

Department Appropriation Summary

Historical Data

Agency Request and Executive/Legislative Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Legislative	Pos	Agency	Pos	Executive	Pos	Legislative	Pos
1MJ County Jail Reimbursement	9,993,115	0	8,253,067	0	14,846,171	0	7,453,607	0	7,453,607	0	7,453,607	0	7,453,607	0	7,453,607	0	7,453,607	0
2ZV Work Release Cash	2,147,301	0	5,289,415	0	7,317,424	0	7,257,662	0	7,257,662	0	7,257,662	0	6,896,771	0	6,896,771	0	6,896,771	0
33K ADC Sex Offender Assessment	17,455	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0
4HS Fire Station Treasury Cash	13,574	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
509 Inmate Care & Custody	325,346,506	4,315	316,029,593	4,288	338,885,063	4,615	347,822,471	4,494	336,892,152	4,336	336,892,152	4,336	348,573,728	4,494	335,940,415	4,336	335,940,415	4,336
511 Prison Industry	7,115,428	51	10,541,735	54	10,656,818	54	11,447,811	61	11,491,030	61	11,491,030	61	11,237,823	61	11,281,041	61	11,281,041	61
512 Farm Operations	13,486,108	58	15,080,637	59	15,195,560	59	21,564,324	64	21,620,430	64	21,620,430	64	20,707,263	64	20,763,366	64	20,763,366	64
859 Inmate Welfare Treasury Cash	9,030,299	0	11,662,287	28	14,106,030	28	12,669,880	28	12,687,251	28	12,687,251	28	12,671,127	28	12,688,500	28	12,688,500	28
865 Non-Tax Revenue Receipts	2,443,287	0	4,000,000	0	6,217,470	0	6,440,000	0	6,440,000	0	6,440,000	0	6,440,000	0	6,440,000	0	6,440,000	0
NOT REQUESTED FOR THE BIENNIUM																		
847 Federal Programs	0	0	0	0	511,875	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	369,593,073	4,424	370,931,734	4,429	407,811,411	4,756	414,730,755	4,647	403,917,132	4,489	403,917,132	4,489	414,055,319	4,647	401,538,700	4,489	401,538,700	4,489

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	11,380,262	3.0	11,877,073	3.1			12,962,969	3.1	12,962,969	3.2	12,962,969	3.2	17,739,593	4.1	17,622,897	4.3	17,622,897	4.3
General Revenue	4000010	307,580,542	80.6	307,095,067	80.0			342,684,192	80.8	321,139,336	79.8	321,139,336	79.8	343,435,449	80.1	321,307,654	79.0	321,307,654	79.0
Federal Revenue	4000020	500,000	0.1	500,000	0.1			500,000	0.1	500,000	0.1	500,000	0.1	500,000	0.1	500,000	0.1	500,000	0.1
Special Revenue	4000030	15,338,372	4.0	20,133,268	5.2			33,037,135	7.8	33,037,135	8.2	33,037,135	8.2	31,970,086	7.5	31,970,086	7.9	31,970,086	7.9
Cash Fund	4000045	17,191,176	4.5	25,670,956	6.7			30,086,796	7.1	30,086,796	7.5	30,086,796	7.5	29,727,152	6.9	29,727,152	7.3	29,727,152	7.3
Merit Adjustment Fund	4000055	13,295,012	3.5	6,492,493	1.7			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Budget Stabilization Trust	4000130	4,600,000	1.2	4,600,000	1.2			4,600,000	1.1	4,600,000	1.1	4,600,000	1.1	4,600,000	1.1	4,600,000	1.1	4,600,000	1.1
General Improvement Fund	4000265	10,797,100	2.8	6,525,846	1.7			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	787,682	0.2	1,000,000	0.3			176,624	0.0	176,624	0.0	176,624	0.0	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2
Total Funds		381,470,146	100.0	383,894,703	100.0			424,047,716	100.0	402,502,860	100.0	402,502,860	100.0	428,972,280	100.0	406,727,789	100.0	406,727,789	100.0
Excess Appropriation/(Funding)		(11,877,073)		(12,962,969)				(9,316,961)		1,414,272		1,414,272		(14,916,961)		(5,189,089)		(5,189,089)	
Grand Total		369,593,073		370,931,734				414,730,755		403,917,132		403,917,132		414,055,319		401,538,700		401,538,700	

Variance in fund balance due to unfunded appropriation in appropriation (509) - Inmate Care & Custody.

