

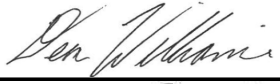

Schedule 13

Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

NP-01 Extend Pause Annual Depreciation Lease Payment

Dept. Approval By:			Supplemental FY 2020-21
OSPB Approval By:			Budget Amendment FY 2021-22
		X	Change Request FY 2021-22

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental	Base Request	Change Request	Continuation
			Request			
Total		(\$162,223)	\$0	\$368,419	(\$530,642)	(\$530,642)
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	(\$162,223)	\$0	\$368,419	(\$530,642)	(\$530,642)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental	Base Request	Change Request	Continuation
			Request			
Total		(\$162,223)	\$0	\$368,419	(\$530,642)	(\$530,642)
01. Management, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Executive Director's Office Subprogram, (1)	GF	(\$162,223)	\$0	\$368,419	(\$530,642)	(\$530,642)
Executive Director's Office Subprogram - Depreciation-Lease Equivalent Payments	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Corrections Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts DPA

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Schedule 13

Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

NP-02 COE Program Financial Restructure

Dept. Approval By:

Don Williams

Supplemental FY 2020-21

OSPB Approval By:

Ashley Clark

Budget Amendment FY 2021-22

X

Change Request FY 2021-22

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$0	\$0	\$0	\$103,564	\$103,564
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$103,564	\$103,564
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$0	\$0	\$0	\$103,564	\$103,564
01. Management, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Executive Director's Office Subprogram, (1)	GF	\$0	\$0	\$0	\$103,564	\$103,564
Executive Director's Office Subprogram - Statewide Training	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Corrections Non-Prioritized Request

Interagency Approval or Related Schedule 13s:

Impacts DPA

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Schedule 13

Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

NP-03 True-up of CDHS and CDOC Meal Interagency Agreement

Dept. Approval By:

Don Williams

Supplemental FY 2020-21

OSPB Approval By:

Ashley Clark

Budget Amendment FY 2021-22

X

Change Request FY 2021-22

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental	Base Request	Change Request	Continuation
			Request			
Total		\$2,898,762	\$0	\$2,898,762	\$140,827	\$140,827
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$2,898,762	\$0	\$2,898,762	\$140,827	\$140,827
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental	Base Request	Change Request	Continuation
			Request			
Total		\$1,857,861	\$0	\$1,857,861	\$14,424	\$14,424
FTE		0.0	0.0	0.0	0.0	0.0
02. Institutions, (D) Food Service Subprogram, (1) Food Service	GF	\$1,857,861	\$0	\$1,857,861	\$14,424	\$14,424
Subprogram - Food Service Pueblo Campus	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Total		\$1,040,901	\$0	\$1,040,901	\$126,403	\$126,403
FTE		0.0	0.0	0.0	0.0	0.0
02. Institutions, (H) Youthful Offender System Subprogram, (1) Youthful Offender System	GF	\$1,040,901	\$0	\$1,040,901	\$126,403	\$126,403
Subprogram - Maintenance and Food Service	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Corrections Non-Prioritized Request

Interagency Approval or Related Schedule 13s:

Impacts Other Agency

Schedule 13


Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

NP-04 Annual Fleet Vehicle Request

Dept. Approval By: _____



Supplemental FY 2020-21

OSPB Approval By: _____



Budget Amendment FY 2021-22

X

Change Request FY 2021-22

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$3,339,905	\$0	\$3,339,905	\$160,079	\$160,079
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$2,722,710	\$0	\$2,722,710	\$264,997	\$264,997
	CF	\$617,195	\$0	\$617,195	(\$104,918)	(\$104,918)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$3,339,905	\$0	\$3,339,905	\$160,079	\$160,079
03. Support Services, (E)	FTE	0.0	0.0	0.0	0.0	0.0
Transportation Subprogram, (1)	GF	\$2,722,710	\$0	\$2,722,710	\$264,997	\$264,997
Transportation Subprogram - Vehicle Lease Payments	CF	\$617,195	\$0	\$617,195	(\$104,918)	(\$104,918)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Corrections Non-Prioritized Request

Interagency Approval or Related Schedule 13s:

Impacts DPA

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Schedule 13

Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

NP-05 OIT FY22 Budget Request Package

Dept. Approval By:

Ben Williams

Supplemental FY 2020-21

OSPB Approval By:

Ashley Clark

Budget Amendment FY 2021-22

X

Change Request FY 2021-22

Summary Information	Fund	FY 2020-21	Supplemental	FY 2021-22		FY 2022-23
		Initial Appropriation	Request	Base Request	Change Request	Continuation
Total		\$27,601,203	\$0	\$26,576,821	(\$1,847,691)	(\$1,847,691)
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$27,463,196	\$0	\$26,468,726	(\$1,793,738)	(\$1,793,738)
	CF	\$138,007	\$0	\$108,095	(\$53,953)	(\$53,953)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21	Supplemental	FY 2021-22		FY 2022-23
		Initial Appropriation	Request	Base Request	Change Request	Continuation
Total		\$27,601,203	\$0	\$26,576,821	(\$1,847,691)	(\$1,847,691)
FTE		0.0	0.0	0.0	0.0	0.0
03. Support Services, (G) Information Systems Subprogram, (1) Information Systems Subprogram - Payments to OIT	GF	\$27,463,196	\$0	\$26,468,726	(\$1,793,738)	(\$1,793,738)
	CF	\$138,007	\$0	\$108,095	(\$53,953)	(\$53,953)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Corrections Non-Prioritized Request

Interagency Approval or Related Schedule 13s:

Requires OIT Approval

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111 State Capitol
Denver, Colorado 80203

November 2, 2020

Representative Daneya Esgar
Chair, Joint Budget Committee
State Legislative Services Building
200 E. 14th Avenue
Denver, CO 80203

RE: Amendment to FY 2021-22 Budget Request for Corrections

Dear Chair Esgar:

The Office of State Planning and Budgeting is submitting a technical budget amendment to the Governor's FY 2021-22 budget request submitted today. This change was identified after the budget went to print, and we appreciate your consideration of this amendment with the original submission.

The original budget submission includes technical budget requests for the Department of Corrections (R-01 through R-03) based on the most recent forecast provided by the Division of Criminal Justice for the prison population. It has come to our attention that these technical changes could create unintended operational impacts not supported by the Governor. Thus, we submit this amendment to remove the savings associated with these requests (-\$30,607,616) and offset the budget increase with a reduction in the contingency for COVID-19 emergency expenses (reducing that contingency to \$197.5 million) in order for the budget to remain balanced.

OSPB will work with Committee staff and the Department of Corrections to assess the uncertainty around COVID-19, including review of the prison population forecasts expected in December from both the Division of Criminal Justice and Legislative Council. Our goal is to ensure sufficient capacity in the prison system to maximize cohorting, social distancing in order to mitigate the spread of the disease and keep staff and inmates safe during these uncertain times.

Sincerely,

A handwritten signature in blue ink that reads 'Lauren Larson'.

Lauren Larson
Director

Cc:

Representative Daneya Esgar, Chair, Joint Budget Committee
Senator Dominick Moreno, Vice Chair, Joint Budget Committee
Representative Julie McCluskie, Joint Budget Committee
Senator Bob Rankin, Joint Budget Committee
Representative Kim Ransom, Joint Budget Committee
Senator Rachel Zenzinger, Joint Budget Committee
Ms. Carolyn Kampman, Joint Budget Committee Staff Director

Schedule 13

Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

R-01 Align Prison Caseload

Dept. Approval By: _____

Don Williams

Supplemental FY 2020-21

OSPB Approval By: _____

Ashley Clark

Budget Amendment FY 2021-22

X

Change Request FY 2021-22

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$64,271,580	\$0	\$64,271,580	(\$22,043,434)	(\$22,043,434)
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request						
GF		\$61,871,580	\$0	\$61,871,580	(\$22,043,434)	(\$22,043,434)
CF		\$2,400,000	\$0	\$2,400,000	\$0	\$0
RF		\$0	\$0	\$0	\$0	\$0
FF		\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$63,730,014	\$0	\$63,730,014	(\$21,857,602)	(\$21,857,602)
FTE		0.0	0.0	0.0	0.0	0.0
01. Management, (B) External Capacity Subprogram, (2) Payments to House State Prisoners - Payments to In-State Private Prisons						
GF		\$61,330,014	\$0	\$61,330,014	(\$21,857,602)	(\$21,857,602)
CF		\$2,400,000	\$0	\$2,400,000	\$0	\$0
RF		\$0	\$0	\$0	\$0	\$0
FF		\$0	\$0	\$0	\$0	\$0

Total		\$541,566	\$0	\$541,566	(\$185,832)	(\$185,832)
FTE		0.0	0.0	0.0	0.0	0.0
01. Management, (B) External Capacity Subprogram, (2) Payments to House State Prisoners - Inmate Education and Benefit Programs at In-State Private Prisons						
GF		\$541,566	\$0	\$541,566	(\$185,832)	(\$185,832)
CF		\$0	\$0	\$0	\$0	\$0
RF		\$0	\$0	\$0	\$0	\$0
FF		\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Corrections Prioritized Request **Interagency Approval or Related Schedule 13s:** No Other Agency Impact



Department Priority: R-01
Request Detail: Align Prison Caseload

Summary of Funding Change for FY 2021-22				
	Totals		Incremental Change	
	FY 2020-21 Appropriation	FY 2021-22 Base	FY 2021-22 Request	FY 2022-23 Request
Total Funds	\$64,271,580	\$64,271,580	(\$22,043,434)	(\$22,043,434)
FTE	0.0	0.0	0.0	0.0
General Fund	\$61,871,580	\$61,871,580	(\$22,043,434)	(\$22,043,434)
Cash Funds	\$2,400,000	\$2,400,000	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0

Summary of Request:

The Department of Corrections (DOC) requests a reduction of \$22,043,434 General Fund (GF) in fiscal year (FY) 2021-22 in the External Capacity subprogram. The most recent prison population forecast provided by the Division of Criminal Justice (DCJ) is allowing the Department to lower the number of prison beds expected to be utilized in private facilities. The request represents a 28.6 percent reduction in the Department's FY 2020-21 External Capacity subprogram appropriations. This funding proposal allows the Department to have the right number of prison beds available to provide for the safe and efficient housing of inmates, particularly in the era of COVID-19. This request is not considered on the evidence-based policy continuum.

Current Program:

The Department is responsible for the safety and security of the public, staff, and inmates by managing and communicating with inmates while maintaining a safe, humane, and appropriately secure living environment. This entails both day-to-day management as well as long-term living conditions for the inmate population.

The External Capacity subprogram includes funding to house inmates in private prison facilities. In the FY 2020-21 Long Bill, the Department received funding to house inmates in 3,044 private prison beds between the two private facilities with whom the Department contracts for these services: Bent County Correctional Facility (BCCF - capacity 1,388 beds) and Crowley County Correctional Facility (CCCF – capacity 1,800 beds).

The Department utilizes private prison beds when the need to house inmates exceeds the state facility prison capacity, and has historically reduced state bed capacity by a two percent vacancy rate as recommended in the 2013 Prison Utilization Study. However, in light of the recent COVID-19 pandemic and the uncertainty surrounding the future impact the virus and any vaccine may have on the prison population, the Department is keeping more beds vacant in order to minimize inmate contact as much as possible to mitigate the spread of the virus. The Department is factoring in a vacancy rate of 7.775 percent for male beds, resulting in a state male bed capacity of 12,111 (13,132 state beds, less 7.775 percent = 12,111, as shown in Table 5), and a 12.8 percent vacancy rate for female beds, resulting in a female bed capacity of 1,346 (1,544 less 12.8 percent = 1,346, as shown in Table 8).

