



Legislative Fiscal Bureau

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May 13, 2013

Joint Committee on Finance

Paper #221

Creation of Office of Inspector General (Corrections -- Departmentwide)

[LFB 2013-15 Budget Summary: Page 125 #3 and Page 127 #8]

CURRENT LAW

No provision.

GOVERNOR

Provide \$377,600 GPR and 7.0 GPR positions in 2013-14 and \$1,027,100 GPR and 13.0 GPR positions in 2014-15 for the creation of an Office of the Inspector General under the Department of Corrections' Secretary's Office. Delete 2.0 positions annually in the Division of Corrections' probation, parole, and extended supervision.

In addition, make the following transfers to provide \$973,600 GPR and 13.0 GPR positions annually for the new Office: (a) -\$75,300 and -1.0 position annually from the Division of Management Services; (b) -\$255,400 and -3.0 positions annually from the Division of Adult Institutions; and (c) -\$642,900 and -9.0 positions annually from the Division of Community Corrections. The new and transferred funding all occur within the Department's general program operations appropriation, except for the amounts from the Division of Community Corrections, which would be transferred from the services for community corrections appropriation. The new Office is intended to "examine internal operations, enforce departmental standards and laws, and implement solutions in order to prevent, detect, and eliminate waste, fraud, and abuse."

<u>Division</u>	<u>Appropriation</u>	<u>2013-14</u>		<u>2014-15</u>	
		<u>Funding</u>	<u>FTE</u>	<u>Funding</u>	<u>FTE</u>
Base Adjustments					
Secretary's Office	General Program Operations, Adults	\$377,600	7.00	\$1,027,100	13.00
Community Corrections	Services for Community Corrections	<u>0</u>	<u>-2.00</u>	<u>0</u>	<u>-2.00</u>
	Subtotal	\$377,600	5.00	\$1,027,100	11.00
Transfers Within and Between Appropriations					
Management Services	General Program Operations, Adults	-\$75,300	-1.00	-\$75,300	-1.00
Adult Institutions	General Program Operations, Adults	-255,400	-3.00	-255,400	-3.00
Secretary's Office	General Program Operations, Adults	973,600	13.00	973,600	13.00
Community Corrections	Services for Community Corrections	<u>-642,900</u>	<u>-9.00</u>	<u>-642,900</u>	<u>-9.00</u>
	Subtotal	\$0	0.0	\$0	0.0
	Change to Base Amounts	\$377,600	5.00	\$1,027,100	11.00
	Governor's Recommendation for Office of Inspector General Funding	\$1,351,200	18.00	\$2,000,700	24.00

DISCUSSION POINTS

1. The bill would provide funding and staffing for the creation of a new Office of the Inspector General under the Department's Secretary's Office. According to the Governor's Executive Budget Summary, the new Office is intended to "examine internal operations, enforce departmental standards and laws, and implement solutions in order to prevent, detect, and eliminate waste, fraud, and abuse."

2. Since introduction of the bill, the Department has provided more detailed information regarding the purpose and work of the new Office:

- The Department is planning on renaming the new Office "Office of Special Operations" instead of Office of Inspector General. The attachment includes Corrections' planned organizational chart for the new office. The intent is to divide the office into four sections: special investigations, emergency preparedness and response, and PREA (the Prison Rape Elimination Act, for which the U.S. Department of Justice released final standards in May, 2012 "to prevent, detect, and respond to sexual abuse" in correctional facilities.

- Regarding special investigations and PREA issues, the Department currently pulls staff from their regular assignments to conduct investigations, which may result in "untimely investigations or inconsistent quality and also leaves gap at correctional facilities when high level officials such as Security Directors, Deputy Wardens, and Wardens are tapped to conduct staff investigations. This leads to staff under investigation being on paid administrative leave for longer periods of time which is a waste of taxpayer resources. Similarly, the Prison Rape Elimination Act Section (PREA) will be able to more timely and thoroughly investigate and resolve allegations with the dedicated resources of this office."

- Corrections indicates that its existing Preparedness and Response section would move from the Division of Adult Institutions to the Secretary's Office in order to expand emergency preparedness and management to the Department's community field offices, juvenile

facilities, and central office. The Quality Assurance Section would review contracts and compliance to "root out fraud, waste and abuse which is a major initiative of the Governor and Legislature."

3. According to the Department, Corrections conducts thousands of investigations related to supervisory misconduct and/or staff misconduct:

"Investigations range from as simple and straightforward as an attendance infraction to as complicated and expansive as a fraud investigation involving law enforcement. DOC does not keep an investigation database and is thus unable to provide a response regarding the number of investigations or differentiate between supervisory and non-supervisory investigations. However, in order to provide an illustration of the volume, we know that in 2011 there were approximately 2,200 disciplines with 82 terminations. . .

In the DOC environment allegations of wrong-doing are easy to make and occur frequently and routinely about DOC's employees from all parts of our Department. These allegations come from the people within our custody and supervision, the public and the media. . . investigations often reveal misunderstanding or misapplication of policies by employees or supervisors and help identify the general effectiveness and appropriateness of policies and procedures. Investigations have also revealed communication problems and ineffective supervision strategies that we can work to correct through education and training."

4. The Department follows executive directive policies related to PREA investigations, which provide policies, definitions, and procedures for the Department to following in the case of an allegation of sexual contact or sexual intercourse in its facilities. In 2009, there were 147 PREA investigations, 19 of which were substantiated. In 2010, there were 93 investigations, 16 of which were substantiated, and in 2011, there were 98 investigations, 27 of which were substantiated.

