

# *Texas Department of Criminal Justice*



*Fiscal Year 2009 Operating Budget*

*and*

*Fiscal Years 2010-2011*

*Legislative Appropriations Request*

*August 27, 2008*

## Texas Department of Criminal Justice

The attached summary document contains the Texas Department of Criminal Justice's Fiscal Year 2009 Operating Budget as well as the 2010-11 biennial Legislative Appropriations Request (LAR). Considering our responsibilities as fiscal stewards and the continued emphasis on fiscal restraint, we have structured our Fiscal Year 2009 Operating Budget and requested funding levels for the 2010-11 biennium to include only those items of critical importance.

### Fiscal Year 2009 Operating Budget

TDCJ's Fiscal Year 2009 Operating Budget reflects the amounts appropriated during the 80th Regular Legislative Session. A key focus of the 80<sup>th</sup> Legislative Session was the funding for the state's criminal justice system, as outlined below, to manage the projected offender population by providing additional appropriations totaling over \$237 million for the 2008-09 biennium as alternatives to constructing additional prison capacity.

These 2008-09 initiatives include funding for additional substance abuse treatment for offenders, additional funding for probation supervision and mental health services for offenders, additional probation and parole intermediate sanction facility (ISF) beds, and funding for the transfer and operations of two Texas Youth Commission (TYC) facilities and the Marlin Veterans Administration (VA) Hospital. These targeted appropriations will fund approximately 5,900 beds (1,500 probation residential treatment and ISF beds, 1,500 substance abuse felony punishment [SAFP] beds for probationers, 1,000 parole ISF and halfway house beds, 1,200 beds from the transferred TYC facilities, a 500-bed DWI facility, and 200 beds at the former VA Hospital in Marlin); and an additional 2,200 substance abuse treatment slots to the existing institutional capacity.

The Fiscal Year 2009 Operating Budget includes additional legislative appropriations, totaling \$26.8 million, provided to the agency for the 2009 state employee pay raise – a 2% increase, with a \$50 monthly minimum. Additionally, due to several significant operational challenges outlined below, the Fiscal Year 2009 Operating Budget will require a supplemental appropriation currently totaling approximately \$176.5 million that we will seek during the 81<sup>st</sup> Legislative Session. (This amount does not include any operational shortfalls that may be identified by the Correctional Managed Health Care Committee). The on-going fiscal challenges for TDCJ this biennium have included:

- ❑ Continued rising costs of electricity, natural gas, fuel, food and other commodities;
- ❑ The fiscal impact of increases for overtime, hazardous duty pay, recently approved correctional officer salary adjustments and recruitment bonuses, and enhancements to the parole officer career ladder pursuant to SB 909;
- ❑ The continued use of contracted temporary capacity in FY 2009; and
- ❑ A net operational shortfall in FY 2008, consistent with the above items, of \$22.5 million which will be transferred from FY 2009 funds upon approval from the Legislative Budget Board (LBB) and Governor's Office.

We will continue monitoring our expenditures and reducing costs where we can to offset budget shortages in an effort to reduce the amount of required additional funding.

## **Texas Department of Criminal Justice 2010-11 Legislative Appropriations Request (LAR)**

The budget request for the 2010-11 biennium was developed in a manner consistent with directions from state leadership (see Policy Letter on page 14). Additionally, offender population projections were recently updated by the LBB and provided to the agency to assist in preparing the 2010-11 LAR. These projections currently indicate a somewhat stable incarceration population over the next five years, steady growth in the number of probationers under supervision, and increases to the current number of supervised parolees.

In addition to our baseline budget request, we are seeking funding for exceptional items of policy and/or operational significance. A considerable portion of this request for additional appropriations deals directly with basic operational issues related to critical staffing requirements and the agency's infrastructure needs. The continued emphasis on diversionary initiatives and population management is also reflected by requests that include increased funding for the local Community Supervision and Corrections Departments (CSCDs), mental health, in-prison substance abuse treatment, and offender reintegration. Each exceptional item is fundamentally important to the operations of the agency and included in the list below.

### ***Items Necessary to Maintain Current Operations:***

- ❑ As nationwide rates for utilities, fuel and food continue to climb, these expenditures continue to be a significant fiscal challenge for the agency. Although a proactive contracting approach has resulted in lower utility rates and expenditures than otherwise would be expected, utility expenditures for TDCJ will exceed the 2010-11 base level request by approximately \$40 million annually. Additionally, nationwide increases in fuel prices over the last several years have directly impacted the prices of the food items procured for offender consumption. This exceptional item would allow TDCJ to fund these critical items at a level consistent with the FY 2008 expenditures.
- ❑ In order to limit the growth of state expenditures, long-term contracts have historically been established with private vendors for the operations of seven private prisons, five privately operated state jails, two pre-parole transfer facilities, one work program facility, seven halfway house facilities, and four privately operated intermediate sanction facilities. These competitively awarded contracts are evaluated and awarded with a rate escalator, resulting in an increase of approximately 2% annually to the contract price. Based on the current funding level and the current filled rate on these facilities, it is estimated that we will need an additional \$20.4 million for the 2010-11 biennium to maintain the current population levels on these correctional and parole facilities. Without this funding, we may be unable to utilize nearly 1,000 beds at these facilities, directly impacting the offender capacity.
- ❑ The 80<sup>th</sup> Legislature provided TDCJ with funding for a number of treatment and diversion initiatives, including a phase in of 1,500 SAFP beds and 1,400 parole and probation ISF beds. Additional funding is required in FY 2010-11 to fully biennialize the operations of these programs.

## **Texas Department of Criminal Justice**

### **2010-11 Legislative Appropriations Request (LAR) – *continued***

- ❑ Continued repair and rehabilitation funding is necessary to maintain our existing physical plant totaling over 100 correctional facilities statewide. Many of these facilities are over 75 years old. The size, scope and complexity of our physical plant require substantial ongoing preventive repair and renovation expenditures. Consistently funded with general obligation bonds, these projects include: roof repairs, security fencing and lighting, electrical renovations, water/wastewater improvements, and major infrastructure repairs.
- ❑ Legislative Budget Board projections relating to the number of active parolees and probationers under supervision indicate some growth over the next five year period. Based on these offender levels, TDCJ will need an additional \$12.6 million during the 2010-11 biennium to maintain current caseload ratios.
- ❑ With the passage of HB 1516, 79th Legislature, the data centers of 27 state agencies were consolidated through a managed services agreement with the Department of Information Resources (DIR). Based on the invoices received to date, additional funding is necessary above current appropriation levels for TDCJ mainframe services, including offender, HR and financial information systems.

#### ***Policy and/or Operational Items Requiring Additional State Resources:***

- ❑ A substantial and comprehensive Correctional Officer and Parole Officer salary increase will address recruitment and retention of critical agency positions. Our core focus continues to be the operation of safe and secure correctional facilities and the supervision of released offenders in support of the agency's primary mission to ensure public safety. An average pay increase to the correctional and parole officer career ladders of approximately 20% would raise the maximum correctional officer salary to \$42,242 and should substantially improve our ability to recruit and retain these critical staff. Additionally, TDCJ recently began utilizing recruitment bonuses for newly hired correctional officers willing to work at a critically staffed unit. We are seeking funding and legislative authority to expand this initiative to include annual retention bonuses for those employees currently assigned at critically staffed units as well as correctional officers willing to transfer to those designated units.
- ❑ The In-Prison Therapeutic Community (IPTC) program is utilized for eligible offenders who have a need for substance abuse treatment and who the Board of Pardons and Paroles has approved for release on parole, contingent upon completion of the IPTC program. Currently, the demand for this program exceeds program capacity. Expansion of the current IPTC program by an additional 400 treatment slots will address the current backlog and voting trends.
- ❑ The request for Reentry Transitional Coordinators will provide reentry services to offenders who are nearing release into the community. These services include reentry planning which will assist offenders in mapping out their transition, gathering critical identification documents, family reunification, identifying residential and employment resources, and addressing other issues that offenders experience while transitioning from incarceration back to the community.

