

Texas Department of Criminal Justice

Summary of Fiscal Year 2011 Budget Reductions

Statement from Executive Director Brad Livingston

In consultation with the Governor's Office and members of the Texas Legislature, a plan for reducing Fiscal Year (FY) 2011 expenditures by \$40 million has been finalized. A reduction of this magnitude represents a 1.3 percent decrease in spending for the current fiscal year.

Most of the savings are generated by further reductions in capital expenditures and utilizing unexpended funds from various initiatives identified below. Other savings are achieved by certain cost savings and efficiency measures. However, \$3.1 million of cost savings will be achieved by a reduction-in-force impacting 400 agency positions, exclusive of unit based staff and parole officer positions; and another \$1.5 million of cost savings will be achieved through the elimination of the Project RIO (Re-Integration of Offenders) program and the associated positions. The reduction-in-force will be administered consistent with the provisions of PD-25, *Reduction-In-Force Procedures*. Employees in positions being eliminated will be notified during the first week of March. The effective date for elimination of the positions will be April 15.

Do not assume the decreases in FY 2011 expenditures will be the only budget reductions required of the agency as a result of the state's budget shortfall. They represent an immediate response to the state's FY 2011 deficit; the legislature will continue to consider measures necessary to balance the state's budget during not only FY 2011, but the FY 2012-13 biennium as well.

Once again, I want to thank all TDCJ employees for your dedicated public service.

TEXAS DEPARTMENT OF CRIMINAL JUSTICE

in millions

Capital

\$ 7.1

TDCJ's biennial budget includes funding for vehicle replacement, IT infrastructure, and kitchen/laundry equipment to maintain minimal levels of operations. The agency's FY 2010-11 5% reduction plan approved in May 2010 included a reduction of \$6.0 million for equipment replacement. Due to the State's fiscal climate, TDCJ has delayed spending its remaining FY 2011 capital funds; therefore, this additional reduction will eliminate almost all capital funding, leaving only a limited amount for agency emergency replacements. By eliminating the funding for these items, TDCJ's capital replacement requirements will continue to grow and key agency operations may be negatively impacted.

Department of Information Resources Contract

\$ 3.9

The surplus funding shown above has been realized through improved information technology practices within the agency that has resulted in FY 2010 expenditures and FY 2011 projected expenditures below the original appropriation amounts for the FY 2010-11 biennium.

Underutilized/Unspent Aftercare Treatment Diversion Funds

\$ 3.7

While the additional treatment and diversion programs funded by the 80th and 81st Legislatures have been substantially implemented, utilization rates of Substance Abuse Felony Punishment (SAFP) facilities have been below appropriated levels. Some of these SAFP contract facilities are currently being utilized as Intermediate Sanction Facilities (ISF). The agency's 5% reduction submission approved in May 2010 included \$18.9 million for FY 2010, with growth anticipated in FY 2011. With fewer offenders in the SAFP program than originally appropriated, FY 2011 funding for the aftercare treatment has not been fully utilized.

Jones County Contract

\$ 12.3

This facility, originally scheduled to open on September 1, 2010, was contracted to house approximately 900 ISF offenders as part of the treatment and diversion expansions funded by the 80th and 81st Legislatures. Due to the slower than anticipated growth in SAFP/ISF utilization, this facility has not been opened and is not needed at this time. However, if the demand for SAFP/ISF treatment increases, the termination of this contract could impact our ability to provide for ISF placements as an alternative to incarceration.

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TEXAS DEPARTMENT OF CRIMINAL JUSTICE (continued)

in millions

North Texas ISF Contract

\$ 2.9

The current North Texas ISF contract will expire on February 28, 2011. The facility currently houses 424 parole ISF offenders. Based on utilization trends and available beds, this facility is currently not required in order to meet program demand. However, the expiration of this contract could reduce the availability of ISF placements.

Video Surveillance System (McConnell Unit)

\$ 2.4

The 81st Legislature provided TDCJ with \$10 million in targeted appropriations for contraband screening equipment (walk-through metal detectors, parcel scanners, and body orifice security scanners) at maximum security facilities and comprehensive video surveillance systems at several targeted facilities. All equipment has been purchased and/or installed with the exception of the fourth video surveillance system, which is currently in the procurement process for the McConnell Unit. This funding reduction would eliminate the purchase of this security equipment.

Food Service Menu Modifications

\$ 2.8

Significant cost reduction initiatives within the correctional food service operations include: substituting powdered milk for carton milk at all correctional facilities; using sliced bread as an alternative to specialty breads, such as hamburger and hotdog buns; reducing the dessert servings from two to one per week; and feeding only brunch and dinner meals on Saturdays and Sundays at the state jail and transfer facilities.

Reduction In Force: Non-Unit Positions

400 FTE's

\$ 3.1

This reduction in force would result in the elimination of 400 TDCJ non-unit based positions, excluding unit-based staff and front-line parole officers. Local CSCD staff are not TDCJ employees; therefore, they are not subject to a TDCJ reduction in force. This staffing reduction would include, but not be limited to: central administration, business and finance, information technology, human resources, general counsel, internal audit, regional operations, parole support, health services, and other divisional/support staff. With a managed hiring freeze that has been in effect since February 2010, a portion of these staffing reductions will be vacant positions. The impact of this action will reduce management's effectiveness in providing: adequate correctional training, information technology resources, offender classification and records processing, contract monitoring, regional operations, parole support services, and agency oversight and support in ensuring compliance with state law and agency policy and procedures. This reduction would be consistent with FY 2012-13 funding levels established in the Senate version of the General Appropriations Bill for several agency strategies such as Central Administration, Correctional Training and Information Technology.

Project RIO (Re-Integration of Offenders)

155 FTE's

\$ 1.5

Funded with general revenue through an inter-agency contract with Texas Workforce Commission, Project RIO provides offenders in TDCJ with the knowledge and skills for successful employment opportunities upon release from incarceration. TDCJ Project RIO staff assists offenders in acquiring documentation necessary for obtaining a state ID, certification of education, and military records, and completing the Work in Texas application.