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AT A GLANCE

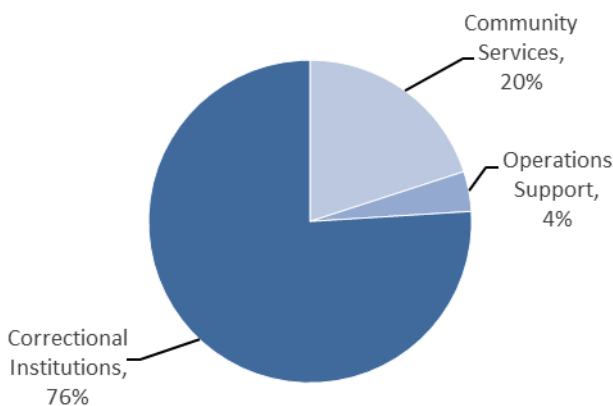
- More than 4,300 employees
- 10 prisons statewide
- Approximately 8,000 incarcerated adults and juveniles in state correctional facilities
- Approximately 104,000 persons under community supervision in Minnesota including more than 20,000 supervised by the DOC and more than 80,000 supervised by community partners
- 74% of people released from prison do not return for a new conviction
- 95% of incarcerated persons will return to their communities upon release from prison

PURPOSE

The mission of Minnesota Department of Corrections (DOC) is to transform lives for a safer Minnesota. By successfully addressing the needs of the people served, the DOC provides the opportunity for redemption, and productive community reintegration. It is the goal of these services to advance public safety. To achieve the agency’s mission, strategies are prioritized to hold people accountable for the offenses they commit while providing them with the tools to become successful and contributing members of their communities. The DOC is committed to achieving justice through promotion of racial equity, reducing and repairing the harmful impacts of crime, and building community connectedness. The DOC serves men, women and youth in the state’s correctional facilities or on community supervision. No matter the custody status, transformative opportunities and the path to community reintegration are prioritized by the DOC starting the first day a person begins their sentence and throughout successful completion of their debt to society. The agency accomplishes its mission through the committed efforts of more than 4,000 employees.

BUDGET

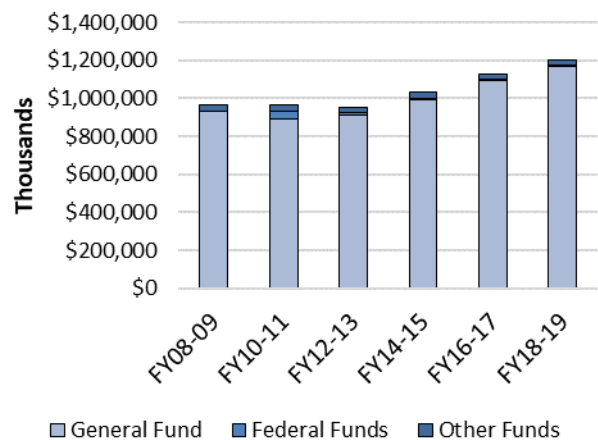
**Spending by Program
FY 2019 Actual**



More than 60% of community services spending is grant/subsidy pass-through funds to county corrections agencies for offender supervision.

Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Federal funds for FY10-11 include \$38 million of one-time stabilization funds legislatively appropriated to supplant the general fund budget.

Source: Consolidated Fund Statement

Approximately 97% of the DOC's total biennial budget comes from the general fund. Special revenue funds represent over 2% of the budget and federal funds represent less than 1%.

STRATEGIES

Strategies to Achieve Mission

The DOC works to support and achieve established priorities and goals as it executes its mission of transforming lives for a safer Minnesota. The work of transforming lives is all about building connections, helping people become good neighbors when they return to their communities, and making Minnesota a great place for families and children.

The DOC implements several specific strategies including:

- Increasing the use of evidence-based practices in the rehabilitation of those who are in the department's care, including programming, treatment, education, and processes surrounding incarceration.
- Increasing the number of people released from prison who, within 30 days, obtain meaningful employment, enroll in educational programming, or actively engage in community-based treatment by 90 percent.
- Reducing the number of technical readmissions to prison by 70 percent overall, including for American Indians and Minnesotans of color, through effective use of community supervision and support services.
- Increasing the number of people in prison enrolled in full-time classroom college and enrolling 75 people in new pathways from DOC technical training to Minnesota State sponsored associate degrees.
- Transforming data collection and reporting process into a strategic and performance-based model, resulting in dynamic, real-time dashboards (internal and public facing) displaying accurate and predictive key performance indicators.
- Using the Department of Administration's Equity Select program.
- Training staff and encouraging the use of Targeted Group, Economically Disadvantaged, and Veteran Owned (TG/ED/VO) vendors whenever possible.

The DOC is focused on two priorities to achieve the mission of transforming lives: (1) Improving internal organizational culture and (2) Providing consistent delivery of exceptional public services. Several strategies support these priorities.

Improved internal organizational culture:

- Aligning the organization's structure to reflect and support the mission.
- Identifying leaders within the organization and providing support needed to help them become invested in this mission and lead the organization into the future.
- Protecting staff, those who are incarcerated, and clients under supervision from harm and injury.
- Increasing retention rates of employees by improving the onboarding process, developing supervisors' capacity for encouraging professional development, and increasing pride in working for the DOC.
- Hiring people to fill critical vacancies especially among corrections officers.
- Advancing equity and inclusion across the agency by retaining at least 75 percent of newly hired employees for at least two years and achieve this retention rate for American Indians, people of color, people who have a disability, and Veterans.
- Transforming the culture of local workplaces into creating more successful, positive, and healthier experiences for others by practicing servant leadership, using performance management, and engaging employees in decision-making.
- Empowering leaders, engaging front line staff, and fostering collaboration.

Consistent delivery of exceptional public services:

- Increasing engagement of the public, particularly those impacted by our programs, in creation and revision of our programs, policies, and decisions.
 - Significantly increasing the use of evidence-based practices in the rehabilitation of those who are incarcerated, on community supervision or probation; including programming, treatment, education, and processes surrounding incarceration.
 - Increasing the number of people released from prison who, within 30 days, obtain meaningful employment, enroll in educational programming, or actively engage in community-based treatment by 90 percent.
 - Reducing the number of technical readmissions to prison by 70 percent overall, including for American Indians and Minnesotans of color, through effective use of community supervision and support services.
 - Increasing the number of people in prison enrolled in full-time classroom college by 400 percent and enrolling 75 people in new pathways from DOC technical training to Minnesota State sponsored associate degrees.
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M.S. 241.01 (<https://www.revisor.mn.gov/statutes/cite/241.01>) provides the legal authority for the DOC.

Corrections

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	571,036	594,537	595,373	645,626	627,089	626,941	625,822	628,304
1251 - COVID-19 Minnesota			2,235					
2000 - Restrict Misc Special Revenue	6,766	6,088	6,625	7,079	8,988	6,831	8,988	6,831
2001 - Other Misc Special Revenue	7,355	6,604	8,723	10,293	10,985	10,412	10,985	10,412
2403 - Gift	7	5	9	5	14	8	14	8
3000 - Federal	3,750	2,963	2,469	5,312	4,986	4,278	4,986	4,278
3010 - Coronavirus Relief			4,783	14,215				
4400 - Correctional Industries	58,385	48,696	47,222	43,205	44,643	45,189	44,643	45,189
6000 - Miscellaneous Agency	3,253	2,975	3,068	3,159	4,686	3,178	4,686	3,178
6001 - Social Welfare Agency	32,347	31,912	30,194	29,596	28,141	32,699	28,141	32,699
Total	682,898	693,779	700,700	758,490	729,532	729,536	728,265	730,899
Biennial Change				82,513		(122)		(26)
Biennial % Change				6		(0)		0
Governor's Change from Base								96
Governor's % Change from Base								0
<u>Expenditures by Program</u>								
Correctional Institutions	520,150	526,989	530,579	581,977	555,471	556,793	551,065	560,218
Community Services	135,280	137,461	138,058	143,705	141,207	139,960	142,798	135,952
DOC Operations Support	27,468	29,330	32,063	32,808	32,854	32,783	34,402	34,729
Total	682,898	693,779	700,700	758,490	729,532	729,536	728,265	730,899
<u>Expenditures by Category</u>								
Compensation	389,446	405,897	424,469	443,489	430,380	430,589	437,180	445,182
Operating Expenses	168,445	162,207	157,871	201,794	188,396	183,207	182,013	176,587
Grants, Aids and Subsidies	121,401	119,373	115,870	108,835	107,099	112,133	105,415	105,523
Capital Outlay-Real Property	1,200	2,245	1,007	2,095	1,763	1,713	1,763	1,713
Other Financial Transaction	2,405	4,057	1,483	2,277	1,894	1,894	1,894	1,894
Total	682,898	693,779	700,700	758,490	729,532	729,536	728,265	730,899
Total Agency Expenditures	682,898	693,779	700,700	758,490	729,532	729,536	728,265	730,899

Corrections

Agency Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Internal Billing Expenditures	2,291	2,402	1,653	1,459	1,419	1,412	1,419	1,412
Expenditures Less Internal Billing	680,607	691,377	699,047	757,031	728,113	728,124	726,846	729,487
 <u>Full-Time Equivalents</u>	 4,385.63	 4,387.00	 4,371.50	 4,351.47	 4,335.65	 4,283.57	 4,410.71	 4,443.56

Corrections

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In	0	16,698		14,778				
Direct Appropriation	584,866	588,153	611,127	632,104	628,629	628,630	627,362	629,993
Transfers In	27,137	37,045	15,673	11,412	10,943	10,944	10,943	10,944
Transfers Out	28,086	46,645	16,621	12,668	12,483	12,633	12,483	12,633
Cancellations	11	714	28					
Balance Forward Out	12,870		14,777					
Expenditures	571,036	594,537	595,373	645,626	627,089	626,941	625,822	628,304
Biennial Change in Expenditures				75,426		13,031		13,127
Biennial % Change in Expenditures				6		1		1
Governor's Change from Base								96
Governor's % Change from Base								0
Full-Time Equivalents	4,068.64	4,074.20	4,064.69	4,076.08	4,062.23	4,015.81	4,137.29	4,175.80

1251 - COVID-19 Minnesota

Direct Appropriation			2,255					
Cancellations			20					
Expenditures			2,235					
Biennial Change in Expenditures				2,235		(2,235)		(2,235)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents			0.66					