Problem or Opportunity:

When preparing funding requests for private prison beds, the Department historically reviews prison population forecasts prepared by both Legislative Council Staff (LCS) and the Division of Criminal Justice (DCJ). LCS publishes its forecast annually in December, whereas DCJ publishes an interim summer forecast in addition to its annual December forecast. Table 1 below compares the two most recent DCJ forecasts.

End of Fiscal Year	Dec 2019 Forecast	June 2020 Interim Forecast*	Projected Change from June 2020
2020	19,589	17,441	
2021	19,818	16,154	(1,287)
2022	20,026	16,442	(999)
2023	20,178	16,449	(992)
2024	20,387	16,593	(848)
2025	20,500	16,771	(670)
2026	20,571	16,979	(462)

*2020 number reflects June 30, 2020 actual

As reflected in Table 1, DCJ significantly revised the population forecast due to recent legislation that is moderating the influx of new inmates, policy changes in parole decision making, as well as

a significant decline in parole revocations for technical violations. In the short-term, the COVID-19 pandemic also caused a pause in the court system and a disruption in the intake of new inmates into the correctional system. Based on the June 2020 interim population forecast, the Department will be housing a decreasing number of inmates in FY 2021-22. The total population is expected to be 999 lower by June 30, 2022 compared to the June 30, 2020 actual population. This change represents a 5.7 percent decrease over a two-year period.

As part of the Department of Public Safety (DPS) FY 2021-22 budget request, DPS is requesting a reduction in funding for community corrections beds under the DCJ budget (R-01, Community Corrections Grants). This reduction in community corrections beds is expected to drive an increase in prison beds from both diversion and transition clients who may have otherwise gone to community corrections. DOC is expecting an increased need of 618 male prison beds and 147 female prison beds as a result. However, the overall impact to DOC's bed needs is still a net decrease as compared to current funded levels.

Proposed Solution:

In light of the significant reduction in the prison population as projected by DCJ, the Department requests a reduction of \$22,043,034 General Fund to house the forecasted prison population in FY 2021-22. The requested funding reduction is in the External Capacity subprogram and would reduce the number of private prison beds that are currently funded as part of DOC's operational capacity by 1,044 beds. This reduction also includes a corresponding decrease to the inmate education and benefit programs appropriation based on the lower private prison bed need.

Anticipated Outcomes:

If approved, DOC will have the operational capacity to house the projected decreased inmate population in FY 2021-22. Although the requested operational capacity is lower than what the Department is currently funded for, DOC is budgeting to a higher bed vacancy rate than in the recent past. Given the uncertainty of when a COVID-19 vaccine will become available and thereby end the pandemic, having more beds available enables the housing of inmates at higher risk due to underlying health conditions in a single cell. This also allows the Department to further mitigate the spread of the disease and keep staff and inmates safe, and ultimately protect lives. The utilization of 2,000 private prison beds also makes the two private prisons viable as history shows that when a private prison is operating fewer than 1,000 beds, it struggles to meet contractual obligations.

Furthermore, although the DCJ report forecasts a lower population in the future, there is significant uncertainty around the short- and long-term impacts of COVID-19 on our criminal justice system. In addition, as previously mentioned, the DCJ revised the population forecast due to recent legislation; the true impacts of these legislative changes are unknown. Finally, the DPS request may also increase the need for beds in facilities, but the magnitude of that increase may change. Therefore, the Department is taking a conservative approach in this request by not closing facilities.

Assumptions and Calculations:

The starting point for calculating prison bed requirements is the DCJ June 2020 interim prison population forecast. Since DCJ's projected prison population includes inmates housed in both

prison and community corrections facilities, the Department must estimate the number of inmates that will require a prison bed for the purposes of this funding request. The Department uses a rolling three-month average to estimate both the male and female prison facility populations. Due to the variations caused by the COVID-19 pandemic, the Department used the three-month average prior to the COVID-19 outbreak in Colorado for this request. These calculations are outlined below in Table 2.

Table 2: Rolling Three-Month Averages				
<i>Males</i>	Dec	Jan	Feb	Average
Total Pop.	17,773	17,734	17,673	17,727
# in Facility	16,186	16,131	15,982	16,100
% in Facility	91.1%	91.0%	90.4%	90.8%
 				
<i>Females</i>	Dec	Jan	Feb	Average
Total Pop.	1,941	1,934	1,913	1,929
# in Facility	1,591	1,620	1,618	1,610
% in Facility	82.0%	83.8%	84.6%	83.4%

Next, the Department applied the above percentages to project the average daily population (ADP) for male and female prison facility beds as illustrated in Tables 3 and 4 below.

Table 3: Male Population Projection			
(DCJ June 2020 Interim Forecast)			
End of Month:	Total Pop. Projection	Facility Population (90.8% of total pop.)	Projected Facility ADP
June 2020	15,888	14,426	
June 2021	14,726	13,371	13,899
June 2022	14,995	13,615	13,493

Table 4: Female Population Projection			
(DCJ June 2020 Interim Forecast)			
End of Month:	Total Pop. Projection	Facility Population (83.4% of total pop.)	Projected Facility ADP
June 2020	1,560	1,301	
June 2021	1,428	1,191	1,246
June 2022	1,447	1,207	1,199

Once the ADP for facility beds is determined, it is compared to the Department’s current operational capacity including both state and private facility beds. For this request, the Department is factoring in higher vacancy rates for state beds in order to increase distance between inmates as much as feasibly possible to minimize the spread of the COVID-19 virus.

Table 5 below outlines the need for male prison beds in FY 2021-22. The proposed capacity for state facilities reflects the approved closure of SCC in January 2021, as well as the projected increase in prison beds driven by the reduction in DCJ community corrections beds. As outlined in the table, in FY 2021-22, the Department needs 1,044 fewer private prison beds as compared to the FY 2020-21 funded level.

Table 5: Male Bed Calculations	
Current Capacity	13,384
Less Facility Closures:	
Skyline (closes January 2021)	(252)
Revised Capacity	13,132
Less: 7.775% vacancy rate	(1,021)
State Male Beds/(a)	12,111
FY 22 ADP Projection, based on DCJ Forecast (Table 3)	13,493
Plus:	
Lost Diversion Beds	341
Lost Transition Beds	277
Revised FY 22 ADP Projection/(b)	14,111
Private Prison Bed Need/(b) - (a)	2,000
Current Private Prison Bed Funded Level	3,044
Proposed Private Prison Bed Reduction	1,044

Table 6 outlines the reduction in the Payments to Private Prisons appropriation in FY 2021-22 based on the reduced need for male private prison beds.

Table 6: FY 2021-22 External Capacity Bed Reduction				
Facility	# Days	Daily Per Diem	# Beds Reduced	Total \$ Decrease
Private Prisons	365	\$57.36	1,044	\$21,857,602
Total				\$21,857,602

Reducing the Department’s use of private prison beds will also result in a reduction of funding required in the Inmate Education and Benefit Programs at In-state Private Prisons appropriation in the External Capacity subprogram. The Department is reflecting this reduction of \$185,832 GF in FY 2021-22 as outlined below in Table 7.

Table 7: Private Prison Inmate Benefit Reduction	
FY21 Long Bill Benefit Funding	\$541,566
FY21 Funded Private Beds	3,044
Benefit \$ per Inmate*	\$178
Proposed FY22 Private Bed Reduction	1,044
Proposed FY22 Benefit Reduction	\$185,832
Proposed FY22 Inmate Benefit Funding	\$355,734

*rounded to the nearest whole dollar

Table 8 outlines the beds needed for female inmates in FY 2021-22 based on the new ADPs calculated from the DCJ June forecast. The below calculations reflect the FY 2020-21 decrease in beds at LVCF in the current capacity, as well as the projected increase in prison beds driven by the reduction in DCJ community corrections beds.

Table 8: Female Bed Calculation	
Current Capacity	1,544
Less: 12.8% vacancy rate	(198)
State Female Beds	1,346
FY 22 ADP Projection, based on DCJ Forecast (Table 4)	1,199
Plus:	
Lost Diversion Beds	94
Lost Transition Beds	53
Revised FY 22 ADP Projection	1,346

Table 9 provides a summary of the Department's FY 2021-22 funding request.

Table 9: Request Summary	
Payments to In-state Private Prisons	(\$21,857,602)
Inmate Education and Benefit Programs	(\$185,832)
Total Request	(\$22,043,434)



111 State Capitol
Denver, Colorado 80203

November 2, 2020

Representative Daneya Esgar
Chair, Joint Budget Committee
State Legislative Services Building
200 E. 14th Avenue
Denver, CO 80203

RE: Amendment to FY 2021-22 Budget Request for Corrections

Dear Chair Esgar:

The Office of State Planning and Budgeting is submitting a technical budget amendment to the Governor's FY 2021-22 budget request submitted today. This change was identified after the budget went to print, and we appreciate your consideration of this amendment with the original submission.

The original budget submission includes technical budget requests for the Department of Corrections (R-01 through R-03) based on the most recent forecast provided by the Division of Criminal Justice for the prison population. It has come to our attention that these technical changes could create unintended operational impacts not supported by the Governor. Thus, we submit this amendment to remove the savings associated with these requests (-\$30,607,616) and offset the budget increase with a reduction in the contingency for COVID-19 emergency expenses (reducing that contingency to \$197.5 million) in order for the budget to remain balanced.

OSPB will work with Committee staff and the Department of Corrections to assess the uncertainty around COVID-19, including review of the prison population forecasts expected in December from both the Division of Criminal Justice and Legislative Council. Our goal is to ensure sufficient capacity in the prison system to maximize cohorting, social distancing in order to mitigate the spread of the disease and keep staff and inmates safe during these uncertain times.

Sincerely,

A handwritten signature in blue ink that reads 'Lauren Larson'.

