, the Department is directed to report its overtime expenditures in the prisons and in Health Services at each meeting of the Interim Joint Committee on Ways and Means and Emergency Board, and once to the Public Safety Subcommittee of the Joint Committee on Ways and means during the 2022 legislative session.

Central Administration

The Central Administration Division includes the Office of the Director, Office of the Inspector General, Office of the Chief Financial Officer, Internal Audits, Research & Evaluation, Communications, and Government Efficiencies. It provides overall leadership to the Department, develops strategic plans, and engages in statewide public safety initiatives. Additionally, the Department budgets all of its State Government Service Charges within Central Administration, which accounts for 51.4% of the program's General Fund in the 2021-23 current service level budget.

The Subcommittee recommended a budget of \$121,951,968 General Fund, \$6,388,825 Other Funds expenditure limitation, and 178 positions (176.72 FTE), which includes the following packages:

Package 090, Analyst Adjustments. This package implements the permanent closures of the Mill Creek Correctional Facility (MCCF) effective July 1, 2021 and the Shutter Creek Correctional Institution (SCCI) effective January 1, 2022. In the Central Administration Division, this package makes a reduction of \$0.1 million General Fund for expenditures related to centralized functions including finance, adult in custody trust accounting, and operations of the Office of the Inspector General.

Package 099, Microsoft 365 Consolidation. Microsoft 365 is being consolidated within the Office of the State Information Officer. This cost is built into the State Government Service Charges for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency's base budget equivalent to what should be paid for Microsoft 365 in the current 2019-21 biennium.

Package 224, CCS Positions. This package contains two adjustments. First is an increase in Other Funds expenditure limitation of \$4.1 million and net establishment of 17 permanent positions (17.00 FTE). These positions are intended to monitor and support the Correctional Communication System (CCS), as well as perform risk abatement activity. The funding for these positions comes from reimbursement monies from the communications provider. The majority of the package is in the Central Services Division. The second component of the package abolishes three positions (3.00 FTE) from the Administrative Services Division, formerly responsible for CCS core operational support and contract vendor oversight, and establishes three positions (3.00 FTE) to carry on a similar role in the Central Administration Division. The revenue source is stable and the Department anticipates a 2021-23 biennium ending balance of \$0.7 million Other Funds after all package expenditures are covered.

Package 803, Habeas Corpus Cases. Between the Central Administration Division and the Health Services Division, this package provides \$5.0 million General Fund on a one-time basis and nine limited duration positions (9.00 FTE) to support the DOJ litigation of both habeas corpus cases and class-action lawsuits filed by adults in custody against DOC during the COVID-19 pandemic. In the Central Administration Division, this package provides \$1.2 million General Fund on a one-time basis to cover increased DOJ charges.

Package 804, Technical Adjustments. This package centralizes the Department’s budget for DOJ service reimbursements into the Central Administration Division. A total of \$2.9 million General Fund is moved from Operations, Administrative Services, Community Corrections, and Correctional Services divisions into the Central Administration Division. This action will simplify accounting and payments for the use of DOJ services agency-wide.

Administrative Services Division

The Administrative Services Division includes Information Technology Services, Facility Services, Human Resources, and Distribution Services. It provides services fundamental to the day-to-day operations of the Department. Services are provided directly to employees, offenders, volunteers, community corrections, and other partner agencies. The Subcommittee recommended the following budget note:

Budget Note

Parole and Probation Officer Communications System: The Department of Corrections shall work with the Department of Administrative Services, Enterprise Information Services to develop a cost, schedule and budget estimate for the acquisition and deployment of an application that allows Parole Officers to securely communicate with individuals under their supervision. The Department shall report back to the Interim Joint Committee on Ways and Means with those estimates and a plan for deployment prior to the February 2022 Legislative Session.

