

### Agency Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	188,235,647	210,937,924	22,702,277	12.06 %
Operating Expenses	249,964,268	301,664,202	51,699,934	20.68 %
Equipment & Intangible Assets	673,515	1,091,404	417,889	62.05 %
Capital Outlay	41,546	41,546	0	0.00 %
Transfers	1,269,976	1,044,976	(225,000)	(17.72)%
Debt Service	1,920,576	2,142,106	221,530	11.53 %
<b>Total Expenditures</b>	<b>\$442,105,528</b>	<b>\$516,922,158</b>	<b>\$74,816,630</b>	<b>16.92 %</b>
General Fund	428,694,542	502,524,340	73,829,798	17.22 %
State/Other Special Rev. Funds	13,122,000	14,159,814	1,037,814	7.91 %
Proprietary Funds	288,986	238,004	(50,982)	(17.64)%
<b>Total Funds</b>	<b>\$442,105,528</b>	<b>\$516,922,158</b>	<b>\$74,816,630</b>	<b>16.92 %</b>
<b>Total Ongoing</b>	<b>\$441,955,528</b>	<b>\$510,479,094</b>	<b>\$68,523,566</b>	<b>15.50 %</b>
<b>Total OTO</b>	<b>\$150,000</b>	<b>\$6,443,064</b>	<b>\$6,293,064</b>	<b>4,195.38 %</b>

### Agency Description

The Montana Department of Corrections provides services that impact every community in Big Sky Country. From assisting victims of crime; to providing support to offenders under supervision in Montana communities; to ensuring the incarcerated population is prepared to re-enter society successfully; the work of the department is wide and varied. The department aims to provide evidence-based programming in all aspects of our work as we move toward our goal of reducing recidivism and disrupting the cycle of incarceration.

Agency Highlights

<b>Department of Corrections Major Budget Highlights</b>
<p>The 2025 biennium budget adopted by the legislature for the Department of Corrections is 16.9% or \$74.8 million higher than the 2023 biennium. Significant changes include:</p> <ul style="list-style-type: none"> <li>• \$30.9 million for general provider rate increases:                             <ul style="list-style-type: none"> <li>◦ \$21.2 million in provider rate increases to contracted treatment and pre-release centers</li> <li>◦ \$9.7 million provider rate increases to contracted secure facilities</li> </ul> </li> <li>• \$17.7 million in statewide present law adjustments to personal services, fixed costs, and inflation</li> <li>• \$6.1 million general fund for increased pay to correctional officers and \$800,000 for the Probation &amp; Parole PAWS (performance adjusted wage scale) program per negotiated union agreements</li> <li>• \$3.1 million general fund to increase capacity within community corrections providers</li> <li>• \$2.7 million general fund to increase amounts paid to county detention centers based on actual costs as per HB 174</li> <li>• \$2.5 million in contingent general fund for the purpose of paying correctional officers</li> <li>• \$2.0 million general fund to transition offenders into the community from pre-release facilities</li> <li>• \$1.7 million one-time-only general fund for 13.00 FTE related to various probation and parole functions</li> </ul>

Agency Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	1,282.17	1,282.17	1,293.67	1,293.67
Personal Services	88,375,589	90,258,016	97,977,631	105,200,297	105,737,627
Operating Expenses	121,413,990	125,792,662	124,171,606	147,722,607	153,941,595
Equipment & Intangible Assets	436,864	520,663	152,852	938,552	152,852
Capital Outlay	0	20,773	20,773	20,773	20,773
Transfers	711,234	772,488	497,488	522,488	522,488
Debt Service	1,425,120	1,459,290	461,286	1,071,053	1,071,053
<b>Total Expenditures</b>	<b>\$212,362,797</b>	<b>\$218,823,892</b>	<b>\$223,281,636</b>	<b>\$255,475,770</b>	<b>\$261,446,388</b>
General Fund	206,236,355	212,116,950	216,577,592	248,268,758	254,255,582
State/Other Special Rev. Funds	5,980,325	6,560,825	6,561,175	7,088,209	7,071,605
Proprietary Funds	146,117	146,117	142,869	118,803	119,201
<b>Total Funds</b>	<b>\$212,362,797</b>	<b>\$218,823,892</b>	<b>\$223,281,636</b>	<b>\$255,475,770</b>	<b>\$261,446,388</b>
<b>Total Ongoing</b>	<b>\$212,287,797</b>	<b>\$218,748,892</b>	<b>\$223,206,636</b>	<b>\$251,935,849</b>	<b>\$258,543,245</b>
<b>Total OTO</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$3,539,921</b>	<b>\$2,903,143</b>

### Summary of Legislative Action

The 2025 biennium budget for the Department of Corrections is an increase of 15.8% or \$70.5 million when compared to the FY 2023 base budget appropriation. The main focus of the 2025 Legislature revolved around increasing capacity and provider rates paid to contracted secure facilities and community corrections providers. The increase in provider rates for the 2025 biennium is \$30.9 million and can be broken out in the following manner:

- \$21.2 million general fund for increased per diem rates paid to contracted community corrections and ETSS providers
  - \$15.1 million to all contracted facilities for general increases of approximately 6.0% in FY 2024 and 10.0% in FY 2025
  - \$6.1 million for increased per diem rates paid to contracted providers intended to cover employee pay increases of \$1.00 in FY 2024 and \$2.00 in FY 2025
- \$9.7 million general fund in provider rate increases to contracted secure facilities
  - \$5.7 million for the department to increase contracted rates paid to Core Civic for inmates housed at Crossroads Correctional facility. This increase is intended to cover a per diem rate of \$92.00 for the 2025 biennium
  - \$4.0 million to all contracted secure facilities for general increases of 6.0% in FY 2024 and 10.0% in FY 2025

The legislature also increased pay to correctional officers to combat high vacancies and employee turnover. The legislature adopted \$6.1 million general fund to cover hourly pay raises of \$2.00 for correctional officers staffing the MSP and \$3.00 for correctional officers at Pine Hills Correctional facility and the MWP. The increases equalize pay for officers across all locations. Additional personal service authority adopted by the legislature is for the Probation & Parole PAWS (performance adjusted wage scale) and amounts to \$800,000.

Other initiatives adopted by the legislature include:

- \$3.1 million general fund to increase capacity within community corrections providers by approximately 50 available beds across multiple community corrections providers
- \$2.5 million in general fund for the purpose of paying correctional officers should the need arise. This appropriation is contingent on all personal services appropriated for correctional officers being expended first
- \$2.0 million general fund to utilize existing methodology to transition suitable offenders into community beds from pre-release facilities freeing up space
- \$1.7 million one-time-only general fund to support 13.00 FTE for various functions related to probation and parole currently being used as modified FTE

Funding

The following table shows adopted agency funding for all sources of authority.

Total Department of Corrections Funding by Source of Authority 2025 Biennium Budget Request - Department of Corrections						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	496,040,461	6,483,879	0	5,140	502,529,480	90.77 %
State Special Total	14,145,983	13,831	0	1,492,043	15,651,857	2.83 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	292,650	(54,646)	35,194,440	0	35,432,444	6.40 %
Other Total	0	0	0	0	0	0.00 %
<b>Total All Funds</b>	<b>\$510,479,094</b>	<b>\$6,443,064</b>	<b>\$35,194,440</b>	<b>\$1,497,183</b>	<b>\$553,613,781</b>	
<b>Percent - Total All Sources</b>	<b>92.21 %</b>	<b>1.16 %</b>	<b>6.36 %</b>	<b>0.27 %</b>		

The Department of Corrections is primarily funded with general fund at approximately 97.2% of HB 2 funds. The remaining amount is comprised of state special revenues with a small portion coming from budgeted proprietary funds. Some of the largest state special revenue funds are:

- The canteen revolving fund, which receives revenue from the sale of items to inmates
- Probation and parole supervision fees collected from offenders under the supervision of the department
- Pine Hills donations, interest, and income funds coming mostly from interest and income collected on school trust lands

Additional proprietary funds are non-budgeted and support programs that provide services to other governmental entities or the public associated with Montana Correctional Enterprises.