Lauren Larson
Director

Cc:

Representative Daneya Esgar, Chair, Joint Budget Committee
Senator Dominick Moreno, Vice Chair, Joint Budget Committee
Representative Julie McCluskie, Joint Budget Committee
Senator Bob Rankin, Joint Budget Committee
Representative Kim Ransom, Joint Budget Committee
Senator Rachel Zenzinger, Joint Budget Committee
Ms. Carolyn Kampman, Joint Budget Committee Staff Director

Schedule 13

Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

R-02 Align Monitoring Unit Funding

Dept. Approval By: <u><i>Don Williams</i></u>	_____	Supplemental FY 2020-21
OSPB Approval By: <u><i>Ashley Clark</i></u>	_____	Budget Amendment FY 2021-22
	X	Change Request FY 2021-22

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$85,831,813	\$0	\$110,266,706	(\$287,088)	(\$287,088)
FTE		15.7	0.0	15.7	(3.0)	(3.0)
Total of All Line Items Impacted by Change Request	GF	\$82,839,681	\$0	\$107,305,319	(\$287,088)	(\$287,088)
	CF	\$2,992,132	\$0	\$2,961,387	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$45,767,749	\$0	\$70,896,016	(\$30,126)	(\$30,126)
01. Management, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Executive Director's Office Subprogram, (1)	GF	\$43,861,388	\$0	\$68,960,819	(\$30,126)	(\$30,126)
Executive Director's Office Subprogram - Health, Life, and Dental	CF	\$1,906,361	\$0	\$1,935,197	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Total		\$638,143	\$0	\$583,842	(\$314)	(\$314)
01. Management, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Executive Director's Office Subprogram, (1)	GF	\$620,561	\$0	\$568,153	(\$314)	(\$314)
Executive Director's Office Subprogram - Short-term Disability	CF	\$17,582	\$0	\$15,689	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$19,012,344	\$0	\$18,692,493	(\$9,263)	(\$9,263)
01. Management, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Executive Director's Office Subprogram, (1)	GF	\$18,492,983	\$0	\$18,201,976	(\$9,263)	(\$9,263)
Executive Director's Office Subprogram - Amortization Equalization Disbursement	CF	\$519,361	\$0	\$490,517	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$19,012,344	\$0	\$18,692,493	(\$9,263)	(\$9,263)
01. Management, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Executive Director's Office Subprogram, (1)	GF	\$18,492,983	\$0	\$18,201,976	(\$9,263)	(\$9,263)
Executive Director's Office Subprogram - Supplemental Amortization Equalization Disbursement	CF	\$519,361	\$0	\$490,517	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$1,187,790	\$0	\$1,188,419	(\$208,122)	(\$208,122)
01. Management, (B)	FTE	15.7	0.0	15.7	(3.0)	(3.0)
External Capacity Subprogram, (1) Private Prison Monitoring Unit - Personal Services	GF	\$1,187,790	\$0	\$1,188,419	(\$208,122)	(\$208,122)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$213,443	\$0	\$213,443	(\$30,000)	(\$30,000)
01. Management, (B)	FTE	0.0	0.0	0.0	0.0	0.0
External Capacity Subprogram, (1) Private Prison Monitoring Unit - Operating Expenses	GF	\$183,976	\$0	\$183,976	(\$30,000)	(\$30,000)
	CF	\$29,467	\$0	\$29,467	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Corrections Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



Department Priority: R-02
Request Detail: Align Monitoring Unit Funding

Summary of Funding Change for FY 2021-22				
	Totals		Incremental Change	
	FY 2020-21 Appropriation	FY 2021-22 Base	FY 2021-22 Request	FY 2022-23 Request
Total Funds	\$85,831,813	\$110,266,706	(\$287,088)	(\$287,088)
FTE	15.7	15.7	(3.0)	(3.0)
General Fund	\$82,839,681	\$107,305,319	(\$287,088)	(\$287,088)
Cash Funds	\$2,992,132	\$2,961,387	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0

Summary of Request:

The Department of Corrections (DOC) requests the reduction of \$287,088 General Fund (GF) and 3.0 FTE in fiscal year (FY) 2021-22 from the Private Prison Monitoring Unit (PPMU) appropriation in the External Capacity subprogram. The Department began reducing utilization of private prisons during FY 2019-20 and this alignment proposal serves to true-up the resources needed for monitoring two private prisons. This ongoing request represents a 17.4 percent reduction in the PPMU appropriation as compared to FY 2020-21 funded levels. The request will allow the Department to oversee private contract prisons and ensure that these facilities are complying with DOC policies, contract specifications, and American Correctional Association standards. This request is not considered on the evidence-based policy continuum.

Current Program:

The External Capacity subprogram includes funding to house overflow offenders when the prison population exceeds the capacity of state facilities. The PPMU appropriation provides funding to monitor private prisons to ensure they meet classification and risk standards set by the Department for security, construction, religious programming, educational programming, medical, mental health, food service, case management, parole board hearings, and administrative policy.

Problem or Opportunity:

During FY 2019-20, operational capacity changes were made within both state and private prisons. On January 7, 2020, private prison company GEO Group notified the Department that it intended to terminate the FY 2019-20 contract to house offenders at Cheyenne Mountain Re-entry Center (CMRC) within 60 days. This notification accelerated the Department's plan to re-open and utilize Centennial Correctional Facility-South (CCF-S) during FYs 2019-20 and 2020-21. The closure of CMRC allowed for the reduction of resources needed in PPMU including personal services as well as operating expenses.

Proposed Solution:

The Department of Corrections (DOC) proposes a reduction of \$287,088 General Fund (GF) and 3.0 FTE in fiscal year (FY) 2021-22 in the Private Prison Monitoring Unit (PPMU) appropriation in the External Capacity subprogram. This request represents a full 12 months of savings that will continue at the same level in FY 2022-23.

Anticipated Outcomes:

If this request is approved, the Department will retain the appropriate number of staff to effectively monitor two private prisons in FY 2021-22.

It is important to note that there are certain fixed costs and FTE that are necessary in PPMU regardless of the number of private prisons that the unit is required to monitor. For example:

- Case management staff are required to ensure offenders are receiving correct case planning and services;
- Monitors are required to travel to the private prison as necessary to ensure enforcement of DOC policies and regulations;
- A lieutenant is required to monitor and enforce food service standards;
- Health specialists are required to oversee both behavioral and medical health needs;
- A Supervisor for all PPMU staff;
- An Administrative Assistant III coordinates the visitation program;
- A Program Assistant I provides administrative support to all PPMU staff;
- The Associate Director provides oversight for contract compliance and security review.

As a result, even though the Department has previously reduced the number of private prisons under its jurisdiction, DOC is unable to further reduce any PPMU resources beyond what is outlined in this request.

Assumptions and Calculations:*Staff*

FTE: 3.0 FTE – Costs are based on a full 12 months of personal services for two CO IIIs and one CO IV who already are or will be reassigned to other work areas due to the closure of CMRC.

Starting salaries for each position were calculated using the FY 2020-21 Compensation Plan from the Department of Personnel and Administration, with salary adjustments for job classes that DOC pays above the range minimum due to hiring and retention issues.

- For all positions, PERA was calculated at 10.9% of salary.
- Medicare was calculated at 1.45% of salary.
- Health, Life, and Dental was calculated at \$10,042.
- Short-Term Disability was calculated at 0.17%.
- Amortization Equalization Disbursement (AED) was calculated at 5.0%.
- Supplemental Amortization Equalization Disbursement (SAED) was calculated at 5.0%.

Operating

PPMU anticipates that operating expenses can be reduced by \$30,000 in FY 2021-22 due to reduced travel needs.

Summary: PPMU Reductions				
	FY 2021-22		FY 2022-23	
Subprogram	Personal Services	FTE	Personal Services	FTE
1A - HLD	\$30,126		\$30,126	
1A - STD	\$314		\$314	
1A - AED	\$9,263		\$9,263	
1A - SAED	\$9,263		\$9,263	
1B01 - PPMU Personal Services	\$208,122	3.0	\$208,122	3.0
<i>Subtotal</i>	<i>\$257,088</i>	<i>3.0</i>	<i>\$257,088</i>	<i>3.0</i>
1B01 - PPMU Operating	\$30,000		\$30,000	
TOTAL ALL PPMU	\$287,088	3.0	\$287,088	3.0

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111 State Capitol
Denver, Colorado 80203

November 2, 2020

Representative Daneya Esgar
Chair, Joint Budget Committee
State Legislative Services Building
200 E. 14th Avenue
Denver, CO 80203

RE: Amendment to FY 2021-22 Budget Request for Corrections

Dear Chair Esgar:

The Office of State Planning and Budgeting is submitting a technical budget amendment to the Governor's FY 2021-22 budget request submitted today. This change was identified after the budget went to print, and we appreciate your consideration of this amendment with the original submission.

The original budget submission includes technical budget requests for the Department of Corrections (R-01 through R-03) based on the most recent forecast provided by the Division of Criminal Justice for the prison population. It has come to our attention that these technical changes could create unintended operational impacts not supported by the Governor. Thus, we submit this amendment to remove the savings associated with these requests (-\$30,607,616) and offset the budget increase with a reduction in the contingency for COVID-19 emergency expenses (reducing that contingency to \$197.5 million) in order for the budget to remain balanced.

OSPB will work with Committee staff and the Department of Corrections to assess the uncertainty around COVID-19, including review of the prison population forecasts expected in December from both the Division of Criminal Justice and Legislative Council. Our goal is to ensure sufficient capacity in the prison system to maximize cohorting, social distancing in order to mitigate the spread of the disease and keep staff and inmates safe during these uncertain times.

Sincerely,

A handwritten signature in blue ink that reads 'Lauren Larson'.

Lauren Larson
Director

Cc:

Representative Daneya Esgar, Chair, Joint Budget Committee
Senator Dominick Moreno, Vice Chair, Joint Budget Committee
Representative Julie McCluskie, Joint Budget Committee
Senator Bob Rankin, Joint Budget Committee
Representative Kim Ransom, Joint Budget Committee
Senator Rachel Zenzinger, Joint Budget Committee
Ms. Carolyn Kampman, Joint Budget Committee Staff Director


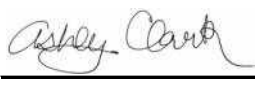
Schedule 13

Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

R-03 Align Medical Caseload Funding

Dept. Approval By:			
OSP B Approval By:			
		X	

Supplemental FY 2020-21
Budget Amendment FY 2021-22
Change Request FY 2021-22

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$58,625,479	\$0	\$58,625,479	(\$8,277,136)	(\$8,277,136)
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$58,625,479	\$0	\$58,625,479	(\$8,277,136)	(\$8,277,136)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$16,914,388	\$0	\$16,914,388	(\$2,307,352)	(\$2,307,352)
FTE		0.0	0.0	0.0	0.0	0.0
02. Institutions, (E) Medical Services Subprogram, (1) Medical Services Subprogram - Purchase of Pharmaceuticals	GF	\$16,914,388	\$0	\$16,914,388	(\$2,307,352)	(\$2,307,352)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Total		\$41,711,091	\$0	\$41,711,091	(\$5,969,784)	(\$5,969,784)
FTE		0.0	0.0	0.0	0.0	0.0
02. Institutions, (E) Medical Services Subprogram, (1) Medical Services Subprogram - External Medical Services	GF	\$41,711,091	\$0	\$41,711,091	(\$5,969,784)	(\$5,969,784)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Corrections Prioritized Request **Interagency Approval or Related Schedule 13s:** No Other Agency Impact



Department Priority: R-03
Request Detail: Align Medical Caseload

Summary of Funding Change for FY 2021-22				
	Totals		Incremental Change	
	FY 2020-21 Appropriation	FY 2021-22 Base	FY 2021-22 Request	FY 2022-23 Request
Total Funds	\$58,625,479	\$58,625,479	(\$8,277,136)	(\$8,277,136)
FTE	0	0	0.0	0.0
General Fund	\$58,625,479	\$58,625,479	(\$8,277,136)	(\$8,277,136)
Cash Funds	\$0	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0

Summary of Request

The Department of Corrections (DOC) requests a General Fund (GF) decrease of \$8,277,136 for fiscal year (FY) 2021-22 in the Medical Services Subprogram appropriations based upon: (1) updated inmate population projections, and (2) projected cost changes for pharmaceuticals and external medical services. The external medical services appropriation was formerly referred to as purchase of medical services from other medical facilities. This request represents an overall decrease of 7.0 percent from the FY 2020-21 Medical Services Subprogram appropriations. This funding proposal allows the Department to retain the funding needed to provide medical care to the inmate population housed in prison facilities. This request is not considered on the evidence-based policy continuum.

Current Program:

External medical services are structured to function like other managed care organizations, providing a full range of health care services. Primary medical care and dental care are provided within the prisons. Ancillary care and provider support are available through traditional services such as pharmacy, laboratory, and radiology. Health care services outside of DOC facilities are currently provided through a managed care network of specialty and institutional providers under contract with Correctional Health Partners (CHP), a third-party administrator. The External Medical Services line item includes specialty and inpatient care provided to inmates under the CHP contract. The Department is beginning the solicitation process of awarding a new contract for managed care as the CHP contract is nearing the end of the contract term.

