

Greenbook

LBO Analysis of Enacted Budget

Department of Rehabilitation and Correction

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Attachment:

 Appropriation Spreadsheet

LBO Greenbook

Department of Rehabilitation and Correction

Quick look...

- The Department of Rehabilitation and Correction (DRC) operates 25 correctional institutions and contracts with three privately operating facilities to house a total of 49,000-plus offenders, and supervises 35,000-plus offenders who are under supervision in the community by the Adult Parole Authority.
- The budget appropriates a total of \$3.9 billion for the FY 2020-FY 2021 biennium, of which \$3.8 billion, or 96%, is appropriated from the General Revenue Fund (GRF).
- Personal services/payroll is likely to constitute the largest biennial spending category, accounting for approximately 60%, or \$2.3 billion, to pay for an estimated total staff of 12,462.

Fund Group	FY 2018 Actual	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
General Revenue (GRF)	\$1,732,198,252	\$1,792,279,001	\$1,843,040,272	\$1,914,273,370
Dedicated Purpose (DPF)	\$15,663,390	\$18,335,150	\$18,140,184	\$18,545,000
Internal Service Activity (ISA)	\$40,089,740	\$47,052,431	\$53,458,957	\$52,845,000
Federal (FED)	\$1,559,103	\$1,292,960	\$2,016,734	\$1,990,000
Total	\$1,789,510,485	\$1,858,959,541	\$1,916,656,147	\$1,987,653,370
% change	--	3.9%	3.1%	3.7%
<i>GRF % change</i>	--	3.5%	2.8%	3.9%

Overview

Agency overview

The Department of Rehabilitation and Correction (DRC) can be viewed as the administrator of a felony sanctioning system comprised of three relatively distinct components: (1) reception centers where inmates are assessed and assigned to the appropriate correctional institution, (2) a large, multi-location physical plant in which inmates are housed, secured, and serviced, and (3) a variety of release mechanisms through which inmates are returned to the community, including potential supervision and control by the state Adult Parole Authority (APA). The Department also manages a system of community control sanctions (supervision and control services, halfway house beds, diversion programs, and community-based correctional facility subsidies) that provide judges with a range of sentencing options that reduce or eliminate the time that offenders spend in prison or jail.

Appropriation summary

The budget appropriates a total of \$1.9 billion in FY 2020 and just under \$2.0 billion in FY 2021. The Department relies primarily on GRF funding, which constitutes 96.2% of its funding for the FY 2020-FY 2021 biennium, to manage the offender population of nearly 49,000 within a system of 27 prisons. The remainder of the Department's funding comes from the Internal Service Activity Fund Group (2.7%), the Dedicated Purpose Fund Group (0.9%), and the Federal Fund Group (0.1%).

In each year of the FY 2020-FY 2021 biennium, the Department's appropriations are expected to be generally allocated as follows: 60% for personal services (wages, salaries, fringe benefits, and payroll check off charges), 15% for purchased personal services, 12% for supplies and maintenance, 8% for subsidies, and 4% for debt service. The remaining 1% is expected to be allocated for a mix of goods and services for resale; equipment; judgments, settlements, and bonds; and transfers and nonexpense.

Staffing levels

The Department's appropriations are expected to support an estimated 12,462 full-time equivalent (FTE) staff, a number that includes 232 FTEs expected to be added over the course of the FY 2020-FY 2021 biennium. In terms of activities and services, staff are expected to be generally allocated as follows: institutional operations (90%), parole (6%), and program management (4%). Approximately 98% of the Department's FTEs will be paid with money appropriated from the GRF.

Analysis of FY 2020-FY 2021 budget

Introduction

This section provides an analysis of the funding for each appropriation line item (ALI) in the Department's budget. For organizational purposes, these ALIs are grouped into four major categories based on their funding purposes. The analysis for an ALI with a lower category or subcategory designation will appear before that for an ALI with a higher category or subcategory designation. That is, the analysis for an ALI with a category designation of C1:8 will appear before the analysis for an ALI with a category designation of C2:1 and the analysis for an ALI with a category designation of C1:3 will appear before the analysis for an ALI with a category designation of C1:8.

To aid the reader in locating each ALI in the analysis, the following table shows the category in which each ALI has been placed, listing the ALIs in order within their respective fund groups and funds.

In the analysis, each ALI's actual expenditures for FY 2019 and appropriations for FY 2020 and FY 2021 are listed in a table. Following the table, a narrative describes how the appropriation is used.