## **Texas Department of Criminal Justice**

### **2010-11 Legislative Appropriations Request (LAR) – *continued***

- ❑ To provide for a safer and more secure environment on our correctional facilities for staff, offenders and visitors, a request for \$15 million annually will fund additional equipment for a substantial expansion of the use of video surveillance equipment throughout the system, contraband screening/metal detectors at entry points within correctional facilities, and a pilot monitoring/tracking system at one of our larger correctional facilities.
- ❑ Most employee housing was constructed prior to the prison expansion in the early-mid 1990's. Of the 22 units that are currently staffed with correctional officers below 80%, eight (8) units, or 36%, have officers' quarters. In order to address targeted staffing shortages, our request would provide funding for three (3) 80-bed officers' quarters to be constructed adjacent to three (3) of our critically staffed facilities.
- ❑ We are requesting funding for the CSCDs to employ additional Community Supervision Officers, reduce caseload sizes, and assist in retaining experienced specialized officers who work with medium and high risk offenders. In addition, this funding for Basic Supervision and community corrections facilities would assist in addressing the rising costs of fuel, utilities and other operational costs impacting CSCDs and community corrections facilities across the state.
- ❑ Funding to the CSCDs for outpatient substance abuse treatment would serve approximately 3,000 additional probationers each fiscal year at an annual cost of \$5 million. These additional treatment options would provide judges with more alternatives to incarceration, both as a sentencing option and as an alternative to revocation. These alternatives are designed to divert offenders from incarceration in prisons and state jails.
- ❑ Additional funding would allow TCOOMMI to expand Mental Health/Criminal Justice services and provide for new mental health courts. The new funding would be used to expand case management capacity for probationers, allowing approximately 1,000 additional offenders to be served. This item will also enable TCOOMMI to expand mental health courts to four (4) additional urban sites.
- ❑ The funding request for the Classification Document Management System will provide for the imaging of offender records received on paper documents and for securely storing them as electronic images. Currently, there are over 415,000 offender records stored as paper documents containing about 96 million pages of information. There are limited backups for these records. Some records are stored on microfiche, which has become obsolete, and the retrieval of paper records and microfiche is very labor intensive. This funding will allow the electronic images to be moved quickly through the intake and classification process for use throughout the agency.
- ❑ The Office of the Inspector General (OIG) consists primarily of peace officers responsible for investigating allegations of criminal behavior, serious policy violations, excessive use of force, and suspected fraud on TDCJ facilities, as well as coordinating with local law enforcement to apprehend absconders and escapees. This funding request would provide additional staff to conduct investigative activities and organized crime investigations of prison gangs throughout the state. This funding will also provide OIG the ability to establish a centralized call center to effectively monitor the new offender telephone system for possible criminal activities.

## **Texas Department of Criminal Justice**

### **2010-11 Legislative Appropriations Request (LAR) – *continued***

- ❑ The agency's fleet currently consists of approximately 2,100 vehicles, utilized primarily for offender transportation, freight transportation, agricultural operations, OIG investigative activities and maintenance/construction activities. A request of \$20.0 million for the biennium would replace a substantial number of those vehicles already exceeding twice the agency's conservative replacement schedule.
- ❑ To date, the Offender Information Management System (OIMS) project has included the offender records process related to parole board votes and parole supervision functions as well as the information technology infrastructure necessary to connect all TDCJ units, parole, regional, and administrative offices. The next phase of the project is focused on the institutional (or incarceration) related business processes that enable effective and efficient offender management. An electronic offender record (EOR) will be created for each offender entering the system and will be maintained and utilized throughout incarceration and parole supervision. An EOR will eliminate redundant data entry, improve data accuracy and reduce staff time spent pulling paper files.
- ❑ The Marlin VA Hospital was recently evaluated by the federal government prior to the proposed transfer to the State of Texas. Based on our initial review of their management plan detailing areas of environmental concern, we estimate that \$22 million in renovations will be required to remediate the facility and make it fully operational as a correctional hospital/mental health facility. TDCJ has \$3.5 million in existing general obligation bond authority for this project; however, additional funding will be required to complete the necessary renovations.
- ❑ Correctional Managed Health Care is requesting \$181.1 million in additional funding to maintain existing medical services and provide for increasing hospital/specialty care costs, as well as replace aging capital equipment. Their request also includes funding for additional positions needed to perform the health services mission, as determined by a TDCJ staffing analysis of each correctional facility, as directed by Agency Rider 87.

The policy letter from the LBB and Governor's Office also requires agencies to develop a schedule reducing their 2010-11 base request by 10%. Based on the policy letter, the primary incarceration functions would be excluded from the 10% reduction. However, a 10% reduction to probation, parole, treatment and administrative functions would greatly reduce residential and treatment programs within probation, incarceration and parole and, with fewer options aimed at diverting offenders from prison, the incarcerated offender population could grow larger. Additionally, probation and parole supervision caseloads would increase significantly, and reductions to the administrative functions would impact the agency's ability to provide management oversight, administrative support, victim services and information technology services at the necessary levels. Continued funding for these items is critical to the effectiveness of the criminal justice system.

**Texas Department of Criminal Justice**  
**2010-11 Legislative Appropriations Request (LAR) – *continued***

Pursuant to the LAR instructions seeking information regarding the use of employee background checks, the agency’s Executive Director is required to establish policies related to recruitment, evaluation, selection, training, and promotion of personnel in accordance with §493.007, Texas Government Code. The conducting of criminal offense background checks on prospective and current employees, which include initial and annual background checks and notifications of arrest and pending charges, is addressed within Human Resources policies PD-22 “General Rules of Conduct and Disciplinary Action Guidelines for Employees” and PD-75 “Applicants With Pending Criminal Charges or Prior Criminal Convictions”. The agency utilizes the Department of Public Safety Automatic Arrest Notification and Records Access Systems to comply with this requirement.

We share a commitment to public safety and sound correctional management and are confident that the critical funding requirements within the criminal justice system will be met.

We recognize that the State’s leadership will be required to make many difficult funding decisions during the upcoming legislative session; however, we strongly support a pay increase for all state employees for the hard work and dedication they demonstrate everyday serving the citizens of Texas.

Brad Livingston  
Executive Director

**TEXAS DEPARTMENT OF CRIMINAL JUSTICE**  
***FY 2010-11 Agency Budget***

	Estimated		Budgeted		Base Budget Request		Total Budget Request	
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2010	FY 2011	FY 2010	FY 2011
A. Goal: PROVIDE PRISON DIVERSIONS	\$ 267,115,917	\$ 269,785,323	\$ 269,129,319	\$ 269,129,316	\$ 305,037,664	\$ 305,148,678		
B. Goal: SPECIAL NEEDS OFFENDERS	19,598,703	21,273,265	20,444,499	20,444,499	26,444,499	26,444,499		
C. Goal: INCARCERATE FELONS	2,313,373,902	2,358,241,562	2,334,352,686	2,344,688,328	2,732,932,448	2,772,764,070		
D. Goal: ENSURE ADEQUATE FACILITIES	59,742,283	66,474,431	12,987,350	6,888,475	87,429,350	56,888,475		
E. Goal: OPERATE PAROLE SYSTEM	146,052,942	166,486,994	161,405,535	161,721,834	180,899,222	182,382,668		
F. Goal: INDIRECT ADMINISTRATION	77,307,774	64,631,224	71,266,547	71,266,538	90,236,751	83,783,275		
<b>GRAND TOTAL</b>	<b>\$ 2,883,191,521</b>	<b>\$ 2,946,892,799</b>	<b>\$ 2,869,585,936</b>	<b>\$ 2,874,138,990</b>	<b>\$ 3,422,979,934</b>	<b>\$ 3,427,411,665</b>		
<i>(Less) Construction Subtotal</i>	48,310,983	55,075,118	-	-	74,442,000	50,000,000		
<b>TOTAL OPERATING BUDGET</b>	<b>\$ 2,834,880,538</b>	<b>\$ 2,891,817,681</b>	<b>\$ 2,869,585,936</b>	<b>\$ 2,874,138,990</b>	<b>\$ 3,348,537,934</b>	<b>\$ 3,377,411,665</b>		