The Subcommittee recommended a budget of \$85,966,725 General Fund, \$46,851,895 Other Funds expenditure limitation, and 265 positions (264.16 FTE), which includes the following packages:

Package 090, Analyst Adjustments. This package implements the permanent closures of the Mill Creek Correctional Facility (MCCF), effective July 1, 2021, and the Shutter Creek Correctional Institution (SCCI), effective January 1, 2022. In the Administrative Services Division, this package makes a minor reduction of \$5,646 General Fund for services and supplies.

Package 217, Deferred Maintenance. This package provides \$37.3 million Other Funds expenditure limitation to address facility maintenance and repair projects too small to meet capitalization requirements. Projects include maintenance and repair of building elements (such as doors, windows, or siding), electrical systems, hardscaping, infrastructure, HVAC systems, plumbing, fire suppression systems, roofs, and communication and security systems. Projects may also include hazardous materials abatement. These repair and maintenance needs will be addressed throughout the state’s prison system. The source of Other Funds revenue is American Rescue Plan Act (ARPA) funds received by the Department of Administrative Services and passed through to DOC.

Package 224, CCS Positions. The Administrative Services Division abolishes three positions (3.00 FTE) and shifts \$0.7 million Other Funds expenditure limitation to the Central Administration Division for establishment of three positions (3.00 FTE) responsible for CCS core operational support and contract vendor oversight.

Package 804, Technical Adjustments. This package reduces the Administrative Services Division’s budget by \$0.7 million General Fund as the net result of the following two adjustments:

- The package centralizes the Department’s budget for DOJ service reimbursements into the Central Administration Division. A total of \$1.1 million General Fund for DOJ charges is shifted from the Administrative Services Division to the Central Administration Division.
- Two positions (2.00 FTE) are moved from the Operations Division to the Human Resources program to address workload issues.

Community Corrections

Community Corrections is a function of state government operated in partnership with local, county-operated community corrections agencies. Community Corrections programs include supervision, sanctions, and programs to hold offenders accountable and address the causes of criminal behavior with the aim of reducing the risk of present and future criminal behavior. The Department delivers these services directly in Linn and Douglas counties and provides grant funding (based on the number of offenders to be managed and their risk levels) to the remaining counties to support these services at the local level.

The Subcommittee recommended a budget of \$290,147,396 General Fund, \$6,441,863 Other Funds expenditure limitation, and 76 positions (76.00 FTE), which includes the following packages:

Package 223, IWF Funding Backfill. Agency-wide, this package provides a total of \$9.4 million General Fund and reduces equivalent Other Funds expenditure limitation to backfill the Inmate Welfare Fund (IWF). Senate Bill 498 (2019) established a prohibition on commissions received from telephone system operators for adults in custody, thereby removing a primary funding source for the IWF. The agency anticipates a 68% reduction in IWF revenue beginning in the 2021-23 biennium. This revenue shortfall affects treatment and support programs, as well as transition and release services for counties. The portion of this package for the Community Corrections Division provides \$1.0 million General Fund for distribution to county Community Corrections programs. Correspondingly, it reduces \$1.0 million Other Funds revenue and associated expenditures to reflect the loss of revenue from the phone system contract.

Package 244, Grant in Aid Personal Services Inflation. This package provides \$32.7 million General Fund for Community Corrections Grant in Aid (GIA) funding for counties, and establishes a standardized process for calculating the inflation rate applied to GIA funding in the current service level budget going forward.

Community Corrections services are provided by counties and funded by the state through DOC. Allocation of GIA is based on a capitated daily rate and the forecast number of offenders on supervision in each county. To calculate the current service level for GIA, which is budgeted in the Special Payments category, past practice has been to apply the state's standard inflation factor. This practice has caused the amount of funding provided by the state to fall short of county requirements, as most GIA funding is spent by the counties on personal services for parole

and probation officers. More specifically, this shortfall exists because standard inflation has been set at just over 4% in recent biennia, and inflation on personal services, which varies based on agency compensation factors, is often close to double the standard rate.

Going forward, the current service level budget for GIA special payments is to be calculated using a weighted average of the inflation applied to personal services and the standard inflation applied to services and supplies, based on the overall average percentage of county community corrections spending in each of those two categories. The inflation factor for personal services shall be the actual inflation experienced by DOC personal services in the most recent biennium.