There is nearly \$1.5 million in statutory appropriations over the 2025 biennium, which are used to support the Public Safety Division. This funding is for the Inmate Welfare Fund and is used to benefit inmates and their families per 53-1-109, MCA by providing supplies, materials, communications, travel, rent, and other expenses.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	216,502,592	216,502,592	433,005,184	86.17 %	223,206,636	223,206,636	446,413,272	86.36 %
SWPL Adjustments	8,860,481	11,041,632	19,902,113	3.96 %	8,929,096	11,109,074	20,038,170	3.88 %
PL Adjustments	2,644,153	2,326,575	4,970,728	0.99 %	2,644,226	2,326,620	4,970,846	0.96 %
New Proposals	20,261,532	24,384,783	44,646,315	8.88 %	20,695,812	24,804,058	45,499,870	8.80 %
<b>Total Budget</b>	<b>\$248,268,758</b>	<b>\$254,255,582</b>	<b>\$502,524,340</b>		<b>\$255,475,770</b>	<b>\$261,446,388</b>	<b>\$516,922,158</b>	

Other Legislation

HB 3 - This bill provides the Public Safety Division with supplemental appropriations of \$1,861,056 for FY 2023. This appropriation was provided to cover the following items:

- Begin implementing pay increases for correctional officers in FY 2023 that were adopted for the the 2025 biennium
- Budget shortfalls related to paying a 1.0% provider rate increase in FY 2023
- Pay for the Passages facility in Billings which requires a debt service coverage of 115.0%
- Reimbursing the MASC facility in Missoula based on actual costs

HB 5 - This bill appropriates money for capital development and major repair projects for the 2025 biennium. HB 5 appropriates nearly \$245.6 million to the Department of Corrections to make major repairs to existing structural components, increase capacity to hold inmates, and \$4.5 million in ongoing operation and maintenance costs that will be included in the base budget moving forward. For a full list of projects that received appropriations, please refer to the Section F fiscal report.

HB 10 - This bill revises laws related to financing state IT and appropriates money for information technology capital projects. The Department of Corrections is appropriated \$17,750,000 for a new offender management system to replace the existing OMIS system.

HB 817 - This bill provides for capital projects and includes an appropriation of \$3,942,000 each fiscal year of the 2025 biennium for the Department of Corrections to contract for 120 secure facility beds.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2023	Executive Budget Fiscal 2024	Legislative Budget Fiscal 2024	Leg — Exec. Difference Fiscal 2024	Executive Budget Fiscal 2025	Legislative Budget Fiscal 2025	Leg — Exec. Difference Fiscal 2025	Biennium Difference Fiscal 24-25
FTE	1,282.17	1,297.17	1,293.67	(3.50)	1,297.17	1,293.67	(3.50)	(3.50)
Personal Services	97,977,631	107,237,821	105,200,297	(2,037,524)	107,777,434	105,737,627	(2,039,807)	(4,077,331)
Operating Expenses	124,171,606	141,863,576	147,722,607	5,859,031	146,857,089	153,941,595	7,084,506	12,943,537
Equipment & Intangible Assets	152,852	2,652,852	938,552	(1,714,300)	152,852	152,852	0	(1,714,300)
Capital Outlay	20,773	20,773	20,773	0	20,773	20,773	0	0
Transfers	497,488	522,488	522,488	0	522,488	522,488	0	0
Debt Service	461,286	1,071,053	1,071,053	0	1,071,053	1,071,053	0	0
<b>Total Costs</b>	<b>\$223,281,636</b>	<b>\$253,368,563</b>	<b>\$255,475,770</b>	<b>\$2,107,207</b>	<b>\$256,401,689</b>	<b>\$261,446,388</b>	<b>\$5,044,699</b>	<b>\$7,151,906</b>
General Fund	216,577,592	246,095,904	248,268,758	2,172,854	249,130,203	254,255,582	5,125,379	7,298,233
State/other Special Rev. Funds	6,561,175	7,153,928	7,088,209	(65,719)	7,152,329	7,071,605	(80,724)	(146,443)
Federal Spec. Rev. Funds	0	0	0	0	0	0	0	0
Other	142,869	118,731	118,803	72	119,157	119,201	44	116
<b>Total Funds</b>	<b>\$223,281,636</b>	<b>\$253,368,563</b>	<b>\$255,475,770</b>	<b>\$2,107,207</b>	<b>\$256,401,689</b>	<b>\$261,446,388</b>	<b>\$5,044,699</b>	<b>\$7,151,906</b>
<b>Total Ongoing</b>	<b>\$223,206,636</b>	<b>\$248,874,561</b>	<b>\$251,935,849</b>	<b>\$3,061,288</b>	<b>\$254,607,687</b>	<b>\$258,543,245</b>	<b>\$3,935,558</b>	<b>\$6,996,846</b>
<b>Total OTO</b>	<b>\$75,000</b>	<b>\$4,494,002</b>	<b>\$3,539,921</b>	<b>(\$954,081)</b>	<b>\$1,794,002</b>	<b>\$2,903,143</b>	<b>\$1,109,141</b>	<b>\$155,060</b>

The legislature adopted ongoing appropriations that are nearly \$7.0 million higher than the executive's proposed budget for the 2025 biennium. Additionally, the legislature adopted one-time-only appropriations that are approximately \$155,000 higher than proposed biennium appropriations.

Major differences from the executive budget proposal include:

- (\$4.8 million) - The legislature did not adopt a request for overtime/differential pay to correctional officers
- (\$2.3 million) - The legislature adopted reductions to statewide present law adjustments for inflation
- (\$2.2 million) - The legislature did not adopt a request for the implementation of a transitional living program model and 1.00 FTE but did provide appropriations for transitioning offenders and freeing up pre-release bed spaces
- (\$1.3 million) - The legislature adopted an additional 1.0% vacancy savings
- (\$1.0 million) - The legislature adopted funding for specific vehicles, as outlined in HB 2 language, that make up a portion of the vehicle replacement request submitted by the executive
- (\$710,000) - The legislature adopted funding for specific items, as outlined in HB 2 language, that make up a portion of the equipment upgrade request submitted by the executive
- (\$600,000) - The legislature adopted additional general fund for increased costs related to medical, dental, and nursing services at 25% of the executive's request
- (\$580,000) - The legislature did not adopt general fund for contracting with licensed barbers/cosmetologists to provide haircuts in correctional facilities
- (\$560,000) - The legislature adopted the removal of 3.00 FTE that had been vacant for a period of two years or longer
- (\$380,000) - The legislature did not adopt increases for motor pool rates and new fixed costs
- (\$340,000) - The legislature adopted general fund, at a portion of the executive request, to move the payments of indigent kits and provisions for inmate telephone communications rates from the Inmate Welfare fund
- (\$200,000) - The legislature did not adopt a one-time-only request for contracted staff to aid in digital record conversion
- (\$150,000) - The legislature did not adopt funding to continue evidence based training and technical assistance
- (\$150,000) - The legislature did not adopt a maintenance position (1.00 FTE) for the newly acquired Acadia building
- (\$80,000) - The legislature adopted lease increases at 90% of the executive's request
- \$0 - The legislature adopted \$1.7 million general fund and 13.00 FTE for various probation and parole functions as one-time-only instead of ongoing
- \$7,800 - The legislature adopted an increase for the costs of the state accounting, budgeting, and human resources system (SABHRS) budget
- \$430,000 - The legislature adopted additional general fund and 2.00 FTE for the purpose of preparing inmates who are within 14 months of parole eligibility or discharge for release into the community
- \$2.0 million - The legislature adopted general fund for the department to expand non-residential capacity and reduce the use of pre-release space
- \$2.5 million - The legislature adopted additional general fund authority contingent upon the department first expending all its personal services appropriated for the purpose of paying correctional officers
- \$3.1 million - The legislature adopted general fund for the department to expand current capacity within community corrections providers by approximately 50 beds
- \$5.7 million - The legislature adopted general funding for the department to increase contracted rates paid to Core Civic for inmates housed at Crossroads Correctional facility. The increase is intended to cover a daily rate of \$92.00 per inmate
- \$6.1 million - The legislature adopted additional general fund to increase the per diem rates paid to contacted community corrections providers. The increase is intended to cover employee hourly pay increases of \$1.00 in FY 2024 and \$2.00 in FY 2025

**Language and Statutory Authority**

*The legislature adopted the following language in HB 2:*

"All appropriations for the Director's Office/Central Services Division, the Public Safety Division, and the Rehabilitations and Programs Division are biennial."

"The Director's Office/Central Services Division includes a one-time-only reduction in FY 2024 and FY 2025 for a suspension of insurance premium payments to the Risk Management and Tort Defense Division's proprietary fund."

"Appropriations for Equipment Upgrades may be used by the Department of Corrections only to purchase the following items: one mini excavator, one manlift, additional security cameras, one warehouse forklift, one emergency generator for the Montana State Prison high side kitchen, and one security utility vehicle."