2000 - Restrict Misc Special Revenue

Balance Forward In	5,468	4,885	5,564	6,130	5,955	3,576	5,955	3,576
Receipts	6,700	7,182	7,317	7,277	6,982	6,982	6,982	6,982
Transfers Out	512	457	369	373	373	373	373	373
Net Loan Activity	(135)	0	242	0	0	0	0	0
Balance Forward Out	4,754	5,522	6,129	5,955	3,576	3,354	3,576	3,354
Expenditures	6,766	6,088	6,625	7,079	8,988	6,831	8,988	6,831
Biennial Change in Expenditures				850		2,115		2,115
Biennial % Change in Expenditures				7		15		15
Governor's Change from Base								0

Corrections

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Governor's % Change from Base								0
Full-Time Equivalents	50.49	54.43	55.96	55.96	55.96	55.96	55.96	55.96

2001 - Other Misc Special Revenue

Balance Forward In	8,392	9,369	10,937	9,323	6,846	3,677	6,846	3,677
Receipts	8,287	8,139	7,109	7,816	7,816	7,816	7,816	7,816
Internal Billing Receipts	2,272	2,397	1,651	1,845	1,845	1,845	1,845	1,845
Transfers Out	0	0						
Balance Forward Out	9,325	10,905	9,322	6,846	3,677	1,081	3,677	1,081
Expenditures	7,355	6,604	8,723	10,293	10,985	10,412	10,985	10,412
Biennial Change in Expenditures				5,058		2,381		2,381
Biennial % Change in Expenditures				36		13		13
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	67.81	63.29	62.10	62.05	62.05	62.05	62.05	62.05

2403 - Gift

Balance Forward In	11	9	8	8	11	5	11	5
Receipts	5	4	8	8	8	8	8	8
Balance Forward Out	9	8	7	11	5	5	5	5
Expenditures	7	5	9	5	14	8	14	8
Biennial Change in Expenditures				2		8		8
Biennial % Change in Expenditures				16		61		61
Governor's Change from Base								0
Governor's % Change from Base								0

3000 - Federal

Balance Forward In	6,301	6,002	6,256	6,536	4,194	2,080	4,194	2,080
Receipts	3,396	3,217	2,749	2,970	2,872	2,198	2,872	2,198
Balance Forward Out	5,947	6,256	6,536	4,194	2,080		2,080	
Expenditures	3,750	2,963	2,469	5,312	4,986	4,278	4,986	4,278
Biennial Change in Expenditures				1,068		1,483		1,483
Biennial % Change in Expenditures				16		19		19

Corrections

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	22.95	24.80	21.57	25.23	24.26	18.60	24.26	18.60

3010 - Coronavirus Relief

Balance Forward In				4,307				
Direct Appropriation			9,090	9,908	0	0	0	0
Balance Forward Out			4,307					
Expenditures			4,783	14,215				
Biennial Change in Expenditures				18,998		(18,998)		(18,998)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

4400 - Correctional Industries

Balance Forward In	13,154	9,630	13,145	10,557	11,832	11,669	11,832	11,669
Receipts	54,566	51,921	44,634	44,480	44,480	44,480	44,480	44,480
Transfers In		300						
Transfers Out		300						
Balance Forward Out	9,335	12,855	10,557	11,832	11,669	10,960	11,669	10,960
Expenditures	58,385	48,696	47,222	43,205	44,643	45,189	44,643	45,189
Biennial Change in Expenditures				(16,654)		(595)		(595)
Biennial % Change in Expenditures				(16)		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	174.85	170.25	166.52	132.15	131.15	131.15	131.15	131.15

6000 - Miscellaneous Agency

Balance Forward In	4,507	4,264	4,318	4,667	4,686	3,178	4,686	3,178
Receipts	2,989	2,999	3,415	3,178	3,178	3,178	3,178	3,178
Balance Forward Out	4,243	4,287	4,665	4,686	3,178	3,178	3,178	3,178
Expenditures	3,253	2,975	3,068	3,159	4,686	3,178	4,686	3,178
Biennial Change in Expenditures				(1)		1,637		1,637

Corrections

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Biennial % Change in Expenditures				(0)		26		26
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.89	0.03						

6001 - Social Welfare Agency

Balance Forward In	4,930	5,582	5,443	6,536	9,639	14,197	9,639	14,197
Receipts	32,998	31,771	31,285	32,699	32,699	32,699	32,699	32,699
Transfers Out	0							
Balance Forward Out	5,581	5,442	6,535	9,639	14,197	14,197	14,197	14,197
Expenditures	32,347	31,912	30,194	29,596	28,141	32,699	28,141	32,699
Biennial Change in Expenditures				(4,469)		1,050		1,050
Biennial % Change in Expenditures				(7)		2		2
Governor's Change from Base								0
Governor's % Change from Base								0

Corrections

Agency Change Summary

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Direct				
Fund: 1000 - General				
FY2021 Appropriations	632,104	632,104	632,104	1,264,208
Base Adjustments				
All Other One-Time Appropriations		(7,500)	(7,500)	(15,000)
Current Law Base Change		1,451	1,452	2,903
Pension Allocation		2,574	2,574	5,148
Forecast Base	632,104	628,629	628,630	1,257,259
Change Items				
Operating Adjustment		7,769	15,566	23,335
Information Technology		1,566	1,621	3,187
Juvenile Justice Data Repository		1,660	660	2,320
Enhancing Safety in DOC Licensed Facilities		992	492	1,484
Healthy Start Act		200	200	400
Indeterminate Sentence Release Board		40	40	80
Office of Ombuds for Corrections		(659)	(663)	(1,322)
Operating Reduction		(2,150)	(2,150)	(4,300)
Prison Population Reduction		(9,001)	(7,793)	(16,794)
Reduce County Funding for Community Services		(1,684)	(6,610)	(8,294)
Total Governor's Recommendations	632,104	627,362	629,993	1,257,355
Fund: 3010 - Coronavirus Relief				
FY2021 Appropriations	9,908	9,908	9,908	19,816
Base Adjustments				
All Other One-Time Appropriations		(9,908)	(9,908)	(19,816)
Forecast Base	9,908	0	0	0
Total Governor's Recommendations	9,908	0	0	0
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	7,079	8,988	6,831	15,819
Forecast Base	7,079	8,988	6,831	15,819
Total Governor's Recommendations	7,079	8,988	6,831	15,819
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	10,293	10,985	10,412	21,397
Forecast Base	10,293	10,985	10,412	21,397
Total Governor's Recommendations	10,293	10,985	10,412	21,397
Fund: 2403 - Gift				

Corrections

Agency Change Summary

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Planned Spending	5	14	8	22
Forecast Base	5	14	8	22
Total Governor's Recommendations	5	14	8	22
Fund: 3000 - Federal				
Planned Spending	5,312	4,986	4,278	9,264
Forecast Base	5,312	4,986	4,278	9,264
Total Governor's Recommendations	5,312	4,986	4,278	9,264
Fund: 4400 - Correctional Industries				
Planned Spending	43,205	44,643	45,189	89,832
Forecast Base	43,205	44,643	45,189	89,832
Total Governor's Recommendations	43,205	44,643	45,189	89,832
Fund: 6000 - Miscellaneous Agency				
Planned Spending	3,159	4,686	3,178	7,864
Forecast Base	3,159	4,686	3,178	7,864
Total Governor's Recommendations	3,159	4,686	3,178	7,864
Fund: 6001 - Social Welfare Agency				
Planned Spending	29,596	28,141	32,699	60,840
Forecast Base	29,596	28,141	32,699	60,840
Total Governor's Recommendations	29,596	28,141	32,699	60,840
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	7,277	6,982	6,982	13,964
Total Governor's Recommendations	7,277	6,982	6,982	13,964
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	7,816	7,816	7,816	15,632
Total Governor's Recommendations	7,816	7,816	7,816	15,632
Fund: 2403 - Gift				
Forecast Revenues	8	8	8	16
Total Governor's Recommendations	8	8	8	16
Fund: 3000 - Federal				

Corrections

Agency Change Summary

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Forecast Revenues	2,970	2,872	2,198	5,070
Total Governor's Recommendations	2,970	2,872	2,198	5,070
Fund: 4400 - Correctional Industries				
Forecast Revenues	44,480	44,480	44,480	88,960
Total Governor's Recommendations	44,480	44,480	44,480	88,960
Fund: 6000 - Miscellaneous Agency				
Forecast Revenues	3,178	3,178	3,178	6,356
Total Governor's Recommendations	3,178	3,178	3,178	6,356
Fund: 6001 - Social Welfare Agency				
Forecast Revenues	32,699	32,699	32,699	65,398
Total Governor's Recommendations	32,699	32,699	32,699	65,398
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	10,677	10,677	10,677	21,354
Total Governor's Recommendations	10,677	10,677	10,677	21,354

Corrections

FY 2022-23 Biennial Budget Change Item

Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	7,769	15,566	15,566	15,566
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	7,769	15,566	15,566	15,566
FTEs	0	0	0	0
FTEs maintained	84	169	169	169

Recommendation:

The Governor recommends funding of \$7.769 million in FY 2022 and \$15.566 million in each subsequent year from the general fund to maintain the current level of service delivery at the Department of Corrections (DOC).

This recommendation represents just less than 2% of the total biennial budget for the agency, and a 2.8% increase to the relative base budget for employee compensation for the FY 2022-23 biennium. Without funding, the DOC may need to eliminate up to 84 existing FTEs in FY 2022 and up to 169 FTEs by FY2023.

Rationale/Background:

The operating increases recommended in FY 2022 and FY 2023 fund a portion of the projected cost increases in the upcoming biennium. Each year, the cost of doing business rises—including growing costs for employer-paid health care contributions and other salary and compensation-related costs. Other operating costs, like rent and lease, fuel and utilities, IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year without enacted increases.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. To manage costs, most agencies find ways to become more efficient with existing resources. For the DOC, efficiencies have already been implemented to produce savings in FY 2021 and those efficiencies will continue into FY 2022 and FY 2023 along with additional efficiencies including:

- Organizational restructuring
- Reduction of leased space
- Reduction in the health care contract due to an incarcerated population that is lower than anticipated
- Efforts to reduce the number of revocations to incarceration

Efficiencies will continue in the next biennium; however, cost growth will continue to put pressure on budgets and without additional resources, service delivery erodes. For the DOC, this means:

The associated fiscal impact to the DOC would have a negative impact on services provided to the incarcerated population and those receiving supervision services. Up to 169 FTEs may need to be eliminated, resulting in a significant number of layoffs. Programming that has been proven to improve success for reentry to communities and improve recidivism rates may need to be reduced. Critical information technology services may need to be scaled back. Supervision caseloads may increase. Critical infrastructure and physical plant needs in DOC correctional facilities may need to be deferred.

