



***Fiscal Year 2015
Supplemental Operating Budget Request
October 24, 2014***



STATE OF WASHINGTON
DEPARTMENT OF CORRECTIONS
OFFICE OF THE SECRETARY

P.O. Box 41101 • Olympia, Washington 98504-1101

October 24, 2014

Mr. David Schumacher, Director
Office of Financial Management
Post Office Box 43113
Olympia, Washington 98504-1101

Dear Mr. Schumacher:

David

The Department of Corrections (DOC) respectfully submits our Fiscal Year 2015 Supplemental Operating Budget request for your review. In consideration of the current economic climate our request includes only the following items:

- Non-discretionary changes in legally-mandated caseload or workload
- Necessary technical corrections to the current enacted 2013-15 budget

DOC is committed to continuing to improve public safety and working together for safe communities for the citizens of the state of Washington, while working within the constraints of the current economic challenges. We have taken every possible step to limit and reduce costs within DOC and will continue to balance costs to reduce impacts to the state. I take pride in the accomplishments of DOC and our staff.

If you should have any questions regarding this submittal, please contact our DOC Budget Director, Sarian Scott at (360) 725-8270 or via email at sarian.scott@doc.wa.gov.

Thank you for your assistance.

Sincerely,

Bernard Warner
Secretary

Enclosure

cc: Richard Pannkuk, OFM Senior Budget Analyst
Trisha Newport, OFM Analyst
Charlie Gavigan, House Ways & Means
Travis Sugarman, Senate Ways & Means Analyst
Sarian Scott, DOC Budget Director

State of Washington
Recommendation Summary

11:17:53AM

Agency: **310 Department of Corrections**

10/24/2014

Dollars in Thousands

	FY2 FTEs	General Fund State	Other Funds	Total Funds
2013-15 Current Biennium Total				
Total Carry Forward Level				
Percent Change from Current Biennium				
M1 93 Mandatory Caseload Adjustments				
Carry Forward plus Workload Changes				
Percent Change from Current Biennium				
M2 8L Lease Rate Adjustments		104		104
M2 8U Utility Rate Adjustments		1,281		1,281
M2 9F Federal Funding Adjustment	3.9	540	(241)	299
M2 9L Local Funding Adjustment		787	(787)	
M2 9M Medical Inflation		1,638		1,638
M2 9Q Equip Maintenance/Software Licenses		149		149
M2 9T Transfers				
M2 CA Auto Theft Fund Revenue Shortfall		379		379
M2 CB Community Violator Funds Shortfall		3,773		3,773
M2 CC TAS Critical System Update		400		400
M2 CD Technical Correction		3,283		3,283
M2 CE E-Vault Costs from CTS		176		176
M2 CF Food Rate Adjustments		439		439
M2 CG Hepatitis C Cost Increases		8,174		8,174
M2 CH Prison Overtime Costs	66.3	4,052		4,052
M2 CI TLA and Advance Scheduling	3.5	208		208
M2 CJ LNI Rate Adjustments				
M2 CK McNeil Island Funding Shortfall		225		225
Total Maintenance Level	73.7	25,608	(1,028)	24,580
Percent Change from Current Biennium				
Subtotal - Performance Level Changes	0.0			
2013-15 Total Proposed Budget	73.7	25,608	(1,028)	24,580
Percent Change from Current Biennium				

M1 93 Mandatory Caseload Adjustments

The Department of Corrections (DOC) requests resources in the Fiscal Year (FY) 2015 to meet demands from forecasted changes in offender caseloads, which are anticipated to increase in both community and in prison. DOC will update/revise this budget request following the release and adoption of the November 2014 official prison population forecast, community supervision forecast, and community violator forecast by the Caseload Forecast Council (CFC). Resources needed will include staffing and operational costs tied to offenders under the jurisdiction of the DOC.

M2 8L Lease Rate Adjustments

The Department of Corrections (DOC) requests \$103,515 in Fiscal Year (FY) 2015 for contractual lease rate adjustments and one-time tenant improvements known to exceed DOC's base funding.

M2 8U Utility Rate Adjustments

The Department of Corrections (DOC) requests \$1,281,094 additional funding in Fiscal Year (FY) 2015 to cover utility rate increases in our prisons that exceeds our base funding level. Utility vendors have sent DOC notices of upcoming rate increases that will be billed to us, and which are unfunded.

M2 9F Federal Funding Adjustment

The Department of Corrections (DOC) requests additional funding of \$298,323 and 3.9 FTEs in Fiscal Year (FY) 2015 to adjust our funding to align to federal grants across two (2) programs - prisons and community supervision. This request includes impacts to two (2) grants: Smart Supervision and the State Criminal Alien Assistance Program (SCAAP).

M2 9L Local Funding Adjustment

The Department of Corrections (DOC) requests \$787,000 in General Fund State (GFS) and a (\$787,000) reduction in spending authority for Fund 206, Cost of Supervision (COS) in Fiscal Year (FY) 2015 to improve the solvency of the COS fund and to ensure caseload costs are fully funded in line with the community caseload. This is necessary to cover our community staff costs, which are tied to the community supervision caseload.

M2 9M Medical Inflation

The Department of Corrections (DOC) requests \$1,637,788 in the Fiscal Year (FY) 2015 to cover increased costs associated with prescription drug costs that exceed our base funded level. This request does not include the Hepatitis C prescription costs, which are requested as a separate budget request (ML-CG).

M2 9Q Equip Maintenance/Software Licenses

The Department of Corrections (DOC) requests \$148,617 in Fiscal Year (FY) 2015 for hardware / software maintenance contract increases. This is critical for efficient and effective operation of mission critical software and hardware to support operations across DOC. Systems must be robust, meet the high availability needs of the agency and its business partners, and have the necessary security.

M2 9T Transfers

The Department of Corrections (DOC) requests net zero cost technical fund and Full Time Equivalent (FTE) transfers to realign resources and funding between programs.

M2 CA Auto Theft Fund Revenue Shortfall

The Department of Corrections (DOC) requests \$379,000 in Fiscal Year (FY) 2015 to replace Washington Auto Theft Prevention Authority Account (11K) funds with General Fund State (GFS) funds due to a shortfall in revenue in 11K funding. DOC uses Auto Theft funding for security staffing, which is critical to maintain. The Office of Financial Management (OFM) requested agencies reduce 11K funds by five (5) percent in FY2015 due to 11K revenue being insufficient to cover costs.

M2 CB Community Violator Funds Shortfall

The Department of Corrections (DOC) requests \$3,773,000 in Fiscal Year (FY) 2015 to cover costs DOC will be billed by local correctional facilities for community violator daily bed rates/costs that exceed the DOC funded violator forecasted level.

M2 CC TAS Critical System Update

The Department of Corrections (DOC) requests additional funding of \$400,000 in the Fiscal Year (FY) 2015 to cover the costs associated with upgrading the Trust Accounting System (TAS), so that the vendor will support the system and critical security patches that will continue beyond July 2015. TAS is the system that is used to manage DOC offender funds. We are custodians of family funds deposited and earnings that may go towards restitution with victims.

M2 CD Technical Correction

The Department of Corrections (DOC) requests \$3,283,000 in Fiscal Year (FY) 2015 as a technical correction to a funding reduction to our base funded level that has resulted in our Payments to Other Agencies, program 600, being underfunded.

M2 CE E-Vault Costs from CTS

The Department of Corrections (DOC) requests additional funding of \$175,814 in Fiscal Year (FY) 2015 to pay Consolidated Technology Services (CTS) for services for the Washington State Electronic Records Vault Service (WaSERV) e-mail archiving service.

M2 CF Food Rate Adjustments

The Department of Corrections (DOC) requests \$438,977 in Fiscal Year (FY) 2015 to cover food cost increases at our prison facilities that exceed our base funding level. This dollar amount does not factor in any inflationary increase but is based on actual cost experience in FY2014.

M2 CG Hepatitis C Cost Increases

The Department of Corrections (DOC) requests \$8,174,360 in Fiscal Year (FY) 2015 to cover increased drug costs for Hepatitis C treatments due to new drugs being available. Given new Hepatitis C drug regimens, DOC is experiencing significant overspending due to brand name pharmaceutical drug prices that exceed our base funding levels. These costs are not included in our ML-9M Medical Inflation request.

M2 CH Prison Overtime Costs

The Department of Corrections (DOC) requests \$4,052,101 and 66.3 Full Time Equivalent (FTEs) in Fiscal Year (FY) 2015 to fund prisons custody overtime costs. Overtime costs continue to exceed the base funded level of the legislatively approved custody staffing model and fiscal relief is needed so that we meet the demands of prison staffing now.

M2 CI TLA and Advance Scheduling

The Department of Corrections (DOC) requests \$207,965 and 3.5 FTEs in the 2013-15 biennium to prepare DOC for use of the State enterprise system called Time, Leave and Attendance (TLA). The resources will afford DOC much needed business readiness for successful TLA implementation. Prisons and camps operate seven (7) days per week, 24 hours per day. Successful implementation across an agency of DOC's scale and complexity requires thoughtful advance planning and preparation.

M2 CJ LNI Rate Adjustments

The Department of Corrections (DOC) requests funding for Department of Labor and Industries (LNI) workers compensation rate changes that may occur in Fiscal Year (FY) 2015.

M2 CK McNeil Island Funding Shortfall

The Department of Corrections (DOC) requests \$225,000 in Fiscal Year (FY) 2015 to fund unanticipated, non-budgeted costs that arise as DOC provides stewardship of McNeil Island for the State of Washington.

State of Washington
Recommendation Summary

11:23:17AM

Agency: 310 Department of Corrections

10/24/2014

Dollars in Thousands

	FY2 FTEs	General Fund State	Other Funds	Total Funds
 Program: 100 Admin & Program Support				
 2013-15 Current Biennium Total				
 Total Carry Forward Level				
Percent Change from Current Biennium				
M1 93 Mandatory Caseload Adjustments				
 Carry Forward plus Workload Changes				
Percent Change from Current Biennium				
M2 8L Lease Rate Adjustments		(107)		(107)
M2 9Q Equip Maintenance/Software Licenses		30		30
M2 CI TLA and Advance Scheduling	3.5	208		208
 Total Maintenance Level	 3.5	 131		 131
Percent Change from Current Biennium				
 Subtotal - Performance Level Changes	 0.0			
 2013-15 Total Proposed Budget	 3.5	 131		 131
Percent Change from Current Biennium				

State of Washington
Recommendation Summary

11:24:41AM

Agency: **310 Department of Corrections**

10/24/2014

Dollars in Thousands

	FY2 FTEs	General Fund State	Other Funds	Total Funds
Program: 200 Institutional Services				
2013-15 Current Biennium Total				
Total Carry Forward Level				
Percent Change from Current Biennium				
M1 93 Mandatory Caseload Adjustments				
Carry Forward plus Workload Changes				
Percent Change from Current Biennium				
M2 8L Lease Rate Adjustments		(67)		(67)
M2 8U Utility Rate Adjustments		1,281		1,281
M2 9F Federal Funding Adjustment		540	(540)	
M2 9M Medical Inflation		1,590		1,590
M2 9Q Equip Maintenance/Software Licenses		74		74
M2 9T Transfers	(6.1)	987		987
M2 CA Auto Theft Fund Revenue Shortfall		379		379
M2 CC TAS Critical System Update		400		400
M2 CF Food Rate Adjustments		439		439
M2 CG Hepatitis C Cost Increases		8,174		8,174
M2 CH Prison Overtime Costs	66.3	4,052		4,052
Total Maintenance Level	60.2	17,849	(540)	17,309
Percent Change from Current Biennium				
Subtotal - Performance Level Changes	0.0			
2013-15 Total Proposed Budget	60.2	17,849	(540)	17,309
Percent Change from Current Biennium				

State of Washington
Recommendation Summary

11:34:30AM

Agency: 310 Department of Corrections

10/24/2014

Dollars in Thousands

	FY2 FTEs	General Fund State	Other Funds	Total Funds
 Program: 300 Community Corrections				
 2013-15 Current Biennium Total				
 Total Carry Forward Level				
Percent Change from Current Biennium				
M1 93 Mandatory Caseload Adjustments				
 Carry Forward plus Workload Changes				
Percent Change from Current Biennium				
M2 8L Lease Rate Adjustments		277		277
M2 9F Federal Funding Adjustment	3.9		298	298
M2 9L Local Funding Adjustment		787	(787)	
M2 9M Medical Inflation		47		47
M2 9Q Equip Maintenance/Software Licenses		45		45
M2 9T Transfers	6.1	(987)		(987)
M2 CB Community Violator Funds Shortfall		3,773		3,773
 Total Maintenance Level	 10.0	 3,942	 (489)	 3,453
Percent Change from Current Biennium				
 Subtotal - Performance Level Changes	 0.0			
 2013-15 Total Proposed Budget	 10.0	 3,942	 (489)	 3,453
Percent Change from Current Biennium				

State of Washington
Recommendation Summary

11:35:51AM

Agency: 310 Department of Corrections

10/24/2014

Dollars in Thousands

	FY2 FTEs	General Fund State	Other Funds	Total Funds
 Program: 400 CI - Appropriated				
 2013-15 Current Biennium Total				
 Total Carry Forward Level				
Percent Change from Current Biennium				
 Carry Forward plus Workload Changes				
Percent Change from Current Biennium				
M2 CK McNeil Island Funding Shortfall		225		225
 Total Maintenance Level		225		225
Percent Change from Current Biennium				
 Subtotal - Performance Level Changes	0.0			
 2013-15 Total Proposed Budget		225		225
Percent Change from Current Biennium				

State of Washington
Recommendation Summary

11:37:25AM

Agency: 310 Department of Corrections

10/24/2014

Dollars in Thousands

	FY2 FTEs	General Fund State	Other Funds	Total Funds
 Program: 600 Interagency Services				
 2013-15 Current Biennium Total				
 Total Carry Forward Level				
Percent Change from Current Biennium				
 Carry Forward plus Workload Changes				
Percent Change from Current Biennium				
M2 CD Technical Correction		3,283		3,283
M2 CE E-Vault Costs from CTS		176		176
 Total Maintenance Level		 3,459		 3,459
Percent Change from Current Biennium				
 Subtotal - Performance Level Changes	 0.0			
 2013-15 Total Proposed Budget		 3,459		 3,459
Percent Change from Current Biennium				

State of Washington

Summarized Revenue by Account and Source

Budget Period: 2013-15
 Dollars in thousands
 310 - Department of Corrections
 Agency Level
 06 - FY2015 Supplemental Request
 Supporting Text Included

10/24/2014
 9:24AM

	Maintenance Level		Performance Level		Biennium Totals		Total
	FY2014	FY2015	FY2014	FY2015	FY2014	FY2015	
001 - General Fund							
9F - Federal Funding Adjustment		(241)					
Total - 0316 - Dept of Justice - F		(241)				(241)	(241)
001 - General Fund - Federal		(241)				(241)	(241)
Total - 001 - General Fund		(241)				(241)	(241)
310 - Department of Corrections - Federal		(241)				(241)	(241)
Total - 310 - Department of Corrections		(241)				(241)	(241)

9F - Federal Funding Adjustment

The Department of Corrections (DOC) requests additional funding of \$298,323 and 3.9 FTEs in Fiscal Year (FY) 2015 to adjust our funding to align to federal grants across two (2) programs - prisons and community supervision. This request includes impacts to two (2) grants: Smart Supervision and the State Criminal Alien Assistance Program (SCAAP).

Agency Budget Request Decision Package Summary

(Lists only the agency Performance Level budget decision packages, in priority order)

Agency:

10/24/2014
11:21:48AM

Budget Period:

Decision Package

Code

Decision Package Title

Agency: 310 Department of Corrections
Decision Package Code/Title: 8L Lease Rate Adjustments
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$103,515 in Fiscal Year (FY) 2015 for contractual lease rate adjustments and one-time tenant improvements known to exceed DOC's base funding.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		103,515	103,515
Staffing			
FTEs			

Program 100-Admin & Program Support

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		(107,139)	(107,139)

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		(66,740)	(66,740)

Program 300-Community Corrections

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		277,394	277,394

Package Description:

DOC requests \$103,515 to true up the Tumwater Headquarters Building (TOB) lease and one-time tenant improvements not funded in

our FY2015 budget. DOC currently has over 85 building and land leases, including community field offices, our TOB office, regional training centers, work camps, and work release facilities.

This request recognized actual lease costs that differ from working assumptions within the 2013-2015 enacted budget. Annual adjustments that true up leased space cost ensures that DOC operations continue in predictable ways. Chapter 6, Laws of 2012, relating to Revised Code of Washington (RCW) 9.94A, requires swift and certain sanctions, in combination with treatment-based interventions that address chemical dependency and criminogenic behaviors. Expanding space is a prerequisite to deliver offender programming services where offenders live, such that tenant improvements and DOC relocations will be necessary at times, to meet offender needs when sufficient space is not available.

All changes to our facilities are part of DOC's strategy for implementation; captured in DOC's 2015-2021 Six Year Facilities Plan, see "ML_8L_Lease_Rate_Adjustment_Attachment_3".

DOC recently completed the bond sale on the TOB office. The revision to the bond payment schedule will provide significant cost avoidance in FY2015.

Please contact Crystal Lester, at (360) 725- 8346 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This package will true up our funded leases so that our base going into the 2015-2017 biennium reflects actual costs. Moreover, DOC's focus is on maintaining core business and correctional operations. Offenders are required to report to field offices located in the community in which they reside. Funding for relocation of existing facilities will provide additional programming space which will allow DOC to maintain the current level of services to offenders in the communities while implementing Chapter 6, Laws of 2012, relating to RCW 9.94A, providing for treatment-based interventions. In addition, funding will ensure that offender supervision is appropriate in facilities which results in safer communities.

Performance Measure Detail

Activity A007 Supervise Adult Offenders in the Community

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes. This decision package is critical to maintain adequate facility space for community supervision of offenders, while also delivering a variety of evidence-based and cost-effective intervention programs and services. This decision package request supports DOC's strategic plan objective to "Change Offender Behavior". The strategy will be to implement evidence-based programs and practices to decrease return to institutions.

Does this decision package provide essential support to one of the Governor's priorities?

Yes. This decision package reflects the facility infrastructure needed to support the Results Washington's Goal 4: Healthy and Safe Communities, the goal topic of Safe People. Specifically needed to realize the measures:

- * Decrease rate of return to institutions for offenders.
- * Increase the percentage of adult offenders complying with their conditions of supervision or case plan.
- * Increase the percentage of adult offenders who are employed post-release.

DOC is dedicated in providing adequate resources to improve the lives of offenders once they leave DOC custody, which directly affects the safety in the community.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of

Government process?

None.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

No alternatives exist for DOC operations. We must have a presence to meet our mission.

What are the consequences of not funding this package?

If denied funding for this package, DOC will have to absorb the one-time charges, possibly resulting in not being able to relocate or in overspending of General Fund-State (GF-S) dollars.

Consequences of DOC being unable to relocate will result in the space or resources to administer offender programming could create hardships to offenders to comply with their required conditions of supervision and case plans.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

See attached, "ML-8L_Lease_Rate_Adjustment_Attachments 1-3" files.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All lease rate increases are ongoing and funding will need to carry forward into future biennia.

DOC's 2015-2021 Six Year Plan, submitted with our biennial request, identified several locations relocating that need more floor space to provide adequate offender programming, to support and strengthen essential functions related to Chapter 6, Laws of 2012, relating to RCW 9.94A.

This budget request includes one-time costs, outlined below.

Three (3) locations, Auburn, which is relocating to a new office. Aberdeen and Montesano offices will merge into one (1) facility in FY2015 requiring one-time tenant improvement costs.

The total one-time costs are \$312,000 in FY2015.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
E Goods\Other Services	0	103,515	103,515
Total Objects	0	103,515	103,515

ML-8L Lease Rate Adjustments

Summary of all components

Fiscal Year 2014												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Administration and Program Support	15099	A007	001-1					-				-
2 Institutional Services	25013	A007	001-1					-				-
3 Community Corrections	31006	A007	001-1					-				-
3 Community Corrections	31007	A007	001-1					-				-
3 Community Corrections	35013	A007	001-1					-				-
4								-				-
5								-				-
6								-				-
6								-				-
Decision Package Total				-	-	-	-	-	-	-	-	-
Program 100 Total				-	-	-	-	-	-	-	-	-
Program 200 Total				-	-	-	-	-	-	-	-	-
Program 300 Total				-	-	-	-	-	-	-	-	-
Program 700 Total				-	-	-	-	-	-	-	-	-

True

Fiscal Year 2015												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Administration and Program Support	15099	A007	001-1					(107,139)				(107,139)
2 Institutional Services	25013	A007	001-1					(66,740)				(66,740)
3 Community Corrections	31006	A007	001-1					(34,606)				(34,606)
3 Community Corrections	35013	A007	001-1					312,000				312,000
5								-				-
6								-				-
6								-				-
Decision Package Total				-	-	-	-	103,515	-	-	-	103,515
Program 100 Total				-	-	-	-	(107,139)	-	-	-	(107,139.0)
Program 200 Total				-	-	-	-	(66,740)	-	-	-	(66,740.0)
Program 300 Total				-	-	-	-	277,394	-	-	-	277,394.0

True

Biennial Totals												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Administration and Program Support	15099	A007	001-1					(107,139)				(107,139)
2 Institutional Services	25013	A007	001-1					(66,740)				(66,740)
3 Community Corrections	31006	A007	001-1					(34,606)				(34,606)
3 Community Corrections	35013	A007	001-1					312,000				312,000
5								-				-
6								-				-
6								-				-
Decision Package Total				-	-	-	-	103,515	-	-	-	103,515
Program 100 Total				-	-	-	-	(107,139)	-	-	-	(107,139.0)
Program 200 Total				-	-	-	-	(66,740)	-	-	-	(66,740.0)
Program 300 Total				-	-	-	-	277,394	-	-	-	277,394.0

ML 8L Lease Rate Adjustments

Department of Corrections - Lease Rate Adjustment															
Office	Action	ORG	PI	Program	Vendor	Lease		Sq. Footage	Total FY15 Need	FY15 Funded Level as of 13-15 CFL	FY15 Request	FY15 One-Time	Renewal Increase %	Services Included in Lease	
						Rate Change Date	Previous Lease Rate								
P100 HQ - Tumwater office Building	Change	1011	15099	100	GA-OCPM Build	7/1/14	197,116.44	167,526.10	121,743	1,957,888	2,065,027	(107,139)	-	-5%	Assessment, Bulbs/Tubes,Natural Gas, Electric, Garbage, Insurance, Janitorial, Restroom Supply, Sewer, Storm Water, Property Tax, Water, Recycling
P200 HQ - Tumwater office Building	Change	2071	25013	200	GA-OCPM Build	7/1/14	197,116.44	167,526.10	121,743	911,431	978,171	(66,740)	-	-7%	Assessment, Bulbs/Tubes,Natural Gas, Electric, Garbage, Insurance, Janitorial, Restroom Supply, Sewer, Storm Water, Property Tax, Water, Recycling
P300 HQ - Tumwater office Building	Change	3031	35013	300	GA-OCPM Build	7/1/14	197,116.44	167,526.10	121,743	472,594	507,200	(34,606)	-	-7%	Assessment, Bulbs/Tubes,Natural Gas, Electric, Garbage, Insurance, Janitorial, Restroom Supply, Sewer, Storm Water, Property Tax, Water, Recycling
New Auburn Office - One-Time	New	3650	31006	300		7/1/14				160,000		160,000	160,000		Substandard building condition. Relocate to new location. Provide adequate growth and program space.
New Aberdeen Office - One-Time	New	3630	31006	300						152,000		152,000	152,000		Consolidate and relocate existing Montesano and Aberdeen offices in Aberdeen. Substandard building condition. Provide adequate growth and program space.
												0	-		
												0	-		
Monthly Total										3,341,912	3,550,398	103,515	312,000		

Returned TOB Funding 103,515
 FY 15 One-Time Costs Request 312,000
 FY 15-17 Total funding returned due to 415,515

Agency: 310 Department of Corrections
Decision Package Code/Title: 8U Utility Rate Adjustments
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$1,281,094 additional funding in Fiscal Year (FY) 2015 to cover utility rate increases in our prisons that exceeds our base funding level. Utility vendors have sent DOC notices of upcoming rate increases that will be billed to us, and which are unfunded.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		1,281,094	1,281,094

Staffing
FTEs

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		1,281,094	1,281,094

Package Description:

DOC requests \$1,281,094 in FY2015 to fund/cover utility rate increases that will impact our prison operations. Prisons are 24-7 operations, and we cannot operate without utilities and are unable to effect change to offset these cost increases that the vendors will bill us.