In response to the COVID-19 pandemic, both services referred to as Telehealth and Telemedicine are instrumental in addressing the medical needs and preventative health education for inmates. Telehealth is the distribution of health-related services and information via electronic information and telecommunication technologies. It allows long-distance inmate and clinician contact, care, advice, reminders, education, intervention, monitoring, and remote admissions. Telemedicine is the exchange of medical information from one location to another using electronic communication, which improves inmate health status.

Prison population changes affect medical services and drive caseloads. To estimate the population for these funding requests, the Department utilized both male and female population projections based on the Division of Criminal Justice (DCJ) Summer projections provided in June 2020. The DOC jurisdictional population was adjusted to add inmates in the Youthful Offender System (YOS). The population details used for this request are found in Table 1.

The Department projects changes for both the external medical services and the pharmaceutical populations for FY 2021-22 as compared to the current FY 2020-21 funded population levels. The request reflects a projected decrease of 2,303 inmates for the external medical services population and a decrease of 1,259 for the pharmaceutical population when compared to the FY 2020-21 funded populations shown in Table 2.

The Medical Services subprogram includes centrally managed operations that provide acute and long-term health care services to all inmates in the DOC system, using both state FTE personnel and contracted health care providers and facilities. Purchase of pharmaceuticals is also included in these services and is a separate appropriation outlined in the Long Bill. During the FY 2014-15 supplemental/FY 2015-16 budget amendment process, the Department requested additional funding in the Purchase of Pharmaceuticals appropriation to treat inmates with chronic hepatitis C (HCV) infections, per guidelines established in May 2014 by the Federal Bureau of Prisons (FBOP). The funding for HCV was later moved into the Hepatitis C Treatment Costs under the Medical Services Subprogram.

Problem or Opportunity:

The Department projects a decrease for the external medical services and a decrease in the pharmaceutical populations for FY 2021-22 as compared to the current FY 2020-21 funded population levels. The request reflects a projected decrease of 2,303 inmates for the external

medical services population and a decrease of 1,259 inmates for the pharmaceutical population when compared to the FY 2020-21 funded populations shown in Table 2.

With the decreased projected inmate population and medical costs, funding adjustments are required to maintain adequate service levels to provide offender health care. CHP provides the Per Offender Per Month (POPM) rates for external medical services. For FY 2021-22, the Department is using CHP's June 2020 projected rate for external medical services. This rate is \$175.20, a \$2.76 decrease compared to rate used for the FY 2020-21 appropriation (Table 3).

The Purchase of Pharmaceuticals line item includes all pharmaceutical expenses for inmates in DOC facilities including the Youthful Offender System (YOS). Inmates that are housed in private prisons, jails, and other non-DOC facilities are not included in the pharmaceutical population. The POPM is derived from actual incurred expenses and projected expenses based on the cost of the Department's pharmaceutical formulary and pharmaceuticals prescribed by providers for inmates. When warranted, the Pharmaceutical POPM is adjusted based on inflationary pricing. Based on the May 2020 CPI-U as published by the U.S. Department of Labor, Bureau of Statistics, there has been a 0.1 percent decrease in the price of pharmaceuticals from May 2019 to May 2020, with a 0.1 percent projected increase in CY 2020.

The Department's inmate population has changed considerably since it requested funding for the purchase of pharmaceuticals in FY 2020-21. As a result, the POPM rate based on current, actual usage has decreased compared to the rate used for the FY 2020-21 appropriation. Additionally, the Department's pharmaceutical vendor has revised their billing process resulting in an additional 0.82% cost savings on pharmaceutical purchases (not including Hep C medications). This change in the vendor's billing process is expected to save the Department approximately \$120,000 per fiscal year. These changes combine to lower the POPM for pharmaceuticals by \$4.68 to a new rate of \$89.32 as shown in Table 3. With the inmate population projected to decrease, no inflationary increase, and a lower POPM rate, the Department is requesting a \$2,307,352 GF decrease in the Purchase of Pharmaceuticals line.

Proposed Solution:

The Department requests a decrease of \$5,969,784 GF in FY 2021-22 to the External Medical Services and a decrease of \$2,307,352 GF in the Purchase of Pharmaceuticals line item.

Anticipated Outcomes:

The request for a decreased appropriation of \$5,969,784 GF in the External Medical Services budget line will allow the Department to more accurately reflect the anticipated need for essential inpatient and outpatient medical care for inmates based on projected population changes and anticipated POPM rate changes. A decrease of \$2,307,352 GF in the Purchase of Pharmaceuticals will bring the funding level in line with the decreased inmate population.

Assumptions and Calculations:

Health care costs fluctuate every year due to increased medical acuity levels of inmates, increases in utilization of medically necessary health care services by inmates, and changes in inmate caseload. The Department used the projected inmate population as determined by the Division of Criminal Justice (DCJ) Summer 2020 interim forecast. The Department calculates the projected

POPM rate based on actual billing charges, projected contractual increases, inflation, and anticipated health care costs.

A managed care contract with CHP provides the Department with continuity of care, trending data, and inmate medical cost analysis. The Department is beginning the solicitation process for a new managed care contract as the current contract with CHP ends in FY 2020-21. Since the Department does not know what the fee structure will be in the new contract, DOC is estimating a \$2.5 million cost for administrative fees based on the current contract cost. The Department uses contract security staff, when possible, to provide security for inmates when they are receiving external medical care. Although DOC has tried to expand these services in order to reduce the overtime burden on facility correctional officers, the Department has not been able to increase the utilization of contract security staff to desired levels. The Department is therefore reducing the expected cost of the security costs for external medical care from what has been requested in previous years and is including an estimate of \$385,000 for security contracts based on actual expenses. These expenses are included in the total medical caseload funding request as shown in Table 4.

Table 4 calculates the overall projected total funding need for FY 2021-22 by multiplying the projected POPM rates by the projected caseload, and then multiplying that result by 12 to calculate the annual need. The funding need for the External Medical Services line also includes the administrative and security fees outlined in Table 3.

Table 5 summarizes the estimated differences in requested FY 2021-22 funding compared to the current FY 2020-21 Long Bill appropriations.

Table 1: Summary of Offender Population Estimates for Line Items in the Medical Services Subprogram, FY 2021-22	
FY 2021-22 Male Average Daily Population (ADP) Projection*	14,111
FY 2021-22 Female ADP Projection*	1,346
DOC Jurisdictional Population	15,457
Plus YOS Population (rolling 12-month average)**	171
External Medical Services Population	15,628
Private Prison Population (<i>reduction</i>)*	(2,000)
Pharmaceutical Population	13,628

* Projections from DCJ Summer projections 2020.

** DCJ projections do not include YOS.

Table 2: Changes in Offender Populations Covered by Medical Services and Pharmaceutical			
	Funded ADP FY 2020-21	Projected ADP FY 2021-22	Change in ADP
Pharmaceutical	14,887	13,628	(1,259)
External Medical Services	17,931	15,628	(2,303)

Table 3: Change in POPM Rate			
	FY 2020-21 POPM	Projected FY 2021-22 POPM	Rate Change POPM
Purchase of Pharmaceuticals	\$94.00	\$89.32	(\$4.68)
External Medical Services**	\$177.96	\$175.20	(\$2.76)

** Projected FY 2021-22 POPM Rates for External Medical Services Expenses are based on June 30, 2020 Incurred But Not Reported (IBNR) projections from Correctional Health Partners

Table 4: Caseload and POPM Changes			
	Projected POPM Rates FY 2021-22	Projected Caseload FY 2021-22	FY 2021-22 Projected Need*
Purchase of Pharmaceuticals	\$89.32	13,628	\$14,607,036
External Medical Services	\$175.20	15,628	\$32,856,307
Administrative Fees			\$2,500,000
Security Contract			\$385,000
Total External Medical Services	\$175.20	15,628	\$35,741,307
Total			\$50,348,343

* Calculation: Projected POPM Rate * Projected Caseload * 12 months = Projected Need

Table 5: Estimated Need			
	FY 2020-21 Long Bill Funding	FY 2021-22 Calculated Need	Estimated Difference in FY 2021-22
Purchase of Pharmaceuticals	\$16,914,388	\$14,607,036	(\$2,307,352)
External Medical Services	\$41,711,091	\$35,741,307	(\$5,969,784)
Total	\$58,625,479	\$50,348,343	(\$8,277,136)

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Schedule 13

Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

R-04 Align Adult Parole Services

Dept. Approval By: *Don Williams*

Supplemental FY 2020-21

OSPB Approval By: *Ashley Clark*

Budget Amendment FY 2021-22

X

Change Request FY 2021-22

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$131,985,897	\$0	\$156,439,120	(\$5,333,158)	(\$5,426,084)
FTE		387.0	0.0	387.0	(13.8)	(15.0)
Total of All Line Items Impacted by Change Request	GF	\$125,415,050	\$0	\$149,899,018	(\$5,333,158)	(\$5,426,084)
	CF	\$2,962,665	\$0	\$2,931,920	\$0	\$0
	RF	\$3,608,182	\$0	\$3,608,182	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$45,767,749	\$0	\$70,896,016	(\$140,586)	(\$150,628)
01. Management, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Executive Director's Office Subprogram, (1)	GF	\$43,861,388	\$0	\$68,960,819	(\$140,586)	(\$150,628)
Executive Director's Office Subprogram - Health, Life, and Dental	CF	\$1,906,361	\$0	\$1,935,197	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Total		\$638,143	\$0	\$583,842	(\$1,265)	(\$1,380)
01. Management, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Executive Director's Office Subprogram, (1)	GF	\$620,561	\$0	\$568,153	(\$1,265)	(\$1,380)
Executive Director's Office Subprogram - Short-term Disability	CF	\$17,582	\$0	\$15,689	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$19,012,344	\$0	\$18,692,493	(\$37,208)	(\$40,590)
01. Management, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Executive Director's Office Subprogram, (1)	GF	\$18,492,983	\$0	\$18,201,976	(\$37,208)	(\$40,590)
Executive Director's Office Subprogram - Amortization Equalization Disbursement	CF	\$519,361	\$0	\$490,517	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
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	Total	\$19,012,344	\$0	\$18,692,493	(\$37,208)	(\$40,590)
01. Management, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Executive Director's Office Subprogram, (1)	GF	\$18,492,983	\$0	\$18,201,976	(\$37,208)	(\$40,590)
Executive Director's Office Subprogram - Supplemental Amortization Equalization Disbursement	CF	\$519,361	\$0	\$490,517	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
<hr/>						
	Total	\$1,638,297	\$0	\$1,640,997	(\$6,750)	(\$6,750)
03. Support Services, (D)	FTE	0.0	0.0	0.0	0.0	0.0
Communications Subprogram, (1)	GF	\$1,638,297	\$0	\$1,640,997	(\$6,750)	(\$6,750)
Communications Subprogram - Operating Expenses	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
<hr/>						
	Total	\$1,395,409	\$0	\$1,397,809	(\$6,000)	(\$6,000)
03. Support Services, (G)	FTE	0.0	0.0	0.0	0.0	0.0
Information Systems Subprogram, (1)	GF	\$1,395,409	\$0	\$1,397,809	(\$6,000)	(\$6,000)
Information Systems Subprogram - Operating Expenses	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
<hr/>						
	Total	\$19,686,787	\$0	\$19,697,212	\$1,337,684	\$1,459,292
05. Community Services, (A) Parole Subprogram, (1) Parole Subprogram - Personal Services	FTE	303.2	0.0	303.2	22.0	24.0
	GF	\$19,686,787	\$0	\$19,697,212	\$1,337,684	\$1,459,292
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$2,616,320	\$0	\$2,616,320	\$78,528	\$78,528
	FTE	0.0	0.0	0.0	0.0	0.0
05. Community Services, (A) Parole Subprogram,	GF	\$2,616,320	\$0	\$2,616,320	\$78,528	\$78,528
(1) Parole Subprogram - Operating Expenses	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$8,573,747	\$0	\$8,573,747	(\$1,203,000)	(\$1,203,000)
	FTE	0.0	0.0	0.0	0.0	0.0
05. Community Services, (A) Parole Subprogram,	GF	\$5,217,716	\$0	\$5,217,716	(\$1,203,000)	(\$1,203,000)
(1) Parole Subprogram - Parolee Supervision and Support Services	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$3,356,031	\$0	\$3,356,031	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$2,313,414	\$0	\$2,313,414	(\$936,000)	(\$936,000)
	FTE	0.0	0.0	0.0	0.0	0.0
05. Community Services, (A) Parole Subprogram,	GF	\$2,313,414	\$0	\$2,313,414	(\$936,000)	(\$936,000)
(1) Parole Subprogram - Wrap-Around Services Program	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$6,484,410	\$0	\$6,487,844	(\$2,173,736)	(\$2,371,349)
	FTE	83.8	0.0	83.8	(35.8)	(39.0)
05. Community Services, (B) Community Supervision Subprogram,	GF	\$6,484,410	\$0	\$6,487,844	(\$2,173,736)	(\$2,371,349)
(1) Community Supervision - Personal Services	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$632,650	\$0	\$632,650	(\$127,608)	(\$127,608)
	FTE	0.0	0.0	0.0	0.0	0.0
05. Community Services, (B) Community Supervision Subprogram,	GF	\$632,650	\$0	\$632,650	(\$127,608)	(\$127,608)
(1) Community Supervision - Operating Expenses	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$111,400	\$0	\$111,400	(\$80,000)	(\$80,000)
05. Community Services,	FTE	0.0	0.0	0.0	0.0	0.0
(B) Community	GF	\$111,400	\$0	\$111,400	(\$80,000)	(\$80,000)
Supervision Subprogram,	CF	\$0	\$0	\$0	\$0	\$0
(1) Community	RF	\$0	\$0	\$0	\$0	\$0
Supervision -	FF	\$0	\$0	\$0	\$0	\$0
Psychotropic Medication						