The total increase provided in this package is calculated as the sum of a one-time base reset and the additional inflation needed for the 2021-23 biennium. If the weighted average inflation factor had been applied to the 2019-21 budget, the increase to GIA would have been \$17.7 million. This amount is factored into the package as a base reset. The weighted average total for the 2021-23 biennium, less the above-standard inflation provided in the current service level budget, is \$15.0 million. The sum total is \$32.7 million General Fund, of which \$17.7 is one-time only funding to reset the base for the 2021-23 biennium.

Package 802, Caseload Adjustments. This package adjusts the Community Corrections budget with a reduction of \$34.5 million General Fund to reflect the April 2021 OEA corrections population forecast. The unusually large reduction includes the decline in the Community Corrections population attributable to the effects of Ballot Measure 110 (2020), which decriminalized possession of many controlled substances in user amounts.

Package 804, Analyst Adjustments. This package centralizes the Department's DOJ service reimbursements in the Central Administration Division. A total of \$0.1 million General Fund for DOJ charges is moved from the Community Corrections Division to the Central Administration Division.

Health Services

The Health Services Division provides constitutionally mandated medical, dental, mental health, pharmacy, and substance abuse treatment services to the state's offender population, with around the clock coverage. According to DOC records, the Health Services Division provides services to over 20,000 patients and experiences approximately 800,000 medical encounters per year. Provision of primary care ranges from minor problems and acute illnesses or injuries, to ongoing care for chronic diseases, preventative health care, and end-of-life care. The Division also provides limited onsite specialty care through contractors to reduce offsite medical trips. This includes dialysis, general surgery, ultrasound, physical therapy, cardiology, mammography, and orthopedics. The Department contracts with a third-party administrator for off-site services in a provider network, and when applicable, DOC utilizes Medicaid for qualified medical treatments provided off-site and in-hospital.

Within the Division, the behavioral health unit provides services for adults in custody with severe mental illness, the developmentally disabled, and those with co-occurring mental/substance abuse disorders. The dental health unit provides preventative and acute care and the pharmacy unit manages pharmaceutical acquisition/distribution and medical supplies.

The Subcommittee recommended a budget of \$368,141,805 General Fund, \$774,404 Other Funds expenditure limitation, \$4,734,976 Federal Funds expenditure limitation, and 644 positions (624.77 FTE), which includes the following packages:

Package 090, analyst Adjustments. This package implements the permanent closures of the Mill Creek Correctional Facility (MCCF), effective July 1, 2021, and the Shutter Creek Correctional Institution (SCCI), effective January 1, 2022. In the Health Services Division, this package reduces the funding and FTE associated with SCCI for 18 months of the 2021-23 biennium.

Package 102, DOC Foundation – HS HEPC. This package provides \$28.8 million General Fund for agency costs specific to Hepatitis C (HCV) detection and treatment. DOC has gone from administering 105 HCV treatments in 2016, to 343 in 2017, 494 in 2018, and 711 in 2019. This reflects a nearly sevenfold increase in treating patients, but only a two-fold increase in cost from 2016 to 2019 because the cost per patient has declined from approximately \$46,000 to \$15,000. The fluctuation in pricing is likely to stabilize due to competitive pricing in the market and the price per patient is likely to remain at approximately \$15,000. The current trending of DOC’s HCV patients projects 900 to 1,000 patients during the first year of the 2021-23 biennium at an estimated cost of \$13 million. Including pharmaceuticals, DOC estimates spending roughly \$28.7 million General Fund during the 2021-23 biennium.