Analysis of Budget Request

Appropriation: 1MJ - County Jail Reimbursement

Funding Sources: MCJ - County Jail Reimbursement Fund

In the event the Arkansas Department of Correction cannot accept inmates from county jails due to insufficient bed space, the Agency reimburses the counties from the County Jail Reimbursement Fund at rates determined by the Chief Fiscal Officer of the State, after consultation with the Division of Legislative Audit and the Department of Correction and upon with approval of the Governor, until the appropriation and funding provided for that purpose are exhausted as stipulated in A.C.A. §12-27-114. ADC serves as disbursing officer for this separate Revenue Stabilization fund and currently pays county jails \$28 per day for housing inmates sentenced to ADC.

The Agency Request is for Base Level of \$7,453,607 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 1MJ - County Jail Reimbursement
Funding Sources: MCJ - County Jail Reimbursement Fund

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Refunds/Reimbursements	5110014	9,993,115	8,253,067	14,846,171	7,453,607	7,453,607	7,453,607	7,453,607	7,453,607	7,453,607
Total		9,993,115	8,253,067	14,846,171	7,453,607	7,453,607	7,453,607	7,453,607	7,453,607	7,453,607
Funding Sources										
General Revenue	4000010	9,993,115	8,253,067		7,453,607	7,453,607	7,453,607	7,453,607	7,453,607	7,453,607
Total Funding		9,993,115	8,253,067		7,453,607	7,453,607	7,453,607	7,453,607	7,453,607	7,453,607
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		9,993,115	8,253,067		7,453,607	7,453,607	7,453,607	7,453,607	7,453,607	7,453,607

Analysis of Budget Request

Appropriation: 2ZV - Work Release Cash

Funding Sources: NDC - Cash in Treasury

The Work Release Program allows inmates to hold paid jobs in the community while being housed at a correctional facility. Work Release participants reimburse the Department of Correction \$17 per day to offset the cost for maintenance and operation of the centers. There are currently six Work Release Center located at Luxora, Springdale, Benton, Texarkana, Wrightsville and Pine Bluff. This is a cash funded appropriation that is supported by each inmate who participates in the Work Release Program.

Base Level appropriation totals \$4,539,415 each year of the biennium.

The Agency's Change Level Request totals \$2,718,247 in FY14 and \$2,357,356 in FY15 and consists of the following:

- Operating Expenses increases of \$1,437,567 in FY14 and \$1,336,676 in FY15 for utilities, purchases of supplies and building maintenance.
- Conference and Travel increases of \$20,680 in both years of the biennium for training for employees/staff that operate the work release centers.
- Capital Outlay increases of \$1,260,000 in FY14 and \$1,000,000 for the purchase of new and replacement vehicles for work release transportation.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 2ZV - Work Release Cash

Funding Sources: NDC - Cash in Treasury

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	1,532,016	3,455,265	4,180,274	4,892,832	4,892,832	4,892,832	4,791,941	4,791,941	4,791,941
Conference & Travel Expenses	5050009	3,461	84,150	84,150	104,830	104,830	104,830	104,830	104,830	104,830
Professional Fees	5060010	0	500,000	1,000,000	500,000	500,000	500,000	500,000	500,000	500,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	611,824	750,000	1,553,000	1,260,000	1,260,000	1,260,000	1,000,000	1,000,000	1,000,000
Debt Service	5120019	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total		2,147,301	5,289,415	7,317,424	7,257,662	7,257,662	7,257,662	6,896,771	6,896,771	6,896,771