	Total	\$4,102,883	\$0	\$4,102,883	(\$2,000,009)	(\$2,000,009)
05. Community Services,	FTE	0.0	0.0	0.0	0.0	0.0
(B) Community	GF	\$3,850,732	\$0	\$3,850,732	(\$2,000,009)	(\$2,000,009)
Supervision Subprogram,	CF	\$0	\$0	\$0	\$0	\$0
(1) Community	RF	\$252,151	\$0	\$252,151	\$0	\$0
Supervision -	FF	\$0	\$0	\$0	\$0	\$0
Community Supervision						
Support Services						

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Corrections Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



Department Priority: R-04
Request Detail: Align Adult Parole Services

Summary of Funding Change for FY 2021-22				
	Totals		Incremental Change	
	FY 2020-21 Appropriation	FY 2021-22 Base	FY 2021-22 Request	FY 2022-23 Request
Total Funds	\$131,985,897	\$156,439,120	(\$5,333,158)	(\$5,426,084)
FTE	387.0	387.0	(13.8)	(15.0)
General Fund	\$125,415,050	\$149,899,018	(\$5,333,158)	(\$5,426,084)
Cash Funds	\$2,962,665	\$2,931,920	\$0	\$0
Reappropriated Funds	\$3,608,182	\$3,608,182	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0

Summary of Request

The Department of Corrections (DOC) requests a funding alignment from the Division of Adult Parole of \$5,333,158 General Fund (GF) and 13.8 FTE in fiscal year (FY) 2021-22 and an alignment of \$5,426,084 GF and 15.0 FTE in FY 2022-23. This is due to population changes and the Division’s utilization of risk assessment best practices for supervision in the Parole and Community Supervision subprograms. This proposal represents a 1.8 percent reduction in the Parole subprogram and a 3.9 percent reduction in the Community Supervision subprogram as compared to FY 2020-21 funded levels. This request retains the funding needed to develop and implement proactive strategies to support the Department’s priority of decreasing the recidivism rate. This request is not considered on the evidence-based policy continuum.

Current Program:

The Division of Adult Parole is responsible for the administration and risk management of the Parole Subprogram and Community Supervision Subprogram including these statewide programs: residential, non-residential, and Intensive Supervision Program (ISP). This includes supervision of parolees and inmates, monitoring of contract jail facilities, intervention services, and risk reduction through contract services.

Problem or Opportunity:

The Division of Adult Parole continues to evolve its practices as it implements evidence-based principles related to managing parolees and inmates. The resulting change in practices along with a change in the composition of the populations managed by the Division combine to offer an opportunity to realign and reduce funding appropriated to the Division.

Research indicates that agencies should avoid the over supervision of low risk offenders (term used for both parolees and inmates) and concentrate resources and efforts on those offenders that have a high likelihood to re-offend. This includes supervising parolees and inmates according to their risk, needs, and specific characteristics.

- **Risk principle:** Match the level of service to the offender's risk to re-offend.
- **Need principle:** Assess criminogenic needs and target them in treatment.
- **Responsivity principle:** Maximize the offender's ability to learn from a rehabilitative intervention by tailoring the intervention to the learning style, motivation, abilities, and strengths of the offender.

By adopting this model, the Division will be able to maximize caseload ratios for offenders that are low risk/need while reducing caseloads and focusing greater attention on higher risk offenders. The following chart details the level of risk and the typical risk score by percentage of the population to determine the level of supervision.

Risk Level Model Breakdown by Population					
	Division of Adult Parole				
Population Status Breakdown	Admin	Low	Med	High	ISP P
Population Percentage by Risk Score	10%	10%	35%	35%	10%

Additional best practices being evaluated are:

Reduction in Technical Parole Violations (TPV) - The Division of Adult Parole continues to evaluate the intervention strategies and incorporate behavioral change approaches specifically focused on high risk/high need populations. Enhancing the transition planning process for those released on parole, along with incorporating a more robust staffing model, will positively support client needs within the community. Utilizing actuarial risk assessments to inform client-centered case plans, with the goal of targeting client need and risk areas with alternative interventions, the Division anticipates a reduction in technical parole arrests, and as such, a reduced revocation result.

Utilization of evidence-based interventions, incorporating staffing models, collaboration with community-based partners and supportive services, and focusing attention on stabilization factors such as employment and housing, allows for a decreased reliance upon jail as the answer to risk and need. Going forward, the Division will be heavily focused upon risk/needs assessment (RNA) driven case plans, and incorporation of an in-reach based transitional model to further strengthen the bridge for an inmate releasing to the community.

Ratio for Community and ISP Inmates - The staffing for Community Supervision is currently based on a ratio of 60 community inmates to 1 Community Parole Officer (CPO) with the ISP ratio at 25 community inmates to 1 CPO; under this construct, staff are often supervising and providing services to community inmates in both programs. Many of the services overlap in both programs and parole offices often have mixed caseloads for both sets of community inmates. In this request, the Department is returning to a caseload ratio of 68 to 1 CPO for community inmates and continues the 25 to 1 CPO for ISP inmates. The 68:1 ratio was used in the past and the Department believes this provides the right level of supervision going forward.

In addition to changing the caseload ratio for community inmates, the Department is also requesting to realign CPO FTE from the Community Supervision subprogram to the Parole subprogram to reflect the shift in populations managed. The community population that current staffing levels are based on is now lower while the parole population has increased with no corresponding staff increase. Based on this population shift, the CPO workforce has been internally realigned for day-to-day needs and this request serves to true-up where resources are being spent for a more accurate accounting of costs. (Table 4)

Proposed Solution:

The Department requests a decrease in the Division of Adult Parole of \$5,333,158 in GF and 13.8 FTE in FY 2021-22, annualizing to a decrease of \$5,426,084 GF and 15.0 FTE in FY 2022-23, due to population and service delivery changes in the Parole and Community Supervision subprograms. The Parole subprogram requests a reduction of \$722,788 GF and an increase of 22.0 FTE and the Community Supervision subprogram requests a reduction of \$4,381,353 GF and 35.8 FTE in FY 2021-22. In FY 2022-23 the total amount for Parole is a decrease of \$601,180 GF and an increase of 24.0 FTE and Community Supervision is a decrease of \$4,578,966 GF and 15.0 FTE.

For the determination of staffing needs for each program, the Department is using current populations as of June 30, 2020. The parole population has steadily increased in recent years while the community population has remained relatively steady as indicated in Table 2. The projected parole population from the Division of Criminal Justice (DCJ) has consistently fluctuated from projection to projection and has not been a good indicator of the true population the last couple of years. While it was expected that efforts to increase the placement of inmates into the community would increase this population, this has not happened thus leading to the proposed realignment of FTE from Community Supervision to Parole.

The following narrative supports the recommended budget adjustments to the Division of Adult Parole. The recommended and expected cost savings are based on forecasted needs, strategic reductions, and operational adjustments.

Realign CPO's for Parole and Community Supervision

Using current population for the calculation of the Risk Level Model outlined above for Parole, the Department has calculated that an additional 24 CPO's are required to manage the parole caseload. When applying the same methods to the Community population, the Department needs 39 fewer CPO's than are currently funded. This request results in a net change of 15 fewer CPO's in the Division of Adult Parole. (Tables 1, 2 & 3)

The Department is currently funded for a combined total of 2,300 Community and Community ISP inmates. There was an average of 1,550 inmates in the Community and Community ISP program during the last three fiscal years. Using the ratio of 68 for Community and 25 for ISP inmates per one CPO, the Department proposes a reduction of 39 CPO's due to the population change. (Table 3)

This funding request also includes decreases in various contract funding lines. The contract decreases are based upon applying these best practice components: 1) the Need Principle assesses criminogenic needs and targets an individual in appropriate treatment; and 2) utilizing the Responsivity Principle maximizes the offender's ability to learn from a rehabilitative intervention by tailoring the intervention to the learning style, motivation, abilities, and strengths of the offender. (Tables 8 & 9)

Overview of Contract Service Reductions:

- Electronic Monitoring (\$1,000,000) ~ The over use of electronic monitoring (EM) to manage offenders in the community can lead to disproportionate supervision which has proven to have an adverse effect on rehabilitative efforts. In February 2020, the Division of Adult Parole implemented strategic steps to reduce the use of EM by 35 percent. These efforts will continue with the goal of reducing the use of EM by 50 percent.
- Approved Treatment Provider (ATP) Services (\$700,000) ~ The service contract and corresponding funding for the assessment, case management, and referral of offenders with substance abuse, mental health, and sex offender treatment needs to approved treatment providers ended in June 2020. CPOs have since returned to providing case management services and treatment coordinator case managers will submit referrals to approved treatment providers. As part of this change, offenders will have a choice when selecting treatment providers rather than being steered to a specific provider. The identified savings of \$700,000 is expected to come from increased usage of Medicaid to pay for eligible treatment.
- 1A Smart Start (\$73,000) ~ This contract is for Statewide Electronic Alcohol Monitoring and Ignition Interlock services. This can be eliminated as there is another vendor that provides this service and whose contract is more comprehensive in the scope of services offered.