"Appropriations for Vehicle Replacement may be used by the Department of Corrections only to purchase the following vehicles for operation at the Montana State Prison: eight new security vehicles, one new cargo van, and one new gator vehicle."

"Appropriations in Efficiencies in Community Corrections may be used by the Department of Corrections to expand nonresidential capacity by moving offenders that are suitable and appropriate into the community from prerelease placements."

"Appropriations in DOC Supplemental Option 1 may be utilized by the Department of Corrections to expand capacity within community corrections providers."

"Appropriations in ACA Accreditation are contingent on the Montana Board of Pardons and Parole first receiving its correctional certification through the American Correctional Association."

"The Public Safety Division includes an increase in general fund of \$1,034,160 in FY 2024 and \$1,290,984 in FY 2025 and an increase in state special revenue of \$6,749 in FY 2024 and \$6,743 in FY 2025. The increase was provided to offset inflationary impacts. The Department of Corrections may allocate this increase in funding among programs when developing 2025 biennium operating plans."

"Appropriations in Additional Authority for Correctional Officers may be used only after the Department of Corrections has fully expended all personal services appropriated for the purpose of paying correctional officers in the amount of \$67,692,715 for the 2025 biennium."

*Additionally, the legislature adopted the following HB 2 language, contingent on the passage and approval of other bills, and the adjustments to HB 2 appropriations are included as decision packages and incorporated in the tables in the fiscal report:*

"If HB 15 is passed and approved, the Department of Corrections is increased by \$1,034 general fund in FY 2024 and \$2,211 general fund in FY 2025."

"If HB 174 is passed and approved, the Department of Corrections is increased by \$1,363,752 general fund in FY 2024 and \$1,363,752 general fund in FY 2025."

"If HB 398 is passed and approved, the Department of Corrections is increased by \$273,708 general fund in FY 2024 and \$265,308 general fund in FY 2025, and the Department of Corrections may increase full-time equivalent positions authorized in HB 2 by 3.00 FTE in FY 2024 and 3.00 FTE in FY 2025."

"If HB 500 is passed and approved, the Department of Corrections is increased by \$34,120 general fund and decreased by \$71,796 state special revenue in FY 2024 and is increased by \$34,120 general fund and decreased by \$71,796 state special revenue in FY 2025, and the Department of Corrections must decrease full-time equivalent positions authorized in HB 2 by 0.50 FTE in FY 2024 and 0.50 FTE in FY 2025."

"If HB 541 is passed and approved, the Department of Corrections is increased by \$15,000 one-time-only state special revenue in FY 2024."

**Program Budget Comparison**

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	16,991,934	18,428,256	1,436,322	8.45 %
Operating Expenses	15,904,524	11,546,765	(4,357,759)	(27.40)%
Transfers	200,000	200,000	0	0.00 %
<b>Total Expenditures</b>	<b>\$33,096,458</b>	<b>\$30,175,021</b>	<b>(\$2,921,437)</b>	<b>(8.83)%</b>
General Fund	31,856,454	28,899,048	(2,957,406)	(9.28)%
State/Other Special Rev. Funds	951,018	1,037,969	86,951	9.14 %
Proprietary Funds	288,986	238,004	(50,982)	(17.64)%
<b>Total Funds</b>	<b>\$33,096,458</b>	<b>\$30,175,021</b>	<b>(\$2,921,437)</b>	<b>(8.83)%</b>
<b>Total Ongoing</b>	<b>\$33,096,458</b>	<b>\$33,881,667</b>	<b>\$785,209</b>	<b>2.37 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$3,706,646)</b>	<b>(\$3,706,646)</b>	<b>100.00 %</b>

**Program Description**

The Director's Office and the Central Services Division include the following bureaus: the Legal Bureau, the Communications Bureau, the Financial Services Bureau, the Information Technology Bureau, the Human Resources Bureau, the Records Management Bureau, the Research & Analytics Bureau, and the Project Management Bureau. This program provides services to the department and the public in the areas of: public information, human resource management, American Indian liaison services, information technology, legal support, technical correctional services, research and statistics, project management, payroll, budgeting and program planning, contract development, federal grants management, victim restitution, supervision fee collection, accounting, and various administrative and management support functions.

**Program Highlights**

<p><b>Director's Office - CSD Major Budget Highlights</b></p>
<p>The Director's Office 2025 biennium budget adopted by the legislature reflects a decrease of 8.8% or \$2.9 million when compared to the 2023 biennium. Changes include:</p> <ul style="list-style-type: none"> <li>• A decrease totaling just over \$2.0 million related to statewide present law adjustments in personal services, fixed costs, and inflation</li> <li>• A decrease of \$194,000 related to an additional 1.0% vacancy savings</li> <li>• A decrease of \$75,000 and 0.50 FTE associated with the passage of HB 500</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	105.81	105.81	105.31	105.31
Personal Services	8,039,074	8,145,664	8,846,270	9,187,870	9,240,386
Operating Expenses	7,807,867	8,635,249	7,269,275	5,849,212	5,697,553
Transfers	100,000	100,000	100,000	100,000	100,000
<b>Total Expenditures</b>	<b>\$15,946,941</b>	<b>\$16,880,913</b>	<b>\$16,215,545</b>	<b>\$15,137,082</b>	<b>\$15,037,939</b>
General Fund	15,432,078	16,259,455	15,596,999	14,491,016	14,408,032
State/Other Special Rev. Funds	368,746	475,341	475,677	527,263	510,706
Proprietary Funds	146,117	146,117	142,869	118,803	119,201
<b>Total Funds</b>	<b>\$15,946,941</b>	<b>\$16,880,913</b>	<b>\$16,215,545</b>	<b>\$15,137,082</b>	<b>\$15,037,939</b>
<b>Total Ongoing</b>	<b>\$15,946,941</b>	<b>\$16,880,913</b>	<b>\$16,215,545</b>	<b>\$16,982,905</b>	<b>\$16,898,762</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,845,823)</b>	<b>(\$1,860,823)</b>

**Funding**

The following table shows proposed agency funding for all sources of authority.

Department of Corrections, 01-Director's Office - C S D Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	28,899,048	0	0	28,899,048	95.77 %
02689 Offender Restitution	1,032,944	0	0	1,032,944	99.52 %
02917 MSP Canteen Revolving Acct	5,025	0	0	5,025	0.48 %
<b>State Special Total</b>	<b>\$1,037,969</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,037,969</b>	<b>3.44 %</b>
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
06033 Prison Ranch	59,239	0	0	59,239	24.89 %
06034 MSP Institutional Industries	59,239	0	0	59,239	24.89 %
06545 Prison Indust. Training Prog	1,044	0	0	1,044	0.44 %
06573 MSP - Cook Chill	59,241	0	0	59,241	24.89 %
06011 License Plate Production	59,241	0	0	59,241	24.89 %
<b>Proprietary Total</b>	<b>\$238,004</b>	<b>\$0</b>	<b>\$0</b>	<b>\$238,004</b>	<b>0.79 %</b>
<b>Total All Funds</b>	<b>\$30,175,021</b>	<b>\$0</b>	<b>\$0</b>	<b>\$30,175,021</b>	

The majority of funding for the Director's Office/CSD comes from the general fund. There is a small amount of funding for this program that comes from state special revenues, primarily from fees charged for collection of restitution from offenders. The remaining portion of funding comes from proprietary funds such as the prison ranch, industries program, cook chill operation, and license plate production.