The DOC provides basic needs to incarcerated people, supervision services to those that have been released from prison, treatment and programming needs, and other transformative services. Without funding, the DOC's mission of "Transforming Lives for a Safer Minnesota" may be compromised.

Proposal:

The Governor recommends increasing agency operating budgets to support the delivery of current services. This increase is below the assumed level of inflation, acknowledging continued efficiencies achieved by the DOC. For the DOC, this funding will cover anticipated employee compensation growth for the current level of staffing.

Results:

This proposal is intended to allow the Department of Corrections to continue to provide current levels of service and information to the public.

Corrections

FY 2022-23 Biennial Budget Change Item

Change Item Title: Information Technology

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	1,566	1,621	1,621	1,621
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,566	1,621	1,621	1,621
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$1.566 million in FY 2022 and \$1.621 million ongoing beginning in FY 2023 to maintain the current level of information technology (IT) services provided through MN.IT.

This request represents less than a 0.3% increase to the total agency budget, and an approximate 7% increase to the relative base budget for IT expenditures.

Rationale/Background:

The [MN.IT@DOC](#) IT unit is responsible for application development and support of over 150 applications used by DOC staff, county corrections agencies, local law enforcement and other criminal justice entities. The unit supports more than 5,000 workstations and 400 servers for employees who work on-site and employees who telework. Flexible and secure technology systems are critical to effectively support the DOC's mission with relevant and accurate data and inform decision-making. As the steward of criminal justice systems and data, the DOC must maintain the highest level of security to protect data privacy and mitigate the potential for data breaches. Systems must have the ability to support business processes that are constantly changing due to changes in federal and state standards.

Proposal:

The DOC recommends an increase in IT funding to maintain current levels of IT services:

- This is an existing activity that requires investment.
- This proposal will provide \$1.566 million in FY 2022 and \$1.621 million in each subsequent year for rate increases for services currently provided through MN.IT.
- This proposal will help ensure compliance with federal Criminal Justice Information Services (CJIS) security requirements, state security standards, and state accessibility policies.
- An effective partnership with MN.IT is crucial to achieve desired results. The proposal will also help the DOC maintain effective business relationships with criminal justice partners at the federal, state and local levels who access and rely on DOC systems.
- This proposal will support the DOC's efforts to address concerns cited in a recent program audit conducted by the Office of the Legislative Auditor.
- Funding is critical to maintain and update current systems as necessary to effectively continue current operations.

Equity and Inclusion:

The DOC creates, collects, maintains and provides data on a population that is very diverse in terms of race, ethnicity, gender, sexual orientation, disability and veteran status. While this proposal may not alter existing disparities, it is important the data maintained on individuals and agency operations is secure, flexible, accessible, accurate and current. Comprehensive data collection can help identify trends related to disparities and inform decision-making for improvement.

Results:

This proposal is intended to ensure the DOC can continue to provide current levels of services and information to the public and to criminal justice partners in a timely and accurate manner. The reliability and effectiveness of computer applications and systems, and efficient and timely sharing of information with other criminal justice agencies, supports the DOC's mission of transforming lives for a safer Minnesota.

Corrections

FY 2022-23 Biennial Budget Change Item

Change Item Title: Juvenile Justice Data Repository and Juvenile Management System

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	1,660	660	285	285
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,660	660	285	285
FTEs	0.0	0.0	2.0	2.0

Recommendation:

The Governor recommends \$1,660,000 in FY 2022 and \$660,000 ongoing beginning in FY 2023 to modernize the current juvenile management system and develop a comprehensive juvenile justice data repository to include expanded data transactions, management, analysis, and reporting to the legislature and the public. Funding will support IT equipment and services as well as DOC staff.

Rationale/Background:

The structure of Minnesota's juvenile justice system leads to a lack of centralized statewide data. The bifurcation of data amongst justice partners across all eighty-seven counties results in juvenile justice involved youth moving through a system with limited state oversight. This, coupled with the fact that Minnesota does not have one juvenile justice governing body, has created a problematic reality where a variety of justice partners collect data which the State is not always privy to. Data collection varies greatly by jurisdiction, as well as by individual agencies. Policymakers have very little ability to see where and how youth are interacting with the justice system.

On any given day in Minnesota there are many youth in various forms of placement such as: foster care, group home, detention, residential placement, etc., but current reporting does not accurately reflect how many youth are in each placement, nor does it identify disparate impacts. Current data capacity is siloed - each agency or justice system partner collects, codes, and stores their own data – with limited or no sharing across agencies/partners or with the State. This limits the ability to incorporate a consistent strategic plan specific to the outcomes for justice involved youth, and to ensure equity across the system. Data is generally not in real time, meaning decision-makers are relying on outdated information data. Data is often disaggregated by race, ethnicity, age or gender.

There is a need for a data repository system and robust reporting to ensure transparency and consistency that provides an accurate accounting of juvenile justice. Stakeholders will have comprehensive, relevant and current data as they work to resolve ongoing disparities that exist across the juvenile justice system in Minnesota. Policymakers will be able to clearly identify areas in need of reform.

An effective repository system will require the creation of juvenile equivalents in the agency's Correctional Operations Management System (COMS) to replace several databases that are approaching obsolescence. The DOC would need to work with MN.IT and other partners to analyze data and build exchanges for COMS and the Court Services Tracking System (CSTS) to securely transfer juvenile data to a centralized repository.

The current juvenile management system consists of nine distinctly separate applications for Intake, Release Tracking, Program Scheduling, Conflict tracking, Extended Furlough tracking, Time Out tracking, and other juvenile management functions. These existing applications do not meet current Minnesota standards for security or

accessibility, and do not provide the ability to easily access or share juvenile data. Updating COMS to include the juvenile management functions will create an improved technical solution that can leverage existing COMS functionality to enable more consistent juvenile data collection, security, standardization, and reporting.

Proposal:

Funding is proposed to enhance juvenile justice data collection and reporting, to serve as a data repository, and, modernize the legacy juvenile management system for both strengthened DOC capabilities and source data into the repository.

- This specific proposal is a new initiative for the DOC but is compatible with broader data management activities and legislative reporting requirements.
- This proposal includes one-time costs to MNIT in fiscal years 2022 and 2023 to create and implement a centralized repository system and a modernized juvenile management system, in the amount of \$2.32 million phased in over two years.
- This proposal will provide ongoing costs in fiscal year 2024 and each subsequent year in the amount of \$125,000 each year for support and maintenance including but not limited to servers, identification and consolidation of key data from multiple sources, creation of reports and dashboards, and licensing.
- This proposal will provide \$92,000 each year for a management analyst 3 FTE to assume data analysis and reporting responsibilities, starting in fiscal year 2024.
- This proposal will provide \$62,000 each year for an office and administrative specialist FTE to provide data entry and other support services, starting in fiscal year 2024.
- This request will provide \$6,000 each year for IT equipment and services for two FTEs, starting in fiscal year 2024.
- It will be important to engage and collaborate with multiple stakeholders including local law enforcement, tribal agencies, county corrections agencies, county attorneys, the MN Judicial Branch, secure detention and out-of-home placement facilities, and other community providers.
- This proposal will help ensure a comprehensive, transparent and consistent data repository system for juvenile justice activities in Minnesota.
- The request assumes a data project can begin on July 1, 2021.

Impact on Children and Families:

Youth involvement in the criminal justice system is one of the most significant crises facing Minnesota. Providing transparency in the Minnesota juvenile justice system will directly benefit children and families. It will provide relevant data so decision-makers know where targeted efforts need to be made.

Equity and Inclusion:

Disparities are significant for youth within the criminal justice system in Minnesota. Requiring specific data reporting by juvenile justice partners will benefit youth of color, including Native American youth, as they are disproportionately impacted across the Minnesota juvenile justice system.

Results:

A robust juvenile data repository system with effective reporting capabilities will ensure transparency and consistency that provides an accurate accounting of juvenile justice across the state. Stakeholders will have comprehensive, relevant, and current data as they work to resolve existing and ongoing disparities. Policymakers will be able to clearly identify areas in need of reform.

A modernized juvenile management system will provide an improved technical solution that can leverage existing system functionality to enable consistent juvenile data collection, It will avoid technology obsolescence and ensure the DOC is meeting standards for security, accessibility, reporting, and data-sharing.

Corrections

FY 2022-23 Biennial Budget Change Item

Change Item Title: Enhancing Safety in DOC Licensed Facilities

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	992	492	492	492
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	992	492	492	492
FTEs	4.0	4.0	4.0	4.0

Recommendation:

The Governor recommends \$992,000 in FY 2022 and \$492,000 in fiscal FY 2023 to improve and expand the oversight of jails and other local correctional facilities.

This request represents a minimal increase to the total agency budget, and an approximate 53% increase to the agency's budget for the facilities inspection and enforcement unit.

Rationale/Background:

The Department of Corrections (DOC) is responsible for inspection and licensing of state and local correctional facilities including jails, lockups, holding facilities, adult community-based residential facilities, juvenile detention centers, juvenile correctional residential facilities, and group homes. Other responsibilities include but are not limited to: certification of juvenile facilities for out-of-state placements, certification of all residential adult and juvenile sex offender programs, development and coordination of security audits, development and enforcement of facility standards, training of staff providing oversight of local correctional facilities, and to act as a clearinghouse for architectural and operational planning for new or remodeled correctional facilities in Minnesota.

Recent events have highlighted the need for increased and improved oversight, and enforcement of standards. The DOC must evaluate and improve its policies and its data gathering and reporting practices. To address a recommendation by the Office of the Legislative Auditor, this proposal also seeks to provide inspections of state correctional facilities.

This proposal is directly related to a policy proposal to establish minimum standards for licensed facilities, limit use of force protocols, increase and improve reporting, improve data gathering and data sharing, address staff misconduct, implement an improved process for death reviews, and clarify an employee's duty to report neglect or excessive use of force. Improvement is necessary to help ensure the preservation of human dignity and safety of incarcerated people in Minnesota state and local correctional facilities.

Proposal:

Funding is proposed to improve, strengthen and expand oversight of state and local correctional facilities in Minnesota:

- This is not a new initiative for the DOC, but expansion of an existing initiative that is necessary to improve and help ensure safety in all correctional facilities licenses by the Minnesota DOC.