- US Corrections ~ Extradition (\$100,000) ~ By implementing case reviews that assess the public safety risk of offenders being held out of state, fewer extraditions are expected thereby reducing future expenditures.
- Jail-Based Treatment (\$230,000) ~ The cost for jail-based treatment for those in a community setting will now be funded from the Correctional Treatment Cash Fund that is reappropriated to the Department.
- CCJRC GO Books (\$30,000) ~ This expense can be diverted.
- Offender Training (\$299,460) ~ This service and cost will be diverted to community support systems rather than being funded by the Department.
- Work Force Centers (\$406,549) ~ This supportive funding and service will be diverted to local work force centers and other community support systems rather than being funded by the Department.
- Indigent Travel (\$100,000) ~ This is a programmatic reduction in the purchase of Regional Transportation District (RTD) bus passes for offenders.
- Urinalysis analysis (UA's) (\$400,000) ~ Policy adjustments to the criteria of random and suspicious UA schedules will be made utilizing the risk level and treatment needs of the offender. The adjustment is expected to produce the identified cost savings.
- Sex Offender Treatment and Polygraphs (\$800,000) ~ The Division created a new unit that supervises and monitors offenders convicted of sex offenses. The unit is expected to establish continuity of care, increase the use of interventions, monitor treatment progress, and conduct case reviews based on treatment needs. The anticipated impact is a reduction in services required.
- Psychotropic medication (\$80,000) ~ The allocation required for psychotropic medication continues to decrease due to the increased utilization of Medicaid for this expense.

Background on Select Contract Service Reductions:

Electronic Monitoring. The Parole Division's historical approach was the application of EM for all Intensive Supervision Program-Parole (ISP-P) and Intensive Supervision Program-Inmate (ISP-I) offenders. ISP-P was typically utilized within the higher risk populations upon release, and as a regressive intervention/sanction for lower to medium risk populations. ISP-I cases are typically positive progressions and these individuals have earned ISP-I status as a transition from Community Corrections prior to paroling.

The Division's policy required EM for all clients on ISP-P and ISP-I regardless of risk/need. The Division's current/future state involves designating the use of EM as a tool, separate from intensive supervision programming (which is more relative to trauma informed dosage, rapport building contacts, and interventions related to skill building, problem-solving, and cognitive restructuring).

The Division's next steps involve evaluating and utilizing EM as a tool for specific areas of risk/need: high risk/need (victim alerts or exclusion areas, surveillance, curfew setting, regressive) or low risk/need (kiosk, smartlink video connect in lieu of in-person, progressive steps toward movement to administrative caseloads). The literature around over-supervision is typically related to low-risk individuals and those who are already pro-social and low risk do not benefit from criminal justice system involvement, and oftentimes, do worse due to the exposure to negative influences.

Literature suggests that increasing controls and supervision intensity for lower risk offenders has a negative effect on their rehabilitation and has had the collateral effect of having no impact on offending rates. Information also suggests that the use of electronic monitoring increases technical violations and incarceration rates.¹ More supervision requirements tend to place an individual at even greater risk for programmatic or technical violations.² Public safety risks of every offender must be balanced with an appropriate level of service, given evidence that over-supervision can lead to disruptions in prosocial ties and networks in the community³ and expose individuals to antisocial behaviors and attitudes with the potential of forming new peer associates.⁴ Alternative methods of management should be employed for low risk offenders emphasizing problem-solving skills and referrals to external agencies for support, when necessary. Findings revealed that the problem-solving approach has had positive results for low to medium and medium to high risk groups.⁵ This suggests a potential alternative to over-supervision.

Medicaid. The Parole Division, in coordination with the Department of Health Care Policy and Financing (HCPF), is using Medicaid as the primary source of funding treatment services when an individual is Medicaid eligible. Not all offenders will be eligible and not all services qualify for Medicaid (i.e., sex offender treatment, polygraphs, domestic violence, anger management, etc.). Only services such as substance abuse and behavioral health may qualify if they meet assessed levels and the individual is Medicaid eligible. HCPF has been a great partner during this transition and has provided the Division technical assistance and support with coordinating this new process with the Regional Accountability Entities (RAE's).

Work Force Centers. Historically, the Division has partnered with Arapahoe/Douglas Works (FY 2020-21 allocation: \$119,548) and the Pikes Peak Workforce Center (FY 2020/21 allocation: \$287,000) for a total of \$406,548. For FY 2021-22, this supportive funding and related services will be diverted to local workforce centers rather than being funded by the Department. The Division of Adult Parole has increased parolee referrals to their WAGEES (Work and Gain Education and Employment Skills) partners from 1,452 to 3,286 (FY 2019-20) and has set an aggressive goal of 3,600 referrals for FY 2020-21. The Division anticipates enhancing and expanding community partnerships for FY 2021-22 which should offset the reduction in funding.

Indigent Travel. There are several progressive changes that are expected to drive lower expenses for indigent travel. The transition to a "client choice" model for offenders and parolees allows them to select a local treatment provider prior to release and while on parole which should reduce transportation costs. In addition, the Parole Division has increased the reliance on community partners who either provide transportation options and/or bus passes to parolees as an incentive to progress while under supervision. Last, the Division is utilizing technology such as cell phones and place-based supervision to minimize the need for offenders to report to their assigned parole office.

¹ ([Hyatt & Barnes, 2017](#); [Petersilia & Turner, 1993](#))

² ([Petersilia & Turner, 1993](#); [Taxman, 2002, 2012](#))

³ ([Andrews & Bonta, 2010](#); [Dishion, McCord, & Poulin, 1999](#); [Lowenkamp & Latessa, 2004, 2005](#))

⁴ ([Lowenkamp & Latessa, 2005](#); [Lowenkamp, Latessa, & Holsinger, 2006](#); [O'Leary & Clear, 1984](#))

⁵ ([Pearson et al., 2011](#))

Sex Offender (SO) Treatment. The Division's proposal is based on an estimated reduction in SO treatment, improvements in case management and risk reduction strategies, and recent legislation that requires inmates to progress in treatment within the institutions prior to release into the community.

Prior to the creation of the SXO unit, there was a lack of consistency in approach, which led to (in some cases) over-supervision of what is historically a lower risk, and oftentimes pro-social population. Old habits and beliefs of the "no known cure/control and containment" model to reinforce public safety have been replaced by the belief system that offenders are capable of changing their problematic/criminal behavior, and that the application of Evidence-Based Practice (EBP) approaches based upon the individual's risk/need/responsivity (RNR) factors is the optimal path to an offender's successful re-entry.

Initial efforts by the Department led to policy revisions with an emphasis on an individualized RNR approach. Drift and lack of consistency in informed oversight resulted in the application of a one size fits all model, which led to increased reliance upon polygraphs and treatment. This in turn, has the potential impact of elevating expenditures related to treatment funding. With the inception of the SXO unit, the Parole Division anticipates greater consistency and reinforcement of EBP as it relates to sex offender supervision. Additionally, the Division anticipates a reduction in the reliance upon polygraphs, Electronic Monitoring in some cases, and lengthy stays in treatment. Instead of the treatment/monitoring model where an offender cannot earn their way to a low risk caseload (via demonstrated behavioral change), the Division is developing an RNR approach to sex offender supervision, based upon EBP and utilizing interventions such as polygraphs and EM only where necessary, with a focus upon the individual's needs.

Additionally, with the passage of Senate Bill 20-085, inmates sentenced pursuant to the "Colorado Sex Offender Lifetime Supervision Act of 1998" may be released to a community corrections program only if the inmate meets certain requirements for an inmate being released on parole. These requirements include successfully progressing in sex offender treatment as determined by DOC and ensuring that the inmate would not pose a threat to the community if released to community corrections. It is anticipated that this will reduce treatment need and duration once offenders are released into the community.

Anticipated Outcomes:

The staffing realignment within the Division and best practices of the risk model will accurately reflect the funding and staffing in each subprogram based upon applying standard officer staffing ratios. The contract decreases are based upon applying these best practice components: The Need Principle which assesses criminogenic needs and targets an individual in appropriate treatment; and utilizing the Responsivity Principle to maximize the parolee's ability to learn from a rehabilitative intervention by tailoring the intervention to the learning style, motivation, abilities, and strengths of the offender.

Assuming the requested General Fund reductions are not redirected elsewhere, the winners in this scenario would be the taxpayers and the State as a whole, as this would reduce General Fund

appropriations and expenditures. The losers in this scenario would be the vendors and contractors that the Department would decrease funding to. In addition, the Division would have fewer job opportunities for those that have a calling to supervise offenders in the community. This reduction will not hinder the Department from reaching the goals in its performance plans.

Assumptions and Calculations:

Table 1 ~ Parole Population*	
Parole Caseload	12,801
Less Out of State - Interstate Compact	(1,357)
Total Parole Domestic Population	11,444
Residential Transition Inmates Population	932
ISP Inmates	330
Total Community Supervision	1,262
Total Parole & Community Supervision Caseloads	12,706

* DOC Monthly Population and Capacity Report June 30, 2020

Table 2 ~ Community Supervision Population				
	AVG	AVG	AVG	3 YEAR
	FY 2017-18	FY 2018-19	FY 2019-20	AVG
Community ~ Residential	1,322	1,420	1,305	1,349
Community ISP				
Community Return to Custody (CRCF)*	13	0	0	5
ISP ~ Inmate	220	163	205	196
Total Community ISP Supervision	234	163	205	201
Total Community & ISP	1,556	1,583	1,510	1,550

*Program was abolished in FY 2018-19

Table 3 ~ Risk Level Breakdown by Population and Program							
Population Status Breakdown	Parole					Community Supervision	
	Admin	Low	Med	High	ISP P	ISP I	Residential
Population % by Risk score	10%	10%	35%	35%	10%	NA	NA
Total	1,144	1,144	4,005	4,005	1,144	330	932
Effective Caseload Ratio	1:200		1:68	1:50	1:25	1:25	1:68

Table 3 ~ Risk Level Breakdown by Population and Program						
	Parole				Community Supervision	
Number of CPO's needed per caseload	12	59	80	45	13	14

Table 4 ~ CPO Staffing Needs & Realignment per Program			
	Parole	Community	Total
Current Funded Positions			
CPO	167.0	65.0	232.0
CPTL	5.0	1.0	6.0
Total Positions Available for Caseload	172.0	66.0	238.0
Total Positions Needed for Caseload	196.0	27.0	223.0
Difference Before DI	(24.0)	39.0	15.0
Decision Item (realign 24 CPOs and turn back 15 CPOs)	24.0	(39.0)	(15.0)
Revised Positions Available for Caseload	196.0	27.0	223.0
Total Positions Needed for Caseload	196.0	27.0	223.0
Difference After DI	0.0	0.0	0.0

Parole staffing increases 24.0 FTE and Community Supervision decreases staffing of 39.0 FTE for a net decrease of 15.0 FTE CPO's.