Package 103, DOC Foundation – Medical Services. This package provides \$19.1 million General Fund for agency costs related to medical services. During the 2019-21 biennium, DOC Health Services experienced an unanticipated rise in healthcare costs due to several factors. These include newly incarcerated hemophiliac patients, an increase in diabetic medication, offsite healthcare costs driven by an aging population of AICs, and an increase in Professional Services contracts due to a shortage of key medical staff. The Department anticipates these costs continuing and estimates increased costs expected for the 2021-23 biennium as follows:

New Hemophiliac Patients:	\$3,000,000
New Supplemental Diabetes Medication:	\$5,740,000
Offsite Healthcare Costs:	\$4,800,000
<u>Increase in Professional Services Contracts:</u>	<u>\$5,556,026</u>
Total:	\$19,096,026

Package 223, IWF Funding Backfill. Agency-wide, this package provides a total of \$9.4 million General Fund and reduces equivalent Other Funds expenditure limitation to backfill the Inmate Welfare Fund (IWF). The portion of this package for the Health Services Division provides \$6.0 million General Fund for management of alcohol and drug treatment programs.

Package 802, Caseload Adjustments. This package adjusts the Health Service Divisions budget with a reduction of \$2.3 million General Fund to implement the April 2021 OEA prison population forecast. The estimated reduction in the prison population from the October 2020 forecast results in reducing the number of emergency beds in use throughout the prison system. In the Health Services Division, the estimated reduction in the prison population reduces expenditures for pharmaceuticals, off-site care, and other medical expenses.

Package 803, Habeas Corpus Cases. Between the Central Administration Division and the Health Services Division, this package provides \$5.0 million General Fund on a one-time basis and nine limited duration positions (9.00 FTE) to support the DOJ litigation of both habeas corpus cases and class-action lawsuits filed by adults in custody against DOC during the COVID-19 pandemic.

The Health Services Division is provided \$3.8 million General Fund as well as nine limited duration positions. Responding to the litigation requires individual medical chart reviews by a Nurse Manager/Medical Services manager and a physician, and requires a considerable amount of administrative work to locate, research, and copy the Department's paper medical records. The limited duration staff provided in this package include four Office Specialist 2 positions for administrative work, four registered nurses to provide chart review and to compile clinical information, and one Health Information Specialist to coordinate activities between prison locations and to coordinate with DOJ. Additionally, this package provides the Health Services Division with services and supplies funding for two contract physicians who will provide final medical chart reviews, conduct depositions, and provide testimony.

Package 805, Supplemental Positions. This package provides \$5.2 million General Fund and 20 positions (20.00 FTE) for supplemental staffing in the Health Services Division. The 20 permanent, ongoing positions are intended to reduce the use of overtime by Health Services staff located throughout the prison system. New positions include 12 nurses, two dentists, two dental technicians, and four administrative support positions.

Correctional Services

The Correctional Services program manages the Department's mission to reduce the risk of future criminal conduct. The Division provides a continuum of evidence-based interventions, as well as other services, opportunities, and tools to help adults in custody successfully transition from prison to the community. This Division is tasked with guiding and targeting corrections interventions and enhancing linkages to community-based networks of support. Program units include Intake, Offender Information and Sentence Computation, Office of Population Management, Programs and Services, Education and Training, Religious and Victim Services, Correctional Case Management, Policy and Business Services, and Re-Entry/Release Services.

The Subcommittee recommended a budget of \$80,064,072 General Fund, \$2,475,511 Other Funds expenditure limitation, and 233 positions (231.75 FTE), which includes the following package:

Package 090, Analyst Adjustments. This package implements the permanent closures of the Mill Creek Correctional Facility (MCCF), effective July 1, 2021, and the Shutter Creek Correctional Institution (SCCI), effective January 1, 2022. In the Correctional Services Division, this package reduces funding and FTE for one chaplain position (0.75 FTE) associated with SCCL for 18 months of the 2021-23 biennium.

Package 223, IWF Funding Backfill. Agency-wide, this package provides a total of \$9.4 million General Fund and reduces equivalent Other Funds expenditure limitation to backfill the Inmate Welfare Fund (IWF). This portion of the package for the Correctional Services Division provides \$2.3 million General Fund for system-wide treatment and education programs. It reduces \$8.3 million Other Funds revenue and expenditures, reflecting the loss of revenue from the previous phone system contract.