## Texas Department of Criminal Justice

GOALS	Estimated FY 2008	Budgeted FY 2009	Base Budget Request		Total Budget Request		
Strategies Program Descriptions			FY 2010	FY 2011	FY 2010	FY 2011	
<b>A. PROVIDE PRISON DIVERSIONS</b>							
<b>A.1.1. Basic Supervision</b>	<b>105,744,392</b>	<b>107,326,403</b>	<b>106,535,398</b>	<b>106,535,397</b>	<b>132,443,743</b>	<b>132,554,759</b>	*
<b>A.1.2. Diversion Programs</b>	<b>110,996,525</b>	<b>112,083,921</b>	<b>112,218,921</b>	<b>112,218,920</b>	<b>122,218,921</b>	<b>122,218,920</b>	*
<b>A.1.3. Community Corrections</b>	<b>38,770,088</b>	<b>38,770,088</b>	<b>38,770,088</b>	<b>38,770,088</b>	<b>38,770,088</b>	<b>38,770,088</b>	
<b>A.1.4. Treatment Alternatives to Incarceration</b>	<b>11,604,912</b>	<b>11,604,911</b>	<b>11,604,912</b>	<b>11,604,911</b>	<b>11,604,912</b>	<b>11,604,911</b>	
<b>B. SPECIAL NEEDS OFFENDERS</b>							
<b>B.1.1. Special Needs Projects</b>	<b>19,598,703</b>	<b>21,273,265</b>	<b>20,444,499</b>	<b>20,444,499</b>	<b>26,444,499</b>	<b>26,444,499</b>	*
<b>C. INCARCERATE FELONS</b>							
<b>C.1.1. Correctional Security Operations</b>	<b>957,484,011</b>	<b>992,111,034</b>	<b>994,439,247</b>	<b>999,939,248</b>	<b>1,195,037,151</b>	<b>1,204,067,805</b>	*
Correctional Security Overtime	79,841,170	28,600,000	57,720,585	57,720,585	57,720,585	57,720,585	
Correctional Security Operations	860,976,180	946,930,966	920,095,297	925,595,299	1,120,693,201	1,129,723,856	*
Workers Compensation & Unemployment	16,666,661	16,580,068	16,623,365	16,623,364	16,623,365	16,623,364	
<b>C.1.2. Correctional Support Operations</b>	<b>78,520,931</b>	<b>79,107,091</b>	<b>79,527,557</b>	<b>79,527,559</b>	<b>94,527,557</b>	<b>94,527,559</b>	*
Correctional Unit Support	54,970,478	54,949,592	55,403,805	55,403,807	70,403,805	70,403,807	*
Classification & Records	23,550,453	24,157,499	24,123,752	24,123,752	24,123,752	24,123,752	
<b>C.1.3. Offender Services</b>	<b>12,818,267</b>	<b>12,488,499</b>	<b>12,720,228</b>	<b>12,720,230</b>	<b>12,720,228</b>	<b>12,720,230</b>	
Counsel Substitute/Access to Courts	4,932,692	4,847,286	4,928,393	4,928,395	4,928,393	4,928,395	
Release Payments for Adult Offenders	4,464,773	4,310,821	4,387,797	4,387,797	4,387,797	4,387,797	
State Counsel for Offenders	2,722,534	2,664,086	2,715,716	2,715,716	2,715,716	2,715,716	
Interstate Compact	698,268	666,306	688,322	688,322	688,322	688,322	
<b>C.1.4. Institutional Goods</b>	<b>162,152,396</b>	<b>148,444,167</b>	<b>156,200,944</b>	<b>156,200,941</b>	<b>175,874,733</b>	<b>175,874,730</b>	*
Food Services for Offenders	120,037,648	106,352,359	113,709,834	113,709,833	128,193,362	128,193,361	*
Unit Necessities & Laundry	42,114,748	42,091,808	42,491,110	42,491,108	47,681,371	47,681,369	*
<b>C.1.5. Institutional Services</b>	<b>166,814,849</b>	<b>168,555,204</b>	<b>170,008,056</b>	<b>170,008,052</b>	<b>184,508,056</b>	<b>184,508,052</b>	*
Agriculture Operations	43,377,027	43,506,159	43,670,301	43,670,299	43,670,301	43,670,299	
Commissary Operations	80,070,036	90,494,965	87,282,501	87,282,500	87,282,501	87,282,500	
Freight Transportation-Warehouse Operations	43,367,786	34,554,080	39,055,254	39,055,253	53,555,254	53,555,253	*

## Texas Department of Criminal Justice

GOALS				Base Budget Request		Total Budget Request		
Strategies		Estimated FY 2008	Budgeted FY 2009	FY 2010	FY 2011	FY 2010	FY 2011	
Program Descriptions								
<b>C.1.6.</b>	<b>Institutional Operations &amp; Maintenance</b>	<b>215,454,726</b>	<b>184,519,785</b>	<b>175,363,299</b>	<b>175,354,962</b>	<b>219,306,984</b>	<b>219,298,647</b>	*
	Institutional Operations & Maintenance	79,448,046	81,812,661	80,374,463	80,374,474	80,374,463	80,374,474	
	Utilities	136,006,680	102,707,124	94,988,836	94,980,488	138,932,521	138,924,173	*
<b>C.1.7.</b>	<b>Correctional Managed Psychiatric Care</b>	<b>43,094,589</b>	<b>47,938,575</b>	<b>43,094,589</b>	<b>47,938,575</b>	<b>51,252,506</b>	<b>58,568,370</b>	*
<b>C.1.8.</b>	<b>Correctional Managed Health Care</b>	<b>370,528,345</b>	<b>389,967,052</b>	<b>375,534,714</b>	<b>375,534,713</b>	<b>446,255,417</b>	<b>467,161,816</b>	*
<b>C.1.9.</b>	<b>Health Services</b>	<b>3,964,522</b>	<b>3,783,033</b>	<b>3,902,101</b>	<b>3,902,100</b>	<b>3,902,101</b>	<b>3,902,100</b>	
<b>C.1.10.</b>	<b>Contracted/Temporary Capacity</b>	<b>27,587,270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>C.1.11.</b>	<b>Contract Prisons/Private State Jails</b>	<b>108,004,665</b>	<b>113,527,315</b>	<b>113,101,574</b>	<b>113,101,575</b>	<b>118,462,191</b>	<b>120,366,003</b>	*
<b>C.1.12.</b>	<b>Residential Pre-Parole Facilities</b>	<b>31,173,557</b>	<b>31,445,704</b>	<b>31,309,630</b>	<b>31,309,631</b>	<b>33,134,412</b>	<b>33,817,652</b>	*
	Pre-Parole Transfer Facilities	26,218,912	26,747,609	26,483,260	26,483,261	26,920,190	27,026,041	*
	Parole Work Facility Programs	4,954,645	4,698,095	4,826,370	4,826,370	6,214,222	6,791,611	*
<b>C.2.1.</b>	<b>Texas Correctional Industries</b>	<b>69,764,343</b>	<b>67,210,976</b>	<b>68,673,017</b>	<b>68,673,017</b>	<b>68,673,017</b>	<b>68,673,017</b>	
<b>C.2.2.</b>	<b>Academic/Vocational Training</b>	<b>2,332,715</b>	<b>2,332,714</b>	<b>2,332,715</b>	<b>2,332,714</b>	<b>2,332,715</b>	<b>2,332,714</b>	
	Academic Programs	1,365,128	1,365,127	1,365,128	1,365,127	1,365,128	1,365,127	
	Vocational Programs	967,587	967,587	967,587	967,587	967,587	967,587	
<b>C.2.3.</b>	<b>Project RIO</b>	<b>3,545,238</b>	<b>3,643,078</b>	<b>3,632,557</b>	<b>3,632,556</b>	<b>3,632,557</b>	<b>3,632,556</b>	
<b>C.2.4.</b>	<b>Treatment Services</b>	<b>15,866,629</b>	<b>16,246,309</b>	<b>15,820,182</b>	<b>15,820,180</b>	<b>20,986,566</b>	<b>20,986,564</b>	*
	Classification Case Managers	8,201,518	8,169,752	7,888,489	7,888,487	7,888,489	7,888,487	
	Sex Offender Treatment Program	2,183,693	2,269,698	2,249,248	2,249,248	2,249,248	2,249,248	
	Parole Special Needs	1,197,161	1,185,060	1,192,014	1,192,015	1,192,014	1,192,015	
	Chaplaincy	4,284,257	4,621,799	4,490,431	4,490,430	4,490,431	4,490,430	
	Reentry Transitional Coordinator					5,166,384	5,166,384	*
<b>C.2.5.</b>	<b>Substance Abuse Treatment</b>	<b>44,266,849</b>	<b>96,921,026</b>	<b>88,692,276</b>	<b>88,692,275</b>	<b>102,326,257</b>	<b>102,326,255</b>	*
	Substance Abuse Treatment	5,170,818	5,466,326	5,375,107	5,375,105	5,375,107	5,375,105	
	Substance Abuse Felony Punishment Facilities	28,505,033	66,069,439	57,931,908	57,931,909	66,358,069	66,358,069	*
	In-Prison Therapeutic Communities	8,565,780	16,458,198	16,458,198	16,458,198	21,666,018	21,666,018	*
	DWI Treatment	661,184	6,027,063	6,027,063	6,027,063	6,027,063	6,027,063	
	State Jail Substance Abuse Treatment	1,364,034	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	
D. ENSURE ADEQUATE FACILITIES								
<b>D.1.1.</b>	<b>Facilities Construction</b>	<b>48,310,983</b>	<b>55,075,118</b>	<b>-</b>	<b>-</b>	<b>74,442,000</b>	<b>50,000,000</b>	*
<b>D.1.2.</b>	<b>Lease-Purchase of Facilities</b>	<b>11,431,300</b>	<b>11,399,313</b>	<b>12,987,350</b>	<b>6,888,475</b>	<b>12,987,350</b>	<b>6,888,475</b>	