**Budget Summary by Category**

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	15,596,999	15,596,999	31,193,998	107.94 %	16,215,545	16,215,545	32,431,090	107.48 %
SWPL Adjustments	(653,729)	(643,741)	(1,297,470)	(4.49)%	(639,107)	(630,238)	(1,269,345)	(4.21)%
PL Adjustments	4,587	3,089	7,676	0.03 %	4,660	3,134	7,794	0.03 %
New Proposals	(456,841)	(548,315)	(1,005,156)	(3.48)%	(444,016)	(550,502)	(994,518)	(3.30)%
<b>Total Budget</b>	<b>\$14,491,016</b>	<b>\$14,408,032</b>	<b>\$28,899,048</b>		<b>\$15,137,082</b>	<b>\$15,037,939</b>	<b>\$30,175,021</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	436,476	39,281	0	475,757	0.00	491,109	37,717	0	528,826
DP 2 - Fixed Costs	0.00	(1,544,052)	(521)	0	(1,568,711)	0.00	(1,672,024)	(502)	0	(1,696,238)
DP 3 - Inflation Deflation	0.00	453,847	0	0	453,847	0.00	537,174	0	0	537,174
DP 20 - SABHRS Rate Adjustment	0.00	4,587	1	0	4,660	0.00	3,089	1	0	3,134
DP 222 - RMTD Adjustment	0.00	1,831,572	618	0	1,860,823	0.00	1,834,259	551	0	1,860,823
DP 223 - RMTD Adjustment (OTO)	0.00	(1,831,572)	(618)	0	(1,860,823)	0.00	(1,834,259)	(551)	0	(1,860,823)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$649,142)</b>	<b>\$38,761</b>	<b>\$0</b>	<b>(\$634,447)</b>	<b>0.00</b>	<b>(\$640,652)</b>	<b>\$37,216</b>	<b>\$0</b>	<b>(\$627,104)</b>

\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments in funding required for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

**New Proposals**

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 333 - Adjustment to Inflation	0.00	(324,859)	0	0	(324,859)	0.00	(415,792)	0	0	(415,792)
DP 555 - Additional Vacancy Savings	0.00	(94,306)	(2,175)	0	(96,481)	0.00	(94,847)	(2,187)	0	(97,034)
DP 1402 - HB 500	(0.50)	(37,676)	0	0	(37,676)	(0.50)	(37,676)	0	0	(37,676)
DP 1403 - HB 541 (OTO)	0.00	0	15,000	0	15,000	0.00	0	0	0	0
<b>Total</b>	<b>(0.50)</b>	<b>(\$456,841)</b>	<b>\$12,825</b>	<b>\$0</b>	<b>(\$444,016)</b>	<b>(0.50)</b>	<b>(\$548,315)</b>	<b>(\$2,187)</b>	<b>\$0</b>	<b>(\$550,502)</b>

\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

DP 1402 - HB 500 -

The legislature adopted contingency language to increase appropriations if HB 500 was passed and approved, and this decision package implements this language. HB 500 prohibits a court from ordering a youth, the youth's parents, or the youth's guardian to pay any contribution for any part of the costs of adjudication, disposition, attorney fees for costs of prosecuting or defending the youth, costs of detention, supervision, care, custody, or necessary medical, dental, or health treatment; or fines if the violation would constitute a criminal offense if committed by an adult. The bill also voids all outstanding fees or costs owed by a youth, the youth's parents or guardian. The branch is reduced by 0.50 FTE associated with the passage of this legislation.

DP 1403 - HB 541 (OTO) -

The legislature adopted contingency language to increase appropriations if HB 541 was passed and approved and this decision package implements this language. HB 541 requires a court to order an offender to pay accrued interest on any fine and restitution if ordered as a condition of a sentence the court has imposed. The bill would apply interest to outstanding restitution balances if an offender were out of compliance with court-mandated payments (of fines) for 6 months or more. Additional authority to the department will cover costs associated with programming changes to the restitution collection software.

**Program Budget Comparison**

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	138,457,449	159,220,346	20,762,897	15.00 %
Operating Expenses	98,064,406	119,509,384	21,444,978	21.87 %
Equipment & Intangible Assets	470,704	1,091,404	620,700	131.87 %
Capital Outlay	41,546	41,546	0	0.00 %
Transfers	418,492	362,242	(56,250)	(13.44)%
Debt Service	1,718,266	1,907,412	189,146	11.01 %
<b>Total Expenditures</b>	<b>\$239,170,863</b>	<b>\$282,132,334</b>	<b>\$42,961,471</b>	<b>17.96 %</b>
General Fund	235,911,163	278,677,734	42,766,571	18.13 %
State/Other Special Rev. Funds	3,259,700	3,454,600	194,900	5.98 %
<b>Total Funds</b>	<b>\$239,170,863</b>	<b>\$282,132,334</b>	<b>\$42,961,471</b>	<b>17.96 %</b>
<b>Total Ongoing</b>	<b>\$239,170,863</b>	<b>\$277,116,751</b>	<b>\$37,945,888</b>	<b>15.87 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$5,015,583</b>	<b>\$5,015,583</b>	<b>100.00 %</b>

**Program Description**

The Public Safety Division oversees secure correctional facilities across the state. This includes three state-owned secure facilities (Montana State Prison, Montana Women’s Prison, and Pine Hills Correctional Facility), as well as the state’s two contracted secure facilities (Crossroads Correctional Center and Dawson County Correctional Facility). Through the Probation and Parole Bureau, this division provides community supervision services to offenders across the state. Also housed in this division are the Investigations Bureau and various support functions to include staff development and quality assurance.

Program Highlights

<b>Public Safety Division Major Budget Highlights</b>
<p>The 2025 biennium budget adopted by the legislature for the Public Safety Division reflects an increase of 18.0% or \$43.0 million when compared to the 2023 biennium. This includes:</p> <ul style="list-style-type: none"> <li>• \$13.5 million general fund for statewide present law adjustments to personal services, fixed costs, and inflation</li> <li>• \$9.7 million general fund in provider rate increases to contracted secure facilities                             <ul style="list-style-type: none"> <li>◦ \$5.7 million for the department to increase contracted rates paid to Core Civic for inmates housed at Crossroads Correctional facility</li> <li>◦ \$4.0 million for generally increased rates paid to all contracted secure facilities of 6.0% in FY 2024 and 10.0% in FY 2025</li> </ul> </li> <li>• \$6.1 million general fund for an additional \$2 per hour for correctional officers at the Montana State Prison (MSP) and \$3 at Pine Hills and the Montana Women's Prison (MWP) and an additional \$800,000 for the Probation &amp; Parole performance adjusted wage scale (PAWS) program per negotiated union agreements</li> <li>• \$2.7 million general fund to increase amounts paid to county detention centers based on actual costs as per HB 174</li> <li>• \$2.5 million contingent general fund for the purpose of paying correctional officers</li> <li>• \$1.7 million one-time-only general fund for 13.00 FTE in various functions related to probation and parole.</li> <li>• \$1.5 million to cover increased costs for meals from the MCE's food factory</li> </ul>

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	989.36	989.36	1,000.36	1,000.36
Personal Services	65,195,333	66,158,024	72,299,425	79,334,561	79,885,785
Operating Expenses	49,200,161	49,525,100	48,539,306	59,193,485	60,315,899
Equipment & Intangible Assets	234,053	317,852	152,852	938,552	152,852
Capital Outlay	0	20,773	20,773	20,773	20,773
Transfers	262,371	262,371	156,121	181,121	181,121
Debt Service	1,291,922	1,326,092	392,174	953,706	953,706
<b>Total Expenditures</b>	<b>\$116,183,840</b>	<b>\$117,610,212</b>	<b>\$121,560,651</b>	<b>\$140,622,198</b>	<b>\$141,510,136</b>
General Fund	115,040,915	116,142,862	119,768,301	138,894,895	139,782,839
State/Other Special Rev. Funds	1,142,925	1,467,350	1,792,350	1,727,303	1,727,297
<b>Total Funds</b>	<b>\$116,183,840</b>	<b>\$117,610,212</b>	<b>\$121,560,651</b>	<b>\$140,622,198</b>	<b>\$141,510,136</b>
<b>Total Ongoing</b>	<b>\$116,183,840</b>	<b>\$117,610,212</b>	<b>\$121,560,651</b>	<b>\$137,719,315</b>	<b>\$139,397,436</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,902,883</b>	<b>\$2,112,700</b>

Funding

The following table shows proposed agency funding for all sources of authority.

Department of Corrections, 02-Public Safety Division Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	278,677,734	0	5,140	278,682,874	98.26 %
02033 Pine Hills Vocational Program	200,000	0	0	200,000	4.04 %
02034 Earmarked Alcohol Funds	51,046	0	0	51,046	1.03 %
02261 P & P Supervisory Fee	2,126,832	0	0	2,126,832	43.00 %
02339 Inmate Welfare/Inmate Pay	200,000	0	0	200,000	4.04 %
02345 Inmate Welfare Fund	0	0	1,492,043	1,492,043	30.16 %
02916 PHS-Canteen	7,046	0	0	7,046	0.14 %
02927 PHS Donations/I & I	754,660	0	0	754,660	15.26 %
02970 Juvenile Plcmnt Cost of Care	115,016	0	0	115,016	2.33 %
<b>State Special Total</b>	<b>\$3,454,600</b>	<b>\$0</b>	<b>\$1,492,043</b>	<b>\$4,946,643</b>	<b>1.74 %</b>
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Total All Funds</b>	<b>\$282,132,334</b>	<b>\$0</b>	<b>\$1,497,183</b>	<b>\$283,629,517</b>	

Most of the Public Safety Division's funding comes from the general fund. The remaining funding comes from state special revenues. The largest portion of these state special funds are collected from offenders who are required to pay supervision fees related to probation and parole. Parental contributions toward the costs of care as well as interest and income related to Pine Hills school lands primarily make up additional state special revenue. These revenues are used for additional support related to direct and non-direct care costs in the Pine Hills Correctional Facility.

