

ARKANSAS DEPARTMENT OF CORRECTION
FY04-05 Biennial Consequences of Level Budget Funding

	FY04	FY05
<i>Mandatory Increases July 1, 2004:</i>		
1. Reduce existing budget to finance "mandatory medical & mental health care"	4,460,479	5,990,150
2. Reduce existing budget to accommodate mandatory employee insurance inc.	1,395,900	1,395,900
3. Reduce existing budget to accommodate cost of purchasing food for inmates	1,000,000	1,000,000
4. Reduce existing budget to accommodate replacement of aging and non-functioning institutional equipment	1,000,000	1,000,000

<i>Reductions Required to Fund Mandatory Increases July 1, 2004</i>	7,856,379	9,386,050
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Reduction Options:

➤ Eliminate payments for 309 Contracts	(1,533,000)	(1,533,000)
➤ Eliminate Aid to School Line Item	(70,448)	(70,448)
➤ Eliminate the 13 Regional Maintenance Program Operations	(1,500,000)	(1,500,000)
➤ Eliminate programs not required by statute to include: (RSVP) – 120-bed unit at Tucker; 2) Non-Grant funded SATP Program; 3) Pre-Release Programs at Tucker and Wrightsville Units.	(1,229,207)	(1,229,207)
➤ Eliminate agency funded Religions Program	(478,020)	(478,020)
➤ Close an institution(s) for balance required to meet obligations	(3,045,704)	(4,575,375)

<i>Total Reduction Options:</i>	(7,856,379)	(9,386,050)
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Other Consequences:

1. Will not be able to open 872 new beds (672 "ready" today).
2. Will continue to bank straight time & overtime to extent allowed by Federal Fair Labor Standards. Increases costs to state as a result of momentum.
3. Will forego Cost of Living Adjustment for all ADC employees.
4. State will not meet obligation to provide for incarceration of persons sentenced to prison by the criminal courts. State inmates will continue to back up in county jail facilities and costs for jail reimbursements will continue to escalate.