This proposal asks only for the funding DOC will need to meet the rising cost of utilities at ten (10) prisons due to rate hikes for electricity, natural gas, water, garbage, and sewage. We received official notice from Clallam County Public Utility District 1, City of Aberdeen, Public Utility District of Grays Harbor County, and Franklin Public Utility District 1. We have also reviewed media announcements and documentation from the Utilities and Transportation Commission.

In addition to the rising utility costs, propane costs also have continued to rise. Propane is not a regulated product. In FY2014 DOC paid out \$510,963 in propane costs alone.

The DOC prison budget's FY2015 funded level is \$9,248,214 for utilities. We anticipate invoices in FY2015 estimated at \$10,529,308.

For illustration, DOC has seen natural gas prices increase on an average of 19% over the past couple of years. In addition sewage costs have also increased on average of 14% over the past couple of years.

Please contact Dawn Deck, at (360) 725- 8266 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No performance measures submitted for this package.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

These are unavoidable, basic costs of operating DOC facilities. Not funding this rate increase would compromise strategies identified in our agency plan as less money would be available for efficient, effective government, for offender programming and other improvement focused on developing a high performance workforce.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request aligns with Results Washington; specifically, Goal 4: Health and Safe Communities - Safe People.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

Puget Sound Energy, Avista Corporation and Public Utility Districts (PUDs) where our prisons are sited are partners with the State in stewardship of the environment. A portion of the money we pay as a major utility customer underwrites alternative energy initiatives and jobs, locally.

What alternatives were explored by the agency, and why was this alternative chosen?

No other alternatives are available.

What are the consequences of not funding this package?

If this package is not funded, DOC will overspend our general fund state dollars.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

See Attached,
"ML-8U_Utility_Rate_Adjustment_Attachments 1-2".

These costs are estimates based on the best information currently available.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are assumed to be ongoing into the ensuing biennia.

Object Detail

FY 2014

FY 2015

Total

E	Goods\Other Services	0	1,281,094	1,281,094
Total Objects		0	1,281,094	1,281,094

ML-8U UTILITY RATE ADJUSTMENTS

ML - 8U Utility Rate Need by Facility

This is based on notices from vendors announcing the rate increases

Facility	Utility Type	FY2015 Base Funding	Rate Increase %	Projected 2015 Rate Increase	FY2015 Base plus Rate Increase	Funding Needed for FY2015
[2101] AHCC				\$ -		
AVISTA CORP	Natural Gas	\$ 662,516	19%	\$ 125,878	788,394	125,878
[2205] WCCW				\$ -	\$ -	\$ -
PUGET SOUND ENERGY INC	Natural Gas	\$ 201,767	19%	\$ 38,336	240,103	38,336
[2306] SCCC				\$ -	\$ -	\$ -
ABERDEEN CITY OF	Water	\$ 185,039	2%	\$ 3,701	188,740	3,701
CASCADE NATURAL GAS CORP	Natural Gas	\$ 446,480	19%	\$ 84,831	531,311	84,831
PUD 1 OF GRAYS HARBOR COUNTY	Electricity	\$ 1,012,494	1.5%	\$ 15,187	1,027,681	15,187
[2307] WCC				\$ -	\$ -	\$ -
CASCADE NATURAL GAS CORP	Natural Gas	\$ 654,331	19%	\$ 124,323	778,654	124,323
[2314] Maple Lane				\$ -	\$ -	\$ -
PUGET SOUND ENERGY INC	Natural Gas	\$ 80,345	19%	\$ 15,266	95,611	15,266
[2401] MCC				\$ -	\$ -	\$ -
CEDAR GROVE ORGANICS RECYCLING	Garbage/Refuse	\$ 153,474	6%	\$ 9,208	162,682	9,208
MONROE CITY OF	Sewage	\$ 905,715	14%	\$ 126,800	1,032,515	126,800
PUGET SOUND ENERGY INC	Natural Gas	\$ 1,124,783	19%	\$ 213,709	1,338,492	213,709
[2402] CBCC				\$ -	\$ -	\$ -
CLALLAM COUNTY PUD 1	Electricity	\$ 353,089	3.5%	\$ 12,358	365,447	12,358
[2411] OCC				\$ -	\$ -	\$ -
CLALLAM COUNTY PUD 1	Electricity	\$ 133,583	3.5%	\$ 4,675	138,258	4,675
[2501] WSP				\$ -	\$ -	\$ -
CASCADE NATURAL GAS CORP	Natural Gas	\$ 1,040,441	19%	\$ 197,684	1,238,125	197,684
PACIFICORP	Electricity	\$ 1,597,185	3.4%	\$ 54,304	1,651,489	54,304
[2512] CRCC				\$ -	\$ -	\$ -
AVISTA CORP	Natural Gas	\$ 370,456	19%	\$ 70,387	440,843	70,387
Totals		\$ 8,921,698		\$ 1,096,647	\$ 10,018,345	\$ 1,096,647

Facility	Utility	Budget	Expenditures	Variance	Funding Needed for FY2015
Facilities included: AHCC, CCCC, MCCW, OCC					
Ferrallgas Inc., Associated Petroleum Prod	Propane	\$ 326,516	\$ 510,963	\$ (184,447)	\$ 184,447
		\$ 326,516	\$ 510,963	\$ (184,447)	\$ 184,447
					1,281,094

*Propane	326,516	510,963	\$ 184,447	510,963	184,447
Natural Gas	4,581,119		\$ 870,413	5,451,532	870,413
Electricity	3,096,351		\$ 86,525	3,182,876	86,525
Water	185,039		\$ 3,701	188,740	3,701
Sewage	\$ 905,715		\$ 126,800	\$ 1,032,515	126,800
Garbage/Refuse	\$ 153,474		\$ 9,208	162,682	9,208
	9,248,214	510,963	1,281,094	10,529,308	1,281,094
	TRUE	TRUE	TRUE	TRUE	TRUE

Assumption for Propane - Propane is not a regulated item. Therefore this assumption is based on FY2014 allotments and expenditures. Assumption for Natural Gas, Electricity, Water, Sewage, Garbage/Refuse are based on the FY2015 adjusted base.

ML - 8U Utilities Rate Adjustments
Summary of all components

Fiscal Year 2014												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1												
2												
3												
4												
5												
6												-
ML - 8U Utilities Rate Adjustments Decision Package Total					-	-	-	-	-	-	-	-
Program 200 Total					-	-	-	-				
Program 300 Total					-	-	-	-				

True

Fiscal Year 2015												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Natural Gas	21001	A001	001-1					870,413				870,413
2 Electricity	21001	A001	001-1					86,525				86,525
3 Water	21001	A001	001-1					3,701				3,701
4 Sewage	21001	A001	001-1					126,800				126,800
5 Garbage/Refuse	21001	A001	001-1					9,208				9,208
6 Propane	21001	A001	001-1					184,447				184,447
Decision Package Total					-	-	-	-	1,281,094			1,281,094
Program 200 Total												

TRUE

False

Biennial Totals												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Natural Gas	21001	A001	001-1					870,413				870,413
2 Electricity	21001	A001	001-1					86,525				86,525
3 Water	21001	A001	001-1					3,701				3,701
4 Sewage	21001	A001	001-1					126,800				126,800
5 Garbage/Refuse	21001	A001	001-1					9,208				9,208
6	21001	A001	001-1					184,447				184,447
Decision Package Total					-	-	-	-	1,281,094			1,281,094
Program 200 Total												

TRUE

TRUE

Agency: 310 Department of Corrections
Decision Package Code/Title: 9F Federal Funding Adjustment
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests additional funding of \$298,323 and 3.9 FTEs in Fiscal Year (FY) 2015 to adjust our funding to align to federal grants across two (2) programs - prisons and community supervision. This request includes impacts to two (2) grants: Smart Supervision and the State Criminal Alien Assistance Program (SCAAP).

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		539,506	539,506
	0		
001-2 -General Fund - Basic Account-Federal		(241,183)	(241,183)
Total Cost	0	298,323	298,323

Staffing	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY2 FTEs</u>
FTEs	0.0	3.9	3.9

Revenue

<u>Fund</u>	<u>Source</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
001 General Fund	0316 Dept of Justice	0	(241,183)	(241,183)

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		539,506	539,506
	0		
001-2 -General Fund - Basic Account-Federal		(539,506)	(539,506)
Total Cost	0	0	0

Program 300-Community Corrections

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-2 -General Fund - Basic Account-Federal		298,323	298,323

Staffing	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY2 FTEs</u>
FTEs	0.0	3.9	3.9

Package Description:

DOC requests \$298,323 and 3.9 FTEs in FY2015 to align our expenditure authority to grants.

Smart Supervision Grant

DOC received notice from the Department of Justice, Office of Justice Programs in a letter dated September 9, 2014 that we were approved for federal funds in FY14 Smart Supervision: Reducing Prison Populations, Saving Money, and Creating Safer Communities. The award is for a three (3) year period, 10/01/2014 through 09/30/2017, in the amount of \$750,000. The grant award is 100% federally funded. DOC requests \$298,323 in General Fund Federal (GFF, 001-2) and 3.9 FTEs in FY2015.

DOC, working with Washington State University research partners, will use the grant funding (GFF) to develop staff training and a quality assurance framework that will support the implementation of both a comprehensive case management model that is rooted in risk-needs-responsivity (RNR) principles and applies quality assurance to build fidelity - the RNR + Fidelity Case Management Model - as well as a validated 4th generation dynamic risk and needs assessment that generates a continuous, responsivity-driven case plan.

FY2015 Request: \$298,323 GFF and 3.9 FTEs

See Attachments 3 and 4.

State Criminal Alien Assistance Program (SCAAP)

Loss of Federal Funding & A Corresponding Increase To General Fund State (GFS)

DOC requests \$539,506 in FY2015 to replace SCAAP federal funds (001-2) with GFS funds due to a reduction in SCAAP funds received for the upcoming Federal Fiscal Year (FFY). The Bureau of Justice Assistance (BJA) instituted several changes to the administration and formula for distribution of these SCAAP funds. These changes resulted in a significant reduction of federal funding distributed to the state of Washington leaving a shortfall in funding.

DOC receives federal funds to assist in paying the cost of incarcerating illegal aliens who have committed serious crimes in the state of Washington. SCAAP funding is based on information provided by each state on the number of criminal aliens housed in the institutions for the previous fiscal year.

DOC began receiving SCAAP funds in the 1997-99 Biennium, when SCAAP was used to partially fund increased prison workload. As increases or decreases to the annual SCAAP award have occurred, an offsetting change has been made to GFS funds in order to fully fund prison workload. A portion of workload is offender direct variable cost (DVC). The largest component of DVC is offender food. SCAAP funds are used to partially fund food costs at the Washington State Penitentiary (WSP).

FY2015 Request: \$539,506 GFS

FY2015 Request: <\$539,506> GFF

See Attachment 2.

Please contact Peter Campbell, at (360) 725-8838 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No performance measures were submitted for this package.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this package is essential to DOC's strategic plan key goal: Safer Operations, by managing prison capacity within established principles for safety, mission, and operational efficiency.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request aligns with Governor's priority of Healthy and Safe Communities, specifically Safe People.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

No alternatives are available. In 2011-13 DOC absorbed these reductions to federal funding but that is not a sustainable practice.

What are the consequences of not funding this package?

A reduction in the funding level of SCAAP would directly impact prison operations. If this package is not funded, DOC will have to absorb the shortfall, likely resulting in overspending our general fund state dollars.

The fund swap between SCAAP and GFS began in the 1997-99 Biennium. As increases or decreases to the annual SCAAP award have occurred, an offsetting change has been made to GFS funds in order to fully fund prison workload.

Smart Supervision Grant - Without legislative approval DOC does not have the authority to spend these federal funds.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Costs are based on best information currently available.

Please see attached, ML-9F_FederalFundingAdjustment Attachments 1-4.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Costs are FY2015. A decision package (ML-9F) was included in DOC's 2015-17 Budget Request.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
A Salaries And Wages	0	136,648	136,648
B Employee Benefits	0	49,425	49,425
C Professional Svc Contracts	0	112,250	112,250
Total Objects	0	298,323	298,323

Summary of all components

Fiscal Year 2014												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
SCAAP	24007	A001	001-1									-
SCAAP	24007	A001	001-2									-
Smart Supervision Grant	3xxxx	A007	001-2									-
ML-9F Federal Funding Adjustment FY2014				-	-	-	-	-	-	-	-	-
Program 200 Total				-	-	-	-	-	-	-	-	-
Program 300 Total				-	-	-	-	-	-	-	-	-

Fiscal Year 2015												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
SCAAP	24007	A001	001-1					539,506				539,506
SCAAP	24007	A001	001-2					(539,506)				(539,506)
Smart Supervision Grant	3xxxx	A007	001-2	3.9	136,648	49,425	112,250					298,323
ML-9F Federal Funding Adjustment FY2015				3.9	136,648	49,425	112,250	-	-	-	-	298,323
Program 200 Total				-	-	-	-	-	-	-	-	-
Program 300 Total				3.9	136,648	49,425	112,250	-	-	-	-	298,323

Biennial Totals												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
SCAAP	24007	A001	001-1	-	-	-	-	539,506	-	-	-	539,506
SCAAP	24007	A001	001-2	-	-	-	-	(539,506)	-	-	-	(539,506)
Smart Supervision Grant	3xxxx	A007	001-2	2.0	136,648	49,425	112,250	-	-	-	-	298,323
ML-9F Federal Funding Adjustment Total				2.0	136,648	49,425	112,250	-	-	-	-	298,323
Program 200 Total				-	-	-	-	-	-	-	-	-
Program 300 Total				2.0	136,648	49,425	112,250	-	-	-	-	298,323

Department of Corrections
State Criminal Alien Assistance Program Grant Awards

SFY 2006	2005-F0671-WA-AP	\$1,723,823		N/A
SFY 2007	2006-F2724-WA-AP	\$1,816,421	\$92,598	7,095
SFY 2008	2007-F6976-WA-AP	\$1,925,831	\$109,410	6,095
SFY 2009	2008-F2921-WA-AP	\$1,859,513	(\$66,318)	6,366
SFY 2010	2009-G7213-WA-AP	\$2,143,034	\$283,521	6,944
SFY 2011	2010-H4337-WA-AP	\$1,975,513	(\$167,521)	7,120
SFY 2012	2011-H2422-WA-AP	\$1,662,130	(\$313,383)	7,077
SFY 2013	2012-H5139-WA-AP	\$1,557,951	(\$104,179)	6,529
SFY 2014	2013-H2030-WA-AP	\$1,552,412	(\$5,539)	6,286
SFY 2015	2014-H1862-WA-AP	\$805,587	(\$746,825)	4,921

Shortfall In Federal Award	(\$746,825)
Deferred Revenue For SCAAP	\$207,319
Amount Needed To Replace Federal Funds	(\$539,506)

Notes:

Applications are submitted in early May. Grants are awarded in October.

Award amount is based on alien offenders, salaries and wages and Correctional Officer FTEs for the previous State fiscal year ended June 30.



Department of Justice
Office of Justice Programs

Office of the Assistant Attorney General

Washington, D.C. 20531

September 9, 2014

Secretary Bernard Warner
Washington State Department of Corrections
7345 Linderson Way Southwest
PO Box 41101
Tumwater, WA 98501-6504

Dear Secretary Warner:

On behalf of Attorney General Eric Holder, it is my pleasure to inform you that the Office of Justice Programs has approved your application for funding under the FY 14 Smart Supervision: Reducing Prison Populations, Saving Money, and Creating Safer Communities in the amount of \$750,000 for Washington State Department of Corrections.

Enclosed you will find the Grant Award and Special Conditions documents. This award is subject to all administrative and financial requirements, including the timely submission of all financial and programmatic reports, resolution of all interim audit findings, and the maintenance of a minimum level of cash-on-hand. Should you not adhere to these requirements, you will be in violation of the terms of this agreement and the award will be subject to termination for cause or other administrative action as appropriate.

If you have questions regarding this award, please contact:

- Program Questions, Jennifer L. Lewis, Program Manager at (202) 305-8064; and
- Financial Questions, the Office of the Chief Financial Officer, Customer Service Center (CSC) at (800) 458-0786, or you may contact the CSC at ask.ocfo@usdoj.gov.

Congratulations, and we look forward to working with you.

Sincerely,

A handwritten signature in black ink that reads "Karol V. Mason".

Karol Virginia Mason
Assistant Attorney General

Enclosures



OFFICE FOR CIVIL RIGHTS

Office of Justice Programs

Department of Justice

810 7th Street, NW
Washington, DC 20531

Tel: (202) 307-0690

TTY: (202) 307-2027

E-mail: askOCR@usdoj.gov

Website: www.ojp.usdoj.gov/ocr

September 9, 2014

Secretary Bernard Warner
Washington State Department of Corrections
7345 Linderson Way Southwest
PO Box 41101
Tumwater, WA 98501-6504

Dear Secretary Warner:

Congratulations on your recent award. In establishing financial assistance programs, Congress linked the receipt of federal funding to compliance with federal civil rights laws. The Office for Civil Rights (OCR), Office of Justice Programs (OJP), U.S. Department of Justice (DOJ) is responsible for ensuring that recipients of financial assistance from the OJP, the Office of Community Oriented Policing Services (COPS), and the Office on Violence Against Women (OVW) comply with the applicable federal civil rights laws. We at the OCR are available to help you and your organization meet the civil rights requirements that come with DOJ funding.

Ensuring Access to Federally Assisted Programs

Federal laws that apply to recipients of financial assistance from the DOJ prohibit discrimination on the basis of race, color, national origin, religion, sex, or disability in funded programs or activities, not only in employment but also in the delivery of services or benefits. A federal law also prohibits recipients from discriminating on the basis of age in the delivery of services or benefits.

In March of 2013, President Obama signed the Violence Against Women Reauthorization Act of 2013. The statute amends the Violence Against Women Act of 1994 (VAWA) by including a nondiscrimination grant condition that prohibits discrimination based on actual or perceived race, color, national origin, religion, sex, disability, sexual orientation, or gender identity. The new nondiscrimination grant condition applies to certain programs funded after October 1, 2013. The OCR and the OVW have developed answers to some frequently asked questions about this provision to assist recipients of VAWA funds to understand their obligations. The Frequently Asked Questions are available at <http://ojp.gov/about/ocr/vawafaqs.htm>.

Enforcing Civil Rights Laws

All recipients of federal financial assistance, regardless of the particular funding source, the amount of the grant award, or the number of employees in the workforce, are subject to prohibitions against unlawful discrimination. Accordingly, the OCR investigates recipients that are the subject of discrimination complaints from both individuals and groups. In addition, based on regulatory criteria, the OCR selects a number of recipients each year for compliance reviews, audits that require recipients to submit data showing that they are providing services equitably to all segments of their service population and that their employment practices meet equal opportunity standards.

Providing Services to Limited English Proficiency (LEP) Individuals

In accordance with DOJ guidance pertaining to Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d, recipients of federal financial assistance must take reasonable steps to provide meaningful access to their programs and activities for persons with limited English proficiency (LEP). See U.S. Department of Justice, Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, 67 Fed. Reg. 41,455 (2002). For more information on the civil rights responsibilities that recipients have in providing language services to LEP individuals, please see the website <http://www.lep.gov>.

Ensuring Equal Treatment for Faith-Based Organizations

The DOJ regulation, Equal Treatment for Faith-Based Organizations, 28 C.F.R. pt. 38, requires State Administering Agencies (SAAs) to treat faith-based organizations the same as any other applicant or recipient. The regulation prohibits SAAs from making awards or grant administration decisions on the basis of an organization's religious character or affiliation, religious name, or the religious composition of its board of directors.

The regulation also prohibits faith-based organizations from using financial assistance from the DOJ to fund inherently (or explicitly) religious activities. While faith-based organizations can engage in non-funded inherently religious activities, they must hold them separately from the program funded by the DOJ, and recipients cannot compel beneficiaries to participate in them. The Equal Treatment Regulation also makes clear that organizations participating in programs funded by the DOJ are not permitted to discriminate in the provision of services on the basis of a beneficiary's religion. For more information on the regulation, please see the OCR's website at http://www.ojp.usdoj.gov/about/ocr/equal_fbo.htm.

SAAs and faith-based organizations should also note that the Omnibus Crime Control and Safe Streets Act (Safe Streets Act) of 1968, as amended, 42 U.S.C. § 3789d(c); the Victims of Crime Act of 1984, as amended, 42 U.S.C. § 10604(e); the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, 42 U.S.C. § 5672(b); and VAWA, Pub. L. No. 113-4, sec. 3(b)(4), 127 Stat. 54, 61-62 (to be codified at 42 U.S.C. § 13925(b)(13)) contain prohibitions against discrimination on the basis of religion in employment. Despite these nondiscrimination provisions, the DOJ has concluded that it may construe the Religious Freedom Restoration Act (RFRA) on a case-by-case basis to permit some faith-based organizations to receive DOJ funds while taking into account religion when hiring staff, even if the statute that authorizes the funding program generally forbids recipients from considering religion in employment decisions. Please consult with the OCR if you have any questions about the regulation or the application of RFRA to the statutes that prohibit discrimination in employment.

Using Arrest and Conviction Records in Making Employment Decisions

The OCR issued an advisory document for recipients on the proper use of arrest and conviction records in making hiring decisions. See Advisory for Recipients of Financial Assistance from the U.S. Department of Justice on the U.S. Equal Employment Opportunity Commission's Enforcement Guidance: Consideration of Arrest and Conviction Records in Employment Decisions Under Title VII of the Civil Rights Act of 1964 (June 2013), available at http://www.ojp.usdoj.gov/about/ocr/pdfs/UseofConviction_Advisory.pdf. Recipients should be mindful that the misuse of arrest or conviction records to screen either applicants for employment or employees for retention or promotion may have a disparate impact based on race or national origin, resulting in unlawful employment discrimination. In light of the Advisory, recipients should consult local counsel in reviewing their employment practices. If warranted, recipients should also incorporate an analysis of the use of arrest and conviction records in their Equal Employment Opportunity Plans (EEOs) (see below).

Complying with the Safe Streets Act

An organization that is a recipient of financial assistance subject to the nondiscrimination provisions of the Safe Streets Act, must meet two obligations: (1) complying with the federal regulation pertaining to the development of an EEO (see 28 C.F.R. pt. 42, subpt. E) and (2) submitting to the OCR findings of discrimination (see 28 C.F.R. §§ 42.204(c), .205(c)(5)).

Meeting the EEOP Requirement

If your organization has less than fifty employees or receives an award of less than \$25,000 or is a nonprofit organization, a medical institution, an educational institution, or an Indian tribe, then it is exempt from the EEOP requirement. To claim the exemption, your organization must complete and submit Section A of the Certification Form, which is available online at <http://www.ojp.usdoj.gov/about/ocr/pdfs/cert.pdf>.

If your organization is a government agency or private business and receives an award of \$25,000 or more, but less than \$500,000, and has fifty or more employees (counting both full- and part-time employees but excluding political appointees), then it has to prepare a Utilization Report (formerly called an EEOP Short Form), but it does not have to submit the report to the OCR for review. Instead, your organization has to maintain the Utilization Report on file and make it available for review on request. In addition, your organization has to complete Section B of the Certification Form and return it to the OCR. The Certification Form is available at <http://www.ojp.usdoj.gov/about/ocr/pdfs/cert.pdf>.

If your organization is a government agency or private business and has received an award for \$500,000 or more and has fifty or more employees (counting both full- and part-time employees but excluding political appointees), then it has to prepare a Utilization Report (formerly called an EEOP Short Form) and submit it to the OCR for review within sixty days from the date of this letter. For assistance in developing a Utilization Report, please consult the OCR's website at <http://www.ojp.usdoj.gov/about/ocr/eeop.htm>. In addition, your organization has to complete Section C of the Certification Form and return it to the OCR. The Certification Form is available at <http://www.ojp.usdoj.gov/about/ocr/pdfs/cert.pdf>.

To comply with the EEOP requirements, you may request technical assistance from an EEOP specialist at the OCR by telephone at (202) 307-0690, by TTY at (202) 307-2027, or by e-mail at EEOSubmission@usdoj.gov.