The inmate welfare state special revenue fund is used to fund activities and basic needs of inmates and is comprised of the sales of contraband and confiscated items, as well as proceeds from inmate canteen purchases from the state prison. A little over half of the state special revenue for the inmate welfare fund is statutorily appropriated.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	119,768,301	119,768,301	239,536,602	85.95 %	121,560,651	121,560,651	243,121,302	86.17 %
SWPL Adjustments	5,871,271	7,065,979	12,937,250	4.64 %	5,871,271	7,065,979	12,937,250	4.59 %
PL Adjustments	1,996,951	1,680,871	3,677,822	1.32 %	1,996,951	1,680,871	3,677,822	1.30 %
New Proposals	11,258,372	11,267,688	22,526,060	8.08 %	11,193,325	11,202,635	22,395,960	7.94 %
<b>Total Budget</b>	<b>\$138,894,895</b>	<b>\$139,782,839</b>	<b>\$278,677,734</b>		<b>\$140,622,198</b>	<b>\$141,510,136</b>	<b>\$282,132,334</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	2,064,119	0	0	2,064,119	0.00	2,610,820	0	0	2,610,820
DP 2 - Fixed Costs	0.00	586,532	0	0	586,532	0.00	586,532	0	0	586,532
DP 3 - Inflation Deflation	0.00	3,220,620	0	0	3,220,620	0.00	3,868,627	0	0	3,868,627
DP 208 - Appropriation for Food Factory Rate Increases	0.00	634,768	0	0	634,768	0.00	818,171	0	0	818,171
DP 211 - Vehicle Replacement (RST/OTO)	0.00	495,000	0	0	495,000	0.00	0	0	0	0
DP 214 - Prior Session Staffing Correction (OTO)	13.00	867,183	0	0	867,183	13.00	862,700	0	0	862,700
<b>Grand Total All Present Law Adjustments</b>	<b>13.00</b>	<b>\$7,868,222</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,868,222</b>	<b>13.00</b>	<b>\$8,746,850</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,746,850</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments in funding required for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 208 - Appropriation for Food Factory Rate Increases -

The legislature adopted additional general fund over the biennium to cover inflationary increases in costs related to the proposed rate increase for MCE's food factory, which provides food for the prison facilities.

DP 211 - Vehicle Replacement (RST/OTO) -

The legislature adopted additional one-time-only general fund authority for the replacement of several vehicles across the department as specified in HB 2 language.

DP 214 - Prior Session Staffing Correction (OTO) -

The legislature adopted additional one-time-only general fund authority for 13.00 FTE currently being utilized as modified positions. These FTE serve in various probation & parole functions across Montana.

**New Proposals**

The "New Proposals" table shows new changes to spending.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 201 - Request Additional funding for Union Agreement Pay Increase	0.00	3,019,459	0	0	3,019,459	0.00	3,031,071	0	0	3,031,071
DP 202 - P&P Performance Adjustment Wage Scale	0.00	400,000	0	0	400,000	0.00	400,000	0	0	400,000
DP 203 - Equipment/IT Upgrades (RST/OTO)	0.00	290,700	0	0	290,700	0.00	0	0	0	0
DP 204 - IWF Adjustments	0.00	100,000	0	0	100,000	0.00	100,000	0	0	100,000
DP 207 - Appropriation for Existing Lease Rate Increases	0.00	355,754	0	0	355,754	0.00	355,754	0	0	355,754
DP 298 - Provider Rate Adjustment - 2.0%	0.00	517,266	0	0	517,266	0.00	517,266	0	0	517,266
DP 299 - Provider Rate Adjustment	0.00	950,113	0	0	950,113	0.00	2,025,805	0	0	2,025,805
DP 333 - Adjustment to Inflation	0.00	(805,155)	0	0	(805,155)	0.00	(967,157)	0	0	(967,157)
DP 555 - Additional Vacancy Savings	0.00	(357,461)	0	0	(357,461)	0.00	(359,362)	0	0	(359,362)
DP 999 - Removal of Long-Term Vacant Positions	(2.00)	(208,164)	0	0	(208,164)	(2.00)	(208,869)	0	0	(208,869)
DP 1401 - HB 174	0.00	1,363,752	0	0	1,363,752	0.00	1,363,752	0	0	1,363,752
DP 1402 - HB 500	0.00	71,796	(71,796)	0	0	0.00	71,796	(71,796)	0	0
DP 2001 - Core Civic Contract Increase	0.00	3,276,152	0	0	3,276,152	0.00	2,396,648	0	0	2,396,648
DP 2091 - Additional Authority for Correctional Officers (RST/OTO)	0.00	1,250,000	0	0	1,250,000	0.00	1,250,000	0	0	1,250,000
DP 3333 - Additional Adjustment to Inflation	0.00	1,034,160	6,749	0	1,040,909	0.00	1,290,984	6,743	0	1,297,727
<b>Total</b>	<b>(2.00)</b>	<b>\$11,258,372</b>	<b>(\$65,047)</b>	<b>\$0</b>	<b>\$11,193,325</b>	<b>(2.00)</b>	<b>\$11,267,688</b>	<b>(\$65,053)</b>	<b>\$0</b>	<b>\$11,202,635</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 201 - Request Additional funding for Union Agreement Pay Increase -

The legislature adopted general fund for an additional \$2.00 per hour for correctional officers at Montana State Prison and \$3.00 per hour for correctional officers at the Montana Women's Prison and Pine Hills Correctional Facility in accordance with negotiated union contracts and to equalize pay for correctional officers across all DOC facilities.

DP 202 - P&P Performance Adjustment Wage Scale -

The legislature adopted general fund for the Probation & Parole performance adjusted wage scale (PAWS) program per negotiated union agreements with P&P officers.

DP 203 - Equipment/IT Upgrades (RST/OTO) -

The legislature adopted one-time-only general fund authority to update and replace certain equipment items within the department's secure facilities as specified in HB 2 language.

DP 204 - IWF Adjustments -

The legislature adopted additional general fund authority to move payment of indigent kits and authority for inmate wages, which provide for negotiation of inmate telephone rates, from the Inmate Welfare Fund to the state general fund, as recommended by legislative audit.

DP 207 - Appropriation for Existing Lease Rate Increases -

The legislature adopted additional general fund at 90.0% of the executive request to cover rate increases for existing leases, as required by lease agreements.

DP 298 - Provider Rate Adjustment - 2.0% -

The legislature adopted additional general fund authority for a 2.0% provider rate adjustment for both years of the 2025 biennium.

DP 299 - Provider Rate Adjustment -

The legislature adopted additional general fund authority for a 4.0% provider rate adjustment in FY 2024 and 8.0% in FY 2025.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

DP 999 - Removal of Long-Term Vacant Positions -

The legislature adopted the removal of 2.00 FTE that had been vacant for two years or longer.

DP 1401 - HB 174 -

The legislature adopted contingency language to increase appropriations if HB 174 was passed and approved, and this decision package implements this language. This bill requires that reimbursement rates paid to county jails to be calculated using \$82.00 per bed per day or the per diem rate for Crossroads Correctional Facility minus 10.0%, whichever is higher. This would increase the current expenses for county jail holds for the Department of Corrections.

DP 1402 - HB 500 -

The legislature adopted contingency language to increase appropriations if HB 500 was passed and approved, and this decision package implements this language. HB 500 prohibits a court from ordering a youth, the youth's parents, or the youth's guardian to pay any contribution for any part of the costs of adjudication, disposition, attorney fees for costs of prosecuting or defending the youth, costs of detention, supervision, care, custody, or necessary medical, dental, or health treatment; or fines if the violation would constitute a criminal offense if committed by an adult. The bill also voids all outstanding fees or costs owed by a youth, the youth's parents or guardian. General fund appropriations will increase with a corresponding offsetting reduction in state special revenue to reflect the loss of revenue associated with juvenile cost of care.