Categorization of DRC's Appropriation Line Items for Analysis of FY 2020-FY 2021 Budget

Fund	ALI	ALI Name		Category
General Revenue Fund (GRF)				
GRF	501321	Institutional Operations	1:1	Institutional Operations
GRF	501405	Halfway House	2:1	Parole and Community Services
GRF	501406	Adult Correctional Facilities Lease Rental Bond Payments	4:1	Debt Service
GRF	501407	Community Nonresidential Programs	2:2	Parole and Community Services
GRF	501408	Community Misdemeanor Programs	2:3	Parole and Community Services
GRF	501501	Community Residential Programs – CBCFs	2:4	Parole and Community Services
GRF	503321	Parole and Community Operations	2:5	Parole and Community Services
GRF	504321	Administrative Operations	3:1	Program Management Services
GRF	505321	Institution Medical Services	1:2	Institutional Operations
GRF	506321	Institution Education Services	1:3	Institutional Operations
Dedicated Purpose Fund (DPF) Group				
4B00	501601	Sewer Treatment Services	1:7	Institutional Operations
4D40	501603	Prisoner Programs	1:8	Institutional Operations
4L40	501604	Transitional Control	2:6	Parole and Community Services
4S50	501608	Education Services	1:9	Institutional Operations
5AF0	501609	State and Non-Federal Awards	1:10	Institutional Operations
5H80	501617	Offender Financial Responsibility	2:7	Parole and Community Services
5T20	501610	Probation Improvement and Incentive Grants	2:8	Parole and Community Services
Internal Service Activity (ISA) Fund Group				
1480	501602	Institutional Services	1:4	Institutional Operations
2000	501607	Ohio Penal Industries	1:5	Institutional Operations
4830	501605	Leased Property Maintenance and Operating	1:6	Institutional Operations
5710	501606	Corrections Training Maintenance and Operating	3:2	Program Management Services
5L60	501611	Information Technology Services	3:3	Program Management Services
Federal Fund (FED) Group				
3230	501619	Federal Grants	3:4	Program Management Services
3CW0	501622	Federal Equitable Sharing	3:5	Program Management Services

Category 1: Institutional Operations

This category of appropriation line items provides the funding used by the Department to pay for the maintenance of buildings and contents, utilities, support services, and secure supervision for 49,000-plus inmates. The Ohio Penal Industries (OPI) provides job opportunities, work experience, and training for inmates along with offering inmate programming, including

self-help, stress management, enhancement of life skills, communication, anger control, and prerelease planning.

C1:1: Institutional Operations (ALI 501321)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 501321, Institutional Operations	\$1,091,931,102	\$1,126,589,266	\$1,167,132,362
% change	--	3.2%	3.6%

This line item primarily is used for the operation of prisons, generally costs directly associated with facility maintenance, support services, security, and unit management. The Department estimates that the line item's appropriation will support approximately 9,555 full-time equivalent (FTE) staff positions in FY 2020 and FY 2021, including some staff assigned to Program Management Services. The line item is exclusively used for operating expenses, roughly 75% of which covers personal services (wages, salaries, fringe benefits, and payroll check off charges). In the range of 3% to 4% (about \$40 million) of the line item's appropriation in each fiscal year is expected to be allocated for Program Management Services.

C1:2: Institution Medical Services (ALI 505321)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 505321, Institution Medical Services	\$273,822,245	\$283,935,623	\$295,579,451
% change	--	3.7%	4.1%

This line item is used to pay for the provision of medical services to offenders housed in the state's prison system, as well as centralized specialty acute and chronic care in affiliation with the Ohio State University Medical Center.

The Department estimates that the line item's appropriation will support 1,313 FTE staff positions in both FY 2020 and FY 2021, including some staff assigned to Program Management Services. In terms of expenses, the line item's appropriation in each fiscal year is expected generally to be allocated as follows: 55% for personal services (wages, salaries, fringe benefits, and payroll check off charges), 34% for supplies and maintenance, and 10% for purchased personal services. Around 4% (\$11 million) of the line item's appropriation in each fiscal year is expected to be allocated for Program Management Services.

The budget continues a temporary law provision that: (1) requires the Ohio State University Medical Center to provide necessary care to persons who are confined in state adult correctional facilities, and (2) authorizes the Department to request billing for medical services at established Medicaid rates.

C1:3: Institution Education Services (ALI 506321)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 506321, Institution Education Services	\$33,296,172	\$35,154,257	\$34,142,490
% change	--	5.6%	-2.9%

This line item primarily is used for the costs of fulfilling the Department's statutory mandate to establish and operate a school system that is approved and chartered by the Ohio Department of Education and designated as the Ohio Central School System. This includes the provision of basic, vocational, and postsecondary education services. The Department estimates that the line item's appropriation will support 319 FTE staff positions in each of FY 2020 and FY 2021, including some staff assigned to Program Management Services.