Meeting the Requirement to Submit Findings of Discrimination

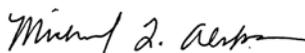
If in the three years prior to the date of the grant award, your organization has received an adverse finding of discrimination based on race, color, national origin, religion, or sex, after a due-process hearing, from a state or federal court or from a state or federal administrative agency, your organization must send a copy of the finding to the OCR.

Ensuring the Compliance of Subrecipients

SAAAs must have standard assurances to notify subrecipients of their civil rights obligations, written procedures to address discrimination complaints filed against subrecipients, methods to monitor subrecipients' compliance with civil rights requirements, and a program to train subrecipients on applicable civil rights laws. In addition, SAAAs must submit to the OCR every three years written Methods of Administration (MOA) that summarize the policies and procedures that they have implemented to ensure the civil rights compliance of subrecipients. For more information on the MOA requirement, see http://www.ojp.usdoj.gov/funding/other_requirements.htm.

If the OCR can assist you in any way in fulfilling your organization's civil rights responsibilities as a recipient of federal financial assistance, please contact us.

Sincerely,



Michael L. Alston
Director

cc: Grant Manager
Financial Analyst



Department of Justice
Office of Justice Programs
Office of the Chief Financial Officer

Washington, D.C. 20531

September 9, 2014

Secretary Bernard Warner
Washington State Department of Corrections
7345 Linderson Way Southwest
PO Box 41101
Tumwater, WA 98501 - 6504

Reference Grant Number: 2014-SM-BX-0003

Dear Secretary Warner:

I am pleased to inform you that my office has approved the following budget categories for the aforementioned grant award in the cost categories identified below:

Category	Budget
Personnel	\$341,699
Fringe Benefits	\$123,015
Travel	\$10,380
Equipment	\$0
Supplies	\$0
Construction	\$0
Contractual	\$274,906
Other	\$0
Total Direct Cost	\$750,000
Indirect Cost	\$0
Total Project Cost	\$750,000
Federal Funds Approved:	\$750,000
Non-Federal Share:	\$0
Program Income:	\$0

Match is not required for this grant program.

All individual consultant fees in excess of \$650 per 8 hour day require prior approval of OJP.

All Sole Source procurement in excess of \$150,000 requires written justification and the prior approval of OJP.

If you have questions regarding this award, please contact:

- Program Questions, Jennifer L. Lewis, Program Manager at (202) 305-8064
- Financial Questions, the Office of Chief Financial Officer, Customer Service Center(CSC) at (800) 458-0786, or you may contact the CSC at ask.ocfo@usdoj.gov.

Congratulations, and we look forward to working with you.

Sincerely,

A handwritten signature in cursive script that reads "Leigh Benda".

Leigh Benda
Chief Financial Officer



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

Grant

PAGE 1 OF 5

1. RECIPIENT NAME AND ADDRESS (Including Zip Code) Washington State Department of Corrections 7345 Linderson Way Southwest PO Box 41101 Tumwater, WA 98501-6504		4. AWARD NUMBER: 2014-SM-BX-0003	
		5. PROJECT PERIOD: FROM 10/01/2014 TO 09/30/2017 BUDGET PERIOD: FROM 10/01/2014 TO 09/30/2017	
1A. GRANTEE IRS/VENDOR NO. 911142111		6. AWARD DATE 09/09/2014	7. ACTION Initial
		8. SUPPLEMENT NUMBER 00	
		9. PREVIOUS AWARD AMOUNT \$ 0	
3. PROJECT TITLE Smarter Supervision with Statewide Impact		10. AMOUNT OF THIS AWARD \$ 750,000	
		11. TOTAL AWARD \$ 750,000	
12. SPECIAL CONDITIONS THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED PAGE(S).			
13. STATUTORY AUTHORITY FOR GRANT This project is supported under FY14(BJA - Smart Supervision) Pub. L. No. 113-76, 128 Stat. 5, 63			
15. METHOD OF PAYMENT GPRS			
AGENCY APPROVAL		GRANTEE ACCEPTANCE	
16. TYPED NAME AND TITLE OF APPROVING OFFICIAL Karol Virginia Mason Assistant Attorney General		18. TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL Bernard Warner Secretary	
17. SIGNATURE OF APPROVING OFFICIAL 		19. SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL	19A. DATE
AGENCY USE ONLY			
20. ACCOUNTING CLASSIFICATION CODES FISCAL YEAR FUND CODE BUD. ACT. DIV. OFC. REG. SUB. POMS AMOUNT X B SM 80 00 00 750000		21. NSMUGT1570	

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OJP FORM 4000/2 (REV. 4-88)



Department of Justice
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**AWARD CONTINUATION
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Grant**

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PROJECT NUMBER 2014-SM-BX-0003

AWARD DATE 09/09/2014

SPECIAL CONDITIONS

1. The recipient agrees to comply with the financial and administrative requirements set forth in the current edition of the Office of Justice Programs (OJP) Financial Guide.
2. The recipient acknowledges that failure to submit an acceptable Equal Employment Opportunity Plan (if recipient is required to submit one pursuant to 28 C.F.R. Section 42.302), that is approved by the Office for Civil Rights, is a violation of its Certified Assurances and may result in suspension or termination of funding, until such time as the recipient is in compliance.
3. The recipient agrees to comply with the organizational audit requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and further understands and agrees that funds may be withheld, or other related requirements may be imposed, if outstanding audit issues (if any) from OMB Circular A-133 audits (and any other audits of OJP grant funds) are not satisfactorily and promptly addressed, as further described in the current edition of the OJP Financial Guide.
4. Recipient understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of the enactment, repeal, modification or adoption of any law, regulation or policy, at any level of government, without the express prior written approval of OJP.
5. The recipient must promptly refer to the DOJ OIG any credible evidence that a principal, employee, agent, contractor, subgrantee, subcontractor, or other person has either 1) submitted a false claim for grant funds under the False Claims Act; or 2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving grant funds. This condition also applies to any subrecipients. Potential fraud, waste, abuse, or misconduct should be reported to the OIG by -

mail:

Office of the Inspector General
U.S. Department of Justice
Investigations Division
950 Pennsylvania Avenue, N.W.
Room 4706
Washington, DC 20530

e-mail: oig.hotline@usdoj.gov

hotline: (contact information in English and Spanish): (800) 869-4499

or hotline fax: (202) 616-9881

Additional information is available from the DOJ OIG website at www.usdoj.gov/oig.

6. Recipient understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of any contract or subaward to either the Association of Community Organizations for Reform Now (ACORN) or its subsidiaries, without the express prior written approval of OJP.
7. The recipient agrees to comply with any additional requirements that may be imposed during the grant performance period if the agency determines that the recipient is a high-risk grantee. Cf. 28 C.F.R. parts 66, 70.



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

**AWARD CONTINUATION
SHEET
Grant**

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PROJECT NUMBER 2014-SM-BX-0003

AWARD DATE 09/09/2014

SPECIAL CONDITIONS

8. The recipient agrees to comply with applicable requirements regarding registration with the System for Award Management (SAM) (or with a successor government-wide system officially designated by OMB and OJP). The recipient also agrees to comply with applicable restrictions on subawards to first-tier subrecipients that do not acquire and provide a Data Universal Numbering System (DUNS) number. The details of recipient obligations are posted on the Office of Justice Programs web site at <http://www.ojp.gov/funding/sam.htm> (Award condition: Registration with the System for Award Management and Universal Identifier Requirements), and are incorporated by reference here. This special condition does not apply to an award to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).
9. Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), the Department encourages recipients and sub recipients to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this grant, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.
10. The recipient agrees to comply with all applicable laws, regulations, policies, and guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences, meetings, trainings, and other events, including the provision of food and/or beverages at such events, and costs of attendance at such events. Information on pertinent laws, regulations, policies, and guidance is available in the OJP Financial Guide Conference Cost Chapter.
11. The recipient understands and agrees that any training or training materials developed or delivered with funding provided under this award must adhere to the OJP Training Guiding Principles for Grantees and Subgrantees, available at <http://www.ojp.usdoj.gov/funding/ojptrainingguidingprinciples.htm>.
12. The recipient agrees that if it currently has an open award of federal funds or if it receives an award of federal funds other than this OJP award, and those award funds have been, are being, or are to be used, in whole or in part, for one or more of the identical cost items for which funds are being provided under this OJP award, the recipient will promptly notify, in writing, the grant manager for this OJP award, and, if so requested by OJP, seek a budget-modification or change-of-project-scope grant adjustment notice (GAN) to eliminate any inappropriate duplication of funding.
13. The recipient understands and agrees that award funds may not be used to discriminate against or denigrate the religious or moral beliefs of students who participate in programs for which financial assistance is provided from those funds, or of the parents or legal guardians of such students.
14. The recipient understands and agrees that - (a) No award funds may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography, and (b) Nothing in subsection (a) limits the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.
15. The award recipient agrees to participate in a data collection process measuring program outputs and outcomes. The data elements for this process will be outlined by the Office of Justice Programs.
16. Grantee agrees to comply with the requirements of 28 C.F.R. Part 46 and all Office of Justice Programs policies and procedures regarding the protection of human research subjects, including obtainment of Institutional Review Board approval, if appropriate, and subject informed consent.



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

**AWARD CONTINUATION
SHEET
Grant**

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PROJECT NUMBER 2014-SM-BX-0003

AWARD DATE 09/09/2014

SPECIAL CONDITIONS

17. Grantee agrees to comply with all confidentiality requirements of 42 U.S.C. section 3789g and 28 C.F.R. Part 22 that are applicable to collection, use, and revelation of data or information. Grantee further agrees, as a condition of grant approval, to submit a Privacy Certificate that is in accord with requirements of 28 C.F.R. Part 22 and, in particular, section 22.23.
18. Grantee agrees that assistance funds awarded under this grant will not be used to support any inherently religious activities, such as worship, religious instruction, or proselytization. If the grantee refers participants to, or provides, a non-Federally funded program or service that incorporates such religious activities, (1) any such activities must be voluntary for program participants, and (2) program participants may not be excluded from participation in a program or otherwise penalized or disadvantaged for any failure to accept a referral or services. If participation in a non-Federally funded program or service that incorporates inherently religious activities is deemed a critical treatment or support service for program participants, the grantee agrees to identify and refer participants who object to the inherently religious activities of such program or service to, or provide, a comparable secular alternative program or service.
19. The recipient agrees to cooperate with any assessments, national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this project.
20. Approval of this award does not indicate approval of any consultant rate in excess of \$650 per day. A detailed justification must be submitted to and approved by the Office of Justice Programs (OJP) program office prior to obligation or expenditure of such funds.
21. Recipient agrees that funds provided under this award may not be used to operate a "pay-to-stay" program in any local jail. Recipient further agrees not to subaward funds to local jails which operate "pay-to-stay" programs.
22. The recipient agrees to comply with applicable requirements to report first-tier subawards of \$25,000 or more and, in certain circumstances, to report the names and total compensation of the five most highly compensated executives of the recipient and first-tier subrecipients of award funds. Such data will be submitted to the FFATA Subaward Reporting System (FSRS). The details of recipient obligations, which derive from the Federal Funding Accountability and Transparency Act of 2006 (FFATA), are posted on the Office of Justice Programs web site at <http://www.ojp.gov/funding/ffata.htm> (Award condition: Reporting Subawards and Executive Compensation), and are incorporated by reference here. This condition, and its reporting requirement, does not apply to grant awards made to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).
23. Recipient understands and agrees that it must submit quarterly Federal Financial Reports (SF-425) and semi-annual performance reports through GMS (<https://grants.ojp.usdoj.gov>), and that it must submit quarterly performance metrics reports through BJA's Performance Measurement Tool (PMT) website (www.bjaperformancetools.org). For more detailed information on reporting and other requirements, refer to BJA's website. Failure to submit required reports by established deadlines may result in the freezing of grant funds and High Risk designation.
24. Award recipients must verify Point of Contact(POC), Financial Point of Contact (FPOC), and Authorized Representative contact information in GMS, including telephone number and e-mail address. If any information is incorrect or has changed, a Grant Adjustment Notice (GAN) must be submitted via the Grants Management System (GMS) to document changes.



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

**AWARD CONTINUATION
SHEET
Grant**

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PROJECT NUMBER 2014-SM-BX-0003

AWARD DATE 09/09/2014

SPECIAL CONDITIONS

25. The recipient agrees to comply with OJP grant monitoring guidelines, protocols, and procedures, and to cooperate with BJA and OCFO on all grant monitoring requests, including requests related to desk reviews, enhanced programmatic desk reviews, and/or site visits. The recipient agrees to provide to BJA and OCFO all documentation necessary to complete monitoring tasks, including documentation related to any subawards made under this award. Further, the recipient agrees to abide by reasonable deadlines set by BJA and OCFO for providing the requested documents. Failure to cooperate with BJA's/OCFO's grant monitoring activities may result in sanctions affecting the recipient's DOJ awards, including, but not limited to: withholdings and/or other restrictions on the recipient's access to grant funds; referral to the Office of the Inspector General for audit review; designation of the recipient as a DOJ High Risk grantee; or termination of an award(s).
26. With respect to this award, federal funds may not be used to pay cash compensation (salary plus bonuses) to any employee of the award recipient at a rate that exceeds 110% of the maximum annual salary payable to a member of the federal government's Senior Executive Service (SES) at an agency with a Certified SES Performance Appraisal System for that year. (An award recipient may compensate an employee at a higher rate, provided the amount in excess of this compensation limitation is paid with non-federal funds.)

This limitation on compensation rates allowable under this award may be waived on an individual basis at the discretion of the OJP official indicated in the program announcement under which this award is made.
27. All procurement (contract) transactions under this award must be conducted in a manner that is consistent with applicable Federal and State law, and with Federal procurement standards specified in regulations governing Federal awards to non-Federal entities. Procurement (contract) transactions should be competitively awarded unless circumstances preclude competition. Noncompetitive (e.g., sole source) procurements by the award recipient in excess of the Simplified Acquisition Threshold (currently \$150,000) set out in the Federal Acquisition Regulation must receive prior approval from the awarding agency, and must otherwise comply with rules governing such procurements found in the current edition of the OJP Financial Guide.
28. The recipient may incur obligations, expend, and draw down funds in an amount not to exceed \$150,000 for the sole purpose of establishing an action plan within 180 days of receiving final approval of the project's budget from OCFO. The grantee is not authorized to incur any additional obligations, make any additional expenditures, or drawdown any additional funds until BJA has reviewed and approved the grant recipient's completed action plan and has issued a Grant Adjustment Notice (GAN) removing this condition.



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

Washington, D.C. 20531

Memorandum To: Official Grant File
From: Orbin Terry, NEPA Coordinator
Subject: Categorical Exclusion for Washington State Department of Corrections

Awards under this program will be used to develop more effective and evidence-based probation and parole programs.
None of the following activities will be conducted whether under the Office of Justice Programs federal action or a related third party action:

- (1) New construction.
- (2) Any renovation or remodeling of a property located in an environmentally or historically sensitive area, including property (a) listed on or eligible for listing on the National Register of Historic Places, or (b) located within a 100-year flood plain, a wetland, or habitat for an endangered species.
- (3) A renovation which will change the basic prior use of a facility or significantly change its size.
- (4) Research and technology whose anticipated and future application could be expected to have an effect on the environment.
- (5) Implementation of a program involving the use of chemicals.

Additionally, the proposed action is neither a phase nor a segment of a project which when reviewed in its entirety would not meet the criteria for a categorical exclusion.

Consequently, the subject federal action meets the Office of Justice Programs' criteria for a categorical exclusion as contained in paragraph 4(b) of Appendix D to Part 61 of the Code of Federal Regulations.



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

**GRANT MANAGER'S MEMORANDUM, PT. I:
PROJECT SUMMARY**

Grant

PROJECT NUMBER

2014-SM-BX-0003

PAGE 1 OF 1

This project is supported under FY14(BJA - Smart Supervision) Pub. L. No. 113-76, 128 Stat. 5, 63

1. STAFF CONTACT (Name & telephone number)

Jennifer L. Lewis
(202) 305-8064

2. PROJECT DIRECTOR (Name, address & telephone number)

Carolyn House-Higgins
7345 Linderson Way SW
Tumwater, WA 98501
(360) 725-8675

3a. TITLE OF THE PROGRAM

BJA FY 14 Smart Supervision: Reducing Prison Populations, Saving Money, and Creating Safer Communities

3b. POMS CODE (SEE INSTRUCTIONS
ON REVERSE)

4. TITLE OF PROJECT

Smarter Supervision with Statewide Impact

5. NAME & ADDRESS OF GRANTEE

Washington State Department of Corrections
7345 Linderson Way Southwest PO Box 41101
Tumwater, WA 98501-6504

6. NAME & ADDRESS OF SUBGRANTEE

7. PROGRAM PERIOD

FROM: 10/01/2014 TO: 09/30/2017

8. BUDGET PERIOD

FROM: 10/01/2014 TO: 09/30/2017

9. AMOUNT OF AWARD

\$ 750,000

10. DATE OF AWARD

09/09/2014

11. SECOND YEAR'S BUDGET

12. SECOND YEAR'S BUDGET AMOUNT

13. THIRD YEAR'S BUDGET PERIOD

14. THIRD YEAR'S BUDGET AMOUNT

15. SUMMARY DESCRIPTION OF PROJECT (See instruction on reverse)

The Second Chance Act signed into law on April 9, 2008, provides a comprehensive response to the increasing number of people who are released from prison and jail and returning to communities, including resources to address the myriad needs of these offenders to achieve a successful return to their communities. As a complement to the Second Chance Act programs, the FY 2014 Smart Supervision Program (SSP) seeks to improve probation and parole success rates, which would in turn improve public safety, reduce admissions to prisons and jails, and save taxpayer dollars. The goal of this program is to develop and test innovative strategies to implement evidence-based probation and parole approaches that increase community safety, and reduce violent crime by effectively addressing individuals' risk and needs, and reducing recidivism.

The Washington State Department of Corrections will use grant funds to train community corrections staff in the use of the STRONG-R tool and responsibility-driven case management; to provide quality assurance monitoring activities to ensure fidelity; and to contract with researchers for independent evaluation of

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processes and outcomes related to this significant transition. With the full implementation of the STRONG-R, the department will have a significantly greater capacity both to accurately assess offender risk and to provide targeted, real-time interventions that will reduce recidivism and increase community safety.

CA/NCF

Smart Supervision: Reducing Prison Populations, Saving Money, and Creating Safer Communities

Project Abstract

Similar to national trends, individuals under the Washington State Department of Corrections' (DOC) supervision enter its jurisdiction with a range of complex and long-term challenges including unstable housing or homelessness, poverty, unemployment, mental illness, chemical dependency, eroded family and social networks, and physical health needs. Such complexity necessitates that, in order to be effective in their work and to reduce recidivism, correctional staff who supervise offenders should have access to the most advanced evidence-based strategies, practices, and tools available. As such, the DOC is in the process of adopting and operationalizing the Principles of Effective Interventions to improve offender outcomes and increase staff and community safety. To best ensure success, the DOC is proposing the use of grant funding to develop staff training and a quality assurance framework that will support the implementation of both a comprehensive case management model that is rooted in risk-needs-responsivity (RNR) principles and applies quality assurance to build fidelity (F) - the RNR+F Case Management Model - as well as a validated 4th generation dynamic risk and needs assessment that generates a continuous, responsivity-driven case plan.

The Washington State University research partners, whom are responsible for the project's evaluation, are well-versed in action research and have spent most of their careers working with community corrections agencies and other criminal justice partners. Staff observations and surveys will inform process evaluation using the key measures of organizational readiness to change and technology transfer. Offender outcomes will be evaluated utilizing a quasi-experimental method and will involve propensity score matching. Findings will be used to gain a deeper understanding into the conditions that must be present within a larger state institution to bring about a new culture of change; to measure and assess the adoption of the newly trained skills; and to correlate offender outcomes to officer techniques when using a new risk and needs assessment instrument and the RNR+F Case Management Model.

Following the implementation of this project, community corrections staff statewide will possess the tools, training, and ongoing support to supervise offenders in a holistic manner using one case plan across the reentry continuum in conjunction with RNR+F-driven case management skill sets. The data and outcomes resulting from this project, including attributable financial impacts, will guide the long term trajectory of the state's correctional policies, practices, and resource allocation. The reduction of specific supervision cost-drivers will allow the reinvestment of scarce resources into continual quality improvement and fidelity activities.

Agency: 310 Department of Corrections
Decision Package Code/Title: 9L Local Funding Adjustment
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$787,000 in General Fund State (GFS) and a (\$787,000) reduction in spending authority for Fund 206, Cost of Supervision (COS) in Fiscal Year (FY) 2015 to improve the solvency of the COS fund and to ensure caseload costs are fully funded in line with the community caseload. This is necessary to cover our community staff costs, which are tied to the community supervision caseload.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
001-1 -General Fund - Basic Account-State	0	787,000	787,000
206-6 -Cost of Supervision Account-Non-Appropriated	0	(787,000)	(787,000)
Total Cost	0	0	0

Staffing

FTEs

Program 300-Community Corrections

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
001-1 -General Fund - Basic Account-State	0	787,000	787,000
206-6 -Cost of Supervision Account-Non-Appropriated	0	(787,000)	(787,000)
Total Cost	0	0	0

Package Description:

DOC requests \$787,000 in FY2015 in General Fund State (GFS 001-1) and a corresponding reduction in spending authority for fund 206 (COS) in FY2015 to maintain the solvency of the COS fund due to lower than anticipated intake fee collections that pay for Community Correction Officers (CCOs). If the fund is not kept solvent a cut of approximately 12 CCOs will be necessary.

The COS fund is used solely for the collection of Legal Financial Obligations (LFO) as per RCW 72.11.040 (see below). CCOs are responsible for monitoring LFOs, as defined in RCW 9.94A.030, and COS supervision intake fee payments while an offender is on active supervision in the community.

RCW 72.11.040: Cost of supervision fund.

The cost of supervision fund is created in the custody of the state treasurer. All receipts from assessments made under RCW 9.94A.780, 9.94A.74504, and 72.04A.120 shall be deposited into the fund. Expenditures from the fund may be used only to support the collection of

legal financial obligations. Only the secretary of the department of corrections or the secretary's designee may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

During the recent recession, exacerbated by a slowly recovering economy, the offenders on active community supervision have had difficulty getting and sustaining jobs reducing their collective ability to reimburse DOC for the supervision intake fee. The COS fund supports slightly more than 33 full time equivalent (FTEs), caseload-bearing CCOs based on the FY2015 expenditure authority of \$2,283,000.

Since 2008 the expenditure authority has exceeded the revenues collected by an annual average of \$879,000 eliminating any surplus in the fund and creating a shortfall projected by the end of FY2015.

For the purpose of requesting general funds, DOC assumes an increase in offender collections due to the Caseload Forecast Council (February 2014) projected community supervision population growth for FY2015 through FY2017. Due to indications of an improving economy, the fund solvency shortfall will be \$787,000 for FY2015 and continue to be a shortfall moving into the next biennium of \$901,000 for FY2016 and \$776,000 for FY2017.

In order to maintain appropriate caseload ratios for CCOs, DOC can no longer rely on the current expenditure authority level from the COS fund.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No performance measures or outcomes were submitted for this package. This request ensures that DOC has sufficient and available resources to sustain community supervision at the current level in order to maintain core business and correctional operations.

Performance Measure Detail

Activity A007 Supervise Adult Offenders in the Community

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this request ensures that DOC has the necessary resources in order. It is essential to Positively Changed Offenders as identified in the agency's strategic plan, specifically addressing offenders complying with conditions of supervision or case plan.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this package is critical to realize the Results Washington's Goal 4: Healthy and Safe Communities - Safe People by maintaining the level of offender compliance with their conditions of supervision or case plan.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

The Washington Federation of State Employees - General Government Coalition is impacted by funding or rejection of this decision package.

What alternatives were explored by the agency, and why was this alternative chosen?

DOC considered increasing the currently funded vacancy rate previously mandated by the Legislature in the 2012 Legislative session. However an increased vacancy rate cannot be achieved.

What are the consequences of not funding this package?

Funding this request will ensure that the COS fund expenditure authority will be in line with the projected revenues received each year and the fund will remain solvent.