DP 2001 - Core Civic Contract Increase -

The legislature adopted additional general fund for the department to increase the contracted rate paid to Core Civic for housing inmates at Crossroads Correctional facility. Funding is intended to cover a rate of \$92.00 per day for the 2025 biennium.

DP 2091 - Additional Authority for Correctional Officers (RST/OTO) -

The legislature adopted additional one-time-only general fund for the Department of Corrections contingent upon the department first expending all personal services appropriated to pay correctional officers including dollars realized from position vacancies.

DP 3333 - Additional Adjustment to Inflation -

The legislature adopted an additional adjustment to inflation included in DP 3.

**Program Budget Comparison**

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	30,942,856	31,237,699	294,843	0.95 %
Operating Expenses	135,750,449	170,196,293	34,445,844	25.37 %
Equipment & Intangible Assets	202,811	0	(202,811)	(100.00)%
Transfers	651,484	482,734	(168,750)	(25.90)%
Debt Service	145,411	234,694	89,283	61.40 %
<b>Total Expenditures</b>	<b>\$167,693,011</b>	<b>\$202,151,420</b>	<b>\$34,458,409</b>	<b>20.55 %</b>
General Fund	158,781,729	192,484,175	33,702,446	21.23 %
State/Other Special Rev. Funds	8,911,282	9,667,245	755,963	8.48 %
<b>Total Funds</b>	<b>\$167,693,011</b>	<b>\$202,151,420</b>	<b>\$34,458,409</b>	<b>20.55 %</b>
<b>Total Ongoing</b>	<b>\$167,543,011</b>	<b>\$197,047,293</b>	<b>\$29,504,282</b>	<b>17.61 %</b>
<b>Total OTO</b>	<b>\$150,000</b>	<b>\$5,104,127</b>	<b>\$4,954,127</b>	<b>3,302.75 %</b>

**Program Description**

The Rehabilitation and Programs Division is comprised of the Programs and Facilities Bureau, the Health Services Bureau, Montana Correctional Enterprises, the Evidence-Based Programming and Practices Bureau, and the Victim Services Bureau.

The Programs & Facilities Bureau provides community corrections programs to include chemical dependency treatment programs; DUI treatment facilities, methamphetamine treatment facilities; assessment, sanction, and revocation centers; and various other prison diversion programs. The department contracts with nonprofit corporations in Great Falls, Missoula, Billings, Bozeman, Butte, and Helena for prerelease services. The Health Services Bureau provides medical, dental, and mental health care to inmates in DOC’s secure facilities and oversees the provision of these services in contracted facilities. Montana Correctional Enterprises (MCE) provides education and vocational training to inmates and operates the department’s correctional industries program. The Evidence-Based Programming and Practices Bureau provides quality assurance services, reviewing programming options offered across the department. The Victim Services Bureau provides crucial support and assistance to victims across the state.

Program Highlights

<b>Rehabilitation and Programs Major Budget Highlights</b>
<p>The 2025 biennium budget adopted by the legislature for the Rehabilitation and Programs Division is 20.6% or \$34.5 million higher than the 2023 biennium. Changes include:</p> <ul style="list-style-type: none"> <li>• \$21.2 million general fund for increased per diem rates paid to contracted community corrections providers and Enhanced Transitional Supervision Services (ETSS) providers                             <ul style="list-style-type: none"> <li>◦ \$15.1 million in increased rates paid to all contracted facilities of approximately 6.0% in FY 2024 and 10.0% in FY 2025</li> <li>◦ \$6.1 million for increased per diem rates paid to contracted providers intended to cover employee hourly pay increases</li> </ul> </li> <li>• \$6.2 million for statewide present law adjustments to personal services, fixed costs, and inflation</li> <li>• \$3.1 million general fund for the department to expand current capacity within community corrections providers by approximately 50 beds</li> <li>• \$2.0 million general fund for the department to expand non-residential capacity and reduce the use of pre-release space</li> <li>• \$1.0 million state special revenue within the Montana Correctional Enterprises Canteen revolving fund to increase the number of items purchased to meet increasing demand</li> </ul>

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	177.00	177.00	177.00	177.00
Personal Services	14,247,412	15,060,558	15,882,298	15,653,587	15,584,112
Operating Expenses	64,345,226	67,571,577	68,178,872	82,472,979	87,723,314
Equipment & Intangible Assets	202,811	202,811	0	0	0
Transfers	348,863	410,117	241,367	241,367	241,367
Debt Service	76,299	76,299	69,112	117,347	117,347
<b>Total Expenditures</b>	<b>\$79,220,611</b>	<b>\$83,321,362</b>	<b>\$84,371,649</b>	<b>\$98,485,280</b>	<b>\$103,666,140</b>
General Fund	74,751,957	78,703,228	80,078,501	93,651,637	98,832,538
State/Other Special Rev. Funds	4,468,654	4,618,134	4,293,148	4,833,643	4,833,602
<b>Total Funds</b>	<b>\$79,220,611</b>	<b>\$83,321,362</b>	<b>\$84,371,649</b>	<b>\$98,485,280</b>	<b>\$103,666,140</b>
<b>Total Ongoing</b>	<b>\$79,145,611</b>	<b>\$83,246,362</b>	<b>\$84,296,649</b>	<b>\$96,017,419</b>	<b>\$101,029,874</b>
<b>Total OTO</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$2,467,861</b>	<b>\$2,636,266</b>

Funding

The following table shows proposed agency funding for all sources of authority.

Department of Corrections, 03-Rehabilitations & Programs Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	192,484,175	0	0	192,484,175	81.10 %	
02261 P & P Supervisory Fee	134,612	0	0	134,612	1.39 %	
02917 MSP Canteen Revolving Acct	9,532,633	0	0	9,532,633	98.61 %	
<b>State Special Total</b>	<b>\$9,667,245</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,667,245</b>	<b>4.07 %</b>	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
06033 Prison Ranch	0	10,222,755	0	10,222,755	29.05 %	
06034 MSP Institutional Industries	0	7,932,387	0	7,932,387	22.54 %	
06545 Prison Indust. Training Prog	0	1,445,985	0	1,445,985	4.11 %	
06573 MSP - Cook Chill	0	10,512,183	0	10,512,183	29.87 %	
06011 License Plate Production	0	5,081,130	0	5,081,130	14.44 %	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$35,194,440</b>	<b>\$0</b>	<b>\$35,194,440</b>	<b>14.83 %</b>	
<b>Total All Funds</b>	<b>\$202,151,420</b>	<b>\$35,194,440</b>	<b>\$0</b>	<b>\$237,345,860</b>		

The Rehabilitation and Programs Division is comprised mostly of general fund with a small portion coming from state special revenues. These state special funds are collected from offenders who are required to pay supervision fees related to probation and parole and from the inmate canteen state special fund which receives revenues from the sales of products to inmates and is paid through inmate wages and money received from family members.

Additional funding supports functions related to Montana Correctional Enterprises (MCE), now located within the Rehabilitation and Programs Division. Non-budgeted proprietary funds such as license plate production, the prison ranch, and cook chill operations make up the largest portion of funding for the MCE.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	80,003,501	80,003,501	160,007,002	83.13 %	84,296,649	84,296,649	168,593,298	83.40 %
SWPL Adjustments	3,658,731	4,631,158	8,289,889	4.31 %	3,712,724	4,685,097	8,397,821	4.15 %
PL Adjustments	642,615	642,615	1,285,230	0.67 %	642,615	642,615	1,285,230	0.64 %
New Proposals	9,346,790	13,555,264	22,902,054	11.90 %	9,833,292	14,041,779	23,875,071	11.81 %
<b>Total Budget</b>	<b>\$93,651,637</b>	<b>\$98,832,538</b>	<b>\$192,484,175</b>		<b>\$98,485,280</b>	<b>\$103,666,140</b>	<b>\$202,151,420</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(136,089)	0	0	(136,089)	0.00	(205,586)	0	0	(205,586)
DP 2 - Fixed Costs	0.00	48,235	0	0	48,235	0.00	48,235	0	0	48,235
DP 3 - Inflation Deflation	0.00	3,746,585	53,993	0	3,800,578	0.00	4,788,509	53,939	0	4,842,448
DP 301 - Correction for increase for non-profit providers	0.00	508,498	0	0	508,498	0.00	508,498	0	0	508,498
DP 302 - Increase Contract Services MH, SOP, Medical, Dental	0.00	100,000	0	0	100,000	0.00	100,000	0	0	100,000
DP 307 - Differential Pay	0.00	34,117	0	0	34,117	0.00	34,117	0	0	34,117
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$4,301,346</b>	<b>\$53,993</b>	<b>\$0</b>	<b>\$4,355,339</b>	<b>0.00</b>	<b>\$5,273,773</b>	<b>\$53,939</b>	<b>\$0</b>	<b>\$5,327,712</b>

\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments in funding required for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 301 - Correction for increase for non-profit providers -

The legislature approved general fund for increased non-profit provider rates in the 2025 biennium.