- This proposal includes one-time costs to MN.IT in FY 2022 in the amount of \$500,000 to: 1. Update the DOC portal, Inspection and Enforcement module to create data sets for use of force, inmate deaths, and employee misconduct; 2. Create and maintain a new contract report in the agency's Correctional Operations Management System (COMS); and 3. Create a release of information document.
- This proposal will provide \$440,000 each year to add four Corrections Detention Facilities Inspector FTEs to ensure an adequate level of staffing to perform critical responsibilities.
- This proposal will provide \$52,000 each year for county sheriffs who inspect municipal lockups.
- It will be important to engage legislators and collaborate with partners at the state and local level to establish and enforce minimum standards and other proposed legislative changes.
- This proposal will help improve oversight and safety at state and local correctional facilities.
- The request assumes planning and implementation can begin on July 1, 2021 assuming passage of an accompanying policy proposal.

Impact on Children and Families:

Families of people incarcerated in local correctional facilities will have improved access to relevant data. Living environments within state and local correctional facilities will be safer as they comply with updated statutory requirements.

Equity and Inclusion:

Disparities are significant for people within the criminal justice system in Minnesota. Application and enforcement of minimum standards will provide equity for all who are incarcerated.

Statutory Changes:

This proposal will likely result in revision to M.S. 241.021 (Licensing and Supervision of Facilities); M.S. 243.52 (Discipline; Prevention of Escape); M.S. 641.01 (Jail Construction and Maintenance; Prisoner Placement); M.S. 641.21 (Jail; Advice on Construction); and the creation of new statutes or subdivisions.

Results:

This proposal will improve, strengthen, and provide for increased oversight of local correctional facilities, helping to evaluate compliance with standards and appropriately follow up when non-compliance is identified. It will also provide capacity for the DOC to provide inspections of state correctional facilities, in response to a recommendation by the Office of the Legislative Auditor. It will be important to track the results of facility inspections and completion of any corrective actions.

Corrections

FY 2022-23 Biennial Budget Change Item

Change Item Title: Healthy Start Act

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	200	200	200	200
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	200	200	200	200
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$200,000 each fiscal year to create a release program for pregnant women and new mothers who are committed to the commissioner. Eligible women may be alternatively placed in halfway house settings during their pregnancy and for a reasonable amount of time post-partum; and they would receive appropriate treatment and programming related to parenting and other assessed needs.

This request represents a minimal increase to the total agency budget. This is a new initiative for the DOC, so there is no relevant funding base.

Rationale/Background:

Currently, new mothers are provided a minimal amount of time to interact and connect with their children, and when they do it is in a prison setting. The ability to place eligible women in a halfway house will be beneficial in establishing and maintaining a family connection. DOC research shows that incarcerated individuals who receive pro-social visits are less likely to return to prison post-release. This proposal will increase the number of in-person visits by reducing or eliminating barriers associated with visiting for approved family members and other pro-social support persons. Research has shown that parents who participate in evidence-based, cognitive-behavioral programming created for incarcerated parents decreases the rate of recidivism and substance abuse. This proposal will provide funding to enhance parenting programs.

Proposal:

The Governor recommends an increase in funding to strengthen family connections for incarcerated parents:

- This a new initiative for the DOC.
- This request will provide \$200,000 each year to place pregnant women and new mothers in halfway house settings, provide transportation services to children of incarcerated parents, and enhance parenting skills for incarcerated parents.
- With funding, the DOC can proceed with an implementation schedule immediately.
- This proposal supports the DOC's mission of Transforming Lives for a Safer Minnesota.

Impact on Children and Families:

Visitation is important for maintaining social ties in the community, and research suggests some visits (such as those from distant visitors) may be especially beneficial for reducing recidivism.

There are multifaceted fiscal and societal benefits of keeping the mother and newborn together. Such immediate benefits would include reduced recidivism, re-entry support for inmates released into the community, improved parenting, enhanced child wellbeing, and community involvement, all of which prompt a cascade of long-term, compounding benefits.

Equity and Inclusion:

The DOC incarcerates and provides services to a very diverse population in terms of race, ethnicity, gender, sexual orientation, disability and veteran status; and more than 90% of the incarcerated population are released to diverse communities in Minnesota.

This proposal will ensure incarcerated parents receive pro-social visits and benefit from programming intended to improve their parenting skills and increase their chances for success upon release from prison.

Results:

It is expected this proposal will help ensure a strong family connection that begins at birth, and normal infant development. The benefits of keeping a mother and her newborn together and providing transformative services include reduced recidivism, improved parenting, enhanced child well-being, and community involvement. The DOC will consider and appropriately implement evaluation options. The number and extent of instances will be tracked.

Corrections

FY 2022-23 Biennial Budget Change Item

Change Item Title: Indeterminate Sentence Release Board

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	40	40	40	40
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	40	40	40	40
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$40,000 each fiscal year to establish an Indeterminate Sentence Release Board (ISRB) to review eligible cases and make release decisions for persons serving indeterminate sentences under the authority of the commissioner of corrections. Those release decisions would be made by five members of the ISRB, whereby they are currently made solely by the commissioner of corrections.

This request represents a minimal increase to the total agency budget. This is a new initiative for the DOC, so there is no relevant funding base.

Rationale/Background:

Minnesota is a determinate sentencing state, however there are a few offenses for which release decisions need to be made after the minimum sentences are served – all of these are life sentences. There are currently almost 600 people incarcerated in Minnesota correctional facilities who are sentenced for life with possibility of parole. Under current law, the commissioner has sole authority and discretion to make release decisions for these individuals. If released, they are on supervision for life.

Parole consideration of life-sentenced offenders after their minimum eligibility date has been public policy established in law for many decades. In 1982, the Minnesota Corrections Board, as the paroling authority, was abolished and the paroling authority for life-sentenced offenders was transferred to the commissioner of corrections (all other crimes come under sentencing guidelines). Promulgated rules with full force and effect of law set procedures for the parole consideration process. Minnesota is one of only four states where a single person makes these decisions.

It is sound correctional policy to ensure a panel of qualified individuals is making these decisions. The ISRB will consist of five members including four persons appointed by the Governor from two recommendations of each of the majority and minority leaders of the House of Representatives and the Senate, and the commissioner of corrections who will serve as chair. The four appointed members would meet established criteria and would serve staggered four-year terms.

Proposal:

Funding is proposed to establish an ISRB with staggered terms to make the parole decisions for those in with life sentences with possibility of release.

- This is a new initiative for the DOC.

- This request will provide \$30,000 each year to compensate four members of the ISRB as stipulated by M.S. 15.0575, Subd. 3, and to reimburse each of the members for business expenses.
- The request will provide \$10,000 each year for supplies, copies and administrative support provided by the DOC.
- This request will ensure release decisions for people with indeterminate sentences will be made by a panel of five people instead of by one person.
- The request assumes an implementation date of July 1, 2021.

Equity and Inclusion:

The establishment of an ISRB that includes members with varying experiences, credentials, and background, will ensure a more fair and equitable process that is not influenced or dependent on a change in political leadership.

Results:

The indeterminate sentence release board will prepare and submit an annual report to the legislative committees with jurisdiction over criminal justice policy. The report will detail the number of offenders reviewed and identify persons released in the preceding year. Release decisions made by a diverse five-member board will ensure a more fair and equitable process that is not influenced by changes in political leadership.

Corrections

FY 2022-23 Biennial Budget Change Item

Change Item Title: Ombudsperson for Corrections

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures				
Department of Corrections	(659)	(663)	(663)	(663)
Ombudsperson for Corrections	659	663	663	663
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Request:

The Governor recommends a reduction of \$659 thousand in FY 2022 and \$663 thousand ongoing to the Department of Corrections and providing a separate new appropriation of the same amount to the recently created Office of Ombudsperson for Corrections. This will help to ensure the Ombudsperson for Corrections is a unique and independent agency.

This request represents a 100% reduction of the budget activity for the Office of the Ombudsman in the DOC budget. All funds will instead be appropriated separately to the new agency.

Rationale/Background:

The Legislature appropriated funds to the DOC during the 2019 Legislative Session to establish the Office of the Ombudsperson for Corrections. The office represents the interests of the public by investigating and addressing complaints reported by individual citizens related to the Minnesota DOC. Appropriated funds are currently included in a separate DOC budget activity within the DOC’s budget structure and are used solely for staff and operating expenses of the Ombudsperson.

The Ombudsperson for Corrections provides an impartial and independent outlet for investigating complaints. It is important for the office to proceed and operate as fully independent agency to ensure and maintain the integrity of the process.

Proposal:

The Governor recommends a budgetary and administrative separation of the Ombudsperson for Corrections from the DOC.

- Funds would be appropriated directly to the recently established agency instead of to the DOC.
- There would be a zero-net impact to the state’s general fund.
- This proposal will ensure the Ombudsperson for Corrections is a fully independent agency.
- The Ombudsperson for Corrections would procure necessary support services from a source outside of the DOC.
- Changes in appropriations would begin with fiscal year 2022.

Impact on Children and Families:

Families of incarcerated persons are assured there is an independent and impartial outlet available to investigate complaints and issues.

Equity and Inclusion:

The population served by the DOC is diverse in terms of race, ethnicity, gender, sexual orientation, disability and veteran status. The Ombudsperson for Corrections provides an additional resource to the corrections system, advocates, service organizations and other stakeholders.

Corrections

FY 2022-23 Biennial Budget Change Item

Change Item Title: Operating Reductions

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	(2,150)	(2,150)	(2,150)	(2,150)
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(2,150)	(2,150)	(2,150)	(2,150)
FTEs	(9.0)	(9.0)	(9.0)	(9.0)

Recommendation:

The Governor recommends an operating reduction of \$2.15 million in fiscal year 2022 and each subsequent year. The reductions will be accomplished with three strategies: 1. The renegotiation of the health care contract for incarcerated people due to lower prison population; 2. Reducing the amount of leased space used by the DOC due to significant increases in teleworking and teleconferencing, as well as relocation of some staff to DOC-owned facilities; and 3. Organizational restructuring that will flatten the current organizational structure and create service clusters that will be person-centered.

This request represents a 0.3% reduction of the total agency budget. A \$750,000 annual reduction in the health care contract equates to a 0.75% reduction to the budget activity for health services; and a \$400,000 annual reduction in lease expenses equates to a 10.5% reduction in the budget activity for operations support services. The organizational restructuring is estimated to save \$1 million each year and will result in reductions to several budget activities across the agency.

Rationale/Background:

The State is facing a significant budget crisis for the fiscal year 2022-2023 biennium. Consequently, it is incumbent on state agencies to identify options that will reduce general fund expenditures. The reductions included in this proposal are in the planning stages and are representative of responsible budget management.