The COS fund supplements funding for CCOs in the field. If this funding is not provided, significant reductions will need to be made to caseload driven CCOs funded by the COS fund. If the fund is not kept solvent a cut of approximately 12 CCOs will be necessary.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Costs are estimated based on the best information currently available. Calculations used are based on the FY2014 actual offender data and COS collections.

Please see attached, "ML-9L Local Fund Adjustment Cost_of_Supervision_Attachment 1".

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing and will need to be biennialized in the carry-forward level adjustment process.

Object Detail

Total

Total Objects

Summary of all components

Fiscal Year 2014											
Components	Program Index	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Cost of Supervision (GFS)	31006	001-1									-
2 Cost of Supervision (206)	31006	206-6									-
3		001-1									-
4		001-1									-
5		001-1									-
6		001-1									-
7		001-1									-
8		001-1									-
9		001-1									-
Decision Package Total			-	-	-	-	-	-	-	-	-
Program 100 Total											-
Program 200 Total			-	-	-	-	-	-	-	-	-
Program 300 Total			-	-	-	-	-	-	-	-	-
Program 700 Total			-	-	-	-	-	-	-	-	-
											True

Fiscal Year 2015											
Components	Program Index	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Cost of Supervision (GFS)	31006	001-1		512,000	275,000						787,000
2 Cost of Supervision (206)	31006	206-6		(512,000)	(275,000)						(787,000)
3	0	0	001-1								-
4	0	0	001-1								-
5	0	0	001-1								-
6	0	0	001-1								-
7	0	0	001-1								-
8	0	0	001-1								-
9	0	0	001-1								-
Decision Package Total			-	-	-	-	-	-	-	-	-
Program 100 Total											-
Program 200 Total			-	-	-	-	-	-	-	-	-
Program 300 Total			-	-	-	-	-	-	-	-	-
Program 700 Total			-	-	-	-	-	-	-	-	-
											True

Biennial Totals											
Components	Program Index	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Cost of Supervision (GFS)	31006	001-1		512,000	275,000						787,000
2 Cost of Supervision (206)	31006	206-6		(512,000)	(275,000)						(787,000)
3	0	0	001-1								-
4	0	0	001-1								-
5	0	0	001-2								-
6	0	0	001-1								-
7	0	0	001-1								-
8	0	0	001-1								-
9	0	0	001-1								-
Decision Package Total			-	-	-	-	-	-	-	-	-
Program 100 Total											-
Program 200 Total			-	-	-	-	-	-	-	-	-
Program 300 Total			-	-	-	-	-	-	-	-	-

Agency: 310 Department of Corrections
Decision Package Code/Title: 9M Medical Inflation
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$1,637,788 in the Fiscal Year (FY) 2015 to cover increased costs associated with prescription drug costs that exceed our base funded level. This request does not include the Hepatitis C prescription costs, which are requested as a separate budget request (ML-CG).

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		1,637,788	1,637,788

Staffing

FTEs

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		1,590,427	1,590,427

Program 300-Community Corrections

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		47,361	47,361

Package Description:

DOC requests \$1,637,788 in FY2015 to cover the costs associated with medical inflation, specifically the increased cost for pharmaceutical drugs. Funding these items will help DOC meet the demands of providing medically necessary health care to our offenders.

DOC is required by the US Constitution to provide health care to offenders; the definition of what is medically necessary is not defined in a standard. To meet the constitutional level of care DOC cannot deny coverage of new drugs solely because of cost. Prescription drug prices vary considerably and impact our funded level. DOC has seen incremental increases in costs year over year. While some drug prices go down, the increases are outweighing the decreases.

DOC has experienced a 7.2% growth/increase in drug prices since FY2012, which can be seen in the attachment. We based this request on actuals through FY2014 and projected the growth from there.

Please contact Merdan Bazarov, at (360) 725-8351 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DOC will not be able to maintain current levels of service and performance in spite of the inflationary increases to offender health care services and pharmaceuticals.

Performance Measure Detail

Activity A004 Health Care Services for Adults in State Prisons

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this request is required for advancing Corrections by containing healthcare cost growth while improving access and quality for offenders.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request aligns with Results Washington; specifically, Goal 4: Healthy and Safe Community - Safe People.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

Costs of health care continue to rise nationally, therefore requiring DOC to increase its funding base to pay for statutorily mandated health care for offenders.

What alternatives were explored by the agency, and why was this alternative chosen?

No alternatives are available.

What are the consequences of not funding this package?

Not funding this package will result in over spending DOC's funding and may limit the care DOC provides exposing the state to litigation.

DOC's need to continue to fund cost efficient health care must allow for inflationary adjustments in funding.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Please see attached, "ML-9M_Medical Inflation_Attachments 1 and 2".

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are assumed to be on-going.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
E Goods\Other Services	0	1,637,788	1,637,788
Total Objects	0	1,637,788	1,637,788

**310 Department of Corrections
2013-15 Biennium**

ML-9M Medical Inflation_Attachment 1

Summary of all components

Fiscal Year 2014

Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 ML-9M Medical Inflation_Attachment 1	53201	A004	001-1					-				-
Program 200 Total					-	-	-	-	-	-	-	-
2 ML-9M Medical Inflation_Attachment 1	53301	A004	001-1					-				-
Program 300 Total					-	-	-	-	-	-	-	-
Decision Package Total					-	-	-	-	-	-	-	-

Fiscal Year 2015

Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 ML-9M Medical Inflation_Attachment 1	53201	A004	001-1					1,590,427				1,590,427
Program 200 Total					-	-	-	1,590,427	-	-	-	1,590,427
2 ML-9M Medical Inflation_Attachment 1	53301	A004	001-1					47,361				47,361
Program 300 Total					-	-	-	47,361	-	-	-	47,361
Decision Package Total					-	-	-	1,637,788	-	-	-	1,637,788

Biennial Totals

Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 ML-9M Medical Inflation_Attachment 1	53201	A004	001-1					1,590,427				1,590,427
Program 200 Total					-	-	-	1,590,427	-	-	-	1,590,427
2 ML-9M Medical Inflation_Attachment 1	53301	A004	001-1					47,361				47,361
Program 300 Total					-	-	-	47,361	-	-	-	47,361
Decision Package Total					-	-	-	1,637,788	-	-	-	1,637,788

ML-9M Medical Inflation_Attachment 2

	FY2012			FY2013			FY2014			FY2015		
	Budget	Actuals	Variance	Budget	Actuals	Variance	Budget	Actuals	Variance	Budget	Projected	Variance
Total Prescriptions	10,342,462	10,225,068	117,395	10,846,495	10,829,464	17,031	11,372,049	13,050,412	(1,678,364)	11,591,279	21,403,428	(9,812,148)
Prisons - Prescriptions	9,147,547	9,071,293	76,254	8,920,810	8,966,671	(45,861)	9,449,934	10,500,981	(1,051,047)	9,669,202	11,259,629	(1,590,427)
WR - Prescriptions	109,240	68,099	41,141	109,240	46,348	62,892	47,546	88,498	(40,952)	47,508	94,869	(47,361)
Hep C - Prescriptions	1,085,675	1,085,675	0	1,816,445	1,816,445	0	1,874,569	2,460,934	(586,365)	1,874,569	10,048,929	(8,174,360)
Hep C - Prescriptions	(1,085,675)	(1,085,675)	0	(1,816,445)	(1,816,445)	0	(1,874,569)	(2,460,934)	586,365	(1,874,569)	(10,048,929)	8,174,360
Total Request	9,256,787	9,139,393	117,395	9,030,050	9,013,019	17,031	9,497,480	10,589,478	(1,091,999)	9,716,710	11,354,499	(1,637,788)

	2011-13 Biennium			2013-15 Biennium			
	Budget	Actuals	Variance	Budget	Actuals	Variance	
Total Prescriptions	21,188,957	21,054,532	134,426	22,963,328	34,453,840	(11,490,512)	
Prisons - Prescriptions	18,068,357	18,037,964	30,393	19,119,136	21,760,610	(2,641,474)	
WR - Prescriptions	218,480	114,448	104,033	95,054	183,367	(88,313)	
Hep C - Prescriptions	2,902,120	2,902,120	0	3,749,138	12,509,863	(8,760,725)	
Hep C - Prescriptions	(2,902,120)	(2,902,120)	0	(3,749,138)	(12,509,863)	8,760,725	TRUE
Total Request	18,286,837	18,152,412	134,426	19,214,190	21,943,977	(2,729,787)	TRUE

Notes:

Above costs exclude Hepatitis C drugs, which are requested separately in "ML - CG Hepatitis C Cost Increases" DP.

We assume a three (3) year average of 7.2% based on FY2012 - FY2014.

We assume FY2015 will be 7.2% more than FY2014.

Agency: 310 Department of Corrections
Decision Package Code/Title: 9Q Equip Maintenance/Software Licenses
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$148,617 in Fiscal Year (FY) 2015 for hardware / software maintenance contract increases. This is critical for efficient and effective operation of mission critical software and hardware to support operations across DOC. Systems must be robust, meet the high availability needs of the agency and its business partners, and have the necessary security.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		148,617	148,617
Staffing			
FTEs			

Program 100-Admin & Program Support

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		29,723	29,723

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		74,309	74,309

Program 300-Community Corrections

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		44,585	44,585

Package Description:

DOC requests \$148,617 in the FY2015 to cover software maintenance contract increases to support DOC's statewide information technology applications infrastructure. Cost increases will include the following contracts: Offender Supervision Plan System (OSPS), CeConnect/Genie, Oracle/Syscon supporting the Trust Accounting System (TAS), WebSphere, EasyVista, LibertyNet, Offender

Management Network Information (OMNI), and SmartNet (Core Networking Equipment).

Maintenance is critical for efficient and effective operation of mission critical software and hardware to support operations across DOC. Systems must be robust, meet the high availability needs of the agency and its business partners, and have the necessary security. In some cases, DOC must modify its software to meet changing business needs and legislative mandates. Software changes occur as part of software maintenance.

Public safety depends on our applications infrastructure. Where possible, DOC negotiates contracts and license agreements with an eye toward cost containment. In such cases, the contract provisions establish "not to exceed" rates for subsequent periods and performance. Other situations exist where maintenance increases are not negotiated and customer organizations, including DOC, are forced to pay the increases. In other cases, maintenance increases occur when additional products are added to existing agreements. The software listed below have their annual maintenance costs increasing, as described in the contracts document, where applicable.

This request is for software maintenance contract increases for a total biennial request of \$148,617.

Detail follows:

Offender Supervision Plan System (OSPS)

This system calculates the risk-to-re-offend for an offender. It also identifies community programming and establishes community supervision plan to monitor offender activities.

FY2015: \$28,000

CeConnect/Genie

This system provides the offenders an ability to check-in without actually seeing an officer. Schedules drug testing, hearings, and reporting. In the prisons, the system is a means to share information between offenders and their counselors.

FY2015: \$11,634

Oracle

Trust Accounting System (TAS) runs on Oracle platform. Both the application and the database uses this product. TAS is used to manage funds held in trust for offenders under the DOC's jurisdiction.

FY2015: \$4,303

Syscon

Syscon is the vendor that provides annual maintenance to the TAS. Business function of TAS is described above in the Oracle section.

FY2015: \$14,913

WebSphere

DOC's primary offender management system, OMNI, runs on WebSphere application Server from IBM.

FY2015: \$2,048

EasyVista (Replacement of Service Desk Express)

EasyVista is the Information Technology Service Management software used by IT staff to track help tickets and work orders, record the management of change to production systems, capture multiple incidents resulting in problems, and inventory of IT assets. In addition, the multitude of reports from the system leads to effective decision making in the IT department.

FY2015: \$1,251

LibertyNet

This is the electronic imaging system used by DOC. This system contains offender related materials like classification documents, health services information, chemical dependency documents, police reports, prosecuting attorney statements, pre-sentence investigation reports, Community Custody Jail files, and many other risk narrative documents.

FY2015: \$2,592

OMNI

This is DOC's official system of offender records.

FY2015: \$59,139

SmartNet Software

SmartNet is a technical support service that provides device level support and replacement of DOC Administrative Network, Security Electronics Network (SEN), and Core Networking equipment.

FY2015: \$24,737

Please contact Justin Zirwes, at (360) 725- 8305 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No measures were submitted for this package.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

Activity A002 Corrections - Core Administration

Incremental Changes

No measures submitted for package

Activity A004 Health Care Services for Adults in State Prisons

Incremental Changes

No measures submitted for package

Activity A007 Supervise Adult Offenders in the Community

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this request is essential to the agency's strategic plan objective to improve safety, and is essential to the following specific strategies:

- * Create and manage an enterprise system to monitor workplace needs, trends, and system failures.
- * Manage prison capacity within established principles for safety, mission, and operational efficiency.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request aligns with Results Washington; specifically, Goal 4: Healthy and Safe Community - Safe People.

It also supports the OCIO Security Strategy through the use of the guest network to:

* Improve the security posture of the state of Washington through training, staffing, investments in emerging technology, and private/public partnerships.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

This decision package relates to the proper and continuous operation of agency systems. Agency operations depend heavily on applications; few business processes are manual in nature. Software is a vital component of operations within and outside the agency.

What alternatives were explored by the agency, and why was this alternative chosen?

No other funding alternatives were explored. Continuous support of these software applications is an essential part of DOC's business.

What are the consequences of not funding this package?

If not funded, DOC will overspend general fund state dollars.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

See attached: "ML-9Q_Equip Maint_Software Licenses_Attachments 1-2"

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
E Goods\Other Services	0	148,617	148,617
Total Objects	0	148,617	148,617

Summary of all components

Fiscal Year 2014												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Program 100												
1 ML_9Q_Equip Maintenance_Software Licenses	15085	A001 Confine	001-1					-				-
2 ML_9Q_Equip Maintenance_Software Licenses	15085	A002 Admn	001-1					-				-
3 ML_9Q_Equip Maintenance_Software Licenses	15085	A004 Health	001-1					-				-
4 ML_9Q_Equip Maintenance_Software Licenses	15085	A007 Supervision	001-1					-				-
Program 200												
1 ML_9Q_Equip Maintenance_Software Licenses	25085	A001 Confine	001-1					-				-
2 ML_9Q_Equip Maintenance_Software Licenses	25085	A002 Admn	001-1					-				-
3 ML_9Q_Equip Maintenance_Software Licenses	25085	A004 Health	001-1					-				-
4 ML_9Q_Equip Maintenance_Software Licenses	25085	A007 Supervision	001-1					-				-
Program 300												
1 ML_9Q_Equip Maintenance_Software Licenses	35085	A001 Confine	001-1					-				-
2 ML_9Q_Equip Maintenance_Software Licenses	35085	A002 Admn	001-1					-				-
3 ML_9Q_Equip Maintenance_Software Licenses	35085	A004 Health	001-1					-				-
4 ML_9Q_Equip Maintenance_Software Licenses	35085	A007 Supervision	001-1					-				-
Decision Package Total					-	-	-	-	-	-	-	-
Program 100 Total					-	-	-	-	-	-	-	-
Program 200 Total					-	-	-	-	-	-	-	-
Program 300 Total					-	-	-	-	-	-	-	-
								True				True

Fiscal Year 2015													
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total	
Program 100													
1 ML_9Q_Equip Maintenance_Software Licenses	15085	A001 Confine	001-1					19,914				19,914	
2 ML_9Q_Equip Maintenance_Software Licenses	15085	A002 Admn	001-1					2,378				2,378	
3 ML_9Q_Equip Maintenance_Software Licenses	15085	A004 Health	001-1					2,378				2,378	
4 ML_9Q_Equip Maintenance_Software Licenses	15085	A007 Supervision	001-1					5,053				5,053	
Program 200													
1 ML_9Q_Equip Maintenance_Software Licenses	25085	A001 Confine	001-1					49,787				49,787	
2 ML_9Q_Equip Maintenance_Software Licenses	25085	A002 Admn	001-1					5,945				5,945	
3 ML_9Q_Equip Maintenance_Software Licenses	25085	A004 Health	001-1					5,945				5,945	
4 ML_9Q_Equip Maintenance_Software Licenses	25085	A007 Supervision	001-1					12,632				12,632	
Program 300													
1 ML_9Q_Equip Maintenance_Software Licenses	35085	A001 Confine	001-1					29,872				29,872	
2 ML_9Q_Equip Maintenance_Software Licenses	35085	A002 Admn	001-1					3,567				3,567	
3 ML_9Q_Equip Maintenance_Software Licenses	35085	A004 Health	001-1					3,567				3,567	
4 ML_9Q_Equip Maintenance_Software Licenses	35085	A007 Supervision	001-1					7,579				7,579	
Decision Package Total					-	-	-	-	148,617	-	-	-	148,617
Program 100 Total					-	-	-	-	29,723	-	-	-	29,723
Program 200 Total					-	-	-	-	74,309	-	-	-	74,309
Program 300 Total					-	-	-	-	44,585	-	-	-	44,585
								True				True	

Biennial Totals												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Program 100												
1 ML_9Q_Equip Maintenance_Software Licenses	15085	A001 Confine	001-1					19,914				19,914
2 ML_9Q_Equip Maintenance_Software Licenses	15085	A002 Admn	001-1					2,378				2,378
3 ML_9Q_Equip Maintenance_Software Licenses	15085	A004 Health	001-1					2,378				2,378
4 ML_9Q_Equip Maintenance_Software Licenses	15085	A007 Supervision	001-1					5,053				5,053
Program 200												
1 ML_9Q_Equip Maintenance_Software Licenses	25085	A001 Confine	001-1					49,787				49,787
2 ML_9Q_Equip Maintenance_Software Licenses	25085	A002 Admn	001-1					5,945				5,945
3 ML_9Q_Equip Maintenance_Software Licenses	25085	A004 Health	001-1					5,945				5,945
4 ML_9Q_Equip Maintenance_Software Licenses	25085	A007 Supervision	001-1					12,632				12,632
Program 300												
1 ML_9Q_Equip Maintenance_Software Licenses	35085	A001 Confine	001-1					29,872				29,872
2 ML_9Q_Equip Maintenance_Software Licenses	35085	A002 Admn	001-1					3,567				3,567
3 ML_9Q_Equip Maintenance_Software Licenses	35085	A004 Health	001-1					3,567				3,567
4 ML_9Q_Equip Maintenance_Software Licenses	35085	A007 Supervision	001-1					7,579				7,579
Decision Package Total				-	-	-	-	148,617	-	-	-	148,617
Program 100 Total				-	-	-	-	29,723	-	-	-	29,723
Program 200 Total				-	-	-	-	74,309	-	-	-	74,309
Program 300 Total				-	-	-	-	44,585	-	-	-	44,585
								True				True

Agency: 310 Department of Corrections
Decision Package Code/Title: 9T Transfers
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests net zero cost technical fund and Full Time Equivalent (FTE) transfers to realign resources and funding between programs.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		0	0

Staffing

FTEs

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		986,664	986,664

Staffing

FTEs

<u>FY 2014</u>	<u>FY 2015</u>	<u>FY2 FTEs</u>
0.0	(6.1)	(6.1)

Program 300-Community Corrections

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		(986,664)	(986,664)

Staffing

FTEs

<u>FY 2014</u>	<u>FY 2015</u>	<u>FY2 FTEs</u>
0.0	6.1	6.1

Package Description:

DOC requests net zero cost technical transfers to move FTEs and provisoed offender programming dollars between Prison and Community. The funds will continue to be used in evidence based programs.

This request proposes to transfer of \$986,664 in FY2015 from program 300 offender programming chemical dependency (CD) dollars to program 200 offender programming dollars (Appropriation Index (AI) 3J2 to AI 292). We are proposing five (5) distinct transfer maneuvers which continue to use the dollars for offender programming. The components are outlined below:

** Transfer 6.1 unfunded FTEs from Program 200 to Program 300. No dollars are assumed. This aligns the FTEs with the

appropriated funding within the CD Unit.

** Transfer \$180,000 from Program 300 offender programming (AI 3J2) to Program 200 offender programming (AI 292) to cover the current projected overspend in contract dollars for CD treatment being delivered in prisons. Even with this transfer we are not meeting treatment needs for all offenders that are eligible and need treatment.

** Transfer \$470,902 from Program 300 offender programming (AI 3J2) to Program 200 offender programming (AI 292) for 15 contracted Intensive Out-Patient (IOP) groups for six (6) months. Beds would be located in the following facilities: Larch Correction Center, Clallam Bay Correction Center, Washington State Penitentiary (Minimum and Close custody), Coyote Ridge Correction Center (CRCC) (Medium custody), Olympic Correction Center, Monroe Correction Complex (Minimum Security Unit and the Washington State Reformatory Medium custody).

** Transfers \$255,792 from Program 300 offender programming (AI 3J2) to Program 200 offender programming (AI 292) for a 130 bed Therapeutic Community (TC) in CRCC MI3 for six (6) months. The TC requires licensing through the Department of Social and Health Services (DSHS) at \$13,000/yr. Also the one-time relief costs for the three (3) day training of the custody staff in a unit is \$10,384.

** Transfers \$80,000 from Program 300 offender programming (AI 3J2) to Program 200 offender programming (AI 292) for a 60 hour educational life skills class serving approximately 170 offenders committed under 2SSB 5064. Classes will be on both east and west sides of the state.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request will correct the imbalance of FTE usage between programs, shift Community CD funds over to education for services for offenders who are committed under 2SSB 5064, and Community CD funds to Prisons CD funds to align the spending of contracted CD treatments within the prisons.

DOC is targeting chemical dependency treatment services available to offenders in prisons particularly those who are in need of higher levels of care determined by a Chemical Dependency Professional. It has been observed that participation in the community of treatment services is more difficult for offenders. The delivery of these services in the prisons will ensure offenders are prepared for reentry into the community and receive their expanded follow up care upon release which will afford the ability to focus on other reentry services such as employment.

Intensive Outpatient Treatment Services:

An additional 360 offenders will receive substance abuse assessments and intensive outpatient treatment with transferred funds. Services will be placed in facilities that do not currently offer treatment services and expand facility capacity where services are currently delivered. Fifteen groups will be added to the prison service delivery plan. The additional services delivered in prisons will increase the identification of offenders in need of follow up substance abuse services releasing to the community. Receiving intensive services in the prison will afford the offender the ability to engage more meaningfully in re-entry services upon release.

Intensive Residential Treatment Services:

Deploying a therapeutic community at CRCC in an MI3 unit will result in increased numbers of offenders receiving this higher level of therapeutic care in prisons. Currently the availability of residential treatment is limited to 130 beds at OCC at a custody level unavailable to higher need offenders. Making available an additional 130 therapeutic community residential beds at CRCC will deliver services to an additional 130 offenders and align with DOC's direction of providing the prescribed level of treatment dosage indicated on the assessment and placement criteria.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

Activity A007 Supervise Adult Offenders in the Community

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this package is essential to two of the agency's strategic objectives:

Innovative, Efficient and Sustainable Business Practices and aligns with the following specific strategies:

- ** Use Lean principles and tools to promote process efficiency, quality, value, and performance
- ** Be good stewards of state resources and the environment.

Positively Changed Offenders:

- ** Prioritize higher risk offenders for programs to address their criminogenic needs; ensuring equal access to all who meet criteria
- ** Increase offender readiness for reentry

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request provides essential support to Results Washington Goal 5: Efficient, Effective and Accountable Government, and Healthy and Safe Communities.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

None

What alternatives were explored by the agency, and why was this alternative chosen?

There are no alternatives to consider. This package aligns the staffing levels and dollars with the correct program where the work and responsibilities occur.

What are the consequences of not funding this package?

If this package is not adopted DOC will continue to have an imbalance of FTEs between DOC programs, and will overspend general fund state dollars in Program 200- Prison Operations.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

See attached "ML-9T Transfers between Categories-Attachment 1".
All dollars shift from appropriation index (AI) 3J2 to AI 292.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

The FTE shifts are assumed on-going.

Costs by program are assumed for six (6) months, ending June 30, 2015, and are not calculated to carry forward at this time. Rather this

action puts offender programming dollars to use over the remainder of this biennium.