This line item is used exclusively for operating costs, around 90% of which is for personal services (wages, salaries, fringe benefits, and payroll check off charges). Around 9% (\$3 million) of the line item's appropriation in each fiscal year is expected to be allocated for Program Management Services.

From this line item, the budget earmarks the following:

- \$1,450,000 in each fiscal year to provide postsecondary education programs to eligible students;
- \$620,000 in each fiscal year to expand postsecondary education programming generally to security level 3 and 4 correctional institutions;
- \$329,293 in each fiscal year to pay to expand certificate offering for students eligible for postsecondary education programs to attain degree credentials in employment fields of study;
- \$192,490 in each fiscal year for the costs associated with increasing tuition for postsecondary education programming by 5%; and
- \$1,308,500 in FY 2020 for the Ashland University Correctional Education Expansion Program.

C1:4: Institutional Services (ALI 501602)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
ISA Fund 1480 ALI 501602, Institutional Services	\$2,413,084	\$2,925,000	\$2,850,000
% change	--	21.2%	-2.6%

This line item is principally used for costs incurred in providing services between departmental institutions, including the purchase of materials, supplies, and equipment, and the erection and extension of buildings used in services provided between institutions within the Department. It is supported by the Services and Agricultural Fund (Fund 1480), which

consists of money received by the Department for labor and services performed. This line item is primarily used for operating expenses, largely supplies and maintenance.

C1:5: Ohio Penal Industries (ALI 501607)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
ISA Fund 2000 ALI 501607, Ohio Penal Industries	\$40,152,315	\$47,053,957	\$46,515,000
% change	--	17.2%	-1.2%

This item supports the services and activities of the Ohio Penal Industries (OPI), which operates factories and shops in the state's correctional institutions. OPI currently operates factories and shops in 14 institutions. The line item is supported by the Ohio Penal Industries Manufacturing Fund (Fund 2000), which consists of money received by DRC from the sale of articles manufactured by OPI.

The Department estimates that the line item's appropriation will support 214 FTE staff positions in each of FY 2020 and FY 2021, including some staff assigned to Program Management Services. In terms of expenses, the line item's appropriation in each fiscal year is expected generally to be allocated as follows: 44% for personal services (wages, salaries, fringe benefits, and payroll check off charges), 39% for goods and services for resale, and 16% for supplies and maintenance. Around 1% (\$500,000) of the line item's appropriation in each fiscal year is expected to be allocated for Program Management Services.

C1:6: Leased Property Maintenance and Operating (ALI 501605)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
ISA Fund 4830 ALI 501605, Leased Property Maintenance and Operating	\$3,016,000	\$2,000,000	\$2,000,000
% change	--	-33.7%	0.0%

This line item draws its appropriation from the Property Receipts Fund (Fund 4830), which consists of rent and utility charges collected from departmental personnel who live in housing under the Department's control, and leases and cost-recovery contracts for use of departmental facilities. The money appropriated to this line item will be used to maintain approximately 30 state employee houses under the Department's control, and various departmental properties leased to local government entities. The appropriated amount in each year is intended to absorb institutional costs for supplies and maintenance that otherwise would be paid for with money appropriated from the GRF.

Under the budget, each fiscal year's appropriation is expected generally to be allocated across two of the four funding categories: Institutional Operations (95%, or \$1.9 million) and Program Management Services (5%, or \$100,000). The entirety of each fiscal year's allocation is for supplies and maintenance.

C1:7: Sewer Treatment Services (ALI 501601)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
DPF Fund 4B00 ALI 501601, Sewer Treatment Services	\$1,946,173	\$1,759,683	\$1,800,000
% change	--	-9.6%	2.3%

This line item draws its appropriation from the Correctional Institution Water and Sewage Treatment Facility Services Fund (Fund 4B00), which receives payments for institutional usage of water and/or sewage treatment services and from user contracts with political subdivisions and the Chillicothe VA Medical Center. The appropriated funds are used to pay costs associated with operating and maintaining the water or sewage treatment facility. The Department has water and/or sewage treatment facilities at six of its correctional institutions. The Department estimates that the line item's appropriation will support nine FTE staff positions in each of FY 2020 and FY 2021.