Package 802, Caseload Adjustments. This package adjusts the Correctional Services Division budget with a reduction of \$0.7 million General Fund to implement the April 2021 OEA prison population forecast. The estimated reduction in the prison population from the October 2020 forecast results in reducing the number of emergency beds in use throughout the prison system. In the Correctional Services Division, the estimated decline in the prison population reduces expenditures for case management, re-entry and release, and education and training programs and services.

Package 804, Technical Adjustments. This package increases the Correctional Services Division by \$4.4 million General Fund and 23 positions (23.00 FTE) as the net result of the following three technical adjustments:

- Management oversight and budget responsibility for law libraries throughout the prison system is transferred from the Operations Division to the Correctional Services Division. A corresponding package is found in the Operations Division.
- Three positions (3.00 FTE) are moved from the Operations Division to the Correctional Services Division to better align staff to the organizational structure.
- DOJ service reimbursements are centralized in the Central Administration Division. A total of \$0.2 million General Fund for DOJ charges is moved from the Correctional Services Division to the Central Administration Division.

Debt Service

Debt Service is the obligation to repay the principal and interest on funds borrowed through the sale of Certificates of Participation (COPs) and bonds. For DOC, proceeds generated by the sales of COPs and bonds are used to construct and improve correctional facilities. Repayment periods range from six to 26 years, depending on the nature and value of the project. Bond proceeds are also used for the purchase of property, design costs, siting costs, major improvements or upgrades of existing facilities and the staff costs associated with the construction and improvement of facilities. The Subcommittee recommended a budget of \$96,243,575 General Fund.

Capital Improvements

Capital Improvements include maintenance, repair, replacement, or adaptation of a facility. The project must significantly increase the asset's value, extend the life or make it adaptable for a different use. Additionally, the completed project must be valued at less than \$1.0 million and be capitalizable, in accordance with OAM 15.60.10, otherwise, expenditures are categorized as capital construction. The Department is responsible for maintaining roughly 350 owned buildings and over five million square feet of space. This Program allows the agency to perform the most critical and immediate protection activities on its real property assets with an estimated current replacement value of \$3.5 billion. The Subcommittee recommended a budget of \$3,057,869 General Fund.

Summary of Performance Measure Action

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Corrections
April McDonald -- 503-877-8125