Table 5 ~ Adult Parole Personal Services Summary							
FY 2021-22							
Parole							
	FTE Request	Personal Services*	HLD	STD	AED	SAED	Total Request
CPO	22.0	\$1,337,684	\$220,922	\$2,024	\$59,532	\$59,532	\$1,679,694
Sub-Total	22.0	\$1,337,684	\$220,922	\$2,024	\$59,532	\$59,532	\$1,679,694
Community Supervision							
	FTE Request	Personal Services*	HLD	STD	AED	SAED	Total Request
CPO	(35.8)	(\$2,173,736)	(\$361,508)	(\$3,289)	(\$96,740)	(\$96,740)	(\$2,732,013)
Sub-Total	(35.8)	(\$2,173,736)	(\$361,508)	(\$3,289)	(\$96,740)	(\$96,740)	(\$2,732,013)
Total	(13.8)	(\$836,052)	(\$140,586)	(\$1,265)	(\$37,208)	(\$37,208)	(\$1,052,319)

* Includes PERA and Medicare

Table 6 ~ Adult Parole Personal Services Summary							
FY 2022-23							
Parole							
	FTE Request	Personal Services*	HLD	STD	AED	SAED	Total Request
CPO	24.0	\$1,459,292	\$241,006	\$2,208	\$64,944	\$64,944	\$1,832,394
Sub-Total	24.0	\$1,459,292	\$241,006	\$2,208	\$64,944	\$64,944	\$1,832,394
Community Supervision							
	FTE Request	Personal Services*	HLD	STD	AED	SAED	Total Request
CPO	(39.0)	(\$2,371,349)	(\$391,634)	(\$3,588)	(\$105,534)	(\$105,534)	(\$2,977,639)
Sub-Total	(39.0)	(\$2,371,349)	(\$391,634)	(\$3,588)	(\$105,534)	(\$105,534)	(\$2,977,639)
Total	(15.0)	(\$912,057)	(\$150,628)	(\$1,380)	(\$40,590)	(\$40,590)	(\$1,145,245)

* Includes PERA and Medicare

Salaries for these positions were calculated using the FY 2020-21 Compensation Plan from the Department of Personnel and Administration, with salary adjustments for job classes that DOC hires above the pay grade minimum due to hiring and retention issues. Personal Services for FY 2021-22 are based on 11 months of personal services due to the pay-date shift.

- For all positions, PERA was calculated at 10.9% of salary.
- Medicare was calculated at 1.45% of salary.
- Health, Life, and Dental was calculated at \$10,042.
- Short-Term Disability was calculated at 0.17%.
- Amortization Equalization Disbursement (AED) was calculated at 5.0%.
- Supplemental Amortization Equalization Disbursement (SAED) was calculated at 5.0%.

Table 7 ~ Operating Expenses for Parole and Community Supervision			
	FTE	Cost	Request
Parole			
Total Operating Increase	24.0		\$78,528
Operating Expense	24.0	\$500	\$12,000
Officer Vehicle Operating by Vehicles			
Variable Mileage Rate (based on 24 vehicles) (FY 2020-21 rate is 24 x \$2,772 = \$66,528)	24	\$2,722	\$66,528
Community Supervision			
Total Operating Decrease	(39.0)		(\$127,608)
Operating Expense	(39.0)	\$500	(\$19,500)
Officer Vehicle Operating by Vehicles			

Table 7 ~ Operating Expenses for Parole and Community Supervision			
	FTE	Cost	Request
Variable Mileage Rate (based on 39 vehicles) (FY 2020-21 rate is 39 x \$2,772 = \$108,108)	(39)	\$2,722	(\$108,108)
General FTE Operating Expenses			
(3)(D) Communications - Telephone Expense	(15.0)	\$450	(\$6,750)
(3)(G) Information Systems	(15.0)	\$400	(\$6,000)

Table 8 ~ Contract Services Reductions for FY 2021-22	
Contract Service	Reduction
BI - Electronic Monitoring	(\$1,000,000)
ATP Services	(\$700,000)
1A - Smart Start	(\$73,000)
US Corrections - Extradition	(\$100,000)
Jail-Based Treatment	(\$230,000)
CCJRC - Go Books	(\$30,000)
Offender Training	(\$299,460)
Work Force Centers	(\$406,549)
Indigent Travel	(\$100,000)
UA'S	(\$400,000)
Sex Offender Treatment	(\$600,000)
Polygraphs	(\$200,000)
AVIA (Psychotropic Meds)	(\$80,000)
Total Reductions	(\$4,219,009)

Table 9 ~ Breakdown of Reductions by Contract Line	
Fund Name	Potential Savings
(5)(A) Parole Supervision & Support Services	(\$1,203,000)
(5)(A) Wrap-Around Services	(\$936,000)
Subtotal (5)(A) Parole	(\$2,139,000)
(5)(B) Community Supervision Support Services	(\$2,000,009)
(5)(B) Psychotropic Medication	(\$80,000)
Subtotal (5)(B) Community	(\$2,080,009)
Grand Total	(\$4,219,009)

Table ~ 10	FY 2021-22		
Summary	Total Funds	General Fund	FTE
Total Request	(\$5,333,158)	(\$5,333,158)	(13.8)
(1)(A) Executive Director's Office Subprogram			
Health, Life and Dental	(\$140,586)	(\$140,586)	
Short-term Disability	(\$1,265)	(\$1,265)	
Amortization Equalization Disbursement	(\$37,208)	(\$37,208)	
Supplemental Amortization Equalization Disb.	(\$37,208)	(\$37,208)	
Total Executive Director's Office	(\$216,267)	(\$216,267)	
(3)(D) Communications Operating Expenses	(\$6,750)	(\$6,750)	
(3)(G) Information Systems Operating Expenses	(\$6,000)	(\$6,000)	
(5)(A) Parole Personal Services	\$1,337,684	\$1,337,684	22.0
(5)(A) Parole Operating Expenses	\$78,528	\$78,528	
(5)(A) Parole Supervision & Support Services	(\$1,203,000)	(\$1,203,000)	
(5)(A) Wrap-Around Services	(\$936,000)	(\$936,000)	
(5)(B) Community Personal Services	(\$2,173,736)	(\$2,173,736)	(35.8)
(5)(B) Community Operating Expenses	(\$127,608)	(\$127,608)	
(5)(B) Community Supervision Support Services	(\$2,000,009)	(\$2,000,009)	
(5)(B) Psychotropic Medication	(\$80,000)	(\$80,000)	

Table ~ 11	FY 2022-23		
Summary	Total Funds	General Fund	FTE
Total Request	(\$5,426,084)	(\$5,426,084)	(15.0)
(1)(A) Executive Director's Office Subprogram			
Health, Life and Dental	(\$150,628)	(\$150,628)	
Short-term Disability	(\$1,380)	(\$1,380)	
Amortization Equalization Disbursement	(\$40,590)	(\$40,590)	
Supplemental Amortization Equalization Disb.	(\$40,590)	(\$40,590)	
Total Executive Director's Office	(\$233,188)	(\$233,188)	
(3)(D) Communications Operating Expenses	(\$6,750)	(\$6,750)	
(3)(G) Information Systems Operating Expenses	(\$6,000)	(\$6,000)	
(5)(A) Parole Personal Services	\$1,459,292	\$1,459,292	24.0
(5)(A) Parole Operating Expenses	\$78,528	\$78,528	
(5)(A) Parole Supervision & Support Services	(\$1,203,000)	(\$1,203,000)	
(5)(A) Wrap-Around Services	(\$936,000)	(\$936,000)	
(5)(B) Community Personal Services	(\$2,371,349)	(\$2,371,349)	(39.0)
(5)(B) Community Operating Expenses	(\$127,608)	(\$127,608)	
(5)(B) Community Supervision Support Services	(\$2,000,009)	(\$2,000,009)	
(5)(B) Psychotropic Medication	(\$80,000)	(\$80,000)	



Schedule 13

Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

R-05 Align Cash & Reappropriated Funds Spending Authority

Dept. Approval By:			Supplemental FY 2020-21
OSPB Approval By:			Budget Amendment FY 2021-22
		X	Change Request FY 2021-22

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental	Base Request	Change Request	Continuation
			Request			
	Total	\$76,385,047	\$0	\$76,385,047	(\$9,377,659)	(\$9,377,659)
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$24,391,385	\$0	\$24,391,385	\$0	\$0
	CF	\$13,865,563	\$0	\$13,865,563	(\$2,292,605)	(\$2,292,605)
	RF	\$38,128,099	\$0	\$38,128,099	(\$7,085,054)	(\$7,085,054)
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental	Base Request	Change Request	Continuation
			Request			
	Total	\$22,978,709	\$0	\$22,978,709	(\$104,070)	(\$104,070)
	FTE	0.0	0.0	0.0	0.0	0.0
02. Institutions, (A)	GF	\$21,574,639	\$0	\$21,574,639	\$0	\$0
Utilities Subprogram, (1)	CF	\$1,404,070	\$0	\$1,404,070	(\$104,070)	(\$104,070)
Utilities Subprogram - Utilities	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$4,679,163	\$0	\$4,679,163	(\$327,209)	(\$327,209)
	FTE	0.0	0.0	0.0	0.0	0.0
04. Inmate Programs, (B)	GF	\$2,816,746	\$0	\$2,816,746	\$0	\$0
Education Subprogram, (1) Education	CF	\$1,451,402	\$0	\$1,451,402	(\$205,109)	(\$205,109)
Subprogram - Operating Expenses	RF	\$411,015	\$0	\$411,015	(\$122,100)	(\$122,100)
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$6,689,926	\$0	\$6,689,926	(\$995,287)	(\$995,287)
	FTE	0.0	0.0	0.0	0.0	0.0
07. Correctional Industries, (A)	GF	\$0	\$0	\$0	\$0	\$0
Correctional Industries, (1) Correctional Industries	CF	\$1,817,327	\$0	\$1,817,327	(\$270,371)	(\$270,371)
- Operating Expenses	RF	\$4,872,599	\$0	\$4,872,599	(\$724,916)	(\$724,916)
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$37,878,810	\$0	\$37,878,810	(\$7,761,964)	(\$7,761,964)
	FTE	0.0	0.0	0.0	0.0	0.0
07. Correctional Industries, (A)	GF	\$0	\$0	\$0	\$0	\$0
Correctional Industries, (1) Correctional Industries	CF	\$7,741,080	\$0	\$7,741,080	(\$1,685,220)	(\$1,685,220)
- Raw Materials	RF	\$30,137,730	\$0	\$30,137,730	(\$6,076,744)	(\$6,076,744)
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$2,752,239	\$0	\$2,752,239	(\$2,239)	(\$2,239)
	FTE	0.0	0.0	0.0	0.0	0.0
07. Correctional Industries, (A)	GF	\$0	\$0	\$0	\$0	\$0
Correctional Industries, (1) Correctional Industries	CF	\$1,114,590	\$0	\$1,114,590	\$0	\$0
- Inmate Pay	RF	\$1,637,649	\$0	\$1,637,649	(\$2,239)	(\$2,239)
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$1,406,200	\$0	\$1,406,200	(\$186,890)	(\$186,890)
	FTE	0.0	0.0	0.0	0.0	0.0
07. Correctional Industries, (A)	GF	\$0	\$0	\$0	\$0	\$0
Correctional Industries, (1) Correctional Industries	CF	\$337,094	\$0	\$337,094	(\$27,835)	(\$27,835)
- Capital Outlay	RF	\$1,069,106	\$0	\$1,069,106	(\$159,055)	(\$159,055)
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Corrections Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



Department Priority: R-05
Request Detail: Align Cash & Reappropriated Funds Spending Authority

Summary of Funding Change for FY 2021-22				
	Totals		Incremental Change	
	FY 2020-21 Appropriation	FY 2021-22 Base	FY 2021-22 Request	FY 2022-23 Request
Total Funds	\$76,385,047	\$76,385,047	(\$9,377,659)	(\$9,377,659)
FTE	0.0	0.0	0.0	0.0
General Fund	\$24,391,385	\$24,391,385	\$0	\$0
Cash Funds	\$13,865,563	\$18,865,563	(\$2,292,605)	(\$2,292,605)
Reappropriated Funds	\$38,128,099	\$38,128,099	(\$7,085,054)	(\$7,085,054)
Federal Funds	\$0	\$0	\$0	\$0

Summary of Request

The Department of Corrections (DOC) proposes ongoing reductions of \$2,292,605 Cash Funds (CF) and \$7,085,054 Reappropriated Funds (RF) spending authorities in FY 2021-22. These reductions are in the Education Operating and various Colorado Correctional Industries line items. The proposed CF reduction is a 4.8% decrease to DOC's FY 2020-21 cash funds spending authority while the proposed RF reduction reflects a 13.8% decrease. The funding that is retained in these two program areas will continue to provide inmates with opportunities to make positive behavioral changes and become law-abiding, productive citizens. This request is not considered on the evidence-based policy continuum.