## Texas Department of Criminal Justice

GOALS	Estimated FY 2008	Budgeted FY 2009	Base Budget Request		Total Budget Request		
Strategies			FY 2010	FY 2011	FY 2010	FY 2011	
Program Descriptions							
<b>E. OPERATE PAROLE SYSTEM</b>							
<b>E.1.1. Parole Release Processing</b>	16,690,021	16,414,376	16,837,099	16,837,099	18,205,699	18,205,099	*
<b>E.2.1. Parole Supervision</b>	94,403,272	95,249,417	95,379,476	95,695,773	106,102,335	107,183,057	*
<b>E.2.2. Halfway House Facilities</b>	16,480,734	17,451,216	17,706,587	17,706,588	19,205,671	19,608,995	*
<b>E.2.3. Intermediate Sanction Facilities</b>	18,478,915	37,371,985	31,482,373	31,482,374	37,385,517	37,385,517	*
<b>F. INDIRECT ADMINISTRATION</b>							
<b>F.1.1. Central Administration</b>	25,059,447	24,929,903	25,216,625	25,216,618	25,216,625	25,216,618	
Administration & Support	18,987,502	18,630,388	18,971,388	18,971,386	18,971,388	18,971,386	
Correctional Institutions Administration	263,241	275,552	271,764	271,763	271,764	271,763	
Parole Administration & Training	1,311,667	1,332,298	1,334,273	1,334,272	1,334,273	1,334,272	
Rehabilitation & Reentry Programs Administration	1,260,577	1,345,342	1,314,218	1,314,217	1,314,218	1,314,217	
Community Justice Assistance Division	3,236,460	3,346,323	3,324,982	3,324,980	3,324,982	3,324,980	
<b>F.1.2. Correctional Training</b>	4,668,487	4,206,107	4,480,176	4,480,176	4,480,176	4,480,176	
<b>F.1.3. Inspector General</b>	8,300,600	8,111,182	8,122,090	8,122,089	13,639,156	13,639,155	*
<b>F.1.4. Victim Services</b>	2,025,410	2,053,287	2,053,287	2,053,287	2,053,287	2,053,287	
<b>F.1.5. Information Resources</b>	32,612,640	22,637,956	27,678,808	27,678,807	41,131,946	34,678,478	*
<b>F.1.6. Other Support Services</b>	4,641,190	2,692,789	3,715,561	3,715,561	3,715,561	3,715,561	
<b>GRAND TOTAL</b>	<b>\$2,883,191,521</b>	<b>\$2,946,892,799</b>	<b>\$2,869,585,936</b>	<b>\$2,874,138,990</b>	<b>\$3,422,979,934</b>	<b>\$3,427,411,665</b>	
(Less) Construction Subtotal	48,310,983	55,075,118	-	-	74,442,000	50,000,000	
<b>TOTAL OPERATING BUDGET</b>	<b>\$2,834,880,538</b>	<b>\$2,891,817,681</b>	<b>\$2,869,585,936</b>	<b>\$2,874,138,990</b>	<b>\$3,348,537,934</b>	<b>\$3,377,411,665</b>	
* These amounts include additional requested items above the base funding level for the 2010-11 biennium.							

**TEXAS DEPARTMENT OF CRIMINAL JUSTICE**  
*Method of Finance*

	Estimated		Budgeted		Base Budget Request		Total Budget Request	
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2010	FY 2011	FY 2010	FY 2011
<b>GENERAL REVENUE:</b>								
General Revenue Fund	\$ 2,634,309,116	\$ 2,703,144,016	\$ 2,673,629,642	\$ 2,696,782,709	\$ 3,152,581,640	\$ 3,200,055,384		
Education and Recreation Program Receipts	84,070,036	90,494,965	87,282,501	87,282,500	87,282,501	87,282,500		
Texas Correctional Industries Receipts	9,984,437	8,849,000	9,416,719	9,416,718	9,416,719	9,416,718		
<b>GENERAL REVENUE DEDICATED:</b>								
Compensation to Victims of Crime Acct. 469	1,548,298	1,576,175	1,576,175	1,576,175	1,576,175	1,576,175		
Private Sector Prison Industry Expansion Acct. 5060	1,001,260	2,000,000	1,500,630	1,500,630	1,500,630	1,500,630		
<b>OTHER FUNDS:</b>								
Texas Correctional Industries - Interagency Contracts	41,172,482	38,393,939	39,783,211	39,783,210	39,783,211	39,783,210		
Federal Funds	2,689,577	421,138	-	-	-	-		
Federal Funds for Incarcerated Aliens	19,348,827	17,854,652	18,601,740	18,601,739	18,601,740	18,601,739		
Appropriated Receipts	32,723,537	10,950,424	29,912,148	11,312,139	29,912,148	11,312,139		
Bond Proceeds-General Obligation Bonds	48,460,781	65,325,320	-	-	74,442,000	50,000,000		
Interagency Contracts	7,883,170	7,883,170	7,883,170	7,883,170	7,883,170	7,883,170		
<b>GRAND TOTAL</b>	<b>\$ 2,883,191,521</b>	<b>\$ 2,946,892,799</b>	<b>\$ 2,869,585,936</b>	<b>\$ 2,874,138,990</b>	<b>\$ 3,422,979,934</b>	<b>\$ 3,427,411,665</b>		
<i>(Less) Construction Subtotal</i>	<i>48,310,983</i>	<i>55,075,118</i>	<i>0</i>	<i>U.B.</i>	<i>74,442,000</i>	<i>50,000,000</i>		
<b>TOTAL OPERATING BUDGET</b>	<b>\$ 2,834,880,538</b>	<b>\$ 2,891,817,681</b>	<b>\$ 2,869,585,936</b>	<b>\$ 2,874,138,990</b>	<b>\$ 3,348,537,934</b>	<b>\$ 3,377,411,665</b>		