DOC will continue to discuss the need to align our funding resources.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
N Grants, Benefits & Client Services	0	0	0
Total Objects	0	0	0

ML-9T Transfers

Summary of all components

Fiscal Year 2016

Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 PEU / OI 1021	15007	A002	001-1	1.0	54,504	18,876						73,380
1 CCD / OI 2031	25013	A007	001-1	(1.0)	(94,018)	(20,701)	-	(22,908)	(744)	-	-	(138,371)
2 CCD/ OI 207M	21003	A007	001-1	(6.9)	(319,548)	(128,050)	-	(24,264)	(480)	-	-	(472,342)
3 CCD/ OI 207U	21003	A007	001-1	(3.0)	(130,932)	(55,892)	-	(1,656)	(444)	-	-	(188,924)
3 CCD / OI 2031	35013	A007	001-1	1.0	94,018	20,701	-	22,908	744	-	-	138,371
4 CCD/ OI 207M	31003	A007	001-1	6.9	319,548	128,050	-	24,264	480	-	-	472,342
5 CCD/ OI 207U	31003	A007	001-1	3.0	130,932	55,892	-	1,656	444	-	-	188,924
6 PEU/ OI 3039	35007	A007	001-1	(1.0)	(54,504)	(18,876)	-	-	-	-	-	(73,380)
6 Prsions unfunded FTES	29009		001-1	(5.0)			-			-	-	-
6 Community unfunded FTES	39009		0001-1	5.0			-			-	-	-

Transfers Decision Package Total												
Program 100 Total				1.0	54,504	18,876	-	-	-	-	-	73,380
Program 200 Total				(15.9)	(544,498)	(204,643)	-	(48,828)	(1,668)	-	-	(799,637)
Program 300 Total				9.9	489,994	185,767	-	48,828	1,668	-	-	726,257
Program 700 Total				5.0			-			-	-	True

Fiscal Year 2017

Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 PEU / OI 1021	15007	A002	001-1	1.0	54,504	18,876						73,380
1 CCD / OI 2031	25013	A007	001-1	(1.0)	(94,018)	(20,701)	-	(22,908)	(744)	-	-	(138,371)
2 CCD/ OI 207M	21003		001-1	(6.9)	(319,548)	(128,050)	-	(24,264)	(480)	-	-	(472,342)
3 CCD/ OI 207U	21003		001-1	(3.0)	(130,932)	(55,892)	-	(1,656)	(444)	-	-	(188,924)
3 CCD / OI 2031	35013		001-1	1.0	94,018	20,701	-	22,908	744	-	-	138,371
4 CCD/ OI 207M	31003		001-1	6.9	319,548	128,050	-	24,264	480	-	-	472,342
5 CCD/ OI 207U	31003		001-1	3.0	130,932	55,892	-	1,656	444	-	-	188,924
6 PEU/ OI 3039	35007		001-1	(1.0)	(54,504)	(18,876)	-	-	-	-	-	(73,380)
6 Prsions unfunded FTES	29009		001-1	(5.0)			-			-	-	-
6 Community unfunded FTES	39009		001-1	5.0			-			-	-	-

Transfers Decision Package Total												
Program 100 Total				1.0			-	-	-	-	-	-
Program 200 Total				(15.9)	(489,994)	(185,767)	-	(48,828)	(1,668)	-	-	(726,257)
Program 300 Total				9.9	489,994	185,767	-	48,828	1,668	-	-	726,257
							-			-	-	True

Biennial Totals

Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 PEU / OI 1021	15007	A002	001-1	1.0	109,008	37,752	-	-	-	-	-	146,760
1 CCD / OI 2031	25013	A007	001-1	(1.0)	(188,036)	(41,402)	-	(45,816)	(1,488)	-	-	(276,742)
2 CCD/ OI 207M	21003		001-1	(6.9)	(639,096)	(256,100)	-	(48,528)	(960)	-	-	(944,684)
3 CCD/ OI 207U	21003		001-1	(3.0)	(261,864)	(111,784)	-	(3,312)	(888)	-	-	(377,848)
3 CCD / OI 2031	35013		001-1	1.0	188,036	41,402	-	45,816	1,488	-	-	276,742
4 CCD/ OI 207M	31003		001-1	6.9	639,096	256,100	-	48,528	960	-	-	944,684
5 CCD/ OI 207U	31003		001-1	3.0	261,864	111,784	-	3,312	888	-	-	377,848
6 PEU/ OI 3039	35007		001-1	(1.0)	(109,008)	(37,752)	-	-	-	-	-	(146,760)
6 Prsions unfunded FTES	29009		001-1	(5.0)			-			-	-	-
6 Community unfunded FTES	39009		001-1	5.0			-			-	-	-

Transfers Decision Package Total												
Program 100 Total				1.0			-	-	-	-	-	-
Program 200 Total				(15.9)	(979,988)	(371,534)	-	(97,656)	(3,336)	-	-	(1,452,514)
Program 300 Total				9.9	979,988	371,534	-	97,656	3,336	-	-	1,452,514
							-			-	-	True

PLACEHOLDER

Agency: 310 Department of Corrections
Decision Package Code/Title: 93 Mandatory Caseload Adjustments
Budget Period: 2013-15
Budget Level: M1 - Mandatory Caseload and Enrollment Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests resources in the Fiscal Year (FY) 2015 to meet demands from forecasted changes in offender caseloads, which are anticipated to increase in both community and in prison. DOC will update/revise this budget request following the release and adoption of the November 2014 official prison population forecast, community supervision forecast, and community violator forecast by the Caseload Forecast Council (CFC). Resources needed will include staffing and operational costs tied to offenders under the jurisdiction of the DOC.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
001-1 -General Fund - Basic Account-State	0	0	0

Staffing
FTEs

Package Description:

DOC will need dollars and Full Time Equivalents (FTEs) in the 2013-15 biennium to cover the costs anticipated and associated with forecasted changes in offender caseloads.

An updated decision package will be provided once the CFC publishes the November 2014 Forecast. Multiple impacts exist to include prison direct variable costs (DVC), health care DVC, community violator bed costs paid to local correctional facilities, community violator health care DVC, and community supervision staffing workload costs.

Community supervision workload includes, but is not limited to, community supervision staff, warrant staff, records staff, hearing staff, less restrictive alternative staff, and administrative services staff. Community violator workload includes, but is not limited to, community violator desk staff and administrative services staff.

Please contact Margaret Andreas, at (360) 725-8262, for prison forecast impacts.
 Please contact Alan Haskins, at (360) 725-8264, for community supervision forecast impacts.
 Please contact Alan Haskins, at (360) 725-8264, for community violator forecast impacts.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No performance measures are submitted for this package.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

Activity A002 Corrections - Core Administration

Incremental Changes

No measures submitted for package

Activity A004 Health Care Services for Adults in State Prisons

Incremental Changes

No measures submitted for package

Activity A007 Supervise Adult Offenders in the Community

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this request is essential to improve safety as identified in the agency's strategic plan.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request aligns with Results Washington; specifically, Goal 4: Health and Safe Communities - Safe People.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

Yes, this package supports the priority of government related to public safety through overall support of DOC's operations.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

No alternatives are available.

What are the consequences of not funding this package?

DOC will over spend our general fund state dollars and FTEs.

What is the relationship, if any, to the state's capital budget?

Dependent on forecasted levels there may be capacity capital impacts.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Detailed workload models will be submitted once we have the November forecast.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Costs are assumed to be ongoing and will adjust in caseload steps based on adopted forecasts.

Object Detail

Total

Total Objects

PLACEHOLDER

Agency: 310 Department of Corrections
Decision Package Code/Title: 93 Mandatory Caseload Adjustments
Budget Period: 2013-15
Budget Level: M1 - Mandatory Caseload and Enrollment Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests resources in the Fiscal Year (FY) 2015 to meet demands from forecasted changes in offender caseloads, which are anticipated to increase in both community and in prison. DOC will update/revise this budget request following the release and adoption of the November 2014 official prison population forecast, community supervision forecast, and community violator forecast by the Caseload Forecast Council (CFC). Resources needed will include staffing and operational costs tied to offenders under the jurisdiction of the DOC.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
001-1 -General Fund - Basic Account-State	0	0	0

Staffing
FTEs

Package Description:

DOC will need dollars and Full Time Equivalents (FTEs) in the 2013-15 biennium to cover the costs anticipated and associated with forecasted changes in offender caseloads.

An updated decision package will be provided once the CFC publishes the November 2014 Forecast. Multiple impacts exist to include prison direct variable costs (DVC), health care DVC, community violator bed costs paid to local correctional facilities, community violator health care DVC, and community supervision staffing workload costs.

Community supervision workload includes, but is not limited to, community supervision staff, warrant staff, records staff, hearing staff, less restrictive alternative staff, and administrative services staff. Community violator workload includes, but is not limited to, community violator desk staff and administrative services staff.

Please contact Margaret Andreas, at (360) 725-8262, for prison forecast impacts.
Please contact Alan Haskins, at (360) 725-8264, for community supervision forecast impacts.
Please contact Alan Haskins, at (360) 725-8264, for community violator forecast impacts.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No performance measures are submitted for this package.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

Activity A002 Corrections - Core Administration

Incremental Changes

No measures submitted for package

Activity A004 Health Care Services for Adults in State Prisons

Incremental Changes

No measures submitted for package

Activity A007 Supervise Adult Offenders in the Community

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this request is essential to improve safety as identified in the agency's strategic plan.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request aligns with Results Washington; specifically, Goal 4: Health and Safe Communities - Safe People.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

Yes, this package supports the priority of government related to public safety through overall support of DOC's operations.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

No alternatives are available.

What are the consequences of not funding this package?

DOC will over spend our general fund state dollars and FTEs.

What is the relationship, if any, to the state's capital budget?

Dependent on forecasted levels there may be capacity capital impacts.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Detailed workload models will be submitted once we have the November forecast.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Costs are assumed to be ongoing and will adjust in caseload steps based on adopted forecasts.

Object Detail

Total

Total Objects

Agency: 310 Department of Corrections
Decision Package Code/Title: CA Auto Theft Fund Revenue Shortfall
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$379,000 in Fiscal Year (FY) 2015 to replace Washington Auto Theft Prevention Authority Account (11K) funds with General Fund State (GFS) funds due to a shortfall in revenue in 11K funding. DOC uses Auto Theft funding for security staffing, which is critical to maintain. The Office of Financial Management (OFM) requested agencies reduce 11K funds by five (5) percent in FY2015 due to 11K revenue being insufficient to cover costs.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
001-1 -General Fund - Basic Account-State	0	379,000	379,000

Staffing
FTEs

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
001-1 -General Fund - Basic Account-State	0	379,000	379,000

Package Description:

DOC requests \$379,000 in FY2015 to ensure we continue to fund critical safety positions that would be defunded if DOC does not receive general fund state dollars to replace the auto theft prevention dollars, which are seeing a revenue shortfall.

The Washington Auto Theft Prevention Authority Account provides DOC funding for Security staff. This funding was provided in the 2011-13 Enacted Budget (line item/step H16). With the passage and enacted of Engrossed Senate Bill 5907 (ESB-5907), with the intent to promote safe prisons, the legislation directed the DOC to:

- * Establish Local and Statewide Security Advisory Committees.
- * Establish teams composed of staff from many disciplines at each prison to evaluate offender placement in job assignments and custody promotions.
- * Develop training curriculum on staff safety issues in prisons.
- * Develop a comprehensive plan for the use of oleoresin capsicum aerosol products (pepper spray).
- * Submit annual reports to the Governor and Legislature that include:
- * Security recommendations raised by the Security Advisory Committees;
- * Recommendations for additional resources or legislation to address security concerns in prisons;
- * Recommendations for improving the ability of nonsupervisory classified employees to provide input on safety concerns and the inclusion of safety issues in collective bargaining.

We established teams comprised of staff from many different disciplines at each prison to evaluate offender placement in job

assignments and custody promotions and to develop training curriculum on staff safety issues in prisons. The Security Specialists work closely with the locally designated chief of Security and support all safety and security practices in the work location.

In addition in the 2011-13 enacted budget in line item 'HC17' funding was provided to DOC in the Washington Auto Theft Prevention Account to offset incarceration costs in DOC as a fund swap from general fund state (001-1).

Please contact Dawn Deck, at (360) 725- 8566 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

None.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This decision package is essential to implement the following strategies identified in DOC's strategic plan: Safer Operations.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package provides essential support to the Governor's Goal 4: HEALTHY AND SAFE COMMUNITIES - Safe People.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

DOC needs GFS dollars in lieu of Auto Theft Prevention dollars to continue the essential safety and security of our facilities.

With the passage of Engrossed Senate Bill 5907 DOC was directed to establish a statewide Security Advisory committee within DOC as well as local advisory committees at each prison. In addition, ESB 5907 directed DOC to establish teams comprised of staff from many different disciplines at each prison to evaluate offender placement in job assignments and custody promotions and to develop training curriculum on staff safety issues in prisons.

What alternatives were explored by the agency, and why was this alternative chosen?

None. We assume the staffing funded in 2013-15 using Auto Theft funding are critical and must be maintained. It is not an option to reduce the staffing. We need the staff for safe, secure operations.

What are the consequences of not funding this package?

A reduction in the funding level of 11K would directly impact Prison safety and security, and would result in reduction of staffing. The security specialists and staff counselors are positions identified as critical by the Statewide Security Advisory Committee and were specifically funded by the legislature. The fund swap between 11K and GFS began in the 2007-09 Biennium.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Our biennial carry forward level expenditure authority is \$7,588,000, which is \$3,794,000 each FY. Five (5) percent of \$7,588,000 is \$379,400. This rounds to \$379,000 in the OFM system.

DOC assumes the following in FY2015:

-\$379,000 in 11K Auto Theft

\$379,000 in GFS 001-1

See attached, "M2-CA_Auto_Theft_Revenue_Shortfall_Attachment_1_2 and_3".

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and funding is needed in ensuing biennia.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
A Salaries And Wages	0	284,000	284,000
B Employee Benefits	0	95,000	95,000
Total Objects	0	379,000	379,000

ML-CA_Auto_Theft_Revenue_Shortfall

Summary of all components

Fiscal Year 2014													
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total	
1 CCCC	21001	A001	001-1										
2 LCC	21001	A001	001-1										
3 MCCW	21001	A001	001-1										
4 OCC	21001	A001	001-1										
5 HQ	21001	A001	001-1										
Decision Package Total													
Program 200 Total													

Fiscal Year 2015													
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total	
1 CCCC	21001	A001	001-1	0.5	55,000	18,000						73,000	
2 LCC	21001	A001	001-1	0.5	55,000	18,000						73,000	
3 MCCW	21001	A001	001-1	0.5	55,000	18,000						73,000	
4 OCC	21001	A001	001-1	0.5	55,000	19,000						74,000	
5 HQ	21001	A001	001-1	1.0	64,000	22,000						86,000	
Decision Package Total				3.0	284,000	95,000	-	-	-	-	-	379,000	
Program 200 Total				3.0	284,000	95,000	-	-	-	-	-	379,000	

Biennial Totals													
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total	
1 CCCC	21001	A001	001-1	0.3	55,000	18,000	-	-	-	-	-	73,000	
2 LCC	21001	A001	001-1	0.3	55,000	18,000	-	-	-	-	-	73,000	
3 MCCW	21001	A001	001-1	0.3	55,000	18,000	-	-	-	-	-	73,000	
4 OCC	21001	A001	001-1	0.3	55,000	19,000	-	-	-	-	-	74,000	
5 HQ	21001	A001	001-1	0.5	64,000	22,000	-	-	-	-	-	86,000	
Decision Package Total				1.5	284,000	95,000	-	-	-	-	-	379,000	
Program 200 Total				1.5	284,000	95,000	-	-	-	-	-	379,000	
													TRUE

6/18/2014

fiscal.wa.gov/Spending



Home Budgets Spending Revenue Staff K-12 Map Projects Other Resources ?

Biennium Spending Detail biennium-specific estimated and actual expenditures

Biennium Spending Detail Monthly Spending Detail Staff/Object/Fund Detail

Biennium: Operating/Capital:

List Type: List:

Agency:

1 of 1 Find | Next

2013-15 Estimated vs. Actual Both Operating & Capital Expenditures

Corrections (310)

Washington Auto Theft Prevention Authority - State (11K-1)

Actual Data Through March 2014

(Dollars in Thousands)

	Monthly			Cumulative		
	Estimated	Actual	Difference	Estimated	Actual	Difference
Fiscal Year 2014						
July	316	147	169	316	147	169
August	316	158	158	632	306	326
September	316	147	169	948	453	495
October	316	118	198	1,264	571	693
November	316	1,010	-694	1,580	1,581	-1
December	316	223	93	1,897	1,804	92
January	316	119	198	2,213	1,923	290
February	316	122	194	2,529	2,045	484
March	316	119	197	2,845	2,164	681
April	316			3,161		
May	316			3,477		
June	316			3,793		
Fiscal Year 2015						
July	316			4,109		
August	316			4,425		
September	316			4,741		
October	316			5,057		
November	316			5,373		
December	316			5,689		
January	316			6,005		
February	316			6,321		
March	316			6,637		
April	316			6,953		
May	316			7,269		
June	316			7,585		

Note: Actual data include several Higher Education Non-Appropriated funds which are not included in estimates (higher education institutions are not required to estimate these funds). Fund codes for these Non-Appropriated Funds are 145, 147, 148, 149, 443, and 505.

Source: fiscal.wa.gov - Monthly Monitoring Monthly Expenditure Agency Variance 1 6/18/2014 1:06:54 PM

5% of total is
\$379K
(\$32K/mo) in 12 mo

http://www.fiscal.wa.gov/SpendbyBien.aspx

1/2

The above file was provided by OFM to DOC for action in Fiscal Year 2015.

ML-CA_Auto_Theft_Fund_Revenue_Shortfall

11K Funding was reduced at the following facilities due to revenue shortfall	No of Positions	FY2015			2013-15 Biennial request
		Salaries	Benefits	FY2015	
CCCC	1.0	55,000	18,000	73,000	\$ 73,000
LCC	1.0	55,000	18,000	73,000	\$ 73,000
MCCW	1.0	55,000	18,000	73,000	\$ 73,000
OCC	1.0	55,000	19,000	74,000	\$ 74,000
HQ	2.0	64,000	22,000	86,000	\$ 86,000
TOTALS	6.0	\$ 284,000	\$ 95,000	\$ 379,000	\$ 379,000

OFM directed DOC to unallot 11K budget allotment due to revenue shortfa
 DOC does not manage the 11K fund.
 Other agencies are also authorized to spend 11K dollars: CJTC/WASPC, DSHS JJRA

Agency: 310 Department of Corrections
Decision Package Code/Title: CB Community Violator Funds Shortfall
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$3,773,000 in Fiscal Year (FY) 2015 to cover costs DOC will be billed by local correctional facilities for community violator daily bed rates/costs that exceed the DOC funded violator forecasted level.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		3,773,000	3,773,000

Staffing

FTEs

Program 300-Community Corrections

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		3,773,000	3,773,000

Package Description:

DOC requests \$3,773,000 in FY2015 for community violator bed costs that exceed our base funded forecast level.

DOC is funded for community violator incarceration based on the Average Daily Population (ADP) for community supervision violators housed at a local county or municipality jurisdiction jail and recorded in the DOC Offender Management Network Information (OMNI) system. The ADP is a workload indicator. It should reflect work performed by Community Corrections Officers (CCOs) and reliable counts depend on work performed by CCOs and community records technicians from every field office throughout the State. The ADP is provided by our DOC Data Team to the Caseload Forecast Council (CFC) for inclusion in the offender caseload forecast - a critical value and starting point for budgets proposed and authorized by lawmakers.

Practically speaking, DOC is billed by local correctional facilities for incarcerated community offender violators whether they are captured in OMNI or not reported in time for a forecast or quarterly adjustment.

The complexity of recording offender movement correctly in OMNI is a challenging task as the numerous data entries must be sequenced perfectly and correctly to properly record an offender's body status location. With the passing of Chapter 6, Laws of 2012, relating to Revised Code of Washington (RCW) 9.94A, enabling swift and certain sanctions for offender violations, the volume of offender movement entries substantially increased as staff record the location ins and outs within the OMNI system. Three (3) day incarceration periods being the norm across the statewide population.

DOC relies on its local partners and it's a challenge to reconcile OMNI with offender contact hours. For example, if an offender is

moved from one (1) jurisdiction to another for reasons of unavailable capacity, select treatment or management reasons, then both local jurisdictions will bill DOC as per their respective contracts. However, the violator population data upon which DOC is funded for

operations will only show the final destination of this offender for his or her day. Contracts currently recognize and allow local jurisdictions to bill DOC for incarceration costs associated with booking and secure time involved housing the offender, beginning with the day of arrival and not on the day of release.

To address reconciliation challenges, DOC has changed business practice and technology. Moving away from the daily population count generated every evening (at midnight) from the older Offender Based Tracking System (OBTS) to newer more flexible programming available with OMNI in January 2014. Within a few months (spring 2014) DOC began generating a daily OMNI population report with a three (3) day lag to allow for weekend movement and/or delayed recorded entries. This change increased the violator population count accuracy, but has not yet addressed all the count discrepancies effecting our community violator base funding shortfall.

Factors described above resulted in FY2014 community supervision expenditures to exceed the funded ADP level by over \$5 million.

As DOC avails itself of alternatives to close the gap vis-à-vis contract negotiation, improved communication/reporting with/from local jurisdictions, internal policy changes together with OMNI programming responses, we estimate a reduction in the propensity to exceed available funds. DOC projects a reduction in the ADP reconciliation variances of 25% in FY2015, 50% in FY2016, and 75% in FY2017, achieving near or at 100% by FY2018.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DOC projects a reduction in the ADP reconciliation variances of 25% in FY2015, 50% in FY2016, and 75% in FY2017, achieving near or at 100% by FY2018.

Performance Measure Detail

Activity A007 Supervise Adult Offenders in the Community

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this request ensures that DOC has the necessary resources in order to incarcerate offenders for violations of their conditions of supervision. It is essential to Positively Changed Offenders as identified in the agency's strategic plan.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, and is critical to realize the Results Washington's Goal 4: Healthy and Safe Communities - Safe People by ensuring offenders comply with their conditions of supervision or case plan.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

Local governments impacted by funding or rejection of this decision package.

What alternatives were explored by the agency, and why was this alternative chosen?

We have a shortfall strategy described herein. We will work with partners and the Office of Financial Management, but need a few years to effect the variance in ADP.

What are the consequences of not funding this package?

If this package is not funded, DOC will have to absorb these costs, possibly resulting in overspending General Fund-State dollars.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Costs are estimated based on the best information currently available. Calculation used is based on the FY2014 difference of Jail bed contract actual expenditures less current funding. This difference was reduced by 50% in FY2016 and 75% in FY2017, due to estimated mitigation efforts beginning in FY2015.

Please see attached, "ML-CB Community_Violator_Fund_Shortfall_attachment 1".