C1:8: Prisoner Programs (ALI 501603)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
DPF Fund 4D40 ALI 501603, Prisoner Programs	\$873,113	\$400,000	\$400,000
% change	--	-54.2%	0.0%

This item supports institution education and other program services not otherwise funded with GRF. It is supported with money appropriated from the Prisoner Programs Fund (Fund 4D40), which consists of revenue generated as commissions under a contract with JPay.¹ The entirety of the appropriated amount in each fiscal year is expected to be allocated for supplies and maintenance.

C1:9: Education Services (ALI 501608)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
DPF Fund 4S50 ALI 501608, Education Services	\$4,182,359	\$4,546,081	\$4,660,000
% change	--	8.7%	2.5%

This line item's appropriation is supported by cash transfers from the Ohio Department of Education for institutional education services, specifically special education, adult high

¹ JPay is a private sector corrections-related service provider that contracts with state corrections departments, county jails, and private federal prisons to provide technologies and services including money transfers, email services, video visitation, and parole and probation payments to approximately 1.5 million inmates throughout 35 states.

school, vocational education, and GED testing. The Department estimates that the line item's appropriation will support 34 FTE staff positions in each of FY 2020 and FY 2021, including some staff assigned to Program Management Services. In terms of expenses, the line item's appropriation in each fiscal year is expected generally to be allocated as follows: 82% for personal services (wages, salaries, fringe benefits, and payroll check off charges), and 16% for supplies and maintenance. Around 20% (close to \$1 million) of the line item's appropriation in each fiscal year is expected to be allocated for Program Management Services.

C1:10: State and Non-Federal Awards (ALI 501609)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
DPF Fund 5AF0 ALI 501609, State and Non-Federal Awards	\$1,049,413	\$1,375,000	\$2,375,000
	% change	--	31.0%
			72.7%

This line item supports various departmental expenses. Its appropriation is supported by money appropriated from the State and Non-Federal Awards Fund (Fund 5AF0), which consists of revenue collected from scrap and salvage materials sales, recycling and energy conservation programs, and transfers and grants from other state agencies. Revenues have increased recently, in part due to a greater emphasis on recycling in the prisons, and the full implementation of the demand response electric program.² The Department also receives a victim assistance grant of \$10,000 each year from the Attorney General for expenses incurred while attending parole hearings. This line item is used exclusively for operating expenses, primarily supplies and maintenance. A portion of this line item is also allocated for Program Management Services.

Category 2: Parole and Community Services

This funding category includes the money used to pay for the provision of community supervision for felony offenders, victim services, and programs that fund community correction options as alternatives to prison and jail. Community Corrections Act (CCA) programs are designed to divert nonviolent offenders away from prisons and jails and into community-based sanctions. The sanction continuum includes electronic house arrest, day reporting, and intensive supervision.

² Demand response (also known as load response) is the ability for qualifying end-use commercial customers to reduce their use of electricity when wholesale prices are high or the reliability of the electric grid is threatened. In turn, customers who participate receive discounted rates.

C2:1: Halfway House (ALI 501405)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 501405, Halfway House	\$67,152,791	\$69,440,618	\$74,922,786
% change	--	3.4%	7.9%

This line item is used to pay for the costs of the community residential program that provides supervision and treatment services for offenders released from state prisons, referred by courts of common pleas, or sanctioned because of a violation of conditions of supervision. Funds are primarily used to pay for 2,300-plus contracted halfway house beds, including services such as drug and alcohol treatment, electronic monitoring, job placement, educational programs, and specialized programs for sex offenders and mentally ill offenders. Other programs funded with this money include community residential centers, permanent supportive housing, community transitional housing, treatment transfer, and electronic monitoring.

C2:2: Community Nonresidential Programs (ALI 501407)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 501407, Community Nonresidential Programs	\$51,842,412	\$59,410,711	\$61,966,863
% change	--	14.6%	4.3%

This line item is distributed in the form of grants to counties to operate intensive supervision and other community sanctions programming for felony offenders in lieu of prison or jail commitments. In general, the purpose of the community nonresidential program is to provide the judges of the courts of common pleas with sentencing alternatives for felony offenders, such as intensive supervision, day reporting, work release, community service, counseling, drug testing, and electronic monitoring. During FY 2018, the available appropriation supported approximately 159 programs in 51 counties providing community-based sanctions for nearly 12,739 offenders.

Targeting Community Alternatives to Prison

During the FY 2018-FY 2019 biennium, the Department began allocating a portion of the money appropriated to this line item for the “Targeting Community Alternatives to Prison” (T-CAP) Program, the purpose of which is to fund community alternatives to prison. In FY 2019, a total of \$32.1 million was distributed to 56 counties.