5. The bill would provide would provide \$377,600 GPR and 7.0 positions in 2013-14 and \$1,027,100 GPR and 13.0 positions in 2014-15 for the creation of the new Office. In addition, \$973,600 and 13.0 positions would be transferred for the new Office, as follows: (a) \$75,300 and 1.0 position annually from the Division of Management Services; (b) \$255,400 and 3.0 positions annually from the Division of Adult Institutions; and (c) \$642,900 and 9.0 positions annually from the Division of Community Corrections. As such, the new Office would have a total of \$1,351,200 GPR and 18.0 GPR positions in 2013-14 and \$2,000,700 GPR and 24.0 GPR positions in 2014-15.

6. The Department has recently reviewed the original proposal, and determined that funding and positions identified below are necessary to operate the Office of Special Operations. These modifications slightly lower the needed funding and staffing above base funding adjustments, as well as decrease the amounts transferred between appropriations for the new Office.

<u>Division</u>	<u>Appropriation</u>	<u>2013-14</u>		<u>2014-15</u>	
		<u>Funding</u>	<u>FTE</u>	<u>Funding</u>	<u>FTE</u>
Base Adjustments					
Secretary's Office	General Program Operations, Adults	\$366,400	7.00	\$1,016,500	13.00
Community Corrections	Services for Community Corrections	<u>0</u>	<u>-2.00</u>	<u>0</u>	<u>-2.00</u>
	Subtotal	\$366,400	5.00	\$1,016,500	11.00
Transfers Within and Between Appropriations					
Management Services	General Program Operations, Adults	-\$15,600	-0.10	-\$15,600	-0.10
Adult Institutions	General Program Operations, Adults	-256,900	-3.00	-256,900	-3.00
Secretary's Office	General Program Operations, Adults	935,900	11.50	935,900	11.50
Community Corrections	Services for Community Corrections	<u>-663,400</u>	<u>-8.40</u>	<u>-663,400</u>	<u>-8.40</u>
	Subtotal	\$0	0.0	\$0	0.0
	Change to Base Amounts	\$366,400	5.00	\$1,016,500	11.00
	Governor's Recommendation for Office of Inspector General Funding	\$1,302,300	16.50	\$1,952,400	22.50

7. If the Committee wishes to adopt the Department's revised proposal for a new Office of Special Operations, the bill would be modified by -\$48,900 GPR and -1.5 GPR positions in 2013-14 and -\$48,300 GPR and -1.5 GPR positions in 2014-15. [Alternative 2]

8. Although the Department has previously been able to conduct investigations and reviews, these activities have not been centrally coordinated and reviewed. As such, it may be argued that the creation of an Office of Special Operations is appropriate. At the same time, concerns could be raised as to providing additional funding and positions. To mitigate these two competing issues, the Committee could approve only the transfers within and between appropriations to provide staffing and funding for the new Office of Special Operations, while deleting the new funding and staffing provided under the bill. Under this alternative, \$935,900 GPR and 11.50 GPR positions would be transferred between appropriations for the new Office, while \$377,600 GPR and 7.0 GPR positions in 2013-14 and \$1,027,100 GPR and 13.0 GPR positions in 2014-15 would be deleted. [Alternative 3] As a result, initial funding and staffing could be provided. Subsequent to experience with the new centralized Office, Corrections could request modified staffing as is appropriate.

9. If the Committee were to delete the provision, the Department indicates that delays in investigations and emergency preparedness may continue, and any potential savings from auditing contracts and services would be difficult to achieve.

ALTERNATIVES

1. Approve the Governor's recommendation to provide \$377,600 GPR and 7.0 GPR positions in 2013-14 and \$1,027,100 GPR and 13.0 GPR positions in 2014-15 for the creation of a new Office of the Inspector General under the Secretary's Office. Further, transfer \$973,600 and 13.0 positions annually for the new Office from the following divisions: (a) -\$75,300 and -1.0 position annually from the Division of Management Services; (b) -\$255,400 and -3.0 positions

annually from the Division of Adult Institutions; and (c) -\$642,900 and -9.0 positions annually from the Division of Community Corrections.

2. Modify the Governor's recommendation by -\$48,900 GPR and -1.5 GPR positions in 2013-14 and -\$48,300 GPR and -1.5 GPR positions in 2014-15 based on a revision of the original staffing.

ALT 2	Change to Bill	
	Funding	Positions
GPR	-\$97,200	- 1.50

3. Modify the Governor's recommendation by deleting \$377,600 GPR and 7.0 GPR positions in 2013-14 and \$1,027,100 GPR and 13.0 GPR in 2014-15 associated with new funding and staffing for a new Office of Special Operations under the Secretary's Office. In addition, modify the transfer of funding between appropriations in order to transfer \$935,900 GPR and 11.5 GPR positions annually for the new Office from the following divisions: (a) -\$15,600 and -0.10 position annually from the Division of Management Services; (b) -\$256,900 and -3.0 positions annually from the Division of Adult Institutions; and (c) -\$663,400 and -8.40 positions annually from the Division of Community Corrections.

ALT 3	Change to Bill	
	Funding	Positions
GPR	-\$1,404,700	- 13.00

4. Delete provision. [This is different from Alternative 3 in that the funding and staffing transfers between appropriations would not occur.]

ALT 4	Change to Bill	
	Funding	Positions
GPR	-\$1,404,700	- 13.00

Prepared by: Chris Carmichael
Attachment

ATTACHMENT

Department of Corrections Office of Special Operations