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are one-time.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
N Grants, Benefits & Client Services	0	3,773,000	3,773,000
Total Objects	0	3,773,000	3,773,000

Summary of all components

Fiscal Year 2014											
Components	Program Index	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Local Jurisdiction Incarceration Costs for Violators	31004	001-1									-
Decision Package Total			-	-	-	-	-	-	-	-	-
Program 100 Total			-	-	-	-	-	-	-	-	-
Program 200 Total			-	-	-	-	-	-	-	-	-
Program 300 Total			-	-	-	-	-	-	-	-	-
			True	True	True	True	True	True	True	True	True

Fiscal Year 2015											
Components	Program Index	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Local Jurisdiction Incarceration Costs for Violators	31004	001-1								3,773,000	3,773,000
Decision Package Total			-	-	-	-	-	-	-	3,773,000	3,773,000
Program 100 Total			-	-	-	-	-	-	-	-	-
Program 200 Total			-	-	-	-	-	-	-	-	-
Program 300 Total			-	-	-	-	-	-	-	3,773,000	3,773,000
			True	True	True	True	True	True	True	True	True

2015-17 Biennial Totals											
Components	Program Index	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Local Jurisdiction Incarceration Costs for Violators	31004	001-1	-	-	-	-	-	-	-	3,773,000	3,773,000
Decision Package Total			-	-	-	-	-	-	-	3,773,000	3,773,000
Program 100 Total			-	-	-	-	-	-	-	-	-
Program 200 Total			-	-	-	-	-	-	-	-	-
Program 300 Total			-	-	-	-	-	-	-	3,773,000	3,773,000
			True	True	True	True	True	True	True	True	True

Date Calculation	Fiscal Year to Date
Biennium - FY - Month	BI2015FM12 as of 7-28-14
Fund Account Title	[001] GENERAL FUND
Expenditure Authority Hierarchy Title	All
Current Operational Leader Hierarchy	All
Program Title	[300] Community Corrections
Program Index Title	[31004] Community Violator
Subsubject Title	(Multiple Items) NB7869, NB7877 & NB7878

Row Labels	Values		Variance Adjusted - Charge
	Adjusted Budget	Allotment Charge	
[3B28] RENT-A-BED GARFIELD	-	19,800	(19,800)
[3B38] RENT-A-BED KLUCKITAT	-	51,646	(51,646)
[3B58] RENT-A-BED WHATCOM	-	89,100	(89,100)
[3B68] RENT-A-BED SKAGIT	-	18,759	(18,759)
[3B78] RENT A BED NISQUALLY PUBLIC SAFETY COMPL	-	257,900	(257,900)
[3C18] RENT-A-BED HOQUIAM JAIL	-	430,787	(430,787)
[3C28] RENT-A-BED ENUMCLAW	-	73,517	(73,517)
[3C48] RENT-A-BED NISQUALLY	-	658,325	(658,325)
[3C58] RENT-A-BED GEIGER	-	10,880	(10,880)
[3C68] RENT-A-BED TOPPENISH CITY JAIL	-	33,256	(33,256)
[3C78] RENT-A-BED CITY OF FIFE	-	60,879	(60,879)
[3C88] RENT-A-BED CITY OF OAK HARBOR	-	13,195	(13,195)
[3CB8] RENT-A-BED FORKS	-	20,850	(20,850)
[3CG8] RENT-A-BED SCORE SOUTH CORRECTION FACIL	-	3,314,432	(3,314,432)
[3CH8] RENT-A-BED SUNNYSIDE	-	50,953	(50,953)
[3R18] RENT-A-BED BENTON CO.	-	1,693,515	(1,693,515)
[3R28] RENT-A-BED CHELAN CO.	-	607,841	(607,841)
[3R38] RENT-A-BED CLARK CO.	-	1,508,984	(1,508,984)
[3R48] RENT-A-BED COWLITZ CO.	-	1,489,354	(1,489,354)
[3R58] RENT-A-BED FERRY CO.	-	68,907	(68,907)
[3R68] RENT-A-BED GRANT CO.	-	332,080	(332,080)
[3R78] RENT-A-BED KING CO.	-	4,614,288	(4,614,288)
[3R88] RENT-A-BED KITSAP CO.	-	883,512	(883,512)
[3R98] RENT-A-BED LEWIS CO.	-	578,574	(578,574)
[3RA8] RENT-A-BED OKANOGAN CO.	-	77,555	(77,555)
[3RB8] RENT-A-BED PIERCE CO.	-	545,785	(545,785)
[3RC8] RENT-A-BED SNOHOMISH CO.	-	2,109,699	(2,109,699)
[3RD8] RENT-A-BED SPOKANE CO.	-	401,285	(401,285)
[3RE8] RENT-A-BED STEVENS CO.	-	4,904	(4,904)
[3RF8] RENT-A-BED YAKIMA CO.	-	1,100,287	(1,100,287)
[3RG8] RENT-A-BED WALLA WALLA CO.	-	172,017	(172,017)
[3RH8] RENT A BED TBD	17,586,200	-	17,586,200
[3RI8] RENT-A-BED FRANKLIN	-	7,932	(7,932)
[3RK8] RENT-A-BED ASOTIN CO.	-	105,800	(105,800)
[3RL8] RENT-A-BED JEFFERSON CO.	-	6,811	(6,811)

Row Labels	Values		Variance Adjusted - Charge
	Adjusted Budget	Allotment Charge	
[3RN8] RENT-A-BED GRAYS HARBOR COUNTY	-	152,002	(152,002)
[3RO8] RENT-A-BED PACIFIC	-	79,704	(79,704)
[3RP8] RENT-A-BED CLALLAM COUNTY	-	222,336	(222,336)
[3RQ8] RENT-A-BED SKAMANIA CO	-	13,030	(13,030)
[3RR8] RENT-A-BED KITTITAS CO	-	30,468	(30,468)
[3RS8] RENT-A-BED LINCOLN COUNTY	-	77,940	(77,940)
[3RT8] RENT-A-BED SAN JUAN COUNTY	-	4,944	(4,944)
[3RU8] RENT-A-BED MASON	-	366,815	(366,815)
[3RV8] RENT-A-BED PEND OREILLE	-	30,837	(30,837)
[3RX8] RENT-A-BED ADAMS	-	20,207	(20,207)
[3T18] RENT-A-BED CHEHALIS TRIBAL	-	955,628	(955,628)
Grand Total	17,586,200	23,367,320	(5,781,120)

Less Accrual error with Chehalis Tribal (751,000) (5,030,120)

2015-17 Biennial estimate of Violator Funding Shortfall 5,030,120

FY15 Mitigation Factors	25%	3,772,590
FY16 Mitigation Factors	50%	2,515,060
FY17 Mitigation Factors	75%	1,257,530

2015-17 Biennial Request	3,772,590
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Agency: 310 Department of Corrections
Decision Package Code/Title: CC TAS Critical System Update
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests additional funding of \$400,000 in the Fiscal Year (FY) 2015 to cover the costs associated with upgrading the Trust Accounting System (TAS), so that the vendor will support the system and critical security patches that will continue beyond July 2015. TAS is the system that is used to manage DOC offender funds. We are custodians of family funds deposited and earnings that may go towards restitution with victims.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		400,000	400,000

Staffing

FTEs

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		400,000	400,000

Package Description:

DOC requests funding in FY2015 to cover critical costs associated with updating the TAS. TAS will no longer receive software support beyond July 2015. DOC must update the system and move it off Windows Server 2003 to ensure continuity of operations.

TAS has two (2) critical functions:

1. TAS is used to manage funds held in trust for offenders under DOC's jurisdiction.
2. TAS includes the Washington Offender Management System (WOMS), which is used for creating all of the agencies badges for staff, offenders, contractors, volunteers, and guests.

The current system is at risk of security breach because it cannot run on anything newer than Microsoft Windows Server 2003, which ended mainstream support on 7/13/2010. The extended support ends on 07/14/2015. Effective 07/15/2015, Microsoft will no longer be creating security patches for the system.

This request for funding will improve the Oracle database platform which is currently running on an unsupported version. The current version does not allow DOC's Information Technology (IT) staff to update to a supported version of the Microsoft Server operating system, and an up-to-date version of JAVA. Both resulting in a large security risk.

The total cost includes consulting, licensing, conversion efforts, hardware, and other miscellaneous costs.

Please contact Merdan Bazarov, at (360) 725-8351 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No measures were submitted for this package.

Performance Measure Detail

Activity A002 Corrections - Core Administration

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this request is essential to enhance data and performance systems that support operational decisions and facilitate long-term planning.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request aligns with Results Washington; specifically, Goal 4: Healthy and Safe Community - Safe People.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

Local funds flow through TAS. We are custodians of family funds deposited and earnings that may go towards restitution with victims.

What alternatives were explored by the agency, and why was this alternative chosen?

No alternatives are available.

What are the consequences of not funding this package?

Not funding this package will result in continuation of ongoing issues with the Oracle database platform resulting in an increased IT security risk for DOC as custodians of funds in trust.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Please see attached, "ML_AL_TAS Critical System Update_Attachment 1".

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

This request is for one-time costs.

Our vendor estimated \$400,000 for the system fix.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
E Goods\Other Services	0	400,000	400,000
Total Objects	0	400,000	400,000

**310 Department of Corrections
2013-15 Biennium
ML_CC TAS Critical System Update_Attachment 1**

Summary of all components

Fiscal Year 2014												
Components:	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
ML_CC TAS Critical System Update_Attachment 1	25096	A002	001-1					-				-
Program 200 Total:				-	-	-	-	-	-	-	-	-

Fiscal Year 2015												
Components:	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
ML_CC TAS Critical System Update_Attachment 1	25096	A002	001-1					400,000				400,000
Program 200 Total:				-	-	-	-	400,000	-	-	-	400,000

Biennial Totals												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
ML_CC TAS Critical System Update_Attachment 1	25096	A002	001-1	-	-	-	-	400,000	-	-	-	400,000
Program 200 Total:				-	-	-	-	400,000	-	-	-	400,000

ML_CC TAS Critical System Update_Attachment 1

PI	Object	Percentage	FY	Total	FY	Total	Biennium Total
25096	E	100%	2014	-	2015	\$400,000	\$400,000
Total	E	100%	2014	-	2015	\$400,000	\$400,000

Cost is based on a quote from the vendor under contract with DOC.

Agency: 310 Department of Corrections
Decision Package Code/Title: CD Technical Correction
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$3,283,000 in Fiscal Year (FY) 2015 as a technical correction to a funding reduction to our base funded level that has resulted in our Payments to Other Agencies, program 600, being underfunded.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		3,283,000	3,283,000

Staffing

FTEs

Program 600-Interagency Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		3,283,000	3,283,000

Package Description:

DOC requests \$3,283,000 in FY2015 to address our Self Insurance Liability premium shortfall.

In 2009-11 DOC was overbilled by over \$3,200,000 each FY. For the 2011-13 budget request DOC was asked to submit a decision package identifying a reduction of <\$6,247,000> for Self Insurance Liability premiums. In the 2011-13 Enacted Budget, version 4M, step ML-9X reflected a reduction of <\$6,247,000>, split between FYs - first FY <\$3,124,000> and second FY <\$3,123,000>. This reduction was not taken into account when establishing premium amounts for both the 2011-13 and 2013-15 biennium.

In FY2012 premiums exceeded funding by \$3,354,859. In FY2013 premiums exceeded funding by \$3,285,609. In FY2014 premiums exceeded funding by \$3,283,467. In FY2015 premiums exceed funding by \$3,282,442. Biennially these funding shortfalls exceed \$6.5 million and cannot be sustained by DOC.

Please see attached, "ML-CD_Technical-Correction_Attachment_2".

Please contact Peter Campbell, at (360) 725-8838 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No performance measures were submitted for this package.

Performance Measure Detail

Activity A006 Payments to Other Agencies

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this package is essential to DOC's strategic plan for Innovative, Efficient, and Sustainable Business Practices, by restoring appropriate level of funding for Self Insurance Liability premiums.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request aligns with Governor's priority of Efficient, Effective & Accountable Government. Office of Financial Management (OFM) is responsible for ensuring that State agencies have the funding needed to pay their Self Insurance Liability premiums.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

No alternatives are available.

DOC is required by statute, RCW 4.92.130 and RCW 4.92.160 to participate in the Self Insurance Liability Program.

What are the consequences of not funding this package?

DOC will overspend our general fund state dollars. This funding shortfall needs to be corrected.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Costs are estimated based on the best information currently available.

Please see attached, "ML-CD_Technical-Correction_Attachment_1".

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Costs are FY2015. A decision package (ML-AD) was included in DOC's 2015-17 Budget Request.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
E Goods\Other Services	0	3,283,000	3,283,000
Total Objects	0	3,283,000	3,283,000

ML-CD Technical Corrections

Summary of all components

Fiscal Year 2014												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
SILA	66001	A006	001-1									-
ML-CD Technical Correction FY2014				-	-	-	-	-	-	-	-	-
Program 600 Total				-	-	-	-	-	-	-	-	-

Fiscal Year 2015												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
SILA	66001	A006	001-1					3,283,000				3,283,000
ML-CD Technical Correction FY2015				-	-	-	-	3,283,000	-	-	-	3,283,000
Program 600 Total								3,283,000				3,283,000

Biennial Totals												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
SILA	66001	A006	001-1					3,283,000				3,283,000
ML-CD Technical Correction Decision Package Total				-	-	-	-	3,283,000	-	-	-	3,283,000
Program 600 Total								3,283,000				3,283,000

Technical Corrections

**Department of Corrections
Self Insurance Premium
Data Fiscal Years 2006 - 2015**

Funded vs Billed Since 2005-07

Biennial Period	Funded 1st FY	Billed 1st FY	1st FY Shortfall	Funded 2nd FY	Billed 2nd FY	2nd FY Shortfall	Biennial Shortfall
2005-07	16,330,256	16,329,727	529	16,330,256	16,329,727	529	1,058
2007-09	10,430,256	10,624,978	(194,722)	10,430,256	4,096,978	6,333,278	6,138,556
2009-11	9,557,256	12,840,312	(3,283,056)	9,557,256	12,854,304	(3,297,048)	(6,580,104)
2011-13	6,433,256	9,788,115	(3,354,859)	1,824,256	5,109,865	(3,285,609)	(6,640,468)
2013-15	11,703,256	14,986,723	(3,283,467)	11,704,256	14,986,698	(3,282,442)	(6,565,909)
		Cumulative	(10,115,575)		Cumulative	(3,531,292)	(13,646,867)

The difference in Year 1, between these biennia, was \$3,124,000 and this was returned to General Fund in 2011-13 Enacted Budget Version 4M Step ML-9X.

The difference in Year 2, between these biennia, was \$3,123,000 and this was returned to General Fund in 2011-13 Enacted Budget Version 4M Step ML-9X.

Comments:

Based on billings received as of 08-20-14 DOC is short in funding in 2013-15 by: **(\$6,565,909)**

OFM is under obligation to cover SILA as State self-insures. DOC has had a shortfall in funding of more than \$6.5 million for three consecutive biennia. That is unsustainable.

The shortfall in funding started in 2009-11. In 2011-13 enacted budget reductions of \$3.1 million were taken each fiscal year. Based on amounts billed in 2011-13, no reduction should have been taken.

ML-CD

Technical Corrections

Current Self Insurance Premium Budget

	1st FY	2nd FY
Budget Prior To 2007-09 Enacted	16,330,256	16,330,256
Total Budget Steps Since 2007-09	(4,627,000)	(4,626,000)
2013-15 Budget	11,703,256	11,704,256

Budget Steps Since 2007-09

Enacted Budgets	1st FY	2nd FY
2007-09 Enacted	(5,900,000)	(5,900,000)
2009-11 Enacted	(873,000)	(873,000)
2011-13 Enacted	(3,124,000)	(3,123,000)
FY12 Supplemental	0	(4,610,000)
2013-15 CFL	0	4,610,000
FY14 Supplemental	5,270,000	5,270,000
Total	(4,627,000)	(4,626,000)

2013-15 Budget vs Billed

Biennial Period	1st FY	2nd FY
2013-15 Budget	11,703,256	11,704,256
2013-15 Billed	14,986,723	14,986,698
Variance	(3,283,467)	(3,282,442)

Self Insurance Premium Billings

Biennial Period	1st FY	2nd FY
2005-07	16,329,727	16,329,727
2007-09	10,624,978	4,096,978
2009-11	12,840,312	12,854,304
2011-13	9,788,115	5,109,865
2013-15	14,986,723	14,986,698
Total	64,569,855	53,377,572

Agency: 310 Department of Corrections
Decision Package Code/Title: CE E-Vault Costs from CTS
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests additional funding of \$175,814 in Fiscal Year (FY) 2015 to pay Consolidated Technology Services (CTS) for services for the Washington State Electronic Records Vault Service (WaSERV) e-mail archiving service.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		175,814	175,814

Staffing

FTEs

Program 600-Interagency Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		175,814	175,814

Package Description:

DOC requests \$175,814 in FY2015 for CTS WaSERV e-mail archiving service billings that were not appropriated to DOC. This is an unfunded but business critical service.

WaSERV can store email according to DOC's records and retention requirements. State employees use email to process large amounts of information, and that email must be handled in a manner that complies with legal and fiscal requirements. Additionally and perhaps unique to DOC, prison roster notification and management is integrated and centralized through Microsoft Outlook such that we retain thousands of emails concerning time, leave and attendance as a primary record over and above normal agency business communication.

WaSERV is a good tool. Through this service, a secure email repository is available to simplify searches for email data - a useful feature for organizing and storing corporate knowledge. With WaSERV, agencies can also respond quickly to public records requests.

DOC has seen a constant growth in saved email since the service began in the 2009-11 biennium. In FY2014, DOC's storage needs grew from 4,700 gigabytes (GB) to 7,375GB. This growth is cumulative. Each month, we are adding 5% more than the prior month to the e-Vault.

With the need to respond to public disclosure requests, the exclusive use of email as the agency's only electronic form of communications and our time leave and attendance business tool, the WaSERV storage continues to expand. We expect and assume this exponential growth continues until FY2018 when the seven (7) year auto-retention cycle will potentially impact the storage needs.

Please contact Heather Twilla, at (360) 725- 8319 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

With WaSERV public disclosure requests are streamlined saving the agency many staff hours we would have otherwise spent in research. It also ensures a thorough search, eliminating the missing of requested information.

Performance Measure Detail

Activity A006 Payments to Other Agencies

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this package is essential to the agency's strategic objective to Innovative, Efficient, and Sustainable Business Practices, and aligns with the following specific strategies:

- * Use Lean principles and tools to promote process efficiency, quality, value, and performance; and
- * Be good stewards of state resources and the environment.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request aligns with Governor's Results Washington priority of Efficient, Effective & Accountable Government.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

No alternatives are available.

What are the consequences of not funding this package?

If this package is not adopted DOC will overspend general fund state.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Gigabyte storage grew at five (5) percent a month for 13 consecutive months as DOC email was moved to the vault. We expect this pattern to continue resulting in growth from 7,000 GB in FY2015 Fiscal Month (FM) 01 to 47,524GB in FY2017 FM24.

The rate is \$2.27 managed GBs per month in July and August 2014.

The rate is \$1.27 managed GBs per month beginning September 1, 2014.

Please see attached "ML- CE_E-Vault Costs from CTS_Attachment 1", "ML- CE_E-Vault Costs from CTS_Attachment 2 and ML-CE_E-Vault Costs from CTS_Attachment 3".

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are assumed to be ongoing costs, unless there is a policy change at the state level.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
E Goods\Other Services	0	175,814	175,814
Total Objects	0	175,814	175,814

ML-CE_E-Vault Costs from CTS

DOC WaSERV (E- Vault)

Fiscal Year (FY) 2015 Estimated Costs

Fiscal Year	Estimated Gigabytes	FY2015 Rate/GB	Total Estimated FY Cost
2016	222,466	1.27	\$ 282,532
2017	413,995	1.27	\$ 525,774

2015-17 Total: \$ 808,306

1.05

2015 Fiscal Year	Estimated Gigabytes	FY2015 Rate/GB	Total Estimated FY Cost
July-Aug	15,946	2.27	\$ 36,198
Sept-June	109,934	1.27	\$ 139,616

2015-17 Total: \$ 175,814

Estimated Usage of Gigabytes (GB)

Fiscal Year	FM12 from previous FY	FM01	FM02	FM03	FM04	FM05	FM06	FM07	FM08	FM09	FM10	FM11	FM12	Total FY GB
2015	7375	7766.75530	8179.32039	8613.80067	9071.36027	9553.22515	10060.68638	10595.10362	11157.90877	11750.60977	12374.79467	13032.13587	13724.39462	125,880

FY15 Assumptions: **10.53119**

Growth factor of 1.05311936244956, based on the average of the 2013-2015 13 month actuals.

2015-17 Rate assumed at \$1.27/GB, based on the CTS Service announcement dated 8/11/2014 stating a rate reduction to \$1.27/GB as of 9/1/2014

Growth will continue until CY2018 when the seven (7) year auto-retention plan begins to cycle items out of storage.



Consolidated Technology Services • WA

Service Announcement

August 11, 2014

TO: CTS Nearline Storage Customers
CTS E-mail Vault Customers

FROM: Kay Metsker
CTS Server/Storage Support Manager

SUBJECT: Rate Reduction for CTS Nearline Storage

Consolidated Technology Services (CTS) is pleased to announce a reduction in the rate for Nearline Storage from the current rate of \$2.27 managed gigabytes per month to \$1.27 managed gigabytes per month. The CTS WaSERV ("Vault") e-mail archiving service uses Nearline Storage, so this rate reduction applies to that service as well. This change will be implemented on September 1, 2014.

Nearline Storage is sometimes referred to as Content Addressable Storage or CAS storage. The billing service offering number for this service is 1736.

This change is in response to the continued rapid growth in use of Nearline Storage. Operational costs remain relatively constant while usage increases, resulting in lower per-unit costs. CTS is committed to passing on these savings when and where possible.

Additional information regarding this announcement will be provided to impacted customers as needed.

For questions or comments, please contact Kay Metsker, Kay.Metsker@cts.wa.gov, or the CTS Service Desk, 360-753-2454 or servicedesk@cts.wa.gov

ML-CE_E-Vault Costs from CTS

Summary of all components

Fiscal Year 2014												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 E-Vault Costs from CTS	66003	A006	001-1	-	-	-	-	-	-	-	-	-
Decision Package Total				-	-	-	-	-	-	-	-	-
Program 600 Total												TRUE
Fiscal Year 2015												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 E-Vault Costs from CTS	66003	A006	001-1	-	-	-	-	175,814	-	-	-	175,814
Decision Package Total				-	-	-	-	175,814	-	-	-	175,814
Program 600 Total												TRUE
Biennial Totals												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 E-Vault Costs from CTS	66003	A006	001-1	-	-	-	-	175,814	-	-	-	175,814
Decision Package Total				-	-	-	-	175,814	-	-	-	175,814
Program 600 Total												TRUE

Agency: 310 Department of Corrections
Decision Package Code/Title: CF Food Rate Adjustments
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$438,977 in Fiscal Year (FY) 2015 to cover food cost increases at our prison facilities that exceed our base funding level. This dollar amount does not factor in any inflationary increase but is based on actual cost experience in FY2014.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		438,977	438,977
Staffing			
FTEs			

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		438,977	438,977

Package Description:

DOC requests \$438,977 in FY2015 to cover food cost increases at our prison facilities that exceed our base funding level. This dollar amount does not factor in any inflationary increase but is based on actual cost experience in FY2014.

This proposal will provide necessary funding for offender food at our prison facilities due to the increased costs of food. Using actuals from FY2014 and assuming the per meal costs in FY2014 compared to the carry forward level by FY funding, we estimate a shortfall of \$438,977 in the FY2015.

DOC will continue to closely monitor food costs, and will address changes in each budget supplemental (biennial and/or supplementals).

Please contact Dawn Deck, at (360) 725- 8266 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No performance measures were submitted for this package.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

Activity A007 Supervise Adult Offenders in the Community

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, under Innovative, Efficient, and Sustainable Business Practices a strategy identified is to contain food cost growth to less than the rate of food inflation index. For illustration, our request based on the projected food rate increase indicates we are requesting is 0.1% of our base funding. Based on the U.S. Bureau of Labor Statistics the Consumer Price Index increased 2.3% nationally for FY2014.

Does this decision package provide essential support to one of the Governor's priorities?

Not applicable.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package contributes to the statewide goal of providing basic nutritional services for incarcerated offenders, therefore it would rate high in the Priorities of Government process.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

Food is a basic need for our offenders.

What are the consequences of not funding this package?