This program focuses on offenders who are sentenced to 12 months or less for nonviolent, nonsex, nonmandatory felony 5 offenses, and whose criminal history does not include any prior violent felony, sex offense, or felony 5 drug trafficking convictions. Many of these offenders have violated the terms of their probation and, under current law, could be sent to prison.

The budget removes the permanent law requirement that qualifying offenders from one of the ten most populous counties are prohibited from serving a term of incarceration in any state prison facility under the control of the Department.³ The program will continue in FY 2020 and FY 2021 only for counties that elect to participate. For the FY 2020-FY 2021 biennium, the counties receiving T-CAP grant funding have agreed to supervise, treat, and sanction these targeted offenders locally using a mix of community-based sanctions that range from supervision and electronic home monitoring to, when deemed necessary, local incarceration, including placement in a community-based correctional facility (CBCF).

Probation Improvement and Incentive Grants

During the FY 2018-FY 2019 biennium, the Department distributed 76 Probation Improvement and Incentive Grants totaling \$26.7 million to a mix of courts of common pleas, municipal courts, county probation departments, and CBCFs. The purpose of the funding is to further enhance probation services for the purpose of reducing the number of low-level felony and community control violators being sent to prison.⁴ Money for this purpose was drawn from three line items: (1) GRF ALI 501407, Community Nonresidential Programs, (2) GRF ALI 501408, Community Misdemeanor Programs, and (3) DPF Fund 5TZ0 ALI 501610, Probation Improvement and Incentive Grants. This practice is expected to continue during the FY 2020-FY 2021 biennium.

C2:3: Community Misdemeanor Programs (ALI 501408)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 501408, Community Misdemeanor Programs	\$9,356,800	\$9,356,800	\$9,356,800
% change	--	0.0%	0.0%

This line item is distributed in the form of grants to counties and cities to operate pretrial release, probation, or other local programs for misdemeanor offenders in lieu of confinement in jail. Jail diversion programs include, but are not limited to, intensive supervision, standard probation, electronic monitoring, drug testing, day reporting, work release, and community service. In FY 2018, this line item funded 141 programs in 84 counties, and provides alternatives to confinement for around 18,970 offenders.

³ The ten most populous counties are Franklin, Cuyahoga, Hamilton, Summit, Montgomery, Lucas, Butler, Stark, Lorain, and Mahoning.

⁴ Probation Improvement and Incentive Grants (PIIG) have been renamed as Justice Reinvestment and Incentive Grants (JRIG).

C2:4: Community Residential Programs – CBCFs (ALI 501501)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 501501, Community Residential Programs – CBCFs	\$78,550,841	\$83,072,332	\$84,758,355
% change	--	5.8%	2.0%

This line item is used to pay for subsidies that fund the operation of CBCFs, which can be formed by counties or groups of counties with populations of 200,000 or more. These facilities divert nonviolent felony offenders from state prison and are operated by facility governing boards, which are advised by judicial advisory boards. The state provides 100% of the financing for the construction, renovation, maintenance, and operation of these residential facilities, each of which house up to 200 felony offenders and offer services such as education, job training, and substance abuse treatment as an alternative to incarceration in state prison. There are 18 operational CBCFs providing beds to all 88 counties. The total number of available CBCF beds in FY 2019 was 2,680, permitting the diversion of more than 7,700 felony offenders annually with an average length of stay of three to four months. Under the budget, the Department projects a similar level of CBCF services in FY 2020 and FY 2021. The budget also added \$2,970,000 in FY 2020 and \$3,053,977 in FY 2021 to the line item and earmarked it to support CBCF staff retention.

C2:5: Parole and Community Operations (ALI 503321)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 503321, Parole and Community Operations	\$84,021,881	\$86,373,348	\$88,673,763
% change	--	2.8%	2.7%

This line item supports the operating expenses of the Department's Division of Parole and Community Services, which provides offender release and community supervision services, community sanctions assistance, and victim services.

The Department estimates that the line item's appropriation will support approximately 809 FTE staff positions in FY 2020 and FY 2021, including some staff assigned to Program Management Services. The line item is almost exclusively used for operating expenses, roughly 90% of which covers personal services (wages, salaries, fringe benefits, and payroll check off charges). In the range of 13% (about \$11 million) of the line item's appropriation in each fiscal year is expected to be allocated for Program Management Services.

The budget earmarks \$250,000 of this line item in each fiscal year to create and implement a program to award grants to at least one nonprofit organization that operates reentry employment programs that meet certain criteria, and requires the DRC to establish guidelines, procedures, grant application forms, and outcome-based criteria for performance evaluation.