Funding Sources										
Fund Balance	4000005	4,127,305	5,043,755		5,043,755	5,043,755	5,043,755	5,043,755	5,043,755	5,043,755
Cash Fund	4000045	3,063,751	5,289,415		7,257,662	7,257,662	7,257,662	6,896,771	6,896,771	6,896,771
Total Funding		7,191,056	10,333,170		12,301,417	12,301,417	12,301,417	11,940,526	11,940,526	11,940,526
Excess Appropriation/(Funding)		(5,043,755)	(5,043,755)		(5,043,755)	(5,043,755)	(5,043,755)	(5,043,755)	(5,043,755)	(5,043,755)
Grand Total		2,147,301	5,289,415		7,257,662	7,257,662	7,257,662	6,896,771	6,896,771	6,896,771

Analysis of Budget Request

Appropriation: 33K - ADC Sex Offender Assessment

Funding Sources: SSC - ADC Sex Offender Assessment Fund

This appropriation request is for UAMS Juvenile Assessment. Funds for this appropriation are derived from collections by Arkansas Crime Information Center (ACIC) by collecting a \$250.00 fee from each individual who is required by law to register as a Level III or Level IV Sex Offender as required by provisions of ACA §12-12-910 and 12-12-911 et seq. The fees are split between ACIC and the Department of Correction.

The Agency Request is for Base Level of \$25,000 each year of the biennium. *The Agency requests that the Appropriation title be changed from "Juvenile Sex Offender Assessment" to "ADC Sex Offender Assessment".

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 33K - ADC Sex Offender Assessment

Funding Sources: SSC - ADC Sex Offender Assessment Fund

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	1,065	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	16,390	0	0	0	0	0	0	0	0
Total		17,455	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000

Funding Sources										
Fund Balance	4000005	19,097	16,876		16,876	16,876	16,876	16,876	16,876	16,876
Special Revenue	4000030	15,234	25,000		25,000	25,000	25,000	25,000	25,000	25,000
Total Funding		34,331	41,876		41,876	41,876	41,876	41,876	41,876	41,876
Excess Appropriation/(Funding)		(16,876)	(16,876)		(16,876)	(16,876)	(16,876)	(16,876)	(16,876)	(16,876)
Grand Total		17,455	25,000		25,000	25,000	25,000	25,000	25,000	25,000

Agency requests to change title of appropriation from "Juvenile Sex Offender Assessment" to "ADC Sex Offender Assessment".

Analysis of Budget Request

Appropriation: 4HS - Fire Station Treasury Cash

Funding Sources: NDC - Cash in Treasury

This appropriation provides for the construction of a new Fire Station at the Cummins Unit. Cash funds are collected through the Fire Protection Revolving Fund as authorized by Act 833 of 1991. The construction of the new Fire Station will be completed by Department of Correction's in-house construction division utilizing inmate labor to lower the cost.

The Agency Request is for Base Level of \$50,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 4HS - Fire Station Treasury Cash

Funding Sources: NDC - Cash in Treasury

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Construction	5090005	13,574	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total		13,574	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

Funding Sources										
Fund Balance	4000005	8,694	9,037		9,037	9,037	9,037	9,037	9,037	9,037
Cash Fund	4000045	13,917	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding		22,611	59,037		59,037	59,037	59,037	59,037	59,037	59,037
Excess Appropriation/(Funding)		(9,037)	(9,037)		(9,037)	(9,037)	(9,037)	(9,037)	(9,037)	(9,037)
Grand Total		13,574	50,000		50,000	50,000	50,000	50,000	50,000	50,000

Analysis of Budget Request

Appropriation: 509 - Inmate Care & Custody

Funding Sources: HCA - Department of Correction Inmate Care and Custody Fund

The Arkansas Department of Correction (ADC) is responsible for administration of an efficient and humane system of correction for individuals committed to the Department by the courts. In addition to providing for basic physiological and psychological needs of inmates, the Agency operates extensive farming, industry, work release programs, inmate welfare activities, pen stores, and maintenance and construction activities. Cash and special revenues produced by these and other auxiliary activities allow the Department wide discretion in planning and operating new and expanded inmate care and custody programs as well as construction projects.

The Board of Corrections is comprised of seven voting members: five citizen members, the chairperson of the Post Prison Transfer Board and one member of a criminal justice faculty. Each member is appointed by the Governor and serves a seven-year term.