If this package is not funded, DOC will have to absorb these cost increases, possibly resulting in overspending our general fund state dollars.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

See attachments "ML-CF_Food_Rate_Adjustment_Attachments.xlsx"

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are assumed to be on-going into ensuing biennia.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
E Goods\Other Services	0	438,977	438,977
Total Objects	0	438,977	438,977

Summary of all components

ML-CF Food Rate Adjustment

Fiscal Year 2014												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Food Rate Adjustment Program 200	24007	A001 Confine	001-1									
				FY2014	-	-	-	-	-	-	-	-
Program 200 Total												True

Fiscal Year 2015												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Food Rate Adjustment Program 200	24007	A001 Confine	001-1					438,977				438,977
				FY2015	-	-	-	438,977	-	-	-	438,977
Program 200 Total												True

Biennial Totals												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Food Rate Adjustment Program 200	24007		001-1	-	-	-	-	438,977	-	-	-	438,977
				2013-15	-	-	-	438,977	-	-	-	438,977
Program 200 Total												438,977

ML - CF Food Rate Adjustment

<i>Total Request</i>	<i>FY2015</i>	<i>Total</i>
Program 200 - Prisons	\$ 438,977	\$ 438,977
Total	\$ 438,977	\$ 438,977

Prison Budget vs Expenditures	FY2015
2015 Budgeted Rate	\$ 4.39
FY2014 Expend Rate	\$ 4.48
Variance	\$ (0.09)

Prison ADP* excluding closed loop sites	FY2015
2015 Forecasted ADP (Febr 2014 Forecast)	13,037

Detail of Calculation:	
2015 Forecasted ADP (February 2014 Funded Forecast:	
Male Offenders	15,776
Female Offenders	1,255
Violators Housed in Prison Beds	52
Total Funded ADP	17,083
Facilities Using CI Closed Loop Food Service	
Washington Corrections Center	1,518
Coyote Ridge Correction Center	2,528
Total Closed Loop	4,046
Funded Population Adjusted for Closed Loop	13,037
Projected FY2015 Offender Days	4,758,584
<i>[13.037 ADP X 365 days]</i>	
FY2015 Funded Daily Food Rate	\$ 4.39
<i>[\$20,008,351 FY2015 Food Budget ÷ (Funded ADP of 12,487 X 365 days)]</i>	
	<i>see 13-15 DVC Control Numbers</i>
FY2014 Actual Daily Food Rate	\$ 4.48
<i>[\$20,387,908 FY2014 Food Cost ÷ (Actual ADP of 12,462 X 365 days)]</i>	
Funding Required	\$ 438,977
<i>[[Projected daily rate of \$4.48 - funded daily rate of \$4.39] X 4,758,584 projected offender days]</i>	
	TRUE

Agency: 310 Department of Corrections
Decision Package Code/Title: CG Hepatitis C Cost Increases
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$8,174,360 in Fiscal Year (FY) 2015 to cover increased drug costs for Hepatitis C treatments due to new drugs being available. Given new Hepatitis C drug regimens, DOC is experiencing significant overspending due to brand name pharmaceutical drug prices that exceed our base funding levels. These costs are not included in our ML-9M Medical Inflation request.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		8,174,360	8,174,360

Staffing

FTEs

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		8,174,360	8,174,360

Package Description:

DOC requests \$8,174,360 in FY2015 to treat 112 patients, which is comprised of a base of 92 patients annually and an additional 20 patients being treated for Hepatitis C through a gradual phased in approach. The 20 additional patients are offenders who couldn't be treated in the past as a result of the severity of their disease, couldn't handle the side effects of the previous drug therapies, or the drug therapies failed to be effective on them. The new drug, Ledipasvir, has been approved by the FDA and has the ability to reverse liver damage.

Hepatitis C is a disease of the liver. If left untreated, Hepatitis C can cause severe liver damage, lead to liver cancer, and even death. In the state of Washington, since Calendar Year (CY) 2008, there have been 22 deaths related to Hepatitis C diseases in prison. Of those, 54% of the deaths have occurred since CY2012. It is critical that patients are treated before the liver sustains too much damage in order to prevent the worst outcomes and attendant health care costs.

Hepatitis C is divided into six (6) distinct genotypes throughout the world with multiple subtypes in each genotype class. A genotype is a classification of a virus based on the genetic material in the RNA (Ribonucleic acid) strands of the virus. Generally, patients are only infected with one (1) genotype. The genotype dictates the type of treatment that will be most effective for a patient. Genotype 1 is the most common genotype in the United States followed by genotypes 2 and 3. Genotypes 4, 5 and 6 are relatively uncommon in the United States.

Following is a list of the different genotypes of chronic Hepatitis C:

Genotype 1a, 1b

Genotype 2a, 2b, 2c & 2d

Genotype 3a, 3b, 3c, 3d, 3e & 3f

Genotype 4a, 4b, 4c, 4d, 4e, 4f, 4g, 4h, 4i & 4j

Genotype 5a

Genotype 6a

It is important to know the genotype of a patient not only to decide which treatment regimen to use, but also the duration of therapy. Genotype 1 historically was the most difficult to treat with pegylated interferon and ribavirin alone, compared to individuals with genotypes 2 and 3. There are now newer direct-acting antiviral medications, such as simeprevir (Olysio) and sofosbuvir (Sovaldi) that are far more effective than previous treatments, have significantly fewer side effects, and are needed for much shorter durations to complete a treatment course.

DOC is required by the US Constitution to provide health care to offenders; the definition of what is medically necessary is not defined in a standard. To meet the constitutional level of care DOC cannot deny coverage of new drugs solely because of cost. The new Hepatitis C drugs are accepted therapy. Private insurance plans, Medicaid, and other state DOCs cover the new drug therapies, which makes their use the norm with respect to this treatment.

The estimated fiscal impact is preliminary as the recommended Hepatitis C treatment regimens will likely change dramatically over time. There is an expectation that this fall there may be additional Hepatitis C treatment drugs approved by the Food and Drug Administration (FDA). The presence of additional treatment options will alter the marketplace. Any attempt to predict this impact is premature and as such is not factored into this budget request.

DOC treated approximately 90 patients for Hepatitis C in FY2012, 101 patients in FY2013 and an estimated 92 patients in FY2014. The request of \$8,174,360 represents the funding shortfall to treat the 112 offenders on the new drug protocol. For illustration the new drug protocol costs almost \$96,000/patient annually, and we are funded for only \$20,000/patient annually.

DOC protocols are closely aligned with those of Health Care Authority (HCA) and nearly identical to the protocols used by the federal Bureau of Prisons. The reasons for slight differences between DOC's and WA Medicaid's protocols are:

- * DOC can and does review and prior authorize each and every case of Hepatitis C treatment with sofosbuvir and/or simeprevir as compared to HCA which requires individual case review and prior authorization only for those treatments not in accord with protocol.
- * HCA is constrained from using a protocol that allows a non-FDA-approved use of a medication.

In the case of Genotype 3 treatment-naïve patients, DOC prefers use of the more cost-effective Sof+Peg+Rib for 12 weeks because DOC is able/positioned to support our patients on a weekly injectable medication.

Please contact Tuekwe George, at (360) 725- 8301 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding will ensure that DOC has the resources required to provide medically necessary care for the offender population by maintaining current levels of service and performance.

Performance Measure Detail

Activity A004 Health Care Services for Adults in State Prisons

Incremental Changes

FY 2014

FY 2015

Process - Efficiency Measures

001750 Average healthcare cost per offender

\$0.00

\$0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, the resources identified support a key objective of innovative, efficient, and sustainable business practices. This request is essential to realize the agency's planned strategies for advancing Corrections by containing healthcare cost growth, ensure access and improve access and quality for offenders.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Governor's priority of public health and safety captured in Results Washington, Goal 4: HEALTHY AND SAFE COMMUNITIES - Safe People.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

The provision of constitutional level of care for incarcerated offenders.

What alternatives were explored by the agency, and why was this alternative chosen?

DOC protocols are closely aligned with those of Health Care Authority (HCA) and nearly identical to the protocols used by the federal Bureau of Prisons. The reasons for slight differences between DOC's and WA Medicaid's protocols are:

- * DOC can and does review and prior authorize each and every case of Hepatitis C treatment with sofosbuvir and/or simeprevir as compared to HCA which requires individual case review and prior authorization only for those treatments not in accord with protocol.
- * HCA is constrained from using a protocol that allows a non-FDA-approved use of a medication.

What are the consequences of not funding this package?

Not funding this package would limit DOC's ability to provide the constitutional level of care to incarcerated offenders. If the new drug therapies are not funded DOC will overspend our general fund state dollars.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

- 1) Projected expenditures assume 92 patients plus a phase in approach of an additional 20 patients going forward. 112 patients in total.
- 2) Projected expenditures assume treatment protocols remain constant.
- 3) Pill costs are at a point and time and assume the average price of:
 - a) Lidapasvir - \$1,066.25/per pill (average cost)
 - b) Sofosbuvir - \$947.88/per pill (average cost)
 - c) Peginterferon Alfa 2A: \$782.25/per injection (average cost)
 - d) Simeprevir: \$748.83/per pill (average cost)
 - e) Peginterferon Alfa 2B: \$724.94/per injection (average cost)
 - f) Telaprevir: \$157.5/per pill (average cost)
 - g) Boceprevir: \$18.86/per pill (average cost)
 - h) Ribavirin: \$0.74/per pill (average cost)
 - i) Epoetin Alfa: \$0.02/per unit (average cost)
- 4) Recognizing the new drugs offer fewer side effects, there will be a smoother treatment for offenders. The cost of side effect drugs is under review, and are not quantifiable at this time, which is consistent with other state agency practice. DOC is hopeful to receive funding for an Electronic Medical System (EMR) that will better position DOC to answer granular detail cost inquiries given an EMR's electronic information advantages.

See attached "ML-CG_Hepatitis_C_Cost_Increases_Attachment_1 and 2".

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Costs are ongoing and will be needed in ensuing biennia.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
E Goods\Other Services	0	8,174,360	8,174,360
Total Objects	0	8,174,360	8,174,360

Hepatitis C Cost Increases
Summary of all components

Fiscal Year 2014												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Health Services - Hep C Cost Incr.	53201	A004 Health	001-1					-				-
Hepatitis C Cost Incr. Decision Package Total				-	-	-	-	-	-	-	-	-
Program 200 Total				-	-	-	-	-	-	-	-	-
												True

Fiscal Year 2015												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Health Services - Hep C Cost Incr.	53201	A004 Health	001-1					8,174,360				8,174,360
Hepatitis C Cost Incr. Decision Package Total				-	-	-	-	8,174,360	-	-	-	8,174,360
Program 200 Total				-	-	-	-	8,174,360	-	-	-	8,174,360
												True

Biennial Totals												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 Health Services - Hep C Cost Incr.	53201	A004 Health	001-1	-	-	-	-	8,174,360	-	-	-	8,174,360
Hepatitis C Cost Incr. Decision Package Total				-	-	-	-	8,174,360	-	-	-	8,174,360
Program 200 Total				-	-	-	-	8,174,360	-	-	-	8,174,360
												True

FY15 Supplemental Budget Request
Hep C shortfall in funding

	Base 92 Patients FY2015	Incremental 20 Patients FY2015	Total 112 Patients FY2015	Comments
Project Need	\$ 8,826,473	\$ 1,222,456	\$ 10,048,929	
FY14 Base	\$ (1,874,569)	\$ -	\$ (1,874,569)	
Total Supplemental Request	\$ 6,951,904	\$ 1,222,456	\$ 8,174,360	

	92	20	112	Comments
Number of Patients	92	20	112	13 New patients on current drugs at \$96K Avg. 7 New patients on new drug at \$190K Avg.
Average Cost per Patient	\$ 95,940	\$ 190,000	\$ 89,723	20 Incremental new patients phased in. Full year avg cost/patient is \$101,818.68
Average cost Per Month	\$ 735,539	\$ -	\$ 837,411	Full year avg cost/month is \$950,308
Per month/patient	\$ 7,995	\$ 31,667	\$ 7,477	

New Patients Phase in FY15	Cost of \$95,940		Cost of \$190,000		Total New Patients	Total New Incremental Costs
	Patients at Average Cost	Patients at Average Cost	Patients with Severe Cases	Patients with Severe Cases		
July	0	\$ -	0	\$ -	0	\$ -
August	0	\$ -	0	\$ -	0	\$ -
September	0	\$ -	0	\$ -	0	\$ -
October	0	\$ -	0	\$ -	0	\$ -
November	1	\$ 7,995	0	\$ -	1	\$ 7,995
December	1	\$ 7,995	1	\$ 31,667	2	\$ 39,663
January	2	\$ 15,990	2	\$ 63,333	4	\$ 79,325
February	3	\$ 23,985	3	\$ 95,000	6	\$ 118,988
March	5	\$ 39,975	4	\$ 126,667	9	\$ 166,646
April	7	\$ 55,965	5	\$ 158,333	12	\$ 214,303
May	10	\$ 79,950	6	\$ 190,000	16	\$ 269,956
June	13	\$ 103,935	7	\$ 221,667	20	\$ 325,609
Total		\$ 335,790		\$ 886,667		\$ 1,222,456

Assumptions:

- 1) Projected expenditures assume 92 patients plus a phase in approach of an additional 20 patients going forward. 112 patients in total.
- 2) Projected expenditures assume treatment protocols remain constant
- 4) Pills costs are at a point and time and assume the average price of:
 - a) Lidapasvir - Avg per pill \$1,066.25
 - b) Sofosbuvir - Avg per pill \$947.88
 - c) Peginterferon Alfa 2A - Avg per pill \$782.25
 - d) Simeprevir - Avg per pill \$748.83
 - e) Peginterferon Alfa 2B - Avg per pill \$724.94
 - f) Telaprevir - Avg per pill \$157.51
 - g) Boceprevir - Avg per pill \$18.86
 - h) Ribavirin - Avg per pill \$0.74
 - i) Epoetin Alfa - Avg per unit \$.02
- 5) Calculations for the additional need exclude the cost avoidance of side effect drugs. Those

FY15 Supplemental Budget Request
Per Pill Cost

Generic Name	Trade Name	NDC	Strength	Form	Size	Cost per Unit	Cost per Pill
PEGINTERFERON ALFA 2A	PEGASYS	4035009	180MCG/ML	SDV	1 ML	\$782.25	\$782.25
PEGINTERFERON ALFA 2A	PEGASYS	4035730	180MCG/0.5ML	SYRN	4 EA	\$3,128.99	\$782.25
PEGINTERFERON ALFA 2A	PEGASYS	4036030	135MCG/0.5ML	SYRN	4 EA	\$3,128.99	\$782.25
PEGINTERFERON ALFA 2A	PEGASYS	4036530	180MCG/0.5ML	SYRN	4 EA	\$3,128.99	\$782.25
PEGINTERFERON ALFA 2A	PEGASYS					AVERAGE	\$782.25
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN	85127901	150MCG/0.5ML	KIT	1 EA	\$771.30	\$771.30
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN	85129701	120MCG/0.5ML	KIT	1 EA	\$734.55	\$734.55
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN	85129702	120MCG/0.5ML	KIT	4 EA	\$2,938.47	\$734.62
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN	85130401	120MCG/0.5ML	KIT	1 EA	\$734.55	\$734.55
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN	85131601	80MCG/0.5ML	KIT	1 EA	\$699.54	\$699.54
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN	85131602	80MCG/0.5ML	KIT	4 EA	\$2,798.38	\$699.60
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN	85132301	50MCG/0.5ML	KIT	1 EA	\$666.29	\$666.29
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN	85136801	50MCG/0.5ML	KIT	1 EA	\$666.29	\$666.29
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN	85137001	150MCG/0.5ML	KIT	1 EA	\$771.30	\$771.30
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN	85137002	150MCG/0.5ML	KIT	4 EA	\$3,085.29	\$771.32
PEGINTERFERON ALFA 2B	PEG-INTRON REDIPEN					AVERAGE	\$724.94
RIBAVIRIN	RIBAVIRIN	781204304	200MG	CAPS	84 EA	\$79.63	\$0.95
RIBAVIRIN	RIBAVIRIN	68084017965	200MG	CAPS	5X10EA	\$27.73	\$0.55
RIBAVIRIN	RIBAVIRIN	68382004603	200MG	CAPS	168 EA	\$136.77	\$0.81
RIBAVIRIN	RIBAVIRIN	68382026009	200MG	CAPS	70 EA	\$38.12	\$0.54
RIBAVIRIN	RIBAVIRIN	68382026012	200MG	CAPS	84 EA	\$68.39	\$0.81
RIBAVIRIN	RIBAVIRIN					AVERAGE	\$0.74
TELAPREVIR	INCIVEK	51167010003	375MG	TABS	168 EA	\$26,462.04	\$157.51
TELAPREVIR	INCIVEK					AVERAGE	\$157.51
BOCEPREVIR	VICTRELIS	85031402	200MG	CAPS	28X12EA	\$6,338.30	\$18.86
BOCEPREVIR	VICTRELIS					AVERAGE	\$18.86
EPOETIN ALFA	EPOGEN	55513012610	2000U/ML	SDV	10X1ML	\$271.59	\$0.01
EPOETIN ALFA	EPOGEN	55513014410	10000U/ML	SDV	10X1ML	\$1,357.90	\$0.01
EPOETIN ALFA	EPOGEN	55513014810	4000U/ML	SDV	10X1ML	\$543.16	\$0.01
EPOETIN ALFA	EPOGEN	55513026710	3000U/ML	SDV	10X1ML	\$407.37	\$0.01
EPOETIN ALFA	EPOGEN	55513028310	10000U/ML	MDV	10X2ML	\$2,715.79	\$0.01
EPOETIN ALFA	EPOGEN	55513047810	20000U/ML	MDV	10X1ML	\$2,715.79	\$0.01
EPOETIN ALFA	PROCRIT	59676030201	2000U/ML	SDV	6X1ML	\$237.11	\$0.02
EPOETIN ALFA	PROCRIT	59676030301	3000U/ML	SDV	6X1ML	\$355.66	\$0.02
EPOETIN ALFA	PROCRIT	59676030401	4000U/ML	SDV	6X1ML	\$474.21	\$0.02
EPOETIN ALFA	PROCRIT	59676031001	10000U/ML	SDV	6X1ML	\$1,185.52	\$0.02
EPOETIN ALFA	PROCRIT	59676031002	10000U/ML	SDV	25X1ML	\$4,939.65	\$0.02
EPOETIN ALFA	PROCRIT	59676031204	10000U/ML	MDV	4X2ML	\$1,580.69	\$0.02
EPOETIN ALFA	PROCRIT	59676032004	20000U/ML	MDV	4X1ML	\$1,580.69	\$0.02
EPOETIN ALFA	PROCRIT	59676034001	40000U/ML	SDPF	4X1ML	\$3,161.38	\$0.02
EPOETIN ALFA	EPOGEN/PROCRIT					AVERAGE	\$0.02
SOFOSBUVIR	SOVALDI	61958150101	400MG	TABS	28 EA	\$26,540.64	\$947.88
SOFOSBUVIR	SOVALDI					AVERAGE	\$947.88
SIMEPREVIR	OLYSIO	59676022528	150MG	CAPS	28 EA	\$20,967.11	\$748.83
SIMEPREVIR	OLYSIO					AVERAGE	\$748.83
LIDAPASVIR/SOFOSBUVIR	HARVONI	61958180101	90MG/400MG	TABS	28 EA	\$29,855.07	\$1,066.25
LIDAPASVIR/SOFOSBUVIR	HARVONI					AVERAGE	\$1,066.25

Agency: 310 Department of Corrections
Decision Package Code/Title: CH Prison Overtime Costs
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$4,052,101 and 66.3 Full Time Equivalent (FTEs) in Fiscal Year (FY) 2015 to fund prisons custody overtime costs. Overtime costs continue to exceed the base funded level of the legislatively approved custody staffing model and fiscal relief is needed so that we meet the demands of prison staffing now.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		4,052,101	4,052,101
Staffing	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY2 FTEs</u>
FTEs	0.0	66.3	66.3

Program 200-Institutional Services

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		4,052,101	4,052,101
Staffing	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY2 FTEs</u>
FTEs	0.0	66.3	66.3

Package Description:

DOC requests \$4,052,101 and 66.3 FTEs in FY2015 to fund prisons custody overtime that continues to exceed the base funded level of the legislatively approved custody staffing model.

The DOC Custody Staffing Model was developed over 25 years ago in response to concerns and questions about prisons staffing from the Legislature and Office of Financial Management (OFM) staff. The model defines the security staffing needs within DOC's 12 prisons

Key elements of the model include:

- * Facility and Housing Unit Security Level Designation;
- * Post and Supervision Requirements by Custody Level; and
- * Relief Factors.

It is important to note that no significant changes have been made to the model since it was created. The most recent update was published in 1998. Funding in enacted budgets has not changed except for the 2013-15 Improving Safety FTE resources; additional overtime (OT) has not been funded. Funding for prisons custody staff, including overtime, is determined by the model. Numerous changes have occurred in recent years, resulting in greater relief requirements than authorized by the model. Given current custody staffing requirements are not fully funded by the model, prisons significantly overspends custody salaries and benefits each FY.

Annual expenditures in excess of funding authorized by the model averaged over \$11 million during the period of FY2010 through

FY2014. This request is comprised of four (4) separate triggers/components, relating to the increased post and relief requirements. These components are calculated based on updated expenditure experience and requirements. The difference between the 2013-15 budget as determined by the current model and funded by enacted budgets amounts to a model to reality deficit of 210.9 FTEs and \$24,570,000 biennially. Recognizing the criticality of operational needs, a number of years ago, DOC redirected \$16,466,000 biennially to partially fund this adjustment. DOC requests the shortage in our base budget, estimated at 66.3 FTEs and \$4,052,000 annually, to fully fund the Custody Staffing Model.

Description of Decision Package Components/Triggers:

1. Training Relief

We request an increase to the training relief factor be incorporated in the model to fully fund mandatory training. The Custody Staffing Model assumes an average of eight (8) training days per year for each custody position requiring relief. Mandatory training for custody staff averages 11.9 days per year for each staff member. Mandatory training includes Correctional Worker Core (CWC) for new employees, annual in service training, and training for special teams including Emergency Response Teams, Inmate Recovery Teams and Crisis Negotiation Teams.

FY2015 Total Model Impact: 68.2 FTEs and \$4,120,000

2. Authorized Leave

We request to increase the relief factors for authorized leave to reflect actual usage. The Custody Staffing Model funds an average of 22 days of authorized leave for each position requiring relief. Actual usage averages 30 days per year. Authorized leave includes vacation time, compensatory time, personal holiday and military leave. Affecting DOC's ability to manage relief as currently funded is the high volume of unscheduled leave that can fall under vacation or compensatory leave categories. Additionally, DOC is unable to deny scheduled leave for any of the following reasons:

- * Collective Bargaining Agreement (CBA) days; o Family Care;
- * Family Medical Leave (FML);
- * Labor and Industries Time Loss; o Military Leave;
- * Personal Holiday; and o Sick Leave.

CBA changes, arbitration rulings, and the Family Medical Leave Act of 1993 have resulted in an increase of authorized leave usage that has not been funded. Although not included in the Model, but in further support of our request, the DOC must also provide relief for positions when the incumbent is on paid administrative and/or civil/jury leave.

FY2015 Total Model Impact: 102.8 FTEs and \$6,195,000

3. Intrastate Transport

We request an increase to overtime funding for Intrastate Transport staffing to reflect reality. The Washington Corrections Center (WCC) and the Washington State Penitentiary (WSP) house DOC's Intrastate Transport Teams. Each facility has a dedicated Correctional Lieutenant for Transport. Each team consists of one (1) Correctional Sergeant and two (2) Correctional Officers. WCC has three (3) teams; WSP has two (2) teams. The transport teams provide regularly scheduled offender transports to and from prisons, jails and work release facilities statewide; provide special transports as requested by the DOC Assistant Secretary of Prisons; and assist with processing offenders in and out of facilities. Overtime for intrastate transports and offender processing is incurred when regular bus runs exceed the scheduled shift times and when additional, special bus runs are necessary. The Custody Staffing Model does not include overtime specific to these transport functions.

FY2015 Total Impact above Model: 5.2 FTEs and \$259,000

4. Extra Posts

We request an increase to overtime funding for Extra Post staffing to reflect reality. Extra Posts are mandatory activities requiring staffing but are either not addressed in the Custody Staffing Model (such as disturbance, escape, and emergency posts) or the needs exceed funded staffing levels (offender transport and hospital watch hours exceed funded transport and watch positions). Every prison facility experiences Extra Post activity which results in overtime when there are no uncommitted employees on shift.

FY2015 Total Model Impact: 34.7 FTEs and \$1,711,000

2015 total impact of all four (4) components required to adjust the Custody Staffing Model and facility post audits equals 210.9 FTEs

and \$12,285,000; however, DOC has been able to partially fund this adjustment over time by shifting ongoing savings from other areas

within Program 200 Institutional Services. Once funding is provided, DOC will update the Custody Staffing Model rules and relief factors.

DOC requests 2015 funding of 66.3 FTEs and \$4,052,101. The need for this funding is ongoing.

Please contact Tana Southerland, at (360) 725 8784 at with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

With augmented relief staffing, the outcomes we expect are:

- * Cost reduction associated with paying staff at straight time rather than overtime; and
- * Reduction in mandatory overtime needs resulting in decreased employee stress and increased morale.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this request is essential to the agency's strategic plan objectives - Engaged/respected staff and safer operations - and is essential to the following specific strategies:

- * Manage prison capacity within established principles for safety, mission, and operational efficiency; and
- * Mitigate safety concerns in regard to offenders in maximum custody, offenders in a known security threat group, or offenders with an assessed special need; and
- * Improve organizational readiness by providing adequate training, resources, and facilities to support organizational change.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package provides essential support to the Governor's Results Washington priority of healthy and safe communities, the goal topic of safe people and the sub topic of worker safety:

- * If mandatory posts cannot be filled due to inadequate funding and relief factors, required staffing standards are not met and staff, offender and public safety are jeopardized.
- * Inadequate training of staff adversely affects workplace safety for corrections staff, volunteers and offenders. Public safety is also affected, particularly for the employees of outside agencies having contact with offenders.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

There is no ability to shift additional funds to cover this shortfall. DOC has implemented numerous prisons reductions over the last several biennia, including tower closures, implementation of a position vacancy rate, unit closures and repurposing, and a reduction in the number of Correctional Captains and recreation staff. No additional flexibility remains within DOC's budget to address this shortfall.