The health care and lease reductions were brought to the forefront as a result of the DOC's pandemic response. The decrease in the population of incarcerated people is the impetus to renegotiate the contract for health care services. The significant increase in the number of people who are teleworking, and will continue to telework post-pandemic, results in a lesser need for leased space for our central office location. Some employees who previously occupied leased space will be relocated to state-owned facilities.

The DOC is working to finalize a modified organizational structure that will improve efficiency, streamline intra-departmental activities, stimulate collaboration, remove organizational "silos", create service clusters and flatten the management layer of the current structure. This will result in a staff reduction of approximately nine full-time equivalent positions (FTEs).

Proposal:

The Governor proposes targeted operating reductions:

- The proposed reductions will impact existing budget activities.
- This proposal will reduce the health services budget by \$750,000 each year, specifically via savings from the health care contract that serves the incarcerated population.
- This proposal will reduce the operations support services budget by \$400,000 each year in anticipation of lower lease costs for office space at the DOC central office location.
- This proposal will reduce employee compensation costs across the agency by approximately \$1 million each year through the elimination of nine FTEs, accomplished as a result of a modified organization structure that focuses on the agency's mission and a transition to person-centered strategies.
- The proposed reductions can be identified and implemented at the beginning of fiscal year 2021.

Corrections

FY 2022-23 Biennial Budget Change Item

Change Item Title: Prison Population Reduction

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	(9,001)	(7,793)	(7,793)	(7,793)
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(9,001)	(7,793)	(7,793)	(7,793)
FTEs	0	0	0	0

Recommendation:

The Governor recommends reductions of \$9.001 million in FY 2022 and \$7.793 million in FY 2023 to reduce base operating budgets used for expenses directly attributable to the incarceration of individuals in state correctional facilities.

This request represents approximately a 1.4% reduction of the agency's total annual budget, and nearly a 2% reduction of the relevant base budget for the correctional institutions program.

Rationale/Background:

The current DOC base budget was based on a projected incarcerated population of 9,540 beds. The COVID-19 pandemic had a direct and significant impact on the number of people being sentenced to prison and committed to the commissioner of corrections. Current projections indicate an estimated average daily population of 7,639 beds in fiscal year 2022 and 7,894 beds in fiscal year 2023.

Continued and responsible management of the pandemic crisis in correctional facilities significantly limits the extent of potential staffing, operating and organizational reductions due to social distancing strategies and other recommended protocols. However, expenditures for food, clothing, linens, offender compensation, and other direct facility costs will be saved. This proposal represents a direct marginal cost per diem of \$12.97 that also includes a reduction of jail bed rentals.

The state is facing a significant budget crisis for the fiscal year 2022-2023 biennium. Consequently, it is incumbent on state agencies to identify options that will reduce general fund expenditures. This proposal represents a responsible and manageable reduction of DOC operating budgets that can be achieved due to the population reduction that was unforeseen less than a year ago.

Proposal:

The Governor recommends an operating budget reduction due to a lower than projected prison population:

- This an existing initiative where savings can be achieved.
- This proposal will result in an overall reduction of \$9.001 million in FY 2022 and \$7.793 million in FY 2023.
- Reductions are the result of a decreased need to fund direct facility costs for incarcerated persons, due to population projections that are lower than originally anticipated.
- Reductions are based on a direct marginal cost per diem of \$12.97 and a reduced average daily population of 1,901 beds in fiscal year 2022 and 1,646 beds in fiscal year 2023.
- This proposal assumes reductions will begin immediately.

Corrections

FY 2022-23 Biennial Budget Change Item

Change Item Title: Reduce Funding for Community Services

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	(1,684)	(6,610)	(6,610)	(6,610)
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(1,684)	(6,610)	(6,610)	(6,610)
FTEs	0	0	0	0

Recommendation:

The Governor recommends reducing appropriations by \$1.684 million in FY 2022 and \$6.61 million ongoing beginning in FY 2023 to phase-in expenditure reductions in the agency's community services division including operating and grant reductions. The decreases will help address existing budgetary shortfalls.

This request represents approximately a 1% reduction of the total agency budget. It represents a 2.5% reduction to the Community Corrections Act (CCA) subsidy and County Probation Officer (CPO) reimbursement programs in fiscal year 2022. Specific reductions in fiscal year 2023 will be determined based on collaboration between DOC staff and county partners. Reductions will be allocated between DOC community services budgets and pass-through funds. The reduction is approximately 4.9% of the total budget for the community services program.

Rationale/Background:

The CCA of 1973 authorizes the commissioner of corrections to award subsidy grants to a county or group of counties for the provision of local correctional services. The act is designed to encourage development of local correctional systems that include sanctions and a variety of community programs. Thirty-four counties representing about 70% of the state's population participate in the CCA, providing supervision to persons on felony probation and supervised release. Funds are distributed based on a formula prescribed by M.S. 401.10.

The DOC is appropriated funds for the CPO reimbursement and caseload workload reduction programs to reimburse counties for costs related to the provision of community probation services, including agent salaries and fringe benefits. Twenty-eight CPO counties provide juvenile and adult misdemeanor probation services. M.S. 244.19 provides for the DOC to reimburse up to 50% of the costs of probation officers' salaries to counties participating in the CPO reimbursement program, however current appropriation levels are only sufficient to reimburse for less than 36% of actual costs.

This proposal will present some challenges. However, the DOC is committed to working with its county partners in a collaborative and inclusive manner to help mitigate and offset the potential impacts, and to assume some of the reductions in the second year of the biennium. We must examine and evaluate current practices through a person-centered lens and identify opportunities that will enhance transformative services, achieve consistency where appropriate, potentially reduce supervision terms, and create efficiencies.

Proposal:

The Governor recommends a phased reduction to the agency's community services budgets:

- This is a reduction of a current initiative that can result in a transformation of services.
- This proposal includes a \$159,000 (2.5%) reduction to the CPO reimbursement and caseload/workload appropriations in fiscal year 2022 and the potential for an additional reduction in fiscal year 2023, to be determined.
- This proposal includes a \$1.525 million (2.5%) reduction to the CCA subsidy in fiscal year 2022 and the potential for an additional reduction in fiscal year 2023, to be determined.
- This proposal includes a \$6.61 million reduction to the DOC's community services budgets in fiscal year 2023 and each subsequent year, which may include additional reductions to pass-through funds.
- The DOC remains committed to working with its county partners to identify viable alternatives to current practices and identify specific reductions that will be implemented in fiscal year 2023.
- This proposal would be effective and phased as stated in the Fiscal Impact table at the beginning of this document.

Statutory Change(s):

Statutory revisions to M.S. 244.19 and M.S. chapter 401 may be necessary.

Program: Correctional Institutionsdoc.state.mn.us**AT A GLANCE**

- 10 correctional facilities statewide
- More than 3,600 employees
- Approximately 8,000 incarcerated adults and juveniles in state correctional facilities
- 74% of released offenders do not return to prison for a new conviction

PURPOSE AND CONTEXT

The correctional institutions program plays the critical role of providing a safe and secure environment for the provision of transformational services to the men, women and youth committed to the custody and care of the commissioner of corrections. The Department of Corrections (DOC) provides transformative opportunities to advance community safety by promoting community reintegration upon release, including educational, treatment and work programming. Individual transformative strategies are prioritized and evaluated by the DOC starting on the first day a person begins their sentence. Approximately 15,000 individuals are served through the cycle of intake and release each year. The program is funded primarily by the general fund. Federal funds used to support educational activities represent less than 1.5 percent of the program's total operating budget.

SERVICES PROVIDED

The correctional institutions program accomplishes its purpose through:

- The provision of food, clothing, secure housing and adequate living conditions;
- The provision of medical care and behavioral health services;
- The use of policy management, internal controls, incident command responses, security rounds, preventive maintenance, safety inspections and technology systems to help ensure a safe work/living environment;
- The promotion of racial equity;
- The development and use of comprehensive person-centered assessments to guide program planning and offender placement priorities;
- The provision of evidence-based practices for the rehabilitation of those in DOC custody, including treatment, mental health, medical, education and vocational programming that improves individual success;
- Use of organizational and practitioner level performance-management systems focused on successful outcomes and barriers to success;
- The use of research-based transition services and comprehensive release planning; and
- The appropriate use of disciplinary sanctions and investigations of offender criminal activity.

Specific services provided by this program include health care, treatment, education and work programming, population management, classification, transportation, food services, offender property management, workplace safety, physical plant maintenance, asset preservation, criminal investigation, intelligence gathering and fugitive apprehension. The program also manages MINNCOR as a self-sufficient prison industries operation providing incarcerated persons with needed work experience, learning opportunities, and the opportunity to advance.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Escapes from secure facilities	0	0	2013-2018
Results	3-year adult recidivism rate: Reconviction with a new felony	35%	38%	2012-2017
Results	3-year adult recidivism rate: Reconviction and reincarceration	25%	26%	2012-2017
Quality	Percentage of fugitive level 3 sex offenders apprehended within 72 hours	98%	99.5%	2013-2018
Quantity	Number of incarcerated individuals enrolled in educational programming	8,819	6,963	2013-2018

The DOC's most recent performance report is located at this link:

https://mn.gov/doc/assets/2018%20DOC%20Performance%20Report_tcm1089-366101.pdf

Minnesota Statutes 241 to 244 (<https://www.revisor.mn.gov/statutes/part/CORRECTIONS>) provide the legal authority for the DOC.