The Agency has five divisions. The divisions and responsibilities are:

Administrative Services provides support to all operational units of the ADC while ensuring Agency compliance with state and federal accounting, budgetary and personnel procedures;

Institutional Services oversees the various Institutions, Work Release Programs, Regional Jails, Transportation Services, Accreditation, Classification and Emergency Preparedness;

Operations directs the Agriculture and Industry Programs, the 309 County Jail Contracts Program (A.C.A. §12-30-401) and also coordinates inmate grievances;

Health and Correctional Programs is responsible for Medical and Mental Health Services, Religious Services, Substance Abuse Treatment Program (SATP) and Reduction of Sexual Victimization Program (RSVP). The Health and Correctional Programs Division also coordinates educational programs provided through the Department of Correction School District, which is accredited and supervised by the Arkansas Department of Education. During the 1999 Legislative Session, responsibility for assessment of sex offenders in prison and living in communities in Arkansas was assigned to ADC. A unit supervised by the Deputy Director of Health and Correctional Programs conducts the assessments as prescribed by the Sex Offender Assessment Committee whose members are appointed by the Governor and prescribed by law;

Construction and Maintenance is responsible for ongoing and preventative maintenance programs at the various units and design and construction projects for the department. Construction of facilities is often completed with inmate labor, which costs substantially less than free-world labor.

Funding for Inmate Care and Custody (ICC) is primarily from general revenue. The opening of the Jefferson and Delta Regional Jail Units in FY92 provided a new fund source for the Department. Legislation specifies that fees collected from contracting with counties for an agreed upon number of beds is to be deposited in the "Regional Facilities Operation Account" and used for payment of debt service on, or operation of, regional facilities. The operation of these facilities is funded within Inmate Care and Custody appropriation with a portion of the cost defrayed by a transfer of the cash funds to the Inmate Care and Custody Fund. The use of cash and special revenue income for Inmate Care & Custody Fund Operations allows the Agency to prepare fiscal year budgets to help meet the contingencies of population growth.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Change Level request totals \$30,227,928 with General Revenue funding of \$25,223,051 in FY14 and \$30,810,867 with General Revenue funding of \$25,805,990 in FY15. The following is a summary of the major components of the Agency Request.

Unfunded Salary Requirements

The agency has made it a priority to fill vacant positions to avoid overtime and to have more secure institutions. However, due to having less turnover the agency is unable to use salary savings to help offset costs for Holiday Time and Straight Time. Therefore, the agency requests Regular Salaries and Personal Services Matching of \$9,366,242 each year of the biennium for Straight Time and Holiday Time payouts.

Medical Contract Increases

In anticipation of a projected cost increase of 4% each year of the biennium for the Agency's medical contract, the Agency requests an increase in Professional Fees of \$2,352,645 in FY14 and \$4,799,235 in FY15.

Agency General Operations

In order to provide for the administration of the system as a whole, the Agency requests the following:

- Regular Salaries and Personal Services matching of \$5,004,877 each year in association with the restoration of one hundred (100) "flex" positions. The request associated with the restorations of positions is APPROPRIATION ONLY
- Regular Salaries and Personal Services matching increases of \$248,657 each year of the biennium for six (6) new transport officers

needed to transport inmates between units, court trips and other needs.

- Operating expenses of \$3,285,840 in FY14 and \$2,535,840 in FY15 for an increase in food costs, two thousand six hundred (2,600) stab proof vests, and costs associated with supporting the new positions.
- Conference & Travel of \$5,640 each year of the biennium for related travel costs associated with the new transportation officer positions.
- Capital Outlay of \$418,000 in FY14 and \$211,000 in FY15 to replace and update aging equipment and buildings, and for the purchase of three (3) new transport vans.

New Bed Initiatives

The agency anticipates the following new bed openings during the FY2013-2015 biennium:

- Ouachita River Special Needs Unit

Twelve (12) hospital beds, thirty two (32) RPU beds, and forty (40) sheltered living beds.

- McPherson Female Special Programs Unit

Forty (40) special programs beds, and sixty (60) segregation expansion beds.

- North Central Expansion

One hundred (100) general population beds have been completed, and one hundred (100) expansion general population beds will be completed by Spring 2013.