Additionally, DOC aggressively pursues strategies to reduce custody overtime usage by addressing the root causes of overtime. Areas of particular focus include:

- * employee turnover;
- * length of time taken to fill staff vacancies;
- * unscheduled leave;
- * implementation of 12 hour shifts;
- * adjustments to offender transport processes and schedules; and
- * reviews of mandatory and non mandatory post designations.

What are the consequences of not funding this package?

Not funding this package will result in ongoing custody overtime over expenditures, which may cause the agency as a whole to overspend General Fund State dollars.

If this package is not funded, DOC will attempt to offset overtime over expenditures by deferring or eliminating other critical expenditures, such as equipment replacement and repairs. This strategy could result in failure of critical equipment or systems.

What is the relationship, if any, to the state's capital budget?

If this package is not funded and DOC defers critical system maintenance to offset custody overtime expenditures, there is a real possibility of critical system failures, which could result in increased capital costs.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None required.

Expenditure and revenue calculations and assumptions

Please see attached, "ML-CH_Prisons _Overtime_Costs_Attachment_FY15Supplemental".

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
A Salaries And Wages	0	2,193,327	2,193,327
B Employee Benefits	0	1,858,774	1,858,774
Total Objects	0	4,052,101	4,052,101

**FY15 Supplemental_Prisons Overtime Costs
Summary of Components**

Fiscal Year 2015												
Components:	Program		Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Total
	Index	Activity										
1 Custody Training Relief Requirements	21001	A001	001-1	68.2	2,877,364	1,242,838						4,120,202
2 Custody Authorized Leave and Sick Leave Requirements	21001	A001	001-1	102.8	4,322,605	1,872,264						6,194,869
3 Intrastate Transportation Requirements	21003	A001	001-1	5.2	219,585	39,518						259,103
4 Extra Post Requirements	21001	A001	001-1	34.7	1,442,503	268,424						1,710,927
	21001	A001	001-1	(144.6)	(6,668,730)	(1,564,270)						(8,233,000)
Prisons Custody Overtime Adjustment to Experience Total				66.3	2,193,327	1,858,774	-	-	-	-	-	4,052,101
					2,193,327	1,858,774						4,052,101

Agency: 310 Department of Corrections
Decision Package Code/Title: CI TLA and Advance Scheduling
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$207,965 and 3.5 FTEs in the 2013-15 biennium to prepare DOC for use of the State enterprise system called Time, Leave and Attendance (TLA). The resources will afford DOC much needed business readiness for successful TLA implementation. Prisons and camps operate seven (7) days per week, 24 hours per day. Successful implementation across an agency of DOC's scale and complexity requires thoughtful advance planning and preparation.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		207,965	207,965
Staffing	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY2 FTEs</u>
FTEs	0.0	3.5	3.5

Program 100-Admin & Program Support

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		207,965	207,965
Staffing	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY2 FTEs</u>
FTEs	0.0	3.5	3.5

Package Description:

DOC requests \$207,965 in FY2015 for resources to position DOC for TLA and the Advanced Scheduling. The enterprise TLA currently operates as a pilot at two (2) cabinet agencies with leadership from the Department of Enterprise Services (DES). We anticipate DOC will be asked to use TLA application in the 2015-17 biennium.

DOC has over 8,000 employees and DOC operations present varied needs when it comes to employee schedules, time and leave management. Prisons and camps operate seven (7) days per week, 24 hours per day. Successful implementation across an agency of DOC's scale and complexity requires thoughtful advance planning and preparation.

TLA will bring an opportunity to provide a single system that will meet all of DOC's various needs. However, successful implementation within an agency of DOC's size and complexity will take significant planning and preparation. The DOC TLA Advanced Scheduling Project will ensure we identify all of the myriad requirements within DOC, establish timelines for implementation, prepare staff for the transition to TLA, identify information systems requirements, and numerous other issues that are necessary to ensure successful implementation.

The scope of change necessary to transition to TLA is estimated to take at least two (2) years to prepare DOC for implementation. The

ability to adequately prepare for transition and work with the vendor and DES to develop DOC requirements in the TLA system should result in more efficient time, leave, and roster management processes.

DOC does not have the resources in house to adequately staff a project of this scope and magnitude. If the TLA Advanced Scheduling Project is not funded, DOC would not be able to transition to TLA anytime in the near future, and there is a risk that not all DOC requirements will be identified and added to the TLA system. If that happens, DOC may be unable to implement or only partially able to implement the system. The State and DOC would not be able to benefit from any efficiencies that could potentially be realized from TLA being fully implemented within DOC.

DOC has been a member of the TLA project team and are active participants in the project and system. Notably, the advance scheduling feature is of greatest interest to DOC due to DOC roster management needs for an agency of an estimated 8,000 staff. We want to move to this solution as soon as possible as our current leave system is cumbersome.

Funding the TLA readiness package ensures DOC will have the bandwidth to identify the myriad of requirements and situations within DOC's workforce and have ample lead time to resolve any emergent technology, policy or labor standard well before we go live and adopt the State's new enterprise system and technology application.

The scope of work before us will readily fill the next two (2) years.

DOC will contract with a vendor to perform project management and business analysis services for TLA readiness. The vendor will be primarily responsible for working with staff throughout the numerous programs within DOC to identify time reporting, leave reporting, and scheduling requirements for DOC and working with DOC management and the TLA vendor to get those requirements included in the system. The vendor will also be responsible for recommending an implementation schedule for DOC and providing change management planning to ensure a smooth transition for staff. Funding will also provide for 3.5 FTE positions that will be dedicated to the TLA Advanced Scheduling Project and work on transition issues, to include systems transition from DOC systems to TLA and other readiness issues.

DOC will temporarily fill as project positions four (4) positions so that we can release our subject matter experts from Human Resources (HR), Information Technology (IT) and Budget to engage the TLA vendor through, and with DES' own quality assurance, business analysts and project manager.

* Human Resource Consultant 1 - This is the data entry lead who will be responsible and handle both the chief restructure for TLA and daily Employee Self Services (ESS). This is not to extract work from others but the daily ESS changes have a profound effect on the overall TLA structure. There will be 4,000 updates to organizational structure, the creation of hundreds of supervisor codes to ready our back office operations for this deployment.

* Human Resource Consultant 4 - This is the person that will write up the Business Requirement Documents, thoroughly analyze the union contracts and constraints, assess and help resolve the HR and Payroll issues and difficulties, create and implement the statewide training plan. Really important readiness position.

* Information Technology Specialist 5 - This is the person who will have the experience inside the agency to support and assist with roster transition. This position will work closely with the Prison Staffing Manager and Prison leadership in deployment of roster, with TLA use, and write up specifications for DES and TLA vendor, incorporating Collective Bargaining Agreements as they pertain to the scheduling function. They will lead system testing, and troubleshoot the general roster function. From what we know today, it is likely that we will 'feed' TLA rather than Human Resource Management System (HRMS) as we onboard TLA.

* WMS Band 1 (0.5 FTE) - This is DOC's Prison Staffing Manager who will need to be backfilled on a half time basis to support the TLA readiness efforts given their subject matter expertise with prison rosters. This position focus will be on Advanced Scheduling and roster management.

Please contact Karen Barrett, at (360) 725-8510 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No performance measures submitted for this readiness package. We will identify anticipated cost efficiencies as we prepare for TLA integration over the ensuing 18 months.

Performance Measure Detail

Activity A002 Corrections - Core Administration

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This request is consistent with a strategic goal: Innovative, efficient, and sustainable business practices. We have committed DOC to enhance data and performance systems that support operational decisions and facilitate long term planning.

TLA offers DOC the opportunity to consolidate systems of record and participate readily in statewide impact analyses together with our social service partners and, criminal justice system.

Does this decision package provide essential support to one of the Governor's priorities?

To a degree, this package aligns most closely with Goal 5: Efficient, effective and accountable government. DOC anticipates a streamlined system of record in TLA as we continue to schedule shifts, manage earned time, paid leave and attendance across the State at numerous DOC prisons, campus and field offices. There is not a leading indicator called out in a Goal Map to associate but DOC knows and affirms the enterprise that is, State of Washington, wins when its government can build upon and share technology assets.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

This business transformation requires effective communication and advance training for impacted employees and administrative service units such as payroll, IT help desk, human resource, shop stewards among others. Readiness planning is critical to the success of TLA beyond the pilot study concluding at two cabinet agencies.

What alternatives were explored by the agency, and why was this alternative chosen?

It is essential that we receive readiness support despite the pressures on the General Fund. DOC does not have the resources, in-house, to adequately staff an initiative of this scope and magnitude without supplement to our base budget.

What are the consequences of not funding this package?

If our readiness package cannot be funded, DOC would not be able to transition to TLA anytime in the near future. Moreover, there's a risk that DOC requirements will be mistaken if we don't lend our personnel to consult on the TLA final design before this application gets configured and rolled out as an enterprise solution. The DES Chief Information Officer has indicated it could take two (2) years for a complex agency to prepare for launching the application.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This is a readiness funding request whose purpose is to help identify existing statutes, rules, or contracts that could require change before the enterprise deploys and makes full use of the TLA system application.

Expenditure and revenue calculations and assumptions

This request includes funds to hire a consultant on an hourly basis to advise or assist permanent staff DOC releases for TLA readiness work. We are assuming no more than 250 billable hours external consulting for TLA readiness.

Project hires are assumed to be on-board by the start of January, 2015.

Please see attached, "ML-CI_TLA and Advanced Scheduling_Attachment_1xlsx."

These costs are estimates based on the best information currently available.

Contractor: \$50K/6 months

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs for TLA readiness are assumed to be one-time. Additional funding may be necessary in the 2017-19 biennium, and will only be known later in the 2015-17 biennium as we work on this project.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
A Salaries And Wages	0	100,197	100,197
B Employee Benefits	0	31,764	31,764
C Professional Svc Contracts	0	50,000	50,000
E Goods\Other Services	0	24,152	24,152
G Travel	0	1,852	1,852
Total Objects	0	207,965	207,965

ML-CI TLA and Advanced Scheduling

Summary of all components

Fiscal Year 2014													
Components	Org Index	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 P100	1013	15018	A002 Admn	001-1	-	-	-	-	-	-	-	-	-
1 P100	1014	15001	A002 Admn	001-1	-	-	-	-	-	-	-	-	-
1 P100	1018	15082	A002 Admn	001-1	-	-	-	-	-	-	-	-	-
Decision Package Total:					-	-	-	-	-	-	-	-	-
Program 100 Total				001-1	-	-	-	-	-	-	-	-	-
													True

Fiscal Year 2015													
Components	Org Index	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 P100	1013	15018	A002 Admn	001-1	0.50	15,945	4,813	25,000	192	86	-	-	46,035
1 P100	1014	15001	A002 Admn	001-1	2.00	49,374	16,822	-	2,946	1,578	-	-	70,720
1 P100	1018	15082	A002 Admn	001-1	1.00	34,878	10,129	25,000	21,015	188	-	-	91,210
Decision Package Total:					3.50	100,197	31,764	50,000	24,152	1,852	-	-	207,965
Program 100 Total				001-1	3.50	100,197	31,764	50,000	24,152	1,852	-	-	207,965
													True

Biennial Totals													
Components	Org Index	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
1 P100	1013	15018	A002 Admn	001-1	0.25	15,945	4,813	25,000	192	86	-	-	46,035
1 P100	1014	15001	A002 Admn	001-1	1.00	49,374	16,822	-	2,946	1,578	-	-	70,720
1 P100	1018	15082	A002 Admn	001-1	0.50	34,878	10,129	25,000	21,015	188	-	-	91,210
Decision Package Total:					1.75	100,197	31,764	50,000	24,152	1,852	-	-	207,965
Program 100 Total				001-1	1.75	100,197	31,764	50,000	24,152	1,852	-	-	207,965

PLACEHOLDER

Agency: 310 Department of Corrections
Decision Package Code/Title: CJ LNI Rate Adjustments
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests funding for Department of Labor and Industries (LNI) workers compensation rate changes that may occur in Fiscal Year (FY) 2015.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
001-1 -General Fund - Basic Account-State	0	0	0

Staffing

FTEs

Package Description:

DOC pays into the State's industrial insurance program operated by LNI. Rates are set by LNI. As with all agencies, DOC rates are impacted based on recent claims history and changes in the frequency and cost of claims. DOC must pay the necessary rates to ensure appropriate industrial insurance coverage.

Once the 2015, 2016 and 2017 rates are announced, DOC will submit an update to this proposal.

What is workers' compensation (industrial insurance)?

Workers' compensation provides no-fault industrial insurance coverage for most employers and workers in Washington State. Benefits include medical treatment for workers who are injured in the course of their employment or develop an occupational disease as a result of their work activities.

Please contact Melinda Gourley, at (360) 725- 8274 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

No measures were submitted for this package.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

Activity A002 Corrections - Core Administration

Incremental Changes

No measures submitted for package

Activity A003 Indeterminate Sentencing Review

Incremental Changes

No measures submitted for package

Activity A004 Health Care Services for Adults in State Prisons

Incremental Changes

No measures submitted for package

Activity A007 Supervise Adult Offenders in the Community

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this request is essential to Innovative, Efficient and Sustainable Business Practices as identified in the agency's strategic plan.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, and is critical to realize the Results Washington's Goal 4: Healthy and Safe Communities - Safe People by ensuring offenders comply with their conditions of supervision or case plan.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

DOC is impacted based on work performed necessary to meet our mission, and we operate 24:7 facilities that are impacted by overtime costs which impact rates.

What alternatives were explored by the agency, and why was this alternative chosen?

DOC is billed by L&I based on job class codes. We do not have any alternative but to pay.

What are the consequences of not funding this package?

DOC will overspend general fund state dollars.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

The LNI rates are annual rates that necessitate adjustment to our funding. Our requests are based on LNI billings.

Object Detail

Total

Total Objects

Agency: 310 Department of Corrections
Decision Package Code/Title: CK McNeil Island Funding Shortfall
Budget Period: 2013-15
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Department of Corrections (DOC) requests \$225,000 in Fiscal Year (FY) 2015 to fund unanticipated, non-budgeted costs that arise as DOC provides stewardship of McNeil Island for the State of Washington.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		225,000	225,000

Staffing

FTEs

Program 400-CI - Appropriated

Operating Expenditures	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
	0		
001-1 -General Fund - Basic Account-State		225,000	225,000

Package Description:

DOC requests \$225,000 in FY2015 to adequately fund the island non-budgeted maintenance costs. The additional funding will help ensure effective and efficient stewardship of McNeil Island and is based on actual non-budgeted costs paid for in FY2014.

In the 2013 legislative session, DOC Correctional Industries (CI) was charged with taking on the stewardship of McNeil Island to support the operations of the Department of Social & Health Services (DSHS) Special Commitment Center (SCC). DOC assumed the role of island steward in September 2013, and since that time has been responsible for maintaining all systems and operations outside the fence of the SCC on McNeil Island, with the exception of the fire department, island security and bus transportation from the ferry docks to the SCC, which are carried out by DSHS. DSHS also is responsible for lease payments for the Steilacoom and Pierce County docks.

An Interagency Agreement (IAA) between DOC and DSHS provides detail on how the two (2) agencies work together for McNeil Island.

DOC activities on McNeil Island include marine transportation, maintenance of the marine vessel fleet, boatyards and docks, operating the water treatment, storage and distribution systems on the island, operating the waste water treatment systems, maintaining all high voltage electrical systems, maintaining the road networks on the island and all general grounds maintenance work that must be done. All of these activities are carried out by DOC offender work crews under the supervision of CI staff.

During 10 months of operations in FY2014, DOC responded to numerous non-budgeted incidents and had \$225,000 of unanticipated expenditures related to the stewardship of McNeil Island (see attachment 2). These costs included, but are not limited to: major marine

vessel repairs, high voltage electrical system repairs, replacing rotten and failing power poles, and the replacement of failed equipment at the water distribution and waste water treatment plants.

DOC is therefore seeking an additional \$225,000 in FY2015 to cover the costs that exceed our funded level.

Please contact Eric Johnson, at (360) 725-8268 with questions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DOC will have sufficient funds to perform all statutorily required activities related to the stewardship of McNeil Island including transportation, marine, grounds maintenance, water distribution and waste water treatment.

Performance Measure Detail

Activity A001 Confine Convicted Adults in State Prisons

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes, this request is essential to the agency's strategic plan objectives for innovative, efficient and sustainable business practices and positively changed offenders, and is essential to the following specific strategies:

- * Be good stewards of state resources and the environment; and
- * Prepare offenders for community employment by offering education or employment with Correctional Industries.

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this request provides essential support to the Governor's Results Washington priority goal topic of sustainable, efficient infrastructure, and the outcome measure of maintaining infrastructure assets at 2012 baseline levels.

Additionally it meets the priority goal topic of safe people and the sub topic of increasing the percentage of adult offenders who are employed post-release from 30% to 40% by 2017. Funding this decision package will provide adequate resources for DOC to maintain the McNeil Island infrastructure necessary to support the SCC, and also provides opportunities for adult offenders to develop job skills that will help them become employed when released from prison back into the community.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

This proposal is a request for funding to meet applicable regulatory requirements governed by other state agencies, local municipalities and the federal government.

What alternatives were explored by the agency, and why was this alternative chosen?

This is the only solution. DOC was given the responsibility of stewarding McNeil Island and needs adequate resources to be in compliance with state and federal regulations, and to effectively maintain the island infrastructure so that the DSHS SCC can operate efficiently.

What are the consequences of not funding this package?

Adopting this package ensures that the agency will have adequate funds to maintain the McNeil Island infrastructure that supports the DSHS SCC operations. DOC does not have funding for and cannot absorb the costs identified in this package. Lack of funding would have a negative impact on DSHS operations.

What is the relationship, if any, to the state's capital budget?

DOC and DSHS have worked together to identify the capital preservation needs related to the maintenance of McNeil Island. DSHS is responsible for submitting all capital projects as the only operational facilities on the island belong to DSHS.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Please see attached: "ML-BE_McNeil_Island_Funding_Shortfall_Attachment_1.xlsx"

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Monthly rental fees for the water filtration system estimated at \$5,000 per month are ongoing until a permanent capital budget solution is in place.

All other costs are considered on-going given the age of the equipment and the deteriorating infrastructure.

<u>Object Detail</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
E Goods\Other Services	0	225,000	225,000
Total Objects	0	225,000	225,000

Summary of all components

Fiscal Year 2016												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Stewardship Marine	47024	A001 Confine	001-1					145,000				145,000
Stewardship Grounds & Maintenance	47025	A001 Confine	001-1					62,000				62,000
Stewardship Waste Water Treatment	47026	A001 Confine	001-1					18,000				18,000
Stewardship Water Distribution	47027	A001 Confine	001-1					-				-
McNeil Island Funding Shortfall Decision Package Total								225,000				225,000
Program 100 Total												
Program 200 Total												
Program 300 Total												
Program 400 Total								225,000				225,000

Fiscal Year 2017												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Stewardship Marine	47024	A001 Confine	001-1					145,000				145,000
Stewardship Grounds & Maintenance	47025	A001 Confine	001-1					62,000				62,000
Stewardship Waste Water Treatment	47026	A001 Confine	001-1					18,000				18,000
Stewardship Water Distribution	47027	A001 Confine	001-1					-				-
	0	0	001-1									-
	0	0	001-1									-
	0	0	001-1									-
	0	0	001-1									-
	0	0	001-1									-
Decision Package Total								225,000				225,000
Program 100 Total												
Program 200 Total												225,000
Program 300 Total												-
Program 400 Total								225,000				225,000

Biennial Totals												
Components	Program Index	Activity	Fund	FTE	Obj A	Obj B	Obj C	Obj E	Obj G	Obj J	Obj N	Obj Total
Stewardship Marine	47024	A001 Confine	001-1	-	-	-	-	290,000	-	-	-	290,000
Stewardship Grounds & Maintenance	47025	A001 Confine	001-1	-	-	-	-	124,000	-	-	-	124,000
Stewardship Waste Water Treatment	47026	A001 Confine	001-1	-	-	-	-	36,000	-	-	-	36,000
Stewardship Water Distribution	47027	A001 Confine	001-1	-	-	-	-	-	-	-	-	-
	0	0	001-2	-	-	-	-	-	-	-	-	-
	0	0	001-1	-	-	-	-	-	-	-	-	-
	0	0	001-1	-	-	-	-	-	-	-	-	-
	0	0	001-1	-	-	-	-	-	-	-	-	-
	0	0	001-1	-	-	-	-	-	-	-	-	-
Decision Package Total								450,000				450,000
Program 100 Total												
Program 200 Total												-
Program 300 Total												-
Program 400 Total								450,000				450,000

McNeil Island Funding Shortfall - Attachment 2
Fiscal Year 2014 Non-budgeted Spending

Stewardship Non - Budgeted Costs

FY2014 Actual Expenses

Expense	Encumbrance	Fund	Appn Index	Pro Index	Sub Obj	Sub Sub Obj	Org Index	Date	Description of Goods/Services
3,639.19	-	001	473	47024	EE	2425	4700	4/14/2014	Side panel replacement (Neil Henly)
1,737.00	-	001	473	47024	EE	2425	4700	5/1/2014	20' by 8' steel plate for Neil Henly
22,459.82	-	001	473	47024	EE	2425	4700	5/12/2014	Propellers for Neil Henly
4,648.41	-	001	473	47024	EE	2425	4700	2/28/2014	Main Dock Fuel Pump Starter
1,375.50	-	001	473	47024	EE	2425	4700	3/20/2014	Testing on Henly Hull
71,161.05	-	001	473	47024	ES	2825	4700	4/18/2014	Henly Hull Repair work
27,842.30	-	001	473	47024	JC	4035	4700	6/13/2014	Marine Forklift
	12,455.19	001	473	47024	JC	4035	4700		Wastewater evaporator
4,018.50	-	001	473	47025	EE	2430	4700	11/25/2013	Power Poles repairs/electrical items
8,355.10	-	001	473	47025	EE	2430	4700	11/14/2013	Replace three Power Poles
6,513.81	-	001	473	47025	EE	2430	4700	2/25/2014	Emergency Power Line repairs
3,631.91	-	001	473	47025	EE	2430	4700	4/4/2014	High Voltage repair project
10,010.34	-	001	473	47025	EE	2425	4700	2/24/2014	Bucket Truck code repair (highline)
1,453.09	-	001	473	47025	EE	2425	4700	3/24/2014	Electrical Code work
855.51	-	001	473	47025	EE	2425	4700	4/8/2014	Generator receptacle
4,434.04	-	001	473	47025	EE	2425	4700	4/8/2014	Repairs to Primary System
73.50	-	001	473	47025	JZ	5892	4700	5/14/2014	Advertisement
22,501.07	-	001	473	47025	EE	2430	4700	6/30/2014	Emergency Power Line repairs
5,140.71	-	001	473	47026	EA	2029	4700	12/13/2013	Replace broken Sampler (Waste Water)
3,729.28	-	001	473	47026	EE	2425	4700	2/18/2014	Replace the drives on both Ras pumps
8,596.96	-	001	473	47026	EE	2425	4700		Effluent flow transmitter replacement
212,177.09	12,455.19								

47024	145,318.46
47025	61,846.87
47026	17,466.95
	<u>224,632.28</u>

ELECTRONIC SUBMITTAL CONFIRMATION FORM

Agency Number: 310

Agency Name: Department of Corrections

Agencies are required to provide electronic access to each decision package in their budget request as part of the submittal process. Confirm Option 1 or 2 below:

Option 1(Prefered):

- This agency posts all decision packages for our 2015 supplemental budget request to our public facing website at the following URL:

URL: http://

Option 2:

- This agency does not post decision packages and has forwarded copies via e-mail to OFM.Budget@ofm.wa.gov.

These decision packages conform to ADA accessibility compliance policy.

Agency

Contact: Sarian Scott

Contact Phone: 360-725-8270

Contact E-mail: sescott@doc1.wa.gov

Date: October 24, 2014