C2:6: Transitional Control (ALI 501604)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
DPF Fund 4L40 ALI 501604, Transitional Control	\$1,950,000	\$2,449,420	\$2,450,000
% change	--	25.6%	0.0%

This line item supports the Department's Transitional Control Program, which closely monitors a prisoner's adjustment to community supervision during the final 180 days of their confinement. The program is funded with money appropriated from the Transitional Control Fund (Fund 4L40), which consists of fees paid by offenders for reasonable expenses incurred by the Department in supervising or confining the prisoner while in the Transitional Control Program. The reimbursement rate is an amount up to 25% of the prisoner's total gross income. The program emphasizes providing offenders with resources for employment, education, vocational training, and treatment so they may more successfully transition back into their communities. In FY 2018, the Transitional Control Program provided services for 4,062 offenders. The Department expects to continue providing FY 2019 levels of services and activities supported by this line item in the FY 2020-FY 2021 biennium. This line item is used primarily for supplies and maintenance, with the remainder used for purchased personal services. A relatively small portion of this line item is also expected to be allocated for Program Management Services.

C2:7: Offender Financial Responsibility (ALI 501617)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
DPF Fund 5H80 ALI 501617, Offender Financial Responsibility	\$2,746,217	\$2,610,000	\$1,860,000
% change	--	-5.0%	-28.7%

This line item is principally used in the Department's parole and community service operations for nonresidential services and residential programs, and secondarily used in support of institutional operations, most notably medical services. This line item is supported with money appropriated from the Offender Financial Responsibility Fund (Fund 5H80), which consists of \$2 inmate copayments for voluntary sick calls, offender community supervision fees, and \$1 per month for electricity charged to inmates registered to use electrical devices such as televisions.

C2:8: Probation Improvement and Incentive Grants (ALI 501610)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
DPF Fund 5TZ0 ALI 501610, Probation Improvement and Incentive Grants	\$4,999,827	\$5,000,000	\$5,000,000
% change	--	0.0%	0.0%

This line item is used to supplement the Department's existing Probation Improvement and Incentive Grant Program, which is primarily financed with money appropriated to GRF line item 501407, Community Nonresidential Programs. The budget requires the money to be allocated to municipalities as grants with an emphasis on: (1) providing services to offenders addicted to opiates and other illegal substances, and (2) supplementing the programs and services funded by grants distributed from GRF line item 501407.

Money for these grants is appropriated from the Targeted Addiction Program Fund (Fund 5TZ0). For the FY 2020-FY 2021 biennium, the fund's revenue will consist of up to \$57.5 million transferred from the GRF. This revenue will be appropriated, in order of magnitude, for use by the Department of Mental Health and Addiction Services (\$44 million), the Department of Rehabilitation and Correction (\$10 million), the Department of Health (\$2 million), and the Department of Job and Family Services (\$1.5 million).

Category 3: Program Management Services

This funding category includes line items that pay for the services and activities that provide centralized leadership, oversight, and coordination for all departmental operations. This includes the Office of the Director, Office of Human Resources (personnel, employee relations, training/assessment center, and labor relations), Public Information Office, Legal Services Division, Office of the Chief Inspector, Office of Prisons, Office of Administration (business administration; penal industries; information and technology services; and construction, activation, and maintenance), Legislative Office, and the Office of Policy and Offender Reentry.

C3:1: Administrative Operations (ALI 504321)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 504321, Administrative Operations	\$26,184,809	\$24,909,617	\$24,800,000
% change	--	-4.9%	-0.4%

This line item is used to pay the operating expenses of the Department's administrative component, specifically Central Office, which oversees institutional, parole and community service operations, and the Corrections Training Academy. The Department estimates that the line item's appropriation will support approximately 194 FTE staff positions in FY 2020 and FY 2021. The line item is exclusively used for operating expenses, roughly 90% of which covers personal services (wages, salaries, fringe benefits, and payroll check off charges).

C3:2: Corrections Training Maintenance and Operating (ALI 501606)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
ISA Fund 5710 ALI 501606, Corrections Training Maintenance and Operating	\$255,086	\$980,000	\$980,000
% change	--	284.2%	0.0%

This line item supports expenses associated with the operation of the Department's Corrections Training Academy (CTA), which provides training to individuals charged with the security of DRC offenders and other law enforcement agencies. It is supported with money charged to individuals from outside the Department for training provided by CTA. This line item is used exclusively for operating expenses, primarily supplies and maintenance. A portion of this line item is also expected to be allocated for Institutional Operations.