- Northwest Arkansas Work Release Center Expansion

Fifty eight (58) work release beds.

In order to accommodate these openings, the Agency requests the following:

- Regular Salaries and Personal Services matching increases of \$3,869,900 in FY14 and FY15 in association with the Agency's request of eighty one (81) new positions.
- Operating Expenses increases of \$1,936,580 in FY14 and \$1,867,030 in FY15 for support of these positions in facilities operations.
- Conference Fees and Travel increases of \$80,840 each year of the biennium for employee training.

- Professional Fees increases of \$1,899,044 in FY14 and \$1,974,998 in FY15 for anticipated increases in the Correctional Medical Services contract.
- Capital Outlay of \$277,500 in FY14 for new institutional furnishings, equipment and medical equipment

Base Level appropriation totals \$317,594,543 in FY14 and \$317,762,861 in FY15.

The Executive Recommendation provides for Base Level in addition to the following:

- Regular Salaries and Personal Services Matching increase of \$13,441,751 each year in appropriation only for costs associated with twenty nine (29) new positions and the restoration of nineteen (19) positions.
- Capital Outlay increases of \$2,177,663 in FY14 and \$1,057,608 in FY15 in appropriation only for costs associated with building and equipment repair and replacement.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 509 - Inmate Care & Custody

Funding Sources: HCA - Department of Correction Inmate Care and Custody Fund

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	161,497,493	147,934,339	160,631,643	162,417,347	160,263,509	160,263,509	162,551,947	160,398,109	160,398,109
#Positions		4,315	4,288	4,615	4,494	4,336	4,336	4,494	4,336	4,336
Extra Help	5010001	92,518	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
#Extra Help		160	170	170	170	170	170	170	170	170
Personal Services Matching	5010003	56,544,363	57,238,672	59,505,501	62,810,290	63,594,398	63,594,398	62,844,008	63,628,116	63,628,116
Overtime	5010006	759,907	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000
Operating Expenses	5020002	47,688,417	48,074,903	52,608,645	53,297,323	48,074,903	48,074,903	52,477,773	48,074,903	48,074,903
Conference & Travel Expenses	5050009	147,691	150,000	200,000	236,480	150,000	150,000	236,480	150,000	150,000
Professional Fees	5060010	56,766,942	59,448,679	60,437,096	63,700,368	59,448,679	59,448,679	66,222,912	59,448,679	59,448,679
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Claims	5110015	115,000	0	0	0	0	0	0	0	0
Capital Outlay	5120011	140,860	0	2,072,803	2,177,663	2,177,663	2,177,663	1,057,608	1,057,608	1,057,608
Jail Contracts	5900047	1,593,315	1,533,000	1,779,375	1,533,000	1,533,000	1,533,000	1,533,000	1,533,000	1,533,000
Total		325,346,506	316,029,593	338,885,063	347,822,471	336,892,152	336,892,152	348,573,728	335,940,415	335,940,415

Funding Sources										
General Revenue	4000010	297,587,427	298,842,000		335,230,585	313,685,729	313,685,729	335,981,842	313,854,047	313,854,047
Federal Revenue	4000020	500,000	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Cash Fund	4000045	3,166,967	3,669,254		3,669,254	3,669,254	3,669,254	3,669,254	3,669,254	3,669,254
Merit Adjustment Fund	4000055	13,295,012	6,492,493		0	0	0	0	0	0
General Improvement Fund	4000265	10,797,100	6,525,846		0	0	0	0	0	0
Total Funding		325,346,506	316,029,593		339,399,839	317,854,983	317,854,983	340,151,096	318,023,301	318,023,301
Excess Appropriation/(Funding)		0	0		8,422,632	19,037,169	19,037,169	8,422,632	17,917,114	17,917,114
Grand Total		325,346,506	316,029,593		347,822,471	336,892,152	336,892,152	348,573,728	335,940,415	335,940,415