**Texas Department of Criminal Justice**  
**EXCEPTIONAL ITEMS REQUEST SUMMARY**

ESTIMATED COST (in millions)			
Requested FY10		Requested FY11	
Amount	FTEs	Amount	FTEs

**Items necessary to maintain current operations:**

1) <i>Utilities, Fuel and Food</i>	\$ 55.9		\$ 55.9	
2) <i>Contractual Per Diem Adjustments - Privately Operated Facilities</i>	\$ 8.7		\$ 11.7	
3) <i>Biennialization of SAFF/ISF Diversion Initiatives</i>	\$ 14.3		\$ 14.3	
4) <i>Repair and Rehabilitation of Facilities</i>	\$ 50.0		\$ 50.0	
5) <i>Projected Caseload Growth - Probation and Parole</i>	\$ 5.9		\$ 6.7	19
6) <i>Biennialization of Data Center Consolidation</i>	\$ 3.5		\$ 3.5	

**TDCJ policy and/or operational items requiring additional state resources:**

1) <i>Correctional Officer / Parole Officer Pay Raises &amp; Retention Bonuses</i>	\$ 224.9		\$ 228.5	
2) <i>In-Prison Therapeutic Community Program Expansion (400 Additional Treatment Slots)</i>	\$ 5.2		\$ 5.2	
3) <i>Reentry Transitional Coordinators</i>	\$ 5.2	128	\$ 5.2	128
4) <i>Correctional Security Equipment</i>	\$ 15.0		\$ 15.0	
5) <i>Correctional Employee Housing - Officers' Quarters (BOQ) Dorms</i>	\$ 5.7		\$ -	
6) <i>Basic Supervision / Community Corrections Facilities Funding</i>	\$ 25.0		\$ 25.0	
7) <i>Probation Outpatient Substance Abuse Treatment</i>	\$ 5.0		\$ 5.0	
8) <i>TCOOMMI - Expansion of Mental Health/Criminal Justice Initiatives</i>	\$ 6.0		\$ 6.0	
9) <i>Classification Document Management System</i>	\$ 6.8		\$ 3.2	
10) <i>Office of the Inspector General (OIG)</i>	\$ 5.5	111	\$ 5.5	111
11) <i>Fleet Vehicle Replacement</i>	\$ 10.0		\$ 10.0	
12) <i>Offender Information Management System (OIMS)</i>	\$ 3.2		\$ 0.3	
13) <i>Marlin VA Hospital Renovations</i>	\$ 18.7		\$ -	
<b>GRAND TOTAL, TDCJ Exceptional Items</b>	<b>\$ 474.5</b>	<b>239</b>	<b>\$ 451.0</b>	<b>258</b>

**CMHC policy and/or operational items requiring additional state resources:**

1) <i>Correctional Managed Health Care (CMHC)</i>	\$ 78.9	-	\$ 102.3	-
<b>GRAND TOTAL, CMHC Exceptional Items</b>	<b>\$ 78.9</b>	<b>-</b>	<b>\$ 102.3</b>	<b>-</b>

<b>GRAND TOTAL, ALL EXCEPTIONAL ITEMS</b>	<b>\$ 553.4</b>	<b>239</b>	<b>\$ 553.3</b>	<b>258</b>
ALL EXCEPTIONAL ITEMS - Construction	\$ 74.4		\$ 50.0	
ALL EXCEPTIONAL ITEMS - Operating	\$ 479.0	239	\$ 503.3	258

**Texas Department of Criminal Justice**  
**EXCEPTIONAL ITEMS**

ESTIMATED COST (in millions)			
Requested FY10		Requested FY11	
Amount	FTEs	Amount	FTEs

**Items necessary to maintain current operations:**

**1) Utilities, Fuel and Food**

**\$ 55.9**

**\$ 55.9**

**Justification for Request:**

As nationwide rates for utilities, fuel and food continue to climb, these expenditures continue to be a significant fiscal challenge for the agency. Although a proactive contracting approach has resulted in lower utility rates and expenditures than otherwise would be expected, utility expenditures for TDCJ will exceed the 2010-11 base level request by approximately \$40 million annually. Additionally, nationwide increases in fuel prices over the last several years have directly impacted the prices of the food items procured for offender consumption. This exceptional item would allow TDCJ to fund these critical items at a level consistent with the FY 2008 expenditures.

**2) Contractual Per Diem Adjustments - Privately Operated Facilities**

**\$ 8.7**

**\$ 11.7**

**Justification for Request:**

In order to limit the growth of state expenditures, long-term contracts have historically been established with private vendors for the operations of seven private prisons, five privately operated state jails, two pre-parole transfer facilities, one work program facility, seven halfway house facilities, and four privately operated intermediate sanction facilities. These competitively awarded contracts are evaluated and awarded with a rate escalator, resulting in an increase of approximately 2% annually to the contract price. Based on the current funding level and the current filled rate on these facilities, it is estimated that we will need an additional \$20.4 million for the 2010-11 biennium to maintain the current population levels on these correctional and parole facilities. Without this funding, we may be unable to utilize nearly 1,000 beds at these facilities, directly impacting the offender capacity.

**3) Biennialization of SAFPF/ISF Diversion Initiatives**

**\$ 14.3**

**\$ 14.3**

**Justification for Request:**

The 80th Legislature provided TDCJ with funding for a number of treatment and diversion initiatives, including a phase in of 1,500 SAFP beds and 1,400 parole and probation ISF beds. Additional funding is required in FY 2010-11 to fully biennialize the operations of these programs.

**4) Repair and Rehabilitation of Facilities**

**\$ 50.0**

**\$ 50.0**

**Justification for Request:**

Continued repair and rehabilitation funding is necessary to maintain our existing physical plant totaling over 100 correctional facilities statewide. Many of these facilities are over 75 years old. The size, scope and complexity of our physical plant require substantial ongoing preventive repair and renovation expenditures. Identified through condition assessments as well as major work requests prepared by operational staff, the 2010-11 request represents only a portion of the agency's infrastructure repair and rehabilitation needs. We are continuously prioritizing these projects based on security and safety requirements. Funded with general obligation bonds, these projects include: roof repairs, security fencing and lighting, electrical renovations, water/wastewater improvements, and major infrastructure repairs.

**Texas Department of Criminal Justice**  
**EXCEPTIONAL ITEMS**

ESTIMATED COST (in millions)			
Requested FY10		Requested FY11	
Amount	FTEs	Amount	FTEs

<b>5) Projected Caseload Growth - Probation and Parole</b>	<b>\$</b>	<b>5.9</b>		<b>\$</b>	<b>6.7</b>	<b>19</b>
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**Justification for Request:**

Legislative Budget Board projections relating to the number of active parolees and probationers under supervision indicate some growth over the next five year period. Based on these offender levels, TDCJ will need an additional \$12.6 million during the 2010-11 biennium to maintain current caseload ratios.

<b>6) Biennialization of Data Center Consolidation</b>	<b>\$</b>	<b>3.5</b>		<b>\$</b>	<b>3.5</b>	
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**Justification for Request:**

With the passage of HB 1516, 79th Legislature, the data centers of 27 state agencies were consolidated through a managed services agreement with the Department of Information Resources (DIR). Based on the invoices received to date, additional funding is necessary above current appropriation levels for TDCJ mainframe services, including offender, HR and financial information systems.

**TDCJ policy and/or operational items requiring additional state resources:**

<b>1) Correctional Officer / Parole Officer Pay Raises &amp; Retention Bonuses</b>	<b>\$</b>	<b>224.9</b>	<b>-</b>	<b>\$</b>	<b>228.5</b>	<b>-</b>
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**Justification for Request:**

A substantial and comprehensive Correctional Officer and Parole Officer salary increase will address recruitment and retention of critical agency positions. Our core focus continues to be the operation of safe and secure correctional facilities and the supervision of released offenders in support of the agency's primary mission to ensure public safety.