Correctional Institutions

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<i>Expenditures by Fund</i>								
1000 - General	416,260	434,284	435,040	480,209	464,216	464,068	459,810	467,493
1251 - COVID-19 Minnesota			1,985					
2000 - Restrict Misc Special Revenue	1,994	1,684	1,797	2,514	3,843	2,266	3,843	2,266
2001 - Other Misc Special Revenue	6,693	6,456	5,636	6,837	7,098	6,596	7,098	6,596
2403 - Gift	7	5	9	5	14	8	14	8
3000 - Federal	2,310	1,987	1,953	4,343	4,023	3,953	4,023	3,953
3010 - Coronavirus Relief			4,667	13,275				
4400 - Correctional Industries	58,385	48,696	47,222	43,205	44,643	45,189	44,643	45,189
6000 - Miscellaneous Agency	3,253	2,975	3,068	3,159	4,686	3,178	4,686	3,178
6001 - Social Welfare Agency	31,249	30,901	29,203	28,430	26,948	31,535	26,948	31,535
Total	520,150	526,989	530,579	581,977	555,471	556,793	551,065	560,218
Biennial Change				65,418		(292)		(1,273)
Biennial % Change				6		(0)		(0)
Governor's Change from Base								(981)
Governor's % Change from Base								(0)

Expenditures by Activity

Corr Institutn-Special Revenue					202	200	202	200
MCF-St. Cloud	34,145	36,797	35,776	39,018	38,250	38,423	38,809	39,613
MCF-Stillwater	47,185	48,744	49,031	52,465	52,251	52,186	53,088	53,748
MCF-Lino Lakes	36,008	37,311	37,894	39,513	39,518	39,632	40,076	40,827
MCF-Oak Park Heights	24,893	25,979	26,556	29,477	29,422	29,417	29,980	30,474
MCF-Moose Lake	32,957	34,279	33,637	35,843	35,661	35,984	36,219	36,995
MCF-Faribault	51,590	53,515	52,672	55,759	56,681	56,186	57,518	57,840
MCF-Willow River-CIP	5,467	5,771	5,521	6,012	5,899	5,888	5,899	6,072
MCF-Rush City	31,968	34,073	32,893	34,658	34,959	35,621	35,517	36,678
MCF - TOGO - CIP MALE	4,882	5,273	5,198	5,584	5,548	5,591	5,641	5,775
MCF-Shakopee	19,385	20,813	20,234	21,349	20,219	21,262	20,591	21,905
MCF - SHAKOPEE - CIP	1,234	1,238	1,263	1,372	1,335	1,335	1,335	1,381
MCF-Red Wing	13,552	14,240	14,772	15,416	15,260	15,252	15,539	15,712
MCF-Togo	171				3	3	3	3
Education	16,552	17,779	17,878	17,834	17,814	17,509	18,000	17,877

Correctional Institutions

Program Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Health Services-Corrections	92,733	90,962	93,192	101,502	99,934	99,718	100,314	101,098
Institution Support Services	38,144	38,728	45,911	69,905	46,400	45,438	36,785	37,213
Office of Special Investigations	6,516	7,005	6,675	7,379	6,948	6,942	7,041	7,126
Transportation	2,411	3,629	2,452	2,909	2,762	2,762	2,762	2,854
Safety	1,234	1,396	1,286	1,051	1,000	1,000	1,000	1,046
Ombudsperson for Corrections			101	1,208	655	655	(4)	(8)
Correctional Industries	59,124	49,456	47,636	43,723	44,750	45,789	44,750	45,789
Total	520,150	526,989	530,579	581,977	555,471	556,793	551,065	560,218

Expenditures by Category

Compensation	331,987	344,676	360,759	380,235	368,193	368,670	373,588	380,688
Operating Expenses	139,895	133,172	127,970	158,977	146,964	142,826	137,163	134,233
Grants, Aids and Subsidies	44,949	43,226	39,591	38,480	36,744	41,777	36,744	41,777
Capital Outlay-Real Property	1,199	2,241	1,006	2,095	1,763	1,713	1,763	1,713
Other Financial Transaction	2,119	3,674	1,253	2,190	1,807	1,807	1,807	1,807
Total	520,150	526,989	530,579	581,977	555,471	556,793	551,065	560,218

Total Agency Expenditures	520,150	526,989	530,579	581,977	555,471	556,793	551,065	560,218
Internal Billing Expenditures	2,194	2,109	1,513	1,226	1,204	1,202	1,204	1,202
Expenditures Less Internal Billing	517,955	524,879	529,066	580,751	554,267	555,591	549,861	559,016

Full-Time Equivalent

	3,739.86	3,738.98	3,711.94	3,696.32	3,662.98	3,624.03	3,722.04	3,756.02
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Correctional Institutions

Program Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In	0	13,780		13,187				
Direct Appropriation	427,666	429,575	449,098	468,182	465,660	465,661	461,254	469,086
Transfers In	15,078	28,736	11,522	11,318	10,861	10,862	10,861	10,862
Transfers Out	16,276	37,410	12,393	12,478	12,305	12,455	12,305	12,455
Cancellations	5	398						
Balance Forward Out	10,204		13,187					
Expenditures	416,260	434,284	435,040	480,209	464,216	464,068	459,810	467,493
Biennial Change in Expenditures				64,705		13,035		12,054
Biennial % Change in Expenditures				8		1		1
Governor's Change from Base								(981)
Governor's % Change from Base								(0)
Full-Time Equivalents	3,478.52	3,484.84	3,462.92	3,481.75	3,450.38	3,411.43	3,509.44	3,543.42

1251 - COVID-19 Minnesota

Direct Appropriation			2,005					
Cancellations			20					
Expenditures			1,985					
Biennial Change in Expenditures				1,985		(1,985)		(1,985)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents			0.66					

2000 - Restrict Misc Special Revenue

Balance Forward In	2,618	2,761	3,130	4,199	4,024	2,225	4,024	2,225
Receipts	2,620	2,502	3,234	2,712	2,417	2,417	2,417	2,417
Transfers Out	512	457	369	373	373	373	373	373
Balance Forward Out	2,731	3,122	4,198	4,024	2,225	2,003	2,225	2,003
Expenditures	1,994	1,684	1,797	2,514	3,843	2,266	3,843	2,266
Biennial Change in Expenditures				633		1,798		1,798
Biennial % Change in Expenditures				17		42		42
Governor's Change from Base								0
Governor's % Change from Base								0

Correctional Institutions

Program Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Full-Time Equivalents	1.50	3.76	6.61	6.61	6.61	6.61	6.61	6.61

2001 - Other Misc Special Revenue

Balance Forward In	1,667	1,670	1,571	1,824	1,583	1,081	1,583	1,081
Receipts	6,662	6,325	5,888	6,596	6,596	6,596	6,596	6,596
Internal Billing Receipts	647	582	431	625	625	625	625	625
Transfers Out	0	0						
Balance Forward Out	1,636	1,539	1,824	1,583	1,081	1,081	1,081	1,081
Expenditures	6,693	6,456	5,636	6,837	7,098	6,596	7,098	6,596
Biennial Change in Expenditures				(676)		1,221		1,221
Biennial % Change in Expenditures				(5)		10		10
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	66.85	61.29	58.88	58.83	58.83	58.83	58.83	58.83

2403 - Gift

Balance Forward In	11	9	8	8	11	5	11	5
Receipts	5	4	8	8	8	8	8	8
Balance Forward Out	9	8	7	11	5	5	5	5
Expenditures	7	5	9	5	14	8	14	8
Biennial Change in Expenditures				2		8		8
Biennial % Change in Expenditures				16		61		61
Governor's Change from Base								0
Governor's % Change from Base								0

3000 - Federal

Balance Forward In	6,301	6,002	6,256	6,525	4,194	2,080	4,194	2,080
Receipts	1,956	2,242	2,222	2,012	1,909	1,873	1,909	1,873
Balance Forward Out	5,947	6,256	6,525	4,194	2,080		2,080	
Expenditures	2,310	1,987	1,953	4,343	4,023	3,953	4,023	3,953
Biennial Change in Expenditures				1,999		1,680		1,680
Biennial % Change in Expenditures				47		27		27
Governor's Change from Base								0

Correctional Institutions

Program Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
Governor's % Change from Base								0
Full-Time Equivalents	17.25	18.81	16.35	16.98	16.01	16.01	16.01	16.01

3010 - Coronavirus Relief

Balance Forward In				3,367				
Direct Appropriation			8,034	9,908	0	0	0	0
Balance Forward Out			3,367					
Expenditures			4,667	13,275				
Biennial Change in Expenditures				17,942		(17,942)		(17,942)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

4400 - Correctional Industries

Balance Forward In	13,154	9,630	13,145	10,557	11,832	11,669	11,832	11,669
Receipts	54,566	51,921	44,634	44,480	44,480	44,480	44,480	44,480
Transfers In		300						
Transfers Out		300						
Balance Forward Out	9,335	12,855	10,557	11,832	11,669	10,960	11,669	10,960
Expenditures	58,385	48,696	47,222	43,205	44,643	45,189	44,643	45,189
Biennial Change in Expenditures				(16,654)		(595)		(595)
Biennial % Change in Expenditures				(16)		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	174.85	170.25	166.52	132.15	131.15	131.15	131.15	131.15

6000 - Miscellaneous Agency

Balance Forward In	4,507	4,264	4,318	4,667	4,686	3,178	4,686	3,178
Receipts	2,989	2,999	3,415	3,178	3,178	3,178	3,178	3,178
Balance Forward Out	4,243	4,287	4,665	4,686	3,178	3,178	3,178	3,178
Expenditures	3,253	2,975	3,068	3,159	4,686	3,178	4,686	3,178
Biennial Change in Expenditures				(1)		1,637		1,637
Biennial % Change in Expenditures				(0)		26		26

Correctional Institutions

Program Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.89	0.03						

6001 - Social Welfare Agency

Balance Forward In	4,843	5,491	5,291	6,439	9,544	14,131	9,544	14,131
Receipts	31,895	30,699	30,350	31,535	31,535	31,535	31,535	31,535
Transfers Out	0							
Balance Forward Out	5,489	5,289	6,438	9,544	14,131	14,131	14,131	14,131
Expenditures	31,249	30,901	29,203	28,430	26,948	31,535	26,948	31,535
Biennial Change in Expenditures				(4,517)		850		850
Biennial % Change in Expenditures				(7)		1		1
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Community Servicesdoc.state.mn.us**AT A GLANCE**

- The DOC serves approximately 20,000 individuals on community supervision including
 - Adult felony supervision in 53 counties
 - Adult misdemeanor and juvenile probation in 28 counties
 - Intensive supervised release (ISR) supervision in 75 counties
 - Intensive supervision to Challenge Incarceration Program (CIP) offenders in 82 counties
- County correctional agencies supervise more than 90,000 people
- Risk assessment and community notification of more than 9,400 sex offenders
- Inspect and license 236 local and out-of-state facilities
- State and county offender work crews benefit local communities

PURPOSE AND CONTEXT

The community services program works to transform lives for a safer Minnesota through community case management, problem-solving, and effective supervision of men, women and youth across the state. The DOC implements strategies that provide both support and accountability to those subject to supervision. The agency's probation and supervised release agents hold system-involved people accountable for the offenses they committed, while providing them with the tools to become successful and contributing members of their communities. The community services program serves more than 110,000 people on community supervision statewide, their victims, the courts, and local law enforcement agencies. The program is funded primarily by the general fund, with approximately 59% of the budget designated as pass-through to help fund county/community-based correctional services.