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2019-21 Legislatively Approved Budget at Jan. 2021*	\$ 1,925,643,660	\$ -	\$ 70,661,057	\$ 214,566,938	\$ 4,533,582	\$ 940,120	\$ 2,216,345,357	4,731	4,699.06
2021-23 Current Service Level (CSL)*	\$ 1,928,608,522	\$ -	\$ 50,090,113	\$ -	\$ 4,734,976	\$ -	\$ 1,983,433,611	4,702	4,678.34
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 003 - Operations Division									
Package 090: Analyst Adjustments									
Personal Services	\$ (24,594,271)	\$ -	\$ (2,781,793)	\$ -	\$ -	\$ -	\$ (27,376,064)	-53	-114.50
Services and Supplies	\$ (549,199)	\$ -	\$ (768,698)	\$ -	\$ -	\$ -	\$ (1,317,897)		
Package 802: Caseload Adjustments									
Personal Services	\$ (600,731)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (600,731)	-3	-3.44
Services and Supplies	\$ (595,166)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (595,166)		
Package 804: Technical Adjustments									
Personal Services	\$ (4,808,997)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,808,997)	-25	-25.00
Services and Supplies	\$ (1,673,947)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,673,947)		
Package 805: Supplemental Positions									
Personal Services	\$ 15,101,360	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,101,360	87	87.00
Services and Supplies	\$ 1,313,874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,313,874		
SCR 004 - Central Administration									
Package 090: Analyst Adjustments									
Services and Supplies	\$ (126,589)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (126,589)		
Package 099: Microsoft 365 Consolidation									
Services and Supplies	\$ (3,337,247)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,337,247)		
Package 224: CCS Positions									
Personal Services	\$ -	\$ -	\$ 4,216,374	\$ -	\$ -	\$ -	\$ 4,216,374	20	20.00
Services and Supplies	\$ -	\$ -	\$ 588,206	\$ -	\$ -	\$ -	\$ 588,206		
Package 803: Habeas Corpus Cases									
Services and Supplies	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000		
Package 804: Technical Adjustments									
Services and Supplies	\$ 2,866,190	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,866,190		
SCR 006 - Administrative Services Division									
Package 090: Analyst Adjustments									
Services and Supplies	\$ (5,646)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,646)		
Package 217: Deferred Maintenance									
Services and Supplies	\$ -	\$ -	\$ 37,250,485	\$ -	\$ -	\$ -	\$ 37,250,485		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
Package 224: CCS Positions										
Personal Services	\$ -	\$ -	\$ -	\$ (682,227)	\$ -	\$ -	\$ -	(682,227)	-3	-3.00
Services and Supplies	\$ -	\$ -	\$ -	\$ (45,694)	\$ -	\$ -	\$ -	(45,694)		
Package 804: Technical Adjustments										
Personal Services	\$ 445,687	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	445,687	2	2.00
Services and Supplies	\$ (1,127,299)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(1,127,299)		
SCR 009 - Community Corrections										
Package 223: IWF Funding Backfill										
Special Payments - 6020 Dist to Counties	\$ 1,046,287	\$ -	\$ -	\$ (1,046,287)	\$ -	\$ -	\$ -	-		
Package 244: Grant in Aid Personal Services Inflation										
Special Payments - 6020 Dist to Counties	\$ 32,720,069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	32,720,069		
Package 802: Caseload Adjustments										
Special Payments - 6020 Dist to Counties	\$ (34,483,924)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(34,483,924)		
Package 804: Technical Adjustments										
Services and Supplies	\$ (120,381)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(120,381)		
SCR 010 - Health Services										
Package 090: Analyst Adjustments										
Personal Services	\$ (1,686,729)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(1,686,729)	0	-6.00
Services and Supplies	\$ (1,456,681)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(1,456,681)		
Package 102: DOC Foundation - HS HEPC										
Services and Supplies	\$ 28,787,101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	28,787,101		
Package 103: DOC Foundation - Medical Services										
Services and Supplies	\$ 19,096,026	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	19,096,026		
Package 223: IWF Funding Backfill										
Services and Supplies	\$ 6,035,937	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6,035,937		
Package 802: Caseload Adjustments										
Services and Supplies	\$ (2,338,557)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(2,338,557)		
Package 803: Habeas Corpus Cases										
Personal Services	\$ 1,735,101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,735,101	9	9.00
Services and Supplies	\$ 2,055,918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,055,918		
Package 805: Supplemental Positions										
Personal Services	\$ 4,914,215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4,914,215	20	20.00
Services and Supplies	\$ 302,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	302,040		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 011 - Correctional Services									
Package 090: Analyst Adjustments									
Personal Services	\$ (220,292)	\$ -	\$ -	\$ -	\$ -	\$ -	(220,292)	0	-0.75
Services and Supplies	\$ (154,050)	\$ -	\$ -	\$ -	\$ -	\$ -	(154,050)		
Package 223: IWF Funding Backfill									
Services and Supplies	\$ 2,267,980	\$ -	\$ (8,303,917)	\$ -	\$ -	\$ -	(6,035,937)		
Package 802: Caseload Adjustments									
Services and Supplies	\$ (655,936)	\$ -	\$ -	\$ -	\$ -	\$ -	(655,936)		
Package 804: Technical Adjustments									
Personal Services	\$ 4,363,310	\$ -	\$ -	\$ -	\$ -	\$ -	4,363,310	23	23.00
Services and Supplies	\$ 55,437	\$ -	\$ -	\$ -	\$ -	\$ -	55,437		
TOTAL ADJUSTMENTS	\$ 45,770,890	\$ -	\$ 28,426,449	\$ -	\$ -	\$ -	\$ 74,197,339	77	8.31
SUBCOMMITTEE RECOMMENDATION *	\$ 1,974,379,412	\$ -	\$ 78,516,562	\$ -	\$ 4,734,976	\$ -	\$ 2,057,630,950	4,779	4,686.65
% Change from 2019-21 Leg Approved Budget	2.5%	0.0%	11.1%	-100.0%	4.4%	-100.0%	-7.2%	1.0%	-0.3%
% Change from 2021-23 Current Service Level	2.4%	0.0%	56.8%	0.0%	0.0%	0.0%	3.7%	1.6%	0.2%