C3:3: Information Technology Services (ALI 501611)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
ISA Fund 5L60 ALI 501611, Information Technology Services	\$1,215,543	\$500,000	\$500,000
% change	--	-58.9%	0.0%

This line item is used to pay for the multi-year costs associated with information technology (IT) system upgrades and enhancements. Its revenue stream consists of prorated charges assessed to each departmental unit that benefits from IT upgrades and enhancements. The entirety of each fiscal year's appropriation is expected to be allocated for supplies and maintenance.

C3:4: Federal Grants (ALI 501619)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
FED Fund 3230 ALI 501619, Federal Grants	\$1,290,230	\$1,566,734	\$1,540,000
% change	--	21.4%	-1.7%

This line item is used to expend federal grants serving various purposes, mostly in the areas of education, criminal justice, and food and nutrition assistance. Under the budget, each fiscal year's appropriation is expected to be allocated, in order of magnitude, across three of the four funding categories: Program Management Services, Parole and Community Services, and Institutional Operations. The table below summarizes those allocations.

Federal Grants Line Item Allocation by Funding Category, FY 2020-FY 2021				
Funding Category	FY 2020	% of Total	FY 2021	% of Total
Program Management	\$826,242	52.7%	\$815,000	52.9%
Parole/Community Services	\$690,492	44.1%	\$675,000	43.8%
Institutional Operations	\$50,000	3.2%	\$50,000	3.2%
Total	\$1,556,734	100.0%	\$1,540,000	100.0%

In terms of types of expenses, the line item's total appropriation in each fiscal year generally is expected to be allocated as follows: 41% for purchased personal services, 24% for supplies and maintenance, 20% for personal services, 13% for subsidies, and 2% for equipment.

C3:5: Federal Equitable Sharing (ALI 501622)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
FED Fund 3CW0 ALI 501622, Federal Equitable Sharing	\$2,730	\$450,000	\$450,000
% change	--	16,381.8%	0.0%

This line item generally is intended to pay expenses associated with the APA, specifically training and equipment. It is supported with money appropriated from the Federal Equitable Sharing Fund (Fund 3CW0), which consists of payments the APA receives from the U.S. Department of Justice for its participation in operations conducted by the U.S. Marshals Service. In each fiscal year, this line item's appropriation is expected to be allocated between two of the four funding categories – Program Management Services and Parole and Community Services – and generally used to pay for a mix of supplies and maintenance and equipment.

Category 4: Debt Service

This funding category includes money appropriated to retire bond debt related to various capital improvements projects financed through the Adult Correctional Building Fund (Fund 7027).

C4:1: Adult Correctional Facilities Lease Rental Bond Payments (ALI 501406)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 501406, Adult Correctional Facilities Lease Rental Bond Payments	\$76,119,949	\$64,797,700	\$72,940,500
% change	--	-14.9%	12.6%

This line item is used to pay the state's debt service for its obligations incurred as a result of issuing bonds that cover the Department's capital appropriations. The money made available as a result of these bonds have financed the design, construction, renovation, and rehabilitation of various departmental capital projects, as well as the construction and renovation costs associated with local projects (community-based correctional facilities and jails). The appropriation authority and actual spending levels are set and controlled by the Office of Budget and Management, and not by the Department.