SERVICES PROVIDED

The community services program engages in the following activities to accomplish its purpose:

- Provide opportunity for redemption and productive community reintegration;
- Use evidence-based practices in the rehabilitation of those under community supervision or probation, including employment, treatment and health care directives, housing, pursuit of educational opportunities, and other processes;
- Provide investigative services, reports and recommendation to the courts and the Hearings and Release Unit;
- Assess the risk levels and needs of released individuals, and place them on proper supervision caseloads;
- Provide pre-release classes and assist with housing, employment and access to transformative support services;
- Incorporate research-based strategies including cognitive-based programming and motivational interviewing;
- Collaborate with local agencies and providers to help those placed on community supervision with mental health, domestic violence prevention, chemical dependency treatment, housing and employment needs;
- Collect and distribute address and employment information for predatory offenders requiring community notification and participate in community notification meetings;
- Promote racial equality;

- Build community connectedness;
- Refer potential civil commitment cases to county attorneys;
- Use community-based programs (Sentencing to Service crews, Institution Community Work Crews, Challenge Incarceration Programs and work release programming) to manage lower-risk cases, reduce the need for prison beds, respond to natural disasters and complete community work projects;
- Provide services that ensure the rights and needs of victims are met; and
- Inspect and license local correctional facilities and certify sex offender treatment programs.

Other specific services provided by this program include juvenile justice reform, management of supervision contracts, compliance with conditions of release, payment of financial restitution orders and due process offender hearings. The program manages pass-through and other funds appropriated for subsidies, grants, contracts and reimbursements. Program staff administer interstate compacts that allow for the controlled movement of offenders between states and provide victims with notification and other services.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Results	3-year adult recidivism rate: Reconviction with a new felony	35%	38%	2012-2017
Results	3-year adult recidivism rate: Reconviction and reincarceration	25%	26%	2012-2017
Quantity	Number of incarcerated individuals who completed pre-release planning	3,768	4,482	2013-2018
Quantity	Number of hours worked by Institution/ Community Work Crews (ICWC)	116,300	158,174	2013-2018
Quality	Estimated market value of ICWC hours @ \$11 per hour	\$1,268,588	\$1,739,914	2013-2018

The DOC's most recent performance report is located at this link:

https://mn.gov/doc/assets/2018%20DOC%20Performance%20Report_tcm1089-366101.pdf

Minnesota Statutes 241 to 244 (<https://www.revisor.mn.gov/statutes/part/CORRECTIONS>) provide the legal authority for the DOC.

Community Services

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	128,025	131,212	131,419	136,065	133,906	133,906	135,497	129,898
1251 - COVID-19 Minnesota			200					
2000 - Restrict Misc Special Revenue	4,771	4,305	4,828	4,565	5,145	4,565	5,145	4,565
2403 - Gift	0							
3000 - Federal	1,386	934	516	969	963	325	963	325
3010 - Coronavirus Relief			104	940				
6001 - Social Welfare Agency	1,097	1,011	990	1,166	1,193	1,164	1,193	1,164
Total	135,280	137,461	138,058	143,705	141,207	139,960	142,798	135,952
Biennial Change				9,022		(596)		(3,013)
Biennial % Change				3		(0)		(1)
Governor's Change from Base								(2,417)
Governor's % Change from Base								(1)

Expenditures by Activity

Probation & Supervised Release	25,921	27,765	29,299	28,118	28,223	28,223	28,772	29,230
Special Supervision	7,708	8,142	7,947	7,798	7,823	7,823	7,914	8,098
Sentencing to Service	4,450	3,890	3,733	3,764	3,805	3,767	3,896	3,859
Reentry Services	1,815	2,768	1,798	3,407	3,173	3,048	3,173	3,094
Work Release	6,218	5,877	5,858	6,576	6,579	6,580	6,579	6,580
Instn Comm Svcs Work Crews	2,742	2,878	2,972	2,800	3,299	2,800	3,299	2,800
Risk Assess/Comm Notification	1,855	2,008	2,131	2,206	2,216	2,216	2,262	2,308
Facilities Planning & Inspection	917	964	926	939	985	942	1,977	1,480
Grants/Subsidy/Offender Suprt	79,080	77,990	78,189	78,892	78,676	78,676	76,992	72,066
Community Support Services	1,582	1,844	2,082	6,359	3,563	3,291	5,023	3,751
Hearings and Release	1,931	2,066	2,160	2,115	2,124	2,124	2,170	2,216
Victim Assist/Restorative Just	1,062	1,268	963	731	741	470	741	470
Total	135,280	137,461	138,058	143,705	141,207	139,960	142,798	135,952

Expenditures by Category

Compensation	42,205	44,586	46,235	46,068	45,312	45,044	46,375	46,934
Operating Expenses	16,430	16,493	15,349	27,234	25,492	24,512	27,704	25,224
Grants, Aids and Subsidies	76,452	76,147	76,279	70,355	70,355	70,356	68,671	63,746

Community Services

Program Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Capital Outlay-Real Property	1	1	1					
Other Financial Transaction	193	233	194	48	48	48	48	48
Total	135,280	137,461	138,058	143,705	141,207	139,960	142,798	135,952

Total Agency Expenditures	135,280	137,461	138,058	143,705	141,207	139,960	142,798	135,952
Internal Billing Expenditures	97	293	140	233	215	210	215	210
Expenditures Less Internal Billing	135,183	137,168	137,918	143,472	140,992	139,750	142,583	135,742

<u>Full-Time Equivalents</u>	477.30	479.51	484.55	485.64	502.38	492.47	514.38	513.47
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Community Services

Program Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		1,912		1,517				
Direct Appropriation	129,499	130,413	132,965	134,548	133,906	133,906	135,497	129,898
Transfers In	4,142	6,401	3,401					
Transfers Out	3,904	7,201	3,401					
Cancellations	6	314	28					
Balance Forward Out	1,706		1,517					
Expenditures	128,025	131,212	131,419	136,065	133,906	133,906	135,497	129,898
Biennial Change in Expenditures				8,247		328		(2,089)
Biennial % Change in Expenditures				3		0		(1)
Governor's Change from Base								(2,417)
Governor's % Change from Base								(1)
Full-Time Equivalents	422.61	422.85	429.98	428.04	444.78	440.53	456.78	461.53

1251 - COVID-19 Minnesota

Direct Appropriation			200					
Expenditures			200					
Biennial Change in Expenditures				200		(200)		(200)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2000 - Restrict Misc Special Revenue

Balance Forward In	2,850	2,025	2,434	1,931	1,931	1,351	1,931	1,351
Receipts	3,980	4,680	4,083	4,565	4,565	4,565	4,565	4,565
Net Loan Activity	(135)	0	242	0	0	0	0	0
Balance Forward Out	1,923	2,400	1,931	1,931	1,351	1,351	1,351	1,351
Expenditures	4,771	4,305	4,828	4,565	5,145	4,565	5,145	4,565
Biennial Change in Expenditures				317		317		317
Biennial % Change in Expenditures				3		3		3
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	48.99	50.67	49.35	49.35	49.35	49.35	49.35	49.35

Community Services

Program Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23

2403 - Gift

Receipts	0							
Expenditures	0							
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

3000 - Federal

Balance Forward In				11				
Receipts	1,386	934	527	958	963	325	963	325
Balance Forward Out			11					
Expenditures	1,386	934	516	969	963	325	963	325
Biennial Change in Expenditures				(834)		(197)		(197)
Biennial % Change in Expenditures				(36)		(13)		(13)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	5.70	5.99	5.22	8.25	8.25	2.59	8.25	2.59

3010 - Coronavirus Relief

Balance Forward In				940				
Direct Appropriation			1,044					
Balance Forward Out			940					
Expenditures			104	940				
Biennial Change in Expenditures				1,044		(1,044)		(1,044)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

6001 - Social Welfare Agency

Balance Forward In	86	91	152	97	95	66	95	66
Receipts	1,103	1,072	935	1,164	1,164	1,164	1,164	1,164

Community Services

Program Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Balance Forward Out	91	152	97	95	66	66	66	66
Expenditures	1,097	1,011	990	1,166	1,193	1,164	1,193	1,164
Biennial Change in Expenditures				48		201		201
Biennial % Change in Expenditures				2		9		9
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Operations Supportdoc.state.mn.us**AT A GLANCE**

- Provision of services to
 - More than 4,300 employees
 - More than 30,000 people in state correctional facilities or on community supervision
- Employees represented by nine bargaining units/plans
- Employees are located at central office and across the state at 10 correctional institutions and 44 field offices
- Centralized/regionalized services
- Shared management

PURPOSE AND CONTEXT

The operations support program formulates organizational mission activities, internal accountability, and major policies for the Department of Corrections (DOC). The program provides leadership and support services that assist all programs in achieving the agency's mission to transform lives for a safer Minnesota. Customers include all DOC employees, the incarcerated population, individuals on community supervision, victims, state and local agencies, the Legislature and citizens. Additionally, the human resources and financial services units partner with and provide limited services to the Minnesota Sentencing Guidelines Commission, Ombudsman's Office for Corrections, and the Bureau of Medication Services. The program represents less than five percent of the total DOC operating budget and is funded entirely by the general fund.

SERVICES PROVIDED

The operations support program employs the following strategies to accomplish its purpose:

- Promote the mission and values of the agency through executive leadership, policy development, strategic planning, implementing evidence-based practices, and internal and external communications;
- Promote racial equity, and advance equity and inclusion across the agency;
- Align the organizational structure to reflect and support the agency's mission;
- Provide statutorily required services in the areas of finance, human resources, legal services, offender records administration and employee development;
- Use best and current practices to manage information technology, planning and performance, and compliance functions;
- Transform data collection and reporting processes into a strategic and performance-based model that is both dynamic and intuitive;
- Hire and maintain a high-quality and diverse workforce;
- Conduct business activities with integrity and transparency;
- Use established procurement processes that maximize the selection of diverse vendors and contractors;
- Safeguard the state's assets and comply with federal and state regulations and agency policies through compliance with established procedures and sound internal controls; and
- Manage offender information through integrated systems in partnership with the courts, state agencies, and state and local law enforcement agencies.