Analysis of Budget Request

Appropriation: 511 - Prison Industry

Funding Sources: SDD - Department of Correction Prison Industry Fund

Correctional Industries exists as a self-supporting operation within the ADC and is funded by special revenues generated by the sale of products to public agencies and nonprofit organizations. The primary goal of the Industries program is to administer and operate the various industry programs in an efficient and cost-effective manner that provides inmates with productive and significant training opportunities. More than 500 inmates participate in the various work programs. Principal operations include printing and graphic arts, digital imaging, engraving, janitorial product manufacturing, school bus/fire truck repair, furniture manufacturing, refinishing and upholstery, vinyl products and athletic equipment. Prison Industry Enhancement (PIE) Programs at the McPherson and Pine Bluff Units are a partnership with private sector companies operating within prison fences and employing inmates at prevailing wages. FY12 sales totaled just over \$6.5 million.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level appropriation totals \$10,426,068 in FY14 and \$10,427,940 in FY15.

The Agency's Change Level requests total \$1,021,743 in FY14 and \$809,883 in FY15 and include the following:

- Regular Salaries and Personal Services Matching increases of \$302,698 each year in association with the Agency's request for six (6) new positions and one (1) position restoration.
- Overtime increases of \$8,000 each year to establish overtime appropriation for flexibility and to be used as needed.
- Operating Expenses increases of \$427,105 in FY14 and \$427,665 in FY15 primarily for the purchase of merchandise and supplies to be used in resale aspect.
- Conference and Travel of \$5,640 in FY14 and \$7,520 in FY15 for training required by new officers.
- Capital Outlay increases of \$278,300 in FY14 and \$64,000 in FY15 for the purchase of replacement equipment.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 511 - Prison Industry

Funding Sources: SDD - Department of Correction Prison Industry Fund

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	1,801,064	1,973,217	2,088,196	2,197,337	2,231,953	2,231,953	2,198,837	2,233,453	2,233,453
#Positions		51	54	54	61	61	61	61	61	61
Personal Services Matching	5010003	651,602	743,263	743,367	848,374	856,977	856,977	848,746	857,348	857,348
Overtime	5010006	0	0	0	8,000	8,000	8,000	8,000	8,000	8,000
Operating Expenses	5020002	4,612,122	7,649,295	7,649,295	8,076,400	8,076,400	8,076,400	8,076,960	8,076,960	8,076,960
Conference & Travel Expenses	5050009	4,729	33,760	33,760	39,400	39,400	39,400	41,280	41,280	41,280
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	45,911	142,200	142,200	278,300	278,300	278,300	64,000	64,000	64,000
Total		7,115,428	10,541,735	10,656,818	11,447,811	11,491,030	11,491,030	11,237,823	11,281,041	11,281,041
Funding Sources										
Fund Balance	4000005	3,106,394	2,214,104		2,300,000	2,300,000	2,300,000	2,300,000	2,256,781	2,256,781
Special Revenue	4000030	6,223,138	10,627,631		11,447,811	11,447,811	11,447,811	11,237,823	11,237,823	11,237,823
Total Funding		9,329,532	12,841,735		13,747,811	13,747,811	13,747,811	13,537,823	13,494,604	13,494,604
Excess Appropriation/(Funding)		(2,214,104)	(2,300,000)		(2,300,000)	(2,256,781)	(2,256,781)	(2,300,000)	(2,213,563)	(2,213,563)
Grand Total		7,115,428	10,541,735		11,447,811	11,491,030	11,491,030	11,237,823	11,281,041	11,281,041

Analysis of Budget Request

Appropriation: 512 - Farm Operations

Funding Sources: SDC - Department of Correction Farm Fund

The agricultural operation of the ADC is a self-supported division. The Agricultural Division is involved in almost every area of farming providing fresh and frozen vegetables, meat, milk and eggs which are consumed by the inmate population and generates revenue by selling products such as soybeans, rice, cotton and wheat. The primary goal of the Farm Program is to provide useful and meaningful work for inmates, produce sufficient cost-effective food for inmate consumption, and maximize revenues from production and sales of marketable field crops and livestock. A Vegetable Processing facility is located at the Varner Unit and annually provides approximately 2.4 million pounds of vegetables for inmate consumption. A Cold Storage facility located at the Cummins Unit provides beef and pork products to all units for consumption. A state of the art Creamery operation is also located at the Cummins Unit and provides milk and juice products. Approximately 30,000 acres are devoted to cash crops, vegetables, hay production and livestock. FY12 cash crop sales totaled \$9.1 million. The Farm Program provides jobs for approximately 400 inmates. The Livestock Division consists of 2,300 beef cows, a 319-cow dairy, swine production facilities, and egg layer operation as well as responsibility for all the horses being used in the cattle operation and at various units around the state for security and regional maintenance.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level appropriation totals \$13,660,067 in FY14 and \$13,662,815 in FY15