A 20% average pay increase for these positions will raise the starting salary of a Correctional Officer from \$26,016 to \$30,179, with the maximum salary after 7 ½ years increasing from \$34,624 to \$42,242. The Parole Officers would receive comparable increases, with the starting salary increasing from \$32,277 to \$37,441, with a maximum salary after 10 years increasing from \$36,363 to \$43,636. Ranking Correctional Officers and Parole Officers, as well as Correctional Laundry and Food Service Managers, would also receive similar salary increases. (See tables on next page for more details).

Additionally, TDCJ recently began utilizing recruitment bonuses for newly hired correctional officers willing to work at a critically staffed unit. We are seeking funding and legislative authority to expand this initiative to include annual retention bonuses for those employees currently assigned at critically staffed units as well as correctional officers willing to transfer to those designated units.

**Texas Department of Criminal Justice**  
**EXCEPTIONAL ITEMS**

ESTIMATED COST (in millions)			
Requested FY10		Requested FY11	
Amount	FTEs	Amount	FTEs

**1) Correctional Officer / Parole Officer Pay Raises & Retention Bonuses (continued)**

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**Correctional Officers & Ranking Staff**

TITLE	Pay Group	Current FY09 Salary	Proposed Salary	Total Service
Correctional Officer I	A07	\$ 26,016	\$ 30,179	0 - 2 m 2 months
Correctional Officer II	A09	\$ 27,540	\$ 31,946	3 - 8 m 8 months
Correctional Officer III	A11	\$ 29,146	\$ 33,809	9 - 14 m 6 months
Correctional Officer III	A12	\$ 30,806	\$ 35,735	15 - 30 m 1 year
Correctional Officer IV	A12	\$ 31,698	\$ 38,038	31 - 42 m 1 year
Correctional Officer IV	A12	\$ 32,611	\$ 39,133	43 - 54 m 1 year
Correctional Officer IV	A12	\$ 33,595	\$ 40,314	55 - 90 m 3 years
Correctional Officer V	A14	\$ 34,624	\$ 42,242	91+
Sergeant	B07	\$ 35,815	\$ 45,114	
Lieutenant	B08	\$ 37,045	\$ 48,182	
Captain	B09	\$ 38,315	\$ 51,458	
Major	B10	\$ 41,084	\$ 54,957	
Assistant Warden	B14	\$ 50,488	\$ 64,850	
Warden I	Avg	\$ 60,813	\$ 76,523	
Warden II	B18	\$ 71,125	\$ 83,410	

**Correctional Laundry & Food Service Managers**

TITLE	Pay Group	Current FY09 Salary	Proposed Salary	Total Service
Food Service Manager III	A14	\$ 30,806	\$ 35,735	0 - 30 m 2.5 years
Food Service Manager III	A14	\$ 31,698	\$ 38,038	31 - 42 m 1 year
Food Service Manager III	A14	\$ 32,611	\$ 39,133	43 - 54 m 1 year
Food Service Manager III	A14	\$ 33,595	\$ 40,314	55 - 90 m 3 years
Food Service Manager III	A14	\$ 34,624	\$ 42,242	91+
Food Service Manager IV	A16	\$ 37,955	\$ 50,973	
Laundry Manager III	A14	\$ 30,806	\$ 35,735	0 - 30 m 2.5 years
Laundry Manager III	A14	\$ 31,698	\$ 38,038	31 - 42 m 1 year
Laundry Manager III	A14	\$ 32,611	\$ 39,133	43 - 54 m 1 year
Laundry Manager III	A14	\$ 33,595	\$ 40,314	55 - 90 m 3 years
Laundry Manager III	A14	\$ 34,624	\$ 42,242	91+
Laundry Manager IV	A16	\$ 35,694	\$ 44,975	

**Parole Officers**

TITLE	Pay Group	Current FY09 Salary	Proposed Salary	Total Service
Parole Officer I	Range	\$32,277 \$32,470	\$37,441 \$37,802	0 - 24 m 2 years
Parole Officer II	Range	\$34,210 \$36,363	\$41,052 \$43,636	24 +
Parole Officer III	Range	\$36,363 \$41,084	\$43,636 \$49,301	
Parole Officer IV	Range	\$41,084 \$46,473	\$49,301 \$55,768	
Parole Officer V	Range	\$46,473 \$51,863	\$55,768 \$62,236	

**Texas Department of Criminal Justice**  
**EXCEPTIONAL ITEMS**

ESTIMATED COST (in millions)			
Requested FY10		Requested FY11	
Amount	FTEs	Amount	FTEs

<b>2) In-Prison Therapeutic Community Program Expansion (Additional 400 Treatment Slots)</b>	<b>\$ 5.2</b>	<b>-</b>	<b>\$ 5.2</b>	<b>-</b>
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**Justification for Request:**

The In-Prison Therapeutic Community (IPTC) program is utilized for eligible offenders who have a need for substance abuse treatment and who the Board of Pardons and Paroles has approved for release on parole, contingent upon completion of the IPTC program. Currently, the demand for this program exceeds program capacity. Expansion of the current IPTC program by an additional 400 treatment slots will address the current backlog and voting trends.

<b>3) Reentry Transitional Coordinators</b>	<b>\$ 5.2</b>	<b>128</b>	<b>\$ 5.2</b>	<b>128</b>
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**Justification for Request:**

This request for Reentry Transitional Coordinators will provide reentry services to offenders who are nearing release into the community. These services include reentry planning which will assist offenders in mapping out their transition, gathering critical identification documents, family reunification, identifying residential and employment resources, and addressing other issues that offenders experience while transitioning from incarceration back to the community. The coordinator positions will monitor and track offender rehabilitation and reentry plans, review Individual Treatment Plans, and disseminate information to outside sources. They will also collaborate with multiple state, local, and non-profit agencies to develop a reentry planning checklist for each individual.

<b>4) Correctional Security Equipment</b>	<b>\$ 15.0</b>	<b>-</b>	<b>\$ 15.0</b>	<b>-</b>
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**Justification for Request:**

To provide for a safer and more secure environment on our correctional facilities for staff, offenders and visitors, a request for \$15 million annually will fund additional equipment for a substantial expansion of the use of video surveillance equipment throughout the system, contraband screening/metal detectors at entry points within correctional facilities, and a pilot monitoring/tracking system at one of our larger correctional facilities.

<b>5) Correctional Employee Housing - Officers' Quarters (BOQ) Dorms</b>	<b>\$ 5.7</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>
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**Justification for Request:**

Most employee housing was constructed prior to the prison expansion in the early-mid 1990's. Of the 22 units that are currently staffed with correctional officers below 80%, eight (8) units, or 36%, have officers' quarters. In order to address targeted staffing shortages, our request would provide funding for three (3) 80-bed officers' quarters to be constructed adjacent to three (3) of our critically staffed facilities.

**Texas Department of Criminal Justice**  
**EXCEPTIONAL ITEMS**

ESTIMATED COST (in millions)			
Requested FY10		Requested FY11	
Amount	FTEs	Amount	FTEs

<b>6) Basic Supervision / Community Corrections Facilities Funding</b>	<b>\$ 25.0</b>	<b>-</b>	<b>\$ 25.0</b>	<b>-</b>
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**Justification for Request:**

This item would provide \$25 million annually for CSCDs to employ additional Community Supervision Officers, reduce caseload ratio sizes, and assist in retaining experienced specialized officers who work with medium and high risk offenders. In addition, this funding would assist in addressing the rising costs of fuel, utilities, and other operational costs. Of the \$50 million requested, \$10 million would enable the continuation of existing community corrections facility programs. Without this additional funding, some existing residential and restitution beds may close due to the increasing operational costs. These programs provide judges with more alternatives to incarceration, both as a sentencing option and as an alternative to revocation. These alternatives are designed to divert probationers from incarceration in prisons and state jails.