Other specific services provided by this program include budget management, financial transactions, financial reporting and analysis, procurement and inventory functions, offender banking services, internal audit, asset and property management, recruitment and selection, job classification, salary and benefit administration, labor contract negotiations, pre-service and in-service training, mail processing, offender records management, legal representation, and responding to public data and media requests. The operations support program partners with MN.IT and other stakeholders to ensure continual operation and/or accessibility to internal and external technology systems and to provide help-desk support. The planning and performance unit conducts research and evaluation projects, prepares legislative reports, coordinates implementation of evidence-based practices, coordinates strategic planning activities and projects prison population. The program is also responsible for business continuity and risk management plans.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Results	3-year adult recidivism rate: Reconviction with a new felony	35%	38%	2012-2017
Results	3-year adult recidivism rate: Reconviction and reincarceration	25%	26%	2012-2017
Results	Workers' compensation claim incident rate per 100 full-time employees	5.1%	3.8%	2012-2017

The DOC's most recent performance report is located at this link:

https://mn.gov/doc/assets/2018%20DOC%20Performance%20Report_tcm1089-366101.pdf

Minnesota Statutes 241 to 244 <https://www.revisor.mn.gov/statutes/part/CORRECTIONS> provide the legal authority for the DOC.

DOC Operations Support

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	26,751	29,041	28,913	29,352	28,967	28,967	30,515	30,913
1251 - COVID-19 Minnesota			50					
2000 - Restrict Misc Special Revenue	1	99						
2001 - Other Misc Special Revenue	662	148	3,087	3,456	3,887	3,816	3,887	3,816
3000 - Federal	54	42						
3010 - Coronavirus Relief			12					
Total	27,468	29,330	32,063	32,808	32,854	32,783	34,402	34,729
Biennial Change				8,073		766		4,260
Biennial % Change				14		1		7
Governor's Change from Base								3,494
Governor's % Change from Base								5

Expenditures by Activity

Employee Development	2,248	2,260	2,481	1,546	1,551	1,551	1,636	1,649
Financial Services	4,733	5,408	5,115	5,781	5,800	5,800	5,886	5,898
Human Resources	4,335	4,399	4,728	4,588	4,600	4,600	4,686	4,795
Information and Technology	1,641	9,371	9,446	9,986	9,957	9,957	11,523	11,578
Office Services	620	682	699	652	652	652	652	652
Operations Support Services	10,887	3,948	6,625	7,327	7,368	7,297	7,093	7,133
Policy and Legal Services	1,475	1,374	1,374	1,503	1,499	1,499	1,499	1,597
Planning and Performance	1,028	1,295	916	785	785	785	785	785
Offender Records	501	593	679	640	642	642	642	642
Total	27,468	29,330	32,063	32,808	32,854	32,783	34,402	34,729

Expenditures by Category

Compensation	15,255	16,635	17,475	17,186	16,875	16,875	17,217	17,560
Operating Expenses	12,120	12,543	14,552	15,583	15,940	15,869	17,146	17,130
Capital Outlay-Real Property		3						
Other Financial Transaction	93	149	36	39	39	39	39	39
Total	27,468	29,330	32,063	32,808	32,854	32,783	34,402	34,729

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
<u>Full-Time Equivalents</u>	168.47	168.51	175.01	169.51	170.29	167.07	174.29	174.07

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		1,005		74				
Direct Appropriation	27,701	28,165	29,064	29,374	29,063	29,063	30,611	31,009
Transfers In	7,917	1,907	750	94	82	82	82	82
Transfers Out	7,907	2,034	827	190	178	178	178	178
Cancellations		2						
Balance Forward Out	960		74					
Expenditures	26,751	29,041	28,913	29,352	28,967	28,967	30,515	30,913
Biennial Change in Expenditures				2,473		(331)		3,163
Biennial % Change in Expenditures				4		(1)		5
Governor's Change from Base								3,494
Governor's % Change from Base								6
Full-Time Equivalents	167.51	166.51	171.79	166.29	167.07	163.85	171.07	170.85

1251 - COVID-19 Minnesota

Direct Appropriation			50					
Expenditures			50					
Biennial Change in Expenditures				50		(50)		(50)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2000 - Restrict Misc Special Revenue

Balance Forward In		99						
Receipts	100							
Balance Forward Out	99							
Expenditures	1	99						
Biennial Change in Expenditures				(100)		0		0
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								

2001 - Other Misc Special Revenue

Balance Forward In	6,725	7,699	9,365	7,499	5,263	2,596	5,263	2,596
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DOC Operations Support

Program Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Receipts	1,625	1,814	1,220	1,220	1,220	1,220	1,220	1,220
Internal Billing Receipts	1,625	1,814	1,220	1,220	1,220	1,220	1,220	1,220
Balance Forward Out	7,689	9,365	7,499	5,263	2,596		2,596	
Expenditures	662	148	3,087	3,456	3,887	3,816	3,887	3,816
Biennial Change in Expenditures				5,734		1,160		1,160
Biennial % Change in Expenditures				708		18		18
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.96	2.00	3.22	3.22	3.22	3.22	3.22	3.22

3000 - Federal

Receipts	54	42						
Expenditures	54	42						
Biennial Change in Expenditures				(96)		0		0
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								

3010 - Coronavirus Relief

Direct Appropriation			12					
Expenditures			12					
Biennial Change in Expenditures				12		(12)		(12)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

Corrections

Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Budget	FY 2022 Base	FY 2023 Base	Required State Match or MOE?	FTEs
Department of Agriculture 10.553	National School Breakfast/Lunch – MCF RW salaries, supplies and equipment in kitchen areas at DOC institutions housing juveniles. Subgrant from Minnesota Department of Education		\$ 193	\$ 150	\$ 304	\$ 320	No	3.01
	Budget Activity 30 - MCF Red Wing Total		\$ 193	\$ 150	\$ 304	\$ 320		3.01
Department of Education 84.027	Special Education – provide services and instruction to students who have an individual education plan. Subgrant from Minnesota Department of Education		\$ 57	\$ 49	\$ 49	\$ 49	No	0.42
Department of Education 84.013	Chapter 1 Education (Neglected and Delinquent) – provide remedial instruction to students who have reading levels at least two grades below their peers. Subgrant from Minnesota Department of Education		\$ 395	\$ 422	\$ 422	\$ 422	No	3.79
Department of Education 84.002	Adult Basic Education – supplemental funds to serve the most difficult to reach literacy students. Subgrant from Minnesota Department of Education		\$ 558	\$ 588	\$ 588	\$ 588	No	4.43
Department of Agriculture 10.579	National School Lunch Equipment – Kitchen equipment for MCF RW. Subgrant from Minnesota Department of Education			\$ 24			No	0.00
Department of Justice 16.812	Second Chance Act – Technology-Based Career Training Program for Incarcerated Adult and Juveniles – technology education supporting reintegration success.		\$ 223	\$ 34			No	0.97
Department of Justice 16.812	Correctional Adult Reentry Education, Employment, and Recidivism Reduction Strategies Program - Programming to improve educational and employment outcomes for offenders.	New	\$ -	\$ 300	\$ 300	\$ 300	No	2.75
	Budget Activity 40 - Education Total		\$ 1,232	\$ 1,417	\$ 1,359	\$ 1,359		12.36
Department of Justice 16.593	Residential Substance Abuse Treatment – treatment programs and activities for offenders with substance abuse issues. Subgrant from Minnesota Department of Public Safety		\$ 146	\$ 286	\$ 286	\$ 250	Yes	1.25
	Budget Activity 41 - Health Services Total		\$ 146	\$ 286	\$ 286	\$ 250		1.25
Department of Justice 16.606	State Criminal Alien Assistance Program – reimburse facilities for costs associated with housing criminal aliens		\$ 206	\$ 208			No	0.00
Department of Justice 16.606	State Criminal Alien Assistance Program – Post 2007 reimburse facilities for costs associated with housing criminal aliens		\$ 133	\$ 2,258	\$ 2,050	\$ 2,000	No	0.00
	Budget Activity 42 - Institution Support Services Total		\$ 339	\$ 2,466	\$ 2,050	\$ 2,000		0.00
Department of Justice	OSI Joint Law Enforcement Operations – Fugitive Specialists provide overtime assistance to US Marshal Service		\$ 43	\$ 24	\$ 24	\$ 24	No	0.36
	Budget Activity 43 - Office of Special Investigations Total		\$ 43	\$ 24	\$ 24	\$ 24		0.36
	Program 1 - Correctional Facilities Total		\$ 1,953	\$ 4,343	\$ 4,023	\$ 3,953		16.98
Department of Justice 16.812	Adult Reentry and Employment Strategic Planning Program - training and employment search and support for released offenders.		\$ 83	\$ 1	\$ -	\$ -	No	0.00

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Budget	FY 2022 Base	FY 2023 Base	Required State Match or MOE?	FTEs
Department of Justice 16.812	Adult Reentry and Employment Strategies Implementation Program - educational and employment support for released offenders in to largest counties.	New		\$ 361	\$ 125	\$ -	No	4.00
	Budget Activity 64 - Reentry Services Total		\$ 83	\$ 362	\$ 125	\$ -		4.00
Department of Justice 16.745	Juvenile Justice and Mental Health Collaboration - community collaboration for juvenile offenders with mental health or substance abuse disorders.	New		\$ 146	\$ 397	\$ 126	Yes	0.00
	Budget Activity 73 - Community Support Services Total		\$ -	\$ 146	\$ 397	\$ 126		0.00
Department of Justice 16.575	Crime Victim Services – Direct Services to Crime Victims. Subgrant from Minnesota Department of Public Safety		\$ 162	\$ 211	\$ 200	\$ 200	Yes	2.59
Department of Justice 16.590	Improving Criminal Justice Response to Domestic Violence, Sexual Assault and Stalking Victims – Advocacy work and a Native American pilot site.		\$ 271	\$ 250	\$ 241		No	1.66
	Budget Activity 75 - Victim Assist/Restorative Justice Total		\$ 433	\$ 461	\$ 441	\$ 200		4.25
	Program 2 - Community Services Total		\$ 516	\$ 969	\$ 963	\$ 326		8.25
	Federal Fund – Agency Total		\$ 2,469	\$ 5,312	\$ 4,986	\$ 4,279		25.23

Narrative

Federal funding represents less than one percent of the DOC's total budget.

The DOC continuously works to identify and apply for competitive grants that align with our mission. Ongoing formula grants and competitive grants primarily support juvenile and adult education, the cost of incarcerating illegal aliens convicted of crimes in Minnesota, substance abuse treatment, offender reentry services and collaborative efforts to reduce recidivism. New grants awarded are continuations of expired grants, or have a narrowed focus on population or demographics.

DOC has continued several grant-funded activities beyond the expiration date of the grant, sometimes seeking funding through the legislative process (i.e. chemical dependency treatment, release planning for mentally ill offenders).

Current data indicates federal grant funding will remain relatively static within the DOC overall. In general estimates are based on current awards throughout the term of the grant, or as ongoing where applicable.