FY 2020 - FY 2021 Final Appropriations

All Fund Groups

Line Item Detail by Agency			Appropriations			FY 2019 to FY 2020	Appropriations	FY 2020 to FY 2021
			FY 2018	FY 2019	FY 2020	% Change	FY 2021	% Change
Report For: Main Operating Appropriations Bill			Version: As Enacted					
DRC Department of Rehabilitation and Correction								
GRF	501321	Institutional Operations	\$ 1,041,146,324	\$ 1,091,931,102	\$ 1,126,589,266	3.17%	\$ 1,167,132,362	3.60%
GRF	501405	Halfway House	\$ 65,485,127	\$ 67,152,791	\$ 69,440,618	3.41%	\$ 74,922,786	7.89%
GRF	501406	Adult Correctional Facilities Lease Rental Bond Payments	\$ 76,130,283	\$ 76,119,949	\$ 64,797,700	-14.87%	\$ 72,940,500	12.57%
GRF	501407	Community Nonresidential Programs	\$ 53,136,480	\$ 51,842,412	\$ 59,410,711	14.60%	\$ 61,966,863	4.30%
GRF	501408	Community Misdemeanor Programs	\$ 9,340,945	\$ 9,356,800	\$ 9,356,800	0.00%	\$ 9,356,800	0.00%
GRF	501501	Community Residential Programs - Community Based Correctional Facilities	\$ 78,512,554	\$ 78,550,841	\$ 83,072,332	5.76%	\$ 84,758,355	2.03%
GRF	503321	Parole and Community Operations	\$ 80,986,430	\$ 84,021,881	\$ 86,373,348	2.80%	\$ 88,673,763	2.66%
GRF	504321	Administrative Operations	\$ 22,665,347	\$ 26,184,809	\$ 24,909,617	-4.87%	\$ 24,800,000	-0.44%
GRF	505321	Institution Medical Services	\$ 271,854,391	\$ 273,822,245	\$ 283,935,623	3.69%	\$ 295,579,451	4.10%
GRF	506321	Institution Education Services	\$ 32,940,371	\$ 33,296,172	\$ 35,154,257	5.58%	\$ 34,142,490	-2.88%
General Revenue Fund Total			\$ 1,732,198,252	\$ 1,792,279,001	\$ 1,843,040,272	2.83%	\$ 1,914,273,370	3.86%
4B00	501601	Sewer Treatment Services	\$ 1,835,980	\$ 1,946,173	\$ 1,759,683	-9.58%	\$ 1,800,000	2.29%
4D40	501603	Prisoner Programs	\$ 188,840	\$ 873,113	\$ 400,000	-54.19%	\$ 400,000	0.00%
4L40	501604	Transitional Control	\$ 1,758,578	\$ 1,950,000	\$ 2,449,420	25.61%	\$ 2,450,000	0.02%
4S50	501608	Education Services	\$ 4,318,104	\$ 4,182,359	\$ 4,546,081	8.70%	\$ 4,660,000	2.51%
5AF0	501609	State and Non-Federal Awards	\$ 728,388	\$ 1,049,413	\$ 1,375,000	31.03%	\$ 2,375,000	72.73%
5H80	501617	Offender Financial Responsibility	\$ 1,942,136	\$ 2,746,217	\$ 2,610,000	-4.96%	\$ 1,860,000	-28.74%
5TZ0	501610	Probation Improvement and Incentive Grants	\$ 4,891,365	\$ 4,999,827	\$ 5,000,000	0.00%	\$ 5,000,000	0.00%
5UB0	501612	Institution Addiction Treatment Services	\$ 0	\$ 588,047	\$ 0	-100.00%	\$ 0	N/A
Dedicated Purpose Fund Group Total			\$ 15,663,390	\$ 18,335,150	\$ 18,140,184	-1.06%	\$ 18,545,000	2.23%
1480	501602	Institutional Services	\$ 2,692,981	\$ 2,413,084	\$ 2,925,000	21.21%	\$ 2,850,000	-2.56%
2000	501607	Ohio Penal Industries	\$ 36,360,370	\$ 40,152,315	\$ 47,053,957	17.19%	\$ 46,515,000	-1.15%
4830	501605	Leased Property Maintenance and Operating	\$ 464,314	\$ 3,016,403	\$ 2,000,000	-33.70%	\$ 2,000,000	0.00%
5710	501606	Corrections Training Maintenance and Operating	\$ 315,524	\$ 255,086	\$ 980,000	284.18%	\$ 980,000	0.00%
5L60	501611	Information Technology Services	\$ 256,551	\$ 1,215,543	\$ 500,000	-58.87%	\$ 500,000	0.00%
Internal Service Activity Fund Group Total			\$ 40,089,740	\$ 47,052,431	\$ 53,458,957	13.62%	\$ 52,845,000	-1.15%
3230	501619	Federal Grants	\$ 1,132,059	\$ 1,290,230	\$ 1,566,734	21.43%	\$ 1,540,000	-1.71%

FY 2020 - FY 2021 Final Appropriations

All Fund Groups

Line Item Detail by Agency			Appropriations		FY 2019 to FY 2020	Appropriations	FY 2020 to FY 2021	
			FY 2018	FY 2019	FY 2020	% Change	FY 2021	% Change
DRC Department of Rehabilitation and Correction								
3CW0	501622	Federal Equitable Sharing	\$ 427,043	\$ 2,730	\$ 450,000	16,381.77%	\$ 450,000	0.00%
Federal Fund Group Total			\$ 1,559,103	\$ 1,292,960	\$ 2,016,734	55.98%	\$ 1,990,000	-1.33%
Department of Rehabilitation and Correction Total			\$ 1,789,510,485	\$ 1,858,959,541	\$ 1,916,656,147	3.10%	\$ 1,987,653,370	3.70%