DP 302 - Increase Contract Services MH, SOP, Medical, Dental -

The legislature approved general fund authority to cover anticipated contract increases for medical, dental, nursing, and telepsychiatry services.

DP 307 - Differential Pay -

The legislature approved general fund for the payment of differential pay for certain shifts and job duties required under union contracts.

**New Proposals**

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5 - Inmates Approaching Parole or Discharge	1.00	109,529	0	0	109,529	1.00	106,729	0	0	106,729
DP 306 - Additional Authority for DOC-MCE Canteen	0.00	0	500,000	0	500,000	0.00	0	500,000	0	500,000
DP 333 - Adjustment to Inflation	0.00	(936,646)	(13,498)	0	(950,144)	0.00	(1,197,127)	(13,485)	0	(1,210,612)
DP 395 - DOC Supplemental Option 1 (RST/OTO)	0.00	1,467,861	0	0	1,467,861	0.00	1,636,266	0	0	1,636,266
DP 396 - Efficiencies in Community Corrections (RST/OTO)	0.00	1,000,000	0	0	1,000,000	0.00	1,000,000	0	0	1,000,000
DP 397 - Provider Rate Adjustment - 2.0%	0.00	1,276,736	0	0	1,276,736	0.00	1,276,736	0	0	1,276,736
DP 398 - Provider Rate Adjustment	0.00	4,620,255	0	0	4,620,255	0.00	6,940,866	0	0	6,940,866
DP 555 - Additional Vacancy Savings	0.00	(162,044)	0	0	(162,044)	0.00	(162,967)	0	0	(162,967)
DP 999 - Removal of Long-Term Vacant Positions	(1.00)	(72,458)	0	0	(72,458)	(1.00)	(72,690)	0	0	(72,690)
DP 1400 - HB 15	0.00	1,034	0	0	1,034	0.00	2,211	0	0	2,211
DP 3981 - Contracted Provider Employee Pay Increase	0.00	2,042,523	0	0	2,042,523	0.00	4,025,240	0	0	4,025,240
<b>Total</b>	<b>0.00</b>	<b>\$9,346,790</b>	<b>\$486,502</b>	<b>\$0</b>	<b>\$9,833,292</b>	<b>0.00</b>	<b>\$13,555,264</b>	<b>\$486,515</b>	<b>\$0</b>	<b>\$14,041,779</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5 - Inmates Approaching Parole or Discharge -

The legislature adopted additional general fund for a 1.00 FTE compliance manager to aid in contracting with private, nonprofit Montana entities to establish and maintain prerelease centers for the purpose of preparing inmates who are within 14 months of parole eligibility or discharge for release into the community.

DP 306 - Additional Authority for DOC-MCE Canteen -

The legislature adopted additional state special revenue within the Montana Correctional Enterprises Canteen revolving fund to increase the number of items purchased to meet increasing demand.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 395 - DOC Supplemental Option 1 (RST/OTO) -

The legislature adopted additional general fund authority for the department to work with community corrections providers to expand current contracted bed space by approximately 50 beds across multiple different facilities.

DP 396 - Efficiencies in Community Corrections (RST/OTO) -

The legislature adopted additional general fund authority for the department to expand non-residential capacity by moving offenders that are deemed suitable/appropriate into community placements from existing pre-release beds.

DP 397 - Provider Rate Adjustment - 2.0% -

The legislature adopted additional general fund for a 2.0% provider rate adjustment each fiscal year of the 2025 biennium.

DP 398 - Provider Rate Adjustment -

The legislature adopted additional general fund authority for a 4.0% provider rate adjustment in FY 2024 and an 8.0% adjustment in FY 2025. This also contains funding for negotiated rates for RFPs.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

DP 999 - Removal of Long-Term Vacant Positions -

The legislature adopted the removal of 1.00 FTE that had been vacant for two years or longer.

DP 1400 - HB 15 -

The legislature adopted contingency language to increase appropriations if HB 15 was passed and approved, and this decision package implements this language. HB 15 applies statutory language 20-9-236, MCA, for inflationary increases of 2.7% in FY 2024 and 3.0% in FY 2025 to K-12 BASE aid funding. Included in the components for BASE aid funding are inflationary increases to quality educator payments for educators at Pine Hills Correctional Facility.

DP 3981 - Contracted Provider Employee Pay Increase -

The legislature adopted additional general fund to increase per diem rates paid to contracted community corrections providers. This increase is intended to cover an hourly pay increase for employees within community corrections providers by \$1.00 in FY 2024 and \$2.00 in FY 2025.

**Other Issues****Proprietary Rates****MSP Institutional Industries – Fund 06034***Program Description*

The Industries Program trains inmates in specific work skills and life skills in operations which include manufacturing of furniture, upholstery, print work and signs, sewing and embroidery, institutional laundry, screen printing, inventory management, shipping, AutoCAD design, web design, marketing, hygiene kit assembly and public-private partnerships. In addition, MSP Institutional Industries includes a dog training program located at the Montana Women's Prison. Three active prison industry enhancement certification programs, Jelt Belt, SIMMS Fishing Products and TrussLux, have a 10.0% mandatory net pay savings for workers.

Expenses

Personal service expenses are used to fund 21.13 FTE. Operating expenses make up the largest portion of expenditures and are mostly used for items such as merchandise, sewing/embroidered clothing, manufacturing hardwood/plywood, and shop supplies.

Revenues

The Industries Program derives revenues from the sale of products (primarily furniture) and services such as laundry. Prices for manufactured products are set utilizing current market values and take into account cost of materials, overhead, and capital outlay.

*Funding Sources*

Some revenue received by the program comes indirectly from the state's general fund and other special revenue and proprietary funds due to large portions of revenues resulting from business done with agencies statewide. These funds come in undeterminable amounts.

*Proprietary Rates*

Revenues for all industries programs are based on customer orders, inventory levels, available customer budgets and customer satisfaction. Although the Industries Program is an enterprise fund, the agency has historically requested a rate approval for laundry, as the rate directly affects several customers who receive general fund. The legislature approved the following per-pound rates for the laundry program which is not an internal service fund as it is a small operation in the overall industries program.

<b>Rates for Internal Service or Enterprise Funds</b>				
<b>Fee/Rate Information</b>				
	<b>Estimated FY 22</b>	<b>Estimated FY 23</b>	<b>Budgeted FY 24</b>	<b>Budgeted FY 25</b>
Fee Description:				
Cost Per Pound Laundry Services	\$0.68	\$0.68	\$0.68	\$0.68
Delivery Charge per Pound				
Montana Development Center	-	-	-	-
Riverside Youth Correctional/Riverside Special Needs Unit	\$0.05	\$0.05	\$0.05	\$0.05
Montana Law Enforcement Academy	\$0.15	\$0.15	\$0.15	\$0.15
Montana Chemical Dependency Corp	\$0.04	\$0.04	\$0.04	\$0.04
START Program	\$0.01	\$0.01	\$0.01	\$0.01
Montana State Hospital	-	-	-	-
University of Montana	\$67.50	\$67.50	\$67.50	\$67.50
Calculated at 67.50 per shared round trip				
The Laundry is a small part of the Industries Enterprise Fund operation. It is not an actual internal service fund. MCE requests rate approval for this operation to allow the general fund customers to request the required appropriation to cover any additional rate increase, though no rate increase is being requested this biennium.				

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

**MCE Food Factory – Fund 06573**

*Program Description*

The Food Factory Program trains inmates in specific work skills and life skills in meal preparation, bakery and cook chill operations while providing meals to numerous state and county facilities in western Montana.

Expenses

Personal service expenses are used to fund 22.00 FTE. Operating expenses make up the majority of expenses and are primarily used for bulk food items to sell and to prepare tray meals.

Revenues

The food factory sells bulk food items and tray meals to customers to obtain revenue.

*Funding Sources*

Revenues from MSP, the food factory's largest customer, come from the general fund.