The Agency's Change Level requests total \$7,904,257 in FY14 and \$7,044,448 in FY15 and include the following:

- Regular Salaries and Personal Services Matching increase of \$241,182 each year in association with the Agency's request for three (3) new positions and one (2) position restorations.
- Operating Expenses increases of \$4,274,420 in FY14 and \$4,255,821 in FY15 primarily for purchase of inventory for resale.
- Conference Fees and Travel increases of \$4,700 in both years of the biennium for employee training and travel.
- Capital Outlay of \$3,383,955 in FY14 and \$2,542,745 in FY15 for new and replacement equipment.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 512 - Farm Operations

Funding Sources: SDC - Department of Correction Farm Fund

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	2,526,069	2,435,896	2,552,521	2,615,180	2,660,116	2,660,116	2,617,380	2,662,316	2,662,316
	#Positions	58	59	59	64	64	64	64	64	64
Personal Services Matching	5010003	838,399	881,689	879,987	965,017	976,187	976,187	965,565	976,732	976,732
Operating Expenses	5020002	9,388,043	9,494,388	9,494,388	13,768,808	13,768,808	13,768,808	13,750,209	13,750,209	13,750,209
Conference & Travel Expenses	5050009	8,955	48,310	48,310	53,010	53,010	53,010	53,010	53,010	53,010
Professional Fees	5060010	36,551	128,354	128,354	128,354	128,354	128,354	128,354	128,354	128,354
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	434,619	1,442,000	1,442,000	3,383,955	3,383,955	3,383,955	2,542,745	2,542,745	2,542,745
Purchase Cattle/Meat	5900047	253,472	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Total		13,486,108	15,080,637	15,195,560	21,564,324	21,620,430	21,620,430	20,707,263	20,763,366	20,763,366

Funding Sources										
Fund Balance	4000005	1,232	1,002,806		1,002,806	1,002,806	1,002,806	5,779,430	5,723,324	5,723,324
Special Revenue	4000030	9,100,000	9,480,637		21,564,324	21,564,324	21,564,324	20,707,263	20,707,263	20,707,263
Budget Stabilization Trust	4000130	4,600,000	4,600,000		4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000
Other	4000370	787,682	1,000,000		176,624	176,624	176,624	1,000,000	1,000,000	1,000,000
Total Funding		14,488,914	16,083,443		27,343,754	27,343,754	27,343,754	32,086,693	32,030,587	32,030,587
Excess Appropriation/(Funding)		(1,002,806)	(1,002,806)		(5,779,430)	(5,723,324)	(5,723,324)	(11,379,430)	(11,267,221)	(11,267,221)
Grand Total		13,486,108	15,080,637		21,564,324	21,620,430	21,620,430	20,707,263	20,763,366	20,763,366

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Analysis of Budget Request

Appropriation: 859 - Inmate Welfare Treasury Cash

Funding Sources: NDC - Cash in Treasury

Self-supported Pen Store operations within institutions provide the opportunity for inmates to purchase various commissary supplies such as hygiene items, paper, and stamps as well as various snack foods. A centralized banking system manages inmate funds, and the profits from the stores are used to purchase items that benefit inmates such as tables and chairs for visitation, televisions, and recreational equipment for inmate use.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level appropriation totals \$11,169,880 in FY14 and \$11,171,127 in FY15.