<b>7) Probation Outpatient Substance Abuse Treatment</b>	<b>\$ 5.0</b>	<b>-</b>	<b>\$ 5.0</b>	<b>-</b>
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**Justification for Request:**

This item would provide funding to the CSCDs for additional outpatient substance abuse treatment which would serve approximately 3,000 additional probationers each fiscal year. These additional treatment options would provide judges with more alternatives to incarceration, both as a sentencing option and as an alternative to revocation. These alternatives are designed to divert offenders from incarceration in prisons and state jails.

<b>8) TCOOMMI - Expansion of Mental Health/Criminal Justice Initiatives</b>	<b>\$ 6.0</b>	<b>-</b>	<b>\$ 6.0</b>	<b>-</b>
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**Justification for Request:**

Approval of this item will expand Mental Health/Criminal Justice services and add four (4) new mental health courts. Based upon the number of probationers with serious mental illness that are identified in monthly data reports that are matched against the statewide mental health database, currently less than 20% of them are served by intensive case management services provided through TCOOMMI contracts. This new funding will allow approximately 1,000 additional offenders to be served. Also, the documented success of drug courts has resulted in an increased demand for specialized courts for the mentally ill. TCOOMMI currently funds mental health courts and support services in four (4) of the largest urban areas. This request will enable TCOOMMI to expand mental health courts to four (4) additional urban sites.

<b>9) Classification Document Management System</b>	<b>\$ 6.8</b>	<b>-</b>	<b>\$ 3.2</b>	<b>-</b>
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**Justification for Request:**

The funding request for the Classification Document Management System will provide for the imaging of offender records received on paper documents and for securely storing them as electronic images. Currently, there are over 415,000 offender records stored as paper documents containing about 96 million pages of information. There are limited backups for these records. Some records are stored on microfiche, which has become obsolete, and the retrieval of paper records and microfiche is very labor intensive. This funding will allow the electronic images to be moved quickly through the intake and classification process for use throughout the agency.

**Texas Department of Criminal Justice**  
**EXCEPTIONAL ITEMS**

ESTIMATED COST (in millions)			
Requested FY10		Requested FY11	
Amount	FTEs	Amount	FTEs

<b>10) Office of the Inspector General (OIG)</b>	<b>\$ 5.5</b>	<b>111</b>	<b>\$ 5.5</b>	<b>111</b>
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**Justification for Request:**

The Office of the Inspector General (OIG) consists primarily of peace officers responsible for investigating allegations of criminal behavior, serious policy violations, excessive use of force, and suspected fraud on TDCJ facilities, as well as coordinating with local law enforcement to apprehend absconders and escapees. This funding request would provide additional staff to conduct investigative activities and organized crime investigations of prison gangs throughout the state. This funding will also provide OIG the ability to establish a centralized call center to effectively monitor the new offender telephone system for possible criminal activities.

<b>11) Fleet Vehicle Replacement</b>	<b>\$ 10.0</b>	<b>-</b>	<b>\$ 10.0</b>	<b>-</b>
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**Justification for Request:**

The agency's fleet currently consists of approximately 2,100 vehicles, utilized primarily for offender transportation, freight transportation, agricultural operations, and construction activities. The agency's conservative replacement criteria for vehicles include: diesel truck tractors - 10 yr / 500,000 miles; diesel buses - 10 yr / 300,000 miles; and passenger vans/vehicles - 5 yr / 100,000 miles. During the 1990's, the agency experienced tremendous growth statewide. A large number of the vehicles purchased during that growth period currently meet or exceed the agency replacement criteria and would cost \$66.8 million for the 2010-11 biennium if replaced according to the replacement criteria. Without functional vehicles, agency operations, to include offender transportation, freight transportation, and OIG investigative activities would be significantly impaired. This request would replace a substantial number of those vehicles already exceeding twice the agency's conservative replacement schedule.

<b>12) Offender Information Management System (OIMS)</b>	<b>\$ 3.2</b>	<b>-</b>	<b>\$ 0.3</b>	<b>-</b>
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**Justification for Request:**

To date, the Offender Information Management System (OIMS) project has included the offender records process related to parole board votes and parole supervision functions as well as the information technology infrastructure necessary to connect all TDCJ units, parole, regional, and administrative offices. The next phase of the project is focused on the institutional (or incarceration) related business processes that enable effective and efficient offender management. An electronic offender record (EOR) will be created for each offender entering the system and will be maintained and utilized throughout incarceration and parole supervision. The transition to a single EOR establishes a single source of information that is: created once and updated continually, accessible, accurate, and consistent. An EOR will eliminate redundant data entry, improve data accuracy and reduce staff time spent pulling paper files.

<b>13) Marlin VA Hospital Renovations</b>	<b>\$ 18.7</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>
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**Justification for Request:**

The Marlin VA Hospital was recently evaluated by the federal government prior to the proposed transfer to the State of Texas. Based on our initial review of their management plan detailing areas of environmental concern, we estimate that \$22.2 million in renovations will be required to remediate the facility and make it fully operational as a correctional hospital/mental health facility. TDCJ has \$3.5 million in existing general obligation bond authority for this project; however, additional funding will be required to complete the necessary renovations.

<b>GRAND TOTAL, TDCJ Exceptional Items</b>	<b>\$ 474.5</b>	<b>239</b>	<b>\$ 451.0</b>	<b>258</b>
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**Texas Department of Criminal Justice**  
**EXCEPTIONAL ITEMS**

ESTIMATED COST (in millions)			
Requested FY10		Requested FY11	
Amount	FTEs	Amount	FTEs

**CMHC policy and/or operational items requiring additional state resources:**

<b>1) Correctional Managed Health Care (CMHC)</b>	<b>\$ 78.9</b>	<b>-</b>	<b>\$ 102.3</b>	<b>-</b>
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**Justification for Request:**

The Correctional Managed Health Care funding item totals \$181.1\* million for the 2010-11 biennium. This amount, designed to address the resource needs of the correctional health care program, is detailed as follows:

Priority	Description	FY 2010	FY 2011
1	Adjustment to Base to Reflect Current Costs	\$28.4	\$28.4
2	Market Adjustments to Retain & Hire Health Care Staff, Pharmacy and Medical Supplies	\$15.4	\$30.8
3	Increased Hospital/Specialty Care Costs	\$9.5	\$19.9
4	Critical Capital Equipment Replacement	\$4.3	\$1.4
5	Hepatitis Biopsy	\$2.2	\$2.2
6	Phased-in Implementation of Staffing Study	\$17.3	\$17.9
7	New Initiatives	\$1.6	\$1.6
<b>Totals*</b>		<b>\$78.9</b>	<b>\$102.3</b>

\*Totals differ due to rounding

According to CMHC, the most significant component of this request is \$56.8 million to bring the base level of funding to the level of expense actually incurred. This amount is required to maintain existing operations and deliver services meeting minimum health care standards. Significant shortages of available health care professionals directly impacts adequate staffing at TDCJ facilities; therefore, \$46.3 million is requested over the biennium to bring salaries and shift differentials to market levels. This request also includes additional funding for hospital and specialty care costs, which are estimated to increase about \$29.4 million over the 2010-11 biennium. Additionally, the correctional health care program is facing critical capital equipment needs for x-ray, dialysis, dental chairs, medical transportation, and other equipment; the cost of which is estimated to total \$5.7 million.

Pharmaceutical costs continue to increase as expected with the aging offender population and new drug therapies for Hepatitis C and HIV patients. Consistent with current policy guidelines, the Correctional Managed Health Care Committee has adopted a treatment program, at a cost of \$4.4 million, where Hepatitis C patients receive biopsies, the results of which generally improve long-term prevention of End Stage Liver Disease. Their request also includes funding for additional positions needed to perform the health services mission, as determined by a TDCJ staffing analysis of each correctional facility, as directed by Agency Rider 87. This would be the first step in a phase-in of the study results and is estimated to cost \$35.2 million. Finally, new initiatives at a cost of \$3.2 million will provide for additional staff, work space, and equipment to enhance the dietary, performance improvement, TB and Hepatitis immunization, and training programs.