Legislatively Approved 2021 - 2023 Key Performance Measures

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Agency: Corrections, Department of

Mission Statement:

The mission of the Oregon Department of Corrections is to promote public safety by holding offenders accountable for their actions and reducing the risk of future criminal behavior.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. Measure 17 compliance - Percentage of Adults in Custody (AIC) in compliance with 40-hour work/education requirements of the constitution (M17)		Approved	70%	80%	85%
2. Successful Completion of Treatment, Education, and/or Cognitive Programming - Percentage of moderate/high-risk released Adults in Custody (AIC) with an identified education, cognitive, or treatment need who successfully completed at least one of the identified need programs before release.		Approved	78.42%	80%	80%
3. Recidivism - Percent of offenders: 1. Arrested for a new crime within 3 years of release from a facility to parole/post-prison supervision; 2. Convicted of a new misdemeanor or felony within 3 years of release from a facility to parole/post-prison supervision; AND 3. Incarcerated for a new felony within 3 years of release from a facility to parole/post-prison supervision	1) Arrests for a new crime within 3 years of release	Approved	55%	40%	40%
	2) Convicted of a new misdemeanor or felony within 3 years of release		42%	30%	30%
	3) Incarcerated for a new felony within 3 years of release		18%	10%	10%
4. Staff Assaults - The number of Class 1 assaults on individual staff per year.		Approved	121	80	80
5. Walk-a-Ways - The number of Adult in Custody (AIC) walk-a-ways from outside work crews per year.		Approved	2	0	0
6. Reduce all Energy Usage - Reduce the annual average electricity, propane, geothermal, diesel and natural gas usage. Measure on a monthly kBtu/square foot basis.		Approved	150.86	141.39	134.66
7. Adult in Custody (AIC) Misconducts - The number of Adults in Custody (AIC) sanctioned for level 1 misconducts, including Violations Not Responsible (VNR)		Approved	928	1,300	1,300
8. Secure Custody Escapes - The number of escapes per year from secure-custody facilities (armed perimeter).		Approved	0	0	0
9. Unarmed Perimeter Escapes - The number of escapes from DOC unarmed perimeter facilities.		Approved	0	0	0
10. Leave Programs - The percentage of Adults in Custody (AIC) who complete transitional leave and non-prison leave (AIP)		Approved	85.40%	85%	85%
11. Customer Service - Percent of customers rating their satisfaction with the agency customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	1) Expertise	Approved	76.30%	80%	80%
	2) Accuracy		78.10%	80%	80%
	3) Helpfulness		62.10%	80%	80%
	4) Timeliness		69.70%	80%	80%
	5) Availability of Information		58%	80%	80%
	6) Overall			65.60%	80%

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
12. Offsite Medical Healthcare - Percent of total Adult in Custody (AIC) healthcare encounters that occur offsite.		Approved	1.78%	1%	1%
13. OSHA Recordable Rate - Average number of OSHA recordable injuries per 100 employees who work a whole year.		Approved	3.10	6.50	6.50

LFO Recommendation:

The Legislative Fiscal Office recommends the Key Performance Measures be approved as presented.

SubCommittee Action:

The subcommittee approved the Key Performance Measures and targets as presented, but discussed the need to see KPMs #4 and #7 reported in such a way as to include statistics on assaults by staff on adults in custody in addition to the current statistics on assaults on staff by adults in custody. Similarly, the currently-reported statistics about adult in custody misconducts should be supplemented with statistics on staff misconducts.