The Agency's Change Level requests total \$1,500,000 each year and include the following:

- Operating Expenses increase of \$1,000,000 each year of the biennium for the purchase of merchandise for resale.
- Capital Outlay increase of \$500,000 each year of the biennium for the purchase of new and replacement equipment for expanded commissary operations.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 859 - Inmate Welfare Treasury Cash

Funding Sources: NDC - Cash in Treasury

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	0	802,726	846,497	803,426	817,338	817,338	804,426	818,338	818,338
#Positions		0	28	28	28	28	28	28	28	28
Personal Services Matching	5010003	0	330,601	330,133	337,494	340,953	340,953	337,741	341,202	341,202
Operating Expenses	5020002	9,030,299	10,028,960	12,429,400	11,028,960	11,028,960	11,028,960	11,028,960	11,028,960	11,028,960
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total		9,030,299	11,662,287	14,106,030	12,669,880	12,687,251	12,687,251	12,671,127	12,688,500	12,688,500
Funding Sources										
Fund Balance	4000005	2,319,985	2,184,510		2,184,510	2,184,510	2,184,510	2,184,510	2,167,139	2,167,139
Cash Fund	4000045	8,894,824	11,662,287		12,669,880	12,669,880	12,669,880	12,671,127	12,671,127	12,671,127
Total Funding		11,214,809	13,846,797		14,854,390	14,854,390	14,854,390	14,855,637	14,838,266	14,838,266
Excess Appropriation/(Funding)		(2,184,510)	(2,184,510)		(2,184,510)	(2,167,139)	(2,167,139)	(2,184,510)	(2,149,766)	(2,149,766)
Grand Total		9,030,299	11,662,287		12,669,880	12,687,251	12,687,251	12,671,127	12,688,500	12,688,500

FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium.

Analysis of Budget Request

Appropriation: 865 - Non-Tax Revenue Receipts

Funding Sources: NDC - Cash in Treasury

This cash appropriation is funded by proceeds derived from contractual agreement with a telephone service provider for the operation of a coin-less telephone system that was implemented in the 1995-97 biennium. The program allows inmates to call family or friends collect with a portion of the receipts from such calls paid to the Department of Correction by the telephone company. The appropriation is used for inmate assistance projects, security equipment, long term needs, and general operations as annually approved by the Arkansas Board of Corrections.

Base Level appropriation totals \$3,790,000 each year of the biennium.

The Agency's Change Level Requests total \$2,650,000 each year of the biennium and include the following:

- Operating Expenses of \$2,150,000 each year for other expenses and services to allow flexibility in allocating available funding for general operations and other projects as may be allocated by the Board of Corrections.
- Professional Fees of \$100,000 each year to provide appropriation for flexibility in allocating available funding for priority projects.
- Capital Outlay of \$400,000 each year for new/replacement equipment associated with priority inmate assistance/operations needs, security equipment, long-term needs, and other projects as may be allocated by the Board of Corrections.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 865 - Non-Tax Revenue Receipts

Funding Sources: NDC - Cash in Treasury

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	1,427,078	1,679,195	1,679,195	3,829,195	3,829,195	3,829,195	3,829,195	3,829,195	3,829,195
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	11,726	100,000	100,000	200,000	200,000	200,000	200,000	200,000	200,000
Construction	5090005	923,443	2,010,805	4,038,275	2,010,805	2,010,805	2,010,805	2,010,805	2,010,805	2,010,805
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	81,040	210,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Total		2,443,287	4,000,000	6,217,470	6,440,000	6,440,000	6,440,000	6,440,000	6,440,000	6,440,000

Funding Sources										
Fund Balance	4000005	1,797,555	1,405,985		2,405,985	2,405,985	2,405,985	2,405,985	2,405,985	2,405,985
Cash Fund	4000045	2,051,717	5,000,000		6,440,000	6,440,000	6,440,000	6,440,000	6,440,000	6,440,000
Total Funding		3,849,272	6,405,985		8,845,985	8,845,985	8,845,985	8,845,985	8,845,985	8,845,985
Excess Appropriation/(Funding)		(1,405,985)	(2,405,985)		(2,405,985)	(2,405,985)	(2,405,985)	(2,405,985)	(2,405,985)	(2,405,985)
Grand Total		2,443,287	4,000,000		6,440,000	6,440,000	6,440,000	6,440,000	6,440,000	6,440,000