<b>GRAND TOTAL, CMHC Exceptional Items</b>	<b>\$ 78.9</b>	<b>-</b>	<b>\$ 102.3</b>	<b>-</b>
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<b>GRAND TOTAL, ALL EXCEPTIONAL ITEMS</b>	<b>\$ 553.4</b>	<b>239</b>	<b>\$ 553.3</b>	<b>258</b>
ALL EXCEPTIONAL ITEMS - Construction	\$ 74.4		\$ 50.0	
ALL EXCEPTIONAL ITEMS - Operating	\$ 479.0	239	\$ 503.3	258



**Legislative Budget Board**  
Robert E. Johnson Bldg.  
1501 N. Congress Avenue, 5<sup>th</sup> Floor  
Austin, TX 78701  
(512) 463-1200

**Governor's Office of  
Budget, Planning and Policy**  
1100 San Jacinto, 4th Floor  
Austin, TX 78701  
(512) 463-1778

**MEMORANDUM**

May 5, 2008

**TO:** State Agency Board/Commission Chairs  
State Agency Heads/Executive Directors  
Appellate Court Justices and Judges  
Chancellors and Presidents of Institutions of Higher Education  
Presidents and Directors of Health-related Institutions

Detailed instructions for the submission of legislative appropriations requests for the 2010-11 biennium have been posted on the Legislative Budget Board and Governor's Office websites. A schedule of due dates is included as an appendix to the instructions.

As a starting point for budget deliberations, an agency's baseline request for general revenue-related (GR and GR-Dedicated) funds may not exceed the sum of amounts expended in fiscal year 2008 and budgeted in fiscal year 2009 plus an amount equal to the GR-related allocation for the two percent / \$50 employee pay raise in 2009. Agencies must also submit a supplemental schedule detailing how they would reduce the baseline request by 10 percent, or down to 90 percent, in general revenue-related funding.

Exceptions to the baseline request limitation include amounts necessary to maintain funding for the Foundation School Program, satisfy debt service requirements for existing bond authorizations, maintain caseloads for federal entitlement services, satisfy employer contribution requirements for state pension systems, and maintain adult prison populations. Funding requests for other purposes which exceed the baseline spending level may not be included in the baseline request but may be submitted as exceptional items.

We appreciate the opportunity to work with you and your staff during this new budget cycle.

Sincerely,

John O'Brien, Director  
Legislative Budget Board

Mike Morrissey, Director  
Governor's Office of Budget, Planning  
and Policy

JOB/MM: fis

Mailing Address: P.O. Box 12666 • Austin, TX 78711-2666

**Policy Letter from the  
Legislative Budget Board and  
Governor's Office of Budget,  
Planning and Policy  
regarding the  
2010-11 General Revenue  
Baseline**

# Texas Department of Criminal Justice

## 10 Percent Reduction Scenario

Based on LBB/Governor's Office Policy Letter dated May 5, 2008

Strategies	2010-11 Biennial 10% Reduction			FTE Reductions	
	GR	GR-Dedicated	All Funds	FY 10	FY 11
<i>A.1.1. Basic Supervision</i>	\$ 20.6		\$ 20.6		
<i>A.1.2. Diversion Programs</i>	\$ 21.4		\$ 21.4		
<i>A.1.3. Community Corrections</i>	\$ 7.3		\$ 7.3		
<i>A.1.4. Treatment Alternatives to Incarceration</i>	\$ 1.6		\$ 1.6		
<i>B.1.1. Special Needs Projects</i>	\$ 4.1		\$ 4.1		
<i>C.2.1. Texas Correctional Industries</i>	\$ 5.3	\$ 0.3	\$ 5.6		
<i>C.2.2. Academic/Vocational Training</i>	\$ 0.4		\$ 0.4		
<i>C.2.3. Project RIO</i>	\$ 0.1		\$ 0.1		
<i>C.2.4. Treatment Services</i>	\$ 3.0		\$ 3.0	41.7	41.7
<i>C.2.5. Substance Abuse Treatment</i>	\$ 14.1		\$ 14.1		
<i>E.2.1. Parole Supervision</i>	\$ 18.2		\$ 18.2	275.9	278.8
<i>E.2.2. Halfway House Facilities</i>	\$ 3.4		\$ 3.4		
<i>E.2.3. Intermediate Sanction Facilities</i>	\$ 5.6		\$ 5.6		
<i>F.1.1. Central Administration</i>	\$ 4.9		\$ 4.9	65.1	65.1
<i>F.1.3. Office of Inspector General</i>	\$ 1.5		\$ 1.5		
<i>F.1.4. Victim Services</i>	\$ -	\$ 0.3	\$ 0.3	3.0	3.0
<i>F.1.5. Information Technology</i>	\$ 5.4		\$ 5.4		
<i>F.1.6. Other Support Services</i>	\$ 0.7		\$ 0.7	12.4	12.4
<b>AGENCY BIENNIAL TOTAL</b>	<b>\$ 117.6</b>	<b>\$ 0.6</b>	<b>\$ 118.2</b>	<b>398.1</b>	<b>401.0</b>

# Texas Department of Criminal Justice

## 10 Percent Reduction Scenario

Based on LBB/Governor's Office Policy Letter dated May 5, 2008

<b>Goal</b>	<b>A. Provide Prison Diversions</b>	<b>Total: \$</b>	<b>50.9</b>
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Funding provides diversions to traditional prison incarceration by the use of community supervision and other community-based programs. Reductions to these programs would result in fewer offenders served in residential beds, specialized caseloads for sex offenders, substance abuse and other specialized caseloads. By reducing the number of viable alternatives to incarceration, funding reductions could directly impact the agency's offender population.

<b>Goal</b>	<b>B. Special Needs Offenders</b>	<b>Total: \$</b>	<b>4.1</b>
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Funding provides for treatment of mentally ill offenders being supervised in the community, to include intensive case management and support services such as psychiatric assessments, medications and counseling; continuity of care services involving pre-release screening, referral and medical and psychiatric treatment to offenders nearing release from incarceration; and processing of offenders eligible for release to Medically Recommended Intensive Supervision. A 10% funding reduction would result in a decrease of services for offenders with mental illness served through community-based mental health criminal justice initiatives and the jail diversion programs, and could directly impact the agency's offender population.

<b>Goal</b>	<b>C. Incarcerate Felons</b>	<b>Total: \$</b>	<b>23.2</b>
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The items that are subject to the 10% scenario provide services in support of the rehabilitation of adult felons. Reductions to this goal would impact the agency's ability to properly classify offenders relative to security, housing and job assignments, provide chaplaincy services, and would reduce access to sex offender treatment services and substance abuse treatment services. Reduced funding would also result in fewer offenders in academic and vocational programs, which may hinder rehabilitation success within the correctional setting.

<b>Goal</b>	<b>E. Operate Parole System</b>	<b>Total: \$</b>	<b>27.2</b>
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The items that are subject to the 10% scenario supervise and assist parolees in adjusting to community life and, when necessary, apply appropriate sanctions to those who fail to comply with the conditions of their release. Funding reductions in these programs would impact institutional treatment, continuing aftercare, and availability of intermediate sanction facility beds and halfway house beds, which could result in additional revocations, thus adversely affecting the agency's prison population. Additionally, offenders may be released without residential support, potentially increasing their risk for recidivism.

<b>Goal</b>	<b>F. Indirect Administration</b>	<b>Total: \$</b>	<b>12.8</b>
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Indirect Administration includes executive and division administration, Office of Inspector General, financial and business operations, payroll, human resources, internal audit, and legal services. Additional reductions to these areas would result in the elimination of positions and reduce management's effectiveness in providing oversight and administrative support. A reduction in staff would also impact the agency's ability to provide assistance to victims and significantly reduce programming and information technology services.