Current Program:

The Department's Correctional Education Program provides academic and vocational education programs to the inmate population. The vocational programs offer participants the opportunity to learn skills and earn certifications that can increase an inmate's employment prospects upon release. During the course of the vocational instruction, DOC is authorized to sell goods and services as outlined in C.R.S. 17-32-108. The Department has \$735,467 cash and \$411,015 reappropriated funds spending authorities within the Education Operating funding line for vocational education programs revenue earnings.

Colorado Correctional Industries (CCi) provides inmates with meaningful work opportunities, skills, and work ethics that can increase their employment prospects when released. CCi manages self-supporting, profit-oriented work programs that generate revenues through the sale of products and services provided primarily to other government agencies. The major businesses operated by CCi include manufacturing operations for automobile license plates, office furniture, and garment production, as well as canine training and various agricultural programs. CCi has cash funds spending authority in all of the compensation and operating common policy line items, the Leased Space and Utilities operating lines, as well as cash and reappropriated funds spending authorities in the Correctional Industries subprogram. The FY 2020-21 total spending authority in this subprogram is \$64,105,804.

Problem or Opportunity:

Various CF and RF spending authorities within the Education Operating and CCi appropriations exceed historical expenses and can be reduced to correctly reflect the appropriate funding levels.

Proposed Solution:

The Department requests a cash funds reduction of \$2,292,605 and reappropriated funds reduction of \$7,085,054 in FY 2021-22 to more closely align spending authorities with expected revenues and expenses.

Anticipated Outcomes:

The spending authorities in the various funding lines that are reduced in this request are currently being underutilized. The reductions are therefore not expected to have an operational impact in the short term but could need to be increased in future budget requests as operations change and revenue earnings increase.

Assumptions and Calculations:

The Department reviewed prior year reversions history and also took into consideration CCi's recently announced business reorganization plan in arriving at the proposed spending authority decreases. The details are provided in Table 1.

Appendix:

Table 1: Cash and Reappropriated Funds Decrease Summary

	FY 21 Appropriations		FY 22 Request		FY 22 Appropriations	
	CF	RF	CF	RF	CF	RF
4B - Education Operating	\$735,467	\$411,015	(\$205,109)	(\$122,100)	\$530,358	\$288,915
2A - CI Utilities	\$1,404,070		(\$104,070)		\$1,300,000	
7A - CI Operating Expenses	\$1,817,327	\$4,872,599	(\$270,371)	(\$724,916)	\$1,546,956	\$4,147,683
7A - CI Raw Materials	\$7,741,080	\$30,137,730	(\$1,685,220)	(\$6,076,744)	\$6,055,860	\$24,060,986
7A - CI Inmate Pay	\$1,114,590	\$1,637,649		(\$2,239)	\$1,114,590	\$1,635,410
7A - CI Capital Outlay	\$337,094	\$1,069,106	(\$27,835)	(\$159,055)	\$309,259	\$910,051
Total Request			(\$2,292,605)	(\$7,085,054)		

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Schedule 13

Department of Corrections

Funding Request for The FY 2021-22 Budget Cycle

Request Title

R-06 Take Two Expansion

Dept. Approval By: 

Supplemental FY 2020-21

OSPB Approval By: 

Budget Amendment FY 2021-22

X

Change Request FY 2021-22

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$1,500,000	\$0	\$1,500,000	\$400,000	\$0
FTE		1.0	0.0	1.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$1,500,000	\$0	\$1,500,000	\$400,000	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$1,500,000	\$0	\$1,500,000	\$400,000	\$0
FTE		1.0	0.0	1.0	0.0	0.0
05. Community Services, (C) Community Re-entry Subprogram, (1)	GF	\$1,500,000	\$0	\$1,500,000	\$400,000	\$0
Community Re-entry Subprogram - Transitional Work Program	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Corrections Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

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Department Priority: R-06
Request Detail: Take Two Expansion

Summary of Funding Change for FY 2021-22				
	Totals		Incremental Change	
	FY 2020-21 Appropriation	FY 2021-22 Base	FY 2021-22 Request	FY 2022-23 Request
Total Funds	\$1,500,000	\$1,500,000	\$400,000	\$0
FTE	1.0	1.0	0.0	0.0
General Fund	\$1,500,000	\$1,500,000	\$400,000	\$0
Cash Funds	\$0	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0

Summary of Request

The Department of Corrections (DOC) requests a one-time funding increase of \$400,000 General Fund (GF) in fiscal year (FY) 2021-22 for the expansion of the Transitional Work Program, also known as Take TWO (Transitional Work Opportunity), at the Buena Vista Correctional Complex. This additional funding will be used to renovate an existing building so that an additional 28 inmates can participate in the program. This proposal represents a 11.8 percent increase in the Community Re-entry subprogram as compared to FY 2020-21 funded levels. This request provides funding to develop and implement proactive strategies to support the Department’s priority of decreasing the recidivism rate. This program expansion also adds stimulus to the economy and serves to invest in Colorado’s future.

This program is a step 4 on the evidence-based continuum as there have been evaluations in other states.



Current Program:

The Department began the Take TWO program in FY 2019-20 which is designed to encourage normalcy and progression. The inmates in the program work for employers in the local community, providing them with an opportunity to obtain job skills and earn prevailing wages while still incarcerated. Employers provide an opportunity for inmates to work and interact with private citizen co-workers, which aids in reintegration. These employment opportunities benefit participants by allowing them to acquire monetary savings in order to secure housing and other needs upon release, as well as teaching valuable job skills that can transfer to gainful employment post-incarceration. This is even more important during a period of economic uncertainty. The combination of these benefits is intended to increase the likelihood that inmates will successfully reintegrate into society upon release, thus reducing the rate of return to prison.

In July 2019, the Buena Vista Correctional Complex (BVCC) converted the former Colorado Corrections Alternative Program/Boot Camp into a Transitional Work Center (TWC) that currently houses up to 44 low custody participants. The TWC is one of Take TWO's re-entry units and the program participants have a dedicated Community Re-entry Specialist to aid in their eventual transition to the community. To date, the TWC program participants have made a positive impression on the local community and serve as primary choice for local business owners seeking reliable and skilled workers.

Problem or Opportunity:

There are additional community work opportunities for the Take TWO program to expand, but the program size is limited by the existing housing space in the current building. The TWC is only using the first floor of the building it occupies. The second floor contains unused classrooms and offices that can be converted to living quarters that would allow another 28 inmates (72 total) to participate in the Take TWO program.

The program is a step 4 on the evidence-based continuum as similar programs have been evaluated in other states. A quasi-experimental design to measure the effectiveness of the Minnesota Prison Work Release Program found that participants had a statistically significant lower risk of being rearrested, reconvicted, and reincarcerated.¹ The Kansas Department of Corrections (2009) conducted a quasi-experimental design with a non-equivalent comparison group to examine the effectiveness of the Wichita Work Release Program that found that recidivism rates were lower for program completers (30.4 percent), compared with non-program participants in the comparison group (36.2 percent).² Finally, a random assignment research design evaluation found that three transitional job programs targeting people returning from prison



¹ Duwe, Grant. 2015. "An Outcome Evaluation of a Prison Work Release Program: Estimating Its Effects on Recidivism, Employment, and Cost Avoidance." *Criminal Justice Policy Review* 26(6):531–54.

² Lee, Kyu Man. 1983. *The Wichita Work Release Center: An Evaluative Study* (Kansas). PhD diss., Kansas State University. (This study was reviewed but did not meet Crime Solutions' criteria for inclusion in the overall program rating.)

reduced incarceration in prison among those at higher risk of reoffending.³ Other transitional programs include: Louisiana's Transitional Work Program, Michigan's KPEP Walnut and Park Coffee Shop, Ouachita Sheriff's Office Transitional Work Program in Louisiana, and The Transitional House which has programs in both Florida and Washington.

Proposed Solution:

The Department requests a one-time funding increase of \$400,000 GF in FY 2021-22 in the Division of Adult Parole, Community Re-entry program to accommodate an expansion for TWC inmate participants. This additional funding would allow for the conversion of classrooms and offices on the second floor to living quarters for 28 additional inmates. Current unused classroom and office space on the second level of the TWC is an ideal location for participant housing.

To update and renovate the current building, additional electrical and closed-circuit television will need to be installed in each of the areas to support the building's occupants. Temporary partitions will be set up, mimicking the squad bays on the first floor, double bunking the areas and ensuring the American Correctional Association standard for square footage per inmate is met. Two additional washers and dryers are needed to support the increase in building occupants. The kitchen will need upgrades for the following equipment: warming table, cooler/freezer, milk machine, and kitchen/dining utensils. Additional improvements are also needed in the current communal spaces including the recreation/gym area, kitchen, dayroom, and surrounding grounds/yard. Additional cameras and DVRs need to be installed to comply with PREA and security coverage requirements. The estimated cost to update, renovate, and furnish the second floor, kitchen, and communal areas to house an additional 28 inmates is \$400,000.

Anticipated Outcomes:

The Department has been an industry leader in the commitment to provide the best services, programming, and opportunity to inmates. The DOC is dedicated to rehabilitative rather than punishment-based approaches to corrections. The Department continues to evolve policies and practices in order to achieve the highest chances of inmate success through adaptation and innovation. This is evident in the shift from the building's boot camp style environment to the novel and successful Take TWO program that characterizes the Department's vision.

The Take TWO re-entry program has been implemented in three locations: Sterling Correctional Facility (SCF), BVCC, and the Denver Women's Correctional Facility (DWCF). During FY 2019-20, 57 participants entered the Take TWO re-entry program. DOC established collaborations and partnerships with 13 employers in the Sterling, Denver, and Buena Vista areas. Available jobs included positions in the manufacturing, construction, automotive, and restaurant industries, where participants earned prevailing wages.

During FY 2019-20, 42 participants left the Take TWO program. The majority (31) of these participants left the program because they were released to parole or discharged their sentence, but some (11) participants quit the program or were terminated. One participant who paroled from the

³ Barden, Bret, Randall Juras, Cindy Redcross, Mary Farrell, and Dan Bloom. 2018. "The Enhanced Transitional Jobs Demonstration: New Perspectives on Creating Jobs. Final Impacts of the Next Generation of Subsidized Employment Programs." MDRC report

program has returned to custody. These early results provide some early indication on the potential success of the program. Moving forward the Department will continue to capture data on the program.

Assumptions and Calculations:

The cost of the renovating the building and common areas is based upon the previous expenses to update and furnish the first floor that can currently accommodate 44 inmates. The building renovation that would allow for 28 more inmates, including furnishings and kitchen equipment, is estimated at \$400,000. The renovation work on the existing building is expected to be completed during FY 2021-22.

Take TWO Expansion Estimated Costs	
Renovations	\$225,000
Furnishings	\$175,000
Total	\$400,000