*Proprietary Rates*

Rates are based on the cost of raw materials, supplies, and other operating expenses. The legislature approved a \$0.10 increase on base tray hot/cold in FY 2024 and a \$0.20 increase in FY 2025. Other approved rate increases are for base tray hot (\$0.12 in FY 2024 and \$0.38 in FY 2025) and for detention center trays (\$0.33 in FY 2024 and \$0.68 in FY 2025) shown below for the Food Service Program.

<b>Rates for Internal Service or Enterprise Funds Fee/Rate Information</b>				
	<b>Estimated FY 22</b>	<b>Estimated FY 23</b>	<b>Budgeted FY 24</b>	<b>Budgeted FY 25</b>
<b>Fee Description:</b>				
<b>Tray Meal Prices to all customers</b>				
Base Tray-hot/cold	\$2.45	\$2.45	\$2.55	\$2.65
Base Tray-hot	\$1.32	\$1.32	\$1.44	\$1.70
Base Tray-hot	\$3.05	\$3.05	\$3.38	\$3.73
Accessory Package	\$0.20	\$0.20	\$0.20	\$0.20
Disposable tray	-	-	at cost	at cost
<b>Delivery Charge Per Trayed Meal</b>				
Delivery charge per mile	\$0.50	\$0.50	\$0.50	\$0.50
Delivery charge per hour	\$35.00	\$35.00	\$35.00	\$35.00
Spoilage percentage to all bulk customers	5.00%	5.00%	5.00%	5.00%
<b>Overhead Charges</b>				
Montana State Prison	90.00%	90.00%	94.00%	94.00%
Montana State Hospital	10.00%	10.00%	6.00%	6.00%

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

**Vocational Education (Industries Training) – Fund 06545**

*Proprietary Program Description*

The Vocational Education Program trains inmates in specific work skills and life skills in operations which include motor vehicle maintenance, vehicle restoration welding, and machining and metals programs in conjunction with the general funded vocational education program. This table is shown below and is combined with one other fund.

Expenses

Expenses include personal service funding for 24.50 FTE as well as various parts to perform repairs and operating costs associated with the various programs.

Revenues

Revenues are derived primarily through repair, maintenance, and restoration work on customer vehicles and equipment as well as the sale of products and services in the welding, machining, and metal programs.

*Funding Sources*

Primary funding supporting payment for services are the ranch proprietary and general funds. Both of these funds support the MSP and are associated with large portions of revenue for the program.

*Proprietary Rates*

Motor vehicle maintenance rates are based on the costs of parts and a supply charge to cover consumable supplies for auto repairs and labor to perform tasks. The labor charge is based on the cost of civilian and inmate labor and program overhead. The legislature approved an increase in labor for the 2025 biennium of \$1.55 per hour as shown below for the Vocational Education Program.

<b>Rates for Internal Service or Enterprise Funds Fee/Rate Information</b>				
	<b>Estimated FY 22</b>	<b>Estimated FY 23</b>	<b>Budgeted FY 24</b>	<b>Budgeted FY 25</b>
Fee Description:				
Labor Charge/hour	\$28.45	\$28.45	\$30.00	\$30.00
Supply fee as percentage of actual cost of parts	10%	10%	10%	10%
Note: Parts are sold at cost				

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

**Program Budget Comparison**

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	1,843,408	2,051,623	208,215	11.30 %
Operating Expenses	244,889	411,760	166,871	68.14 %
Debt Service	56,899	0	(56,899)	(100.00)%
<b>Total Expenditures</b>	<b>\$2,145,196</b>	<b>\$2,463,383</b>	<b>\$318,187</b>	<b>14.83 %</b>
General Fund	2,145,196	2,463,383	318,187	14.83 %
<b>Total Funds</b>	<b>\$2,145,196</b>	<b>\$2,463,383</b>	<b>\$318,187</b>	<b>14.83 %</b>
<b>Total Ongoing</b>	<b>\$2,145,196</b>	<b>\$2,433,383</b>	<b>\$288,187</b>	<b>13.43 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>100.00 %</b>

**Program Description**

The Board of Pardons and Parole, as an essential part of the criminal justice process, serves all Montana citizens by administering a parole system that is balanced with public safety, offender accountability and rehabilitation, as well as protecting the interests of victims and communities, with the goal of successfully reintegrating merited offenders back into society through a reentry process.

**Program Highlights**

<p><b>Board of Pardons and Parole Major Budget Highlights</b></p>
<p>The 2025 biennium budget adopted by the legislature for the Board of Pardons and Parole is 14.8% or \$320,000 higher when compared to the 2023 biennium budget. When compared to FY 2023 base budget appropriations, the increase is 8.6% or \$196,000. Changes include:</p> <ul style="list-style-type: none"> <li>• \$216,000 and 1.00 FTE data analyst for functions related to HB 426</li> <li>• \$30,000 restricted general fund related to ACA certifications</li> <li>• A reduction of \$50,000 for statewide present law adjustments to personal services and inflation and for an additional 1.0% vacancy savings</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	10.00	10.00	11.00	11.00
Personal Services	893,770	893,770	949,638	1,024,279	1,027,344
Operating Expenses	60,736	60,736	184,153	206,931	204,829
Debt Service	56,899	56,899	0	0	0
<b>Total Expenditures</b>	<b>\$1,011,405</b>	<b>\$1,011,405</b>	<b>\$1,133,791</b>	<b>\$1,231,210</b>	<b>\$1,232,173</b>
General Fund	1,011,405	1,011,405	1,133,791	1,231,210	1,232,173
<b>Total Funds</b>	<b>\$1,011,405</b>	<b>\$1,011,405</b>	<b>\$1,133,791</b>	<b>\$1,231,210</b>	<b>\$1,232,173</b>
<b>Total Ongoing</b>	<b>\$1,011,405</b>	<b>\$1,011,405</b>	<b>\$1,133,791</b>	<b>\$1,216,210</b>	<b>\$1,217,173</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,000</b>	<b>\$15,000</b>

**Funding**

The following table shows proposed agency funding for all sources of authority.

Department of Corrections, 04-Board of Pardons & Parole Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	2,463,383	0	0	2,463,383	100.00 %	
<b>State Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$2,463,383</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,463,383</b>		

The Board of Pardons and Parole is fully funded by the general fund.

**Budget Summary by Category**

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	1,133,791	1,133,791	2,267,582	92.05 %	1,133,791	1,133,791	2,267,582	92.05 %
SWPL Adjustments	(15,792)	(11,764)	(27,556)	(1.12)%	(15,792)	(11,764)	(27,556)	(1.12)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	113,211	110,146	223,357	9.07 %	113,211	110,146	223,357	9.07 %
<b>Total Budget</b>	<b>\$1,231,210</b>	<b>\$1,232,173</b>	<b>\$2,463,383</b>		<b>\$1,231,210</b>	<b>\$1,232,173</b>	<b>\$2,463,383</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(22,430)	0	0	(22,430)	0.00	(19,332)	0	0	(19,332)
DP 3 - Inflation Deflation	0.00	6,638	0	0	6,638	0.00	7,568	0	0	7,568
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$15,792)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$15,792)</b>	<b>0.00</b>	<b>(\$11,764)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$11,764)</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 3 - Inflation Deflation -

The legislature adopted adjustments generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

**New Proposals**

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5 - Inmates Approaching Parole or Discharge	1.00	109,529	0	0	109,529	1.00	106,729	0	0	106,729
DP 333 - Adjustment to Inflation	0.00	(1,660)	0	0	(1,660)	0.00	(1,892)	0	0	(1,892)
DP 402 - ACA Accreditation (RST/BIEN/OTO)	0.00	15,000	0	0	15,000	0.00	15,000	0	0	15,000
DP 555 - Additional Vacancy Savings	0.00	(9,658)	0	0	(9,658)	0.00	(9,691)	0	0	(9,691)
<b>Total</b>	<b>1.00</b>	<b>\$113,211</b>	<b>\$0</b>	<b>\$0</b>	<b>\$113,211</b>	<b>1.00</b>	<b>\$110,146</b>	<b>\$0</b>	<b>\$0</b>	<b>\$110,146</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5 - Inmates Approaching Parole or Discharge -

The legislature adopted additional general fund for a 1.00 FTE data analyst to perform analyses regarding contracted nonprofit entities establishing and maintaining prerelease centers for the purpose of preparing inmates who are within 14 months of parole eligibility or discharge for release into the community.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 402 - ACA Accreditation (RST/BIEN/OTO) -

The legislature adopted additional one-time-only general fund authority for the Board of Pardons and Parole. This appropriation is contingent upon the board first receiving its correctional certification through the American Correctional Association (ACA).

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.